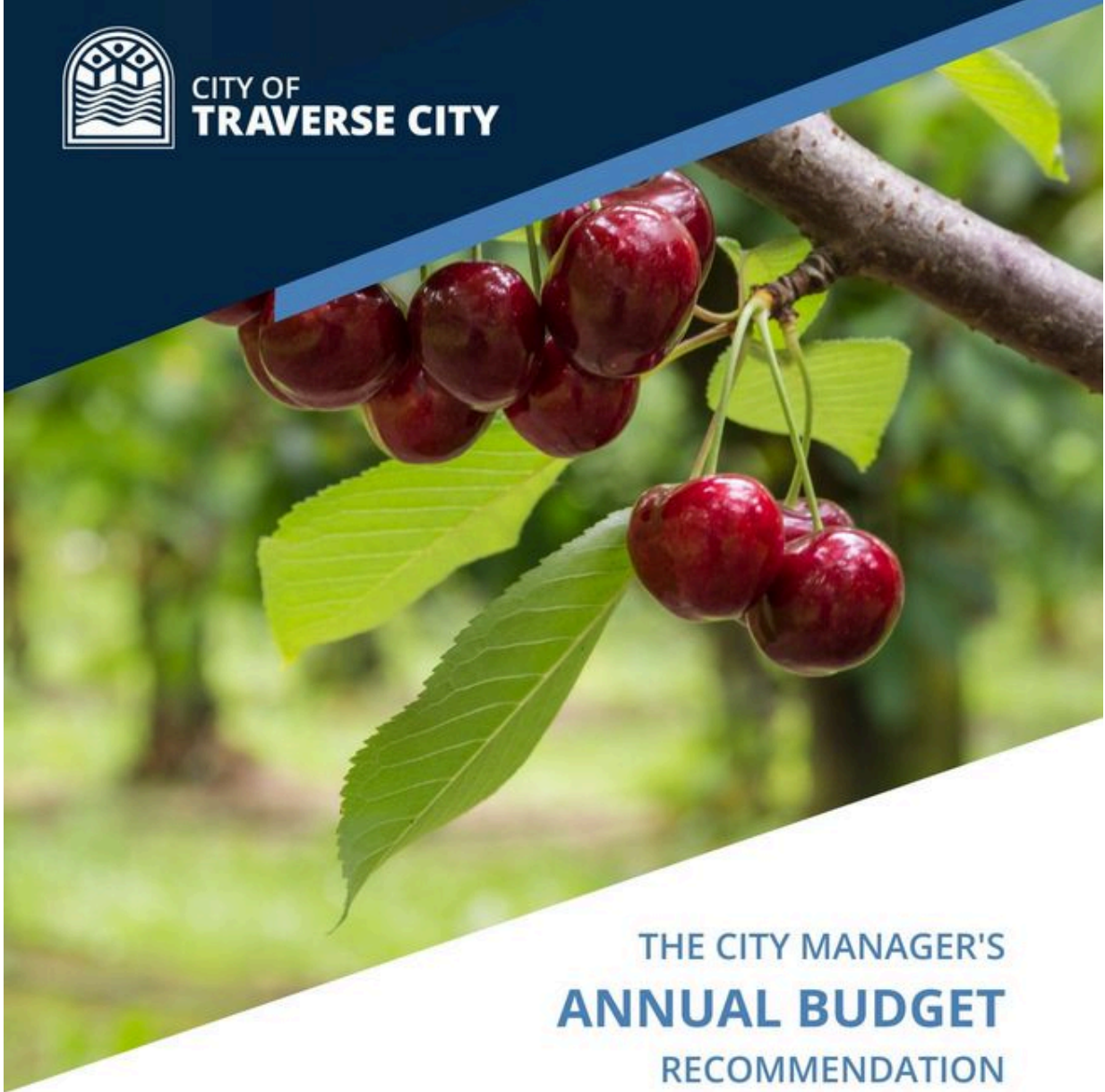




CITY OF  
**TRAVERSE CITY**



THE CITY MANAGER'S  
**ANNUAL BUDGET**  
RECOMMENDATION  
**FY 2025-2026**

Prepared by the City Treasurer's Office



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# 2025-2026 Budget Reader's Guide

Welcome to the City of Traverse City's Annual Operating Budget for the fiscal year beginning July 1, 2025, and ending June 30, 2026. Thank you for taking the time to learn about the appropriation of resources within the City of Traverse City. Hopefully, the time you invest in familiarizing yourself with this information will be time well spent. If you have historically reviewed our budget, you'll notice this year's format is much different than how it has been presented in the past. The City is committed to transparency and accountability in serving the citizens, businesses, and industries of the Traverse City community. This brief "Budget Reader's Guide" will help you understand this robust document as well as introduce you to the process that has led to its production.



## Financial Structure Overview

The City (the "City") was incorporated in 1895. The City operates under a commission-manager form of government and provides services as authorized by its charter.

The City of Traverse City organizes its finances through a system of distinct "funds," each operating like a separate entity with its own balanced budget. This structure ensures transparency and accountability in how public resources are managed.

The General Operating Fund, or **General Fund**, serves as the City's primary operating fund and supports essential services that residents commonly associate with local government. These include police and fire protection, tax collection, elections, administrative operations, parks maintenance, and community planning and zoning. A full section of this document is dedicated to detailing the General Fund.

Under the **GASB 54 and Special Revenue Funds**, the City accounts for core services not covered by the General Fund. This includes street and right-of-way maintenance, the City Opera House, Brown Bridge Maintenance, the Senior Center, the Public Arts Commission, and more. Additionally, the **Fire Department** has been moved to a dedicated **Fire/EMS Fund** to align with a new voter-approved millage. The cost not recovered by the millage is supplemented by an annual General Fund appropriation. Information about the City's debt obligations is found in the **Debt Funds** section.

The **Enterprise Funds** section includes services that are largely self-funded through user fees. These cover operations such as Auto Parking, Clinch Park Marina, Hickory Hills, Water Delivery, and Wastewater Treatment. Each of these funds tracks revenues and expenses separately, allowing for more precise cost analysis.

New to the **2025/26 budget**, a **GIS/Information Technology Fund** has been established under **Internal Service Funds**. This reflects the City's growing investment in cybersecurity, data systems, and operational efficiency.

## Basis of Budgeting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund and permanent fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources' measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

## The Budget Cycle



The City of Traverse City has developed a comprehensive, year-round budgeting process that ensures funding and appropriation decisions are based on thorough analysis and broad input. This 12-month cycle begins with the development of the Capital Improvement Plan (CIP) and concludes with an independent financial audit—completing the financial planning and accountability loop.

**Capital Improvement Plan** - In late fall each year, work begins on a 6-year capital improvement plan, or CIP. This plan lays out projects with a cost greater than \$50,000 and a useful life of more than one year. While inclusion in the CIP does not guarantee funding, it establishes a long-term framework for strategic capital investment. This forward-looking approach is especially important given ongoing funding challenges. The public is encouraged to provide input during this stage, and the finalized plan is adopted by the City Planning Commission and formally submitted to the City Commission.

**Annual Operating Budget** - The City of Traverse City Charter requires that the annual operating budget is approved no later than the first meeting in June. The operating budget will appropriate all resources that will flow through the City, matching expenditures with various sources of revenue. The current year's items from the CIP, that are recommended by the City manager, roll into the annual operating budget. As the CIP is wrapping up, the departmental budget is kicking off. Beginning in February, the departments start entering and identifying budget requests. In March, the City Manager and Treasurer's office review the requests with department heads, attempt to identify funding and make recommendations to develop a balanced budget. In May, the Administration and the Treasurer's office bring the summarized budget request to the City Commission for review and discussion, highlighting requested items recommended for approval and offering the opportunity to argue for items not recommended for approval. This process culminates in the document that you now hold in your hand which must be adopted by the City Commission.

**Annual Independent Audit** - Each year, the city retains an independent auditing firm to review the financial reports of the City and express an opinion on whether they fairly and adequately report the financial activities of the City. The results of this process are a vital part of the planning and budgeting process, as actual results are analyzed and compared with what was budgeted and appropriated. Any variances are closely analyzed, and necessary adjustments are made in subsequent planning efforts.

The City of Traverse City is dedicated to responsible financial stewardship. Every phase of the budgeting and reporting process is designed to be transparent and accountable to the public. By engaging stakeholders, maintaining rigorous internal review, and upholding independent oversight, the City ensures that taxpayer resources are managed effectively and in the best interest of the community.

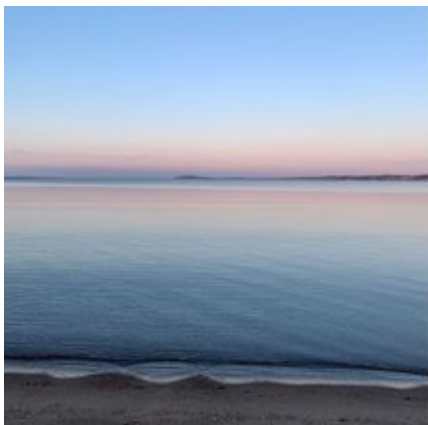
## Discretely Presented Component Units

The City has adopted the position of the Governmental Accounting Standards Board (GASB) regarding the definition of the "reporting entity". The following component units are included in the City's reporting entity.

**Downtown Development Authority (the "DDA")** - Includes the DDA General Fund, the Tax Incremental Financing District #97, and the Old Town Tax Incremental Financing District Special Revenue Funds. Effective 7/1/2024 the City took over parking services from the DDA, that activity is reported under Enterprise funds.

**Traverse City Light and Power (the "Department")** - Includes the Light and Power Enterprise Fund and the Fiber Enterprise Fund

These discretely presented component units are legally separate, and while the City is not responsible for the operations of the entities, the City is financially accountable for them. In addition, the City appoints the DDA's Board of Trustees and the Department's Board of Directors. The budgets of these entities must be approved by the City Commission and the City has the ability to influence their operations.



## Traverse City: A Brief History

Traverse City, situated at the head of Grand Traverse Bay in Northern Michigan, is a community rooted in both natural beauty and rich cultural history. The area is part of the ancestral and contemporary lands of the **Anishinaabe people**, including the **Grand Traverse Band of Ottawa and Chippewa Indians**, who have lived on and cared for this land for generations. Their enduring presence continues to shape the region's identity and cultural landscape.



**Grand Traverse Bay** received its name from 18th-century French voyageurs who referred to their route across the mouth of the bay—from present-day Norwood to Northport—as *la grande traverse*, meaning “the long crossing.” Originally French territory, the area later became part of the British Province of Quebec before being ceded to the United States in 1783 following the Treaty of Paris, becoming part of the Northwest Territory.

Modern settlement began in **1847**, when **Captain Horace Boardman** of Naperville, Illinois, purchased land at the mouth of the Boardman River (then known as the Ottawa River). Along with his son and their employees, he built a home and a sawmill near the river’s mouth. In **1851**, the sawmill was sold to **Hannah, Lay & Co.**, a firm led by **Perry Hannah**, who significantly expanded its operations. This growth spurred the development of the surrounding community, and Perry Hannah is now widely regarded as the **founding father of Traverse City**.

From its Indigenous roots and French exploration to its rise as a milling town, Traverse City has evolved into a dynamic hub for culture, tourism, and civic life—while continuing to honor its past and the people who have shaped it.

# Executive Summary

The proposed budget for fiscal year 2025–2026 for the City of Traverse City reflects the continued commitment to transparent, strategic, and community-centered financial planning. Developed through close collaboration with department heads, it aligns fiscal resources with the City's responsibilities for providing services, public safety, and financial stability.

## Collaborative Approach

This budget is the result of detailed departmental reviews, coordination across leadership, and a long-term planning mindset. Through collaboration, the City is advancing vital services, investing in our workforce, and enhancing the infrastructure that supports Traverse City's quality of life.

## Key Budget Changes and Additions

**Proposed Staffing Additions:** In total, 18 positions were requested across departments, with several positions having been submitted and identified as critical needs over multiple prior budget cycles. The City is unable to commit to funding all requests at this time and has prioritized those positions that most directly support operational readiness and essential services. The six recommended firefighter positions are directly tied to the implementation of the City's Primary EMS Transport program, ensuring readiness to provide this new level of emergency service. These positions are funded through the millage voted through the 2023 ballot initiative. The two part-time to full-time positions are for the Water Treatment Plant Operator and Marina Dockmaster, and funded by enterprise funds. Each proposed position has been carefully evaluated based on operational necessity, regulatory requirements, and the City's capacity to sustain these roles.

- **Firefighters (Fire Department):** Six positions, supports the rollout of the City's Primary EMS Transport program, backed by voter-approved EMS millage funding.
- **Detective Sergeant (Police Department):** Strengthens oversight of complex investigations and supports consistency in evidence and case management.
- **Water Treatment Plant Operator (Department of Municipal Utilities):** Part-Time to Full-Time, Ensures regulatory compliance and consistent service delivery by converting a seasonal role to permanent.
- **Stormwater Equipment Operator (Department of Municipal Utilities):** Enhances maintenance of critical stormwater infrastructure to support environmental and regulatory responsibilities.
- **System Administrator (GIS/IT):** Supports the City's newly created Information Technology Department to enhance cybersecurity, infrastructure management, and end-user support.
- **Forestry/Parks Maintenance Worker (Parks & Recreation):** Enables proactive urban forest and parkland care in alignment with the Davey Resource Group Tree Management Plan.
- **Project Coordinator (Engineering Department):** Manages MS4 permit compliance and coordinates cross-departmental infrastructure projects.
- **Marina Dockmaster (Department of Public Services):** Part-Time to Full-Time, provides year-round oversight of marina

## Major Strategic and Capital Investments

- **Information Technology Fund Created:** Now that IT services are managed directly by the City, IT expenditures have been moved out of the General Fund into a separate Internal Service Fund. This fund is solely funded by chargebacks across all departments, with billing based on the number of computers assigned to each department. As a result, an increase in IT line items is reflected throughout all funds and departmental budgets to account for these internal service charges.
- **Streets Capital Projects Fund:** This year's budget includes a request to allocate 1% of General Fund Operating revenues, totaling \$253,400, to the Streets Capital Projects Fund to support Complete Streets initiatives. This investment is intended to enhance multimodal transportation infrastructure, improve safety, and promote accessibility throughout the city's street network.
- **Capital Projects / Streets Projects Funds:** This year's budget reflects the movement of street project funding from the Capital Projects Fund into the dedicated Streets Projects Fund to improve transparency and tracking. This fund was originally

established to account for the City's share of proceeds from the Grand Traverse County Road Commission under the voter-approved Street Improvement Millage. With the recent Chart of Accounts conversion, the 1.000 mill of the City's General Operating millage dedicated to street projects has also been moved into this fund. Consolidating all street construction funding into one fund allows for more effective oversight and reporting. Across the two funds, over \$13.7 is allocated for capital and street improvement projects.

- **North Union Street Bridge:** The City has identified the repair of the North Union Street Bridge as a priority project, marking the final phase in the rehabilitation of the City's seven vehicle bridges. Since 2021, rehabilitation has been completed on the South Cass Street, Eighth Street, Park Street, West Front Street (full replacement), and South Union Street bridges. For this final bridge, \$750,000 has been allocated to ensure its structural integrity and continued safe operation. In addition, \$200,000 is requested annually for citywide bridge maintenance to support the ongoing upkeep of this critical infrastructure.
- **Grand Traverse Recreation Authority and Commons Water System Upgrade:** This year's budget identifies \$425,000 for critical water system upgrades at the Commons, addressing low water pressure and inadequate fire flow capacity affecting the Joint Recreation Authority Barns Campus and Commons area. The existing infrastructure is insufficient to meet current and long-term needs. This project represents a collaborative effort with Garfield Township to enhance water reliability, fire protection, and support future growth in this key area.
- **Fire/EMS Department Budget Realignment:** City Fire Department activity has been moved out of the General Fund into a separate Special Revenue Fund to properly account for the new EMS millage revenue. This structure ensures clear tracking of millage-supported expenditures. Any additional expenses beyond what the millage generates will be appropriated from the General Fund to the Fire/EMS Fund to maintain full funding for fire and emergency services. Additionally, In FY 24-25, the EMS Administrator was hired to prepare for the requested six new Firefighter/EMS Transport positions to support the implementation of the City's Primary EMS Transport program.
- **Wastewater Treatment Plant Improvements:** Major improvements are planned for the City's Wastewater Treatment Plant to enhance infrastructure reliability, efficiency, and sustainability.
  1. Primary Treatment and UV Disinfection Improvements Project: This project will upgrade aging infrastructure, improve hydraulic performance, and resolve issues with the plant's UV disinfection system. A total of \$8,200,000 is allocated for design and upgrades, with funding supported by Clean Water State Revolving Fund (CWSRF) loans.
  2. Rooftop Solar & Battery Storage Project: This initiative aims to offset 10% of the plant's electrical usage through renewable energy. In 2023, the City secured a Michigan Public Service Commission (MPSC) Low Carbon Infrastructure Enhancement & Development Grant of \$1,685,479 to support the project. An additional \$733,000 is allocated in the budget to advance this work.
- **Brown Bridge Property Acquisition:** The City will complete the acquisition of the Brown Bridge property this year, with over \$3 million allocated in the budget to support the purchase of the 528-acre site. This project is funded in part by a \$2,352,200 grant from the Michigan Natural Resources Trust Fund (MNRTF). The remaining funds were authorized through a voter-approved ballot initiative in November 2023, permitting the use of Brown Bridge Trust Fund dollars to complete the acquisition.

### Retirement System Contributions

Continuing our commitment to long-term fiscal sustainability, the City is allocating an additional \$300,000 to the Municipal Employees' Retirement System (MERS), reinforcing efforts to reduce unfunded liabilities.

### Compensation Adjustments

To maintain a competitive edge in recruitment and retention, the City Manager recommends a 5% market rate increase for Administrative, Confidential, and Technical (ACT) staff, aligning with recent union agreements for GME and Police (Fire Dept. currently in negotiations).

### Conclusion

The FY 2025–2026 budget builds upon the City’s commitment to enhancing municipal services for residents by investing in service delivery, infrastructure resilience, and internal capacity. This budget reflects a continued focus on providing high-quality, reliable services that support the daily lives of our residents—ranging from safe and well-maintained streets to clean drinking water, efficient emergency response, and accessible public spaces. It positions Traverse City to meet both current and future demands while maintaining fiscal responsibility. The City is grateful for the contributions of all department heads and staff in preparing this budget and looks forward to working with the City Commission to review, refine, and implement it in the best interest of the community we serve.

# Strategic Plan

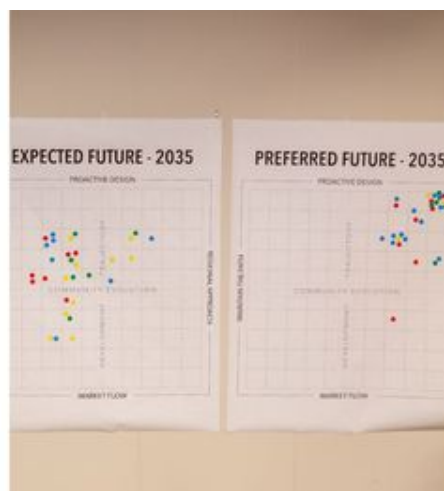
In Fall 2024, the City of Traverse City launched a Strategic Action Planning process to guide the community's long-term vision and align organizational priorities with resident values. This effort—marked by extensive community engagement and collaboration with stakeholders—is expected to culminate in a formal consideration for adoption by the City Commission in June 2025. The resulting Strategic Action Plan serves as a roadmap that extends beyond the day-to-day delivery of essential municipal services, infrastructure maintenance, and regulatory obligations. Instead, it articulates a bold vision for the City's future, encompassing initiatives that enhance community well-being, economic diversity, environmental sustainability, and regional collaboration.

While the City remains firmly committed to delivering core responsibilities—such as maintaining public safety, ensuring reliable infrastructure, administering elections, etc.—the Strategic Action Plan enables the City Commission and staff to take a more forward-thinking, coordinated approach to budgeting. By defining objectives and focus areas, the plan will support more deliberate investment decisions, ensuring that budget allocations advance both immediate operational needs and transformative community priorities.

Importantly, the City is well-positioned to begin implementing the Strategic Action Plan upon its adoption. Each year, the City's budgeting process begins in December with the Capital Improvements Planning (CIP) process, which serves as a critical foundation for aligning long-term infrastructure investments with community needs. Going forward, the City's new practice of bringing forward budget amendments on a quarterly basis will further support the flexibility needed to align budgetary resources with the evolving priorities of the Strategic Action Plan. This dynamic approach ensures that emerging opportunities and strategic objectives can be more nimbly funded and implemented throughout the fiscal year.

The planning process has identified six **Strategic Pillars** to guide Traverse City's future growth and decision-making:

- **Building a Thriving Year-Round Economy:** Enhancing business diversity and fostering innovation to promote economic resilience throughout the year.
- **Proactively Managing Urban Design:** Safeguarding the City's distinct character through intentional urban design and planning.
- **Strengthening Placemaking and Neighborhood Character:** Preserving the unique qualities of downtown and surrounding neighborhoods.
- **Fostering a Regional Collaborative Approach:** Addressing shared regional challenges, including infrastructure, utilities, and climate adaptation.
- **Building Socio-economic Systems and Amenities:** Advancing a “complete community” model with balanced demographics and accessible services.
- **Supporting Environmental Sustainability:** Promoting ecological resilience and adaptation to a changing climate.



# City Commission 2023-2025

Elected officials play a significant role in the operations of the City. They have the final adoptive authority in each process detailed in this guide. They set strategic plans into place and guide many of the decisions related to the appropriation of resources. In the picture below, from left to right are; Mayor Pro Tem Mark Wilson, MI Stanley, Mayor Amy Shamroe, Mitchell Treadwell, Tim Werner, Heather Shaw & Jackie Anderson to familiarize readers with the names and faces of the officials that have been elected to guide and direct City staff in the delivery of services.



City Commission 2023 - 2025

**Mission:** *The mission of the Traverse City 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.*

## City Commission

Amy Shamroe - Mayor

Mark Wilson - Mayor Pro Tem

Jackie Anderson - City Commissioner

Heather Shaw - City Commissioner

Mi Stanley - City Commissioner

Mitchell Treadwell - City Commissioner

Tim Werner - City Commissioner

# History of Employee count by Department

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023	2023- 2024	2024- 2025	Proposed 2025-2026
City Manager	3	3	3	3	3	3	3	3	3	3
Human Resources	2	2	2	2	2	2	2	3	3	3
City Attorney	2	2	2	2	2	2	2	2	2	2
Communications	0	0	0	0	0	0	0	0	0	1
City Engineering	6	6	7	7	7	8	8	8	8	9
Planning & Zoning	4	4	4	4	4	4	4	5	5	5
City Clerk	4	4	4	4	5	5	5	5	6	5
City Assessor	4	4	4	4	4	4	4	4	4	4
City Treasurer/Utility Accounting	10	10	10	10	10	10	10	10	10	10
Director of Public Services	1	1	1	1	1	1	1	1	1	1
Asset Management	2	2	2	2	2	2	2	2	2	2
IT/GIS Department	1	1	1	1	1	1	1	1	2	3
Marina	*0.5	*0.5	*0.5	*0.5	*0.5	0	0	0	0	1
Hickory Hills	*0.5	*0.5	*0.5	*0.5	*0.5	1	1	1	1	1
City Cemetery	1.5	1.5	1.5	1.5	1.5	1.5	2	2	2	2
Senior Center	1	1	1	1	0	0	0	0	0	0
Auto Parking	1	0	0	0	0	0	0	0	14	14
Director of Public Utilities	1	1	1	1	1	1	1	1	1	1
Water Treatment Plant	6	6	6	6	6	6	6	6	6	7
Street Department	15	15	15	15	15	16	16	16	16	17
Garage Department	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Parks & Recreation	13	13	13	13	13	13	13	13	13	14
Water & Sewer Maintenance	11	11	11	11	11	11	11	11	11	11
Police Department	30	30	30	31	31	32	34	36	37	38
Fire Department	24	24	24	26	26	26	29	29	30	36
<b>Total</b>	<b>152</b>	<b>151</b>	<b>152</b>	<b>155</b>	<b>155</b>	<b>159</b>	<b>164.5</b>	<b>168.5</b>	<b>186.5</b>	<b>199.5</b>

\*Hickory Hills and Marina position was split by 1 employee

.5 employees are part-time (Garage and Cemetery)

## Summary of Annual Personnel

Changes 2025-2026 Proposed Positions for City Commission approval: (1) Systems Administrator; (1) Forestry/Parks Maintenance Worker; (1) Water Treatment Plant Operator; (1) Marina Dockmaster; (1) Stormwater Specialist/Equipment Operator; (1) Detective Sergeant; (1) Project Coordinator; (6) Firefighter/Paramedic; Exiting Communications Manager moving from Clerk's Office to Communications Department.

2024-2025 New positions added in the fiscal year: (1) IT Support Specialist (1) EMS Administrator (1) Clerks Office Operations Coordinator (14) Parking Services

2023-2024 New positions added in the fiscal year: (1) HR Specialist; (1) Deputy Planner (1) Social Worker (1) School Officer

2022-2023 New positions added in the fiscal year: (3) Firefighters, (1) Police Social Worker (1) North Boardman Police Officer, Cemetery Office Clerk from Part-time to full-time

2021-2022 New positions added in the fiscal year: (1) FT Hickory Hills Mgr; Fire Admin Assistant; (1) Equipment Operator (1) Engineering-Cad; (made part-time Police Administrative clerk to Full-Time)

2020-2021 New positions added in the fiscal year: (1) Communications Specialist added to Clerk's Office; Senior Center Director retired (did not fill)

2019-2020 New positions added in the fiscal year: (1) DDA Community Police Officer (2) Fire Fighters

2018-2019 New positions added in the fiscal year: (Planning/Engineering Admin position was split into two full-time positions, Planning Admin and Engineering Admin)

2017-2018 New positions added in the fiscal year: (no positions added) Auto Parking Retirement (not Filled)

2016-2017 New positions added in the fiscal year: (1) HR Director; (1) GIS Coordinator; (1) Patrol Officer; (1) Fire Inspector; (1) Director of Public Utilities; (1) Forester (not filled, not included in count)



# Personnel Changes

Every year, City Leadership provides requests to the City Manager for desired positions. This year is no exception to the norm. The eighteen (18) positions that were submitted are as follows: **Fund/Budget Impact includes Wages/Fringes**

- System Administrator – GIS/IT Department
- Forestry/Parks Maintenance Worker – Parks & Recreation Department
- Water Treatment Plant Operator (Seasonal to Full-Time) – Municipal Utilities
- Marina Dockmaster (Seasonal to Full-Time) – Public Services
- Stormwater Specialist/Equipment Operator (2 Positions) – Public Services
- Detective Sergeant – Police Department
- Project Coordinator – Engineering
- FOIA Coordinator – Police Department
- Utility Engineer – Municipal Utilities
- Asset Management/GIS Junior Analyst – Public Services
- Grant Administration/CDBG Coordinator – City Leadership
- Firefighters for EMS Transportation (6 Positions) – Fire Department

On behalf of City Leadership, we respectfully submit for your consideration the approval of seven (7) new positions included in the proposed 2025/2026 budget, and an additional six (6) firefighters for the implementation of EMS primary transportation. These positions have been identified as mission-critical to support essential city operations and services.

Following a thorough review of department requests, the City Manager's Office has prioritized these roles to align with budgetary constraints while addressing key operational needs. The positions recommended for inclusion in the upcoming budget are:

## **System Administrator – GIS/IT Department - Fund 636/\$115,299**

As the City continues to expand its digital services and address growing cybersecurity demands, the newly formed I.T. Department requires dedicated technical expertise to support its infrastructure and operations. Staff is requesting approval to establish a Systems Administrator position to ensure reliable, secure, and efficient City-wide technology services.

The Systems Administrator will play a critical role in maintaining the City's IT infrastructure, including installing and configuring operating systems and software, managing network equipment, implementing security protocols, and providing end-user technical support. This position is essential to advancing the City's technology capabilities, improving system reliability, and strengthening cybersecurity posture.

The total budgeted amount for wages and fringe benefits is approximately \$115,000 and will be appropriated to Fund 636 Information Technology. The cost of wages and fringe benefits will be recovered through internal service charges to departmental Fund 636.

## **Forestry/Parks Maintenance Worker – Parks & Recreation Department - Fund 101/\$89,020**

Originally approved in the 2023/2024 budget but deferred, this position is essential to maintaining city parks, managing tree care, and supporting green space sustainability. The Parks and Recreation Division has long demonstrated its ability to provide high-quality service through a highly skilled and versatile team. However, as the City's parks system continues to grow in both size and complexity, current staffing levels are no longer sufficient to meet expanding operational demands without risking a decline in service quality or capacity.

To address this challenge, staff is requesting the addition of one full-time Urban Forestry Parks Maintenance Worker. This position is critical to supporting the City's tree management efforts, including planting, horticulture, invasive species control, and maintenance of the City's growing tree inventory. The position would also support the Parks Supervisor and Certified Arborist with data collection, monitoring, and field operations to ensure that tree maintenance efforts shift from reactive to proactive.

Traverse City maintains over 34 parks, multiple trails, seasonal amenities, and public spaces, all of which require consistent, year-round attention. The City is also committed to maintaining its Tree City USA designation, which comes with clear expectations around pruning cycles, tree health, and sustainable urban canopy growth. Currently, the tree management strategy is reactive due to limited staffing, with removals and response work often triggered by storm damage or risk rather than preventive care. The Davey Resource Group Tree Management Plan outlines best practices that the City cannot fully implement under current staffing levels, including a regular pruning cycle, weekly watering of young trees, and proactive disease mitigation.

In addition to forestry responsibilities, the requested position would also support vegetation and invasive species management, habitat protection, and general park infrastructure maintenance. Adding one full-time Urban Forestry Worker will allow the Parks Division to restore service levels, improve safety, support sustainability goals, and protect the long-term health of the City's urban forest and public spaces.

The total budgeted amount for wages and fringe benefits is approximately \$89,000 and will be appropriated to Fund 101 Department 751.

#### **Water Treatment Plant Operator (Seasonal to full-time) – Municipal Utilities - Fund 591/\$91,145**

The Water Treatment Plant is required by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to have a certified operator on duty for every shift. During peak demand months from May through October, the plant operates 24 hours a day, seven days a week. In past years, the City has relied on a temporary seasonal employee operating under a provisional license to help meet this requirement. However, it has become increasingly difficult to find reliable seasonal help, and EGLE is tightening its guidelines for issuing provisional licenses, creating additional operational challenges.

Converting this seasonal role to a full-time, EGLE-certified operator position will significantly enhance the reliability and resiliency of the City's water treatment operations. The additional operator will help maintain continuous coverage, reduce the number of solo shifts, and provide essential backup when other staff are ill or on leave—ultimately improving worker safety and system redundancy. During the lower-demand months, the operator will be assigned to maintenance duties and serve as a backup operator as needed.

Given the growing regulatory requirements and complexity of maintaining a safe and efficient drinking water system, the addition of a full-time certified operator is critical to meeting EGLE's high standards and ensuring uninterrupted delivery of clean and safe drinking water to the community.

Staff is requesting approval to convert an existing seasonal Water Treatment Plant Operator position to a full-time role for the FY2024–25 budget and beyond. The total budgeted amount for wages and fringe benefits is approximately \$91,000, to be allocated from the Water Fund 591 Department 536.

#### **Marina Dockmaster (Seasonal to Full-Time) – Public Services - Fund 594/\$57,037**

Over recent years, the City Marina has experienced sustained growth in boating activity and visitor demand. This increased use, combined with the challenges posed by aging infrastructure, has highlighted the need for consistent, year-round oversight of marina operations and facilities. The current seasonal staffing model limits the City's ability to adequately plan for and manage the marina during the off-season months, resulting in gaps in facility maintenance, deferred planning, and missed opportunities for securing outside funding.

Transitioning this role to a full-time position would provide critical continuity in operations. A year-round Dockmaster would be able to oversee winter maintenance needs, coordinate vendors and capital projects, and manage long-term infrastructure planning. This role would also support the identification and pursuit of grant funding sources essential to sustaining and improving marina facilities. Moreover, this transition would enhance operational efficiency and customer service across all boating seasons.

Converting the seasonal position to full-time will add approximately \$56,000 in wages and benefits. The fiscal impact of this change would be fully absorbed by the Marina Fund 594, which is supported by marina operations and user fees, and does not require General Fund dollars.

**Stormwater Specialist/Equipment Operator (1 Position) – Public Services - Fund101/\$89,020**

The Department of Public Services – Streets Division is requesting approval to add one full-time Stormwater Equipment Operator. This position is critical to meet the growing demands of stormwater system inspection, maintenance, and compliance.

While the City contracts annual cleaning for 1,450 City and 250 MDOT catch basins, an additional 602 catch basins require semi-annual cleaning. The City also maintains 101 storm treatment systems, 1,259 storm manholes, and 163 outfall pipes—all requiring regular inspection and maintenance. These assets continue to grow, increasing both workload and training requirements.

The division also manages stormwater runoff troughs, pedestrian bridges, creek banks, retention ponds, culverts, trash racks, and storm filters, many of which require inspection and cleaning after every major rain event and daily during heavy leaf fall. Filter systems vary in type and require specialized maintenance, including vacuuming and, in some cases, confined space entry. In winter, this position will assist with sidewalk snow removal.

These responsibilities are vital for regulatory compliance, flood prevention, water quality protection, and long-term infrastructure planning. Initially, two positions were proposed, but after reviewing staffing and budget, City Management recommends approving one position at this time to improve capacity and support the City's commitment to responsible stormwater management.

This position will be instrumental in supporting the City's commitment to responsible stormwater management, environmental stewardship, and regulatory compliance, while also ensuring that vital infrastructure is maintained effectively for the health and safety of the community.

The total budgeted amount for wages and fringe benefits is approximately \$89,000, to be funded by the General Operating Fund 101 Department 441.

**Detective Sergeant – Police Department - Fund101/\$116,351**

The Police Department respectfully requests approval to establish a full-time Police Detective Sergeant position. This working supervisory and technical role is essential to support the increasing complexity and demands of modern criminal investigations.

The Detective Sergeant will assist the Chief of Police in overseeing the operations of the Detective Bureau, providing leadership and coordination for investigative staff. This position will enhance case management, streamline evidence processing, and ensure consistent investigative practices. It will also provide direct support to Detectives on complex or unusual cases and manage related administrative responsibilities to improve overall efficiency and effectiveness.

This strategic addition will strengthen investigative oversight, improve case outcomes, and support the department's continued commitment to public safety and professional excellence.

The total budgeted amount for wages and fringe benefits is \$116,000, to be allocated from the General Operating Fund 101 Department 301.

**Project Coordinator – Engineering Department - Fund101/\$102,319**

To continue delivering high-quality service within the organization and to the community, the Engineering Department is requesting approval to add a full-time Project Coordinator position.

This role is critical to address both current and anticipated needs, particularly as the department prepares to take on additional responsibilities under the upcoming MS4 regulatory requirements from EGLE. The Project Coordinator will support the department by managing MS4 permit compliance, overseeing complex project invoicing and audits for MDOT-funded project closeouts, participating in project design meetings, managing consultant contracts and tracking project progress. The position will also coordinate efforts with internal staff and external partners across a wide range of projects, including engineering, water, wastewater, DPS, and DDA-related work.

This strategic staffing addition will strengthen the department's capacity to manage complex workloads and ensure continued service excellence.

The total budgeted amount for wages and fringe benefits is approximately \$102,000 to be allocated from the General Operating Fund 101 department 447.

#### **Firefighters for EMS Transportation (6 Positions) – Fire Department - Fund210/\$619,247**

The City is requesting approval to add six (6) full-time firefighter positions to support the launch of Primary EMS Transport services by the Fire Department. This marks a significant and community-supported expansion of the department's role in providing high-quality emergency medical response.

With the City preparing to assume primary responsibility for EMS, additional personnel are essential to ensure readiness, maintain operational excellence, and meet the community's high expectations. The need for these positions aligns with the 2020 TriData Study, which recommended adding nine firefighters and one EMS staff member to support this transition. This recommendation was also endorsed by the Transport Ad Hoc Committee. These six positions represent the final staffing component required to fully implement the City's Primary EMS Transport initiative.

Given the challenges of recruitment, training, and certification, it is essential to approve and fill these roles in advance of service implementation to ensure a smooth and effective launch.

Approval of this request is critical to advancing the City's commitment to enhanced emergency medical services and public safety.

The total budgeted amount for wages and fringe benefits is approximately \$581,000. Funding for these positions will be supported through the EMS millage approved by voters in November 2023 (Fund 210), with any remaining need supplemented by the General Operating Fund.

#### **Positions that were not recommended for this Budget Year**

While the following positions are recognized as important to City operations and service delivery, they are not considered mission critical for the upcoming fiscal year. Due to current budget priorities and resource constraints, these roles are not being recommended at this time but should be considered for future budget planning:

- FOIA Coordinator – Police Department
- Utility Engineer – Municipal Utilities
- Asset Management/GIS Junior Analyst – Public Services
- Grant Administration/CDBG Coordinator – City Leadership

These positions support valuable functions across departments, and their future consideration will remain a priority as the City continues to assess operational needs, regulatory requirements, and funding availability.

#### **Market Rate Adjustment Request**

In addition to the position approvals, the City Manager is recommending a market rate increase of 5% to the Administrative, Confidential, and Technical (ACT) unrepresented employees' pay schedule, effective July 1, 2025. This adjustment aligns with five of the six bargaining units (*one in negotiations currently*) and ensures fair and competitive compensation to retain and attract skilled professionals in these essential roles.

These recommendations have been strategically prioritized based on operational necessity, public service impact, and financial responsibility. We recognize the importance of all requested positions and compensation considerations and will continue to evaluate future needs as budget capacity allows.

## Current Budgeted Roster by Department

### Current Budgeted Roster by Department

<u>Department</u>	<u>Full Time Positions Budgeted</u>	<u>Note</u>
CITY MANAGER'S OFFICE	3	
HUMAN RESOURCES	3	
ATTORNEY	2	
ENGINEERING	8	
PLANNING	5	
CLERK	5	
COMMUNICATION	1	
FACILITIES	1	
ASSESSOR	4	
TREASURER/UTILITY BILLING	10	
PUBLIC SERVICES	4	
MUNICIPAL UTILITIES	2	
GIS/I.T.	2	
MARINA/HICKORY HILLS	1	
CEMETERY	2	
WATER PLANT	6	
STREETS	16	
GARAGE	9	1 Part-Time
PARK/RECREATION	12	
WATER/SEWER MAIN.	10	
PARKING SERVICES	14	1 Vacant
POLICE	37	1 Vacant
FIRE/EMS	30	4 Vacant
<b>TOTAL</b>	<b>187 Full-Time Positions</b>	

# 2025/26 Organizational Chart

CITY  
MANAGER  
ELIZABETH VOGEL

<u>CITY CLERK</u> Benjamin Marentette	<u>CITY TREASURER</u> <u>FINANCE DIRECTOR</u> Heidi Scheppe	<u>CITY ATTORNEY</u> Lauren Tribble-Laucht
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## DEPARTMENT DIRECTORS

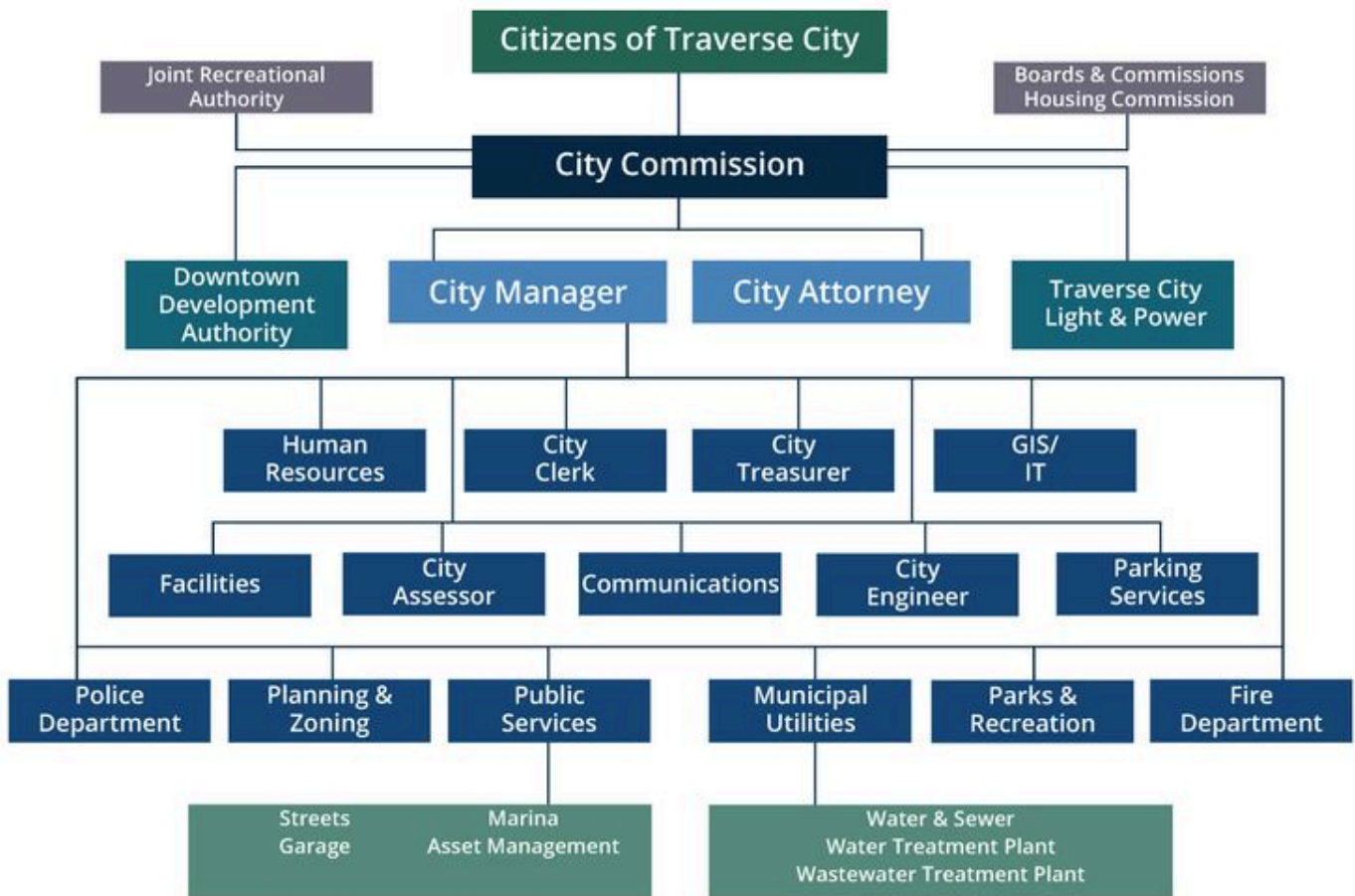
CITY ASSESSOR	Amy DeHaan
PUBLIC SERVICES DIRECTOR	Frank Dituri
DIRECTOR OF MUNICIPAL UTILITIES	Arthur Krueger
CITY ENGINEER	Anne Pagano
POLICE CHIEF	Matthew Richmond
FIRE CHIEF	James Tuller
PLANNING DIRECTOR	Shawn Winter
HUMAN RESOURCE DIRECTOR	Kristine Bosley
PARKS DIRECTOR	Michelle Hunt
INFORMATION TECHNOLOGY/GIS DIRECTOR	Jerry Swanson
COMMUNICATIONS DIRECTOR	Colleen Paveglio

## ADDITIONAL CITY OFFICIALS

LIGHT & POWER EXECUTIVE DIRECTOR	Brandie Ekren
DDA EXECUTIVE DIRECTOR	Harry Burkholder



# ORGANIZATIONAL CHART



# Funds Description

**General Fund:** The 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.

**GASB 54 Funds:** These funds are used to account for and report the activity of specific revenue sources that are ultimately rolled into the General Fund for financial reporting purposes.

**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 specific uses.

**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 and Information Technology services 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.

## Major Funds

A Major Fund is described by GFOA Government Finance Officers Association as those funds whose revenues, expenditures/expenses, assets or liabilities are at least ten percent of the total for their fund category (governmental or proprietary) and five percent of the aggregate of all governmental and proprietary funds in total. The City also has the discretion to report funds that do not meet these guidelines as Major Funds. Governmental Major Funds identified in the City 2023/24 audit are; General Fund, Major Streets Fund, Local Streets Fund, Senior Center Building Fund, Capital Projects Fund and the Brown Bridge Trust Fund. Proprietary Major Funds include; Wastewater Plant, Water Plant, Hickory Hills, Marina, and the Automobile Parking Fund.



# Funds, Departments, & Activities

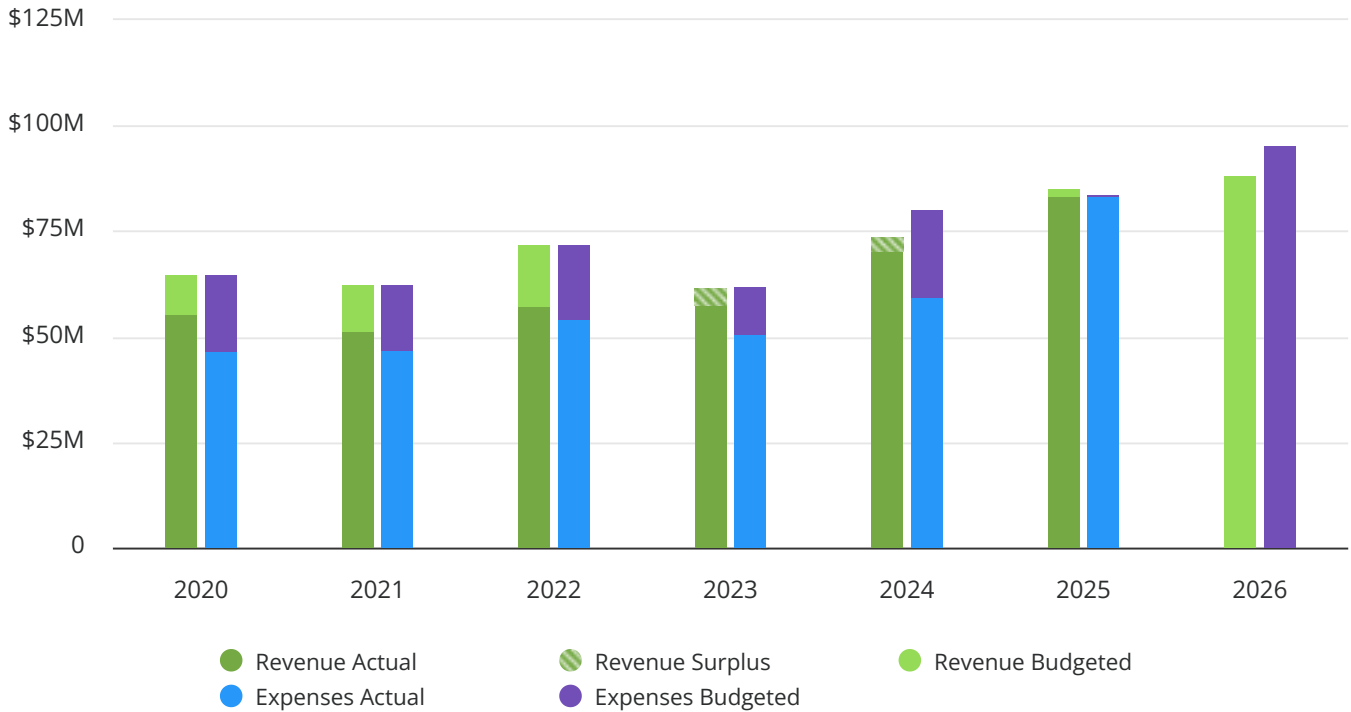
## CITY OF TRAVERSE CITY FUNDS, DEPARTMENTS AND ACTIVITIES

GENERAL OPERATING FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS
<p>City Commission (101-101)                      City Manager (101-172)                      DPS Director and Asset Management (101-174)                      City Clerk (101-215)                      City Treasurer (101-253)                      City Assessor (101-257)                      Facilities Maintenance (101-265)                      City Attorney (101-266)                      Communications (101-267)                      Human Resources (101-270)                      Appropriations (101-272)                      Police Department (101-301)                      Fire Department (101-336)                      Street Administration (101-441)                      City Engineering (101-447)                      Oakwood Cemetery (101-567)                      Planning &amp; Zoning Dept (101-701)                      Parks and Recreation (101-751)                      Contingencies (101-941)                      Transfers to Other Funds (101-966)</p>	<p><b>GASB 54 Funds</b>                      Budget Stabilization (102)                      Hazardous Materials (103)                      Carnegie Building (104)                      Senior Center Operations &amp; Maintenance (105)                      BrownBridge Maintenance (106)                      Public Arts Commission (107)                      Coast Guard Committee (108)                      Banner Program (109)                      Opera House (110)                      Economic Development (112)  <b>Other Special Revenue Funds</b>                      Major Streets (202)                      State Trunkline (202-204)                      Local Streets (203)                      EMS - Ambulance (210)                      Tree Ordinance (211)                      Act 302 Police Training (214)                      College Parking (231)                      Act 345 Millage (233)                      Brown Bridge Trust Parks Improvement (239)                      Traverse City/Garfield Joint Planning (241)                      PEG Capital (251)                      CDBG Grant SEFA #14.218 (272)                      ARPA Coronavirus Fiscal Recovery (285)</p>	<p>Parking Bond Debt Retirement (306)                      Sidewalk &amp; Trail Debt Retirement (309)</p> <hr/> <p><b>CAPITAL PROJECT FUNDS</b></p> <p>Street Capital Project (447)                      Boardman Lake Trail (488)                      Governmental Capital Projects (499)                      Special Assessments (812)</p> <hr/> <p><b>PERMANENT FUNDS</b></p> <p>Cemetery Perpetual Care (151)                      Cemetery Trust (152)                      Brown Bridge Trust (153)</p> <hr/> <p><b>ENTERPRISE FUNDS</b></p> <p>Hickory Hills (504)                      Autoparking System (514)                      Wastewater (590)                      Water (591)                      Marina (594)</p> <hr/> <p><b>INTERNAL SERVICE FUND</b></p> <p>IT/G.I.S. (636-000/636-261)                      Municipal Garage (661)</p>

FUND NUMBERS ARE LISTED BESIDE FUND DESCRIPTIONS IN PARENTHESIS.

# Primary Government Summary

## Revenues vs Expenditures Summary



Above is a summary of historical activity throughout all primary funds in the City.

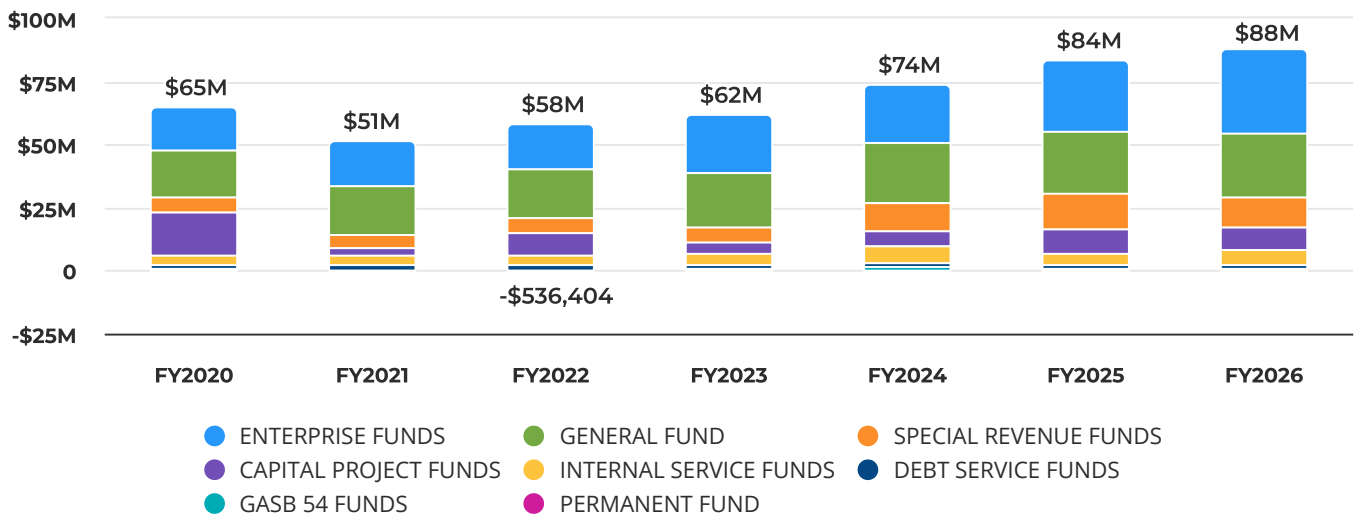
## Revenues by Fund

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
GENERAL FUND	\$23,963,031	\$23,652,861	\$24,745,300	\$25,455,000	7.62%
BUDGET STABILIZATION FUND	\$34,265	\$274,200	\$274,400	\$34,000	-87.60%
HAZ-MAT FUND	\$17,917	\$58,800	\$19,900	\$19,600	-66.67%
CARNEGIE BUILDING FUND	\$109,800	\$109,800	\$109,800	\$82,500	-24.86%
COUNTY SENIOR CENTER FUND	\$796,446	\$43,700	\$10,000	\$100,000	128.83%
BROWN BRIDGE MAINTENANCE FUND	\$114,005	\$109,300	\$122,100	\$115,000	5.22%
PUBLIC ARTS COMMISSION FUND	\$33,428	\$81,000	\$46,000	\$61,000	-24.69%
COAST GUARD COMMITTEE FUND	\$120	\$500	-	\$200	-60.00%
BANNER PROGRAM FUND	\$1,620	\$1,700	\$1,200	\$1,400	-17.65%
OPERA HOUSE FUND	\$151,213	\$142,400	\$100,800	\$198,000	39.04%

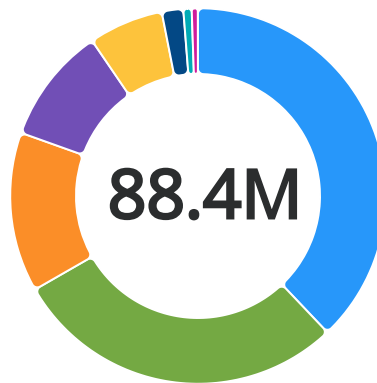
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
ECONOMIC DEVELOPMENT FUND	\$30,636	\$483,000	\$20,000	\$19,700	-95.92%
CEMETERY PERPETUAL CARE TRUST FUND	\$31,022	\$57,000	\$25,600	\$26,000	-54.39%
CEMETERY TRUST FUND	\$43,989	\$32,600	\$23,200	\$29,300	-10.12%
BROWN BRIDGE TRUST FUND	\$519,397	\$1,030,000	\$437,500	\$416,600	-59.55%
MAJOR STREETS FUND	\$1,930,517	\$2,070,500	\$2,134,700	\$2,036,900	-1.62%
LOCAL STREETS FUND	\$1,435,662	\$1,588,200	\$1,452,400	\$1,634,600	2.92%
EMS AMBULANCE FUND	-	\$1,216,700	\$1,258,300	\$4,594,600	277.63%
TREE ORDINANCE FUND	\$31,739	\$17,300	\$24,500	\$17,600	1.73%
ACT 302 POLICE TRAINING FUND	\$24,350	\$62,630	\$57,600	\$37,200	-40.60%
MCCAULEY ESTATE TRUST FUND	\$6,701	\$155,800	\$884	-	-100.00%
COLLEGE PARKING FUND	\$3,667	\$2,500	\$4,900	\$4,000	60.00%
ACT 345 MILLAGE FUND	\$2,894,383	\$2,916,000	\$3,096,800	\$3,074,600	5.44%
BRWN BRIDGE TRUST PARKS IMPROVEMENT FUND	\$253,753	\$223,000	\$74,700	\$500	-99.78%
PEG CAPITAL FUND	\$23,038	\$20,500	\$19,200	\$19,000	-7.32%
CDBG FUND SEFA#14.218	\$31,216	\$370,000	\$323,200	\$360,000	-2.70%
SENIOR CENTER BUILDING FUND	\$4,151,256	\$6,648,000	\$4,962,300	-	-100.00%
ARPA CORONAVIRUS FISCAL RECOVERY FUND	\$698,680	\$952,600	\$451,070	\$380,000	-60.11%
PARKING DECK BOND REDEMPTION-NON TAXABLE	\$953,111	\$913,800	\$913,720	\$874,500	-4.30%
SIDEWALK & TRAIL DEBT RETIREMENT FUND	\$755,210	\$756,200	\$756,200	\$756,400	0.03%
STREET CAPITAL PROJECTS FUND	\$1,364,158	\$4,766,800	\$4,822,800	\$3,622,600	-24.00%
BOARDMAN LAKE TRAIL CONSTRUCTION FUND	\$654,441	\$330,000	\$149,100	\$24,000	-92.73%
SIDEWALK CONSTRUCTION FUND	\$6,312	-	-	-	-
CAPITAL PROJECTS FUND	\$4,117,053	\$7,375,200	\$4,374,000	\$5,115,700	-30.64%
HICKORY HILLS FUND	\$685,090	\$848,500	\$722,500	\$717,000	-15.50%
AUTOMOBILE PARKING SYSTEM FUND	\$3,522,065	\$4,491,900	\$3,447,400	\$3,543,600	-21.11%
WASTEWATER DISPOSAL FUND	\$10,278,277	\$18,253,800	\$14,241,200	\$20,296,000	11.19%
WATER FUND	\$7,086,263	\$9,492,300	\$9,110,600	\$8,173,400	-13.89%
DUNCAN L. CLINCH MARINA FUND	\$832,992	\$785,100	\$785,900	\$791,400	0.80%
GARAGE FUND	\$6,025,860	\$3,917,900	\$4,318,000	\$4,773,600	21.84%
SPECIAL ASSESSMENT FUND	\$44,979	\$356,400	\$67,000	\$82,500	-76.85%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INFORMATION TECHNOLOGY FUND	-	-	-	\$915,500	-
<b>Total Revenues</b>	<b>\$73,657,660</b>	<b>\$94,608,491</b>	<b>\$83,504,774</b>	<b>\$88,403,500</b>	<b>-6.56%</b>

### Historical Revenues by Fund Type Summary



### FY26 Revenues by Fund Type Summary



ENTERPRISE FUNDS	\$33,521,400	37.92%
GENERAL FUND	\$25,455,000	28.79%
SPECIAL REVENUE FUNDS	\$12,159,000	13.75%
CAPITAL PROJECT FUNDS	\$8,844,800	10.01%
INTERNAL SERVICE FUNDS	\$5,689,100	6.44%
DEBT SERVICE FUNDS	\$1,630,900	1.84%
GASB 54 FUNDS	\$631,400	0.71%
PERMANENT FUND	\$471,900	0.53%

\*Note this number is slightly inflated by Transfer In amounts, these amounts are also expenditures in corresponding funds.

**Expenditures by Fund**

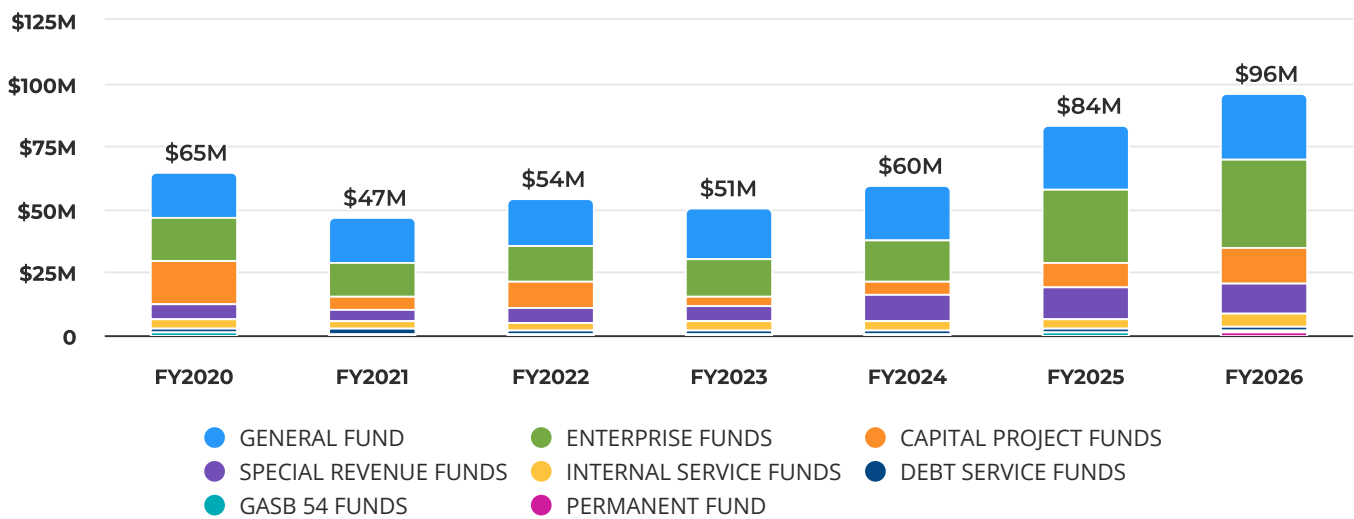
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
GENERAL FUND	\$21,808,232.69	\$27,182,261.00	\$25,595,790.00	\$26,276,200.00	-3.33%
BUDGET					
STABILIZATION FUND	\$21,721.87	\$274,200.00	\$32,000.00	\$34,000.00	-87.60%
HAZ-MAT FUND	\$56,494.26	\$58,800.00	\$37,200.00	\$49,200.00	-16.33%
CARNEGIE BUILDING FUND	\$82,171.11	\$167,600.00	\$155,600.00	\$82,500.00	-50.78%
COUNTY SENIOR CENTER FUND	\$2,995.27	\$43,700.00	\$67,900.00	\$186,600.00	327.00%
BROWN BRIDGE MAINTENANCE FUND	\$71,252.87	\$80,800.00	\$78,700.00	\$213,400.00	164.11%
PUBLIC ARTS COMMISSION FUND	\$9,334.21	\$81,000.00	\$31,000.00	\$80,000.00	-1.23%
COAST GUARD COMMITTEE FUND	\$180.42	\$500.00	-	\$500.00	0.00%
BANNER PROGRAM FUND	-	\$1,700.00	-	\$1,400.00	-17.65%
OPERA HOUSE FUND	\$129,503.90	\$128,200.00	\$127,300.00	\$325,300.00	153.74%
ECONOMIC DEVELOPMENT FUND	\$3,476.82	\$483,000.00	\$421,000.00	\$19,700.00	-95.92%
CEMETERY PERPETUAL CARE TRUST FUND	\$31,947.99	\$57,000.00	\$62,000.00	\$104,000.00	82.46%
CEMETERY TRUST FUND	\$22,964.87	\$7,600.00	\$9,200.00	\$29,300.00	285.53%
BROWN BRIDGE TRUST FUND	\$313,501.36	\$1,030,000.00	\$280,000.00	\$1,030,000.00	0.00%
MAJOR STREETS FUND	\$1,596,972.21	\$1,894,100.00	\$1,981,700.00	\$2,044,900.00	7.96%
LOCAL STREETS FUND	\$1,435,663.50	\$1,588,200.00	\$1,452,400.00	\$1,634,600.00	2.92%
EMS AMBULANCE FUND	-	\$476,500.00	\$1,200.00	\$4,920,600.00	932.65%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
TREE ORDINANCE FUND	\$5,918.70	\$5,000.00	-	\$15,000.00	200.00%
ACT 302 POLICE TRAINING FUND	\$10,560.60	\$62,630.00	\$33,600.00	\$37,200.00	-40.60%
MCCAULEY ESTATE TRUST FUND	-	\$155,800.00	\$155,782.87	-	-100.00%
COLLEGE PARKING FUND	\$3,666.99	\$2,500.00	\$4,900.00	\$4,000.00	60.00%
ACT 345 MILLAGE FUND	\$2,426,502.00	\$2,713,300.00	\$2,713,300.00	\$2,600,900.00	-4.14%
BRWN BRIDGE TRUST PARKS IMPROVEMENT FUND	\$214,978.78	\$155,000.00	\$348,100.00	\$125,000.00	-19.35%
PEG CAPITAL FUND	\$33,149.29	\$7,000.00	\$6,050.00	\$6,200.00	-11.43%
CDBG FUND SEFA#14.218	\$31,216.08	\$370,000.00	\$323,200.00	\$360,000.00	-2.70%
SENIOR CENTER BUILDING FUND	\$4,097,005.24	\$6,648,000.00	\$5,199,200.00	-	-100.00%
ARPA CORONAVIRUS FISCAL RECOVERY FUND	\$676,538.97	\$952,600.00	\$451,070.00	\$380,000.00	-60.11%
PARKING DECK BOND REDEMPTION-NON TAXABLE	\$953,111.09	\$913,800.00	\$913,720.00	\$874,500.00	-4.30%
SIDEWALK & TRAIL DEBT RETIREMENT FUND	\$756,800.09	\$756,200.00	\$756,200.00	\$756,400.00	0.03%
STREET CAPITAL PROJECTS FUND	\$767,423.21	\$4,040,400.00	\$1,826,500.00	\$7,771,500.00	92.34%
BOARDMAN LAKE TRAIL CONSTRUCTION FUND	\$595,355.23	\$330,000.00	\$330,000.00	\$340,000.00	3.03%
SIDEWALK CONSTRUCTION FUND	\$13,481.79	-	-	-	-
CAPITAL PROJECTS FUND	\$3,608,839.96	\$7,375,200.00	\$6,978,300.00	\$6,053,900.00	-17.92%
HICKORY HILLS FUND	\$840,816.02	\$848,500.00	\$960,800.00	\$906,700.00	6.86%
AUTOMOBILE PARKING SYSTEM FUND	\$2,834,011.98	\$4,491,900.00	\$3,799,500.00	\$3,721,300.00	-17.16%
WASTEWATER DISPOSAL FUND	\$7,734,369.51	\$18,207,500.00	\$12,893,300.00	\$19,464,000.00	6.90%
WATER FUND	\$4,173,444.28	\$9,492,300.00	\$10,971,650.00	\$9,742,000.00	2.63%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
DUNCAN L. CLINCH MARINA FUND	\$594,632.11	\$642,400.00	\$522,100.00	\$619,800.00	-3.52%
GARAGE FUND	\$3,708,113.91	\$3,917,900.00	\$3,835,000.00	\$4,121,500.00	5.20%
SPECIAL ASSESSMENT FUND	\$15,171.69	\$356,400.00	\$316,100.00	-	-100.00%
INFORMATION TECHNOLOGY FUND	-	-	-	\$915,500.00	-
<b>Total Expenditures</b>	<b>\$59,681,520.87</b>	<b>\$95,999,491.00</b>	<b>\$83,671,362.87</b>	<b>\$95,847,600.00</b>	<b>-0.16%</b>

The Sidewalk Construction fund for capital projects was closed in 2023/2024 fiscal year.

### Historical Expenditures by Fund Summary



As shown by the graph above, the General Fund has consistently had the largest amount of expenditures. With the increase in capital projects in the sewer & water funds, the Enterprise funds have jumped to the highest in the 24/25 budget year.

### FY26 Expenditures by Fund Summary



● ENTERPRISE FUNDS	<b>\$34,453,800</b>	35.95%
● GENERAL FUND	<b>\$26,276,200</b>	27.41%
● CAPITAL PROJECT FUNDS	<b>\$14,165,400</b>	14.78%
● SPECIAL REVENUE FUNDS	<b>\$12,128,400</b>	12.65%
● INTERNAL SERVICE FUNDS	<b>\$5,037,000</b>	5.26%
● DEBT SERVICE FUNDS	<b>\$1,630,900</b>	1.70%
● PERMANENT FUND	<b>\$1,163,300</b>	1.21%
● GASB 54 FUNDS	<b>\$992,600</b>	1.04%

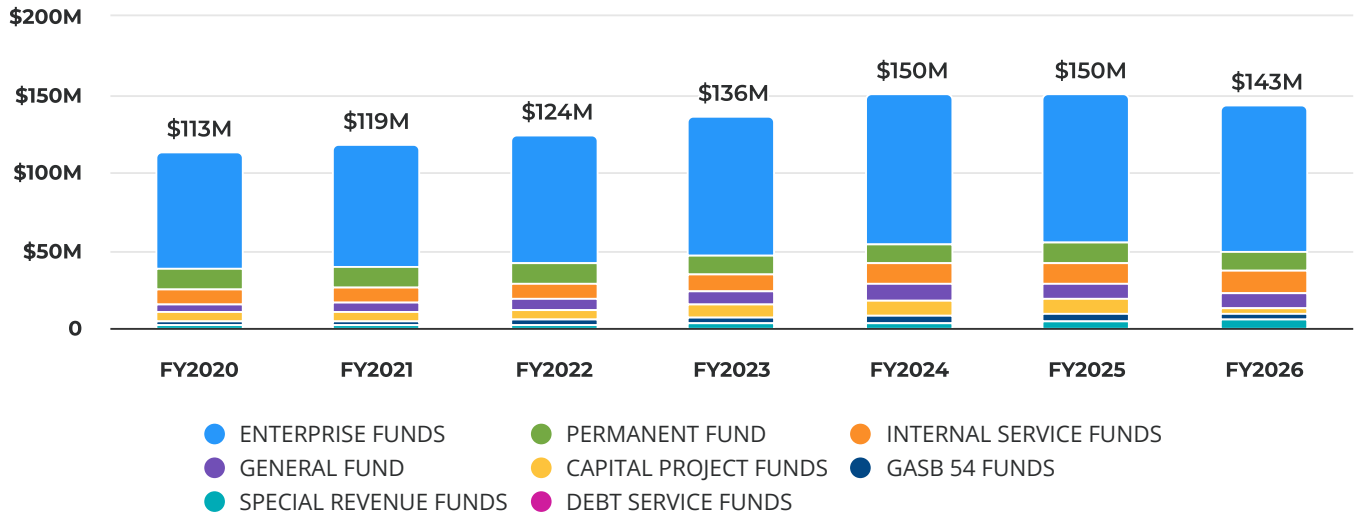
### Expenditures by Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
GENERAL FUND	\$21,808,232.69	\$27,182,261.00	\$25,595,790.00	\$26,276,200.00	-3.33%
GASB 54 FUNDS	\$377,130.73	\$1,319,500.00	\$950,700.00	\$992,600.00	-24.77%
SPECIAL REVENUE FUNDS	\$10,532,172.36	\$15,030,630.00	\$12,670,502.87	\$12,128,400.00	-19.31%
ENTERPRISE FUNDS	\$16,177,273.90	\$33,682,600.00	\$29,147,350.00	\$34,453,800.00	2.29%
PERMANENT FUND	\$368,414.22	\$1,094,600.00	\$351,200.00	\$1,163,300.00	6.28%
DEBT SERVICE FUNDS	\$1,709,911.18	\$1,670,000.00	\$1,669,920.00	\$1,630,900.00	-2.34%
CAPITAL PROJECT FUNDS	\$5,000,271.88	\$12,102,000.00	\$9,450,900.00	\$14,165,400.00	17.05%
INTERNAL SERVICE FUNDS	\$3,708,113.91	\$3,917,900.00	\$3,835,000.00	\$5,037,000.00	28.56%
<b>Total Expenditures</b>	<b>\$59,681,520.87</b>	<b>\$95,999,491.00</b>	<b>\$83,671,362.87</b>	<b>\$95,847,600.00</b>	<b>-0.16%</b>

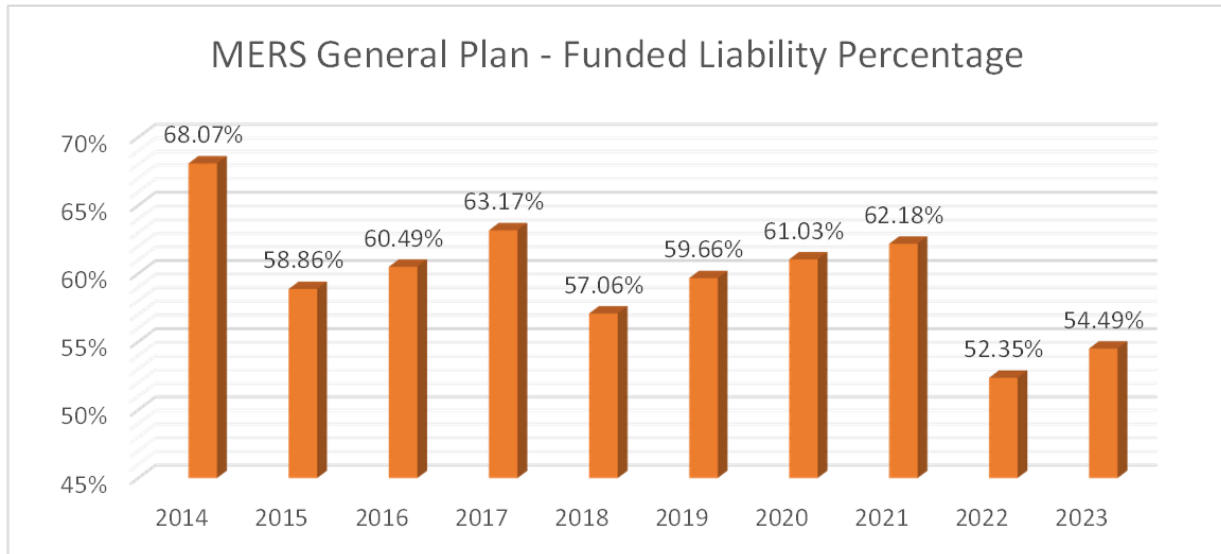


## Fund Balance

Fund Balance Projections

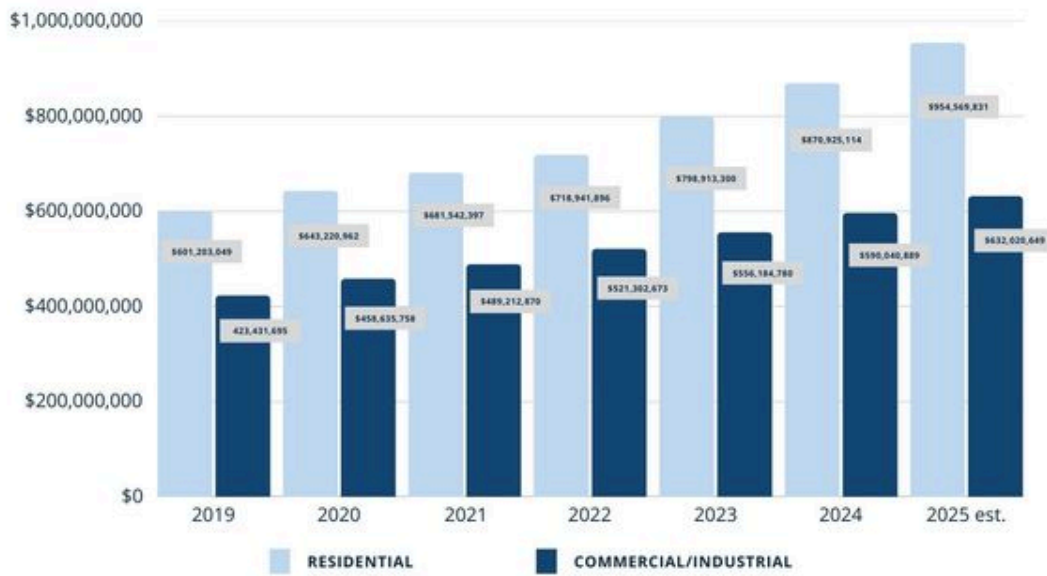


# City of Traverse City MERS General Employee Plan Pension Liability



The percent funded of the City's pension liability is an area that we are monitoring to ensure we comply with the Defined Benefit Pension Retirement Systems Waiver that the Commission approved at the March 18, 2024, meeting as required by the State of Michigan. We made the budgeted additional contribution of \$250,000 in July 2024. The effects of this will not show in the actuarial valuation until June 2025. We have included \$300,000 in this budget as approved by the City Commission on March 17, 2025. The current union contracts have significantly increased wages over the next couple of years. We will continue to review the pension liabilities as it relates to these increases, and may propose an increase in the additional annual contribution.

# City of Traverse City Taxable Value History



## Historical Taxable Value

Taxable values have increased annually over the last 7 years. Even though taxable value increases, Michigan's Headlee amendment reduces the allowable City millage rate so that taxable revenue is not recognized at the same percentage increase.

## INCREASE IN TAXABLE VALUE DUE TO CONSTRUCTION



The largest increases are in residential and commercial. These are likely due to the amount of new construction being seen within the City limits.

The graph above shows the net taxable value changes due to construction/demolition by type. The types are as follows: Residential includes all homes, condominiums, etc with fewer than 4 units; Commercial includes apartments and all businesses except manufacturing; Industrial is comprised of manufacturing real property; Commercial Personal is the business personal property (furniture, fixtures, signs, equipment, computers, etc); Industrial is the manufacturing equipment along with any business personal property; and Utility personal property consists of the substations, transmission lines, fiber, etc used by utility companies to get their product to consumers.

As you can see, all types of taxable value changes are positive except industrial personal. This is likely due to the phasing out of Industrial Personal Property that has occurred over the past several years.

# Tax Allocation

When property owners within the City of Traverse City pay their annual tax bills, a common misperception is that the entire amount collected stays at the City. In reality, only about \$0.27 of every \$1 in taxes paid is for the City. The other portion is collected on behalf of other taxing jurisdictions and is then paid to the jurisdiction within a couple weeks of collection as governed by state law.

A primary source of revenue for FY2025/26 is property taxes levied on property within the City. Authorized tax levies in the form of millage (one mill equals \$1 in taxes for each \$1,000 in taxable value) are levied against the taxable value of a property by the Grand Traverse & Leelanau County Equalization Departments. The Assessor determines the taxable value of properties, which is then used to calculate the tax levy due each year.

## Authorization

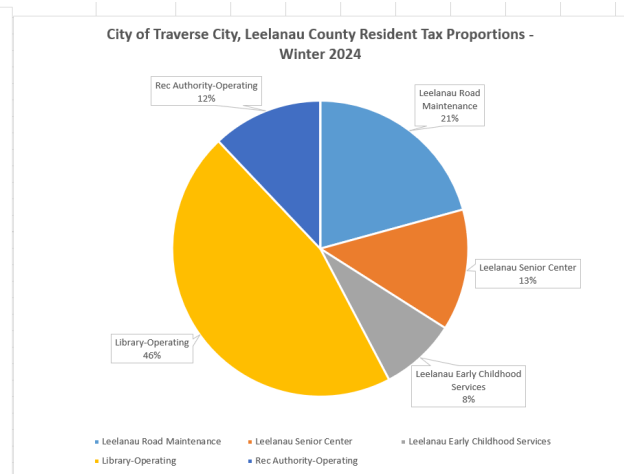
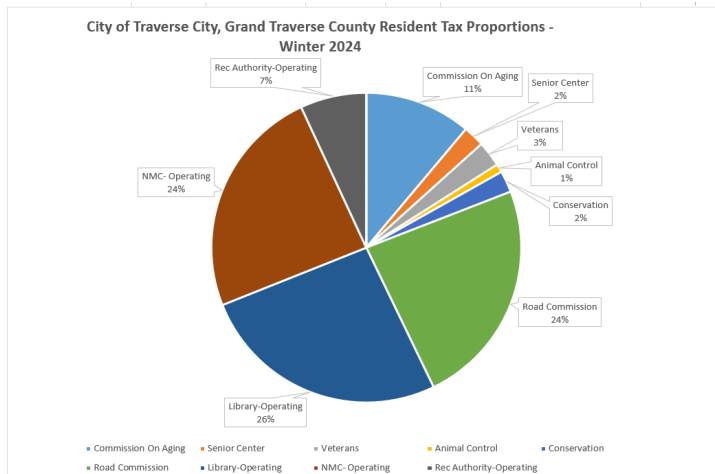
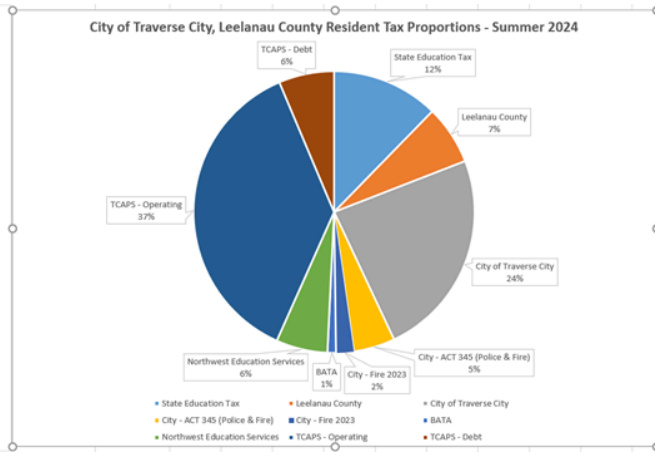
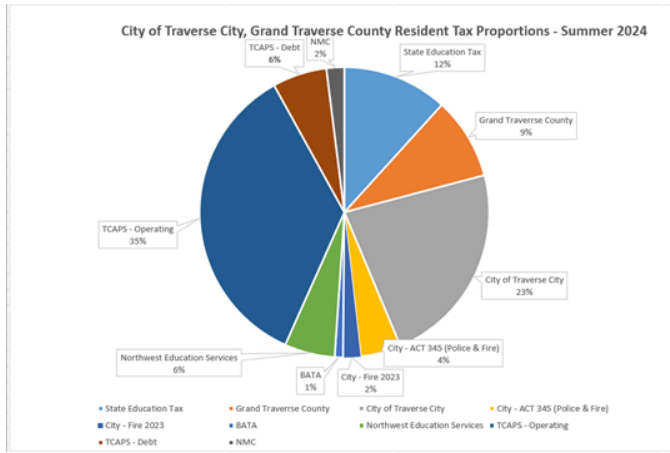
Authorization to levy the City's operating millage rests in the City Charter. The charter authorizes a maximum operating levy of 15 mills. Due to the Headlee Amendment, which restricts the growth in property tax levies, the City's operating millage has been reduced over the years and can only be increased back to the charter maximum levy by a vote of the City electors.

The Emergency Transportation Services Millage was established when the City electors approved the restoration of up to 1 mill for the purpose of fire departments' emergency transportation services and facilities on November 7, 2023.

The Police and Fire Retirement Millage was established when the City established an Act 345 Retirement System for sworn officers of the police and fire departments when the city electorate voted for it in 1970. This millage rate is determined by comparing the City's taxable value to the annual required contribution to the pension determined by the annual actuarial valuation. The millage is set at a rate that will provide sufficient revenue to cover the required actuarially determined contribution.

## Property Tax Revenue Estimates

Property tax estimates throughout the FY2025/26 budget are based on preliminary numbers agreed upon between the City Assessor and the Grand Traverse and Leelanau County Equalization Departments. Conservative revenue estimates are utilized to provide some margin in the case of taxable value reductions through the Board of Review or Michigan Tax Tribunal. Once the roll is set and tax bills are sent out, the actual revenue received from taxes is not expected to change materially during the year.



## Property Tax Abatements

The City has two types of property tax abatements:

- PILOT Housing Assistance Abatements
- Brownfield Redevelopment Plans



# 2024 Brownfield Capture

Summer 2024 Brownfield Capture																	
Uptown	TBA	CSX	Park St	Calcutt	Kinney	Blarney Cast	GT Commons	Traverse House	Socks	Graetz	Riverwest	CSX 1	Park Place	Envision 8th	East Bay Plaza	Total	
	23,658.67	288,078.25				40,916.48	286,007.70	17,852.21	16,381.29	2,796.06		3,157.56	58,121.27	76,716.22	47,920.04	861,605.75	City
	4,718.63	57,455.57				8,160.51	57,042.81	3,560.55	3,267.19	557.66		628.76	11,592.06	15,300.76	9,557.45	171,842.95	City Act 345
	2,010.30	24,477.59				3,476.60	24,301.89	1,516.91	1,391.94	237.58		268.30	4,938.61	6,518.64	4,071.78	73,210.14	City Fire 2023
	9,500.32	115,679.48				16,430.27	114,848.26	7,168.68	6,578.03	1,122.78		1,267.94	23,339.03	30,805.98	19,242.64	345,983.41	County
	961.21	11,703.51				1,662.22	11,619.59	725.30	665.55	113.60		128.29	2,361.38	3,116.87	1,946.89	35,004.41	BATA
19,132.93	5,849.07	71,220.24	25,186.38	69,008.22	10,309.27	10,115.51	70,708.51	4,413.55	7,223.66	691.26	49,201.90	18,561.99	14,369.17	18,966.35	11,847.11	406,805.12	NorthEd
39,918.57	12,203.37	148,593.38	12,632.37	148,973.80	21,509.05	21,105.05	147,525.51			1,442.23	102,653.72	38,727.28	29,979.51	39,570.95		759,834.79	SET
26,667.09	34,158.52	116,886.91	37,897.10	418,619.58	63,907.97	59,204.11	374,105.57			4,326.71	294,861.97	67,450.21	84,455.73	118,271.29		1,700,812.76	TCAPS Oper
	2,067.45	25,173.43				3,575.38	24,992.81	1,560.03	1,431.51	244.33		275.93	5,079.01	6,703.97	4,187.54	75,291.39	TCAPS Debt
																	NMC Oper
																	NMC Debt
													7,934.07				DDA
85,718.59	95,127.54	859,268.36	75,715.84	631,601.60	95,726.29	164,646.13	1,111,152.65	36,797.23	36,939.17	11,532.21	446,717.59	130,467.26	242,169.84	315,971.03	98,773.45	4,438,324.78	Total

Winter 2024 Brownfield Capture																	
Uptown	TBA	CSX	Park St	Calcutt	Kinney	Blarney Cast	GT Commons	Traverse House	Socks	Graetz	Riverwest	CSX 1	Park Place	Envision 8th	East Bay Plaza	Total	
-	952.46	11,527.40				1,647.09	11,513.92	718.69	699.49	112.56		127.12	2,339.89	3,088.50	1,929.17	34,616.29	COA
-	189.76	2,295.98				328.05	2,293.52	143.18	131.39	22.42		25.33	466.17	615.31	384.31	6,895.42	COA-Sr Ctr
-	227.99	2,758.75				394.16	2,755.77	172.03	157.87	26.94		30.43	560.10	739.30	461.77	8,285.11	Veterans
-	74.23	897.72				128.24	896.91	56.01	51.40	8.77		9.91	182.36	240.71	150.32	2,696.58	Animal Control
-	192.39	2,328.09				332.59	2,325.47	145.17	133.22	22.73		25.68	472.67	623.89	389.67	6,991.57	Conservation
-	2,033.89	24,616.27				3,517.36	24,587.27	1,534.71	1,408.27	240.37		271.45	4,996.58	6,595.15	4,119.58	73,920.90	Road Com
-	2,237.28	27,078.02				3,869.11	27,046.00	1,688.19	1,549.10	264.41		298.59	5,496.24	7,254.67	4,531.53	81,313.14	Library-Oper
-	2,067.45	25,022.33				3,575.38	24,992.81	1,560.03	1,431.51	244.33		275.93	5,079.01	6,703.97	4,187.54	75,140.29	NMC Oper
-	-	-				-	-	-	-	-		-	-	-	-	-	NMC Debt
-	591.65	7,160.42				1,023.08	7,151.97	446.44	409.67	69.92		78.96	1,453.50	1,918.52	1,198.34	21,502.47	Rec Auth-Oper
-	8,567.10	103,684.98				14,815.06	103,563.64	6,464.45	5,931.92	1,012.45		1,143.40	21,046.52	27,780.02	17,352.23	311,361.77	Total
85,718.59	103,694.64	962,953.34	75,715.84	631,601.60	95,726.29	179,461.19	1,214,716.29	43,261.68	42,871.09	12,544.66	446,717.59	131,610.66	263,216.36	343,751.05	116,125.68	4,749,686.55	

## Brownfield

Public Act 381 of 1996, the Brownfield Redevelopment Financing Act, was adopted in the State of Michigan as a means to authorize municipalities to create a Brownfield Redevelopment Authority to facilitate the implementation of brownfield plans; to create brownfield redevelopment zones; to promote the revitalization, redevelopment, and reuse of certain property, including, but not limited to, needing environmental remediation, tax reverted, blighted, or functionally obsolete property and most recently to include affordable housing; to prescribe the powers and duties of brownfield redevelopment authorities; to permit the issuance of bonds and other evidences of indebtedness by an authority; to authorize the acquisition and disposal of certain property; to authorize certain funds; to prescribe certain powers and duties of certain state officers and agencies; and to authorize and permit the use of certain tax increment financing

Above shows a summary of approved Brownfields in the City and the amount of TIF captured by taxing jurisdictions from the 2024 tax roll.



# 2024 Tax Year

## Old Town & TIF97 TIF Captures

Total TIF 97 Capture		
Taxing Jurisdiction	Millage	BS&A Total
City	11.6322	\$ 1,908,215.19
City Act 345	2.3200	\$ 380,584.15
City Fire 2023	0.9884	\$ 162,140.30
County	4.6710	\$ 766,256.65
BATA	0.4726	\$ 77,525.20
NMC Oper	1.0165	\$ 166,749.92
NMC Debt	0	\$ -
DDA	1.5879	\$ 260,485.97
COA	0.4683	\$ 76,438.21
COA-Sr Ctr	0.0933	\$ 15,225.80
Veterans	0.1121	\$ 18,294.96
Animal Control	0.0365	\$ 5,954.94
Conservation	0.0946	\$ 15,438.61
Road Com	1.0000	\$ 163,227.74
NMC-Oper	1.0166	\$ 165,937.60
Rec Auth-Oper	0.2909	\$ 47,480.90
Rec Auth-Debt	0	\$ -
<b>Total</b>		<b>\$ 4,229,956.14</b>

Total TIF 2/Old Town Tif Capture		
Taxing Jurisdiction	Millage	BS&A Total
City	11.6322	\$ 418,342.40
City Act 345	2.3200	\$ 83,435.55
City Fire 2023	0.9884	\$ 35,545.42
County	4.6710	\$ 167,987.72
BATA	0.4726	\$ 16,994.97
NMC Oper	1.0165	\$ 36,555.90
NMC Debt	0.0000	\$ -
DDA	1.5879	\$ 57,105.86
COA	0.4683	\$ 16,806.86
COA-Sr Ctr	0.0933	\$ 3,347.03
Veterans	0.1121	\$ 4,021.83
Animal Control	0.0365	\$ 1,308.28
Conservation	0.0946	\$ 3,393.78
Road Com	1.0000	\$ 35,890.96
NMC-Oper	1.0166	\$ 36,486.89
Rec Auth-Oper	0.2909	\$ 10,439.53
Rec Auth-Debt	0.0000	\$ -
<b>Total</b>		<b>\$ 927,662.98</b>

Total TIF 97 & Old Town Tif Capture		
Taxing Jurisdiction	Millage	BS&A Total
City	11.6322	\$ 2,326,557.59
City Act 345	2.3200	\$ 464,019.70
City Fire 2023	0.9884	\$ 197,685.72
County	4.6710	\$ 934,244.37
BATA	0.4726	\$ 94,520.17
NMC Oper	1.0165	\$ 203,305.82
NMC Debt	0.0000	\$ -
DDA	1.5879	\$ 317,591.83
COA	0.4683	\$ 93,245.07
COA-Sr Ctr	0.0933	\$ 18,572.83
Veterans	0.1121	\$ 22,316.79
Animal Control	0.0365	\$ 7,263.22
Conservation	0.0946	\$ 18,832.39
Road Com	1.0000	\$ 199,118.70
NMC-Oper	1.0166	\$ 202,424.49
Rec Auth-Oper	0.2909	\$ 57,920.43
Rec Auth-Debt	0.0000	\$ -
<b>Total</b>		<b>\$ 5,157,619.12</b>

Total City Captured		
Summer	Millage	ACTUAL***
City	11.6322	1,908,215.19
City Act 345	2.3200	380,584.15
City Fire 2023	0.9884	162,140.30
<b>Total City Captured</b>		<b>2,450,939.64</b>

Total City Captured		
Summer	Millage	ACTUAL***
City	11.6322	418,342.40
City Act 345	2.3200	83,435.55
City Fire 2023	0.9884	35,545.42
<b>Total City Captured</b>		<b>537,323.37</b>

Total City Captured		
Summer	Millage	ACTUAL***
City	11.6322	2,326,557.59
City Act 345	2.3200	464,019.70
City Fire 2023	0.9884	197,685.72
<b>Total City Captured</b>		<b>2,988,263.01</b>

County Wide Taxing Jurisdiction Capture contributing to Traverse City DDA			
Total millages not including City	\$ 1,779,016.50	Total millages not including City	\$ 390,339.61
		Total millages not including City	\$ 2,169,356.11

There are two tax increment financing (TIF) authorities within the City of Traverse City with authority to capture a portion of each component of property taxes for use within each authority's specific district. The tax captures are based on the right of each authority to utilize TIF for approved funding uses within the districts. The amounts captured from the 2024 property tax roll are shown above.

Additionally, properties that are located within the DDA district pay an additional 1.5879 mills which provides funds for activities that target development within the DDA. Managing the Downtown Traverse City Association, Sara Hardy Downtown Farmers Market and Traverse City Arts Commission are just a few of the services provided by the DDA.

See component unit section for more information.



# Federal Revenue Awards

CITY OF TRAVERSE CITY, MICHIGAN  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	COVID-19 related	Federal Assistance Listing Number	Pass-Through Grantor's Number	Expenditures
<b>U.S. Department of Agriculture</b>				
National Resource Conservation Service Urban Agriculture and Innovative Production	no	10.935	NR233A750005C014	\$ 132,525
<b>U.S. Department of Housing and Urban Development</b>				
Office of Community Planning and Development Community Development Block Grant Program	no	14.218	B-24-MC-26-0043	31,216
<b>U.S. Department of Justice</b>				
Passed through Michigan State Police Comprehensive Opioid, Stimulant & Substance Abuse Program	no	16.838	15PBJA-21-04538-COAP	93,679
Bullet Proof Vest Partnership	no	16.607	NA	12,600
<b>U.S. Department of Treasury</b>				
Passed through Michigan Department of Treasury American Rescue Plan Act - Corona Virus Local Fiscal Recovery Fund	yes	21.027	MI2841	676,539
<b>United States Environmental Protection Agency</b>				
Passed Through Michigan Department of Environment, Great Lakes and Energy Drinking Water State Revolving Fund - Surface Water Intake Program	no	66.468	na	12,757
<b>U.S. Department of Health and Human Services</b>				
Passed through Michigan Department of Health and Human Services Epidemiology and Laboratory Capacity for Infectious Diseases	yes	93.323	E 20230194-001	106,325
Epidemiology and Laboratory Capacity for Infectious Diseases	yes	93.323	E 202452548-00	<u>373,062</u>
<b>Total Federal Awards</b>				<b><u>\$ 1,438,703</u></b>

The City has applied for and received multiple sources of Federal Funds. Above is a list of Audited Federal Awards received by the City of Traverse City in the 2023/24 Fiscal year. The City will be applying for additional funds in the current and upcoming fiscal years as funding opportunities arise and are approved by the Commission.

# Housing and Homelessness

The City has taken substantial, multi-layered action to address housing insecurity through budget allocations, supportive infrastructure, zoning reform, and collaboration. For fiscal years 2025–2026, the City is allocating over \$525,000 to support critical services, including funding for transitional housing beds, continued ARPA support for year-round shelter operations at Safe Harbor, and resources for ongoing outreach and day shelter services. The City has also expanded its on-the-ground support by adding a dedicated police officer and a second police social worker to enhance engagement with unsheltered individuals, particularly at the former Pines encampment. Additionally, through its designation as a Community Development Block Grant (CDBG) Entitlement Community, the City is implementing a five-year plan that began in 2024, leveraging nearly \$1.8 million in federal funding to support housing, infrastructure, and essential services aligned with broader equity and development goals.

The City remains committed to short- and long-term solutions through its participation in the Homelessness Collective and support for permanent shelter planning. Since 2019, the City has approved Payment in Lieu of Taxes (PILOT) agreements that total 463 inclusive housing units, including 35 designated for individuals experiencing chronic homelessness. Zoning amendments have aimed at targeting housing diversity, and the City continues to explore the redevelopment of public properties for future housing opportunities. These efforts reflect a coordinated, compassionate, and forward-looking approach to providing support to the region’s housing crisis.

### City of Traverse City Housing and Homeless Expenditures

Funding	Fye 24/25	Budgeted fye 25/26	Fund
GT Band pass thru award to Safe Harbor	50,000.00		499
Rfp - workforce housing at 715 beitner	500.00		101-101
Networks Northwest contribution	3,434.00		101-101
GT Regional pass thru for Pines bathrooms	10,000.00		
Transitional beds at Addiction Treatment	100,000.00		101-272
East Bay Flats supportive housing	360,000.00		112
CDBG program	323,000.00	360,000.00	272
Jubilee house ARPA	40,000.00	40,000.00	285
Safe Harbor ARPA	125,000.00	125,000.00	285
	1,011,934.00	525,000.00	

Note this includes only payments to outside agencies, it does not consider the inkind contributions provided by City Police, Fire, DPW, Parks and City Managers office  
Does not include PILOT tax abatements

# Capital Outlay and Equipment Related Budget Items

**City of Traverse City**  
**Fiscal Year End June 30, 2026**  
**Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund**

Description	Amount
<b>Fund 101 General Operating Fund:</b>	
<b>Direct Capital Outlay/Equipment Purchases</b>	
Governmental Center Office Renovations	\$ 45,000
Police SETCOM headset	14,500
Police LIDAR	2,700
<b>Current Year Contributions to Street Capital Projects Fund #447</b>	
Annual Street Reconstruction	901,100
Traffic Signals	483,500
Complete Streets	253,400
Street Improvement Plan	25,000
Eastern Avenue Sidewalk	158,800
<b>Current Year Contributions to Capital Projects Fund #499</b>	
Annual Bridge Maintenance	78,000
Grandview Parkway Irrigation - Division to M-72	266,400
North Union Street Bridge Repair	375,000
Stormwater Management Plan	25,000
West Front Street Safety Improvements	150,000
<b>Total General Operating Fund</b>	<b>\$ 2,778,400</b>
<b>Fund 110 Opera House Fund:</b>	
Roof Replacement	\$ 150,000
Back Stage Floor Replacement	40,000
<b>Total Opera House Fund</b>	<b>\$ 190,000</b>
<b>Fund 210 EMS Fund:</b>	
CPR Machine and Cardiac Monitors for Ambulances	\$ 112,000
<b>Fund 239 Brown Bridge Trust Parks Special Revenue Fund:</b>	
<b>Brown Bridge Quiet Area</b>	
Interactive and Navigational Signage	\$ 10,000
<b>Current Year Contributions to Capital Projects Fund# 499</b>	
Highland Park	30,000
City Wide Bathhouse Improvements	85,000
<b>Total Brown Bridge Trust Parks Fund</b>	<b>\$ 125,000</b>

**Fund 251 PEG Special Revenue Fund:**

LIAA Contribution	<u>\$ 6,200</u>
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**Fund 285 Corona Virus Fiscal Recovery Fund:**

Sanitary Sewer I & I	<u>\$ 175,000</u>
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**Fund 447 Street Capital Projects Fund:**

11th Street Kids Creek Culvert Engineering	\$ 20,800
Street Improvement Plan	100,000
Garfield Avenue Sidewalk	215,000
State Street Two Way Project	500,000
Eastern Avenue Sidewalk	158,800
Traffic Signal Purchase (s)	500,000
2025/26 Pavement Preservation Program	800,000
2025/26 Street Reconstruction Program	<u>5,476,900</u>
2023/2024 Pavement Preservation Project	<u>\$ 7,771,500</u>

**Fund 499 Capital Projects Fund:**

Ashton Park	\$ 27,000
Brown Bridge Property Purchase	3,178,800
East Bay Park Storm Sewer Outlet	60,000
Grandview Parkway Irrigation Division to M-72	266,400
Highland Park Upgrade	30,000
North Union Street Bridge Repair	750,000
Park Master Plan	100,000
Public Safety Video Equipment	40,000
City Wide Park Bathroom Upgrades	85,000
Ramsdell Storm Sewer Upgrade	60,000
Riverwalk Staircase Project	247,000
Rose & Boyd Triangle Park (Jupiter Gardens)	21,500
Stormwater Management Plan	100,000
TART Connect Parson and Oakwood Cemetery	35,000
West Front Safety Improvements	150,000
West End Beach Bathhouse and Parking Lot	672,700
City wide Bridge Maintenance	200,000
Green Community Challenge	3,000
West Boardman Lake Trail Maintenance	<u>25,000</u>
	<u>\$ 6,051,400</u>

**Fund 585 Autoparking Enterprise Fund:**

Single Space Meter Replacement and Expansion	\$	60,000
Bike Infrastructure		5,000
Workstation Replacement		15,000
Hardy Deck Cameras		10,000
Old Town Deck Cameras		10,000
		100,000
	\$	100,000

**Fund 590 Waste Water Fund:**

	Distribution		
Gravity Main Rehab/Repair (CCTV PACP Main Inspections)		\$	90,000
Woodmere Coast Guard Riverine Engineering Evaluation			75,000
Ninth Street Reconstruction			387,500
Griffin Street Reconstruction			90,000
	Plant		
2nd membrane replacement (one train)			1,250,000
Membrane tank cover or enclosure engineering			50,000
Membrane system PLC replacement			500,000
Yard piping engineering evaluation			150,000
North aeration basin structural repair			175,000
Odor control system engineering Study			50,000
Electrical Engineering Evaluation			150,000
Solar panel installation - grant funded			733,100
Headworks & UV Upgrade construction - bond funded			8,000,000
Headworks & UV design - bond funded			200,000
			200,000
		\$	11,900,600

**Fund 591 Water Fund:**

	Distribution		
Bloomfield booster demolition		\$	120,000
Cass & 9th intersection repair			120,000
Veterans drive booster station demolition			120,000
Grand Traverse Regional system study/reliability study			200,000
Grand Traverse Recreational Authority/Commons water systems upgrade			425,000
Ninth Street reconstruction			200,000
Griffin Street reconstruction			185,000
Eleventh Street reconstruction			770,000
East Twelfth Street reconstruction			91,000
Galvanized service earmark grant (water pipe id project)			1,774,200
	Plant		
Windows replacement project			65,000
High & low service pump repair			310,000
Chlorine storage & building improvements			540,000
Water treatment plant & Wayne Hill overflow installation			300,000
			300,000
		\$	5,220,200

**Fund 661 Garage Internal Service Fund:**

Hybrid Police Interceptor	\$	80,000
Hybrid Police Interceptor		80,000
Hybrid Police Interceptor		80,000
Hickory Hills Snowmobile (EV if possible)		17,000
Kubota Tractor		70,000
Kubota Backhoe		70,000
Sidewalk Wheel Loader		75,000
EMS/Fire Admin Vehicle (Hybrid)		70,000
KME Pumper Fire Truck		1,250,000
Ford E250 Camera Van (Wastewater) EV or Hybrid		150,000
EV Mower (Parks)		30,000
Streets Backhoe (EV if possible)		120,000
Hybrid Police evidence/squad car		80,000
V-box Spreader		51,000
Tandem Axle Trailer		6,000
Crash Attenuator Trailer		30,000
Mower Trailer		3,000
Sidewalk Loader Attachments		44,000
Sidewalk Wheel Loader		75,000
Motorcycle Hoist		7,000
2 Post Hoist		25,000
		25,000
	\$	2,413,000

# General Fund

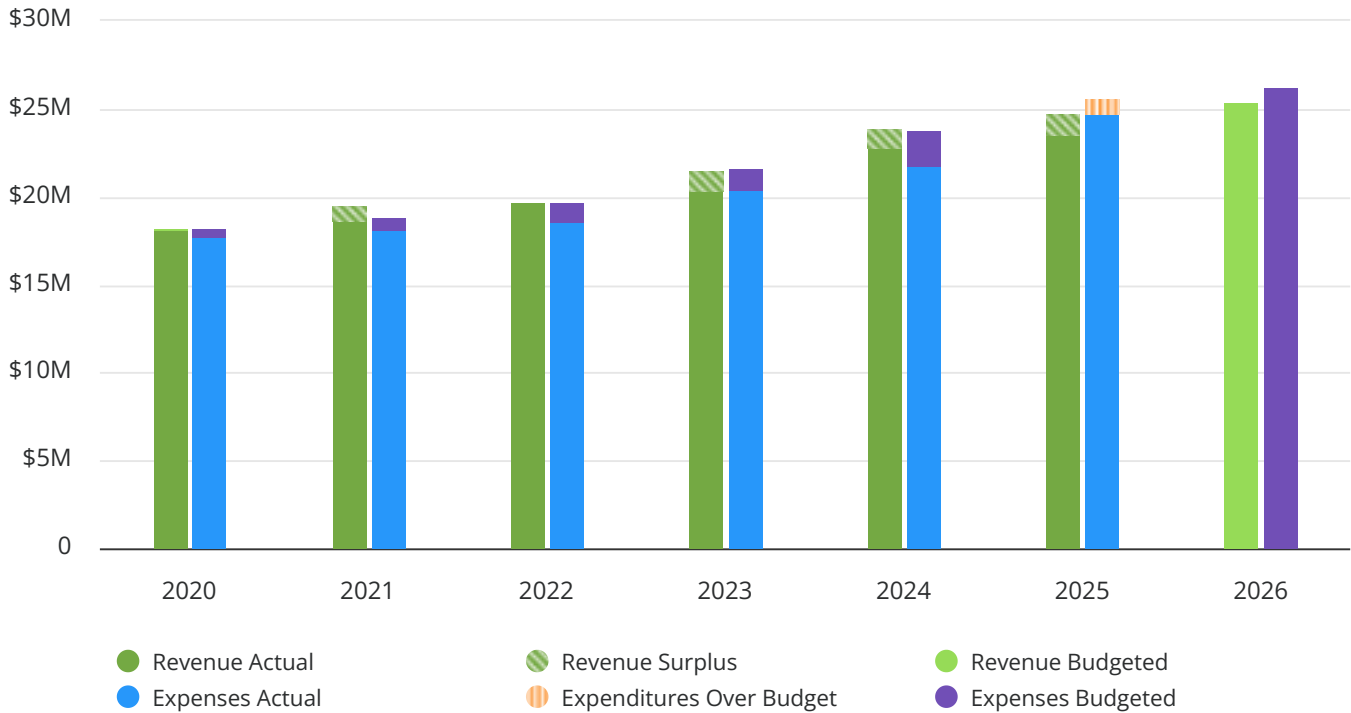




# General Fund Summary

Below is a summary of General Fund Revenue & Expenditure activity.

## Revenues vs Expenditures Summary



As you can see, both revenue and expenditures are trending upward. We have been conservative when budgeting our revenue and departments do a great job of staying within their expenditure budgets. We are required to budget for all approved positions, but historically, we have a hard time filling all positions. This contributes to the increase in fund balance each year. We have quantified the potential budgeted savings due to unfilled positions in this budget and accounted for them in hopes of reducing our fund balance increase in the 2025/2026 budget year.

## Comprehensive Fund Summary General Fund Budget

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	<b>\$8,420,979</b>	<b>\$10,575,777</b>	<b>\$10,575,777</b>	<b>\$9,725,287</b>
<b>Revenues</b>				
TAXES	\$354,275	\$352,800	\$371,400	\$390,000
PROPERTY TAXES	\$14,215,427	\$14,549,200	\$15,292,200	\$16,075,000
INTRAGOVERNMENTAL CITY FEE	\$2,984,529	\$3,065,500	\$3,084,400	\$3,169,200
FINES AND FORFEITURES	\$36,019	\$42,500	\$31,300	\$35,500
LICENSES AND PERMITS	\$475,729	\$519,100	\$420,400	\$425,500
CHARGES FOR SERVICES	\$212,480	\$230,600	\$271,300	\$182,400
INTERGOVERNMENTAL	\$3,192,652	\$3,172,261	\$3,118,800	\$3,011,300
OTHER REVENUE	\$1,252,181	\$453,100	\$664,000	\$660,400
REIMBURSEMENTS	\$885,502	\$939,400	\$1,060,500	\$1,054,700

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
TRANSFER IN	\$354,236	\$328,400	\$431,000	\$451,000
<b>Total Revenues</b>	<b>\$23,963,031</b>	<b>\$23,652,861</b>	<b>\$24,745,300</b>	<b>\$25,455,000</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$9,511,703	\$11,119,500	\$10,696,000	\$9,317,800
FRINGE BENEFITS	\$3,545,052	\$4,223,000	\$4,189,800	\$3,914,300
OFFICE/OPERATING SUPPLIES	\$528,771	\$726,032	\$528,150	\$476,100
PROFESSIONAL SERVICES	\$1,116,607	\$1,421,189	\$1,070,700	\$1,181,000
COUNTY RECORDS CONTRACT	\$237,927	\$200,200	\$232,000	\$200,200
INSURANCE & BONDS	\$127,277	\$139,107	\$136,230	\$120,900
PROFESSIONAL DEVELOPMENT	\$188,240	\$291,711	\$178,400	\$197,100
COMMUNICATION	\$126,038	\$146,392	\$125,800	\$93,000
TRANSPORTATION	\$250,586	\$297,500	\$248,200	\$234,800
COMMUNITY PROMOTION	\$14,478	\$7,000	\$2,000	\$6,500
HUMAN RIGHTS COMISSION	\$1,459	\$5,000	\$2,000	\$2,000
APPROPRIATIONS	-	-	\$5,000	-
INDEPENDENCE DAY FIREWORKS	\$3,500	\$3,500	\$3,500	\$3,500
LAND INFORMATION ACCESS ASSOC	\$68,652	\$70,000	\$63,000	\$65,000
CONTRACTUAL SERVICES	\$644	-	-	-
PRINTING & PUBLISHING	\$50,806	\$117,600	\$50,100	\$78,000
UTILITIES	\$263,354	\$322,000	\$297,900	\$282,100
REPAIRS & MAINTENANCE	\$222,630	\$247,600	\$168,200	\$177,400
RENTALS	\$1,479,733	\$1,536,600	\$1,433,000	\$1,154,600
MISCELLANEOUS EXP	\$19,774	\$25,730	\$22,210	\$45,500
POLICE RESERVES	-	\$3,900	-	-
CAPITAL OUTLAY	\$200,996	\$251,000	\$158,400	\$62,200
CONTINGENCIES	-	\$75,000	-	\$125,000
TRANSFER OUT MVH-STREETS FUND	\$794,123	\$915,800	\$842,800	\$956,200
TRANSFER OUT CAPITAL PROJECTS FUND	\$1,832,600	\$2,473,500	\$2,628,500	\$894,400
TRANSFER OUT SIDEWALK DEBT SERVICE FUND	\$378,659	\$375,000	\$375,000	\$376,000
TRANSFER OUT OPERA HOUSE FUND	\$17,000	-	-	\$60,000
TRANSFER OUT CARNEGIE BUILDING FUND	\$58,600	\$58,600	\$58,600	\$31,300
TRANSFER OUT	-	\$890,400	\$890,400	-
TRANSFER OUT HICKORY HILLS FUND	\$356,800	\$370,000	\$370,000	\$390,000
TRANSFER OUT PUBLIC ARTS COMMISSION	\$30,000	\$45,000	\$45,000	\$60,000
TRANSFER OUT - STREET CAPITAL PROJECTS	-	\$436,100	\$253,400	\$1,821,800
TRANSFER OUT - TO FIRE EMS FUND	-	-	-	\$3,241,500
INFORMATION TECHNOLOGY SERVICES	\$382,226	\$388,300	\$521,500	\$708,000
<b>Total Expenditures</b>	<b>\$21,808,233</b>	<b>\$27,182,261</b>	<b>\$25,595,790</b>	<b>\$26,276,200</b>
<b>Total Revenues Less Expenditures</b>	<b>\$2,154,798</b>	<b>-\$3,529,400</b>	<b>-\$850,490</b>	<b>-\$821,200</b>
<b>Ending Fund Balance</b>	<b>\$10,575,777</b>	<b>\$7,046,377</b>	<b>\$9,725,287</b>	<b>\$8,904,087</b>

We were initially on track to add to the fund balance in the 2024/2025 budget year. We have identified potential projects that can be funded from this year's budget to help reduce the projected budget deficit in 2025/2026 budget. If approved, we will transfer the funds in the correct budget year for these projects to the corresponding funds. This will allow time for project planning and approvals eliminating the 6/30/25 deadline.

### Revenues by Source

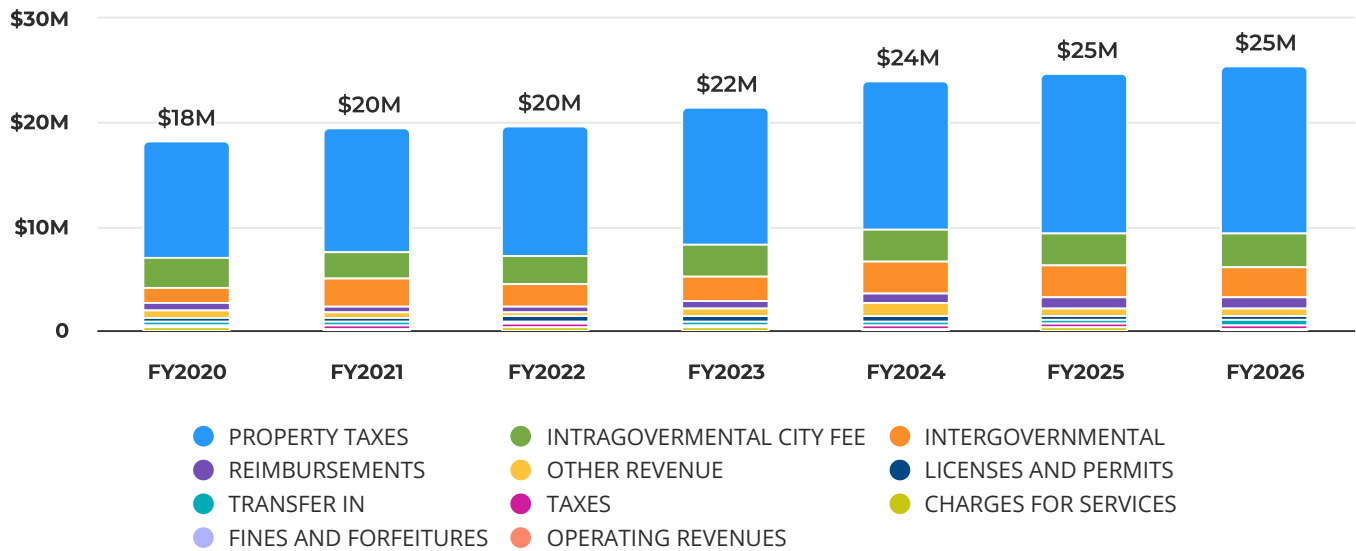
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REAL ESTATE/PERSONAL PROPERTY TAX	\$14,045,839	\$14,384,200	\$15,192,800	\$15,970,000	11.02%
INTRAGOVERNMENTAL CITY FEE	\$2,984,529	\$3,065,500	\$3,084,400	\$3,169,200	3.38%
CANNIBIS EXCISE TAX	\$714,788	\$712,800	\$758,100	\$711,000	-0.25%
PENALTIES & INTEREST ON TAXES	\$169,588	\$165,000	\$99,400	\$105,000	-36.36%
COLLECTION FEES	\$354,275	\$352,800	\$371,400	\$390,000	10.54%
BUSINESS LICENSES & PERMITS	\$238,023	\$208,900	\$140,000	\$145,000	-30.59%
FRANCHISE FEES	\$154,084	\$220,000	\$200,000	\$200,000	-9.09%
NON-BUSINESS PERMITS	\$83,622	\$90,200	\$80,400	\$80,500	-10.75%
OTHER INCOME	\$222,750	\$21,000	\$16,200	\$15,000	-28.57%
FEDERAL GRANTS	\$106,279	\$116,961	\$167,500	\$127,500	9.01%
STATE GRANT	\$48,780	\$48,800	\$63,600	-	-100.00%
STATE LIQUOR LICENSES	\$84,409	\$53,000	\$56,000	\$55,000	3.77%
STATE LOCAL COMMUNITY STABILIZATION	\$316,233	\$295,100	\$169,200	\$169,200	-42.66%
STATE SALES & USE TAX	\$1,922,165	\$1,945,600	\$1,904,400	\$1,948,600	0.15%
GENERAL FEES & SERVICES	\$53,628	\$53,000	\$57,300	\$58,300	10.00%
USE & ADMISSION FEES	\$158,853	\$177,600	\$214,000	\$124,100	-30.12%
ORDINANCE FINES & COSTS	\$36,019	\$42,500	\$31,300	\$35,500	-16.47%
INTEREST REVENUE	\$442,612	\$200,000	\$450,000	\$500,000	150.00%
CHANGE IN FAIR VALUE INVESTMENTS	\$263,079	-	-	-	-
RENT & ROYALTIES	\$57,893	\$101,200	\$110,000	\$116,900	15.51%
CONTRIBUTIONS-PRIVATE SOURCES	\$41,710	\$70,900	\$52,000	-	-100.00%
CONTRIBUTIONS-PUBLIC SOURCES	\$167,913	\$60,000	\$2,000	\$2,000	-96.67%
REIMBURSEMENTS	\$885,502	\$939,400	\$1,060,500	\$1,054,700	12.27%
OPIOID REVENUE	\$56,225	-	\$33,800	\$26,500	-
TRANSFER IN OTHER FUNDS	\$40,735	\$48,400	\$50,400	\$50,400	4.13%
TRANSFER IN BROWN BRIDGE TRUST FUND	\$313,501	\$280,000	\$380,600	\$400,600	43.07%
<b>Total Revenues</b>	<b>\$23,963,031</b>	<b>\$23,652,861</b>	<b>\$24,745,300</b>	<b>\$25,455,000</b>	<b>7.62%</b>

As you can see, property taxes, intragovernmental fees, and sales tax revenue are the 3 largest sources of revenue for the City. We have shifted our budgeting process so we do not include unknown grant or reimbursement revenue. When the revenue is received,

we will process a budget adjustment to cover associated expenditures earmarked for use of the revenue. Cannabis revenue has started to plateau as the number of licenses adjusts to the market demand. This revenue has been instrumental in helping to fund the additional Police positions and additional City contributions to public health & safety.

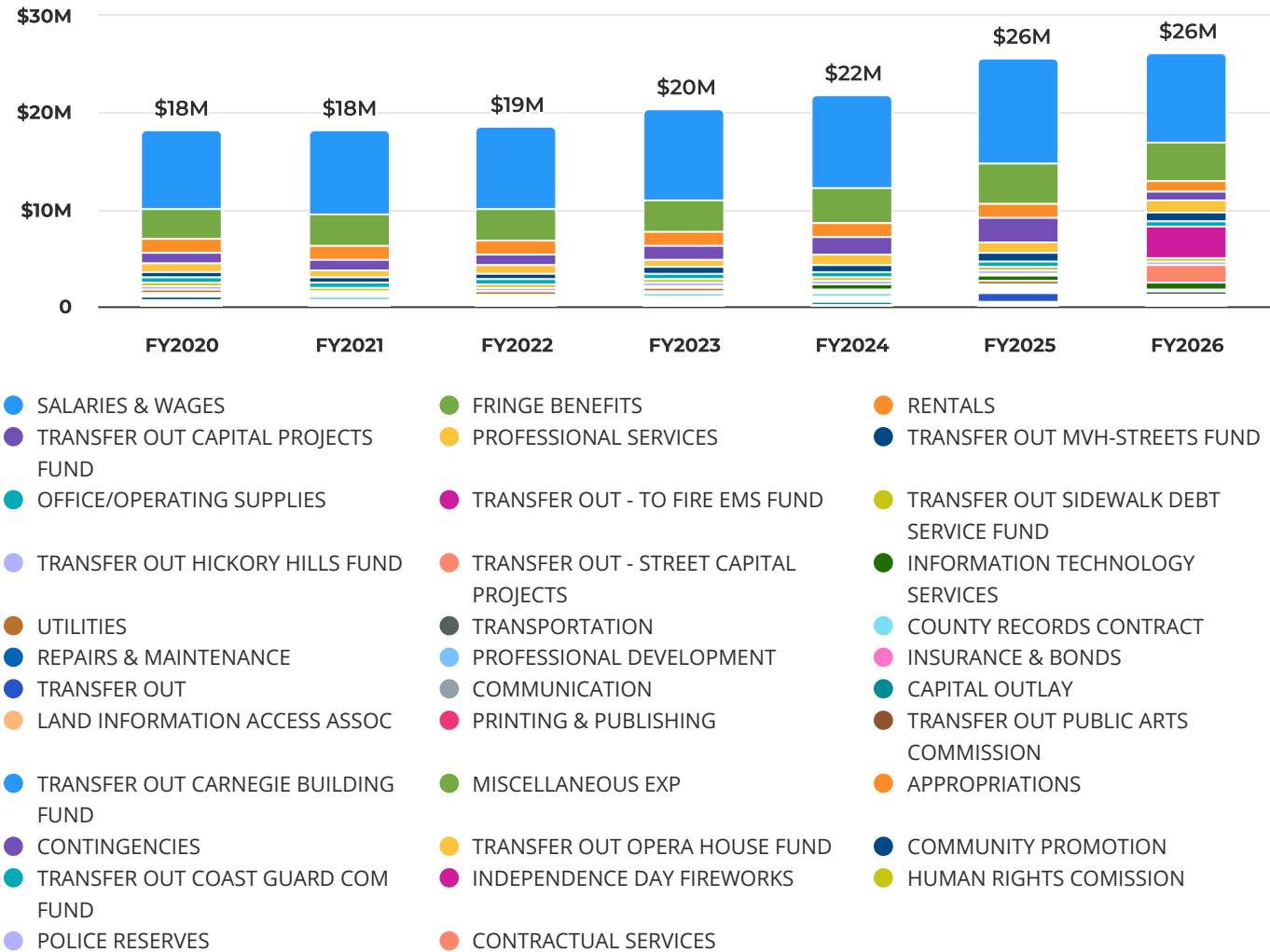
As shown in the chart above, actual property tax revenues significantly exceed budget projections. In response, we've refined our revenue forecasting methodology to improve accuracy in the FY 2025/2026 budget. To ensure funds are effectively utilized in the year earned while remaining aligned with the City's fund-balance policy, we requested Commission approval for a budget adjustment based on 3 levels of priority. This adjustment is included in this proposed budget.

### Historical Revenue by Revenue Source Summary



Negative revenue reflects the GASB required Change in Fair Market Value of investments amount reported at year-end. All investments were held until maturity, so no loss was actually recognized.

### Historical Expenditures by Type Summary



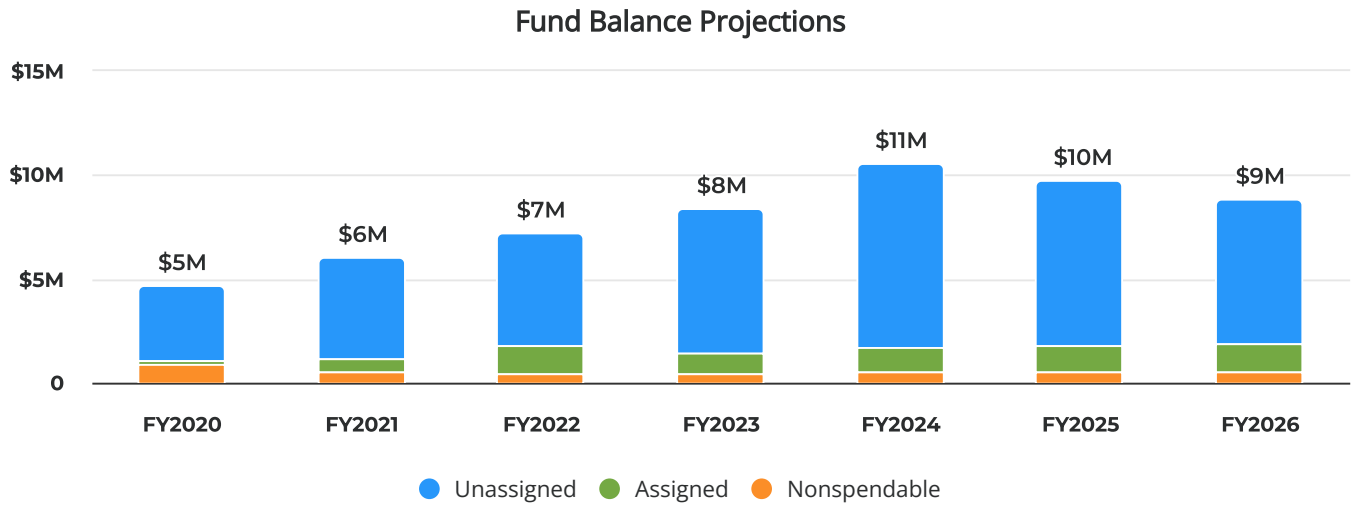
### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$9,511,703	\$11,119,500	\$10,696,000	\$9,317,800	-16.20%
FRINGE BENEFITS	\$3,545,052	\$4,223,000	\$4,189,800	\$3,914,300	-7.31%
OFFICE/OPERATING SUPPLIES	\$528,771	\$726,032	\$528,150	\$476,100	-34.42%
PROFESSIONAL SERVICES	\$1,116,607	\$1,421,189	\$1,070,700	\$1,181,000	-16.90%
COUNTY RECORDS CONTRACT	\$237,927	\$200,200	\$232,000	\$200,200	0.00%
INSURANCE & BONDS	\$127,277	\$139,107	\$136,230	\$120,900	-13.09%
PROFESSIONAL DEVELOPMENT	\$188,240	\$291,711	\$178,400	\$197,100	-32.43%
COMMUNICATION	\$126,038	\$146,392	\$125,800	\$93,000	-36.47%
TRANSPORTATION	\$250,586	\$297,500	\$248,200	\$234,800	-21.08%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
COMMUNITY PROMOTION	\$14,478	\$7,000	\$2,000	\$6,500	-7.14%
HUMAN RIGHTS COMISSION	\$1,459	\$5,000	\$2,000	\$2,000	-60.00%
APPROPRIATIONS	-	-	\$5,000	-	-
INDEPENDENCE DAY FIREWORKS	\$3,500	\$3,500	\$3,500	\$3,500	0.00%
LAND INFORMATION ACCESS ASSOC	\$68,652	\$70,000	\$63,000	\$65,000	-7.14%
CONTRACTUAL SERVICES	\$644	-	-	-	-
PRINTING & PUBLISHING	\$50,806	\$117,600	\$50,100	\$78,000	-33.67%
UTILITIES	\$263,354	\$322,000	\$297,900	\$282,100	-12.39%
REPAIRS & MAINTENANCE	\$222,630	\$247,600	\$168,200	\$177,400	-28.35%
RENTALS	\$1,479,733	\$1,536,600	\$1,433,000	\$1,154,600	-24.86%
MISCELLANEOUS EXP	\$19,774	\$25,730	\$22,210	\$45,500	76.84%
POLICE RESERVES	-	\$3,900	-	-	-100.00%
CAPITAL OUTLAY	\$200,996	\$251,000	\$158,400	\$62,200	-75.22%
CONTINGENCIES	-	\$75,000	-	\$125,000	66.67%
TRANSFER OUT MVH- STREETS FUND	\$794,123	\$915,800	\$842,800	\$956,200	4.41%
TRANSFER OUT CAPITAL PROJECTS FUND	\$1,832,600	\$2,473,500	\$2,628,500	\$894,400	-63.84%
TRANSFER OUT SIDEWALK DEBT SERVICE FUND	\$378,659	\$375,000	\$375,000	\$376,000	0.27%
TRANSFER OUT OPERA HOUSE FUND	\$17,000	-	-	\$60,000	-
TRANSFER OUT CARNEGIE BUILDING FUND	\$58,600	\$58,600	\$58,600	\$31,300	-46.59%
TRANSFER OUT	-	\$890,400	\$890,400	-	-100.00%
TRANSFER OUT HICKORY HILLS FUND	\$356,800	\$370,000	\$370,000	\$390,000	5.41%
TRANSFER OUT PUBLIC ARTS COMMISSION	\$30,000	\$45,000	\$45,000	\$60,000	33.33%
TRANSFER OUT - STREET CAPITAL PROJECTS	-	\$436,100	\$253,400	\$1,821,800	317.75%
TRANSFER OUT - TO FIRE EMS FUND	-	-	-	\$3,241,500	-
INFORMATION TECHNOLOGY SERVICES	\$382,226	\$388,300	\$521,500	\$708,000	82.33%
<b>Total Expenditures</b>	<b>\$21,808,233</b>	<b>\$27,182,261</b>	<b>\$25,595,790</b>	<b>\$26,276,200</b>	<b>-3.33%</b>

The significant reduction in the personnel and operating accounts budget is due to Fire & GIS staff being moved out of the General fund into separate funds.

# Fund Balance



We have identified potential projects that we recommended approval in the 2024/25 budget on 5/7/2025. These allocations will clean up some project deficiencies and keep the General Fund's fund balance from growing, which will in turn help minimize the projected deficit in the 2025/26 budget. The FY2025 and FY2026 projections reflect anticipated approval of those adjustments.

# General Operating Fund History of Fund Balance



Fund balance projection anticipates approval of 2024/2025 use of fund balance budget adjustment.

### General Operating Fund Unassigned Fund Balance History

**Fund Balance projection/additional analysis**

	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
Total Fund Balance at 6/30	10,575,777	\$ 8,240,977	\$ 7,203,757	\$ 6,065,754	\$ 6,188,853
Nonspendable - Inventory, and Prepaid Items	(535,246)	(493,264)	(480,698)	(540,350)	(894,637)
Assigned - Subsequent years budgeted deficit	(1,144,900)	(916,700)	(1,315,700)	(624,400)	(83,400)
<b>Total General Operating Fund Unassigned Fund Balance</b>	<b>\$ 8,895,631</b>	<b>\$ 6,831,013</b>	<b>\$ 5,407,359</b>	<b>\$ 4,901,004</b>	<b>\$ 5,210,816</b>
Budgeted 6/30 subsequent year total expenditures	21,808,233	\$ 23,768,600	\$ 21,675,300	\$ 19,771,600	\$ 17,824,600
Current Unassigned Fund Balance as a % of budgeted subsequent year expenditures	40.79%	28.74%	24.95%	24.79%	29.23%
Fund balance required to achieve commission required 20% maximum	\$ 4,361,647	\$ 4,753,720	\$ 4,335,060	\$ 3,954,320	\$ 3,564,920
Potential additional fund balance available for current or subsequent budgets	\$ 4,533,984	\$ 2,077,293	\$ 1,072,299	\$ 946,684	\$ 1,645,896

### The City Commission General Fund Balance Policy CC-056

The City Commission desires to have a minimum unassigned fund balance that will not go below 15% of General Operating Fund expenditures. Should the unassigned fund balance go below the 15% level, the City Commission in conjunction with City Staff shall develop a plan for bringing the unassigned fund balance up to at least that level. An exception to this requirement would be the desire of the City Commission for the use of funds for matching a grant with a time limit on the expenditure of the grant proceeds. The city Commission desires to have a maximum unassigned fund balance that will not exceed 20% of the General Operating Fund



expenditures. Should the unassigned fund balance go above the 20% level, the City Commission, in conjunction with staff, shall develop a plan for the utilization of those funds to bring the unassigned fund balance back down to the 20% level. An exception to this requirement would be the desire of the City Commission to plan the use of the funds for a future specific purpose within a specific timeline.

## Unassigned Fund Balance in Relation to Policy

City of TC  
 General Operating Fund  
 Budget Summary and Fund Balance Review

	FYE 6/30/25 Projected	FYE 6/30/26 Budget
Revenues before adjustments	\$ 24,745,300	\$ 24,213,100
Expenditures before adjustments	(23,513,400)	(27,006,800)
Fund Balance increase (decrease) before adjustments	1,231,900	(2,793,700)
Current suggested adjustments - Revenue increase (decrease)	-	1,241,900
Current suggested adjustments - Expenditures (increase) decrease	(2,082,300)	760,600
Adjusted increase (decrease) fund balance	(850,400)	(791,200)
Beginning Fund Balance	10,575,777	9,725,377
Ending Fund Balance	\$ 9,725,377	\$ 8,934,177
Fund Balance Analysis:		
Ending total Fund Balance	\$ 9,725,377	\$ 8,934,177
esimate unavailable for prepaids and inventory	(535,000)	(535,000) estimated based on prior year balances
assigned for subsequent budget	(821,200)	(821,200) assume similar use of fund balance in fye 27
Unassigned Fund Balance	\$ 8,369,177	\$ 7,577,977
Unassigned Fund Balance as % of total expenditures	32.70%	29%

City Commission Unassigned Fund Balance Goal is 15% to 20% of Unassigned Fund Balance

Fund balance projection anticipates approval of 2024/2025 use of fund balance budget adjustment.

# Intentional Use of 2024/25 Funds

We are initially projecting to increase the fund balance in the 2024/25 budget year. In an effort to adhere to the unassigned fund balance policy, the Treasurer proposed we transfer the following list of funds in the 2024/25 fiscal year. Since many of the requested items are one-time expenditures, they will "clean up" some of our funds and activities that have been underfunded in the past. This will help reduce the projected increase and put the other funds in a better position going into the 25/26 budget year. Budget adjustment was approved at the May 5, 2025 commission meeting.

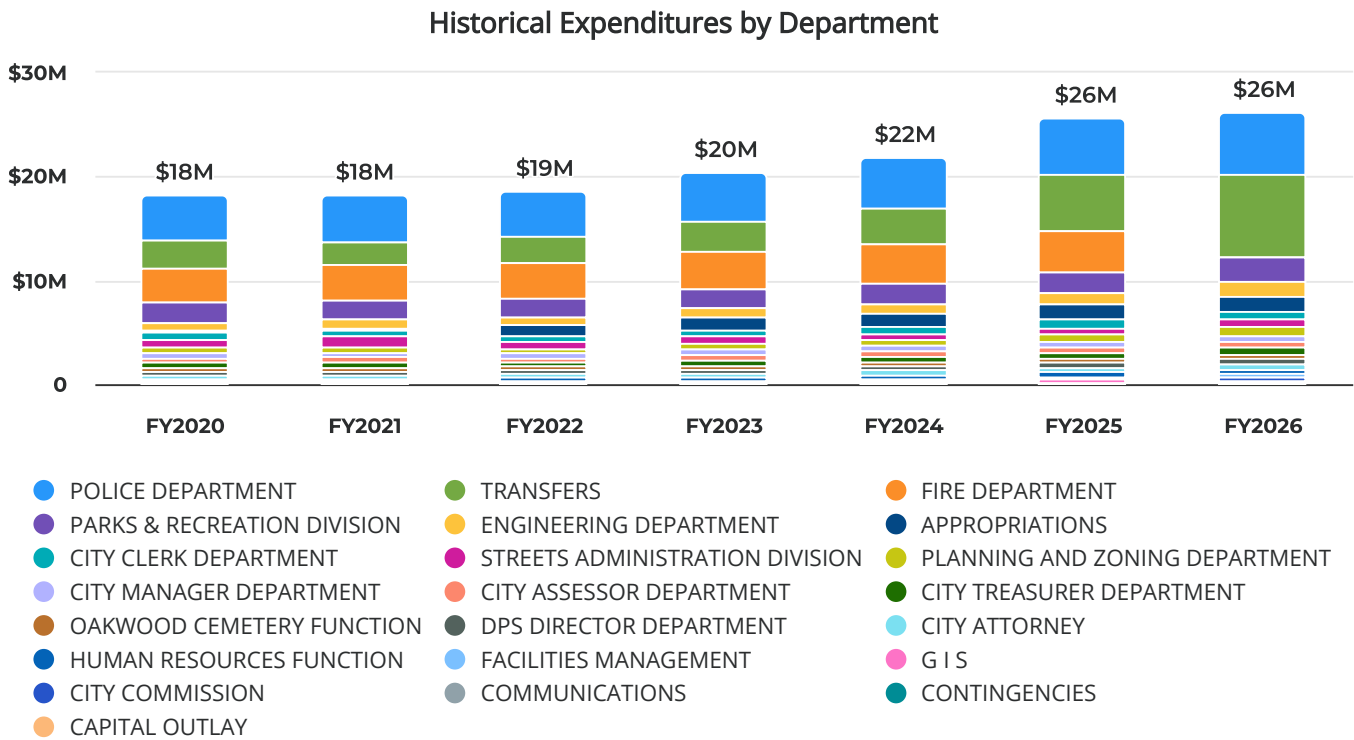
## Priority Guide

1. General Fund Appropriations: To address departmental deficits due to unplanned or over-budget activity and bring the Budget stabilization fund to 1 million.
2. Reallocation of FY 2025/2026 Reductions: Several department-priority items have been reduced in the FY 25/26 budget. We propose funding these in FY 24/25 to meet original departmental requests.
3. Commissioner Requested Items: As requested by the Complete Streets ad hoc, annual 1% of general fund revenue dedication to Complete Streets. As requested by Commissioner Shaw, on behalf of the Arts Commission, additional contribution to help cover planned projects.

Proposed projects to fund from 2024/2025 budget			
Project	Amount	Priority	Account
East Bay stormwater	60,000.00	1	101-966-995.002
RamsdellGate stormwater	60,000.00	1	101-966-995.002
Senior Center Deficit	648,000.00	1	101-966-995.014
IT Separation	503,000.00	1	101-966-995.002
Close out Hickory Hills phase 1	160,500.00	1	101-966-995.002
Bring Budget Stabilization to 1 million	242,400.00	1	101-966-995.011
Fund fye 26 new HAZMAT ID Machine	60,000.00	2	101-336-977.001
Bring fye 26 Bridge Maintenance transfer back to original request	200,000.00	2	101-966-995.002
Bring fye 26 Traffic signal upgrade transfer back to original request	200,000.00	2	101-966-995.003
Complete Streets	236,100.00	3	101-966-995.003
Arts Commission increase	15,000.00	3	101-966-995.017
	<u>\$ 2,385,000</u>		

# General Fund Department Budgeted Expenditures

Below is a summary of departmental expenditures budgeted in the General Operating Fund.



### FY26 Expenditures by Department



● TRANSFERS	<b>\$7,831,200</b>	29.80%
● POLICE DEPARTMENT	<b>\$6,122,200</b>	23.30%
● PARKS & RECREATION DIVISION	<b>\$2,329,900</b>	8.87%
● ENGINEERING DEPARTMENT	<b>\$1,455,700</b>	5.54%
● APPROPRIATIONS	<b>\$1,409,300</b>	5.36%
● PLANNING AND ZONING DEPARTMENT	<b>\$920,100</b>	3.50%
● CITY CLERK DEPARTMENT	<b>\$789,300</b>	3.00%
● STREETS ADMINISTRATION DIVISION	<b>\$703,100</b>	2.68%
● CITY TREASURER DEPARTMENT	<b>\$620,200</b>	2.36%
● CITY MANAGER DEPARTMENT	<b>\$589,000</b>	2.24%
● CITY ASSESSOR DEPARTMENT	<b>\$541,500</b>	2.06%
● CITY ATTORNEY	<b>\$534,700</b>	2.03%
● HUMAN RESOURCES FUNCTION	<b>\$480,100</b>	1.83%
● OAKWOOD CEMETERY FUNCTION	<b>\$473,400</b>	1.80%
● DPS DIRECTOR DEPARTMENT	<b>\$450,500</b>	1.71%
● FACILITIES MANAGEMENT	<b>\$377,500</b>	1.44%
● CITY COMMISSION	<b>\$275,500</b>	1.05%
● COMMUNICATIONS	<b>\$248,000</b>	0.94%
● CONTINGENCIES	<b>\$125,000</b>	0.48%

Police makes up just over 23% of the General Fund budget, followed by transfers to other funds, including a transfer to the new EMS Fund for Fire activity and 1.000 mil for street repairs in the Street Fund & approved capital projects in the Capital Improvement Fund. These 2 items alone make up over 50% of the general fund expenditures.

**Expenditures by Department**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CITY COMMISSION	\$153,192	\$308,600	\$234,000	\$275,500	-10.73%
CITY MANAGER DEPARTMENT	\$563,778	\$592,000	\$586,100	\$589,000	-0.51%
DPS DIRECTOR DEPARTMENT	\$395,133	\$473,100	\$430,300	\$450,500	-4.78%
CITY CLERK DEPARTMENT	\$788,655	\$925,700	\$840,200	\$789,300	-14.73%
CITY TREASURER DEPARTMENT	\$462,341	\$567,500	\$544,390	\$620,200	9.29%
CITY ASSESSOR DEPARTMENT	\$453,101	\$528,400	\$520,200	\$541,500	2.48%
G I S	\$193,163	\$213,900	\$318,200	-	-100.00%
FACILITIES MANAGEMENT	\$217,844	\$261,400	\$229,800	\$377,500	44.41%
CITY ATTORNEY	\$406,084	\$607,800	\$462,500	\$534,700	-12.03%
HUMAN RESOURCES FUNCTION	\$392,891	\$463,800	\$428,100	\$480,100	3.51%
APPROPRIATIONS	\$1,178,678	\$1,441,700	\$1,436,700	\$1,409,300	-2.25%
POLICE DEPARTMENT	\$4,843,446	\$5,636,461	\$5,293,000	\$6,122,200	8.62%
FIRE DEPARTMENT	\$3,753,438	\$4,369,800	\$3,998,600	-	-100.00%
STREETS ADMINISTRATION DIVISION	\$490,936	\$679,800	\$505,200	\$703,100	3.43%
ENGINEERING DEPARTMENT	\$942,766	\$1,217,200	\$1,136,800	\$1,455,700	19.59%
OAKWOOD CEMETERY FUNCTION	\$492,931	\$417,300	\$438,000	\$473,400	13.44%
PLANNING AND ZONING DEPARTMENT	\$662,369	\$805,600	\$710,200	\$920,100	14.21%
PARKS & RECREATION DIVISION	\$1,949,705	\$2,032,800	\$2,019,800	\$2,329,900	14.62%
CONTINGENCIES	-	\$75,000	-	\$125,000	66.67%
TRANSFERS	\$3,467,781	\$5,564,400	\$5,463,700	\$7,831,200	40.74%
COMMUNICATIONS	-	-	-	\$248,000	-
<b>Total Expenditures</b>	<b>\$21,808,233</b>	<b>\$27,182,261</b>	<b>\$25,595,790</b>	<b>\$26,276,200</b>	<b>-3.33%</b>

The requested budget for GIS & Fire are \$0 due to activity being moved to separate funds.

# City Commission (101-101)

**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 seven (7) members including the 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.

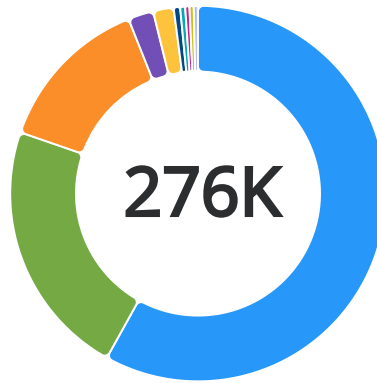
The City Commission meetings are held in the Commission Chambers on the 2nd Floor of the Governmental Center, 400 Boardman Avenue, Traverse City. Regular Meetings are held the first and third Monday of each month. Possible Study Sessions are held on the second and fourth Monday of each month. Special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

This department's expenditures include the salaries paid to the City Commissioners, the General Fund's portion of the City Audit, strategic planning initiatives, upgrades to public information sharing tools and membership to the Michigan Municipal League

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes.

### FY26 Expenditures by Type Summary



● PROFESSIONAL SERVICES	\$160,000	58.08%
● SALARIES & WAGES	\$61,200	22.21%
● INFORMATION TECHNOLOGY SERVICES	\$37,700	13.68%
● PROFESSIONAL DEVELOPMENT	\$6,000	2.18%
● FRINGE BENEFITS	\$4,900	1.78%
● MISCELLANEOUS EXP	\$1,500	0.54%
● INSURANCE & BONDS	\$1,200	0.44%
● OFFICE/OPERATING SUPPLIES	\$1,000	0.36%
● COMMUNITY PROMOTION	\$1,000	0.36%
● PRINTING & PUBLISHING	\$1,000	0.36%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$61,668	\$61,200	\$57,500	\$61,200	0.00%
FRINGE BENEFITS	\$4,892	\$4,800	\$4,900	\$4,900	2.08%
OFFICE/OPERATING SUPPLIES	\$688	\$1,100	\$1,200	\$1,000	-9.09%
PROFESSIONAL SERVICES	\$66,042	\$231,400	\$159,700	\$160,000	-30.86%
INSURANCE & BONDS	\$379	\$1,120	\$1,100	\$1,200	7.14%
PROFESSIONAL DEVELOPMENT	\$4,194	\$7,500	\$4,500	\$6,000	-20.00%
COMMUNITY PROMOTION	\$10,825	\$1,000	\$1,000	\$1,000	0.00%
PRINTING & PUBLISHING	\$1,299	-	\$1,300	\$1,000	-
MISCELLANEOUS EXP	\$3,204	\$480	\$1,000	\$1,500	212.50%
INFORMATION TECHNOLOGY SERVICES	-	-	\$1,800	\$37,700	-
<b>Total Expenditures</b>	<b>\$153,192</b>	<b>\$308,600</b>	<b>\$234,000</b>	<b>\$275,500</b>	<b>-10.73%</b>

Professional services includes, Annual Audit costs, Guard service for commission meetings, Tower Pinkster facilities master plan, wrapping up Strategic plan and ClearGov.

# City Manager (101-172)

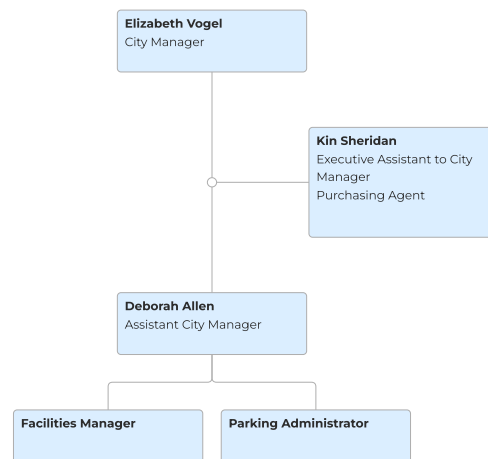
**Mission Statement:** *To work in partnership with the City Commission to achieve the City's mission and goals.*

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.

The City Manager's 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

## City Manager Office

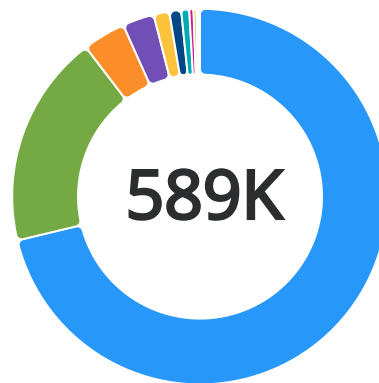




# SUMMARY OF SIGNIFICANT BUDGET CHANGES

Added new Facilities Director position under Assistant City Manager, budgeted under Facilities Management department.

FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$419,700	71.26%
● FRINGE BENEFITS	\$108,100	18.35%
● INFORMATION TECHNOLOGY SERVICES	\$21,800	3.70%
● PROFESSIONAL SERVICES	\$16,000	2.72%
● PROFESSIONAL DEVELOPMENT	\$8,000	1.36%
● OFFICE/OPERATING SUPPLIES	\$6,000	1.02%
● PRINTING & PUBLISHING	\$4,000	0.68%
● INSURANCE & BONDS	\$2,200	0.37%
● MISCELLANEOUS EXP	\$1,500	0.25%
● TRANSPORTATION	\$1,000	0.17%
● COMMUNICATION	\$700	0.12%

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$304,223	\$420,700	\$393,500	\$419,700	-0.24%
FRINGE BENEFITS	\$57,270	\$106,600	\$111,800	\$108,100	1.41%
OFFICE/OPERATING SUPPLIES	\$3,043	\$9,963	\$6,000	\$6,000	-39.78%
PROFESSIONAL SERVICES	\$158,781	\$16,000	\$36,000	\$16,000	0.00%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INSURANCE & BONDS	\$1,667	\$2,137	\$2,100	\$2,200	2.95%
PROFESSIONAL DEVELOPMENT	\$4,124	\$8,000	\$8,000	\$8,000	0.00%
COMMUNICATION	\$2,612	\$2,500	\$2,700	\$700	-72.00%
TRANSPORTATION	\$8,851	\$1,500	\$1,000	\$1,000	-33.33%
PRINTING & PUBLISHING	\$5,421	\$3,600	\$4,000	\$4,000	11.11%
MISCELLANEOUS EXP	\$1,761	\$2,000	\$2,000	\$1,500	-25.00%
INFORMATION TECHNOLOGY SERVICES	\$16,025	\$19,000	\$19,000	\$21,800	14.74%
<b>Total Expenditures</b>	<b>\$563,778</b>	<b>\$592,000</b>	<b>\$586,100</b>	<b>\$589,000</b>	<b>-0.51%</b>

# Department of Public Services (101-174)

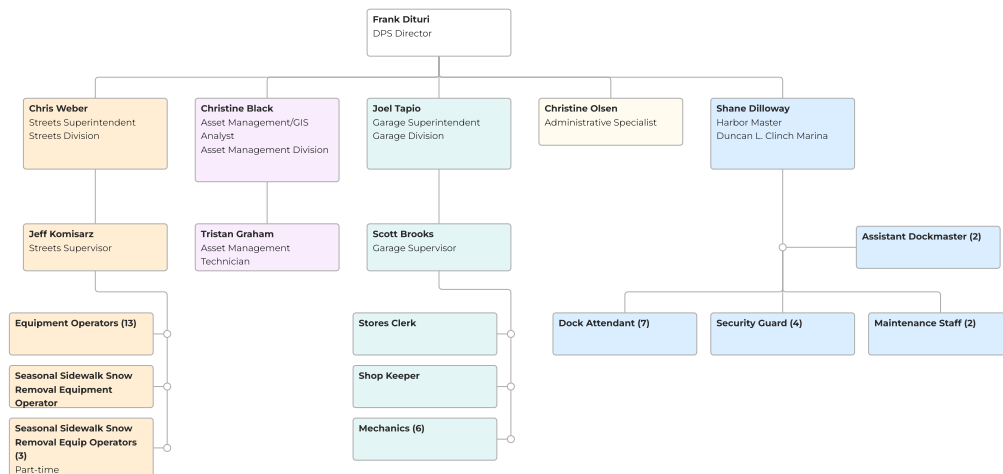
**Mission Statement:** *The Department's mission is to provide excellent services and opportunities for the residents of Traverse City that will promote a safe, healthy, clean and enjoyable environment while maintaining and improving the quality of life for this generation and those that follow.*

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.



## Department of Public Services



# Asset Management Division

**Mission Statement:** *Our mission is to create, provide, and maintain comprehensive asset inventories, including condition assessments, for all City assets. This data supports a strategic approach to long-term financial and economic management, enables the implementation of sound policies and strategic plans, and allows for the monitoring, reporting, and measurement of performance. We strive to provide accessible information to assist in operational activities and develop effective Asset Management Plans and Programs.*



PASER Road Ratings Public Dashboard

## Asset Management Division Functions & Services

- **Long-Term Planning**
  - Develops plans to maintain and improve city infrastructure, like streets, water systems, and public buildings.
  - Helps prioritize repairs and upgrades to keep city services running efficiently.
- **Tracking City Assets**
  - Uses Geographic Information Systems (GIS) to map and monitor infrastructure, including roads, utilities, parks, and public buildings.
  - Collects and updates data to assess the condition of city assets.
- **Supporting City Departments**
  - Works with the Department of Public Services, the Department of Municipal Utilities and other city departments to manage and analyze infrastructure data.
  - Conducts inspections and assessments to help departments make informed maintenance and budgetary decisions.
- **Technology & Data Management**

- Uses specialized software to store and analyze infrastructure data.
- Integrates GIS with other systems to improve efficiency and decision-making.
- **Data Analysis & Reporting**
  - Collects, analyzes, and interprets data to create reports for city leaders, department heads, and state and federal agencies to support decision-making and regulatory compliance.
  - Assesses the effectiveness of maintenance programs and infrastructure investments.
- **Training & Technical Support**
  - Teaches city employees how to use asset management principles, software and GIS tools.
  - Provides ongoing technical support to various city departments.
- **IT & Record Management**
  - Maintains digital records of infrastructure conditions and maintenance history.
  - Ensures data accuracy and keeps systems up to date.
  - Serves as the IT liaison for the Department of Public Services.

## Achievements

- Traffic Control Order (TCO) Dashboard - Created an internal web dashboard showing all Traffic Control Orders including scanned copies and pictures of the signs.
- American Disability Act (ADA) Ramp Inventory - Collaborated with the Streets Division to create an inventory of all ADA Ramps to include GPS location.
- Pavement Marking & Catch Basin Dashboards - Used our inventory to create web dashboards used by our contractors to locate and then record their work in real-time while allowing city staff to monitor their work LIVE.
- Real-time access to multiple inventories via Asset Management Software - Successfully implemented Clerk's Department access to multiple inventories to eliminate redundancy.

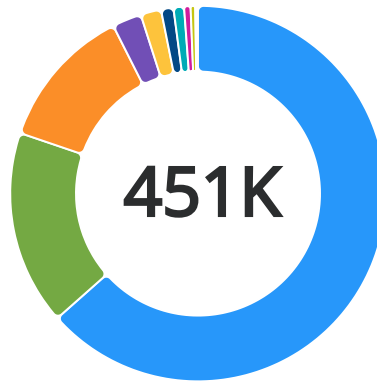
## Goals

- Asset Management/GIS Analyst II Position Request: Funding is requested to support increasing asset management needs across multiple departments,
- Finalize the Pavement Asset Management Plan which will include the next 5 years of street projects
- Collaborate across all departments to provide asset data and support fiscally sound decisions through effective asset management.
- Clerk's Department editing access to Asset Management Software to eliminate dual entry of information in multiple departments.
- Update our sign inventory to include a picture of each sign in the field.
- Digitize all asset files and attach to assets in Asset Management Software.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

As part of ongoing succession planning efforts, verbal discussions have taken place regarding anticipated retirements that may result in a potential restructuring of department divisions in the upcoming fiscal year.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	<b>\$285,900</b>	63.46%
● FRINGE BENEFITS	<b>\$75,500</b>	16.76%
● INFORMATION TECHNOLOGY SERVICES	<b>\$55,600</b>	12.34%
● PROFESSIONAL SERVICES	<b>\$11,300</b>	2.51%
● PROFESSIONAL DEVELOPMENT	<b>\$8,000</b>	1.78%
● OFFICE/OPERATING SUPPLIES	<b>\$4,800</b>	1.07%
● COMMUNICATION	<b>\$4,100</b>	0.91%
● TRANSPORTATION	<b>\$2,500</b>	0.55%
● INSURANCE & BONDS	<b>\$1,800</b>	0.40%
● PRINTING & PUBLISHING	<b>\$500</b>	0.11%
● MISCELLANEOUS EXP	<b>\$500</b>	0.11%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$287,965	\$337,500	\$309,500	\$285,900	-15.29%
FRINGE BENEFITS	\$76,154	\$82,300	\$76,500	\$75,500	-8.26%
OFFICE/OPERATING SUPPLIES	\$1,904	\$5,600	\$3,500	\$4,800	-14.29%
PROFESSIONAL SERVICES	\$5,002	\$10,000	\$6,800	\$11,300	13.00%
INSURANCE & BONDS	\$1,317	\$1,710	\$1,700	\$1,800	5.26%
PROFESSIONAL DEVELOPMENT	\$1,421	\$6,690	\$1,000	\$8,000	19.58%
COMMUNICATION	\$2,842	\$2,600	\$2,300	\$4,100	57.69%
TRANSPORTATION	\$711	\$2,500	\$800	\$2,500	0.00%
PRINTING & PUBLISHING	\$47	\$500	-	\$500	0.00%
MISCELLANEOUS EXP	\$35	\$500	\$200	\$500	0.00%
INFORMATION TECHNOLOGY SERVICES	\$17,734	\$23,200	\$28,000	\$55,600	139.66%
<b>Total Expenditures</b>	<b>\$395,133</b>	<b>\$473,100</b>	<b>\$430,300</b>	<b>\$450,500</b>	<b>-4.78%</b>

Personnel reduction is due to being part of ongoing succession planning efforts. Verbal discussions have taken place regarding anticipated retirements that may result in a potential restructuring of department divisions in the upcoming fiscal year.

# City Clerk Department (101-215)

**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.*

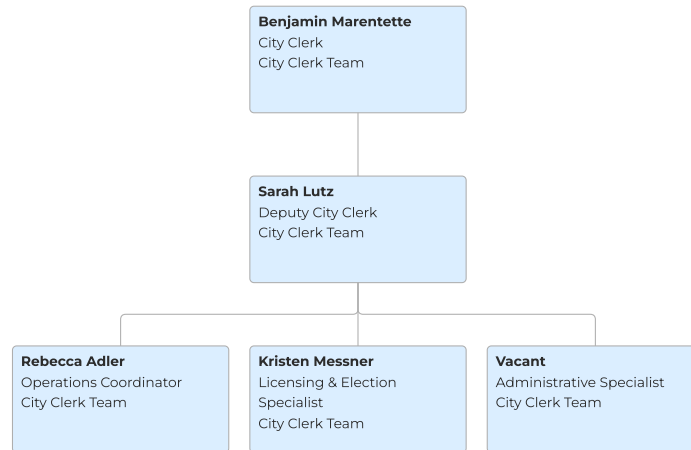
The City Clerk's Office serves as the legislative and corporate office of the City, with many operational responsibilities, serving in accordance with and upholding the Michigan Constitution, City Charter, ordinances, policies, federal and state laws and Administrative Orders of the City Manager.

## 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

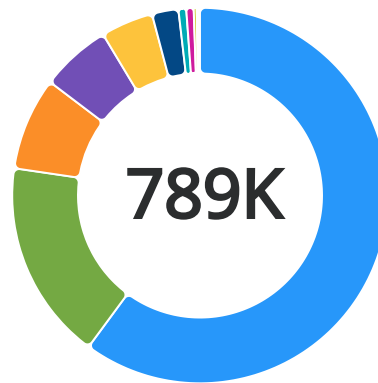
### City Clerk Team



## SUMMARY OF SIGNIFICANT BUDGET CHANGES

Colleen Paveglio wages and all communication expenses were moved to a new communications department for the 2025/2026 budget. Budgeted for lower non-primary election costs

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	<b>\$474,500</b>	60.12%
● FRINGE BENEFITS	<b>\$135,900</b>	17.22%
● OFFICE/OPERATING SUPPLIES	<b>\$63,000</b>	7.98%
● INFORMATION TECHNOLOGY SERVICES	<b>\$47,900</b>	6.07%
● PROFESSIONAL SERVICES	<b>\$35,500</b>	4.50%
● PRINTING & PUBLISHING	<b>\$18,000</b>	2.28%
● INSURANCE & BONDS	<b>\$5,300</b>	0.67%
● PROFESSIONAL DEVELOPMENT	<b>\$5,000</b>	0.63%
● TRANSPORTATION	<b>\$2,000</b>	0.25%
● COMMUNICATION	<b>\$1,200</b>	0.15%
● RENTALS	<b>\$1,000</b>	0.13%



**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$487,639	\$533,500	\$554,900	\$474,500	-11.06%
FRINGE BENEFITS	\$145,453	\$146,900	\$162,400	\$135,900	-7.49%
OFFICE/OPERATING SUPPLIES	\$69,361	\$66,500	\$33,000	\$63,000	-5.26%
PROFESSIONAL SERVICES	\$28,458	\$70,200	\$42,000	\$35,500	-49.43%
INSURANCE & BONDS	\$3,031	\$3,700	\$3,700	\$5,300	43.24%
PROFESSIONAL DEVELOPMENT	\$4,715	\$6,600	\$2,000	\$5,000	-24.24%
COMMUNICATION	\$5,470	\$5,700	\$6,100	\$1,200	-78.95%
TRANSPORTATION	\$536	\$1,500	\$400	\$2,000	33.33%
COMMUNITY PROMOTION	\$3,653	\$6,000	\$1,000	-	-100.00%
PRINTING & PUBLISHING	\$16,185	\$64,000	\$12,400	\$18,000	-71.88%
RENTALS	\$1,367	\$3,000	\$1,600	\$1,000	-66.67%
INFORMATION TECHNOLOGY SERVICES	\$22,787	\$18,100	\$20,700	\$47,900	164.64%
<b>Total Expenditures</b>	<b>\$788,655</b>	<b>\$925,700</b>	<b>\$840,200</b>	<b>\$789,300</b>	<b>-14.73%</b>

The reduction compared to the 2024/25 budget is due to the transfer of communications activity to a new department and having only one scheduled election this fiscal year.

# City Treasurer Department (101-253)

**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.

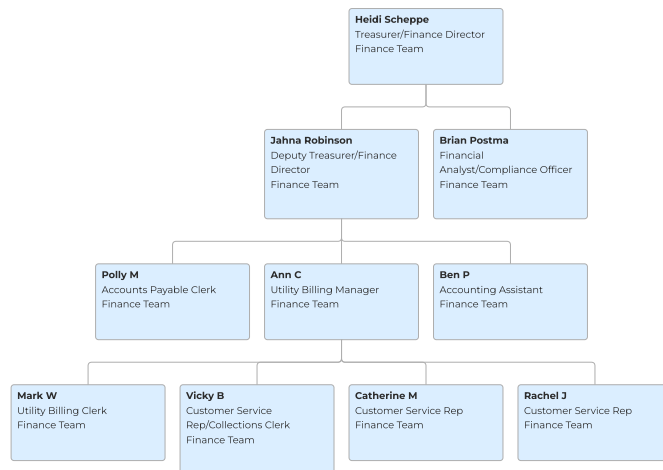
**This office handles:**

- 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 by 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 with key aspects of budget preparation and guidance on the treatment of certain budget matters.
  - Preparation of the City’s annual financial statements.
  - The City’s financial reporting for both internal and external purposes. It 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 (ACT 345) and retiree healthcare benefit system for its police and firefighters.
- Credit card processing/reconciliation and PCI compliance audits.
- Reporting to bond rating agencies.

## Treasury/Finance Department



## Goals

- Implement 53rd ACH payment process for eligible vendors
- Prepare for & implement BS&A online payment integration. Review the payment portal set up for City customers, and look for ways to improve customer experience and reconciliation controls.
- Implement ordinance changes for Sewer & Water billings and continue to review rates. Start the process for a RFP for a rate study to coincide with renegotiation of bulk water agreements with townships.
- Working on DDA integration into BS&A for budget, A/P & payroll.

## Accomplishments

Survived Cyberattack

Converted General Ledger to the State of Michigan Chart of Accounts

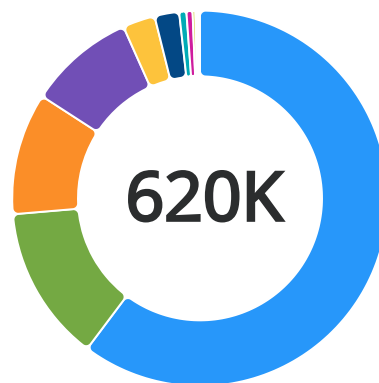
Sewer & Water Rate structure analysis to update rate philosophies to align with the commission goals of conservation. Proposed multiple ordinance changes.

Implemented new Budget/CIP software, ClearGov for improved transparency

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

FY26 Expenditures by Type Summary



● SALARIES & WAGES	<b>\$373,700</b>	60.25%
● FRINGE BENEFITS	<b>\$83,100</b>	13.40%
● PROFESSIONAL SERVICES	<b>\$65,000</b>	10.48%
● INFORMATION TECHNOLOGY SERVICES	<b>\$57,000</b>	9.19%
● OFFICE/OPERATING SUPPLIES	<b>\$17,300</b>	2.79%
● PROFESSIONAL DEVELOPMENT	<b>\$13,100</b>	2.11%
● INSURANCE & BONDS	<b>\$3,900</b>	0.63%
● MISCELLANEOUS EXP	<b>\$3,200</b>	0.52%
● PRINTING & PUBLISHING	<b>\$1,500</b>	0.24%
● COMMUNICATION	<b>\$1,000</b>	0.16%
● RENTALS	<b>\$1,000</b>	0.16%
● REPAIRS & MAINTENANCE	<b>\$400</b>	0.06%

**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$265,707	\$336,800	\$333,500	\$373,700	10.96%
FRINGE BENEFITS	\$62,988	\$77,400	\$79,500	\$83,100	7.36%
OFFICE/OPERATING SUPPLIES	\$18,070	\$20,600	\$16,250	\$17,300	-16.02%
PROFESSIONAL SERVICES	\$68,825	\$75,500	\$50,000	\$65,000	-13.91%
INSURANCE & BONDS	\$3,109	\$3,730	\$3,730	\$3,900	4.56%
PROFESSIONAL DEVELOPMENT	\$5,667	\$10,600	\$10,600	\$13,100	23.58%
COMMUNICATION	\$5,364	\$5,260	\$6,000	\$1,000	-80.99%
PRINTING & PUBLISHING	\$173	\$2,000	\$2,000	\$1,500	-25.00%
REPAIRS & MAINTENANCE	\$219	\$400	\$400	\$400	0.00%
RENTALS	\$872	\$900	\$1,000	\$1,000	11.11%
MISCELLANEOUS EXP	\$2,859	\$3,310	\$3,210	\$3,200	-3.32%
INFORMATION TECHNOLOGY SERVICES	\$28,487	\$31,000	\$38,200	\$57,000	83.87%
<b>Total Expenditures</b>	<b>\$462,341</b>	<b>\$567,500</b>	<b>\$544,390</b>	<b>\$620,200</b>	<b>9.29%</b>

Professional Services includes; tax bill processing, ClearGov, BS&A annual subscription, GASB actuarial audits & lexis nexis subscription. Professional Development includes tuition reimbursement, and NMC Soft Skills Certificate courses for staff. County telephone costs moved from Communication to Information Technology category.

# City Assessing Department (101-257)

**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.

City Assessing Department maintains fair and equitable assessment practices, performing these services efficiently and professionally. Efficiency and compliance are measured annually.

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.

The 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 the 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 include the following:

- Meets/exceeds annual state certification educational requirements
- Processing of deeds/transfers of ownership, property transfer affidavits, principal residence exemptions/rescinds, boundary line adjustments/splits/combinations, verification of tax/legal descriptions, and updating map descriptions.
- Maintain current records of real and personal property within the City.
- Prepare Tax roll for the 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/review of personal property via statements & auditing of accounting records.
- Meet with property owners to answer assessment/taxable value questions, and explain the appeal process
- Staff Board of Review meetings
- Assigning addresses for properties with the City of Traverse City, Grand Traverse County
- Defend property appeals - Representing the City before the State Tax Commission & Michigan Tax Tribunal.
- Prepare cost estimates spread for Special Improvement Districts
- Prepare compliance reports for the 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 enhance the City's Tax Parcel Viewer application continually
- Advising and assisting the City on matters relating to property acquisition or disposal.

The City Assessor, as Assessor of Record, is responsible for defending all Michigan Tax Tribunal appeals, in accordance with state 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.

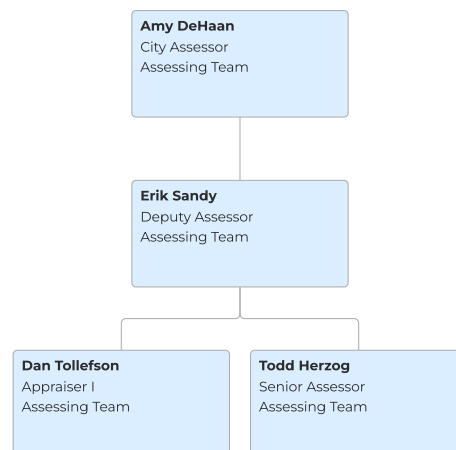
Staff are responsible for maintaining an inventory of all property located within the City of Traverse City, managing approximately 12,000 parcels. Nearly 68% of the City's General Fund Revenue is a direct result of the work provided by the Assessing Department.

The Assessing Department is responsible for the 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 basis 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 affect the 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 City Assessing Department assists in accomplishing the City Commission's Goals and Objectives, by continuing to educate and make available State Tax Commission updates, changes in Property Tax Laws, sales, and other pertinent information to our customers. In 2019, the City Commission approved a 6-year contract to obtain annual aerial imagery through Pictometry aka EagleView ConnectExplorer, which assists in enhancing City Departments and services overall to the public. The contract was updated in 2021 to include additional services and enhancements, sketch verification, and area tiles for the Hickory Hills area, at a reduced annual cost from the original contract, and again in 2023 for a winter flyover project. Additionally, with this service, data is shared with Grand Traverse County 911/Emergency Services, in continuation of our cooperative relationship.

## City Assessing Team



## Goals

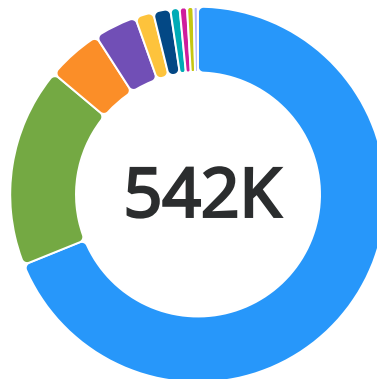
- Review & inspect 20% of property annually; updating record card information; photos, sketch, & misc. attachments
- Implement and educate the public on current State laws/procedural changes

To continue to enhance public understanding of the assessment/taxation process and dissemination of property data, property tax forms, and values. To continually increase accessibility and ease of online information via the City's website and Tax Parcel Viewer.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

We have a new assessor who will be reviewing current processes and looking for ways to improve processes to create efficiencies, including handling tax appeals. No significant changes were requested for the 2025/2026 budget.

FY26 Expenditures by Type Summary



● SALARIES & WAGES	<b>\$373,100</b>	68.90%
● FRINGE BENEFITS	<b>\$93,200</b>	17.21%
● INFORMATION TECHNOLOGY SERVICES	<b>\$25,900</b>	4.78%
● PROFESSIONAL SERVICES	<b>\$20,000</b>	3.69%
● PRINTING & PUBLISHING	<b>\$8,500</b>	1.57%
● OFFICE/OPERATING SUPPLIES	<b>\$8,000</b>	1.48%
● COMMUNICATION	<b>\$4,300</b>	0.79%
● PROFESSIONAL DEVELOPMENT	<b>\$3,500</b>	0.65%
● TRANSPORTATION	<b>\$3,000</b>	0.55%
● INSURANCE & BONDS	<b>\$2,000</b>	0.37%

**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$288,857	\$340,400	\$340,600	\$373,100	9.61%
FRINGE BENEFITS	\$101,144	\$120,300	\$119,100	\$93,200	-22.53%
OFFICE/OPERATING SUPPLIES	\$7,669	\$4,600	\$8,000	\$8,000	73.91%
PROFESSIONAL SERVICES	\$24,045	\$24,670	\$19,000	\$20,000	-18.93%
INSURANCE & BONDS	\$1,702	\$1,910	\$1,900	\$2,000	4.71%
PROFESSIONAL DEVELOPMENT	\$1,817	\$4,000	\$2,000	\$3,500	-12.50%
COMMUNICATION	\$6,508	\$8,500	\$6,200	\$4,300	-49.41%
TRANSPORTATION	\$2,499	\$3,500	\$2,100	\$3,000	-14.29%
PRINTING & PUBLISHING	\$6,730	\$10,000	\$11,000	\$8,500	-15.00%
MISCELLANEOUS EXP	-	\$220	-	-	-100.00%
INFORMATION TECHNOLOGY SERVICES	\$12,130	\$10,300	\$10,300	\$25,900	151.46%
<b>Total Expenditures</b>	<b>\$453,101</b>	<b>\$528,400</b>	<b>\$520,200</b>	<b>\$541,500</b>	<b>2.48%</b>



# City GIS & IT Department (101-261) moved to Fund 636 for FYE 6/30/2026

With the change in IT services with Grand Traverse County, we have created an Internal Services fund for future Information Technology purchases and services to allow for capitalization and cost recovery. The history of IT services are shown here, 2025/26 budget is shown under Internal Services Fund 636

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$108,494	\$119,800	\$180,000	-	-100.00%
FRINGE BENEFITS	\$19,504	\$19,400	\$24,600	-	-100.00%
OFFICE/OPERATING SUPPLIES	\$5,199	\$5,000	\$3,600	-	-100.00%
PROFESSIONAL SERVICES	\$16,684	\$30,000	\$9,000	-	-100.00%
INSURANCE & BONDS	\$596	\$780	\$800	-	-100.00%
PROFESSIONAL DEVELOPMENT	\$1,278	\$920	\$1,200	-	-100.00%
COMMUNICATION	\$1,649	\$1,900	\$1,800	-	-100.00%
TRANSPORTATION	-	\$300	-	-	-100.00%
PRINTING & PUBLISHING	\$112	\$500	\$100	-	-100.00%
REPAIRS & MAINTENANCE	\$250	\$500	-	-	-100.00%
MISCELLANEOUS EXP	\$1,063	\$1,000	\$100	-	-100.00%
CAPITAL OUTLAY	-	-	\$2,000	-	-
INFORMATION TECHNOLOGY SERVICES	\$38,334	\$33,800	\$95,000	-	-100.00%
<b>Total Expenditures</b>	<b>\$193,163</b>	<b>\$213,900</b>	<b>\$318,200</b>	<b>-</b>	<b>-100.00%</b>

2025/2026 Budget request is reported in new Internal Service Fund 636 Information Technology

# Facilities Management (101-265)

The City of Traverse City is committed to ensuring that all city-owned buildings and facilities remain safe, functional, and compliant with applicable regulations. This department tracks costs related to the operation and maintenance of city-owned and operated facilities.

## Goals

The Facilities Manager will play a critical role in overseeing the maintenance, operation, and overall upkeep of all city-owned properties. The goal is to streamline facility management processes, ensuring efficient budget utilization, and implementing preventative maintenance programs that can result in significant long-term cost savings. Key responsibilities of the Facilities Manager include:

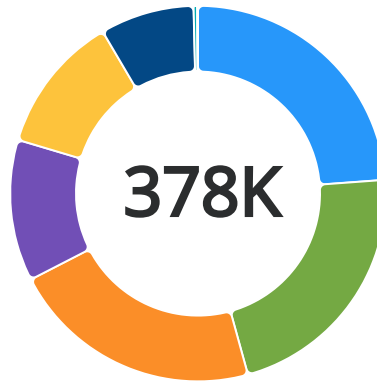
- Coordinating and managing repairs, maintenance work, and facility improvement projects.
- Overseeing lease agreements and acting as the primary point of contact for tenants of leased City properties.
- Collaborating with County Facilities Department for shared facility management and maintenance initiatives.
- Managing contracts and vendor relationships to ensure the highest standards of service and cost efficiency.
- Tracking projects, compiling, and analyzing data to support informed decision-making regarding infrastructure investments.
- Ensuring compliance with building codes, safety regulations, and City policies.

This will enhance the City's ability to maintain high-functioning facilities, reduce long-term maintenance costs, and improve service delivery to residents and stakeholders.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

A new Facilities Director position was approved for maintaining the operational integrity of City-owned properties without direct supervisory responsibilities, optimizing facility resources, and ensuring all stakeholders—both internal and external—receive timely and efficient support. This increased personnel cost and budget for maintenance has increased this budget over the 2024/2025 budget.

### FY26 Expenditures by Type Summary



● REPAIRS & MAINTENANCE	\$90,000	23.84%
● SALARIES & WAGES	\$82,600	21.88%
● UTILITIES	\$82,000	21.72%
● PROFESSIONAL SERVICES	\$46,000	12.19%
● CAPITAL OUTLAY	\$45,000	11.92%
● FRINGE BENEFITS	\$30,500	8.08%
● INFORMATION TECHNOLOGY SERVICES	\$1,200	0.32%
● INSURANCE & BONDS	\$200	0.05%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	-	\$26,000	\$26,000	\$82,600	217.69%
FRINGE BENEFITS	-	\$3,000	\$3,000	\$30,500	916.67%
PROFESSIONAL SERVICES	\$24,245	\$32,000	\$46,000	\$46,000	43.75%
INSURANCE & BONDS	\$164	\$200	\$200	\$200	0.00%
UTILITIES	\$56,851	\$55,000	\$82,000	\$82,000	49.09%
REPAIRS & MAINTENANCE	\$95,290	\$38,000	\$60,000	\$90,000	136.84%
CAPITAL OUTLAY	\$40,117	\$106,000	\$11,400	\$45,000	-57.55%
INFORMATION TECHNOLOGY SERVICES	\$1,177	\$1,200	\$1,200	\$1,200	0.00%
<b>Total Expenditures</b>	<b>\$217,844</b>	<b>\$261,400</b>	<b>\$229,800</b>	<b>\$377,500</b>	<b>44.41%</b>

Increase in Salaries & Fringes due to the new Facilities Management Director position. Increased Repairs & Maintenance to give the new Director the ability to make improvements if needed.

# City Attorney Department (101-266)

**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.

## City Attorney Team

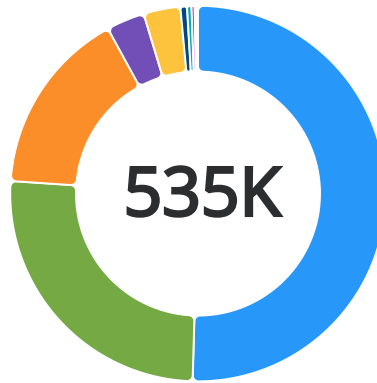
**Lauren Tribble-Laucht**  
City Attorney

**Ariane Sarasin**  
Legal Assistant

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$269,800	50.46%
● PROFESSIONAL SERVICES	\$137,000	25.62%
● FRINGE BENEFITS	\$85,400	15.97%
● OFFICE/OPERATING SUPPLIES	\$17,500	3.27%
● INFORMATION TECHNOLOGY SERVICES	\$17,000	3.18%
● PROFESSIONAL DEVELOPMENT	\$3,000	0.56%
● INSURANCE & BONDS	\$2,100	0.39%
● COMMUNICATION	\$1,400	0.26%
● TRANSPORTATION	\$500	0.09%
● PRINTING & PUBLISHING	\$500	0.09%
● MISCELLANEOUS EXP	\$500	0.09%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$256,241	\$286,400	\$280,200	\$269,800	-5.80%
FRINGE BENEFITS	\$63,120	\$68,000	\$70,100	\$85,400	25.59%
OFFICE/OPERATING SUPPLIES	\$1,126	\$18,700	\$3,100	\$17,500	-6.42%
PROFESSIONAL SERVICES	\$75,173	\$222,130	\$95,000	\$137,000	-38.32%
INSURANCE & BONDS	\$1,431	\$2,150	\$2,100	\$2,100	-2.33%
PROFESSIONAL DEVELOPMENT	\$1,624	\$2,200	\$2,900	\$3,000	36.36%
COMMUNICATION	\$1,385	\$1,300	\$1,500	\$1,400	7.69%
TRANSPORTATION	\$537	\$500	-	\$500	0.00%
PRINTING & PUBLISHING	\$421	\$500	\$600	\$500	0.00%
MISCELLANEOUS EXP	\$80	\$720	-	\$500	-30.56%
INFORMATION TECHNOLOGY SERVICES	\$4,947	\$5,200	\$7,000	\$17,000	226.92%
<b>Total Expenditures</b>	<b>\$406,084</b>	<b>\$607,800</b>	<b>\$462,500</b>	<b>\$534,700</b>	<b>-12.03%</b>

Increase in office/operating supplies includes a request for new office furniture. Professional service decreased due to tax tribunal attorney budgeted reduction.

# City Communications Department (101-267)

## Communications Overview

The Communications Department plays a vital role in fostering public engagement and keeping residents informed. Its primary focus is to expand the City's communications efforts, ensuring timely updates on key projects, initiatives, and services, while promoting transparency and strengthening community relationships.

- **Media Relations:** Communications handles all media relations, including press releases, public service announcements, and media inquiries, ensuring accurate and timely information is shared with the public.
- **Digital Communications:** Communications actively manages social media platforms to connect with residents, providing updates on City projects, initiatives, resources, and live-streaming public meetings. Communications is responsible for the development of the City's website, website updates, and management.
- **Community Relations:** Communications is dedicated to keeping the community informed with accurate information about citywide developments. It serves as a key point of contact between the City and the public for major projects, helping to relay timely updates, gather community feedback, and ensure public understanding of initiatives. It also supports cross-department collaboration to maintain consistent messaging and community engagement across City efforts. In doing so, Communications plays a vital role in building civic pride by fostering transparency, trust, and a sense of shared purpose among residents. The Communications Director also serves as the Program Director for City Academy, a program designed to engage residents in local government.
- **Publications:** Communications produces The Bay Brief, a weekly e-newsletter that keeps residents informed about the latest City news, upcoming City Commission agenda items, and programs of interest. In addition, Communications produces the City's annual report, The Performance.
- **Special Events:** Communications is responsible for the planning of various special events within the City and promoting public engagement opportunities.



## Communications Department

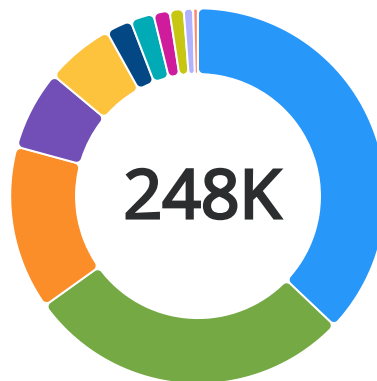
**Colleen Paveglio**

Communications Director  
Communications  
Department

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

Communications is a new department for the 2025/2026 budget. Previously, communication budget items were included within the City Clerk's Office. The budget is similar to previous years. New this year is the ClearGov module, ClearForms, that will digitize all public forms and applications.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$92,000	37.10%
● PROFESSIONAL SERVICES	\$69,500	28.02%
● FRINGE BENEFITS	\$35,000	14.11%
● OFFICE/OPERATING SUPPLIES	\$17,000	6.85%
● PRINTING & PUBLISHING	\$14,500	5.85%
● COMMUNITY PROMOTION	\$5,500	2.22%
● MISCELLANEOUS EXP	\$5,000	2.02%
● INFORMATION TECHNOLOGY SERVICES	\$3,500	1.41%
● PROFESSIONAL DEVELOPMENT	\$3,000	1.21%
● COMMUNICATION	\$2,000	0.81%
● TRANSPORTATION	\$1,000	0.40%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	-	-	-	\$92,000	-
FRINGE BENEFITS	-	-	-	\$35,000	-
OFFICE/OPERATING SUPPLIES	-	-	-	\$17,000	-
PROFESSIONAL SERVICES	-	-	-	\$69,500	-
PROFESSIONAL DEVELOPMENT	-	-	-	\$3,000	-
COMMUNICATION	-	-	-	\$2,000	-
TRANSPORTATION	-	-	-	\$1,000	-
COMMUNITY PROMOTION	-	-	-	\$5,500	-
PRINTING & PUBLISHING	-	-	-	\$14,500	-
MISCELLANEOUS EXP	-	-	-	\$5,000	-
INFORMATION TECHNOLOGY SERVICES	-	-	-	\$3,500	-
<b>Total Expenditures</b>	-	-	-	<b>\$248,000</b>	-

The Communications Department budget is structured to support strategic outreach, public engagement, and branding initiatives that strengthen transparency and community connection. The budget is organized into several key categories:

#### Professional/Contractual

This category supports essential tools and services for day-to-day communications functions. It includes subscriptions to professional graphic design software (e.g., Adobe Creative Cloud, Canva Pro), email marketing platforms (Constant Contact), and social media scheduling tools. Web support, storage fees, and website development are also included to ensure efficient digital operations. Additionally, funds are allocated for professional services such as photography to enhance visual storytelling across communication platforms.

#### Printing & Publishing

This section covers general advertising and the production of print materials used in public communication. Notable items include the annual performance report (**The Performance**), project and program postcards, rack cards, and other print collateral used for community updates and outreach campaigns.

#### Community Promotions & Miscellaneous

This portion of the budget supports community engagement initiatives, including the **City Academy** program, which promotes civic education and participation. It also includes flexible funding for various outreach efforts aimed at building trust and strengthening relationships between the City and its residents.



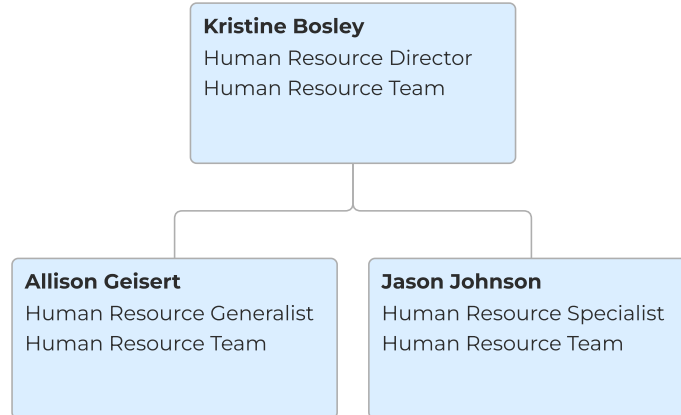
# Human Resource Department (101-270)

**Department Statement:** *To attract, support, and empower City employees through exceptional service, fostering a workplace that aligns with the City's strategic vision.*

The City's Human Resources office is dedicated to providing comprehensive personnel management, benefits administration, and payroll services. We support City employees, as well as Light and Power employees, by managing benefits and payroll. Additionally, we oversee payroll services for part-time, temporary, and seasonal positions throughout the fiscal year and ensure continued benefit support for retirees.

Human Resources also works with the City Manager to represent the City's interests in collective bargaining, labor agreement interpretation, and administration with six bargaining units, fostering a fair and productive work environment.

## Human Resources Team



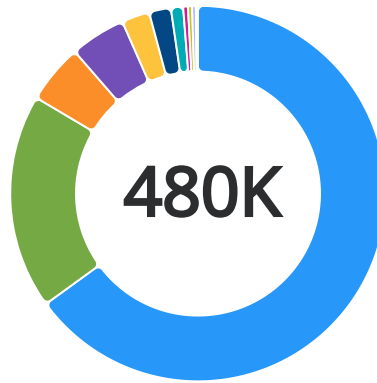
## Responsibilities of the Human Resource Department include:

- 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

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$312,100	65.01%
● FRINGE BENEFITS	\$88,900	18.52%
● PROFESSIONAL SERVICES	\$24,500	5.10%
● INFORMATION TECHNOLOGY SERVICES	\$22,900	4.77%
● PROFESSIONAL DEVELOPMENT	\$11,600	2.42%
● OFFICE/OPERATING SUPPLIES	\$9,000	1.87%
● TRANSPORTATION	\$5,000	1.04%
● COMMUNICATION	\$2,000	0.42%
● INSURANCE & BONDS	\$1,700	0.35%
● MISCELLANEOUS EXP	\$1,500	0.31%
● PRINTING & PUBLISHING	\$900	0.19%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$274,372	\$304,200	\$289,000	\$312,100	2.60%
FRINGE BENEFITS	\$71,605	\$75,800	\$84,100	\$88,900	17.28%
OFFICE/OPERATING SUPPLIES	\$2,149	\$20,000	\$16,000	\$9,000	-55.00%
PROFESSIONAL SERVICES	\$23,564	\$34,020	\$16,000	\$24,500	-27.98%
INSURANCE & BONDS	\$1,356	\$1,680	\$1,700	\$1,700	1.19%
PROFESSIONAL DEVELOPMENT	\$5,419	\$8,900	\$4,500	\$11,600	30.34%
COMMUNICATION	\$3,832	\$3,900	\$3,800	\$2,000	-48.72%
TRANSPORTATION	\$2,573	\$5,000	\$3,200	\$5,000	0.00%
PRINTING & PUBLISHING	\$565	\$1,100	\$900	\$900	-18.18%
MISCELLANEOUS EXP	\$968	\$1,500	\$1,300	\$1,500	0.00%
INFORMATION TECHNOLOGY SERVICES	\$6,487	\$7,700	\$7,600	\$22,900	197.40%
<b>Total Expenditures</b>	<b>\$392,891</b>	<b>\$463,800</b>	<b>\$428,100</b>	<b>\$480,100</b>	<b>3.51%</b>

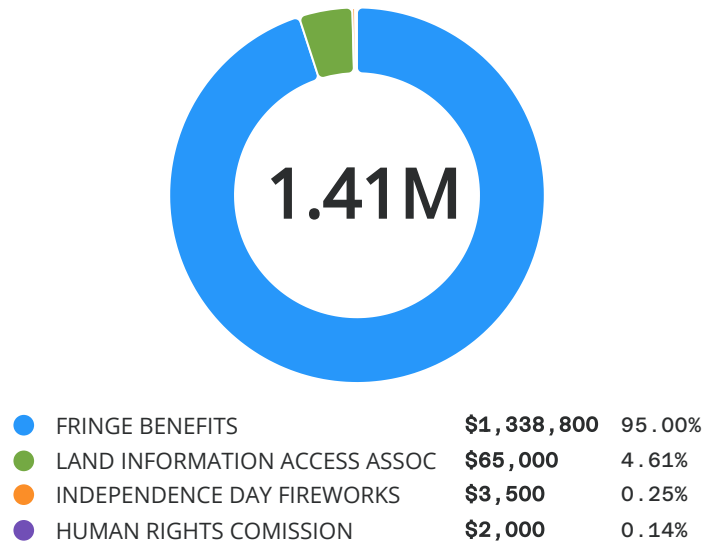
# Appropriations/Projects (101-272)

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 identified as Fringe benefits in the chart below. In prior periods, the payment was allocated among departments.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

FY26 Expenditures by Type Summary



### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FRINGE BENEFITS	\$954,424	\$1,263,200	\$1,263,200	\$1,338,800	5.98%
PROFESSIONAL SERVICES	\$150,000	\$100,000	\$100,000	-	-100.00%
HUMAN RIGHTS COMISSION	\$1,459	\$5,000	\$2,000	\$2,000	-60.00%
APPROPRIATIONS	-	-	\$5,000	-	-
INDEPENDENCE DAY FIREWORKS	\$3,500	\$3,500	\$3,500	\$3,500	0.00%
LAND INFORMATION ACCESS ASSOC	\$68,652	\$70,000	\$63,000	\$65,000	-7.14%
CONTRACTUAL SERVICES	\$644	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,178,678</b>	<b>\$1,441,700</b>	<b>\$1,436,700</b>	<b>\$1,409,300</b>	<b>-2.25%</b>

# City Police Department (101-301)

## Mission Statement:

*Excellence in public service and safety through community policing*

## Core Values:

*Compassion, Courage, Excellence, Fairness, Integrity, Resourcefulness, Respect, and Work Ethic*

## 21<sup>st</sup> Century Policing Pillars:

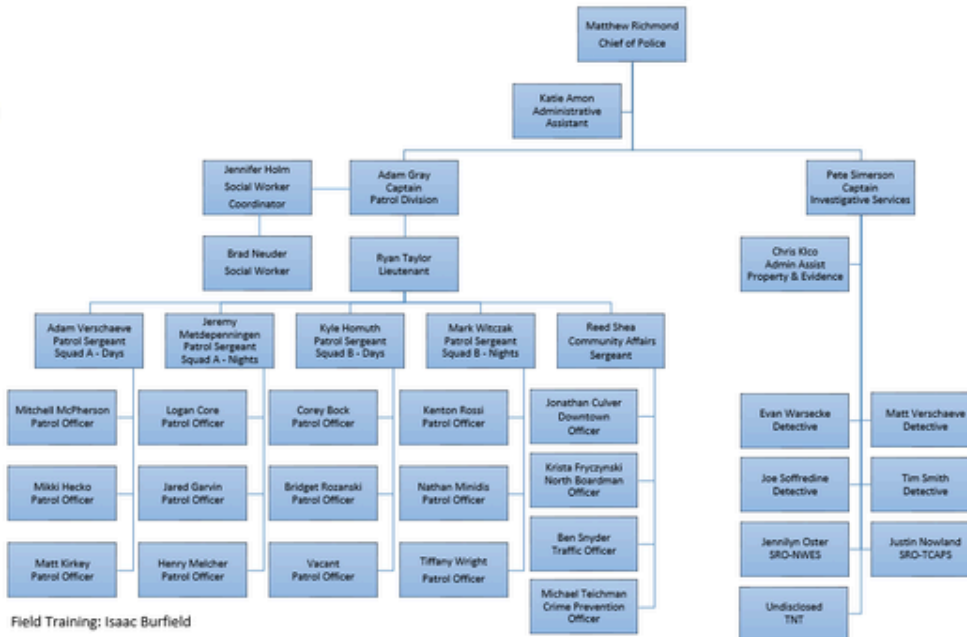
*Building Trust and Legitimacy, Policy and Oversight, Technology and Social Media, Community Policing and Crime Reduction, Training and Education, and Officer Wellness and Safety*

## City Commission Goals and Objectives:

*Housing & Homelessness, Access & Mobility, Connecting People with Each Other and Nature, Economic Development, Water Systems and Climate Change*

The Traverse City Police Department's budget reflects its mission, values, and goals. Additional guidance is sought from the 21<sup>st</sup> Century Policing Report's six pillars and the Traverse City Commission's goals and objectives. To provide our primary function of serving and protecting the citizens of Traverse City, our department must continue to evolve as society does. Enhancing our services and the community's quality of life are top priorities. The department's budget reflects community policing philosophies, technology, a welcoming culture, training, professional development, and collaboration to ensure these priorities are met.

## TRAVERSE CITY POLICE DEPARTMENT ORGANIZATIONAL CHART APRIL, 2025



# Calls for Service, Cases and Arrest from the 2017 - 2024

## Incidents:

Are calls for service (either dispatched or officer-initiated). All calls for service are documented in our Computer Aided Dispatch (CAD).

## Cases:

Calls for service needing a police report for information purposes, when requesting charges or upon arrest.

## Arrests:

The number of individuals lodged or cited for a misdemeanor or felony. The arrest number only accounts for the number of individuals arrested, not the number of charges associated with each individual.

Incidents, Cases, and Arrest Statistics (2017-2024)			
Year	Incidents	Cases	Arrests
2017	12800	2806	1119
2018	13415	2420	925
2019	15000	2342	932
2020	13299	1882	499
2021	13591	2149	530
2022	13689	2054	654
2023	13989	2200	757
2024	13526	2072	745

## Calls for Service by Month



It should be noted that June stats were affected by a cyberattack against Grand Traverse County and the City of Traverse City.

## Calls for Service - Heat Map (Days and Hours)

The heat map allows for a quick glimpse into the time of day and day of the week the Traverse City Police Department responds most to calls for service. The darker the blue the cell is, the more calls for service experienced during that time.

Hour	SUNDAY INCIDENTS	MONDAY INCIDENTS	TUESDAY INCIDENTS	WEDNESDAY INCIDENTS	THURSDAY INCIDENTS	FRIDAY INCIDENTS	SATURDAY INCIDENTS	TOTAL INCIDENT
0	59	39	48	49	43	61	75	364
1	55	49	46	41	34	48	47	320
2	50	41	42	38	44	40	60	315
3	37	38	45	38	62	48	50	318
4	25	27	37	32	40	32	34	227
5	18	14	18	14	11	22	20	115
6	12	38	23	33	29	21	25	181
7	20	77	64	81	72	57	53	434
8	32	104	123	102	104	87	62	614
9	66	118	143	129	126	82	80	754
10	62	119	154	129	133	129	75	801
11	74	141	128	121	111	110	94	779
12	76	114	140	148	119	107	89	731
13	78	149	170	145	131	152	84	909
14	81	147	153	141	144	128	91	885
15	83	154	171	144	148	131	90	921
16	71	127	116	117	141	105	84	781
17	85	105	131	115	114	100	83	713
18	76	111	93	91	98	94	88	651
19	85	99	80	100	94	89	75	603
20	76	71	74	73	83	91	73	541
21	98	70	78	80	83	82	97	548
22	87	72	68	75	67	81	99	529
23	54	51	57	60	63	79	78	442
<b>Totals:</b>	<b>1370</b>	<b>2076</b>	<b>2288</b>	<b>2094</b>	<b>2094</b>	<b>1886</b>	<b>1787</b>	<b>13828</b>

## Goals

1. Reduce the occurrence of crime by implementing strategies that are evidence and intelligence-based.
2. Identify, arrest, and assist in the prosecution of people who commit crimes.
3. Develop a departmental culture that is welcoming, transparent, fair, and respectful.
4. Recruit, hire, and retain individuals that reflect the department and community's values.
5. Provide staff with training, professional development and resources to achieve excellence in service.
6. Provide a more effective and efficient service through the use of technology.
7. Embrace community collaboration on issues that directly affect OUR community.
8. Provide effective communication both within our department and with the community.
9. Mobilize City resources when needed to address citizen concerns and problems.
10. Maintain Michigan Law Enforcement Accreditation through the Michigan Law Enforcement Accreditation Commission (MLEAC) and the Michigan Association of Chiefs of Police.

## Accomplishments

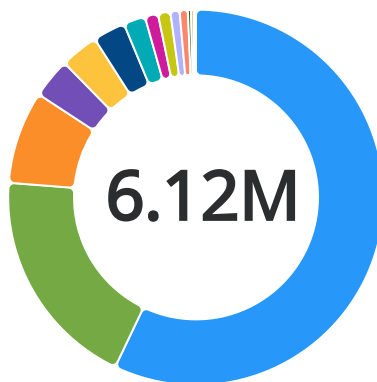
- The department was awarded re-accreditation by the Michigan Commission on Law Enforcement Standards Accreditation Commission at the Michigan Association of Chiefs of Police summer conference. The department has maintained accredited status since 2021.

*"Accreditation is a progressive and time-proven way of helping law enforcement agencies calculate and improve their overall performance. The foundation of accreditation lies in the adoption of standards containing a clear statement of professional objectives, while ensuring transparency and accountability. Accreditation acknowledges the implementation of policies and procedures that are conceptually sound and operationally effective, while reflecting community values and guarding quality of life."*

- The department hired four new officers, three with prior law enforcement experience, after working with the City Manager and City Commission to address recruitment issues. Due to increased staffing, the department was able to reassign an officer to the Traverse Narcotics Team.
- The department created a Community Affairs Unit specializing in community policing. The unit consists of a sergeant, the Downtown Community Policing Officer, North Boardman Community Policing Officer, a Crime Prevention Officer, a Traffic Officer, and an additional Community Policing Officer (currently vacant).
- The department was awarded a no-cost extension and an additional \$271,274 to its current **Comprehensive Opioid, Stimulant, and Substance Use Program's (COSSUP)** Grant. This brought the total grant award to \$482,550. As a result, the department expanded its QRT program, adding a second Police Social Worker. The QRT is currently partnered with sixty community partners.
- The Police Social Worker Coordinator provided a Poster Presentation on the QRT at The Collaborative Perspectives on Addiction Conference in Rhode Island. Of the 180 presentations, she was awarded one of three awards, the Community-Based Participation Award.
- The Police Social Worker Coordinator, Police Social Worker and North Boardman Community Police Officer will be presenting on the QRT at the Social Workers in Law Enforcement Conference in Connecticut. The hour-long presentation is titled: PSW-Lead Quick Response Team, Addressing Homelessness, Substance Use and Mental Health through Prevention and Partner Collaboration.
- Implemented new technology to enhance internal communications and efficiency; First Arriving Dashboard, Vector Solutions Scheduling and MdE, Inc ADORE FTO Evaluation Software.
- Implemented a Tactical Bike Unit; members were trained in a basic police cyclist course and crowd management.
- The department added another department member to the Northern Michigan Mutual Aid Task Force Team (Emergency Response or SWAT Team). This brings the total number of department members assigned to the NMMATF to seven. Four operators and three negotiators.
- After conducting comprehensive research, the department began the process of updating and switching its duty weapons. The department is switching from the Glock 22 (.40 caliber) to the Glock 45 Gen 5 (9mm) MOS with Red Dot sights. The Glock 45 (9mm) allows for better accuracy, a larger capacity magazine. Modular Optic Systems (MOS) are one of the latest advancements in handgun technology, allowing for faster target acquisition and enhanced shooter performance. The department's current weapon-mounted lights are compatible with the Glock 45. This transition will continue during the 2025/2026 fiscal year.
- Implemented a mobile surveillance trailer from BackStreet. This trailer is equipped with 2 long-range Pan-Tilt-Zoom (PTZ) cameras and 2 standard zoom PTZ cameras. The trailer is used to supplement the department's crime reduction strategies, effectively allocate and deploy personnel, and to enhance public safety and security in public areas. The purchase was supplemented by a donation from the Gosgrove Foundation.
- Added two ZERO **EV** motorcycles to the department's fleet. Currently, 58% of the department's vehicles are **hybrid** and 25% of the department's motorcycles are **EV**.



### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$3,494,500	57.08%
● FRINGE BENEFITS	\$1,173,800	19.17%
● RENTALS	\$488,500	7.98%
● INFORMATION TECHNOLOGY SERVICES	\$211,200	3.45%
● COUNTY RECORDS CONTRACT	\$200,200	3.27%
● OFFICE/OPERATING SUPPLIES	\$171,000	2.79%
● PROFESSIONAL SERVICES	\$114,500	1.87%
● PROFESSIONAL DEVELOPMENT	\$69,500	1.14%
● TRANSPORTATION	\$65,000	1.06%
● INSURANCE & BONDS	\$48,500	0.79%
● COMMUNICATION	\$43,000	0.70%
● CAPITAL OUTLAY	\$17,200	0.28%
● MISCELLANEOUS EXP	\$12,800	0.21%
● PRINTING & PUBLISHING	\$8,400	0.14%
● UTILITIES	\$2,100	0.03%
● REPAIRS & MAINTENANCE	\$2,000	0.03%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$2,695,784	\$3,299,500	\$3,097,600	\$3,494,500	5.91%
FRINGE BENEFITS	\$914,538	\$1,071,200	\$985,700	\$1,173,800	9.58%
OFFICE/OPERATING SUPPLIES	\$121,375	\$178,389	\$110,100	\$171,000	-4.14%
PROFESSIONAL SERVICES	\$75,841	\$91,539	\$95,200	\$114,500	25.08%
COUNTY RECORDS CONTRACT	\$237,927	\$200,200	\$232,000	\$200,200	0.00%
INSURANCE & BONDS	\$46,393	\$47,000	\$46,900	\$48,500	3.19%
PROFESSIONAL DEVELOPMENT	\$55,720	\$76,501	\$52,900	\$69,500	-9.15%
COMMUNICATION	\$45,819	\$51,132	\$46,400	\$43,000	-15.90%
TRANSPORTATION	\$68,542	\$63,000	\$70,000	\$65,000	3.17%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PRINTING & PUBLISHING	\$7,705	\$7,900	\$8,100	\$8,400	6.33%
UTILITIES	\$778	\$2,000	\$1,400	\$2,100	5.00%
REPAIRS & MAINTENANCE	\$1,052	\$2,000	-	\$2,000	0.00%
RENTALS	\$348,534	\$428,000	\$421,800	\$488,500	14.14%
MISCELLANEOUS EXP	\$9,055	\$11,000	\$10,300	\$12,800	16.36%
POLICE RESERVES	-	\$3,900	-	-	-100.00%
CAPITAL OUTLAY	\$120,239	-	-	\$17,200	-
INFORMATION TECHNOLOGY SERVICES	\$94,144	\$103,200	\$114,600	\$211,200	104.65%
<b>Total Expenditures</b>	<b>\$4,843,446</b>	<b>\$5,636,461</b>	<b>\$5,293,000</b>	<b>\$6,122,200</b>	<b>8.62%</b>

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

The department submitted requests for two new positions; a Detective Sergeant and a FOIA Coordinator. The City manager is recommending the Detective Sergeant position, which is built into the 2025/2026 budget.

### Professional Services:

The addition of a Detective Sergeant position would contractually require a change in assignment and a promotion. The change in assignment from Sergeant to Detective Sergeant requires a written test and the promotional process from an Officer to Sergeant requires an Assessment Center.

Also contributing to the increase is the addition of new software to enhance services and communication.

### Miscellaneous EXP:

The increase within Miscellaneous EXP is for the purchase of an additional feature to the already installed Hot and Pop systems on both of the department's two K9 vehicles. The feature is an additional safeguard for our two K9's Eno and Kilo.

### Rentals:

The increase in Rentals is due to an update of the department's fleet and an increase in the number of vehicles in the fleet. There was a delay in replacement vehicles due to staffing changes at the garage which resulted in the purchase of twelve new **hybrid** vehicles in 2024. Recent purchases put the department back on a regular replacement schedule. \*The department is in the exploration phase of EV vehicles being implemented into the fleet. Two **EV** motorcycles were added to the fleet in 2024. Currently, 58% of the department's vehicles are **hybrid**. 25% of the department's motorcycles are **EV**.

The increase in department staffing, and the goal of a take-home vehicle program resulted in additional vehicles being added. The take-home vehicle program has been a long-term goal of the department to increase efficiency and to enhance the department's recruitment and retention efforts.

Additional safety features installed and implemented with new vehicles also contributed to the increase.

# City Fire Department (101-336)

**Mission Statement:** *The Traverse City Fire Department is an all-hazards emergency response agency that will provide protection and safety for the public. The history of the Fire Department's financial activity is recorded in this department. The 2025/26 budget has been moved over to fund 210 to properly track the new EMS millage.*

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$2,184,021	\$2,408,700	\$2,210,000	-	-100.00%
FRINGE BENEFITS	\$678,328	\$709,400	\$711,000	-	-100.00%
OFFICE/OPERATING SUPPLIES	\$153,665	\$215,880	\$202,100	-	-100.00%
PROFESSIONAL SERVICES	\$52,190	\$114,900	\$60,000	-	-100.00%
INSURANCE & BONDS	\$16,970	\$19,720	\$19,700	-	-100.00%
PROFESSIONAL DEVELOPMENT	\$74,231	\$101,600	\$60,000	-	-100.00%
COMMUNICATION	\$18,130	\$24,000	\$19,000	-	-100.00%
TRANSPORTATION	\$23,785	\$36,000	\$28,000	-	-100.00%
PRINTING & PUBLISHING	\$1,647	\$2,300	\$500	-	-100.00%
UTILITIES	\$27,004	\$42,500	\$30,000	-	-100.00%
REPAIRS & MAINTENANCE	\$47,504	\$94,700	\$35,000	-	-100.00%
RENTALS	\$441,537	\$419,700	\$410,000	-	-100.00%
MISCELLANEOUS EXP	\$701	\$1,000	\$800	-	-100.00%
CAPITAL OUTLAY	-	\$145,000	\$145,000	-	-100.00%
INFORMATION TECHNOLOGY SERVICES	\$33,725	\$34,400	\$67,500	-	-100.00%
<b>Total Expenditures</b>	<b>\$3,753,438</b>	<b>\$4,369,800</b>	<b>\$3,998,600</b>	-	<b>-100.00%</b>

2025/2026 Budget request is recorded in fund 210

# Streets Administration Department (101-441)

**Mission Statement:** *Our mission is to maintain and enhance the City's growing infrastructure—including streets and roadways, signs, traffic signals, stormwater systems, alleys, sidewalks, and trails—to ensure safe, accessible travel for residents and visitors, while protecting and preserving our vital water resources.*

## General Overview

The Streets Division comprises one Superintendent, one Supervisor, 14 Equipment Operators, and five Sidewalk Snow Removal Equipment Operators (including four part-time and one full-time staff members). During winter operations, the division is staffed 24 hours a day, Monday through Friday, with weekend and holiday coverage provided through overtime.



The Streets Division is responsible for a broad range of maintenance programs, including but not limited to the following:

- **Snow plowing, removal, and ice mitigation**
- **Maintenance of City infrastructure**, including:
  - 28.78 miles of major streets
  - 49.62 miles of local streets
  - 7.2 miles of state highways
  - 22.5 miles of alleys
  - 95.3 miles of sidewalks
  - 10.18 miles of multi-use trails
  - Maintenance programs include street sweeping, crack sealing, pavement marking maintenance, pothole patching, and more.
- **Stormwater infrastructure maintenance**, including cleaning and repairing catch basins, pipes, manholes, and stormwater treatment systems to protect and preserve water resources.
- **Seasonal services**, such as spring and fall leaf collection and composting.
- **Mowing of non-parkland properties** along the City's right-of-way.
- **Maintenance, repair, and installation of over 5,200+ traffic and street signs.**

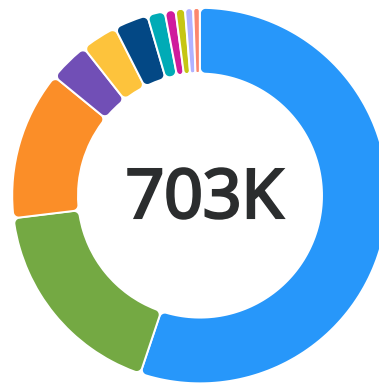
## Streets Department Staff



## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$473,400	67.33%
● RENTALS	\$153,800	21.87%
● TRANSPORTATION	\$110,000	15.65%
● PROFESSIONAL SERVICES	\$30,000	4.27%
● OFFICE/OPERATING SUPPLIES	\$26,900	3.83%
● INSURANCE & BONDS	\$25,200	3.58%
● REPAIRS & MAINTENANCE	\$13,000	1.85%
● COMMUNICATION	\$7,900	1.12%
● PROFESSIONAL DEVELOPMENT	\$7,000	1.00%
● PRINTING & PUBLISHING	\$6,000	0.85%
● UTILITIES	\$5,000	0.71%
● FRINGE BENEFITS	-\$155,100	-22.06%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$306,414	\$386,500	\$393,800	\$473,400	22.48%
FRINGE BENEFITS	-\$171,417	-\$165,000	-\$159,600	-\$155,100	-6.00%
OFFICE/OPERATING SUPPLIES	\$20,734	\$46,900	\$17,700	\$26,900	-42.64%
PROFESSIONAL SERVICES	\$23,360	\$22,000	\$22,000	\$30,000	36.36%
INSURANCE & BONDS	\$26,158	\$27,000	\$24,400	\$25,200	-6.67%
PROFESSIONAL DEVELOPMENT	\$872	\$7,000	\$1,000	\$7,000	0.00%
COMMUNICATION	\$7,156	\$7,900	\$7,200	\$7,900	0.00%
TRANSPORTATION	\$95,094	\$130,000	\$105,000	\$110,000	-15.38%
PRINTING & PUBLISHING	\$4,801	\$6,000	\$4,200	\$6,000	0.00%
UTILITIES	\$3,535	\$4,500	\$4,500	\$5,000	11.11%
REPAIRS & MAINTENANCE	\$8,394	\$28,000	\$11,000	\$13,000	-53.57%
RENTALS	\$165,835	\$179,000	\$74,000	\$153,800	-14.08%
<b>Total Expenditures</b>	<b>\$490,936</b>	<b>\$679,800</b>	<b>\$505,200</b>	<b>\$703,100</b>	<b>3.43%</b>

Note: Fringe Benefits are reported as a negative amount by the Streets Department due to the fringe benefit recovery line item which allocates fringe costs to Street Funds based on an MDOT-approved allocation model. This model includes retirement fringes that are not initially reported by the General Fund Streets Department.

# City Engineering Department (101-447)

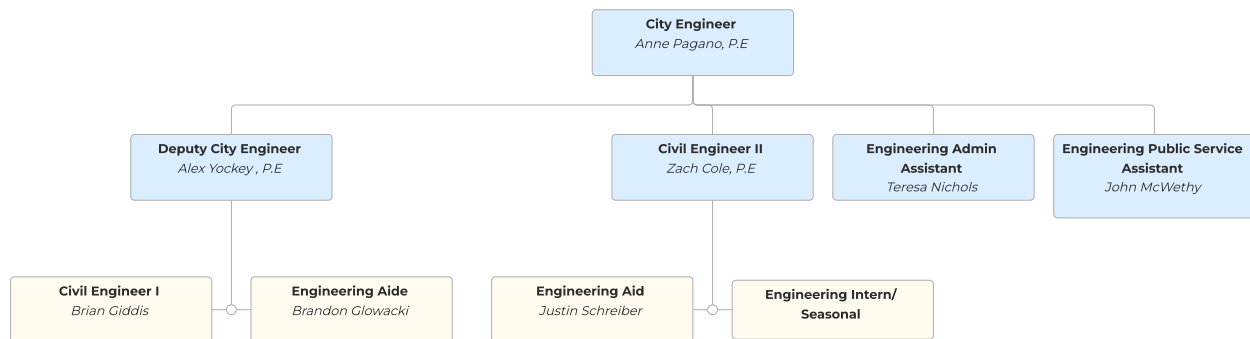
**Mission Statement:** *To develop, implement, design, monitor and coordinate all public improvements constructed by or for the City in collaboration with other City Departments, with public safety as the highest priority.*



The work performed by the Engineering Department includes but is not limited to:

- **Development of a Municipal Separate Storm Sewer System (MS4):** A Program in compliance with National Pollutants Discharge Elimination System (NPDES) requirements
- **Permit Administration & Inspection:** Oversight of right-of-way permits, stormwater runoff control permits, and soil erosion permits.
- **Utility & Land Use Reviews:** Coordination of utility reviews related to land use permits, right-of-way permits, stormwater runoff control permits, and soil erosion permits.
- **Traffic Studies & Safety Analysis:** Conducting motorized and non-motorized traffic counts, stop warrant analysis, speed studies, and pedestrian safety assessments.
- **Engineering Design & Infrastructure Projects:**
  - Street and parking lot reconstruction and resurfacing
  - Storm, Sewer, and Stormwater quality project
  - Sanitary Sewer and Water system improvements
  - Bridge and culvert inspection, construction, and rehabilitation
  - City building construction
  - Sidewalk improvements, repair, and infill
  - Bike path and trail development
  - City park and bayfront enhancements
- **Construction & Project Management:** Providing construction engineering, project monitoring, and contract administration.
- **Policy & Development:** Developing City engineering reports, best practice guidelines, and collaborating with various city entities.
- **Multi-Jurisdictional Representation:** Serving on intergovernmental committees.
- **Additional City Support:** Assisting with ordinance compliance, budgeted capital improvements, and grant applications.

## Engineering Department



## Goals

1. Complete the Street Reconstruction and Pavement Preservation Projects which will improve 5.70 miles of streets (Summer 2025)
2. Submit Municipal Separate Storm Sewer System (MS4) Permit Application and required documents and plans (August 2025)
3. Continue to design, implement and close out the 70+ projects that Engineering staff are currently managing.
4. Digitization of paper files and maps, and improving efficiencies and digital file storage.
5. Collaboration with DPS to create a 5-year Pavement Asset Management Plan for street reconstruction and preservation.



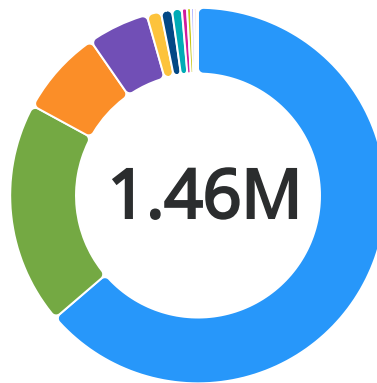
## Accomplishments

This year, the Engineering Department assisted in making significant improvements to our community's infrastructure. Veteran's Drive was reconstructed, replacing 0.55 miles of asphalt, curbs, sidewalks, ramps, and water mains. Additionally, multiple neighborhood streets were repaved, enhancing safety and accessibility.

The department also played a key role in expanding the TART Trail along Grandview Parkway, improving connectivity for pedestrians and cyclists. With support from the DDA, Engineering designed and completed two intersection upgrades within the Old Town TIF district, further enhancing traffic flow and walkability.

These efforts reflect our commitment to building a stronger, safer, and more accessible community for all.

**FY26 Expenditures by Type Summary**



● SALARIES & WAGES	<b>\$927,700</b>	63.73%
● FRINGE BENEFITS	<b>\$279,500</b>	19.20%
● PROFESSIONAL SERVICES	<b>\$108,000</b>	7.42%
● INFORMATION TECHNOLOGY SERVICES	<b>\$76,500</b>	5.26%
● OFFICE/OPERATING SUPPLIES	<b>\$17,800</b>	1.22%
● RENTALS	<b>\$13,900</b>	0.95%
● PROFESSIONAL DEVELOPMENT	<b>\$12,400</b>	0.85%
● COMMUNICATION	<b>\$6,300</b>	0.43%
● INSURANCE & BONDS	<b>\$5,000</b>	0.34%
● PRINTING & PUBLISHING	<b>\$3,600</b>	0.25%
● TRANSPORTATION	<b>\$3,000</b>	0.21%
● REPAIRS & MAINTENANCE	<b>\$1,000</b>	0.07%
● MISCELLANEOUS EXP	<b>\$1,000</b>	0.07%

**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$651,164	\$799,400	\$768,300	\$927,700	16.05%
FRINGE BENEFITS	\$194,477	\$227,100	\$230,300	\$279,500	23.07%
OFFICE/OPERATING SUPPLIES	\$9,274	\$29,800	\$11,600	\$17,800	-40.27%
PROFESSIONAL SERVICES	\$4,687	\$80,000	\$42,000	\$108,000	35.00%
INSURANCE & BONDS	\$3,833	\$5,000	\$4,900	\$5,000	0.00%
PROFESSIONAL DEVELOPMENT	\$7,673	\$12,600	\$11,000	\$12,400	-1.59%
COMMUNICATION	\$11,169	\$9,900	\$9,900	\$6,300	-36.36%
TRANSPORTATION	\$10,759	\$3,000	\$3,000	\$3,000	0.00%
PRINTING & PUBLISHING	\$4,548	\$3,600	\$2,800	\$3,600	0.00%
REPAIRS & MAINTENANCE	-	\$1,000	\$500	\$1,000	0.00%
RENTALS	\$12,646	\$13,500	\$13,000	\$13,900	2.96%
MISCELLANEOUS EXP	\$44	\$1,000	\$500	\$1,000	0.00%
INFORMATION TECHNOLOGY SERVICES	\$32,492	\$31,300	\$39,000	\$76,500	144.41%
<b>Total Expenditures</b>	<b>\$942,766</b>	<b>\$1,217,200</b>	<b>\$1,136,800</b>	<b>\$1,455,700</b>	<b>19.59%</b>

Professional Services have increased by 35.00%, primarily due to the inclusion of Municipal Separate Storm Sewer System (MS4) consulting services to support compliance with new regulatory requirements. These services represent a new cost that has not been incurred in previous years.

In addition, we have allocated funds to begin the digitization of our file room, a substantial initiative that is expected to take several years to complete.

Ongoing professional services such as Traffic Engineering and Traffic Counts continue to support the development of Traffic Control Orders (TCOs) and ensure compliance with Act 51 funding requirements.

# Oakwood Cemetery Department (101-567)

The Traverse City Parks and Recreation Division administers all operations at Oakwood Cemetery on an annual basis. Oakwood Cemetery is 91 acres and currently has approximately 20,000-30,000 graves. The Sexton provides administrative oversight and burial services along with conducting sales of burial rights for in-ground plots, cremation niches and mausoleum crypts.

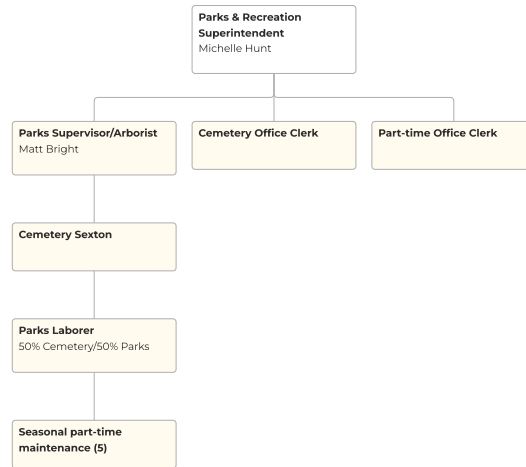


Oakwood Cemetery is staffed by: 1 Parks & Recreation Superintendent, 1 Parks Supervisor/Arborist, 1 Sexton, 1 Office Clerk, 1 full-time laborer split with Parks, and 5 seasonal maintenance employees and 1 part-time office clerk.

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 and other specialty work as required. Every Memorial Day holiday, Oakwood Cemetery staff partner with American Legion to place flags on military headstones.

Staff continue to digitize the 20,000+ burial and ownership records into BS&A. This data will be used to create a map for locating burial records.

## Oakwood Cemetery



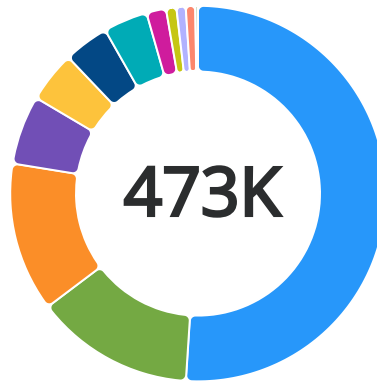
## Accomplishments

- Continue with consultant to map graves, develop GIS database for staff and public use
- Data entry into BS&A Cemetery Module

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$241,600	51.04%
● FRINGE BENEFITS	\$64,800	13.69%
● RENTALS	\$60,800	12.84%
● PROFESSIONAL SERVICES	\$28,100	5.94%
● OFFICE/OPERATING SUPPLIES	\$20,800	4.39%
● INFORMATION TECHNOLOGY SERVICES	\$18,400	3.89%
● UTILITIES	\$18,000	3.80%
● REPAIRS & MAINTENANCE	\$8,000	1.69%
● COMMUNICATION	\$4,200	0.89%
● INSURANCE & BONDS	\$3,800	0.80%
● TRANSPORTATION	\$3,800	0.80%
● PROFESSIONAL DEVELOPMENT	\$1,000	0.21%
● PRINTING & PUBLISHING	\$100	0.02%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$237,749	\$213,700	\$239,500	\$241,600	13.06%
FRINGE BENEFITS	\$55,449	\$54,300	\$53,100	\$64,800	19.34%
OFFICE/OPERATING SUPPLIES	\$23,658	\$17,500	\$15,500	\$20,800	18.86%
PROFESSIONAL SERVICES	\$20,812	\$22,830	\$15,500	\$28,100	23.08%
INSURANCE & BONDS	\$3,441	\$3,670	\$3,700	\$3,800	3.54%
PROFESSIONAL DEVELOPMENT	-	\$300	\$300	\$1,000	233.33%
COMMUNICATION	\$3,342	\$3,500	\$2,800	\$4,200	20.00%
TRANSPORTATION	\$3,174	\$3,700	\$3,700	\$3,800	2.70%
PRINTING & PUBLISHING	-	\$100	-	\$100	0.00%
UTILITIES	\$13,166	\$18,000	\$15,000	\$18,000	0.00%
REPAIRS & MAINTENANCE	\$8,161	\$7,500	\$6,300	\$8,000	6.67%
RENTALS	\$63,570	\$64,500	\$74,000	\$60,800	-5.74%
CAPITAL OUTLAY	\$35,641	-	-	-	-
INFORMATION TECHNOLOGY SERVICES	\$24,767	\$7,700	\$8,600	\$18,400	138.96%
<b>Total Expenditures</b>	<b>\$492,931</b>	<b>\$417,300</b>	<b>\$438,000</b>	<b>\$473,400</b>	<b>13.44%</b>

# City Planning & Zoning Department (101-701)

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

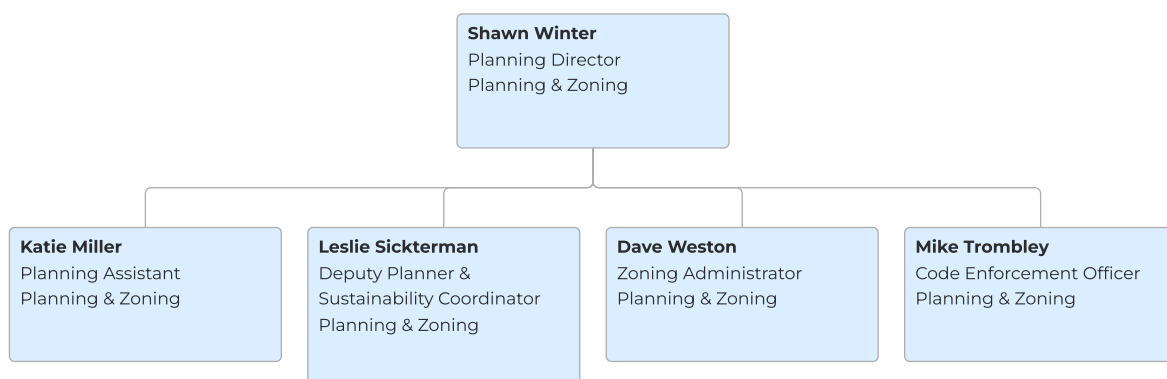
The Planning & Zoning Department is responsible for preparing the City's Master Plan, which influences the regulations and standards in the zoning ordinance and any future changes to it. They are responsible for zoning districts and appropriate regulation enforcement, code enforcement, and approval of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



The annual Planning & Zoning department budget provides the financial support to advance the programs and operations of the department, to allow for staff to:

- Help 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, along with any applicable sub-area and/or sub-topic plans;
- Provide administrative staff for the Planning Commission, Grand Traverse Commons Joint Planning Commission, Board of Zoning Appeals, Historic Districts Commission, all Planning Commission-initiated committees, City Commission meetings, and elsewhere within the City's government structure as needed.
- Coordinate and manage the six-year Capital Improvement Plan for the City;
- Play a key role in the advancement of community and economic development plans
- Administer the Design Team, which brings together the City's development-related staff on a weekly basis to design and review public capital projects, qualifying private developments, and Commission-initiated projects;
- Provide research and reports on emerging issues to internal departments, and to the community;
- Administer and enforce the Zoning, Sign, and Historic Districts Ordinances, and other land use regulations;
- Review building site plans, prepare reports and recommendations to the Planning Commission for Zoning map amendments, Zoning Ordinance text amendments, site plan reviews, special land use permits and planned unit developments;
- Provide public support for zoning and land use questions, and interpret land use principles and planning and zoning regulations;
- Monitor short-term rental compliance;
- Work with property owners, developers, outside agencies, and other City departments to ensure development plans are consistent with the Master Plan and Zoning Ordinances regarding size and placement of buildings, signs, parking areas and landscaping requirements;
- Inspect multifamily rental dwellings, rooming houses, property maintenance code violations, proper anchoring of boats on the near shore of Grand Traverse Bay, and general nuisance complaints;
- Manage Redevelopment Ready Communities program through MEDC;
- Administer the City's Community Development Block Grant (CDBG) entitlement grantee program;
- Serve as a central point of organization for the City's sustainability efforts;
- Assist as needed in the grant application process;
- Develop community education and engagement programs for planning efforts, zoning regulations, and conceptual street design; and
- Provide representatives at speaking engagements to community organizations.

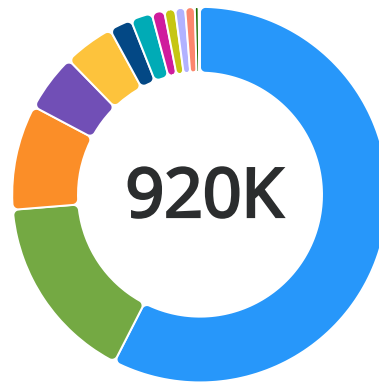
### Planning & Zoning Team



# SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$529,400	57.54%
● FRINGE BENEFITS	\$148,800	16.17%
● INFORMATION TECHNOLOGY SERVICES	\$83,200	9.04%
● PROFESSIONAL SERVICES	\$45,600	4.96%
● PROFESSIONAL DEVELOPMENT	\$40,000	4.35%
● MISCELLANEOUS EXP	\$18,000	1.96%
● OFFICE/OPERATING SUPPLIES	\$17,000	1.85%
● PRINTING & PUBLISHING	\$10,000	1.09%
● COMMUNICATION	\$8,500	0.92%
● TRANSPORTATION	\$8,000	0.87%
● RENTALS	\$7,600	0.83%
● INSURANCE & BONDS	\$3,000	0.33%
● REPAIRS & MAINTENANCE	\$1,000	0.11%

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$406,691	\$488,100	\$480,100	\$529,400	8.46%
FRINGE BENEFITS	\$103,859	\$133,700	\$134,000	\$148,800	11.29%
OFFICE/OPERATING SUPPLIES	\$9,538	\$15,000	\$8,500	\$17,000	13.33%
PROFESSIONAL SERVICES	\$77,617	\$40,000	\$6,500	\$45,600	14.00%
INSURANCE & BONDS	\$2,512	\$2,900	\$2,900	\$3,000	3.45%
PROFESSIONAL DEVELOPMENT	\$11,709	\$30,300	\$10,500	\$40,000	32.01%
COMMUNICATION	\$4,589	\$12,000	\$4,600	\$8,500	-29.17%
TRANSPORTATION	\$5,807	\$8,000	\$5,000	\$8,000	0.00%
PRINTING & PUBLISHING	\$1,152	\$15,000	\$2,000	\$10,000	-33.33%
REPAIRS & MAINTENANCE	-	\$3,500	-	\$1,000	-71.43%
RENTALS	\$5,884	\$10,000	\$7,600	\$7,600	-24.00%
MISCELLANEOUS EXP	-	\$3,000	\$2,800	\$18,000	500.00%



Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INFORMATION TECHNOLOGY SERVICES	\$33,011	\$44,100	\$45,700	\$83,200	88.66%
<b>Total Expenditures</b>	<b>\$662,369</b>	<b>\$805,600</b>	<b>\$710,200</b>	<b>\$920,100</b>	<b>14.21%</b>

Professional Development includes annual conference for planning commissioners, Misc Exp includes venues, equipment etc for public meetings.

# City Parks & Recreation Department (101-751)

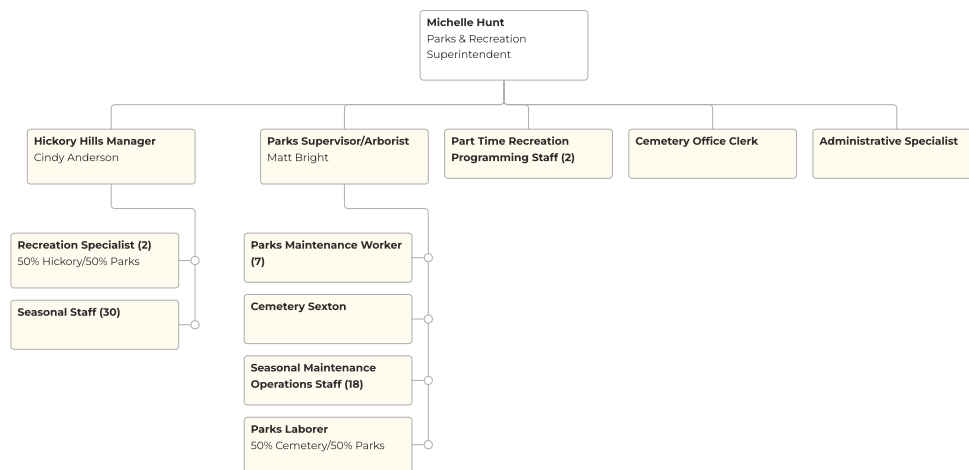
The Traverse City Parks and Recreation Division takes pride in maintaining the City's parkland, beaches, open spaces, urban forest and City-owned property and buildings. Parks and Recreation staff also manage Oakwood Cemetery operations, Hickory Hills Ski Area, recreational programs for the community,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



Parks staff are 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. The 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 are 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 are responsible for administering an average of 140 Low Impact Park Usage Permits for 15 parks.

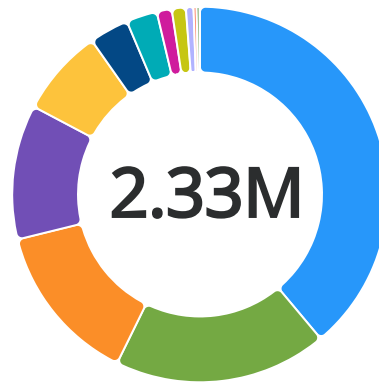
## Parks & Recreation



## SUMMARY OF SIGNIFICANT CHANGES

- Requested additional position for Urban Forestry maintenance and improvements
- Ashton Park New Playground Improvements
- Jupiter Gardens Park Improvements
- Highland Park Improvements
- Park Signage Fabrication and Installation
- West End Bathrooms Replacement (grant awarded)
- New siding for the Hull Park bathrooms

FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$906,600	38.91%
● RENTALS	\$428,000	18.37%
● FRINGE BENEFITS	\$323,200	13.87%
● PROFESSIONAL SERVICES	\$270,000	11.59%
● UTILITIES	\$175,000	7.51%
● OFFICE/OPERATING SUPPLIES	\$79,000	3.39%
● REPAIRS & MAINTENANCE	\$62,000	2.66%
● TRANSPORTATION	\$30,000	1.29%
● INFORMATION TECHNOLOGY SERVICES	\$28,200	1.21%
● INSURANCE & BONDS	\$15,000	0.64%
● COMMUNICATION	\$6,400	0.27%
● PROFESSIONAL DEVELOPMENT	\$6,000	0.26%
● PRINTING & PUBLISHING	\$500	0.02%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$694,713	\$757,100	\$742,000	\$906,600	19.75%
FRINGE BENEFITS	\$213,263	\$224,600	\$236,100	\$323,200	43.90%
OFFICE/OPERATING SUPPLIES	\$81,316	\$70,500	\$72,000	\$79,000	12.06%
PROFESSIONAL SERVICES	\$221,281	\$204,000	\$250,000	\$270,000	32.35%
INSURANCE & BONDS	\$13,215	\$14,700	\$14,700	\$15,000	2.04%
PROFESSIONAL DEVELOPMENT	\$7,777	\$8,000	\$6,000	\$6,000	-25.00%
COMMUNICATION	\$6,171	\$6,300	\$5,500	\$6,400	1.59%
TRANSPORTATION	\$27,718	\$39,000	\$26,000	\$30,000	-23.08%
PRINTING & PUBLISHING	-	\$500	\$200	\$500	0.00%
UTILITIES	\$162,019	\$200,000	\$165,000	\$175,000	-12.50%
REPAIRS & MAINTENANCE	\$61,760	\$72,000	\$55,000	\$62,000	-13.89%
RENTALS	\$439,488	\$418,000	\$430,000	\$428,000	2.39%
MISCELLANEOUS EXP	\$5	-	-	-	-
CAPITAL OUTLAY	\$5,000	-	-	-	-
INFORMATION TECHNOLOGY SERVICES	\$15,981	\$18,100	\$17,300	\$28,200	55.80%
<b>Total Expenditures</b>	<b>\$1,949,705</b>	<b>\$2,032,800</b>	<b>\$2,019,800</b>	<b>\$2,329,900</b>	<b>14.62%</b>

#### Urban Forestry Parks Maintenance Worker position request

This position is critical to supporting the City's tree management efforts, including planting, horticulture, invasive species control, and maintenance of the City's growing tree inventory. The position would also support the Parks Supervisor and Certified Arborist with data collection, monitoring, and field operations to ensure that tree maintenance efforts shift from reactive to proactive.

#### Office/Operating Supplies

The annual tree purchase is budgeted in Parks. In previous years the annual tree purchase was paid for by ARPA funds and the Tree Fund. This explains the percent increase.

#### Professional Services

The cost of cleaning, garbage removal and contractor maintenance repairs are all expected to rise.

# Contingencies (101-941)

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes were requested for the 2025/2026 budget.

### Expenditures by Expense Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CONTINGENCIES	-	\$75,000	-	\$125,000	66.67%
<b>Total Expenditures</b>	-	<b>\$75,000</b>	-	<b>\$125,000</b>	<b>66.67%</b>

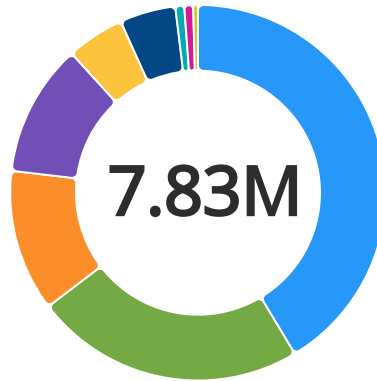
# Tranfers Out (101-966)

General Fund transfers to other funds to cover budgeted expenses or deficits

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

New EMS fund 210 transfer out to cover fire activity in the 2025/2026 budget.

FY26 Operating Transfers Out



●	TRANSFER OUT - TO FIRE EMS FUND	<b>\$3,241,500</b>	41.39%
●	TRANSFER OUT - STREET CAPITAL PROJECTS	<b>\$1,821,800</b>	23.26%
●	TRANSFER OUT MVH-STREETS FUND	<b>\$956,200</b>	12.21%
●	TRANSFER OUT CAPITAL PROJECTS FUND	<b>\$894,400</b>	11.42%
●	TRANSFER OUT HICKORY HILLS FUND	<b>\$390,000</b>	4.98%
●	TRANSFER OUT SIDEWALK DEBT SERVICE FUND	<b>\$376,000</b>	4.80%
●	TRANSFER OUT OPERA HOUSE FUND	<b>\$60,000</b>	0.77%
●	TRANSFER OUT PUBLIC ARTS COMMISSION	<b>\$60,000</b>	0.77%
●	TRANSFER OUT CARNEGIE BUILDING FUND	<b>\$31,300</b>	0.40%

**Operating Transfers Out Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
TRANSFER OUT MVH-STREETS FUND	\$794,123	\$915,800	\$842,800	\$956,200	4.41%
TRANSFER OUT CAPITAL PROJECTS FUND	\$1,832,600	\$2,473,500	\$2,628,500	\$894,400	-63.84%
TRANSFER OUT SIDEWALK DEBT SERVICE FUND	\$378,659	\$375,000	\$375,000	\$376,000	0.27%
TRANSFER OUT OPERA HOUSE FUND	\$17,000	-	-	\$60,000	-
TRANSFER OUT CARNEGIE BUILDING FUND	\$58,600	\$58,600	\$58,600	\$31,300	-46.59%
TRANSFER OUT	-	\$890,400	\$890,400	-	-100.00%
TRANSFER OUT HICKORY HILLS FUND	\$356,800	\$370,000	\$370,000	\$390,000	5.41%
TRANSFER OUT PUBLIC ARTS COMMISSION	\$30,000	\$45,000	\$45,000	\$60,000	33.33%
TRANSFER OUT - STREET CAPITAL PROJECTS	-	\$436,100	\$253,400	\$1,821,800	317.75%
TRANSFER OUT - TO FIRE EMS FUND	-	-	-	\$3,241,500	-
<b>Total Expenditures</b>	<b>\$3,467,781</b>	<b>\$5,564,400</b>	<b>\$5,463,700</b>	<b>\$7,831,200</b>	<b>40.74%</b>

- Transfer of 1 mill dedicated for streets moved from capital fund to streets capital fund for better tracking capability.
- Annual general fund transfer to Hickory due to revenue not being enough to cover annual expenses
- New Fire/EMS fund general fund contribution
- 2024/25 projected totals include the proposed budget adjustment to fund underfunded projects and cover 25/26 requested items removed from 2025/26 recommended budget.
- Transfer to Public Arts Commission increased to \$60,000 per board action 5/5/2025

**City of Traverse City  
General Operating Fund  
Transfers to Capital Project Funds**

**Transfers to Street Capital Projects Fund #447**

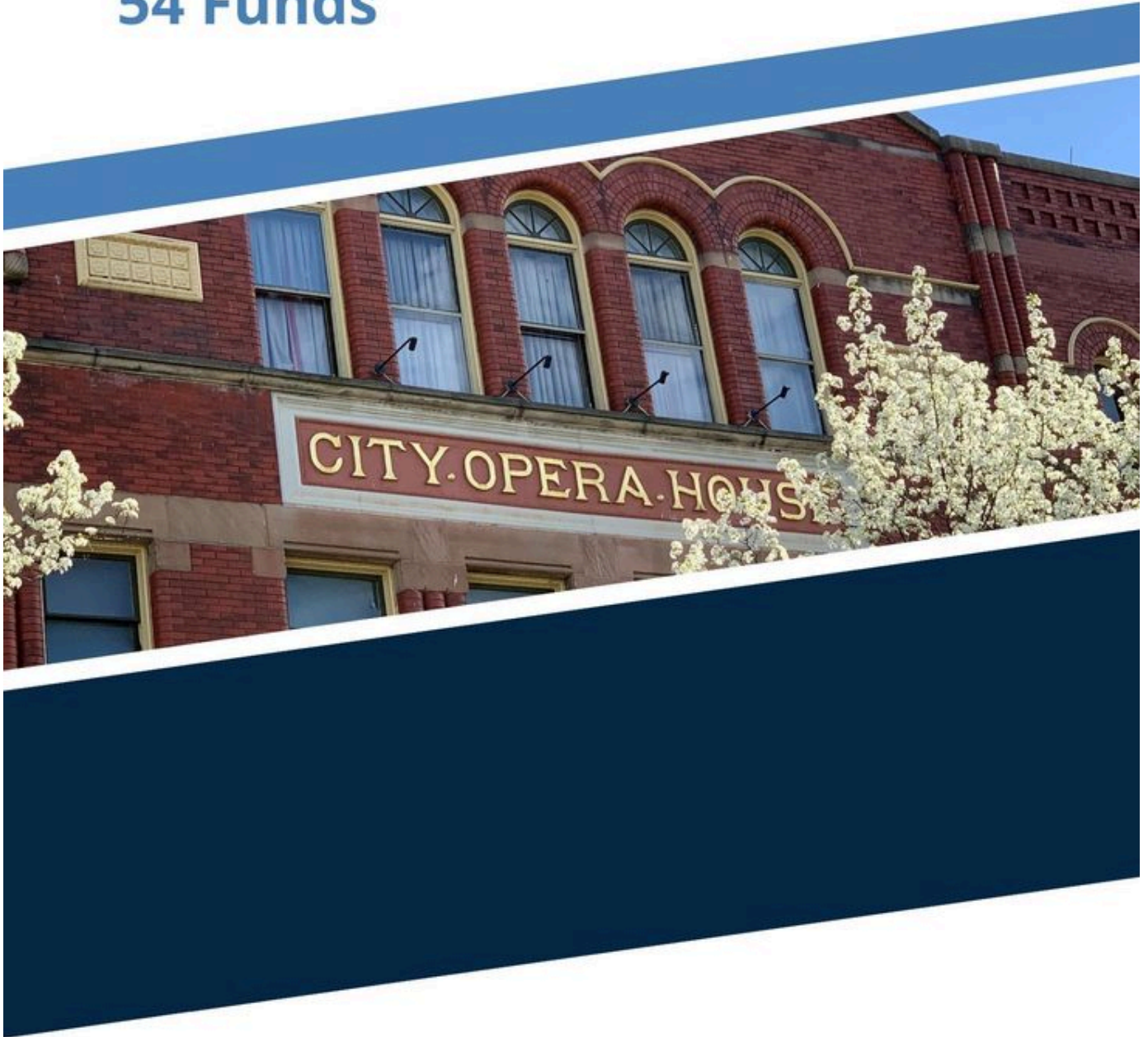
Annual Street Reconstruction	\$	901,100
Traffic Signals		483,500
Complete Streets		253,400
Street Improvement Plan		25,000
Eastern Avenue Sidewalk		158,800
		<hr/>
Total	\$	<u>1,821,800</u>

**Transfers to Capital Projects Fund # 499**

Annual Bridge Maintenance	\$	78,000
Grandview Irrigation Division to M-72		266,400
North Union St Bridge Repair		375,000
Stormwater Management Plan		25,000
West Front Street Safety Improvements		150,000
		<hr/>
Total	\$	<u>894,400</u>



# Governmental Accounting Standards Board Statement # 54 Funds

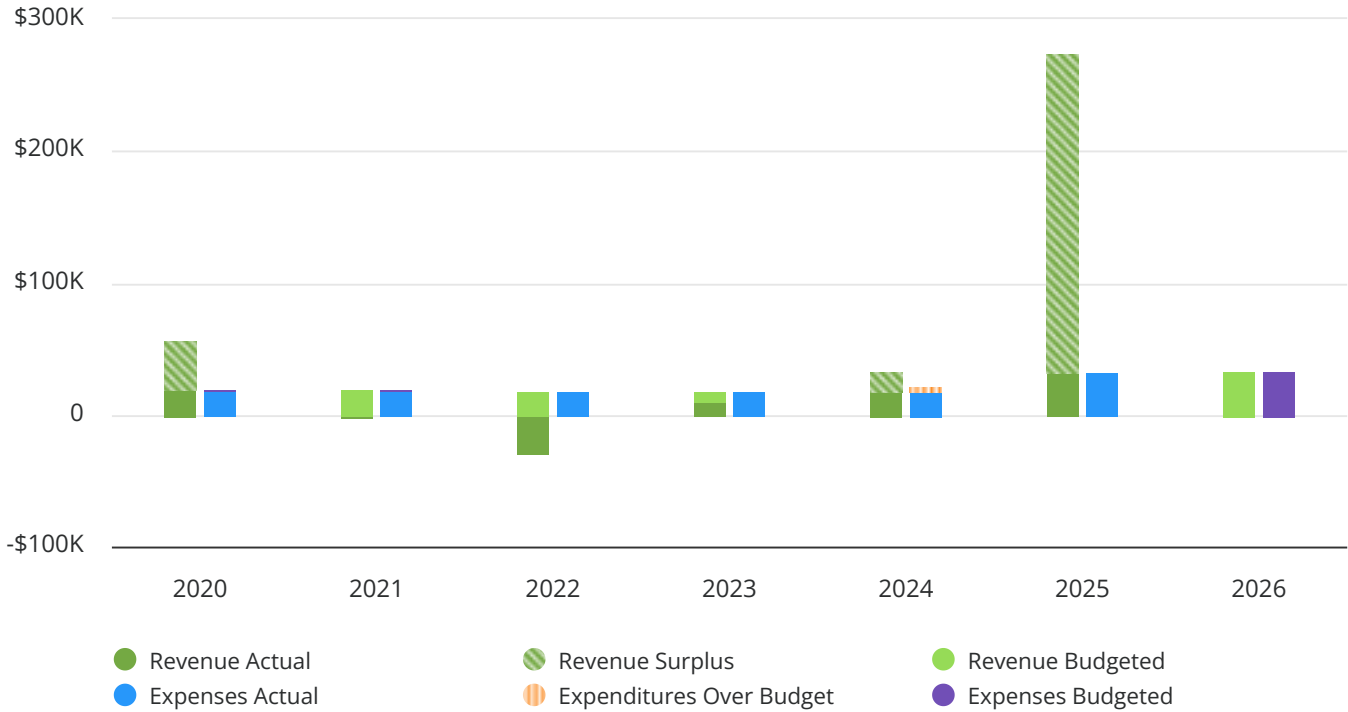


GASB 54 Funds are Funds that have been established by the City to track certain activities separately from the General Operating Fund. Following Generally Accepted Accounting Principles, these Funds are combined with the General Operating Fund in the City's Audited Annual Financial Report.

# Budget Stabilization

This fund was approved by City ordinance pursuant to Public Act 30 of 1978. The only revenues are transfers from the General Fund and interest on investments held by 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.

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$745,066	\$757,609	\$757,609	\$1,000,009
<b>Revenues</b>				
OTHER REVENUE	\$34,265	\$31,800	\$32,000	\$34,000
TRANSFER IN	-	\$242,400	\$242,400	-
<b>Total Revenues</b>	\$34,265	\$274,200	\$274,400	\$34,000
<b>Expenditures</b>				
TRANSFER OUT	\$21,722	\$274,200	\$32,000	\$34,000
<b>Total Expenditures</b>	\$21,722	\$274,200	\$32,000	\$34,000
<b>Total Revenues Less Expenditures</b>	\$12,543	-	\$242,400	-
<b>Ending Fund Balance</b>	\$757,609	\$757,609	\$1,000,009	\$1,000,009

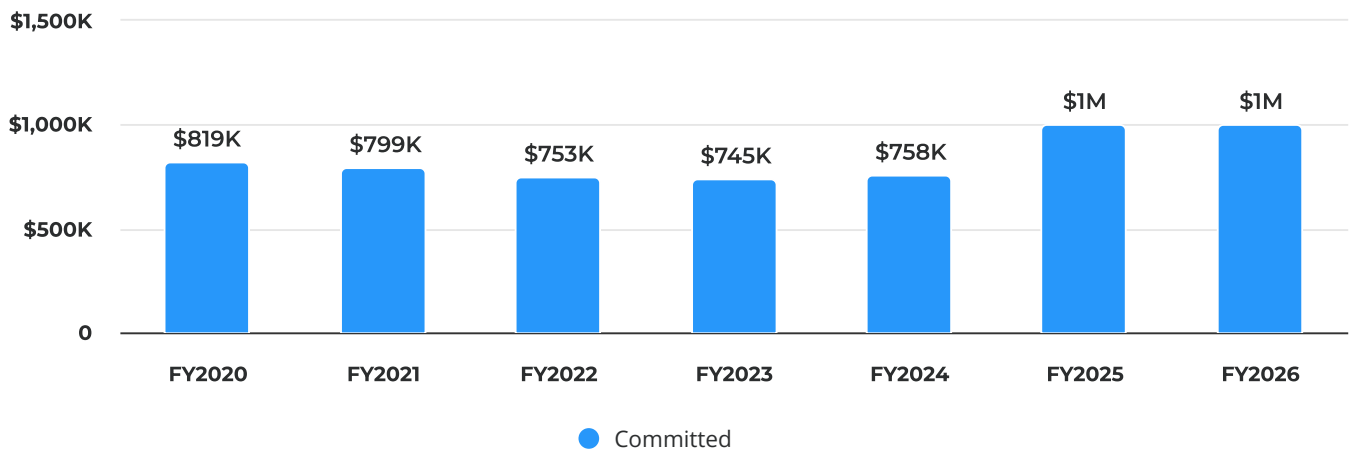
15% of current general operating fund expenditures would be \$3,938,505. The Budget Stabilization Fund Balance is \$757,609 so we are well within guidelines. Since we are working on drawing down the General Fund fund balance, we are proposing to increase the fund balance to 1 million for greater cash flow security.

### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$21,721.87	\$274,200.00	\$32,000.00	\$34,000.00	-87.60%
<b>Total Expenditures</b>	<b>\$21,721.87</b>	<b>\$274,200.00</b>	<b>\$32,000.00</b>	<b>\$34,000.00</b>	<b>-87.60%</b>

## Fund Balance

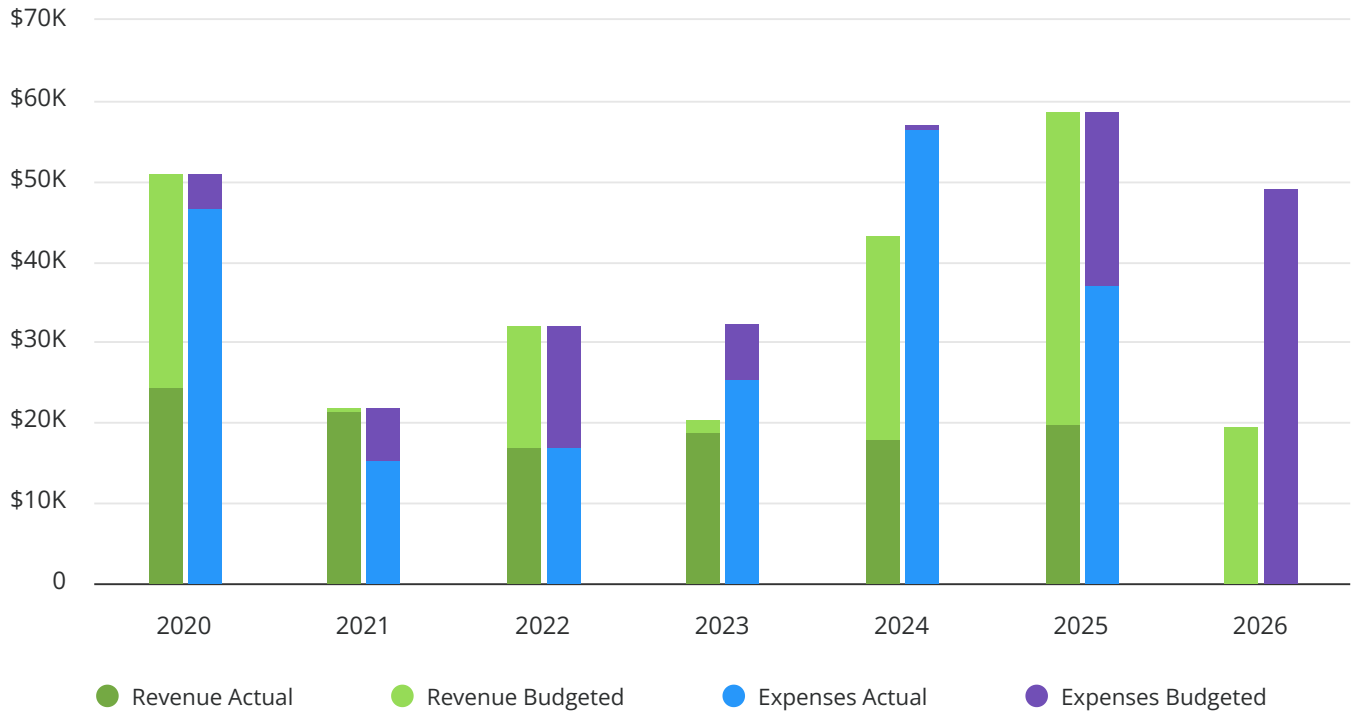
Fund Balance Projections



# Hazardous Material Response Team Fund

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.

## Revenues vs Expenditures Summary



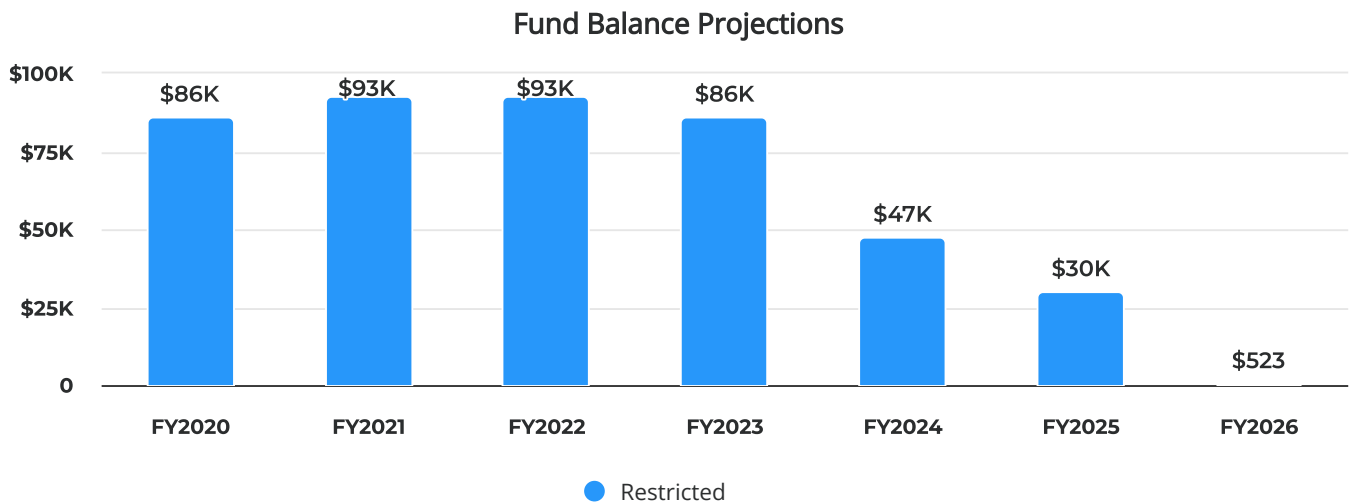
## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$86,001	\$47,423	\$47,423	\$30,123
<b>Revenues</b>				
CHARGES FOR SERVICES	\$895	\$900	-	-
INTERGOVERNMENTAL	\$15,405	\$15,400	\$19,400	\$19,400
OTHER REVENUE	\$1,617	\$42,500	\$500	\$200
<b>Total Revenues</b>	<b>\$17,917</b>	<b>\$58,800</b>	<b>\$19,900</b>	<b>\$19,600</b>
<b>Expenditures</b>				
OFFICE/OPERATING SUPPLIES	\$11,546	\$11,000	\$7,500	\$11,000
PROFESSIONAL SERVICES	-	\$1,500	\$1,000	\$1,500
INSURANCE & BONDS	\$877	\$900	\$900	\$1,000
PROFESSIONAL DEVELOPMENT	\$2,000	\$4,000	\$2,500	\$4,000
COMMUNICATION	-	\$1,000	-	\$1,000
TRANSPORTATION	-	\$200	-	\$200
PRINTING & PUBLISHING	-	\$300	-	\$300
REPAIRS & MAINTENANCE	\$4,075	\$3,500	\$1,100	\$3,500

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
RENTALS	\$26,784	\$26,700	\$23,900	\$26,700
CAPITAL OUTLAY	\$11,212	\$9,700	\$300	-
<b>Total Expenditures</b>	<b>\$56,494</b>	<b>\$58,800</b>	<b>\$37,200</b>	<b>\$49,200</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$38,578</b>	<b>-</b>	<b>-\$17,300</b>	<b>-\$29,600</b>
<b>Ending Fund Balance</b>	<b>\$47,423</b>	<b>\$47,423</b>	<b>\$30,123</b>	<b>\$523</b>

Over the last few years, we have been spending more than the revenue earned from annual subscriber fees. We may need to discuss evaluating this fee in the near future.

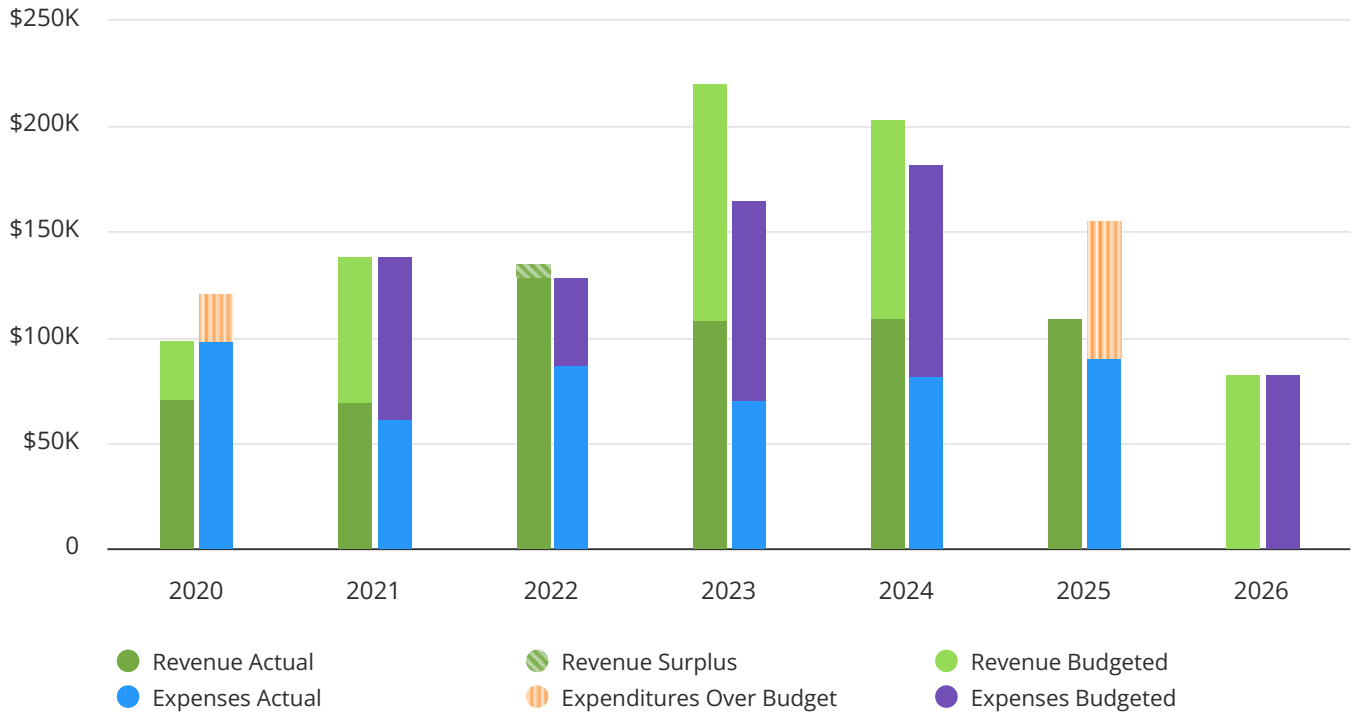
## Fund Balance



# Carnegie Building Fund (104)

The objective of the Carnegie Building Fund is to collect, preserve and present the cultural history of the Grand Traverse region. Rental agreements with The Crooked Arts Council and the Grand Traverse Rock and Mineral Club will be combined with contributions from the General Fund to cover operational costs of the building and provide for future significant building repairs.

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

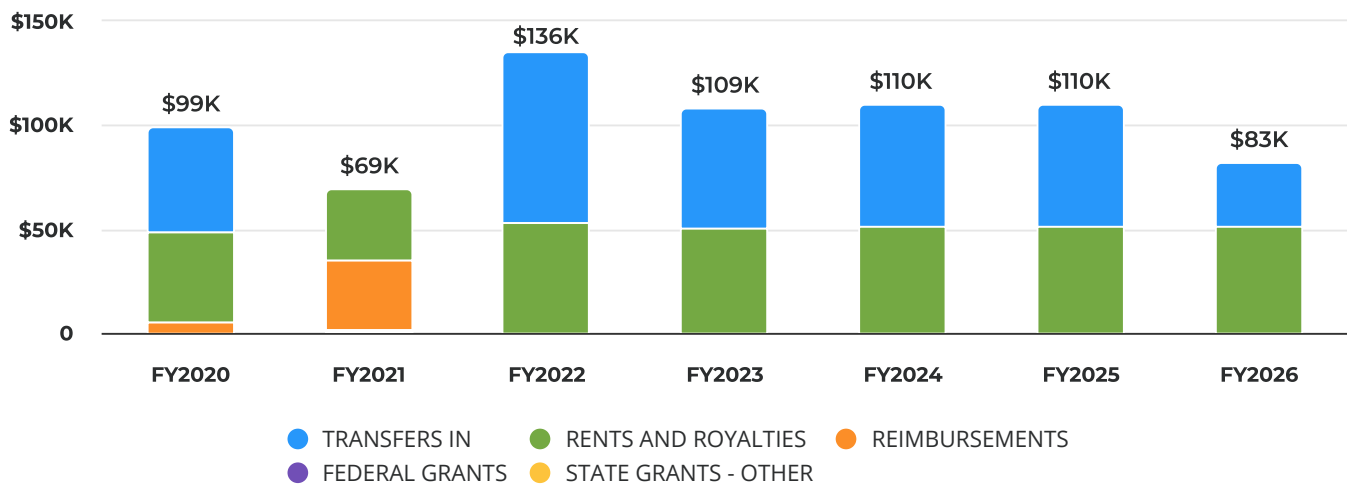
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$97,427	\$125,055	\$125,055	\$79,255
<b>Revenues</b>				
OTHER REVENUE	\$51,200	\$51,200	\$51,200	\$51,200
TRANSFER IN	\$58,600	\$58,600	\$58,600	\$31,300
<b>Total Revenues</b>	<b>\$109,800</b>	<b>\$109,800</b>	<b>\$109,800</b>	<b>\$82,500</b>
<b>Expenditures</b>				
OFFICE/OPERATING SUPPLIES	\$1,707	\$3,000	\$800	\$2,000
PROFESSIONAL SERVICES	\$26,193	\$34,100	\$25,000	\$25,000
INSURANCE & BONDS	\$3,440	\$3,600	\$3,900	\$4,000
COMMUNICATION	\$2,554	\$3,000	\$2,800	\$2,900
UTILITIES	\$29,428	\$29,100	\$28,500	\$29,000
REPAIRS & MAINTENANCE	\$16,346	\$92,000	\$92,000	\$17,000
RENTALS	\$2,504	\$2,800	\$2,600	\$2,600
<b>Total Expenditures</b>	<b>\$82,171</b>	<b>\$167,600</b>	<b>\$155,600</b>	<b>\$82,500</b>

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Total Revenues Less Expenditures</b>	\$27,629	-\$57,800	-\$45,800	-
<b>Ending Fund Balance</b>	\$125,055	\$67,255	\$79,255	\$79,255

We are projecting to use \$45,800 of fund balance in 2024/25 budget year due to chiller replacement. Anticipate the new Facilities Director will review tenants and contracts and make recommendations for future use.

## Revenues by Object

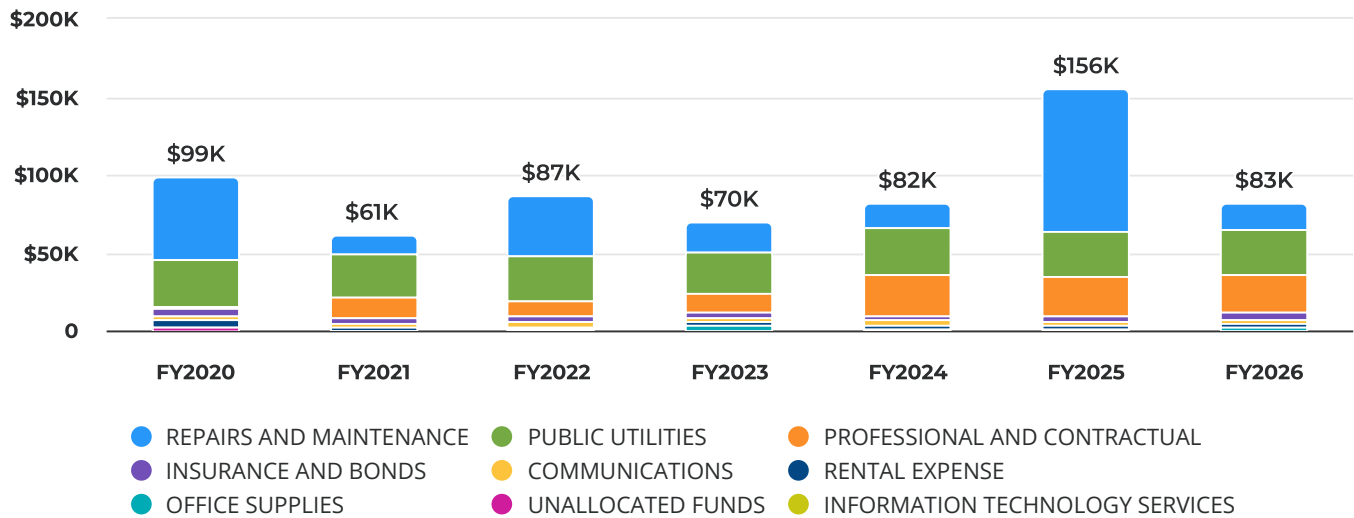
Historical Revenues by Object



## Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
RENTS AND ROYALTIES	\$51,200.00	\$51,200.00	\$51,200.00	\$51,200.00	0.00%
TRANSFERS IN	\$58,600.00	\$58,600.00	\$58,600.00	\$31,300.00	-46.59%
<b>Total Revenues</b>	<b>\$109,800.00</b>	<b>\$109,800.00</b>	<b>\$109,800.00</b>	<b>\$82,500.00</b>	<b>-24.86%</b>

### Historical Expenditures by Object



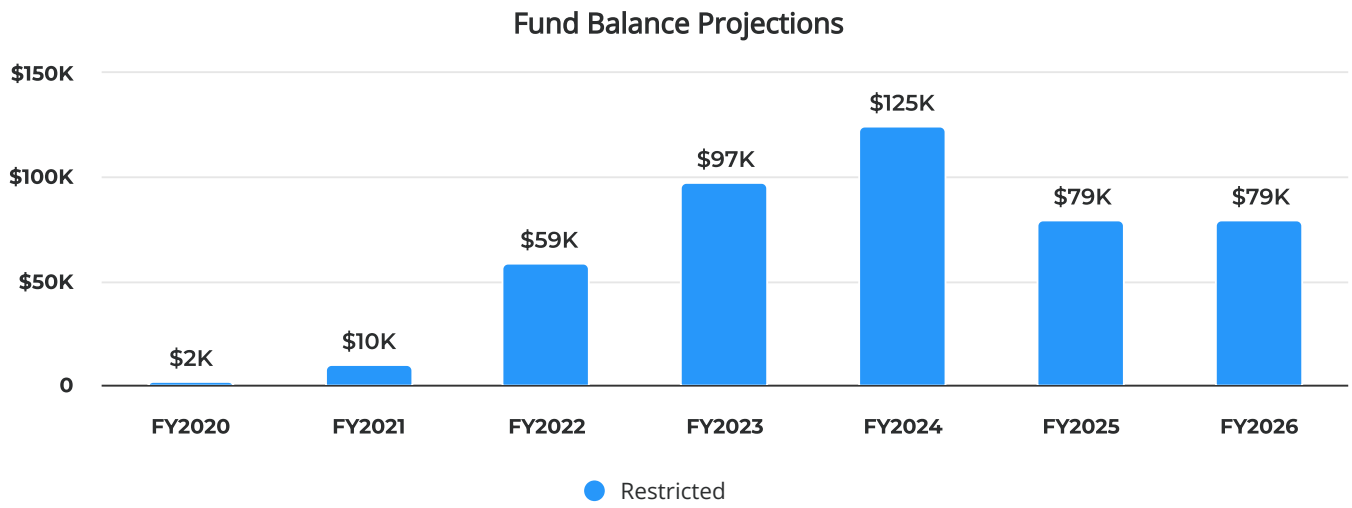
### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OFFICE SUPPLIES	\$1,706.51	\$3,000.00	\$800.00	\$2,000.00	-33.33%
PROFESSIONAL AND CONTRACTUAL	\$26,192.61	\$34,100.00	\$25,000.00	\$25,000.00	-26.69%
INSURANCE AND BONDS	\$3,440.33	\$3,600.00	\$3,900.00	\$4,000.00	11.11%
COMMUNICATIONS	\$2,554.42	\$3,000.00	\$2,800.00	\$2,900.00	-3.33%
PUBLIC UTILITIES	\$29,427.68	\$29,100.00	\$28,500.00	\$29,000.00	-0.34%
REPAIRS AND MAINTENANCE	\$16,345.56	\$92,000.00	\$92,000.00	\$17,000.00	-81.52%
RENTAL EXPENSE	\$2,504.00	\$2,800.00	\$2,600.00	\$2,600.00	-7.14%
<b>Total Expenditures</b>	<b>\$82,171.11</b>	<b>\$167,600.00</b>	<b>\$155,600.00</b>	<b>\$82,500.00</b>	<b>-50.78%</b>

Chiller replacement was not budgeted for in 2024/25, we will be utilizing fund balance for budget adjustment to cover expense.



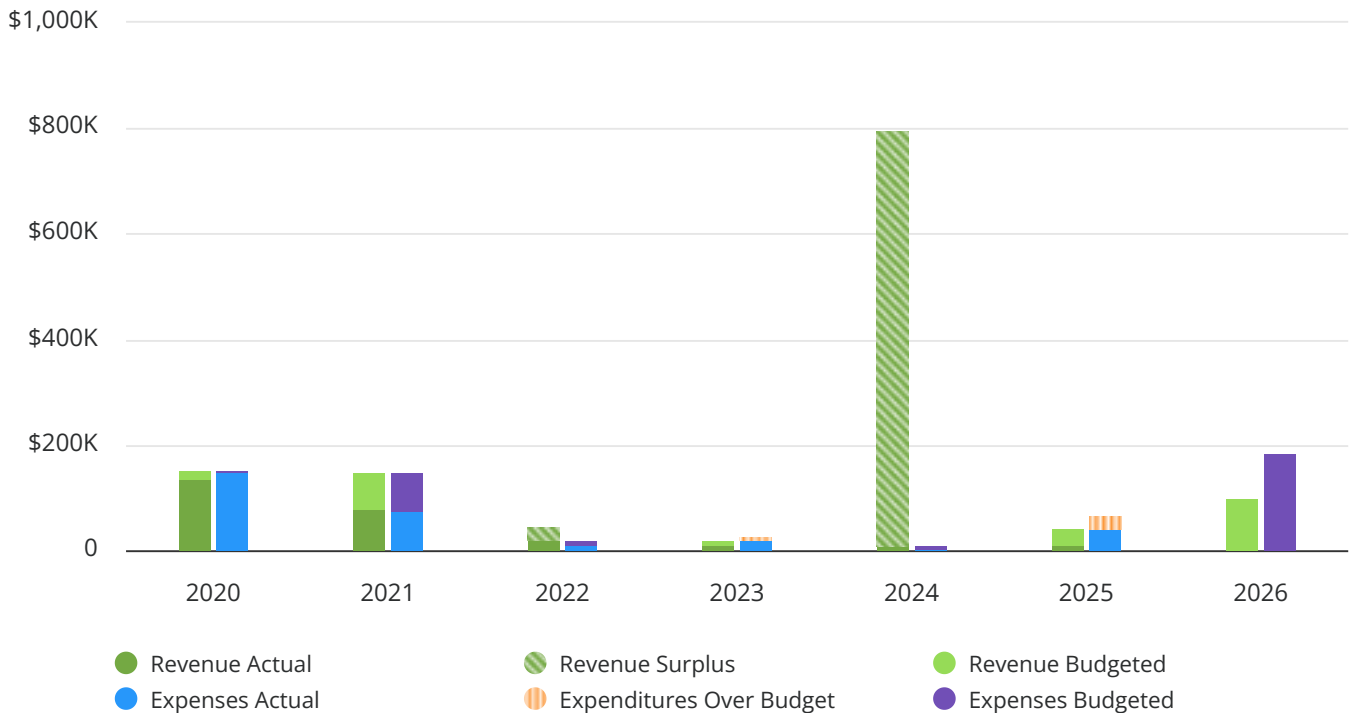
## Fund Balance



# Senior Center Fund (105)

This fund accounts for maintenance and care of the recently completed Senior Center Building. The contribution in 2023/2024 reflects money provided by Grand Traverse County to subsidize repairs and maintenance of the building through the end of the senior services management contract.

## Revenues vs Expenditures Summary

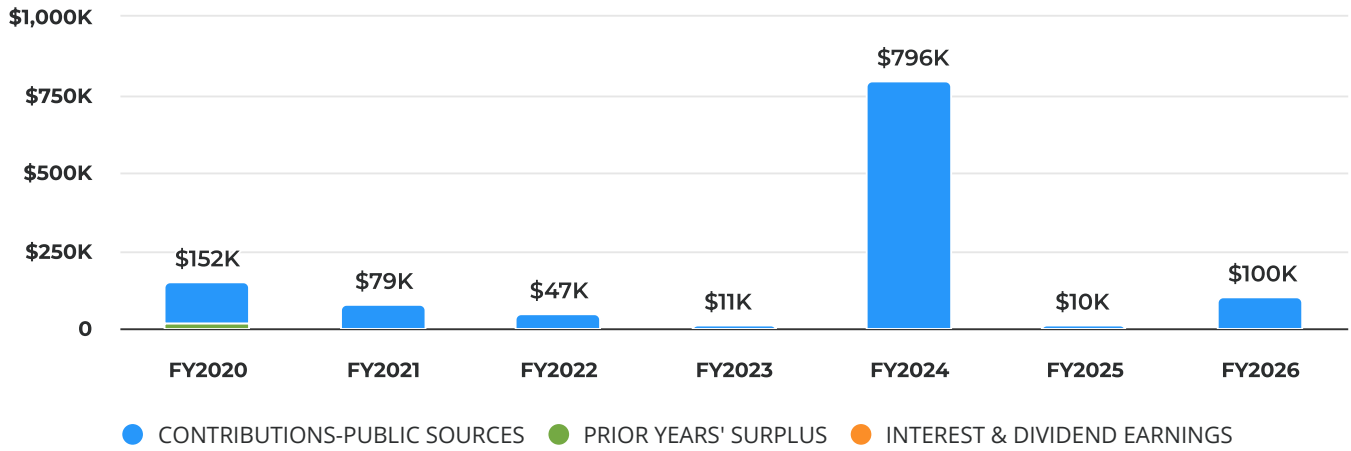


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$59,760	\$853,211	\$853,211	\$795,311
<b>Revenues</b>				
OTHER REVENUE	\$796,446	\$43,700	\$10,000	\$100,000
<b>Total Revenues</b>	\$796,446	\$43,700	\$10,000	\$100,000
<b>Expenditures</b>				
SALARIES & WAGES	\$1,019	\$1,100	\$4,100	\$1,000
OFFICE/OPERATING SUPPLIES	-	-	\$600	\$1,000
PROFESSIONAL SERVICES	\$520	\$6,000	\$30,600	\$100,000
INSURANCE & BONDS	\$493	\$600	\$800	\$1,000
UTILITIES	-	\$33,000	\$30,000	\$70,000
REPAIRS & MAINTENANCE	-	\$1,500	-	\$10,000
RENTALS	\$963	\$1,500	\$1,800	\$3,600
<b>Total Expenditures</b>	\$2,995	\$43,700	\$67,900	\$186,600
<b>Total Revenues Less Expenditures</b>	\$793,451	-	-\$57,900	-\$86,600

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Ending Fund Balance</b>	\$853,211	\$853,211	\$795,311	\$708,711

### Historical Revenues by Object

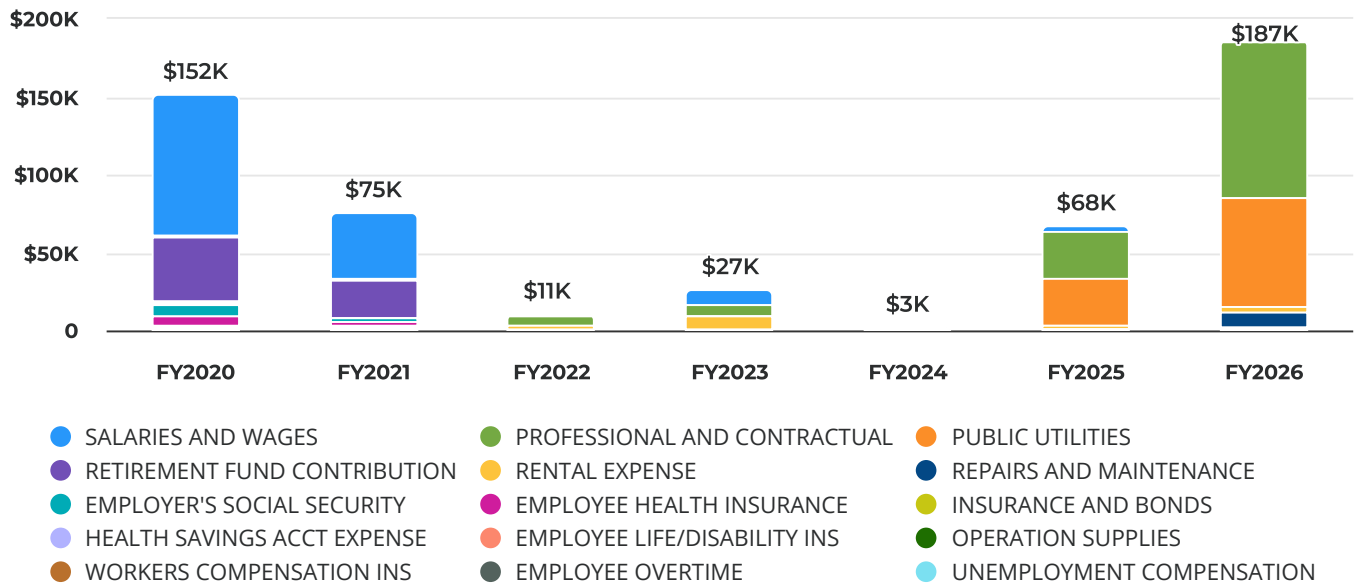


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$1,059.42	-	-	-	-
CONTRIBUTIONS-PUBLIC SOURCES	\$795,386.95	\$43,700.00	\$10,000.00	\$100,000.00	128.83%
<b>Total Revenues</b>	<b>\$796,446.37</b>	<b>\$43,700.00</b>	<b>\$10,000.00</b>	<b>\$100,000.00</b>	<b>128.83%</b>

Contribution is projected reimbursement from GTC for billable expenses.

### Historical Expenditures by Object



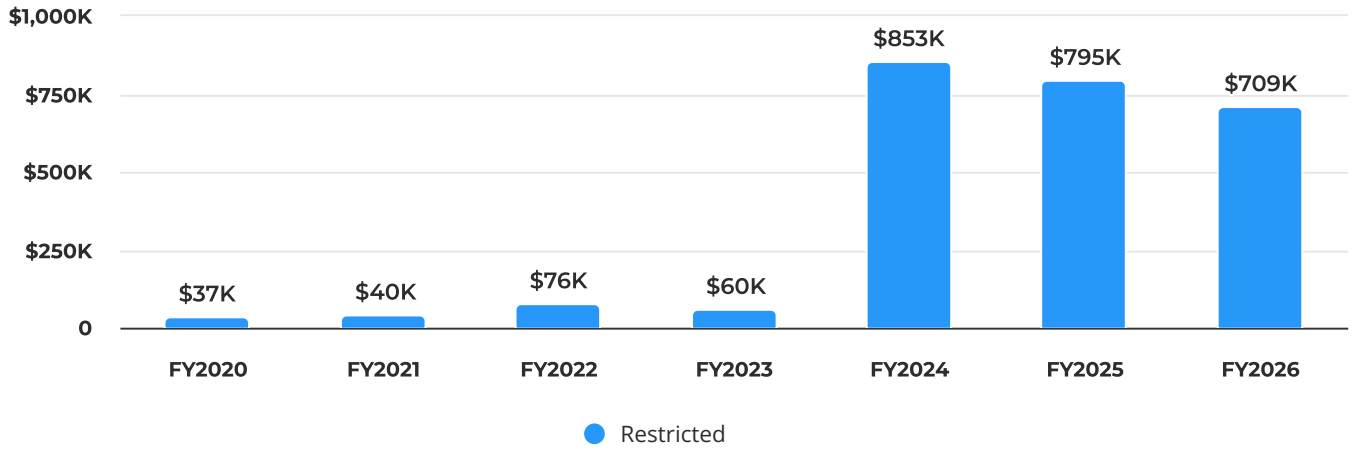
### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES AND WAGES	\$1,018.94	\$1,100.00	\$4,000.00	\$1,000.00	-9.09%
EMPLOYEE OVERTIME	-	-	\$100.00	-	-
OPERATION SUPPLIES	-	-	\$600.00	\$1,000.00	-
PROFESSIONAL AND CONTRACTUAL	\$520.00	\$6,000.00	\$30,600.00	\$100,000.00	1,566.67%
INSURANCE AND BONDS	\$492.91	\$600.00	\$800.00	\$1,000.00	66.67%
PUBLIC UTILITIES	-	\$33,000.00	\$30,000.00	\$70,000.00	112.12%
REPAIRS AND MAINTENANCE	-	\$1,500.00	-	\$10,000.00	566.67%
RENTAL EXPENSE	\$963.42	\$1,500.00	\$1,800.00	\$3,600.00	140.00%
<b>Total Expenditures</b>	<b>\$2,995.27</b>	<b>\$43,700.00</b>	<b>\$67,900.00</b>	<b>\$186,600.00</b>	<b>327.00%</b>

Now that the Senior Center is complete and open, we have contractual costs for janitorial, utility & maintenance costs,

# Fund Balance

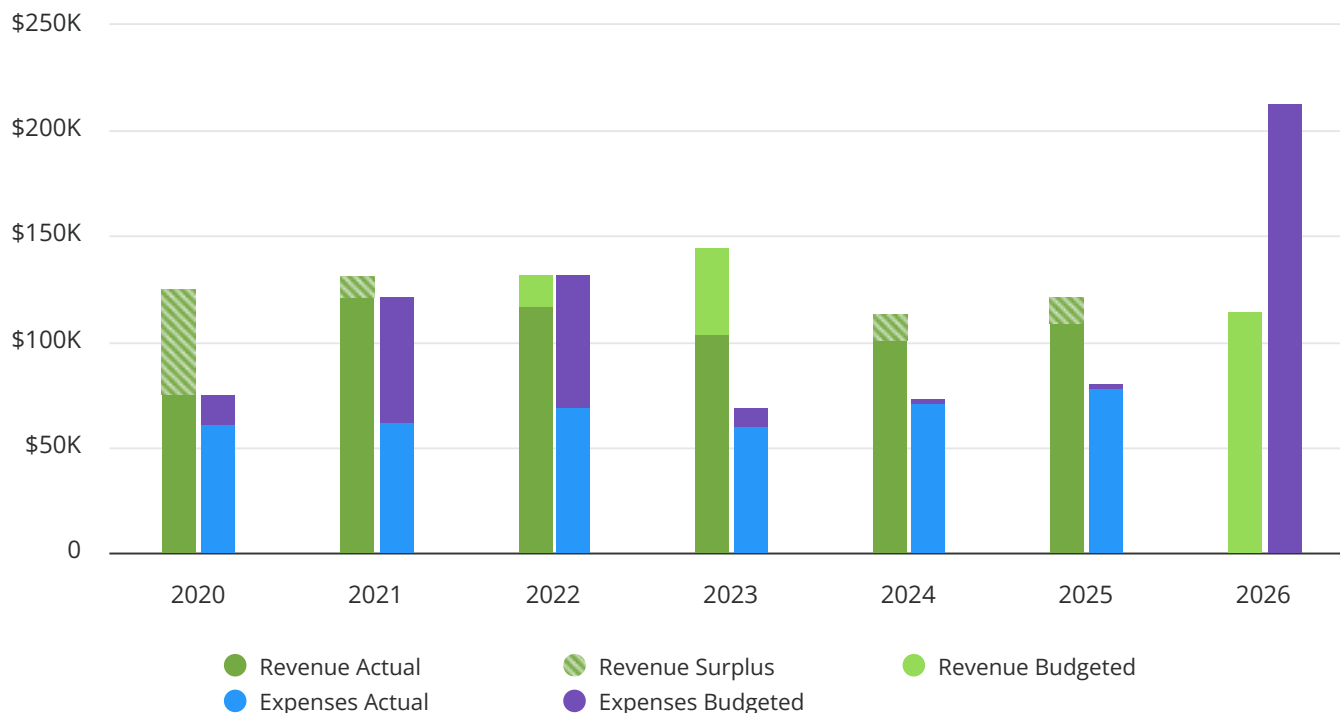
### Fund Balance Projections



# Brown Bridge Maintenance Funds (106)

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

## Revenues vs Expenditures Summary

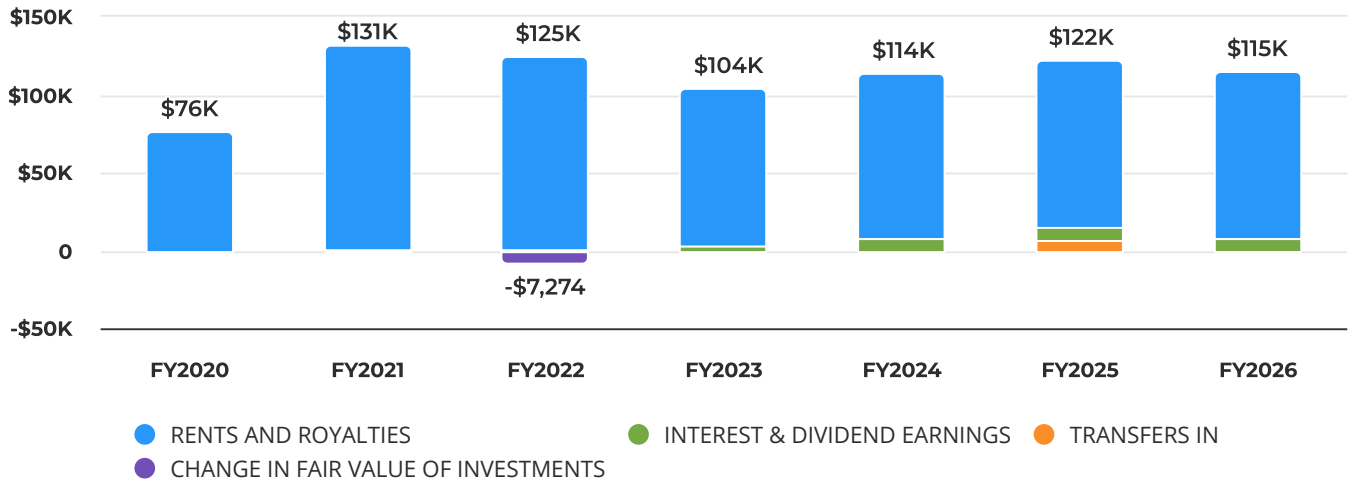


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$302,374	\$345,127	\$345,127	\$388,527
<b>Revenues</b>				
OTHER REVENUE	\$114,005	\$109,300	\$115,000	\$115,000
TRANSFER IN	-	-	\$7,100	-
<b>Total Revenues</b>	<b>\$114,005</b>	<b>\$109,300</b>	<b>\$122,100</b>	<b>\$115,000</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$399	\$500	-	-
PROFESSIONAL SERVICES	\$42,500	\$50,000	\$50,000	\$75,000
INSURANCE & BONDS	\$23	-	-	-
UTILITIES	\$982	\$900	\$1,300	\$1,500
REPAIRS & MAINTENANCE	\$20,815	\$25,000	\$25,000	\$134,000
RENTALS	\$6,534	\$4,400	\$2,400	\$2,900
<b>Total Expenditures</b>	<b>\$71,253</b>	<b>\$80,800</b>	<b>\$78,700</b>	<b>\$213,400</b>
<b>Total Revenues Less Expenditures</b>	<b>\$42,753</b>	<b>\$28,500</b>	<b>\$43,400</b>	<b>-\$98,400</b>

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
Ending Fund Balance	\$345,127	\$373,627	\$388,527	\$290,127

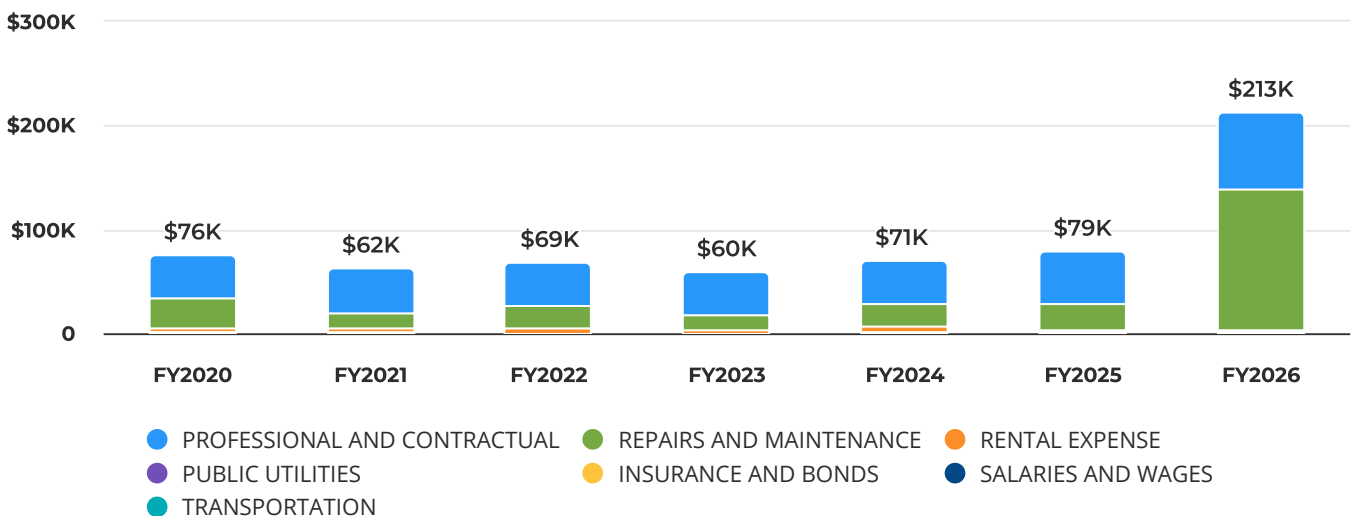
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$7,594.98	\$2,500.00	\$7,600.00	\$7,600.00	204.00%
RENTS AND ROYALTIES	\$106,410.42	\$106,800.00	\$107,400.00	\$107,400.00	0.56%
TRANSFERS IN	-	-	\$7,100.00	-	-
<b>Total Revenues</b>	<b>\$114,005.40</b>	<b>\$109,300.00</b>	<b>\$122,100.00</b>	<b>\$115,000.00</b>	<b>5.22%</b>

### Historical Expenditures by Object

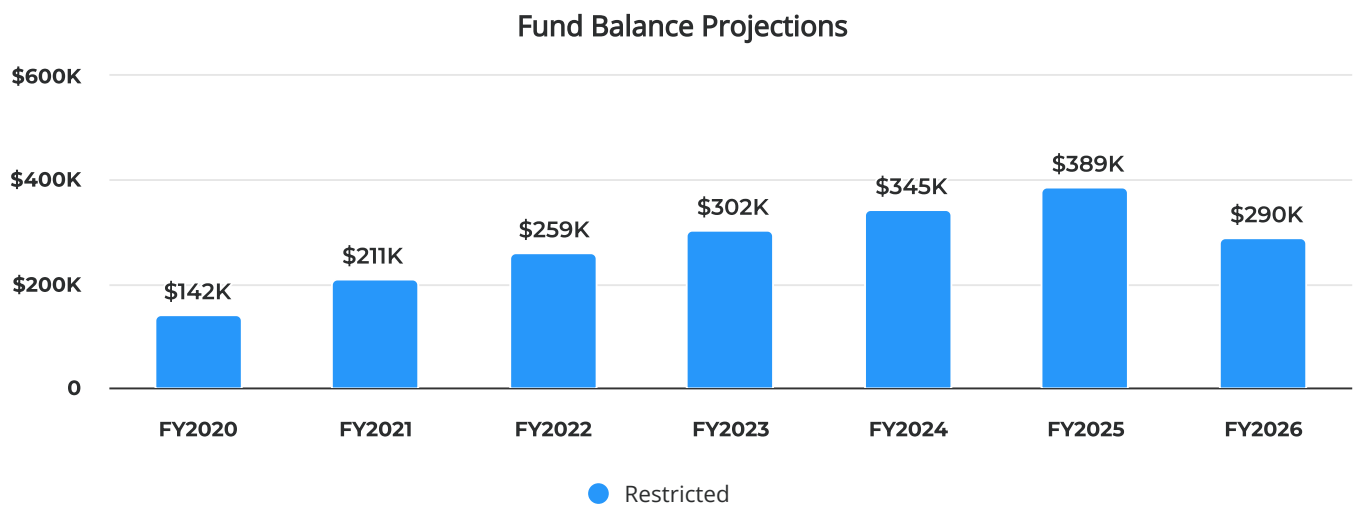


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES AND WAGES	\$398.55	\$500.00	-	-	-100.00%
PROFESSIONAL AND CONTRACTUAL	\$42,500.00	\$50,000.00	\$50,000.00	\$75,000.00	50.00%
INSURANCE AND BONDS	\$23.00	-	-	-	-
PUBLIC UTILITIES	\$981.82	\$900.00	\$1,300.00	\$1,500.00	66.67%
REPAIRS AND MAINTENANCE	\$20,815.25	\$25,000.00	\$25,000.00	\$134,000.00	436.00%
RENTAL EXPENSE	\$6,534.25	\$4,400.00	\$2,400.00	\$2,900.00	-34.09%
<b>Total Expenditures</b>	<b>\$71,252.87</b>	<b>\$80,800.00</b>	<b>\$78,700.00</b>	<b>\$213,400.00</b>	<b>164.11%</b>

Professional services includes an increase with GT Conservation District to cover the addition of new Spring Lake property purchase. Repairs & Maintenance includes new Spring Lake property improvements and black locust boardwalk repairs.

### Fund Balance

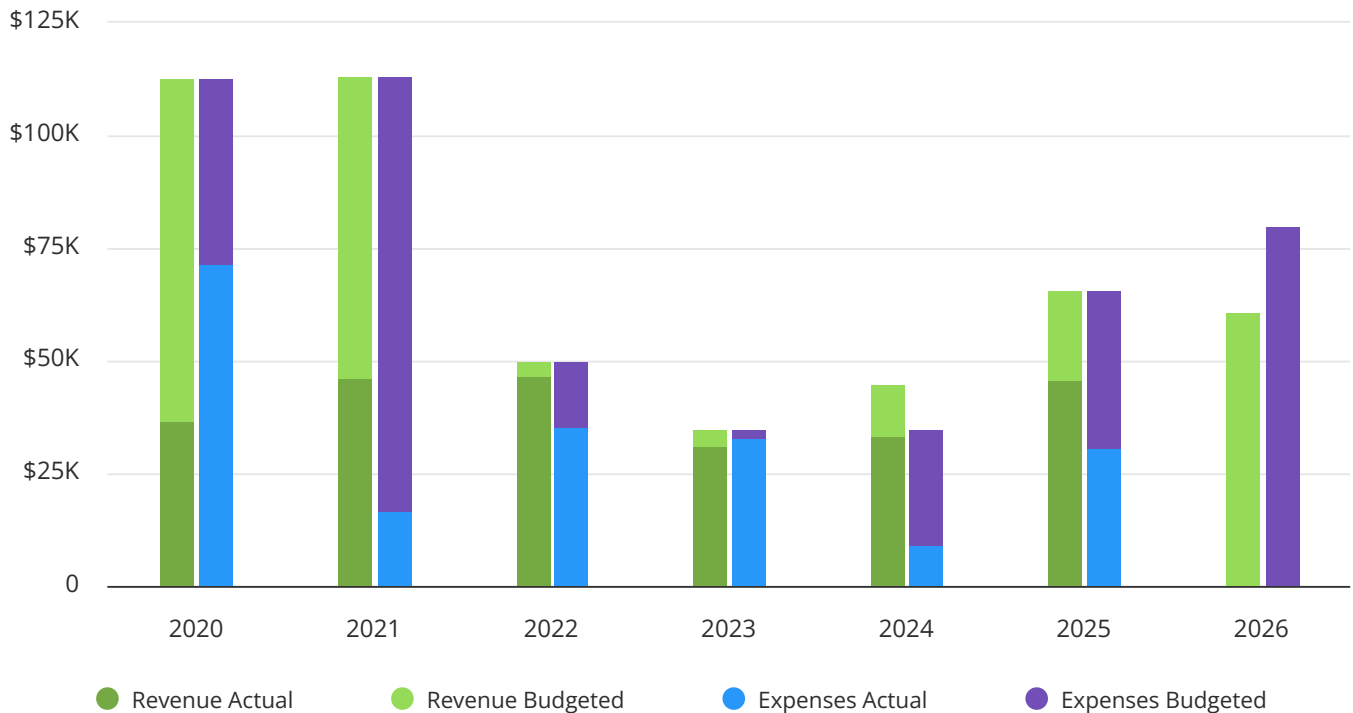




# Public Arts Commission Fund (107)

This fund uses transfers from the General Operating Fund, public contributions and private contributions which may be made for the acquisition, commission, exhibition, and maintenance of works of art throughout the City.

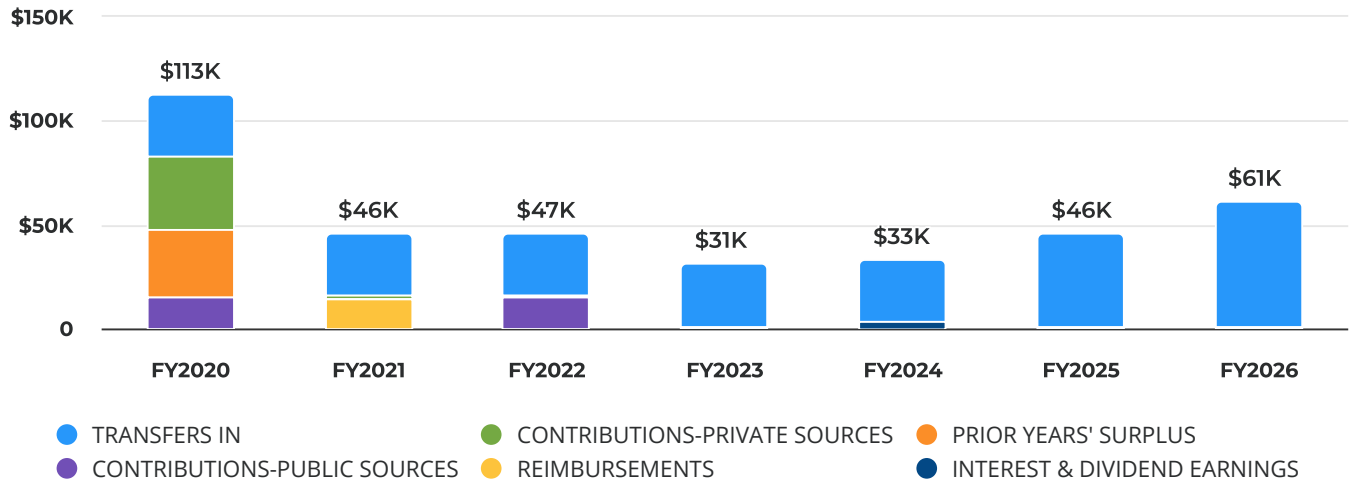
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$129,995	\$154,089	\$154,089	\$169,089
<b>Revenues</b>				
OTHER REVENUE	\$3,428	\$36,000	\$1,000	\$1,000
TRANSFER IN	\$30,000	\$45,000	\$45,000	\$60,000
<b>Total Revenues</b>	\$33,428	\$81,000	\$46,000	\$61,000
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$8,753	\$64,000	\$31,000	\$80,000
REPAIRS & MAINTENANCE	\$581	\$2,000	-	-
CAPITAL OUTLAY	-	\$15,000	-	-
<b>Total Expenditures</b>	\$9,334	\$81,000	\$31,000	\$80,000
<b>Total Revenues Less Expenditures</b>	\$24,094	-	\$15,000	-\$19,000
<b>Ending Fund Balance</b>	\$154,089	\$154,089	\$169,089	\$150,089

### Historical Revenues by Object

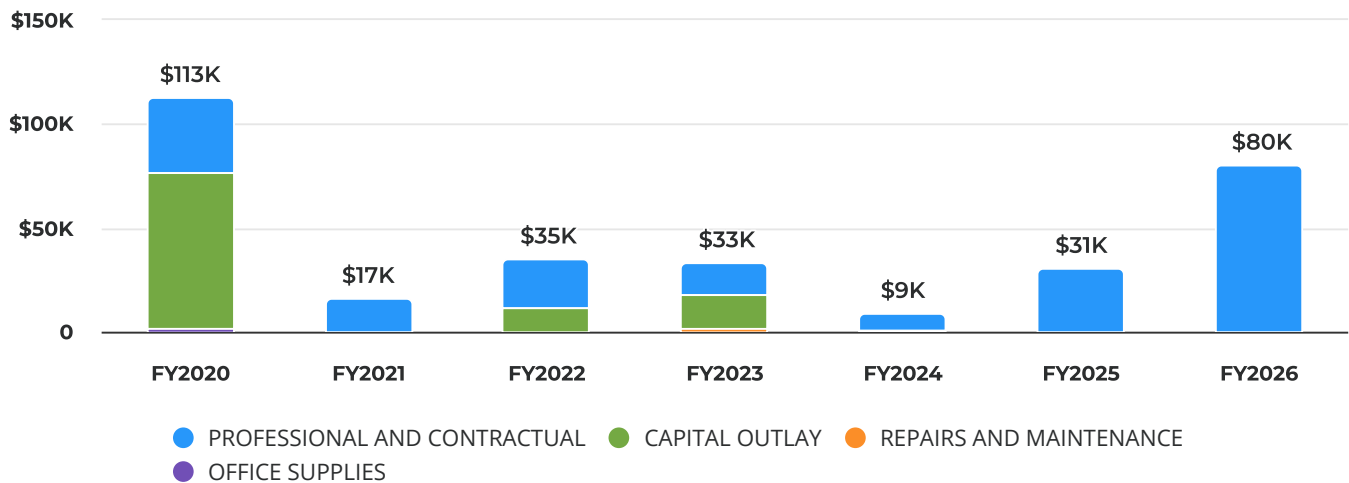


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$3,428.04	\$1,000.00	\$1,000.00	\$1,000.00	0.00%
CONTRIBUTIONS-PUBLIC SOURCES	-	\$15,000.00	-	-	-100.00%
PRIOR YEARS' SURPLUS	-	\$20,000.00	-	-	-100.00%
TRANSFERS IN	\$30,000.00	\$45,000.00	\$45,000.00	\$60,000.00	33.33%
<b>Total Revenues</b>	<b>\$33,428.04</b>	<b>\$81,000.00</b>	<b>\$46,000.00</b>	<b>\$61,000.00</b>	<b>-24.69%</b>

Transfer from the General Fund increased from \$30,000 to \$60,000 per board action 5/5/25

### Historical Expenditures by Object

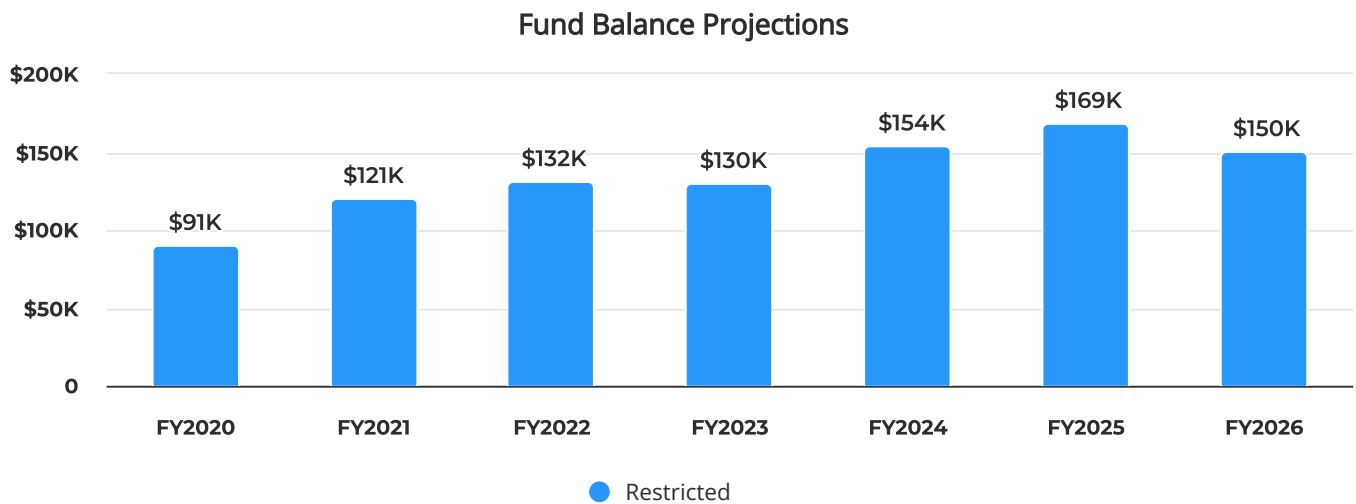


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	FY 2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$8,753.35	\$64,000.00	\$31,000.00	\$80,000.00	25.00%
REPAIRS AND MAINTENANCE	\$580.86	\$2,000.00	-	-	-100.00%
CAPITAL OUTLAY	-	\$15,000.00	-	-	-100.00%
<b>Total Expenditures</b>	<b>\$9,334.21</b>	<b>\$81,000.00</b>	<b>\$31,000.00</b>	<b>\$80,000.00</b>	<b>-1.23%</b>

The increase in contractual is due to anticipated costs for the upcoming Mural festival.

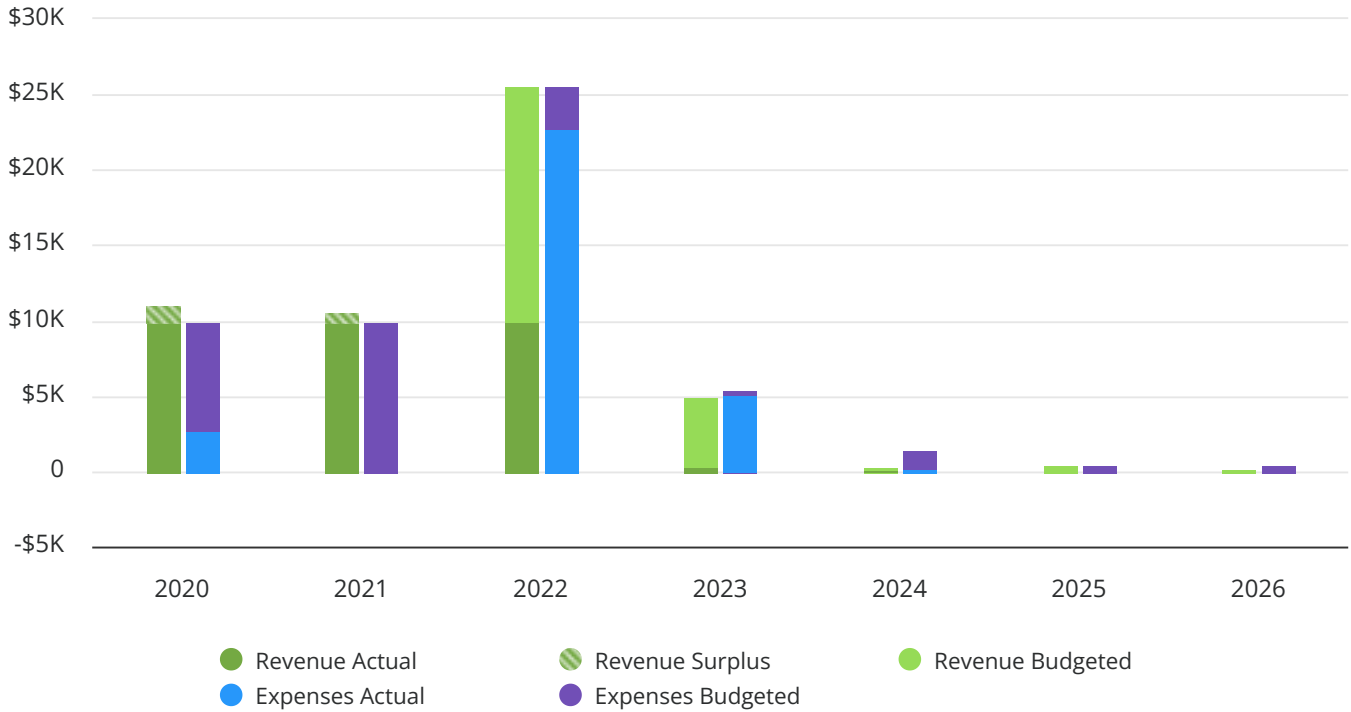
## Fund Balance



# Coast Guard Committee Fund (108)

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.

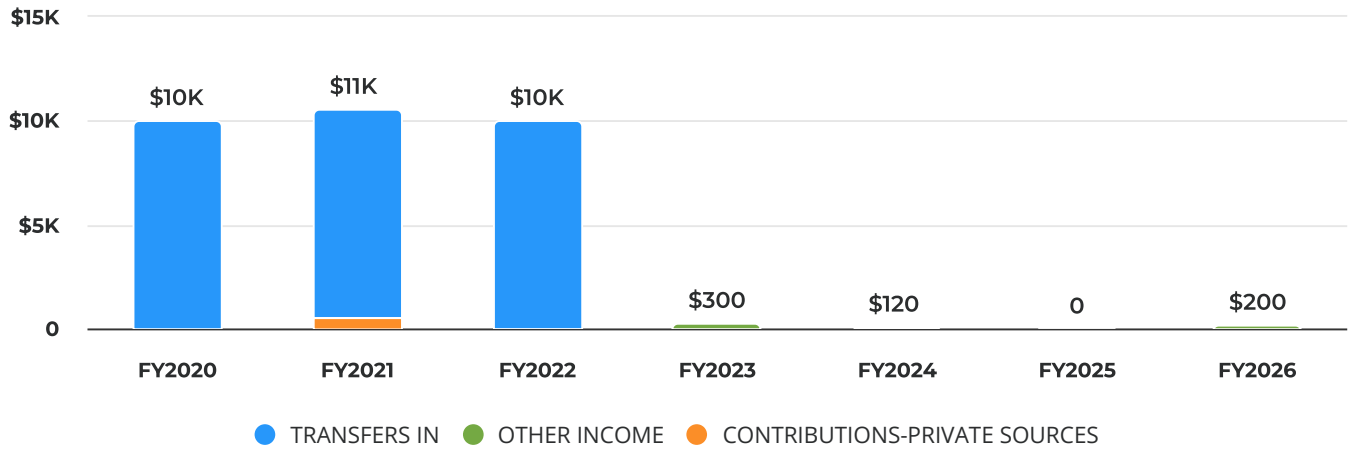
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Requested
<b>Beginning Fund Balance</b>	\$6,221	\$6,160	\$6,160	\$6,160
<b>Revenues</b>				
OTHER REVENUE	\$120	\$500	-	\$200
<b>Total Revenues</b>	\$120	\$500	-	\$200
<b>Expenditures</b>				
OFFICE/OPERATING SUPPLIES	\$180	\$500	-	\$500
<b>Total Expenditures</b>	\$180	\$500	-	\$500
<b>Total Revenues Less Expenditures</b>	-\$60	-	-	-\$300
<b>Ending Fund Balance</b>	\$6,160	\$6,160	\$6,160	\$5,860

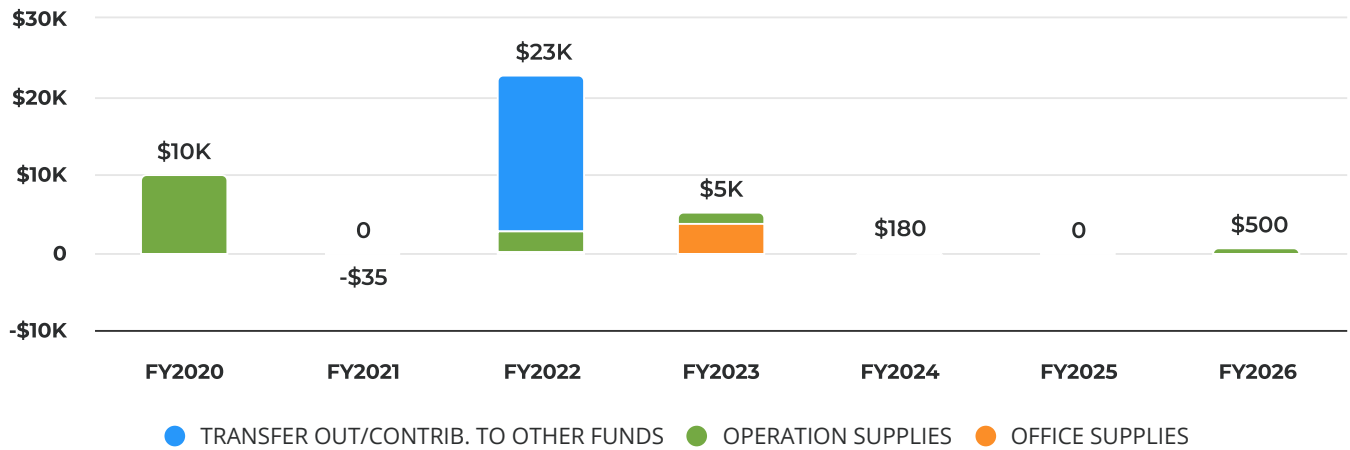
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OTHER INCOME	\$120.00	\$200.00	-	\$200.00	0.00%
PRIOR YEARS' SURPLUS	-	\$300.00	-	-	-100.00%
<b>Total Revenues</b>	<b>\$120.00</b>	<b>\$500.00</b>	<b>-</b>	<b>\$200.00</b>	<b>-60.00%</b>

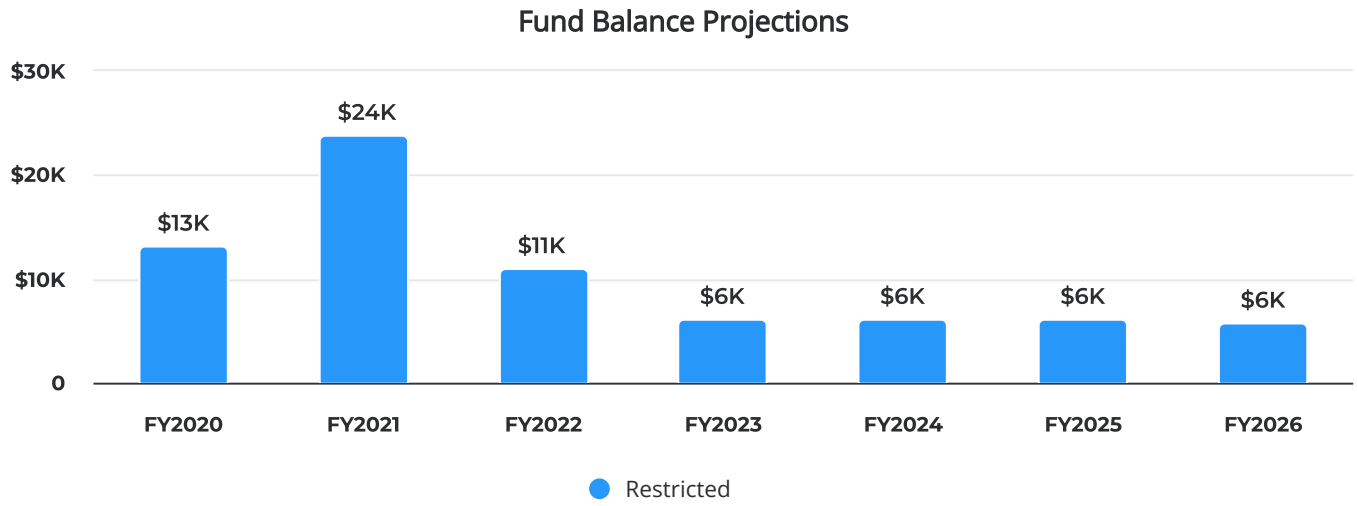
### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OFFICE SUPPLIES	\$180.42	-	-	-	-
OPERATION SUPPLIES	-	\$500.00	-	\$500.00	0.00%
<b>Total Expenditures</b>	<b>\$180.42</b>	<b>\$500.00</b>	<b>-</b>	<b>\$500.00</b>	<b>0.00%</b>

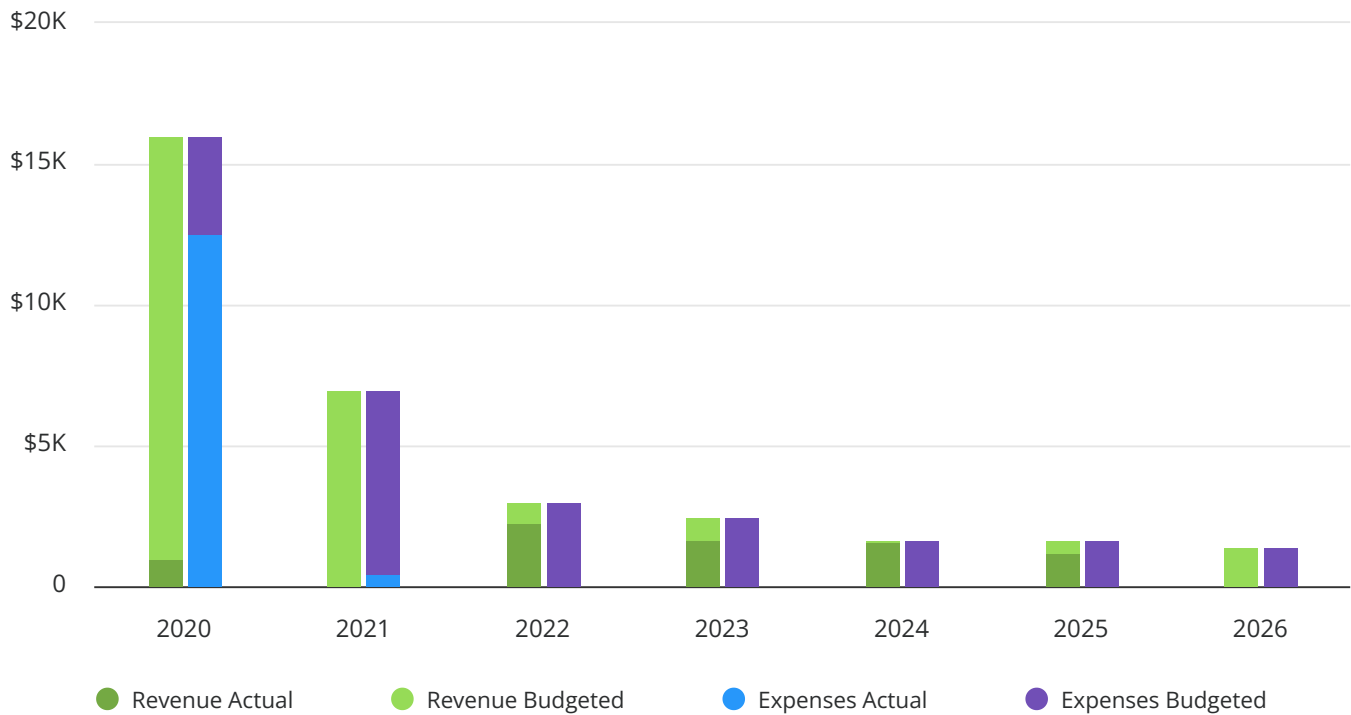
## Fund Balance



# Banner Program Fund (109)

The Banner Fund uses private contributions to maintain and replace flags and banners displayed throughout the City promoting current events.

## Revenues vs Expenditures Summary

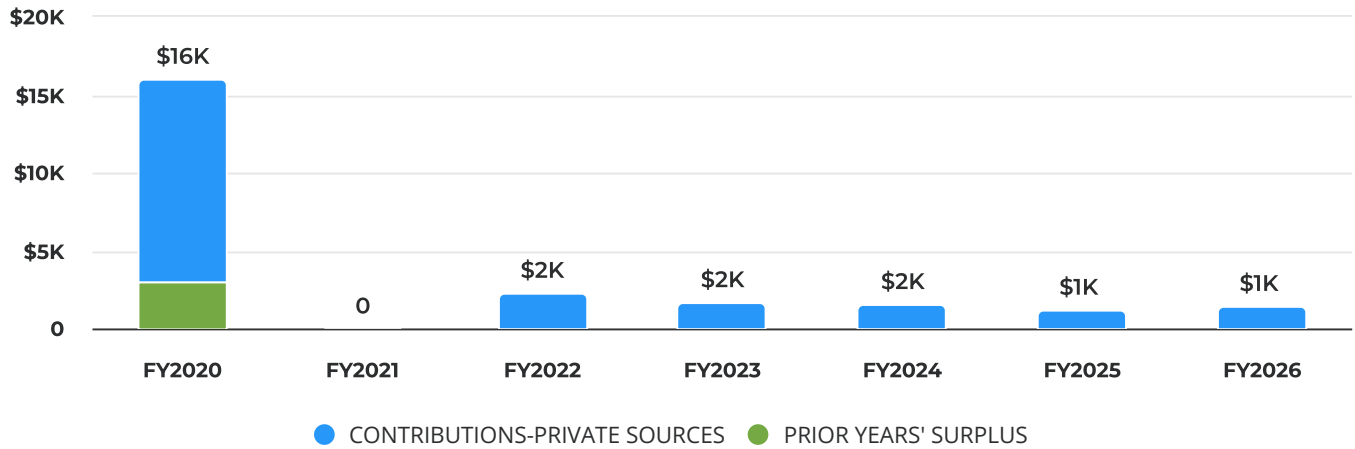


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$8,525	\$10,145	\$10,145	\$11,345
<b>Revenues</b>				
OTHER REVENUE	\$1,620	\$1,700	\$1,200	\$1,400
<b>Total Revenues</b>	\$1,620	\$1,700	\$1,200	\$1,400
<b>Expenditures</b>				
REPAIRS & MAINTENANCE	-	\$1,700	-	\$1,400
<b>Total Expenditures</b>	-	\$1,700	-	\$1,400
<b>Total Revenues Less Expenditures</b>	\$1,620	-	\$1,200	-
<b>Ending Fund Balance</b>	\$10,145	\$10,145	\$11,345	\$11,345

Banner program is transitioning from DDA to the Communications department. Look for upcoming changes in the future.

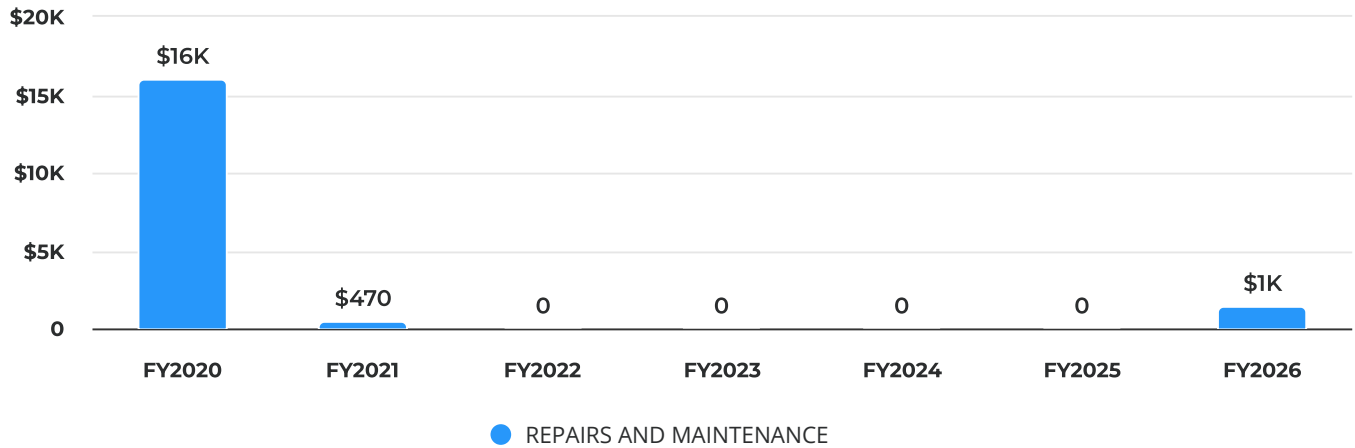
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CONTRIBUTIONS-PRIVATE SOURCES	\$1,620.00	\$1,700.00	\$1,200.00	\$1,400.00	-17.65%
<b>Total Revenues</b>	<b>\$1,620.00</b>	<b>\$1,700.00</b>	<b>\$1,200.00</b>	<b>\$1,400.00</b>	<b>-17.65%</b>

### Historical Expenditures by Object

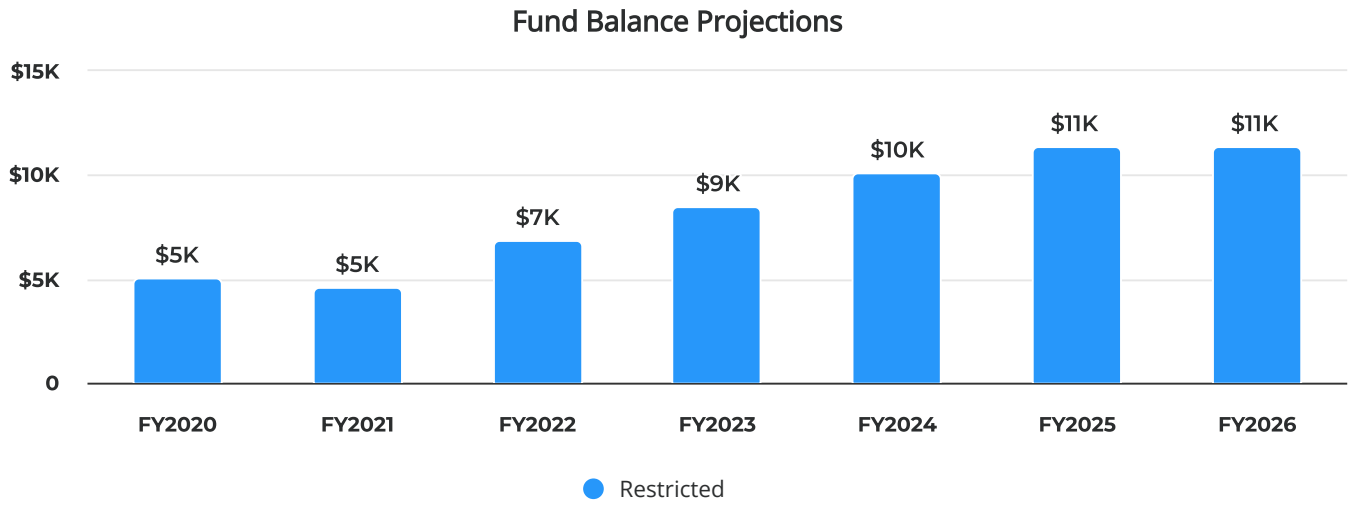


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REPAIRS AND MAINTENANCE	-	\$1,700.00	-	\$1,400.00	-17.65%
<b>Total Expenditures</b>	<b>-</b>	<b>\$1,700.00</b>	<b>-</b>	<b>\$1,400.00</b>	<b>-17.65%</b>



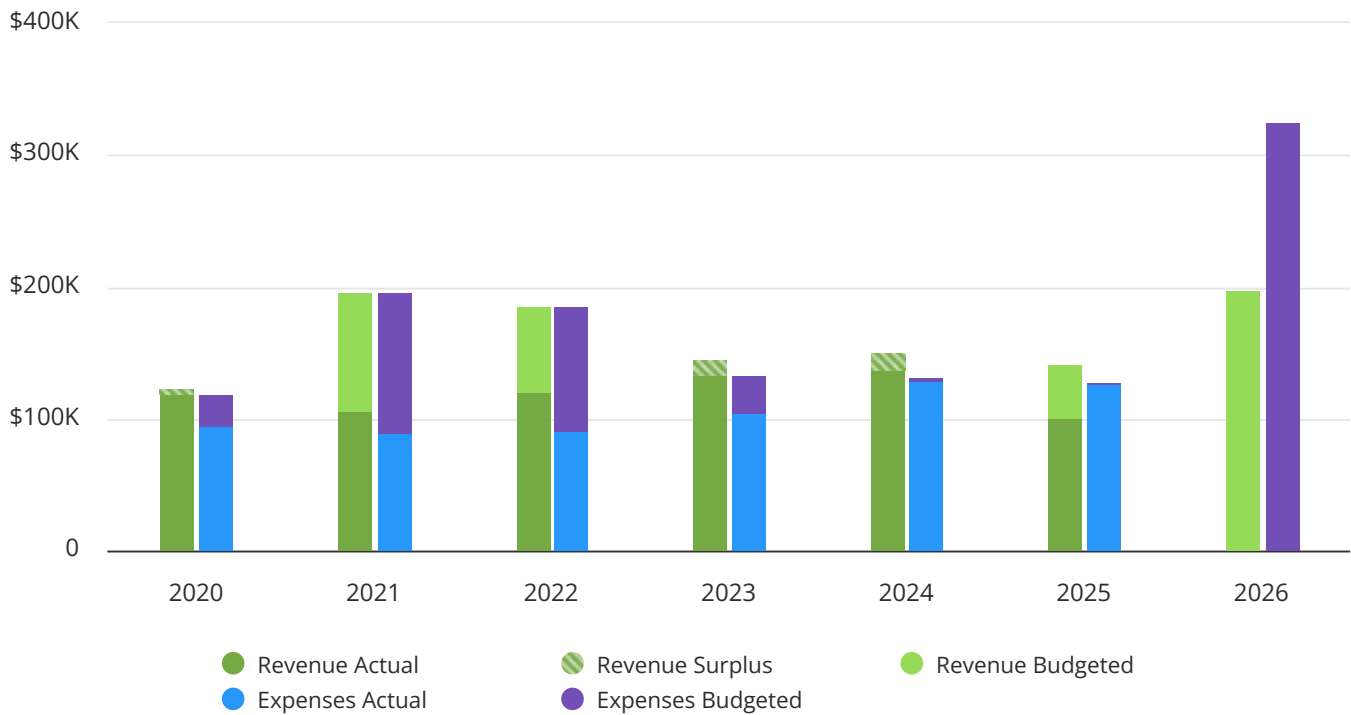
# Fund Balance



# Opera House Fund (110)

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.

## Revenues vs Expenditures Summary



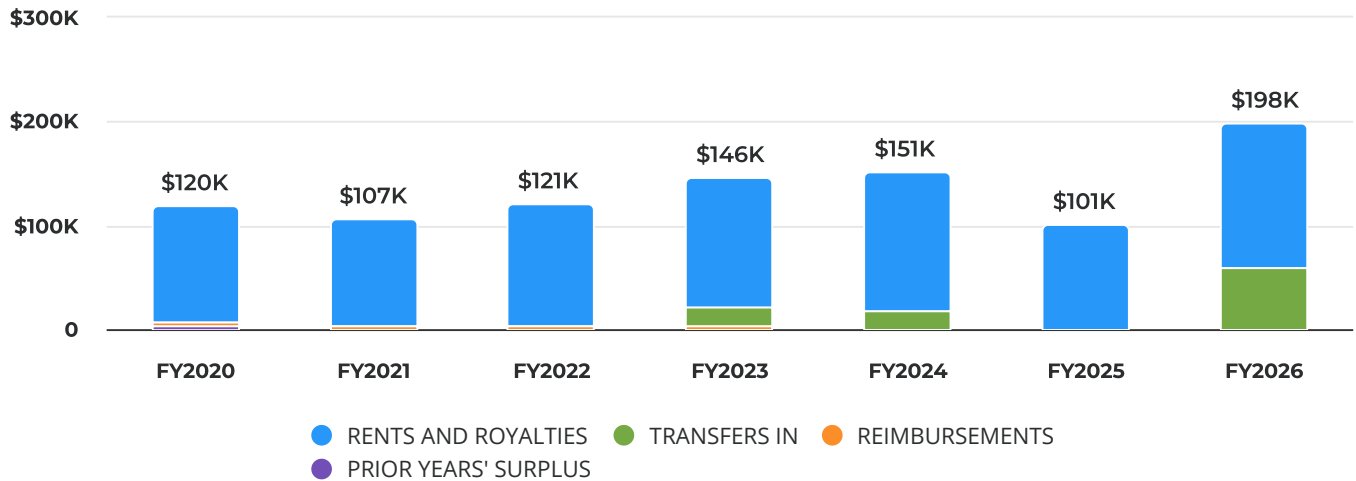
## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$184,945	\$206,654	\$206,654	\$180,154
<b>Revenues</b>				
OTHER REVENUE	\$133,505	\$142,400	\$100,800	\$138,000
REIMBURSEMENTS	\$707	-	-	-
TRANSFER IN	\$17,000	-	-	\$60,000
<b>Total Revenues</b>	<b>\$151,213</b>	<b>\$142,400</b>	<b>\$100,800</b>	<b>\$198,000</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$174	-	\$800	\$800
PROFESSIONAL SERVICES	\$4,550	\$5,600	\$4,800	\$2,400
INSURANCE & BONDS	\$6,550	\$7,200	\$8,800	\$9,100
UTILITIES	\$72,296	\$62,900	\$63,000	\$70,000
REPAIRS & MAINTENANCE	\$29,254	\$35,000	\$32,000	\$35,000
RENTALS	\$34	-	\$200	-
MISCELLANEOUS EXP	\$16,646	\$17,500	\$17,700	\$18,000
CAPITAL OUTLAY	-	-	-	\$190,000

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Total Expenditures</b>	\$129,504	\$128,200	\$127,300	\$325,300
<b>Total Revenues Less Expenditures</b>	\$21,709	\$14,200	-\$26,500	-\$127,300
<b>Ending Fund Balance</b>	\$206,654	\$220,854	\$180,154	\$52,854

New Facilities Director will be reviewing tenant contracts and facility repair needs, look for future recommendations.

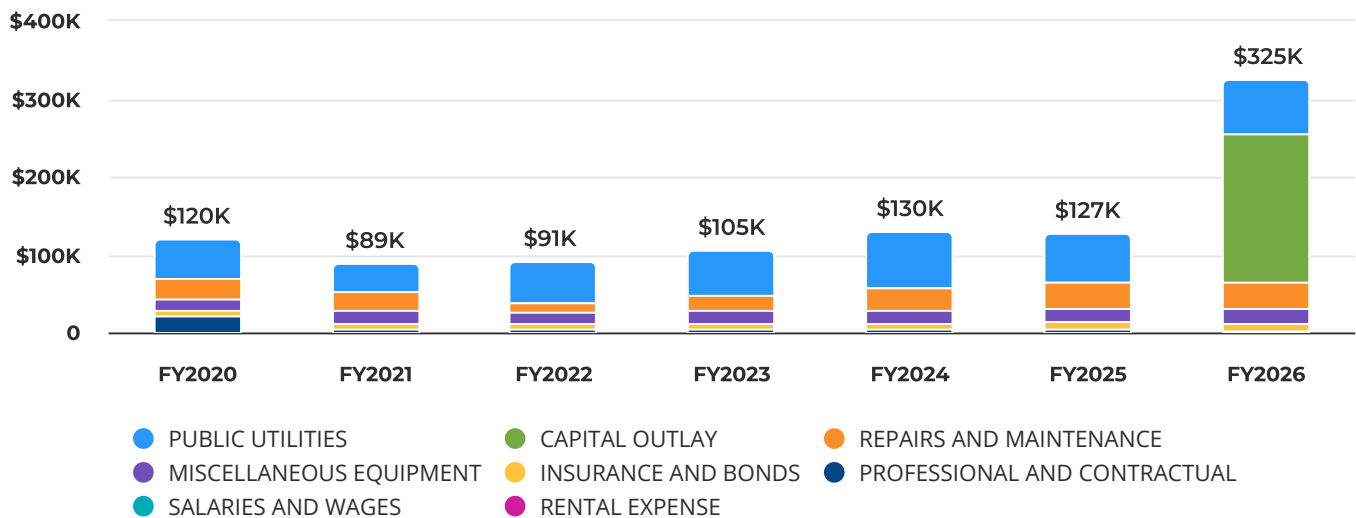
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
RENTS AND ROYALTIES	\$133,505.48	\$142,400.00	\$100,800.00	\$138,000.00	-3.09%
REIMBURSEMENTS	\$707.24	-	-	-	-
TRANSFERS IN	\$17,000.00	-	-	\$60,000.00	-
<b>Total Revenues</b>	<b>\$151,212.72</b>	<b>\$142,400.00</b>	<b>\$100,800.00</b>	<b>\$198,000.00</b>	<b>39.04%</b>

### Historical Expenditures by Object



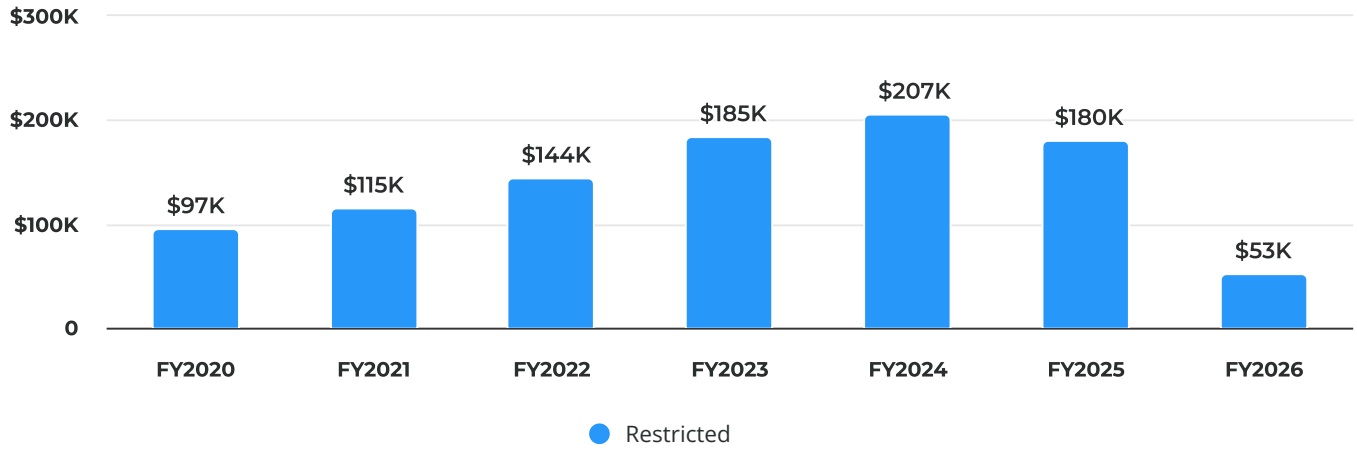
### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES AND WAGES	\$174.26	-	\$800.00	\$800.00	-
PROFESSIONAL AND CONTRACTUAL	\$4,550.45	\$5,600.00	\$4,800.00	\$2,400.00	-57.14%
INSURANCE AND BONDS	\$6,550.22	\$7,200.00	\$8,800.00	\$9,100.00	26.39%
PUBLIC UTILITIES	\$72,295.58	\$62,900.00	\$63,000.00	\$70,000.00	11.29%
REPAIRS AND MAINTENANCE	\$29,253.59	\$35,000.00	\$32,000.00	\$35,000.00	0.00%
RENTAL EXPENSE	\$34.14	-	\$200.00	-	-
MISCELLANEOUS EQUIPMENT	\$16,645.66	\$17,500.00	\$17,700.00	\$18,000.00	2.86%
CAPITAL OUTLAY	-	-	-	\$190,000.00	-
<b>Total Expenditures</b>	<b>\$129,503.90</b>	<b>\$128,200.00</b>	<b>\$127,300.00</b>	<b>\$325,300.00</b>	<b>153.74%</b>

Budgeted capital outlay is for roof and backstage floor repairs.

# Fund Balance

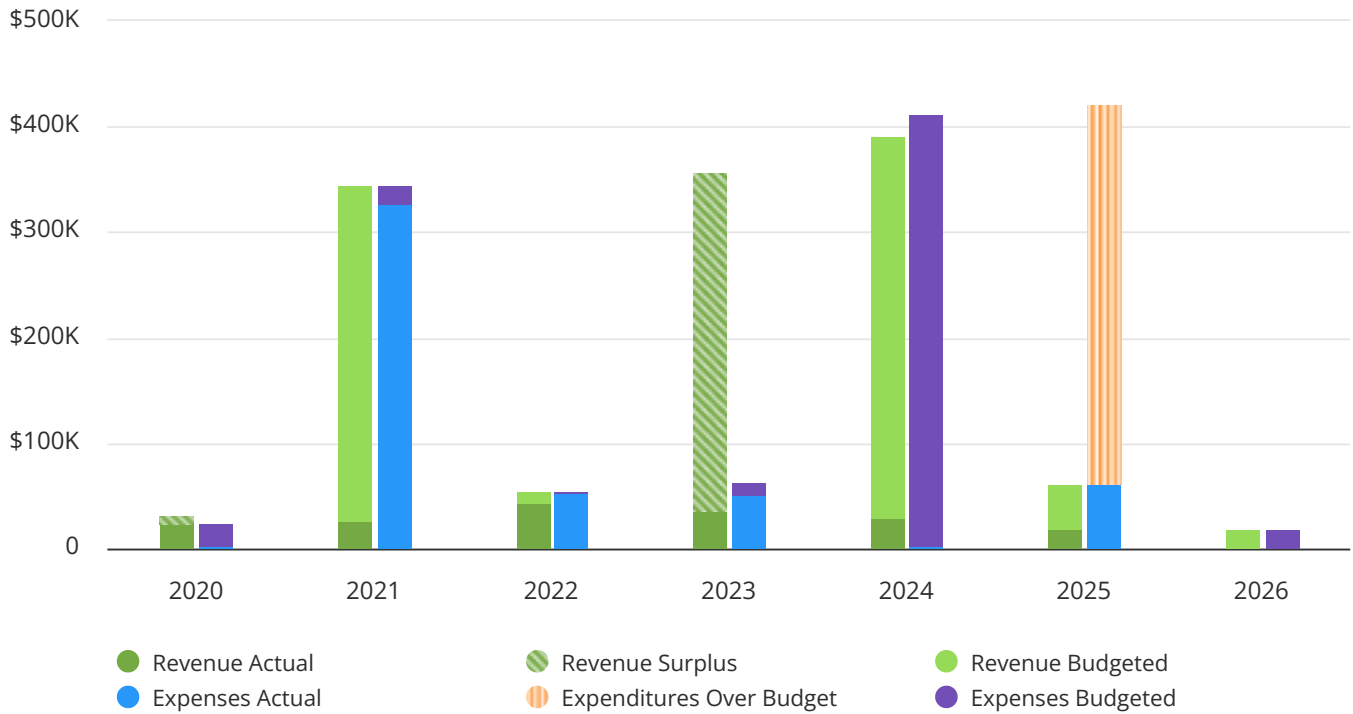
### Fund Balance Projections



# Economic Development Fund (112)

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. The fund has since 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 \$411,970 to the Marina fund and \$160,000 to Traverse City Light and Power - Fiber Fund.

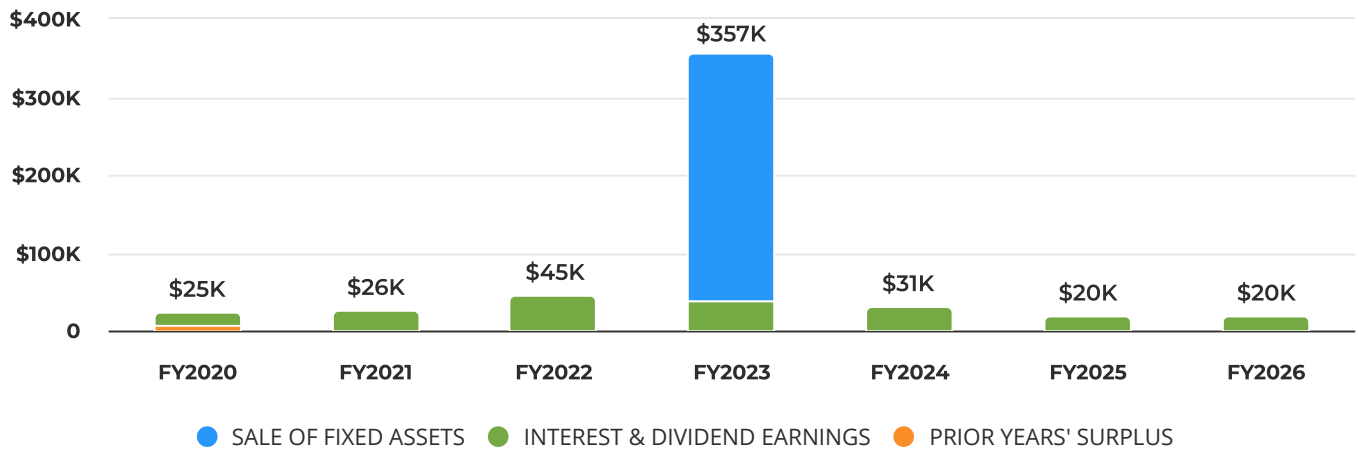
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	FY 2026 Budgeted
<b>Beginning Fund Balance</b>	\$1,894,908	\$1,922,067	\$1,922,067	\$1,521,067
<b>Revenues</b>				
OTHER REVENUE	\$30,636	\$483,000	\$20,000	\$19,700
<b>Total Revenues</b>	\$30,636	\$483,000	\$20,000	\$19,700
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$1,790	\$422,000	\$383,500	\$13,000
UTILITIES	\$1,687	\$1,500	\$1,500	\$1,700
REPAIRS & MAINTENANCE	-	\$59,500	\$36,000	\$5,000
<b>Total Expenditures</b>	\$3,477	\$483,000	\$421,000	\$19,700
<b>Total Revenues Less Expenditures</b>	\$27,159	-	-\$401,000	-
<b>Ending Fund Balance</b>	\$1,922,067	\$1,922,067	\$1,521,067	\$1,521,067

### Historical Revenues by Object



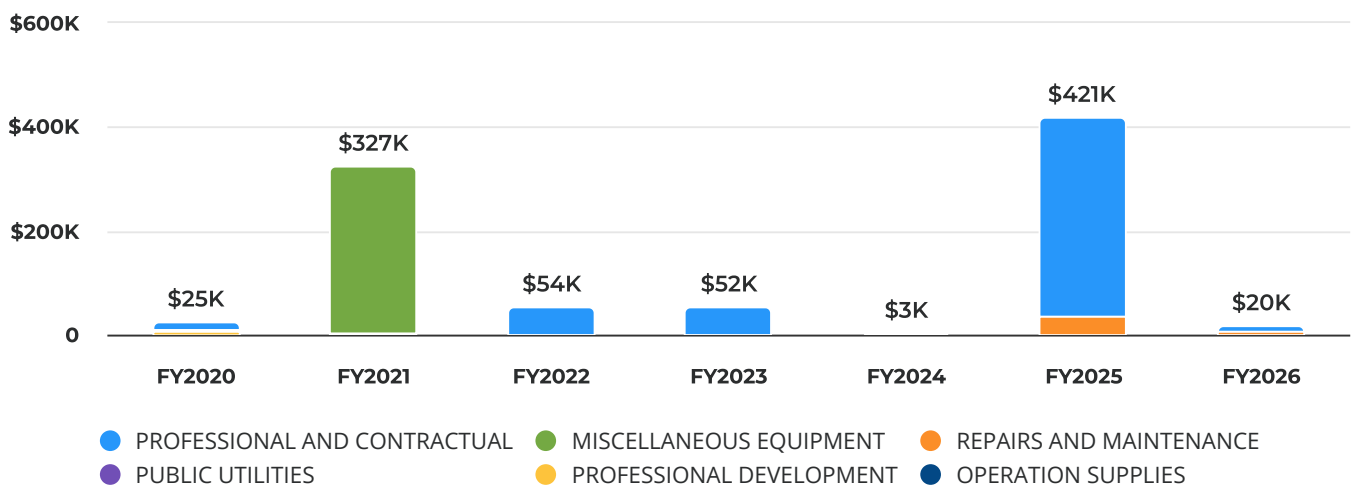
FY2023 Sale of Fixed Assets reflects the sale of 1383 Cass Road purchased from Grand Traverse County Land Bank in FY2021

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$30,636.31	\$23,600.00	\$20,000.00	\$19,700.00	-16.53%
PRIOR YEARS' SURPLUS	-	\$459,400.00	-	-	-100.00%
<b>Total Revenues</b>	<b>\$30,636.31</b>	<b>\$483,000.00</b>	<b>\$20,000.00</b>	<b>\$19,700.00</b>	<b>-95.92%</b>

Interest earned from Marina & TCLP interfund loans

### Historical Expenditures by Object



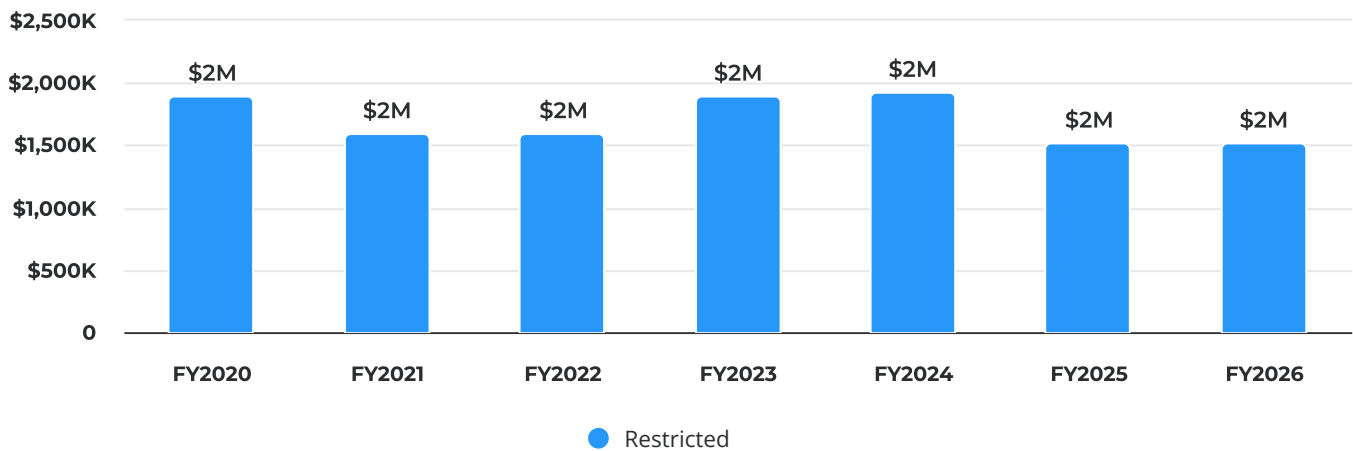
### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$1,790.00	\$422,000.00	\$383,500.00	\$13,000.00	-96.92%
PUBLIC UTILITIES	\$1,686.82	\$1,500.00	\$1,500.00	\$1,700.00	13.33%
REPAIRS AND MAINTENANCE	-	\$59,500.00	\$36,000.00	\$5,000.00	-91.60%
<b>Total Expenditures</b>	<b>\$3,476.82</b>	<b>\$483,000.00</b>	<b>\$421,000.00</b>	<b>\$19,700.00</b>	<b>-95.92%</b>

Professional and contractual expenses include \$360,000 East Bay Flats supportive housing grant.

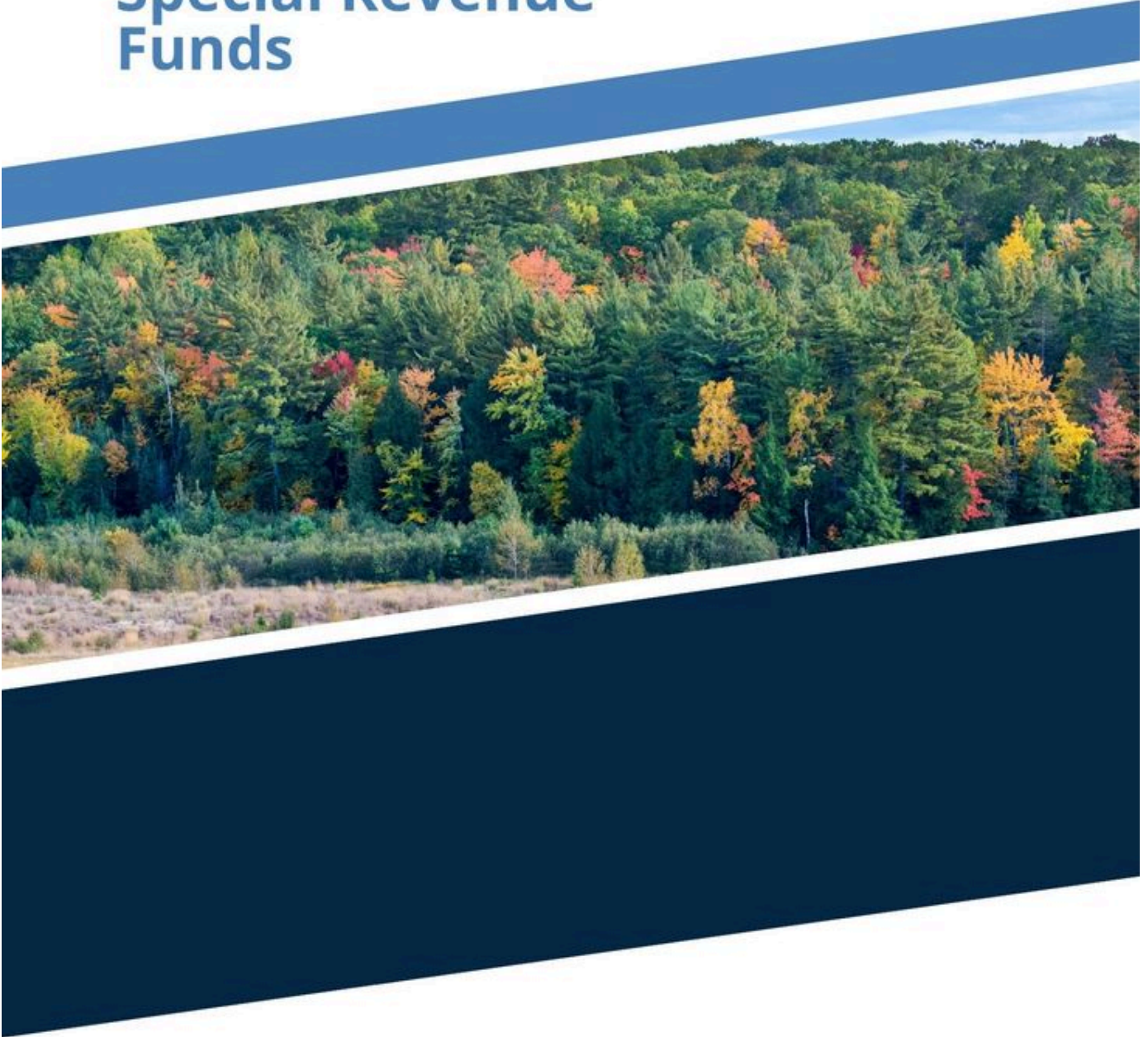
### Fund Balance

Fund Balance Projections





# Special Revenue Funds

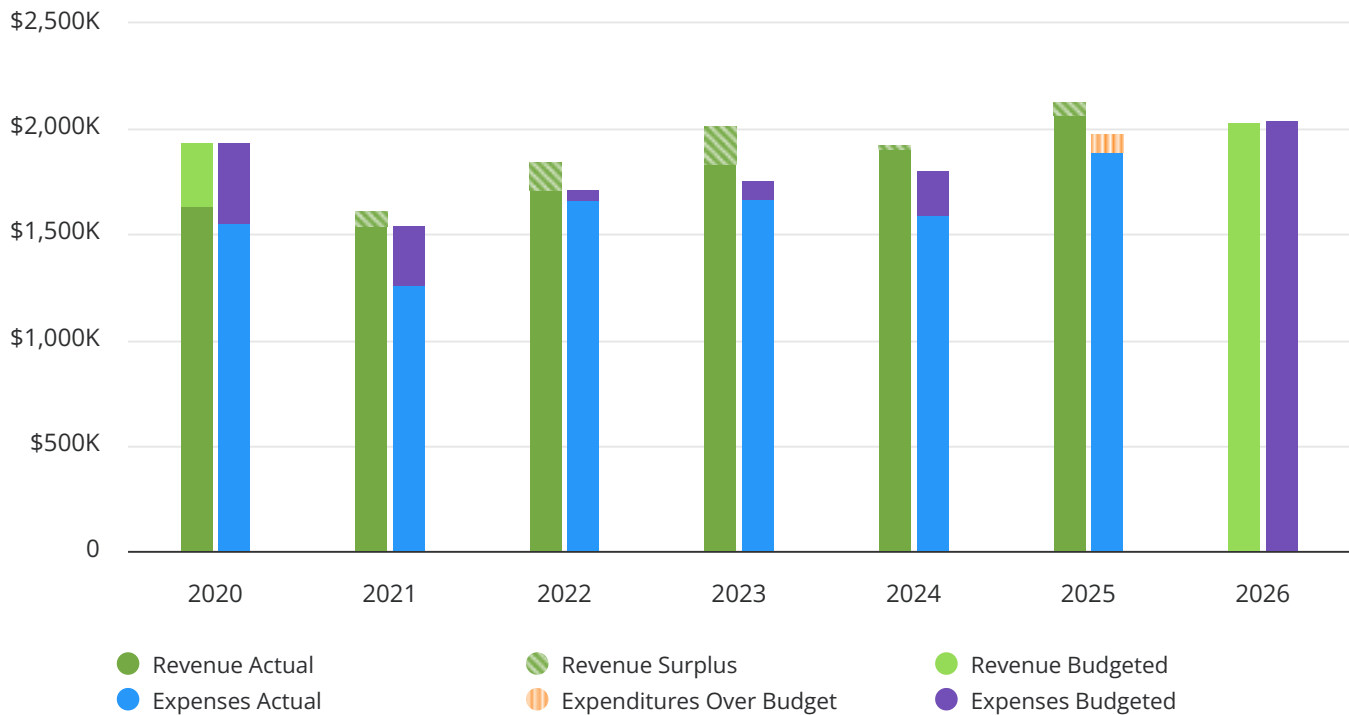


The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

# Motor Vehicle Highway-Major Street/Trunkline Fund (202)

This fund was created to account for the operations of the major street (28.78 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. The Fund also accounts for the maintenance and upkeep of the 8.7 miles of State Trunkline Roads/Highways within the City limits. The State reimburses the City for expenses related to work performed on these highways by the City Department of Public Works staff.

## Revenues vs Expenditures Summary



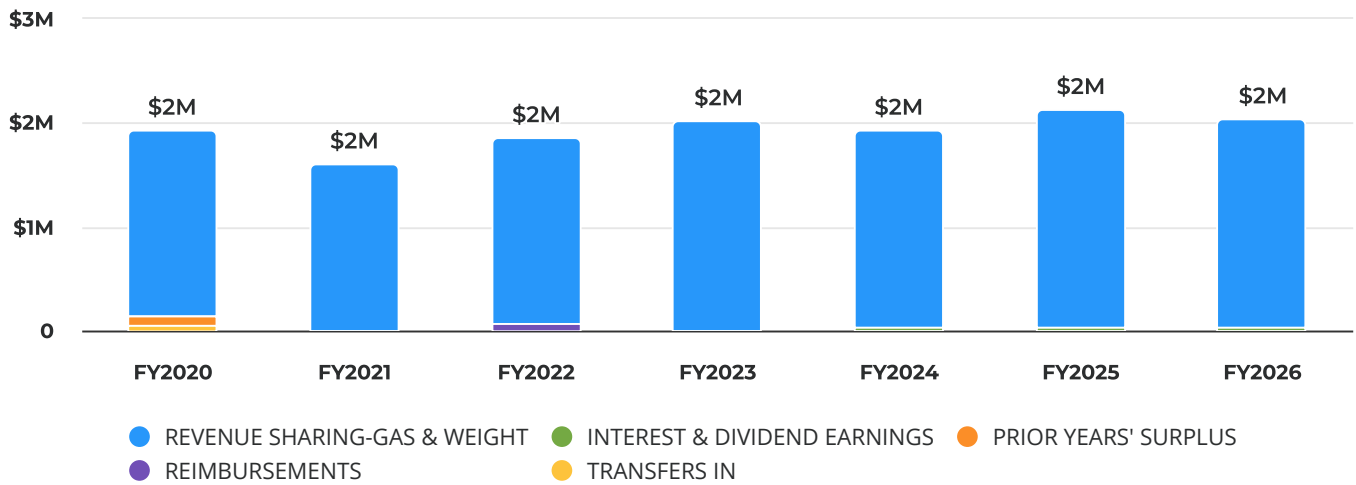
## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$1,485,579	\$1,819,124	\$1,819,124	\$1,972,124
<b>Revenues</b>				
INTERGOVERNMENTAL	\$1,896,672	\$2,062,500	\$2,102,700	\$2,004,900
OTHER REVENUE	\$30,240	\$8,000	\$32,000	\$32,000
REIMBURSEMENTS	\$3,605	-	-	-
<b>Total Revenues</b>	<b>\$1,930,517</b>	<b>\$2,070,500</b>	<b>\$2,134,700</b>	<b>\$2,036,900</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$322,439	\$346,200	\$409,500	\$394,600
FRINGE BENEFITS	\$264,126	\$276,800	\$317,100	\$344,200
OFFICE/OPERATING SUPPLIES	\$126,722	\$139,400	\$182,300	\$182,300
PROFESSIONAL SERVICES	\$234,204	\$422,900	\$238,000	\$407,900

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
UTILITIES	\$16,478	\$18,800	\$18,200	\$18,900
REPAIRS & MAINTENANCE	\$17,362	\$40,000	\$26,000	\$40,000
RENTALS	\$615,642	\$650,000	\$790,600	\$657,000
<b>Total Expenditures</b>	<b>\$1,596,972</b>	<b>\$1,894,100</b>	<b>\$1,981,700</b>	<b>\$2,044,900</b>
<b>Total Revenues Less Expenditures</b>	<b>\$333,545</b>	<b>\$176,400</b>	<b>\$153,000</b>	<b>-\$8,000</b>
<b>Ending Fund Balance</b>	<b>\$1,819,124</b>	<b>\$1,995,524</b>	<b>\$1,972,124</b>	<b>\$1,964,124</b>

New this year, we rolled Fund 204 for trunkline activity into a department within fund 202 for easier tracking and reporting.

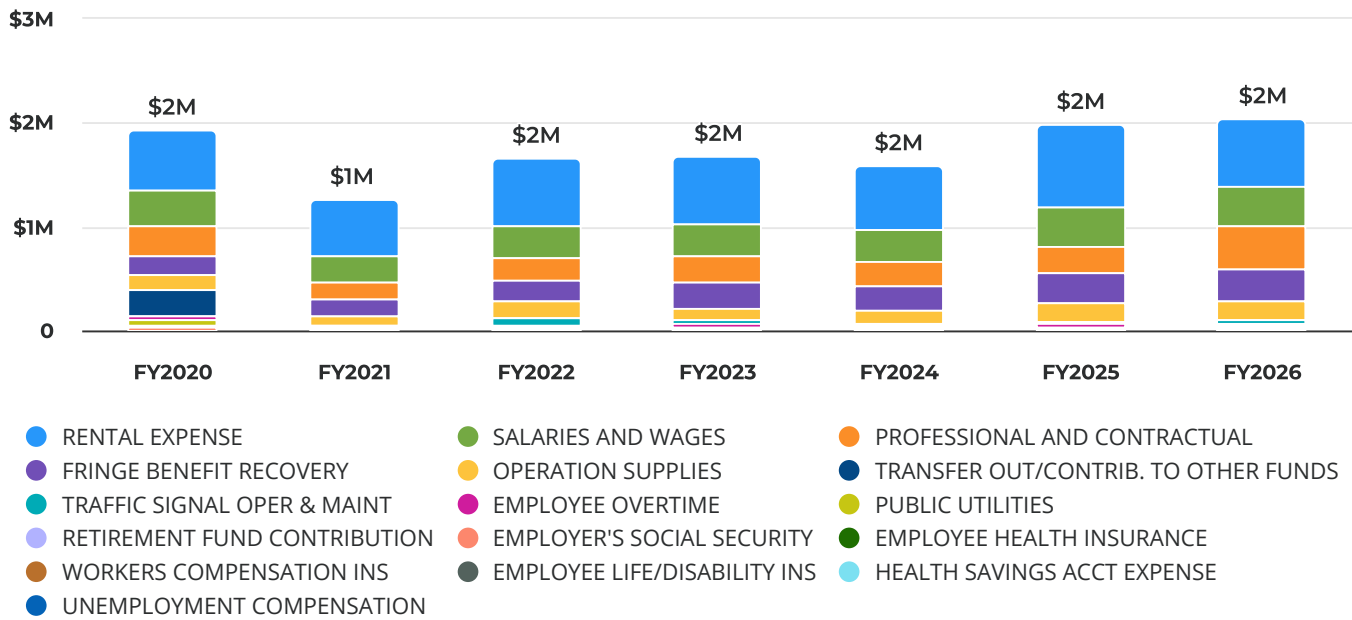
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REVENUE SHARING-GAS & WEIGHT	\$1,896,672.44	\$2,062,500.00	\$2,102,700.00	\$2,004,900.00	-2.79%
INTEREST & DIVIDEND EARNINGS	\$30,239.85	\$8,000.00	\$32,000.00	\$32,000.00	300.00%
REIMBURSEMENTS	\$3,605.00	-	-	-	-
<b>Total Revenues</b>	<b>\$1,930,517.29</b>	<b>\$2,070,500.00</b>	<b>\$2,134,700.00</b>	<b>\$2,036,900.00</b>	<b>-1.62%</b>

### Historical Expenditures by Object

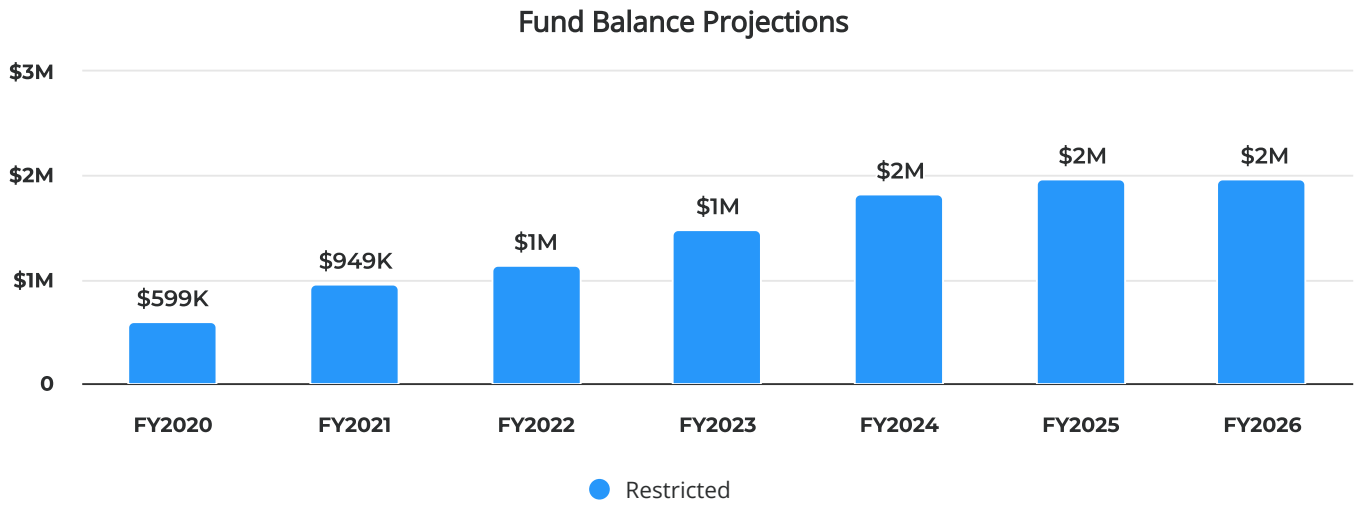


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES AND WAGES	\$306,660.33	\$326,200.00	\$384,500.00	\$375,600.00	15.14%
EMPLOYEE OVERTIME	\$15,778.24	\$20,000.00	\$25,000.00	\$19,000.00	-5.00%
FRINGE BENEFIT RECOVERY	\$238,992.50	\$251,000.00	\$294,400.00	\$310,500.00	23.71%
HEALTH SAVINGS ACCT EXPENSE	-	-	-	\$1,000.00	-
EMPLOYER'S SOCIAL SECURITY	\$2,910.08	\$2,800.00	\$1,600.00	\$2,700.00	-3.57%
EMPLOYEE HEALTH INSURANCE	\$5,568.66	\$5,900.00	\$2,500.00	\$5,900.00	0.00%
EMPLOYEE LIFE/DISABILITY INS	\$383.96	\$400.00	\$300.00	\$400.00	0.00%
RETIREMENT FUND CONTRIBUTION	\$15,639.96	\$16,700.00	\$16,700.00	\$21,900.00	31.14%
UNEMPLOYMENT COMPENSATION	-	-	-	\$200.00	-
WORKERS COMPENSATION INS	\$630.93	-	\$1,600.00	\$1,600.00	-
OPERATION SUPPLIES	\$126,721.83	\$139,400.00	\$182,300.00	\$182,300.00	30.77%
TRAFFIC SIGNAL OPER & MAINT	\$17,361.56	\$40,000.00	\$26,000.00	\$40,000.00	0.00%
PROFESSIONAL AND CONTRACTUAL	\$234,204.28	\$422,900.00	\$238,000.00	\$407,900.00	-3.55%
PUBLIC UTILITIES	\$16,477.94	\$18,800.00	\$18,200.00	\$18,900.00	0.53%
RENTAL EXPENSE	\$615,641.94	\$650,000.00	\$790,600.00	\$657,000.00	1.08%
<b>Total Expenditures</b>	<b>\$1,596,972.21</b>	<b>\$1,894,100.00</b>	<b>\$1,981,700.00</b>	<b>\$2,044,900.00</b>	<b>7.96%</b>

30% increase for 202-202-740.000 Operation Supplies due to more paving projects being done in house, and a large-scale repair project ahead of the Cape Seal project.

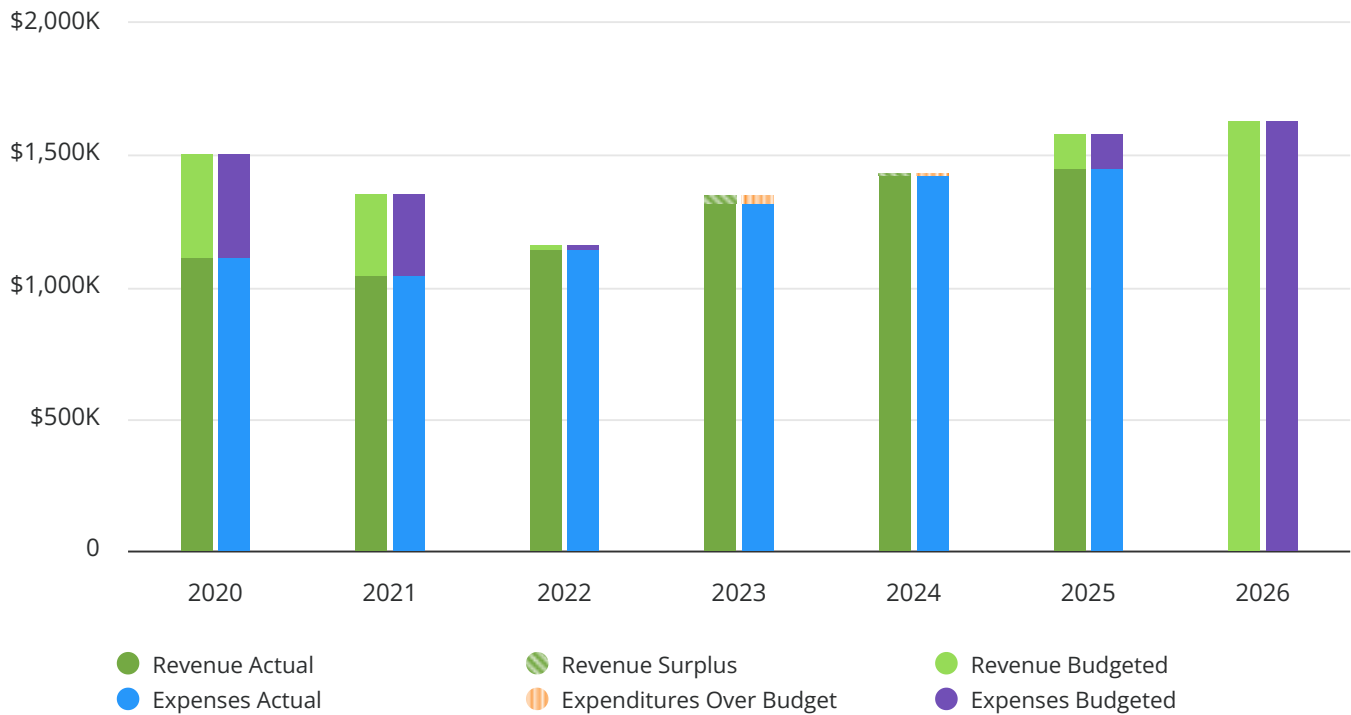
## Fund Balance



# Motor Vehicle Highway-Local Street Fund (203)

This fund was created to account for the maintenance and upkeep of the 49.62 miles of Local Streets within the City limits. Financing is provided by special revenues from Public Act 51 State Shared Gas and Weight Taxes, and annual contributions from the General Operating Fund.

## Revenues vs Expenditures Summary

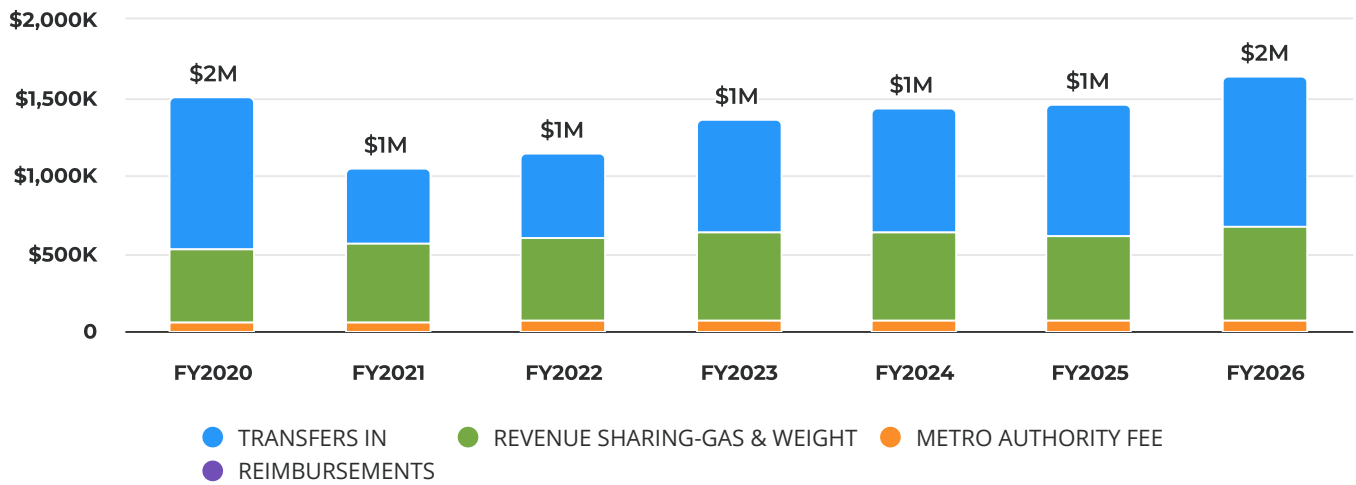


## Comprehensive Fund Summary

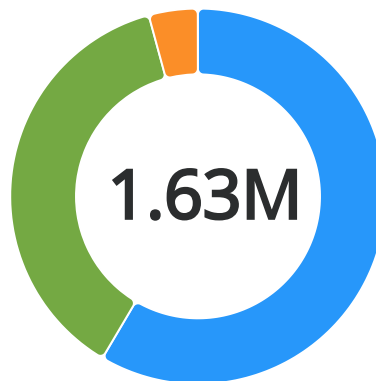
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	-	-\$2	-\$2	-
<b>Revenues</b>				
INTERGOVERNMENTAL	\$639,316	\$672,400	\$609,200	\$678,400
REIMBURSEMENTS	-	-	\$400	-
TRANSFER IN	\$796,346	\$915,800	\$842,800	\$956,200
<b>Total Revenues</b>	<b>\$1,435,662</b>	<b>\$1,588,200</b>	<b>\$1,452,400</b>	<b>\$1,634,600</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$353,427	\$359,100	\$365,400	\$370,100
FRINGE BENEFITS	\$287,065	\$294,100	\$295,700	\$324,500
OFFICE/OPERATING SUPPLIES	\$100,931	\$105,000	\$101,000	\$110,000
PROFESSIONAL SERVICES	\$115,568	\$305,000	\$147,000	\$305,000
RENTALS	\$578,674	\$525,000	\$543,300	\$525,000
<b>Total Expenditures</b>	<b>\$1,435,664</b>	<b>\$1,588,200</b>	<b>\$1,452,400</b>	<b>\$1,634,600</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$2</b>	<b>-</b>	<b>-</b>	<b>-</b>

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
Ending Fund Balance	-\$2	-\$2	-\$2	-

### Historical Revenues by Object



### FY26 Revenues by Object

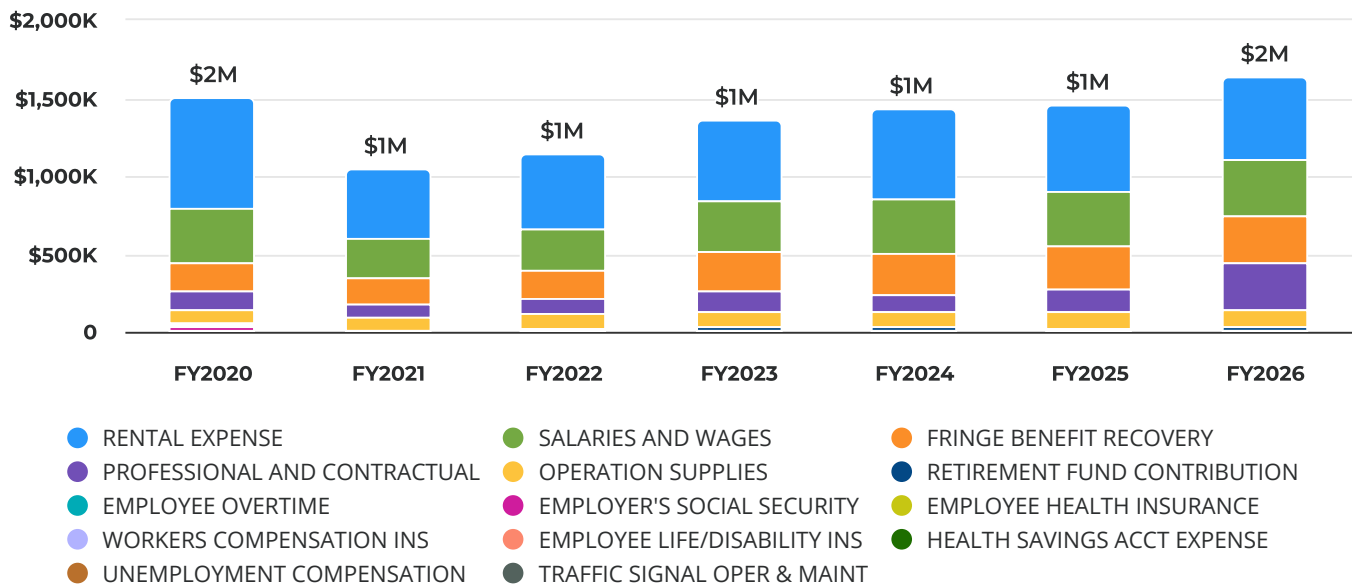


TRANSFERS IN	\$956,200	58.50%
REVENUE SHARING-GAS & WEIGHT	\$609,400	37.28%
METRO AUTHORITY FEE	\$69,000	4.22%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REVENUE SHARING-GAS & WEIGHT	\$570,884.17	\$600,400.00	\$540,200.00	\$609,400.00	1.50%
METRO AUTHORITY FEE	\$68,431.70	\$72,000.00	\$69,000.00	\$69,000.00	-4.17%
REIMBURSEMENTS	-	-	\$400.00	-	-
TRANSFERS IN	\$796,345.83	\$915,800.00	\$842,800.00	\$956,200.00	4.41%
<b>Total Revenues</b>	<b>\$1,435,661.70</b>	<b>\$1,588,200.00</b>	<b>\$1,452,400.00</b>	<b>\$1,634,600.00</b>	<b>2.92%</b>

### Historical Expenditures by Object





### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES AND WAGES	\$345,539.29	\$352,100.00	\$359,400.00	\$363,100.00	3.12%
EMPLOYEE OVERTIME	\$7,887.25	\$7,000.00	\$6,000.00	\$7,000.00	0.00%
FRINGE BENEFIT RECOVERY	\$264,615.30	\$271,000.00	\$274,000.00	\$294,900.00	8.82%
HEALTH SAVINGS ACCT EXPENSE	-	-	-	\$800.00	-
EMPLOYER'S SOCIAL SECURITY	\$2,408.38	\$2,300.00	\$1,500.00	\$2,200.00	-4.35%
EMPLOYEE HEALTH INSURANCE	\$4,608.59	\$4,900.00	\$3,000.00	\$4,900.00	0.00%
EMPLOYEE LIFE/DISABILITY INS	\$317.80	\$300.00	\$200.00	\$300.00	0.00%
RETIREMENT FUND CONTRIBUTION	\$14,592.60	\$15,600.00	\$15,600.00	\$20,000.00	28.21%
WORKERS COMPENSATION INS	\$522.15	-	\$1,400.00	\$1,400.00	-
OPERATION SUPPLIES	\$100,930.79	\$105,000.00	\$101,000.00	\$110,000.00	4.76%
PROFESSIONAL AND CONTRACTUAL	\$115,567.55	\$305,000.00	\$147,000.00	\$305,000.00	0.00%
RENTAL EXPENSE	\$578,673.80	\$525,000.00	\$543,300.00	\$525,000.00	0.00%
<b>Total Expenditures</b>	<b>\$1,435,663.50</b>	<b>\$1,588,200.00</b>	<b>\$1,452,400.00</b>	<b>\$1,634,600.00</b>	<b>2.92%</b>

# EMS Ambulance Fund (210)

**Mission Statement:** *The Traverse City Fire Department is an all-hazards emergency response agency that will provide protection and safety for the public. The history of the Fire Department's financial activity is recorded in this department. The 2025/26 budget has been moved over to fund 210 to properly track the new EMS millage.*

This fund was established to track the use of a voter-approved millage to provide first response ambulance and paramedic services to City residents. City Firefighting activities are also tracked here and funded by an appropriation from the General Operating Fund. EMS specific expenditures will increase as the program is implemented in a multiphase process.

## Traverse City Fire Department

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 firefighters 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.

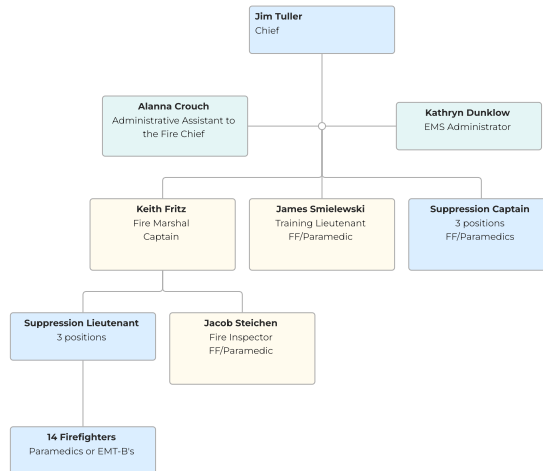


### Services the Traverse City Fire Department provides:

- **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:** 22 of our 25 personnel are Paramedics licensed through the State of Michigan, providing to our Community the highest level of pre-hospital care available in the nation. The other 3 are EMT's who have committed to obtaining their Paramedic license with 36 months of their hire date. Rescue 01, located at 500 West Front Street transported 131 patients to Munson Medical Center during the 2024 calendar year. A paramedic from TCFD rode with Mobile Medical Response on a transport 52 times in 2024.
- **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. In 2024, our Fire Inspector was able to update several hundred Knox Boxes with critical correct information on building contacts and proper keys.
- **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. With the addition of a Fire Inspector, we have been able to reach several classrooms during school hours to create "Firefighter Familiarization", especially during Fire Prevention Week in October.
- **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.

### Traverse City Fire Department



## 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 phase in Primary Advanced Life Support Transport, as voted in by the electors during the November 2023 election, over the 12-24 months since that election. This will include the hiring of 6 firefighter/paramedics and various related medical equipment.
3. To replace our current Marine 01 water rescue vessel, a 1984 Avon rigid hull inflatable.
4. To begin the replacement process for Engine 02.

## Performance Measurements

Performance Indicators	2020	2021	2022	2023	2024
Total Fire Related Responses	53	73	54	46	46
Fire Code Inspections	346	376	202	200	466
Plan Reviews	272	174	115	140	121
Public Education Events	4	5	25	32	125
EMS Calls for Service	2147	2466	2361	2465	2770

- There are 906 additional calls for service in the 2024/2025 year that do not fall under EMS or Fire response calls that were handled by the Fire Department.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

**Salaries and Wages/Fringe Benefits** – Planned staffing increases necessary to implement the EMS transport plan are included in the 2025/2026 budget.

### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	-	-	-	<b>\$1,257,100</b>
<b>Revenues</b>				
PROPERTY TAXES	-	\$1,216,700	\$1,258,300	\$1,261,100
CHARGES FOR SERVICES	-	-	-	\$92,000
TRANSFER IN	-	-	-	\$3,241,500
<b>Total Revenues</b>	-	<b>\$1,216,700</b>	<b>\$1,258,300</b>	<b>\$4,594,600</b>
<b>Expenditures</b>				
SALARIES & WAGES	-	-	-	\$2,636,900
FRINGE BENEFITS	-	-	-	\$922,300
OFFICE/OPERATING SUPPLIES	-	\$16,000	\$1,200	\$226,700
PROFESSIONAL SERVICES	-	-	-	\$123,600

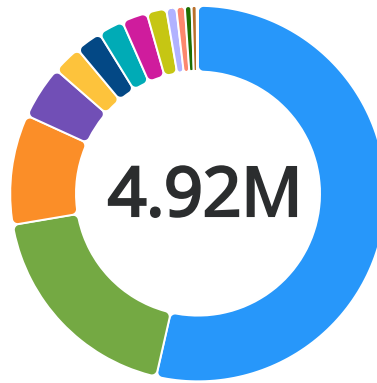
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
INSURANCE & BONDS	-	-	-	\$22,000
PROFESSIONAL DEVELOPMENT	-	-	-	\$108,000
COMMUNICATION	-	-	-	\$28,000
TRANSPORTATION	-	-	-	\$36,000
PRINTING & PUBLISHING	-	-	-	\$4,000
UTILITIES	-	-	-	\$42,500
REPAIRS & MAINTENANCE	-	-	-	\$108,000
RENTALS	-	\$460,500	-	\$466,500
MISCELLANEOUS EXP	-	-	-	\$1,000
CAPITAL OUTLAY	-	-	-	\$112,000
INFORMATION TECHNOLOGY SERVICES	-	-	-	\$83,100
<b>Total Expenditures</b>	-	<b>\$476,500</b>	<b>\$1,200</b>	<b>\$4,920,600</b>
<b>Total Revenues Less Expenditures</b>	-	<b>\$740,200</b>	<b>\$1,257,100</b>	<b>-\$326,000</b>
<b>Ending Fund Balance</b>	-	<b>\$740,200</b>	<b>\$1,257,100</b>	<b>\$931,100</b>

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
TAXES-CURRENT-REAL ESTATE	-	\$1,216,700	\$1,257,200	\$1,260,000	3.56%
PENALTY AND INTEREST ON TAXES	-	-	\$1,100	\$1,100	-
AMBULANCE	-	-	-	\$92,000	-
TRANSFERS IN	-	-	-	\$3,241,500	-
<b>Total Revenues</b>	-	<b>\$1,216,700</b>	<b>\$1,258,300</b>	<b>\$4,594,600</b>	<b>277.63%</b>

Transfer in from General fund; taxes are incoming from EMS Millage of 2023. Ambulance revenue will increase as we transition into Primary Transport.

### FY26 Expenditures by Expense Type Summary



● SALARIES & WAGES	\$2,636,900	53.59%
● FRINGE BENEFITS	\$922,300	18.74%
● RENTALS	\$466,500	9.48%
● OFFICE/OPERATING SUPPLIES	\$226,700	4.61%
● PROFESSIONAL SERVICES	\$123,600	2.51%
● CAPITAL OUTLAY	\$112,000	2.28%
● PROFESSIONAL DEVELOPMENT	\$108,000	2.19%
● REPAIRS & MAINTENANCE	\$108,000	2.19%
● INFORMATION TECHNOLOGY SERVICES	\$83,100	1.69%
● UTILITIES	\$42,500	0.86%
● TRANSPORTATION	\$36,000	0.73%
● COMMUNICATION	\$28,000	0.57%
● INSURANCE & BONDS	\$22,000	0.45%
● PRINTING & PUBLISHING	\$4,000	0.08%
● MISCELLANEOUS EXP	\$1,000	0.02%

### Expenditures by Expense Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. 2025/2026 Budgeted (% Change)
SALARIES & WAGES	-	-	-	\$2,636,900	-
FRINGE BENEFITS	-	-	-	\$922,300	-
OFFICE/OPERATING SUPPLIES	-	\$16,000	\$1,200	\$226,700	1,316.88%
PROFESSIONAL SERVICES	-	-	-	\$123,600	-
INSURANCE & BONDS	-	-	-	\$22,000	-
PROFESSIONAL DEVELOPMENT	-	-	-	\$108,000	-

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. 2025/2026 Budgeted (% Change)
COMMUNICATION	-	-	-	\$28,000	-
TRANSPORTATION	-	-	-	\$36,000	-
PRINTING & PUBLISHING	-	-	-	\$4,000	-
UTILITIES	-	-	-	\$42,500	-
REPAIRS & MAINTENANCE	-	-	-	\$108,000	-
RENTALS	-	\$460,500	-	\$466,500	1.30%
MISCELLANEOUS EXP	-	-	-	\$1,000	-
CAPITAL OUTLAY	-	-	-	\$112,000	-
INFORMATION TECHNOLOGY SERVICES	-	-	-	\$83,100	-
<b>Total Expenditures</b>	-	<b>\$476,500</b>	<b>\$1,200</b>	<b>\$4,920,600</b>	<b>932.65%</b>

Rental expenses have increased with the addition of 2 new ambulance units, one arriving in February and the second expected in October or November of 2025. Once EMS Primary transport is fully operational, there will be increased costs in medical supplies and equipment. We have increased the professional development line due to the cost associated with putting EMT-B hires through Paramedic school, which is upwards of \$6000 per student. Public safety/equipment costs include a new cardiac monitor and CPR chest compression machine for the ambulance arriving in late Fall. Both pieces of equipment are required to be on the ambulance by the State of Michigan. We have also asked for funding in the Public Safety line for a reusable model that shows how fire can move through a home. We have greatly increased our public outreach into schools and businesses, and would use this as a safety teaching tool. Lastly, we have budgeted for a cabinet for Fire Station 02 on East Eighth Street that can safely store lithium ion battery charging units, which have a combustible element and can spontaneously ignite. The fire cabinet for storing these is built to safely store the batteries and chargers and contain fire from spreading if it should break out.

# Tree Ordinance Fund (211)

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.



## Urban Forestry Overview

The City is committed by ordinance, policy, and long-standing tradition to the full management of all trees located on City-owned public lands. This responsibility includes tree planting, maintenance, and removal, which together support a thriving, sustainable urban forest.

Traverse City maintains more than 34 parks, multiple trails, seasonal amenities, and public spaces, all of which require consistent, year-round attention from City staff. Urban forestry plays a critical role in this system. With more than 15,000 trees currently inventoried across City-owned lands—including street rights-of-way, parks, and other public properties—the inventory does not include Hickory Hills or the Brown Bridge Quiet Area. The tree inventory continues to grow annually due to the number of trees planted each year. The Parks Department consistently plants more trees than it removes. For example, last year approximately 120 trees were removed, while over 400 trees and shrubs were planted. This practice aligns with the recommended planting-to-removal ratio. In fact, for the past seven years, staff have maintained a policy of planting at least twice as many trees as are removed annually. Our goal is to continue building a resilient and diverse tree canopy to support stormwater management, air quality, and habitat preservation.

Traverse City has proudly held the Tree City USA designation for 36 consecutive years, meeting the Arbor Day Foundation's standards for community forestry. This includes expectations for regular pruning cycles, proactive tree health care, and sustainable urban canopy growth. However, due to limited staffing, the City's current urban forestry operations remain largely reactive. Most tree removals and maintenance occur in response to storm damage or risk rather than preventive care. As a result, the City is not yet able to fully implement best practices outlined in the Davey Resource Group's Tree Management Plan, such as scheduled pruning cycles, weekly watering of newly planted trees, and proactive disease mitigation.

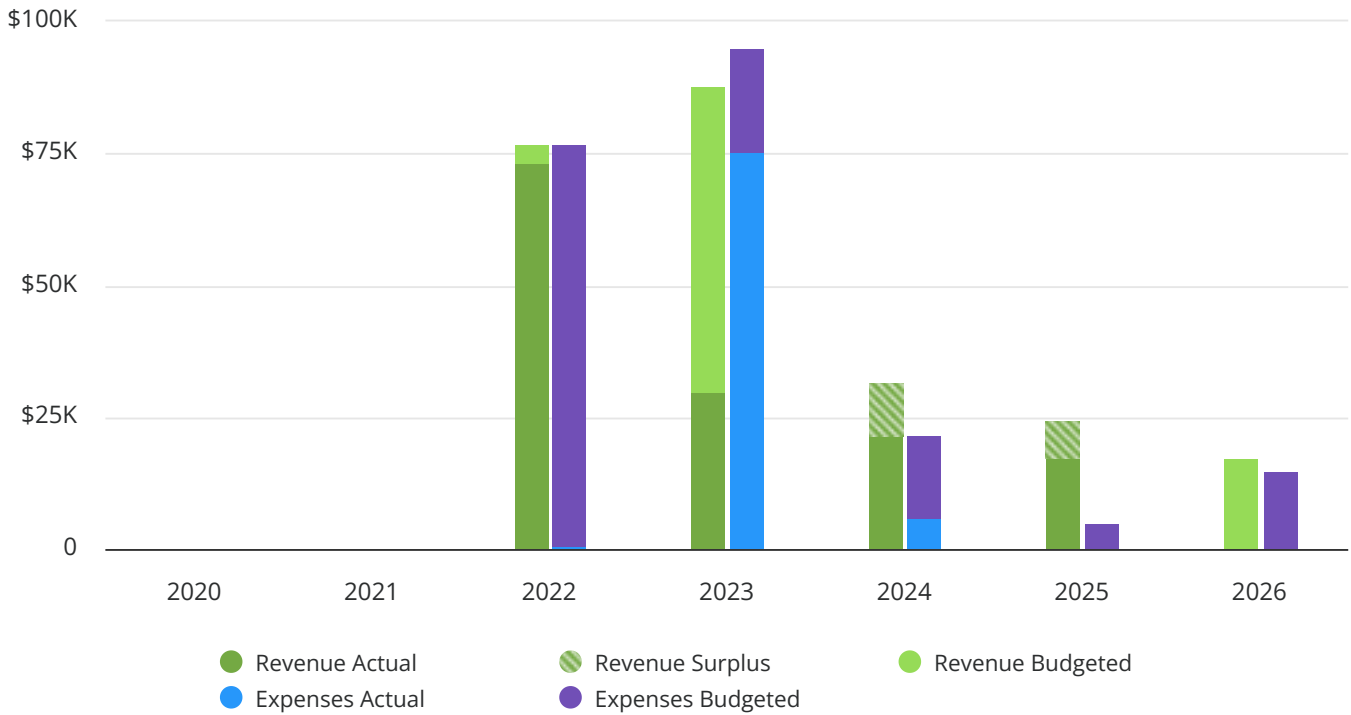
Urban trees, particularly in city environments, face higher stress levels and require specialized maintenance to ensure health and longevity. Parks and Recreation follows industry best practices and continually updates its tree inventory using an interactive public map. Residents can report issues or donate to the City's Tree Fund through this platform.

Oversight is provided by a Certified Arborist on staff, underscoring the City's commitment to professional excellence and evidence-based urban forestry practices. Seasonal planting projects, conducted each spring and fall, focus primarily on public rights-of-way



and often replace previously removed trees. Site and species selection are guided by environmental suitability and long-term maintenance considerations.

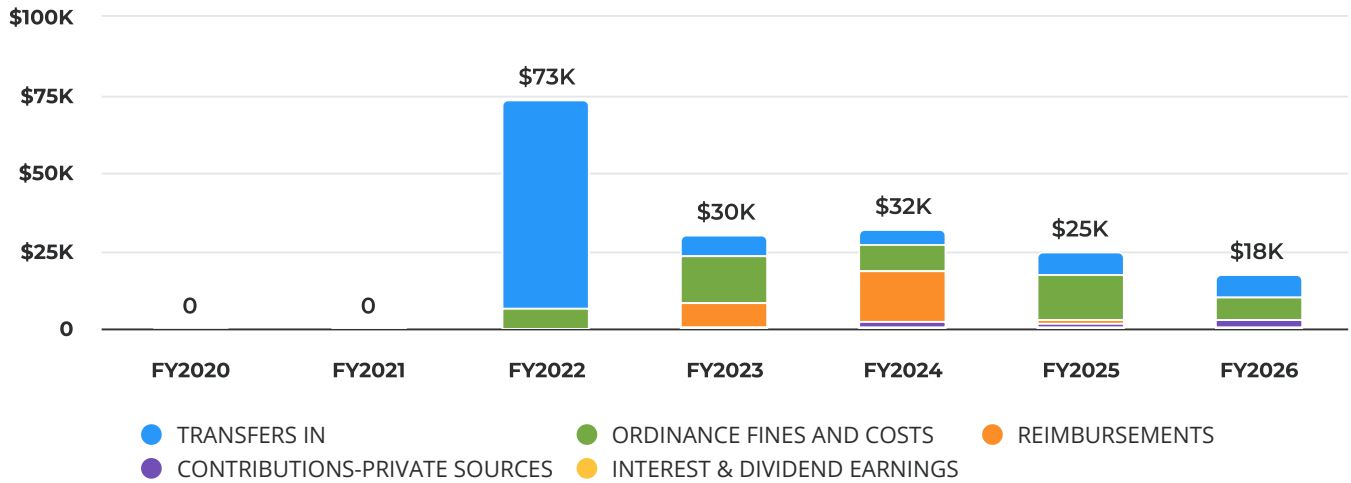
### Revenues vs Expenditures Summary



### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$26,952	\$52,772	\$52,772	\$77,272
<b>Revenues</b>				
FINES AND FORFEITURES	\$8,400	\$8,000	\$14,000	\$7,500
OTHER REVENUE	\$2,371	\$2,100	\$1,900	\$2,900
REIMBURSEMENTS	\$16,468	-	\$1,400	-
TRANSFER IN	\$4,500	\$7,200	\$7,200	\$7,200
<b>Total Revenues</b>	<b>\$31,739</b>	<b>\$17,300</b>	<b>\$24,500</b>	<b>\$17,600</b>
<b>Expenditures</b>				
OFFICE/OPERATING SUPPLIES	\$5,919	\$5,000	-	-
PROFESSIONAL SERVICES	-	-	-	\$15,000
<b>Total Expenditures</b>	<b>\$5,919</b>	<b>\$5,000</b>	<b>-</b>	<b>\$15,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$25,820</b>	<b>\$12,300</b>	<b>\$24,500</b>	<b>\$2,600</b>
<b>Ending Fund Balance</b>	<b>\$52,772</b>	<b>\$65,072</b>	<b>\$77,272</b>	<b>\$79,872</b>

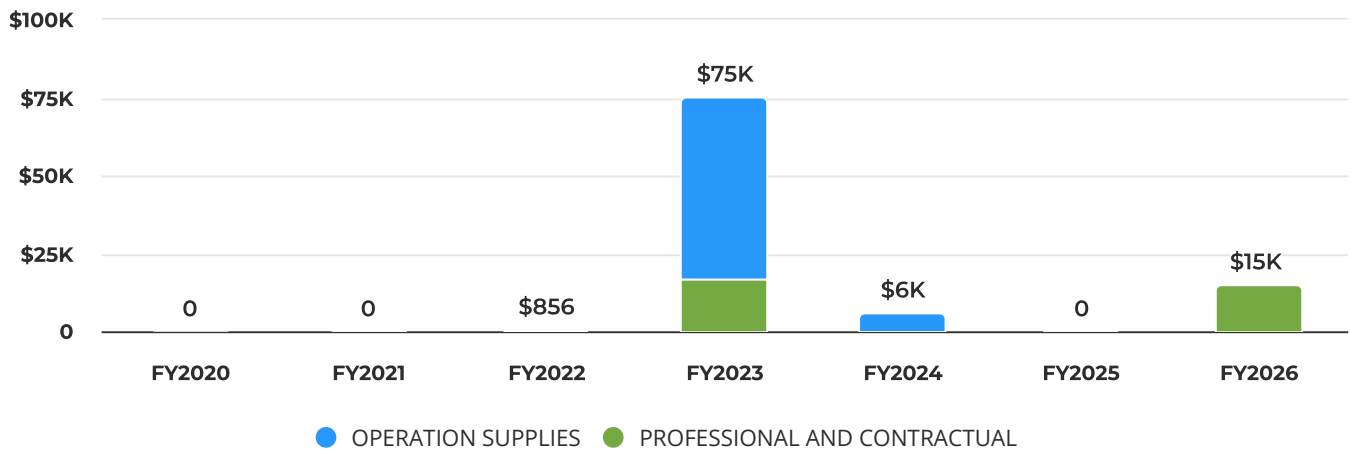
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
ORDINANCE FINES AND COSTS	\$8,400.00	\$8,000.00	\$14,000.00	\$7,500.00	-6.25%
INTEREST & DIVIDEND EARNINGS	\$870.89	\$600.00	\$900.00	\$900.00	50.00%
CONTRIBUTIONS-PRIVATE SOURCES	\$1,500.00	\$1,500.00	\$1,000.00	\$2,000.00	33.33%
REIMBURSEMENTS	\$16,468.00	-	\$1,400.00	-	-
TRANSFERS IN	\$4,500.00	\$7,200.00	\$7,200.00	\$7,200.00	0.00%
<b>Total Revenues</b>	<b>\$31,738.89</b>	<b>\$17,300.00</b>	<b>\$24,500.00</b>	<b>\$17,600.00</b>	<b>1.73%</b>

### Historical Expenditures by Object

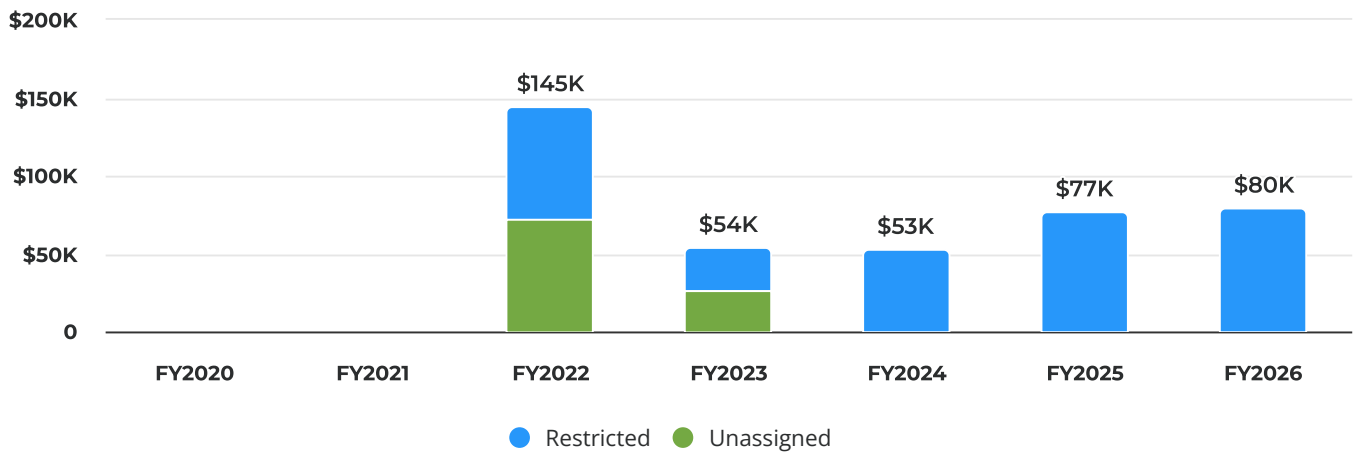


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OPERATION SUPPLIES	\$5,918.70	\$5,000.00	-	-	-100.00%
PROFESSIONAL AND CONTRACTUAL	-	-	-	\$15,000.00	-
<b>Total Expenditures</b>	<b>\$5,918.70</b>	<b>\$5,000.00</b>	<b>-</b>	<b>\$15,000.00</b>	<b>200.00%</b>

Parks utilized ARPA funding for tree planting in the 2023/2024 and 2024/2025 fiscal years to allow fund balance to grow. That funding has depleted, and we are budgeting to use this fund in the 2025/2026 fiscal year for new tree plantings.

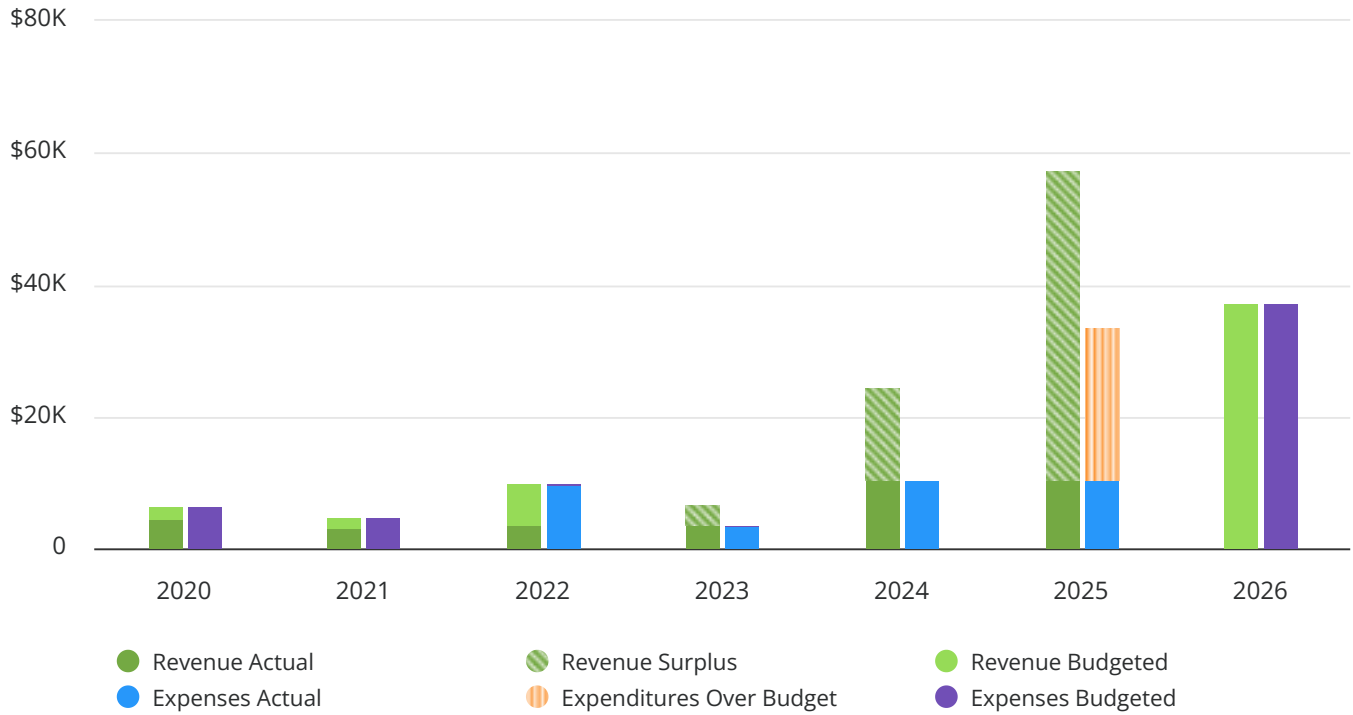
### Fund Balance Projections



# Act 302 Police Training Fund (214)

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

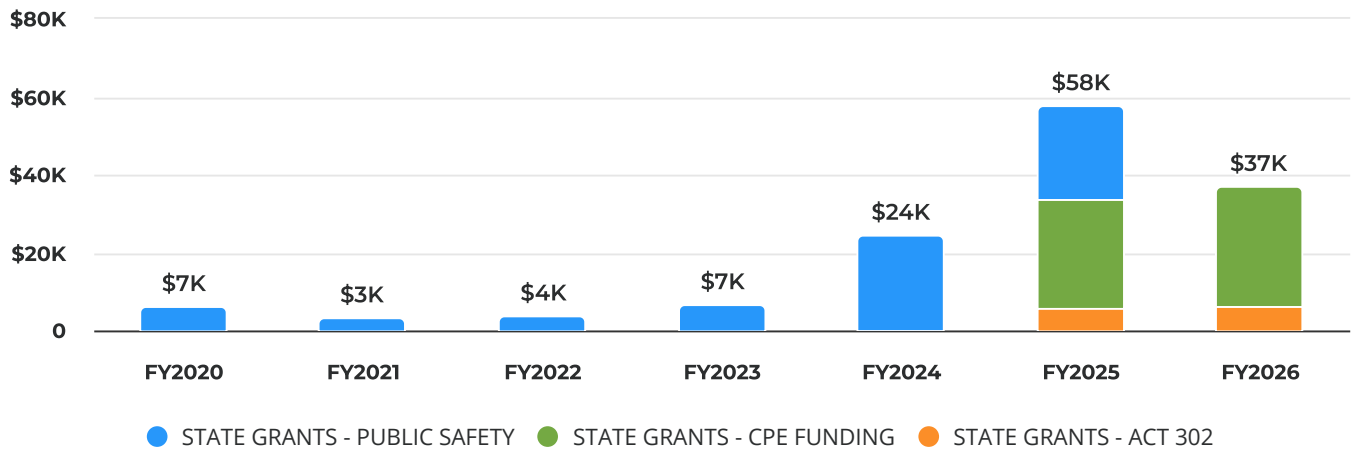
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$4,862	\$18,651	\$18,651	\$42,651
<b>Revenues</b>				
INTERGOVERNMENTAL	\$24,350	\$24,000	\$24,000	-
OTHER REVENUE	-	\$38,630	\$33,600	\$37,200
<b>Total Revenues</b>	<b>\$24,350</b>	<b>\$62,630</b>	<b>\$57,600</b>	<b>\$37,200</b>
<b>Expenditures</b>				
PROFESSIONAL DEVELOPMENT	\$10,561	\$62,630	\$33,600	\$37,200
<b>Total Expenditures</b>	<b>\$10,561</b>	<b>\$62,630</b>	<b>\$33,600</b>	<b>\$37,200</b>
<b>Total Revenues Less Expenditures</b>	<b>\$13,789</b>	<b>-</b>	<b>\$24,000</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$18,651</b>	<b>\$18,651</b>	<b>\$42,651</b>	<b>\$42,651</b>

### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
STATE GRANTS - PUBLIC SAFETY	\$24,349.60	\$24,000.00	\$24,000.00	-	-100.00%
STATE GRANTS - ACT 302	-	\$10,630.00	\$5,600.00	\$6,200.00	-41.67%
STATE GRANTS - CPE FUNDING	-	\$28,000.00	\$28,000.00	\$31,000.00	10.71%
<b>Total Revenues</b>	<b>\$24,349.60</b>	<b>\$62,630.00</b>	<b>\$57,600.00</b>	<b>\$37,200.00</b>	<b>-40.60%</b>

“Public Act 1 of 2023 (PA1) appropriated funds to support the implementation of required annual in-service training standards for all licensed law enforcement officers in accordance with rules promulgated under section 11(2) of the MCOLES Act (1965 PA 203, MCL 28.611)

Based on research and consistent with in-service training requirements around the country, MCOLES implemented in-service training requirements for all licensed law enforcement officers in Michigan, with a 3-year pilot program beginning in June of 2024. Known as Continuing Professional Education, CPE

CPE is currently in a pilot phase which allows for adjustments and modifications as needed. Since we are well into the 2024 calendar year, the Commission is implementing the CPE pilot program with a reduced number of required hours beginning in June 2024.”

Accordingly, the CPE requirement for 2024 is a total of 12 hours as follows:

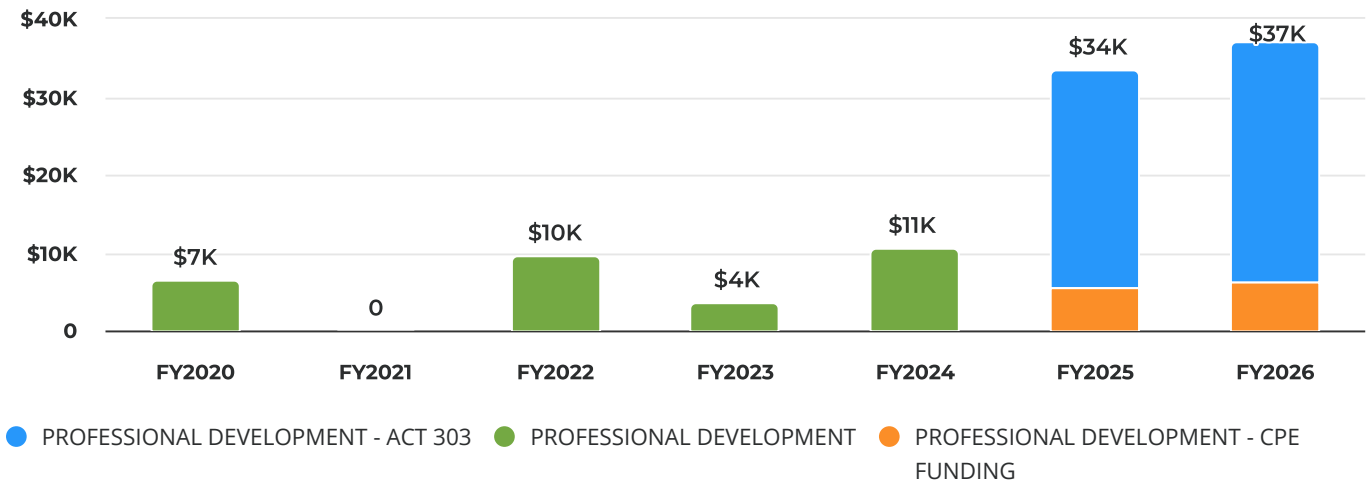
- 4 hours of Commission designated training categories; **ETHICS IN POLICING & INTERPERSONAL RELATIONS.**
- 8 hours of agency selected training categories that enhances LE performance, professionalism, public and officer safety, and officer decision making.

The CPE requirement for 2025 is a total of 24 hours as follows:

- 8 hours of Commission designated training categories; **MENTAL HEALTH CRISIS**
- 16 hours of agency selected training categories that enhances LE performance, professionalism, public and officer safety, and officer decision making.

Funding for 2024 was \$500 per full time equivalent (FTE). Funding for 2025 was \$1000 per FTE.

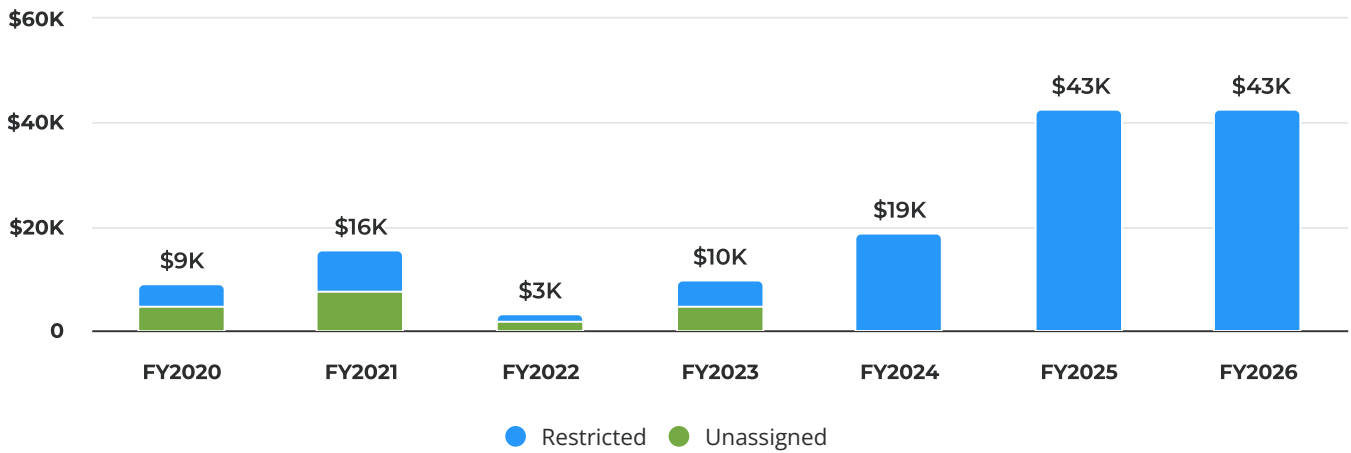
Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL DEVELOPMENT	\$10,560.60	\$24,000.00	-	-	-100.00%
PROFESSIONAL DEVELOPMENT - CPE FUNDING	-	\$10,630.00	\$5,600.00	\$6,200.00	-41.67%
PROFESSIONAL DEVELOPMENT - ACT 303	-	\$28,000.00	\$28,000.00	\$31,000.00	10.71%
<b>Total Expenditures</b>	<b>\$10,560.60</b>	<b>\$62,630.00</b>	<b>\$33,600.00</b>	<b>\$37,200.00</b>	<b>-40.60%</b>

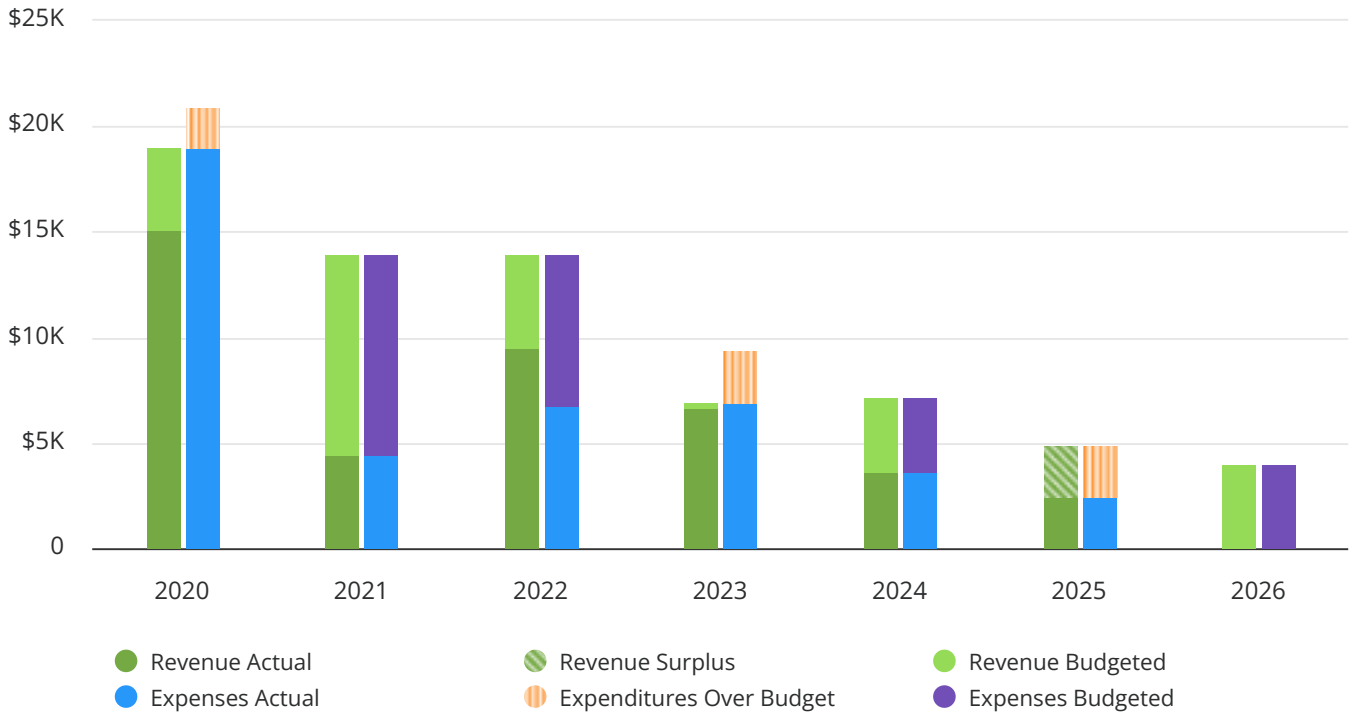
### Fund Balance Projections



# College Parking Fund (231)

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's share is transferred to the General Operating Fund.

## Revenues vs Expenditures Summary

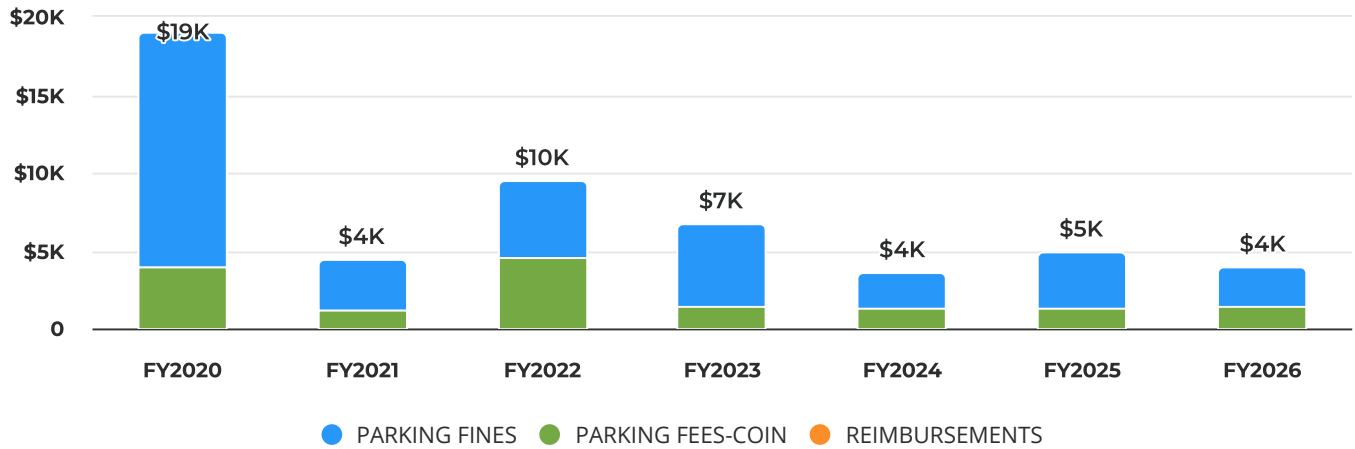


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$3	\$3	\$3	\$3
<b>Revenues</b>				
OPERATING REVENUES	\$3,667	\$2,500	\$4,900	\$4,000
<b>Total Revenues</b>	\$3,667	\$2,500	\$4,900	\$4,000
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$3,667	\$2,500	\$4,900	\$4,000
<b>Total Expenditures</b>	\$3,667	\$2,500	\$4,900	\$4,000
<b>Total Revenues Less Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	\$3	\$3	\$3	\$3



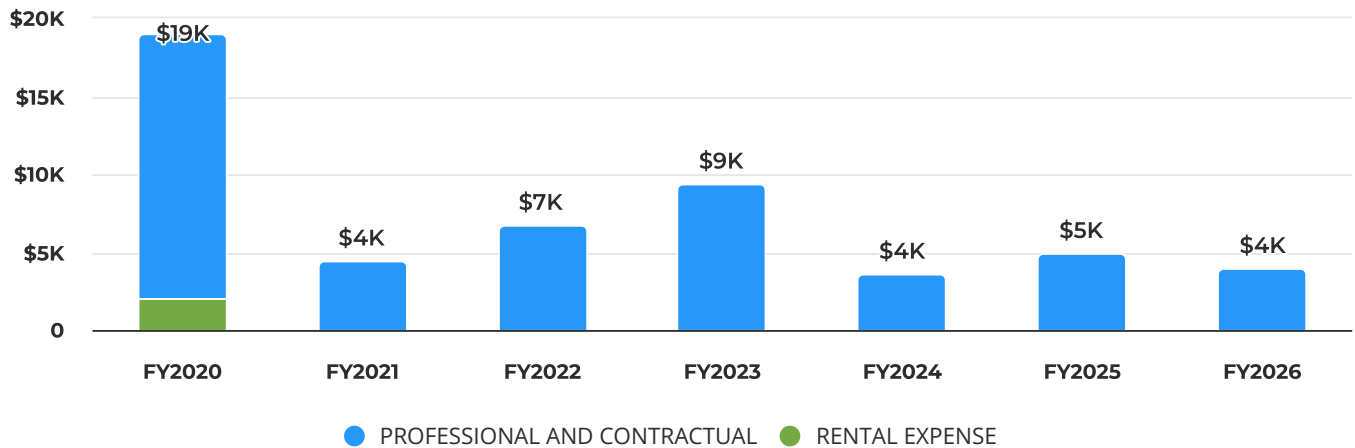
### Historical Revenues by Object



### Revenues by Object

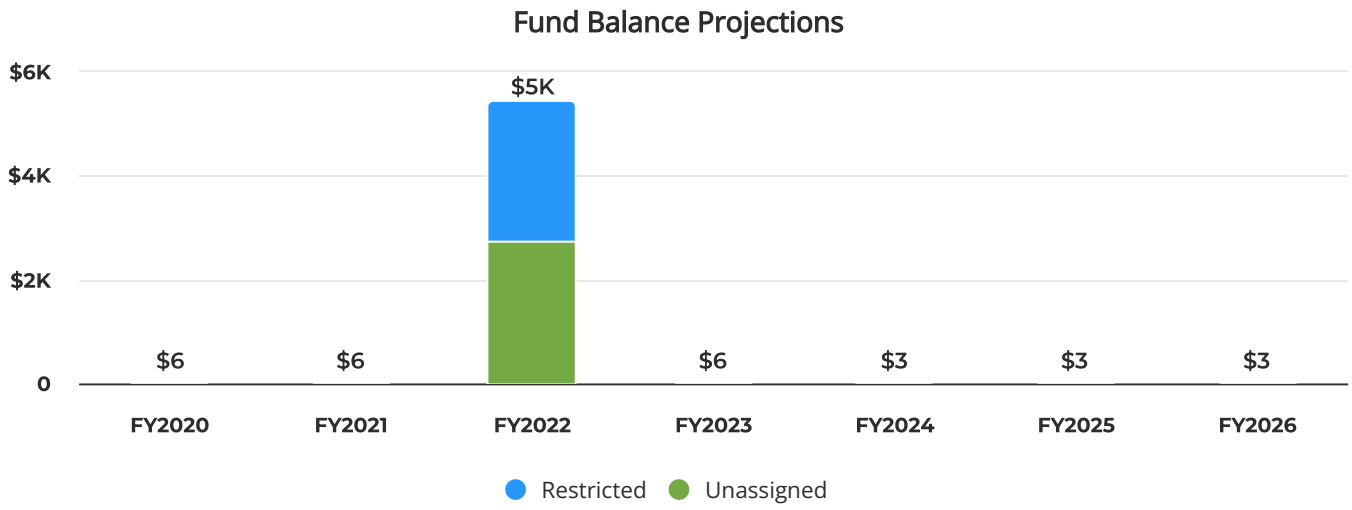
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PARKING FEES-COIN	\$1,307.49	\$1,500.00	\$1,300.00	\$1,500.00	0.00%
PARKING FINES	\$2,359.50	\$1,000.00	\$3,600.00	\$2,500.00	150.00%
<b>Total Revenues</b>	<b>\$3,666.99</b>	<b>\$2,500.00</b>	<b>\$4,900.00</b>	<b>\$4,000.00</b>	<b>60.00%</b>

### Historical Expenditures by Object



### Expenditures by Object

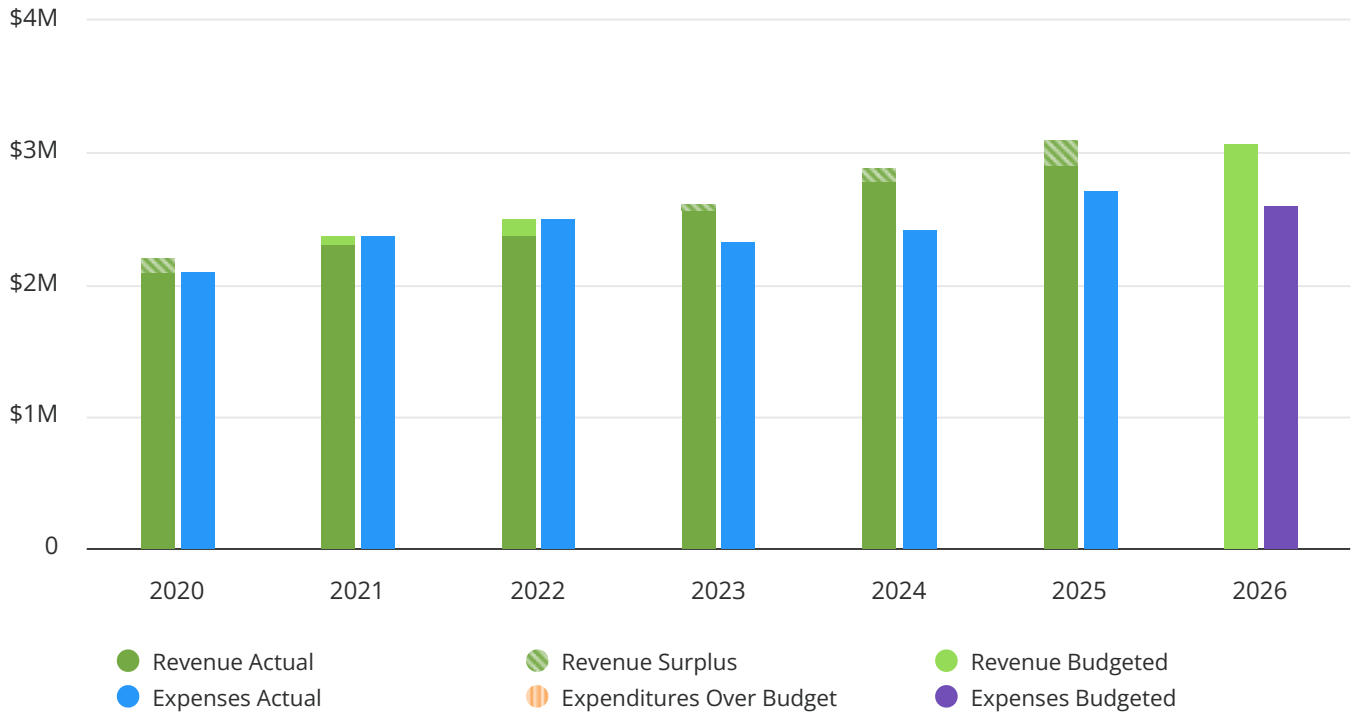
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$3,666.99	\$2,500.00	\$4,900.00	\$4,000.00	60.00%
<b>Total Expenditures</b>	<b>\$3,666.99</b>	<b>\$2,500.00</b>	<b>\$4,900.00</b>	<b>\$4,000.00</b>	<b>60.00%</b>



# Act 345 Millage Fund (233)

This fund is used to account for the Act 345 millage that is designated for funding the annual required contributions to the police and fire Act 345 Pension Plan.

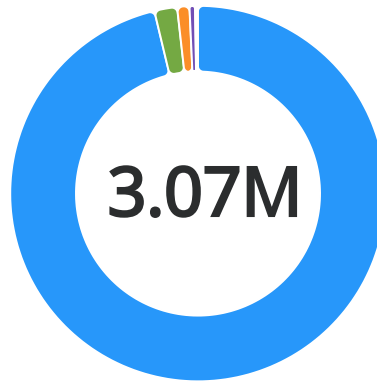
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$624,597	\$1,092,478	\$1,092,478	\$1,475,978
<b>Revenues</b>				
PROPERTY TAXES	\$2,789,234	\$2,874,000	\$3,004,600	\$2,982,400
INTERGOVERNMENTAL	\$36,672	\$38,000	\$32,200	\$32,200
OTHER REVENUE	\$68,477	\$4,000	\$60,000	\$60,000
<b>Total Revenues</b>	<b>\$2,894,383</b>	<b>\$2,916,000</b>	<b>\$3,096,800</b>	<b>\$3,074,600</b>
<b>Expenditures</b>				
FRINGE BENEFITS	\$2,426,502	\$2,713,300	\$2,713,300	\$2,600,900
<b>Total Expenditures</b>	<b>\$2,426,502</b>	<b>\$2,713,300</b>	<b>\$2,713,300</b>	<b>\$2,600,900</b>
<b>Total Revenues Less Expenditures</b>	<b>\$467,881</b>	<b>\$202,700</b>	<b>\$383,500</b>	<b>\$473,700</b>
<b>Ending Fund Balance</b>	<b>\$1,092,478</b>	<b>\$1,295,178</b>	<b>\$1,475,978</b>	<b>\$1,949,678</b>

### FY26 Revenues by Object



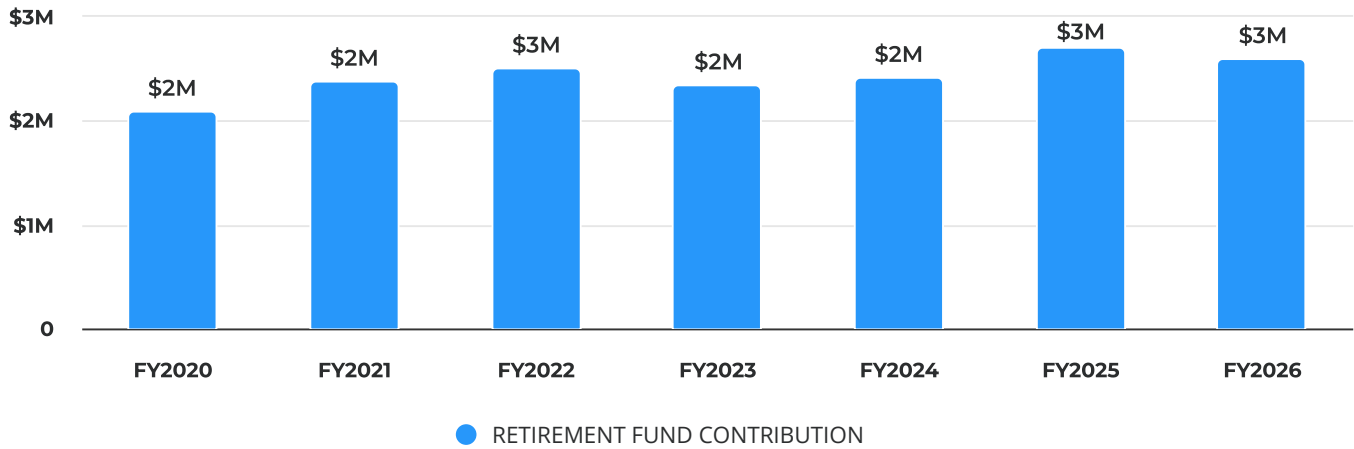
TAXES-CURRENT-REAL ESTATE	\$2,960,000	96.27%
INTEREST & DIVIDEND EARNINGS	\$60,000	1.95%
LOCAL COMMUNITY STABILIZATION SHARE	\$32,200	1.05%
PAYMENT IN LIEU OF TAXES	\$14,700	0.48%
TAX-DELINQUENT-PERSONAL PROP	\$5,100	0.17%
PENALTY AND INTEREST ON TAXES	\$2,600	0.08%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROPERTY TAX REVENUE PRIOR YEAR ADJ	-	-	-\$2,800.00	-	-
TAXES-CURRENT-REAL ESTATE	\$2,763,202.83	\$2,855,900.00	\$2,985,000.00	\$2,960,000.00	0.00%
TAX-DELINQUENT-PERSONAL PROP	\$1,406.06	\$2,100.00	\$5,100.00	\$5,100.00	0.00%
PAYMENT IN LIEU OF TAXES	\$14,754.17	\$9,000.00	\$14,700.00	\$14,700.00	0.00%
PENALTY AND INTEREST ON TAXES	\$9,870.99	\$7,000.00	\$2,600.00	\$2,600.00	0.00%
LOCAL COMMUNITY STABILIZATION SHARE	\$36,671.53	\$38,000.00	\$32,200.00	\$32,200.00	0.00%
INTEREST & DIVIDEND EARNINGS	\$68,477.04	\$4,000.00	\$60,000.00	\$60,000.00	0.00%
<b>Total Revenues</b>	<b>\$2,894,382.62</b>	<b>\$2,916,000.00</b>	<b>\$3,096,800.00</b>	<b>\$3,074,600.00</b>	<b>0.00%</b>

The Act 345 millage is not subject to Headlee rollback, which means it is generating revenue at a higher rate compared to other City millages. We are closely monitoring this revenue growth in relation to the Annual Required Contribution (ARC) for Act 345 retirees to ensure the long-term sustainability of the retirement system.

### Historical Expenditures by Object

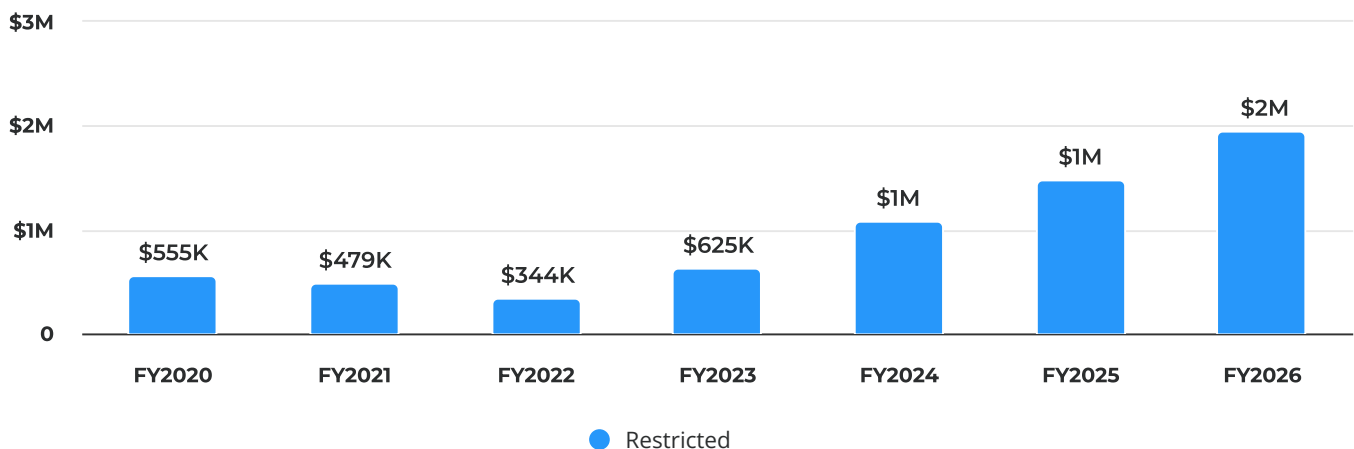


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
RETIREMENT FUND CONTRIBUTION	\$2,426,502.00	\$2,713,300.00	\$2,713,300.00	\$2,600,900.00	-4.14%
<b>Total Expenditures</b>	<b>\$2,426,502.00</b>	<b>\$2,713,300.00</b>	<b>\$2,713,300.00</b>	<b>\$2,600,900.00</b>	<b>-4.14%</b>

Note: The actuarial provided Annual Retirement Contribution (ARC) is budgeted to be approximately \$100,000 less in 25/26 compared to 24/25. This is due to an actuarial experience study that was completed in 2024 for the Act 345 retirement system. This study resulted in a significant update to the system’s actuarial methodology. Key changes included a revised amortization policy, demographic assumptions such as updated mortality tables, retirement rates, and employee turnover rates as well as economic assumptions, including the assumed rate of investment return, wage inflation, and salary growth projections. These changes reduced the ARC payment in 25/26.

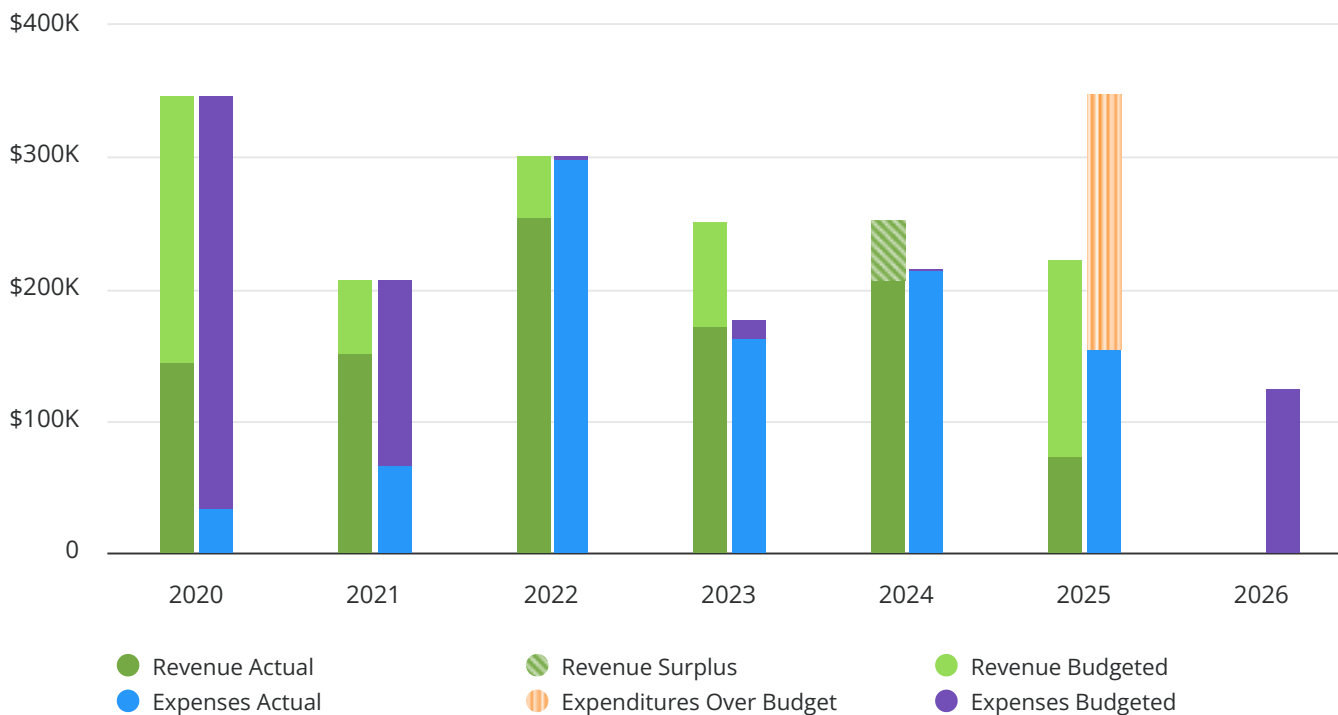
### Fund Balance Projections



# Brown Bridge Trust Parks Improvement Fund (239)

As of November 2024, the ballot language requiring gas & oil royalties to be utilized for parks improvements has expired. The parks department is finishing up their final approved projects with the balance of funds available. The Brown Bridge Trust Committee is actively working to identify additional parks projects for the next 5 years. They are working to prepare ballot language to be offered to the public in the 2025 general election in November. The proposal is to transfer 3 million from the Brown Bridge Trust for identified capital projects in City Parks in lieu of gas & oil revenue being recorded as earned. At the end of 5 years, progress will be evaluated.

## Revenues vs Expenditures Summary

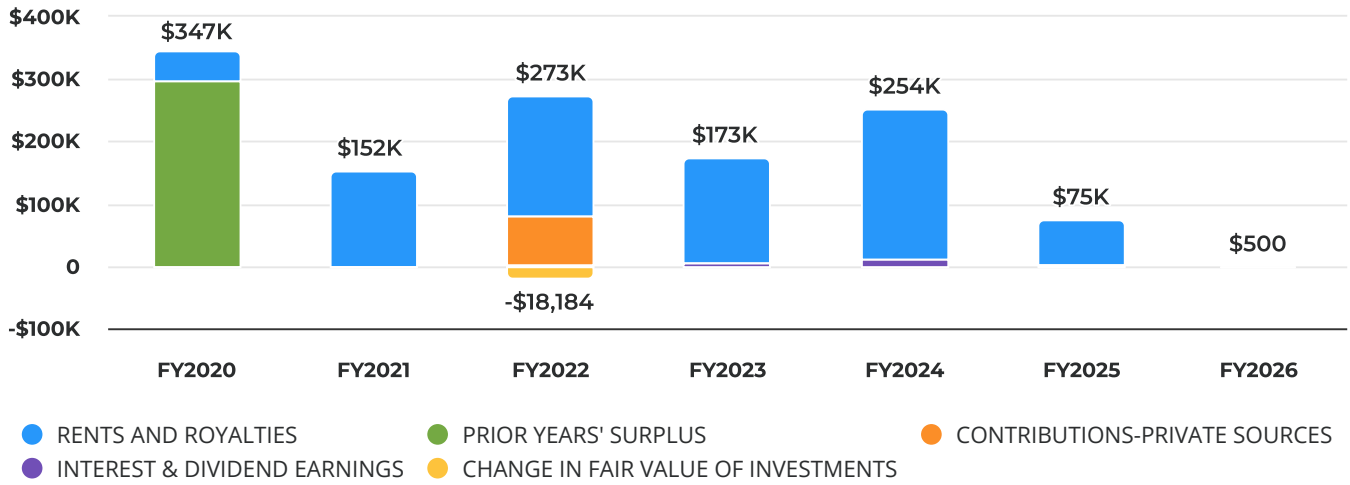


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$518,057	\$556,831	\$556,831	\$283,431
<b>Revenues</b>				
OTHER REVENUE	\$253,753	\$223,000	\$74,700	\$500
<b>Total Revenues</b>	\$253,753	\$223,000	\$74,700	\$500
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$1,164	\$40,000	-	\$10,000
TRANSFER OUT	\$213,815	\$115,000	\$348,100	\$115,000
<b>Total Expenditures</b>	\$214,979	\$155,000	\$348,100	\$125,000
<b>Total Revenues Less Expenditures</b>	\$38,774	\$68,000	-\$273,400	-\$124,500

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
Ending Fund Balance	\$556,831	\$624,831	\$283,431	\$158,931

### Historical Revenues by Object

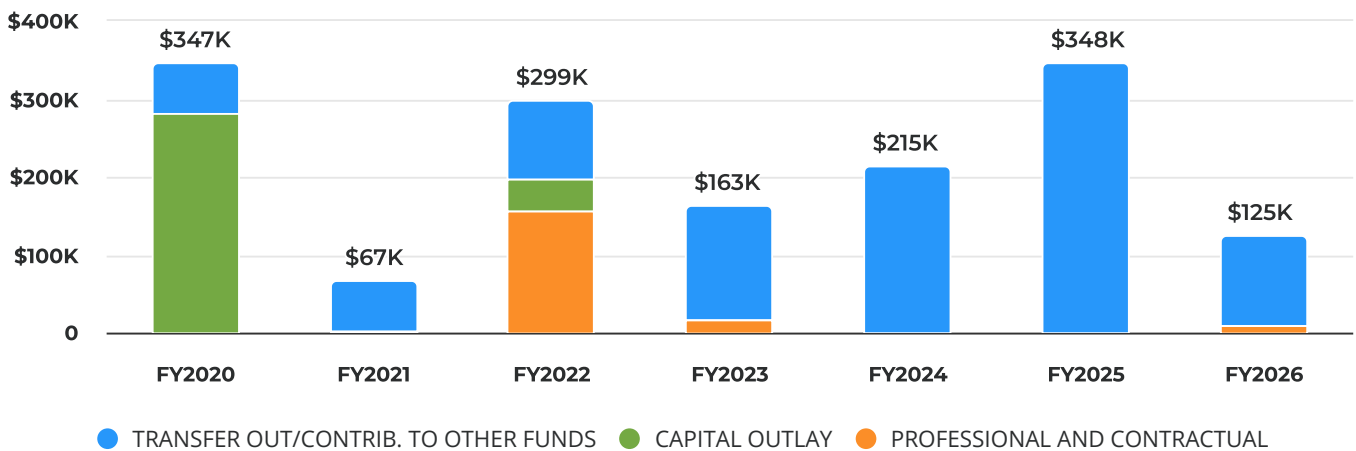


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$12,242.07	\$5,000.00	\$3,000.00	\$500.00	-90.00%
RENTS AND ROYALTIES	\$241,511.13	\$218,000.00	\$71,700.00	-	-100.00%
<b>Total Revenues</b>	<b>\$253,753.20</b>	<b>\$223,000.00</b>	<b>\$74,700.00</b>	<b>\$500.00</b>	<b>-99.78%</b>

Royalties will not be recognized until the vote of the people in November 2025 to allow gas & oil royalties to be earmarked for parks improvements. A budget adjustment will be proposed depending on the amount approved and identified for projects to be completed in 2025/26 fiscal year.

### Historical Expenditures by Object

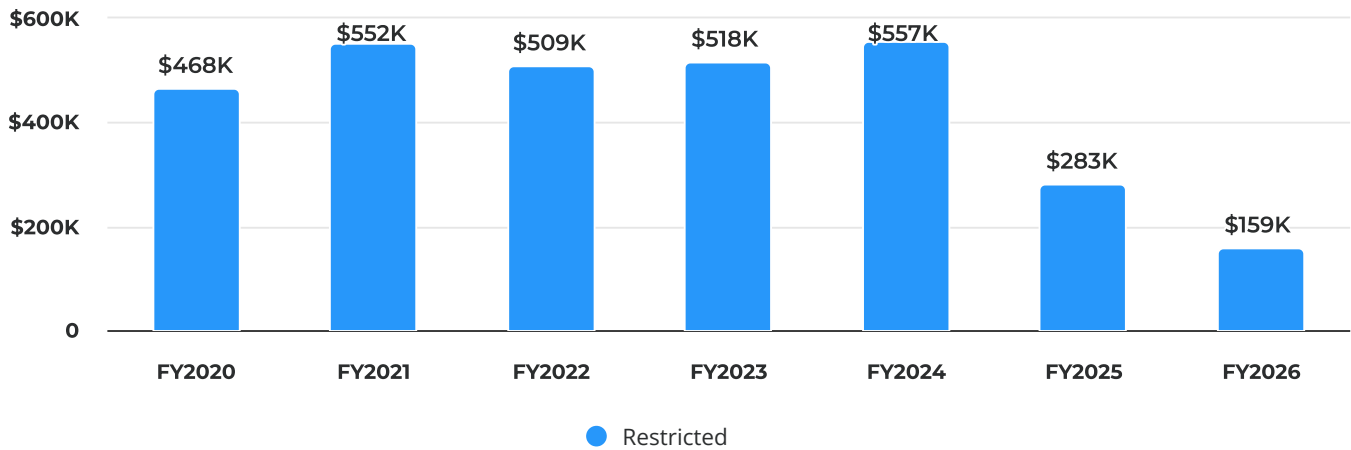


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$1,163.78	\$40,000.00	-	\$10,000.00	-75.00%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$213,815.00	\$115,000.00	\$348,100.00	\$115,000.00	0.00%
<b>Total Expenditures</b>	<b>\$214,978.78</b>	<b>\$155,000.00</b>	<b>\$348,100.00</b>	<b>\$125,000.00</b>	<b>-19.35%</b>

The FYE 6/30/2026 budget includes new signage at the Brown Bridge Quite Area, a transfer to assist with improvements at Highland Park and a transfer to fund city-wide bathhouse improvements.

### Fund Balance Projections

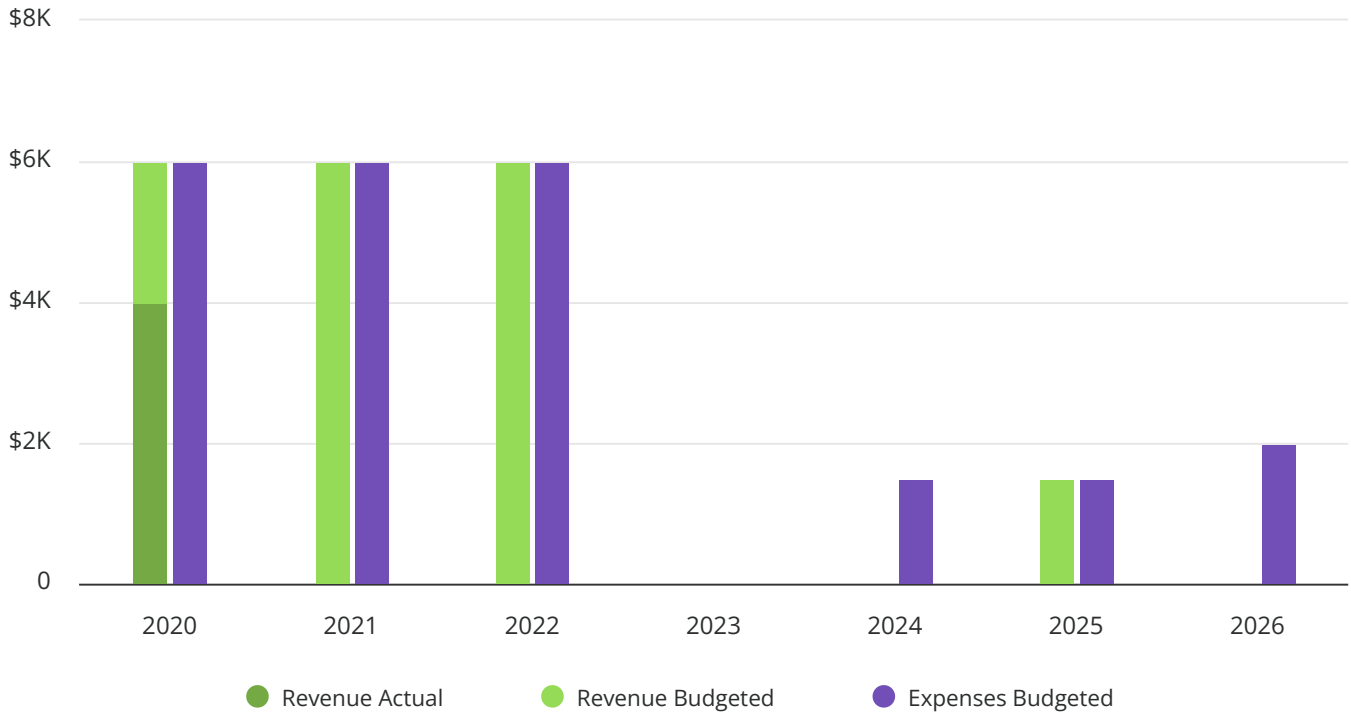




# Traverse City/Garfield Joint Planning Fund (241)

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

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	-	\$20,140	\$20,140	\$20,140
<b>Revenues</b>				
OTHER REVENUE	-	\$1,500	-	-
<b>Total Revenues</b>	-	\$1,500	-	-
<b>Expenditures</b>				
PROFESSIONAL SERVICES	-	\$1,000	-	\$1,500
PRINTING & PUBLISHING	-	\$500	-	\$500
<b>Total Expenditures</b>	-	\$1,500	-	\$2,000
<b>Total Revenues Less Expenditures</b>	-	-	-	-\$2,000
<b>Ending Fund Balance</b>	-	\$20,140	\$20,140	\$18,140

There has been very little activity in this fund over the years. We are planning the intentional use of fund balance rather than requesting an appropriation from the City & Garfield Township.

**Revenues by Object**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PRIOR YEARS' SURPLUS	-	\$1,500.00	-	-	-100.00%
<b>Total Revenues</b>	-	<b>\$1,500.00</b>	-	-	<b>-100.00%</b>

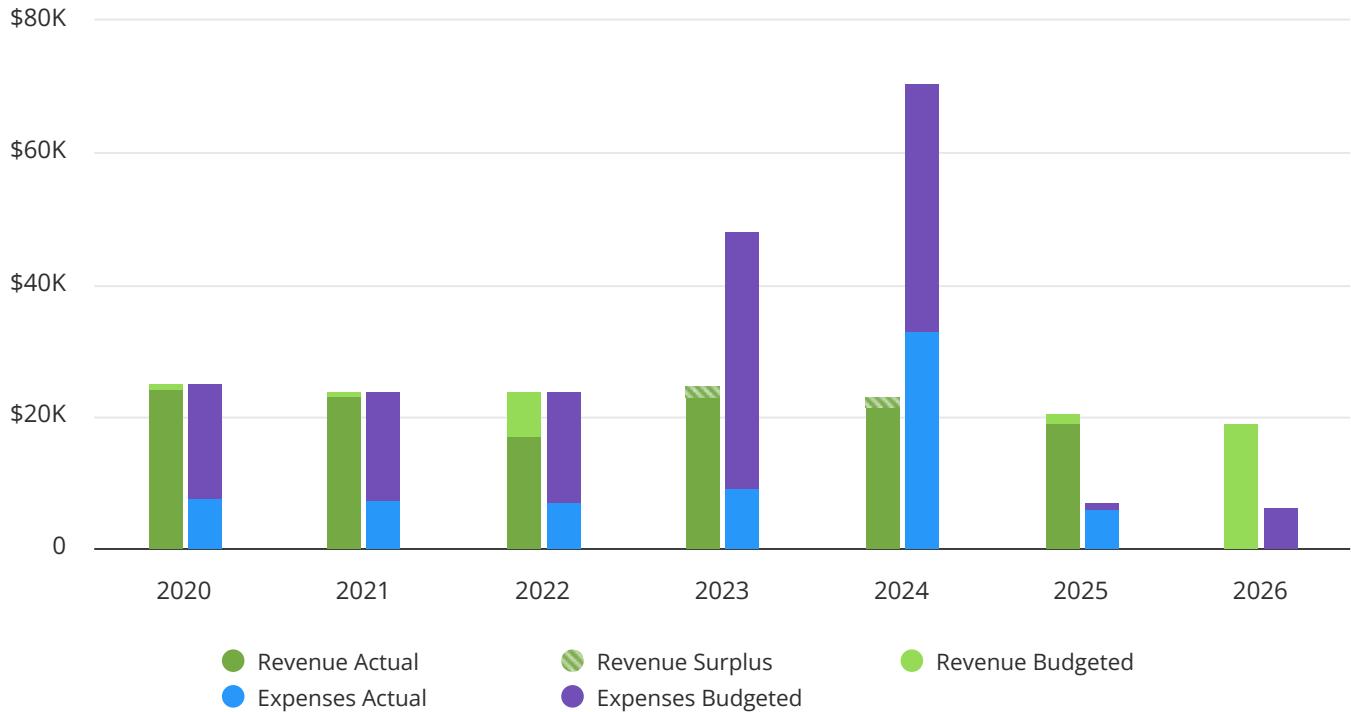
**Expenditures by Object**

Category	2023/2024 Actual	2024/2025 Amended	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	-	\$1,000.00	\$1,500.00	50.00%
PRINTING AND PUBLISHING	-	\$500.00	\$500.00	0.00%
<b>Total Expenditures</b>	-	<b>\$1,500.00</b>	<b>\$2,000.00</b>	<b>33.33%</b>

# PEG Capital Fund (251)

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.

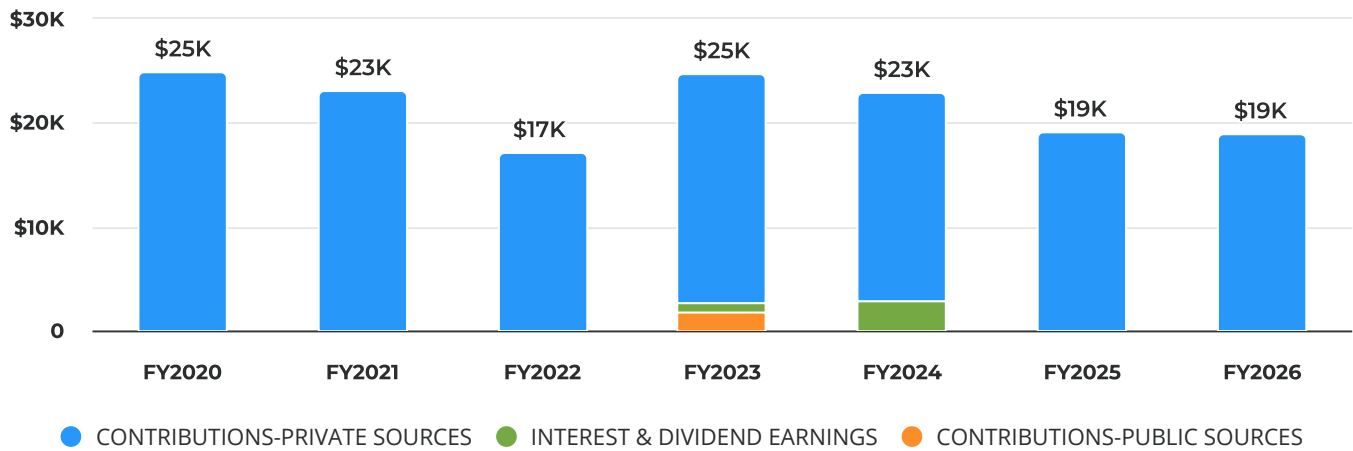
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$126,475	\$116,364	\$116,364	\$129,514
<b>Revenues</b>				
OTHER REVENUE	\$23,038	\$20,500	\$19,200	\$19,000
<b>Total Revenues</b>	\$23,038	\$20,500	\$19,200	\$19,000
<b>Expenditures</b>				
CAPITAL OUTLAY	\$33,149	\$7,000	\$6,050	\$6,200
<b>Total Expenditures</b>	\$33,149	\$7,000	\$6,050	\$6,200
<b>Total Revenues Less Expenditures</b>	-\$10,112	\$13,500	\$13,150	\$12,800
<b>Ending Fund Balance</b>	\$116,364	\$129,864	\$129,514	\$142,314

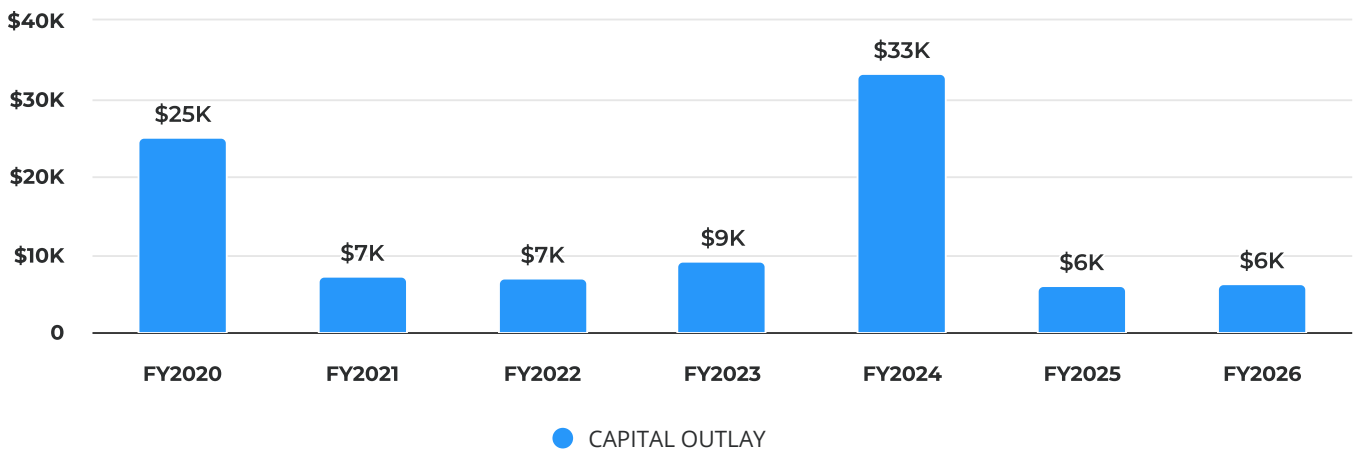
### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$2,971.00	\$1,000.00	-	-	-100.00%
CONTRIBUTIONS-PRIVATE SOURCES	\$20,066.76	\$19,500.00	\$19,200.00	\$19,000.00	-2.56%
<b>Total Revenues</b>	<b>\$23,037.76</b>	<b>\$20,500.00</b>	<b>\$19,200.00</b>	<b>\$19,000.00</b>	<b>-7.32%</b>

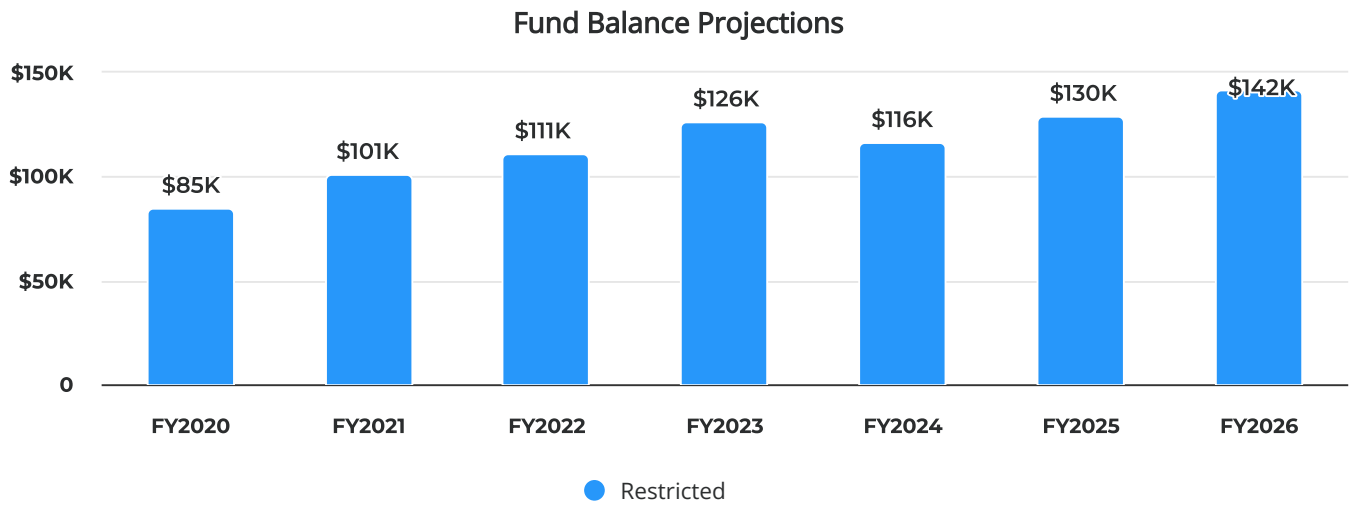
### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	\$33,149	\$7,000	\$6,050	\$6,200	-11.43%
<b>Total Expenditures</b>	<b>\$33,149</b>	<b>\$7,000</b>	<b>\$6,050</b>	<b>\$6,200</b>	<b>-11.43%</b>

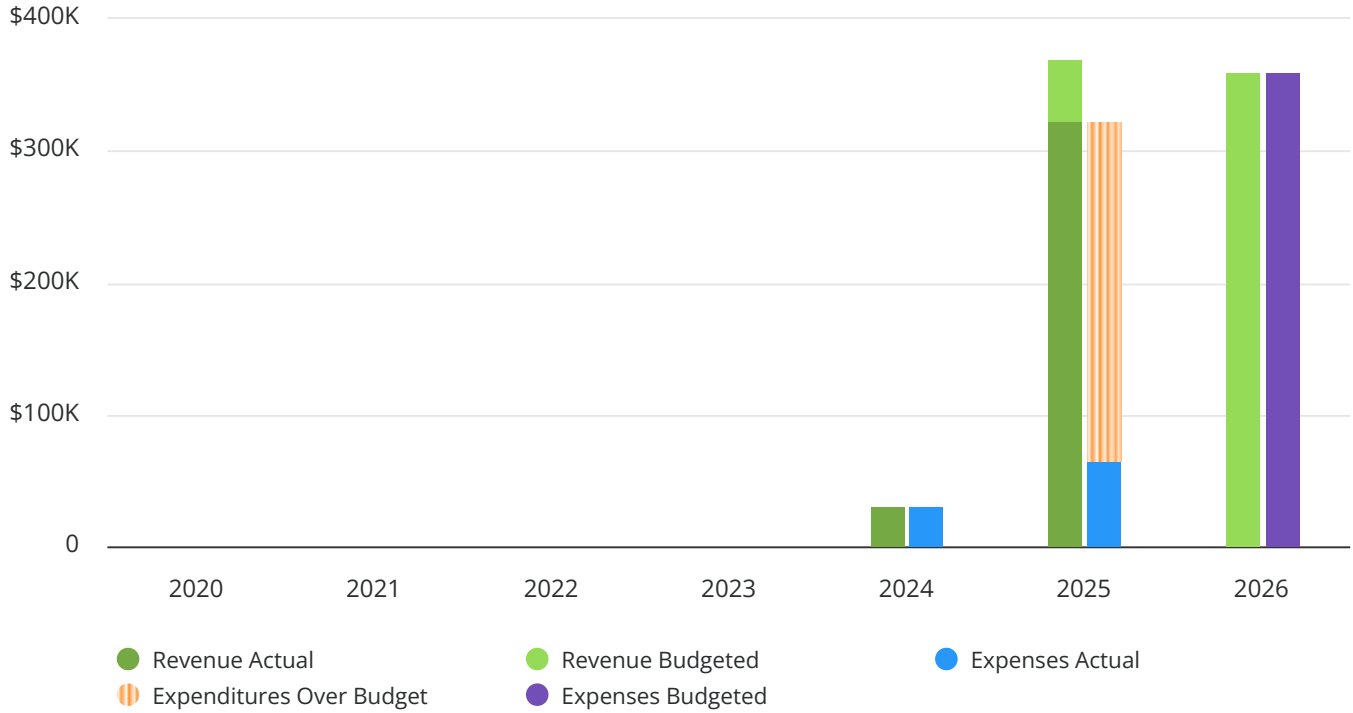
2023/24 Actual expense includes Governmental Center Commission Chambers technology upgrades



# CDBG Grant SEFA#14.218 Fund (272)

This fund was established in 2024 to account for the City's participation in the CDBG entitlement grant program.

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	-	-	-	-
<b>Revenues</b>				
INTERGOVERNMENTAL	\$31,216	\$370,000	\$323,200	\$360,000
<b>Total Revenues</b>	<b>\$31,216</b>	<b>\$370,000</b>	<b>\$323,200</b>	<b>\$360,000</b>
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$31,216	\$370,000	\$323,200	\$360,000
<b>Total Expenditures</b>	<b>\$31,216</b>	<b>\$370,000</b>	<b>\$323,200</b>	<b>\$360,000</b>
<b>Total Revenues Less Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	-	-	-	-

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FEDERAL GRANTS	\$31,216.08	\$370,000.00	\$323,200.00	\$360,000.00	-2.70%
<b>Total Revenues</b>	<b>\$31,216.08</b>	<b>\$370,000.00</b>	<b>\$323,200.00</b>	<b>\$360,000.00</b>	<b>-2.70%</b>

### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$31,216.08	\$370,000.00	\$323,200.00	\$360,000.00	-2.70%
<b>Total Expenditures</b>	<b>\$31,216.08</b>	<b>\$370,000.00</b>	<b>\$323,200.00</b>	<b>\$360,000.00</b>	<b>-2.70%</b>

At the January 16, 2025 City Commission approved the following allocation of funds totaling \$285,512 the following sub-recipients and recommended allocations, each would submit requests for draw-down payments per the terms of the sub-recipient agreement:

Goodwill Northern Michigan - \$69,725 for HVAC/Bike racks at East Bay Flats

Northwest Michigan Supportive Housing - \$65,787 for boiler, water heater, roof replacements at Three Mile Road four-plex

Central United Methodist Church Outreach Program - \$50,000 for director/kitchen/janitorial/security staffing services

Safe Harbor of Grand Traverse, Inc. - \$100,000 for parking lot paving and other improvements including generator

# ARPA Coronavirus Fiscal Recovery Fund(285)

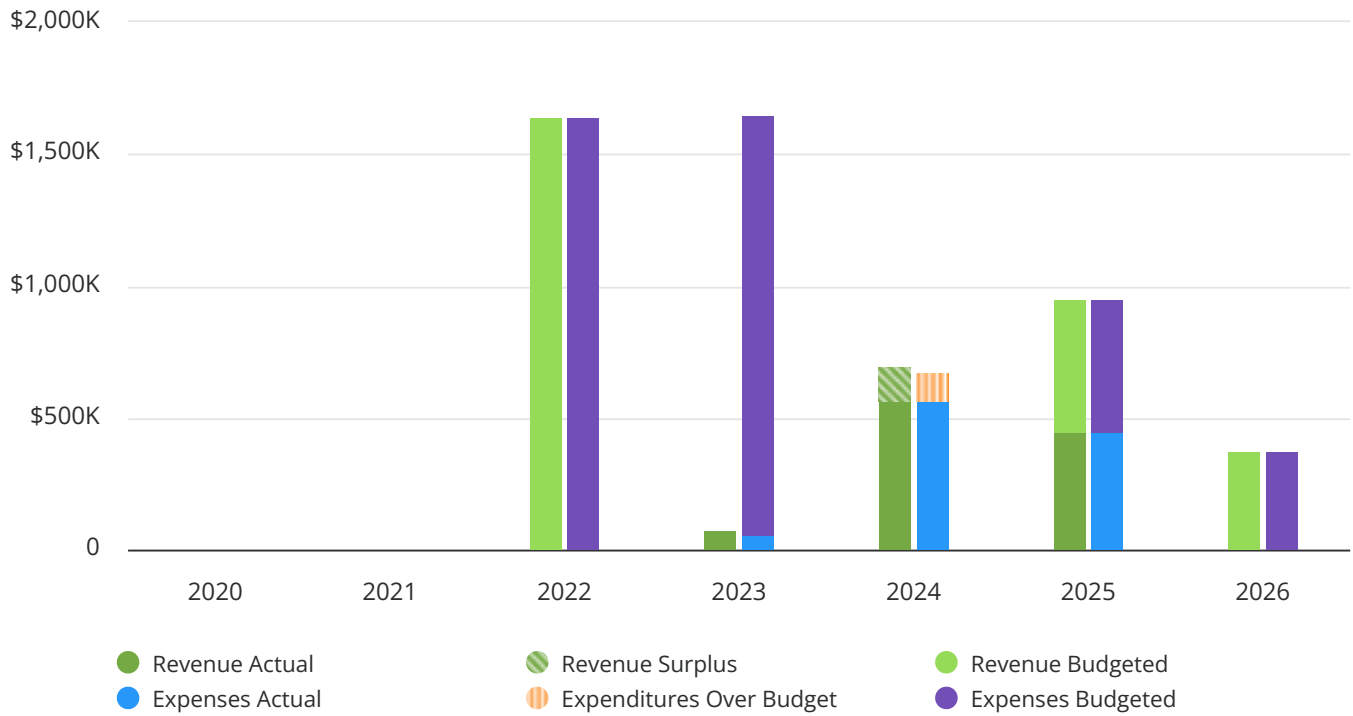
This fund was separately established in 2022 to account for receipt and use of the State and Local Fiscal Recovery Funds the City received as part of the Coronavirus American Rescue Plan Act. All funds have been committed as of 12/31/24 and are scheduled to be spent no later than 12/31/26.

## Summary as of 4/8/2025

Total Award	\$	1,653,886.25	
Interest earned prior yrs		22,390.35	
interest earned fye 24		22,141.29	
<b>Total Available</b>		<u>1,698,417.89</u>	
<b>Actual Expenditures</b>			
Employee Appreciation	\$	102,332.25	distributed to City and TCLP via December 2022 payroll
DDA employee appreciation		8,500.00	reimbursed DDA for their employees
Senior Center Construction		500,000.00	Senior Center Building Fund
Jubilee house grant match		40,000.00	Matched Grand Traverse Band and other awards
Grant Writing		6,566.25	fye 23 payments
Grant Writing		9,954.80	fye 24 payments
Tree Program		73,800.00	Senior Center Building Fund - landscaping
Tree Program		25,000.00	kids creek trees - pd to GT Bay Watershed
Tree Program		18,450.00	fall 23 tree purchases - schichtels nursery
Tree Program		12,000.00	hickory hills trees
Tree Program		2,920.00	fall downtown trees
Tree Program		19,875.00	spring 24 tree purchases - schichtels nursery
Tree Program		2,882.00	spring plants/trees - GT nursery
Tree Program		11,657.17	rental of watering equipment fye 24
Tree Program		33,415.83	fall 24 and spring 25 tree order
Jubilee house day shelter		40,000.00	FYE 6/30/25 contribution
LSI Grant Writing services		1,965.00	fye 25 payments
LSI Grant Writing services		5,287.50	fye 25 payments
OHM advisors		10,960.00	sanitary sewer inflow and infiltration
OHM advisors		7,879.50	sanitary sewer inflow and infiltration
Senior Center Construction		192,585.64	Senior Center Building Fund
LSI Grant Writing services		3,705.00	fye 25 payments
<b>Total Actual Expenditures to date</b>		<u>1,129,735.94</u>	
Available Balance at 4/8/25		<u>568,681.95</u>	
<b>Approved Allocations</b>			
Grant writing balance		47,521.45	contract balance - LSI grant writing services
Sanitary sewer Inflow & Infiltration		231,160.50	contract balance - OHM
Harbor House		250,000.00	contract with harbor house
Jubilee house day shelter		40,000.00	contract balance - Jubilee house
<b>Total pending approved allocations</b>		<u>568,681.95</u>	
<b>Unallocated Balance at 4/8/25</b>	<b>\$</b>	<u><u>-</u></u>	



### Revenues vs Expenditures Summary



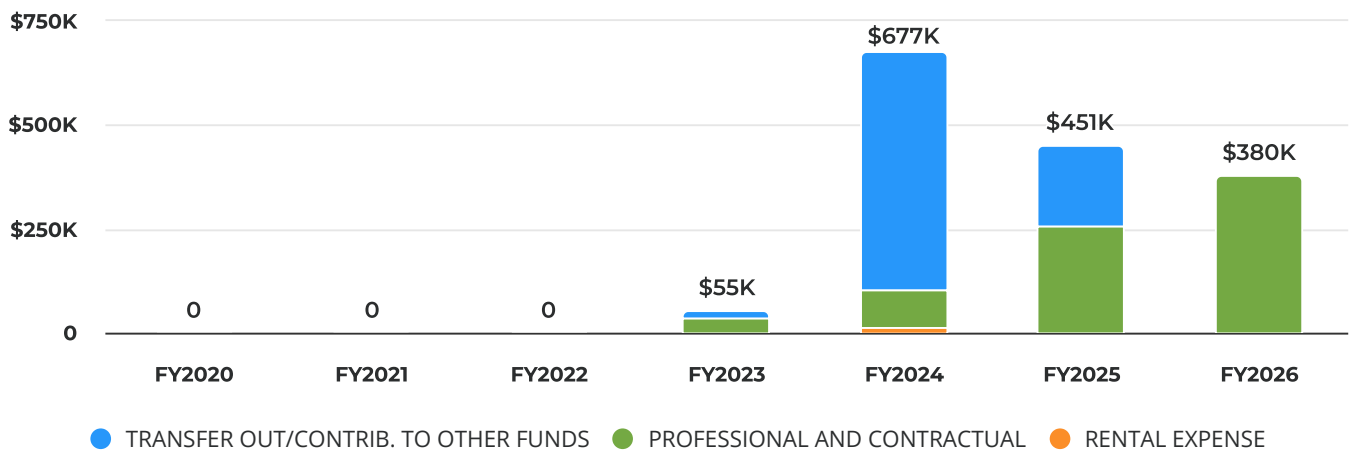
### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$22,390	\$44,532	\$44,532	\$44,532
<b>Revenues</b>				
INTERGOVERNMENTAL	\$676,539	\$952,600	\$451,070	\$380,000
OTHER REVENUE	\$22,141	-	-	-
<b>Total Revenues</b>	<b>\$698,680</b>	<b>\$952,600</b>	<b>\$451,070</b>	<b>\$380,000</b>
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$91,082	\$757,800	\$258,480	\$380,000
RENTALS	\$11,657	\$2,200	-	-
TRANSFER OUT	\$573,800	\$192,600	\$192,590	-
<b>Total Expenditures</b>	<b>\$676,539</b>	<b>\$952,600</b>	<b>\$451,070</b>	<b>\$380,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$22,141</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$44,532</b>	<b>\$44,532</b>	<b>\$44,532</b>	<b>\$44,532</b>

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FEDERAL GRANTS	\$676,538.97	\$952,600.00	\$451,070.00	\$380,000.00	-60.11%
INTEREST & DIVIDEND EARNINGS	\$22,141.29	-	-	-	-
<b>Total Revenues</b>	<b>\$698,680.26</b>	<b>\$952,600.00</b>	<b>\$451,070.00</b>	<b>\$380,000.00</b>	<b>-60.11%</b>

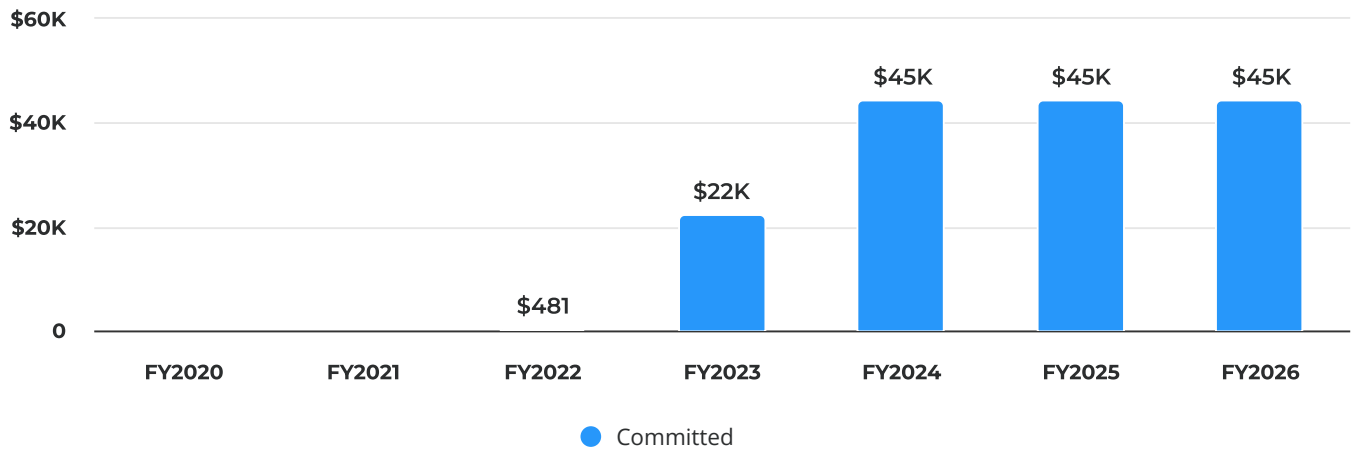
### Historical Expenditures by Object



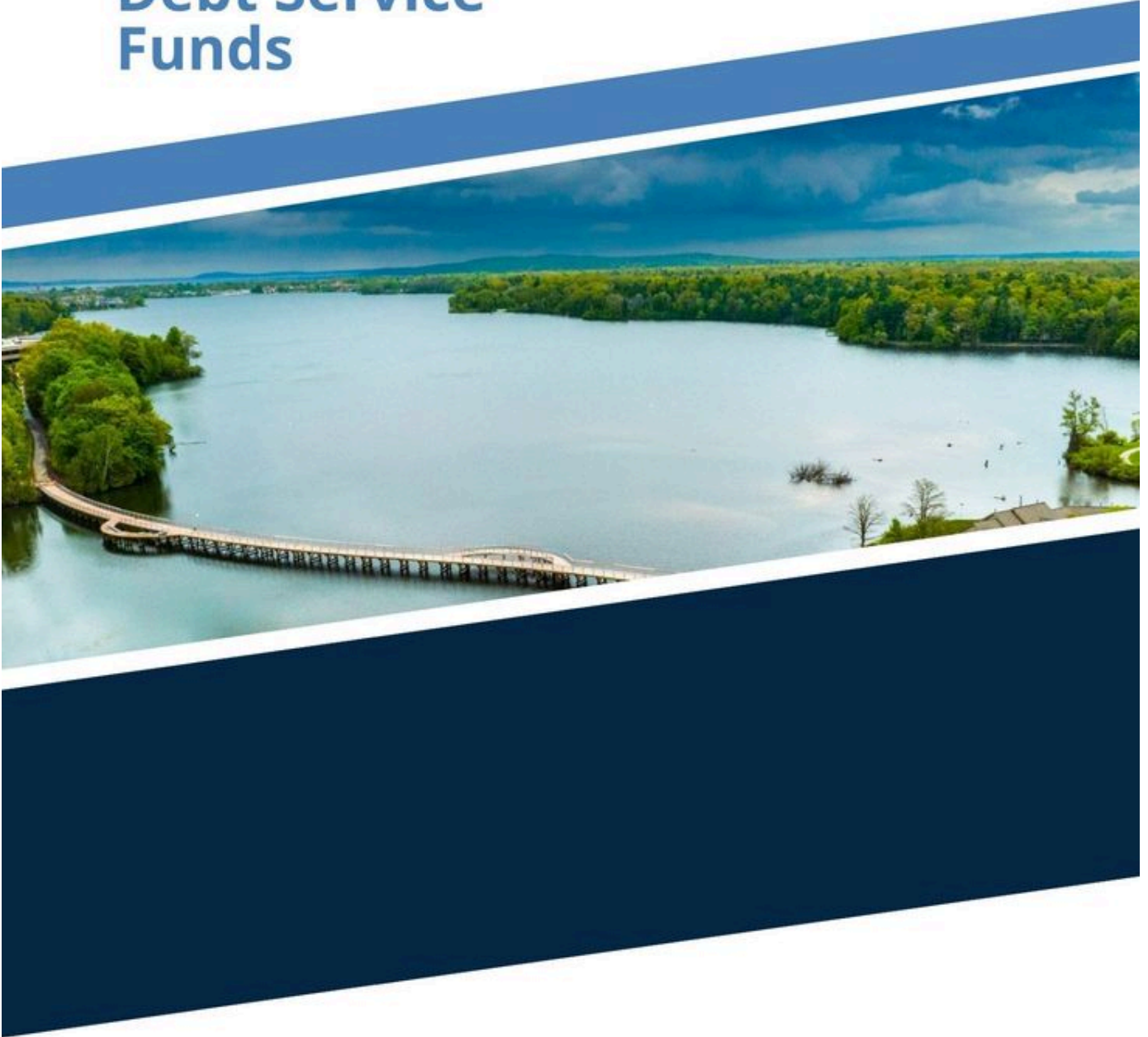
### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$91,081.80	\$757,800.00	\$258,480.00	\$380,000.00	-49.85%
RENTAL EXPENSE	\$11,657.17	\$2,200.00	-	-	-100.00%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$573,800.00	\$192,600.00	\$192,590.00	-	-100.00%
<b>Total Expenditures</b>	<b>\$676,538.97</b>	<b>\$952,600.00</b>	<b>\$451,070.00</b>	<b>\$380,000.00</b>	<b>-60.11%</b>

### Fund Balance Projections



# Debt Service Funds

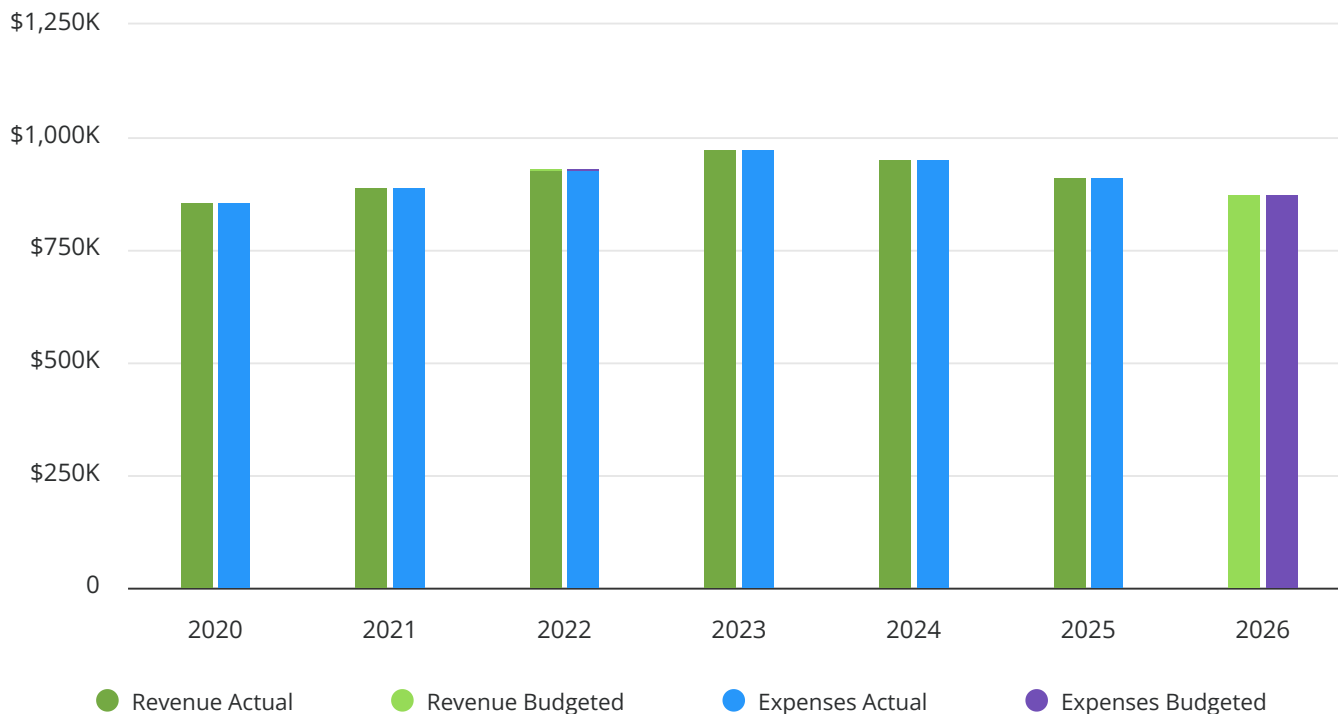


The debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on Governmental Fund Type Debt.

# Parking Bond Debt Retirement Fund (306)

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. Final payment is scheduled for 4/1/2028.

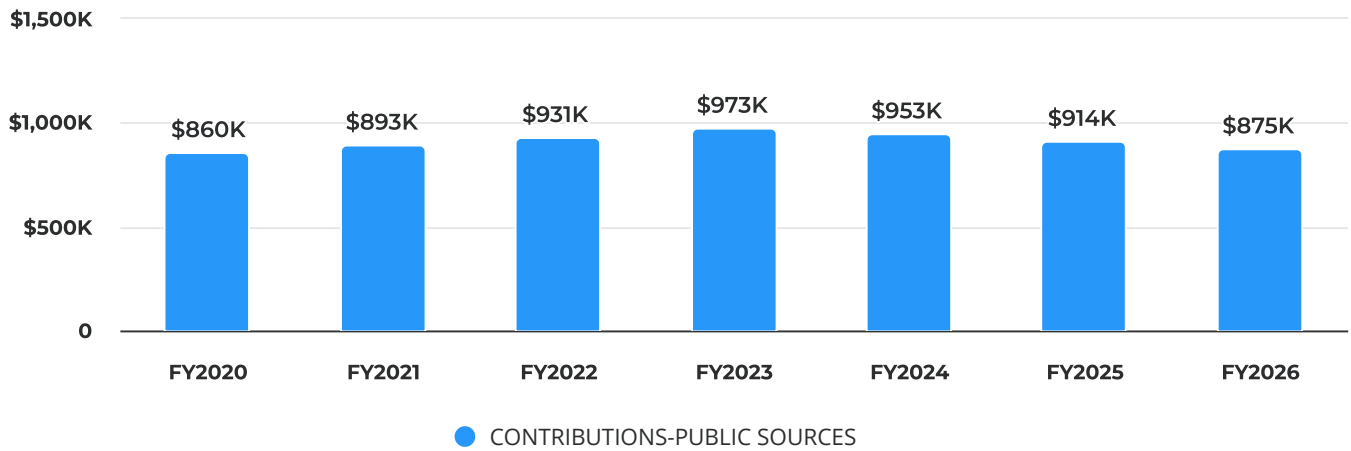
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$3,676	\$3,676	\$3,676	\$3,676
<b>Revenues</b>				
OTHER REVENUE	\$953,111	\$913,800	\$913,720	\$874,500
<b>Total Revenues</b>	\$953,111	\$913,800	\$913,720	\$874,500
<b>Expenditures</b>				
PRINCIPAL	\$860,000	\$840,000	\$840,000	\$820,000
INTEREST EXPENSE & FEES	\$93,111	\$73,800	\$73,720	\$54,500
<b>Total Expenditures</b>	\$953,111	\$913,800	\$913,720	\$874,500
<b>Total Revenues Less Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	\$3,676	\$3,676	\$3,676	\$3,676

### Historical Revenues by Object

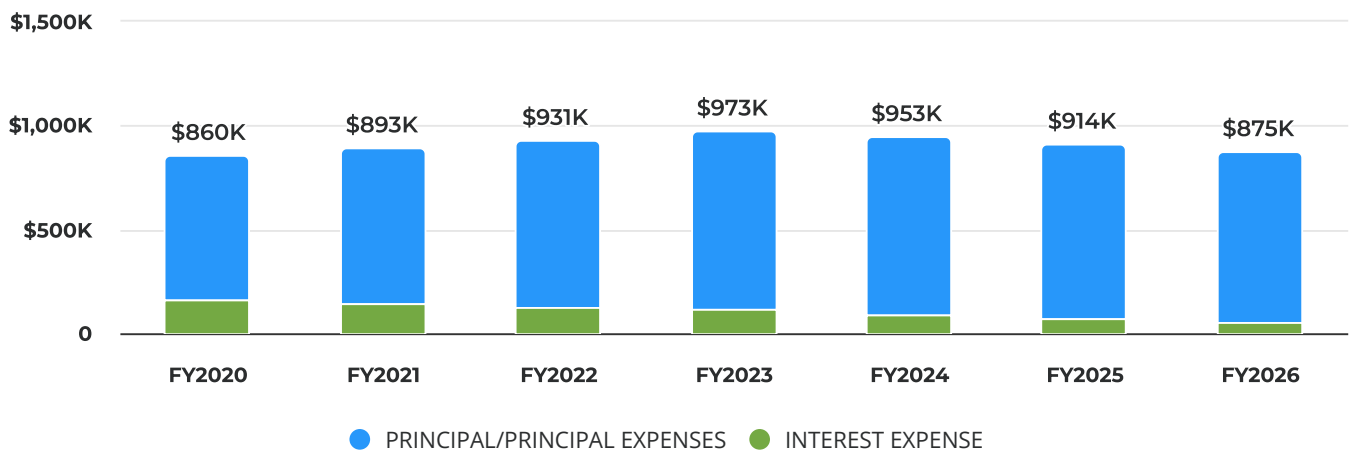


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CONTRIBUTIONS-PUBLIC SOURCES	\$953,111.09	\$913,800.00	\$913,720.00	\$874,500.00	-4.30%
<b>Total Revenues</b>	<b>\$953,111.09</b>	<b>\$913,800.00</b>	<b>\$913,720.00</b>	<b>\$874,500.00</b>	<b>-4.30%</b>

Revenue is reimbursement from DDA for Hardy Parking Deck bond payment

### Historical Expenditures by Object

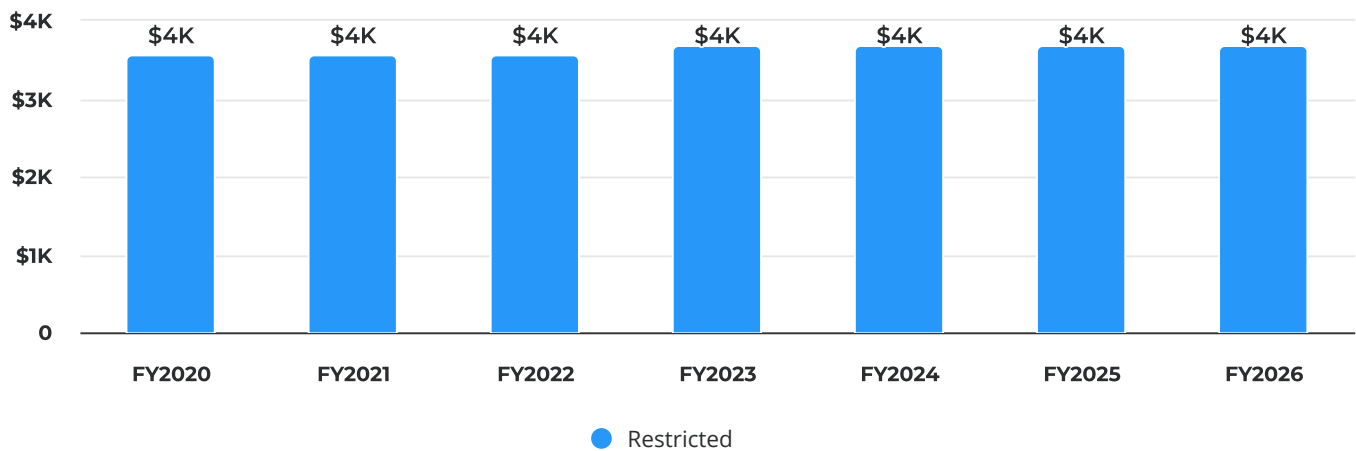


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PRINCIPAL/PRINCIPAL EXPENSES	\$860,000.00	\$840,000.00	\$840,000.00	\$820,000.00	-2.38%
INTEREST EXPENSE	\$93,111.09	\$73,800.00	\$73,720.00	\$54,500.00	-26.15%
<b>Total Expenditures</b>	<b>\$953,111.09</b>	<b>\$913,800.00</b>	<b>\$913,720.00</b>	<b>\$874,500.00</b>	<b>-4.30%</b>

Principal & interest payment due on Hardy Parking Deck bond payment

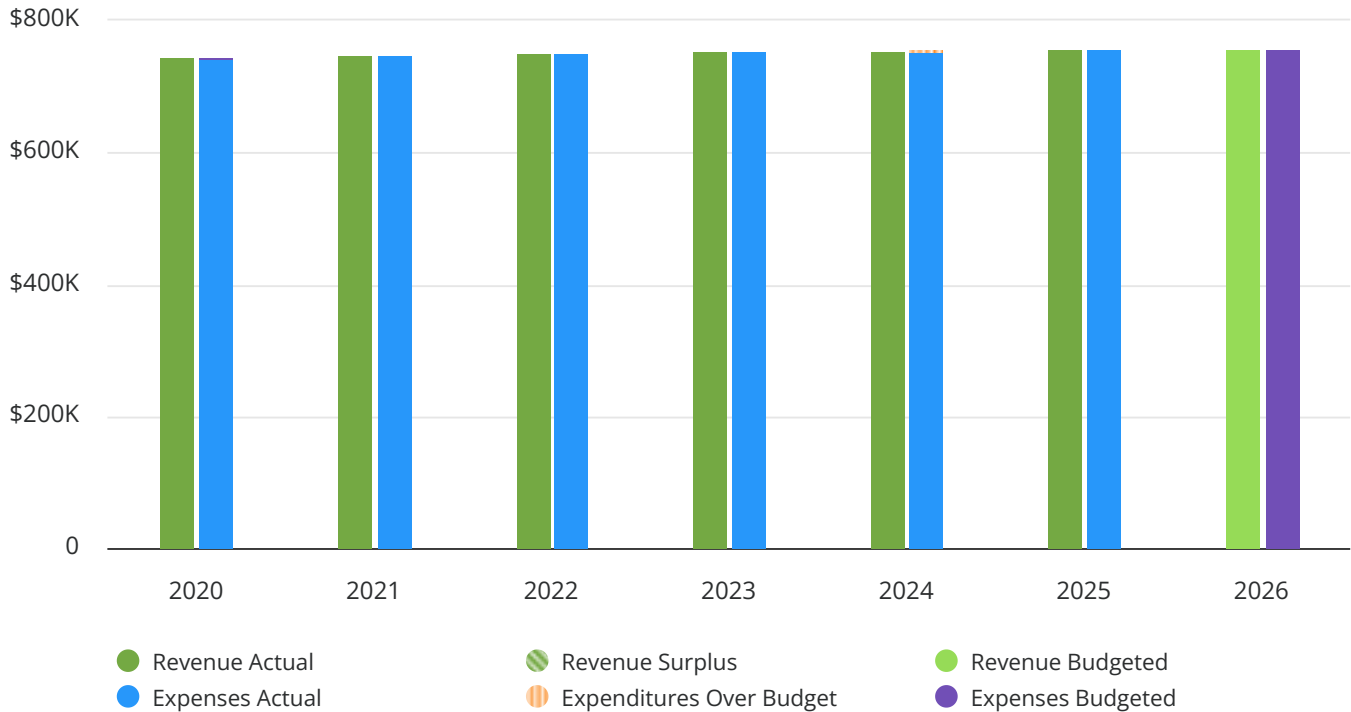
### Fund Balance Projections



# Sidewalk & Trail Debt Retirement Fund (309)

This fund was established to account for the payment of the debt service of the limited tax general obligation bonds for Sidewalk improvements and West Boardman Lake Trail expansion. Final payment is scheduled on 10/1/2033

## Revenues vs Expenditures Summary

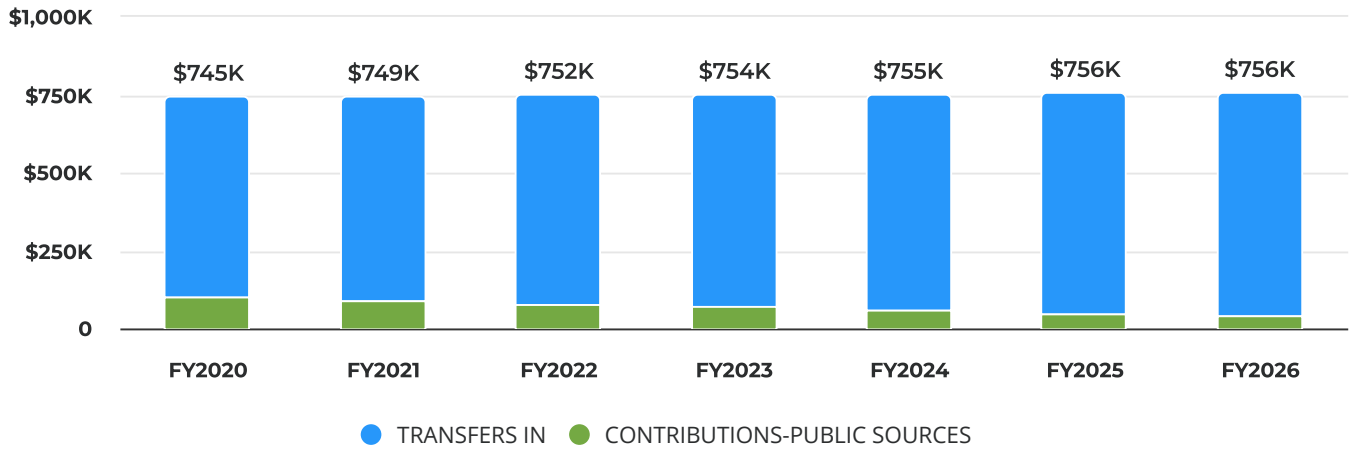


## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$1,639	\$50	\$50	\$50
<b>Revenues</b>				
OTHER REVENUE	\$61,552	\$51,200	\$51,200	\$40,400
TRANSFER IN	\$693,659	\$705,000	\$705,000	\$716,000
<b>Total Revenues</b>	<b>\$755,210</b>	<b>\$756,200</b>	<b>\$756,200</b>	<b>\$756,400</b>
<b>Expenditures</b>				
PRINCIPAL	\$585,000	\$605,000	\$605,000	\$625,000
INTEREST EXPENSE & FEES	\$171,800	\$151,200	\$151,200	\$131,400
<b>Total Expenditures</b>	<b>\$756,800</b>	<b>\$756,200</b>	<b>\$756,200</b>	<b>\$756,400</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$1,590</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$50</b>	<b>\$50</b>	<b>\$50</b>	<b>\$50</b>



### Historical Revenues by Object

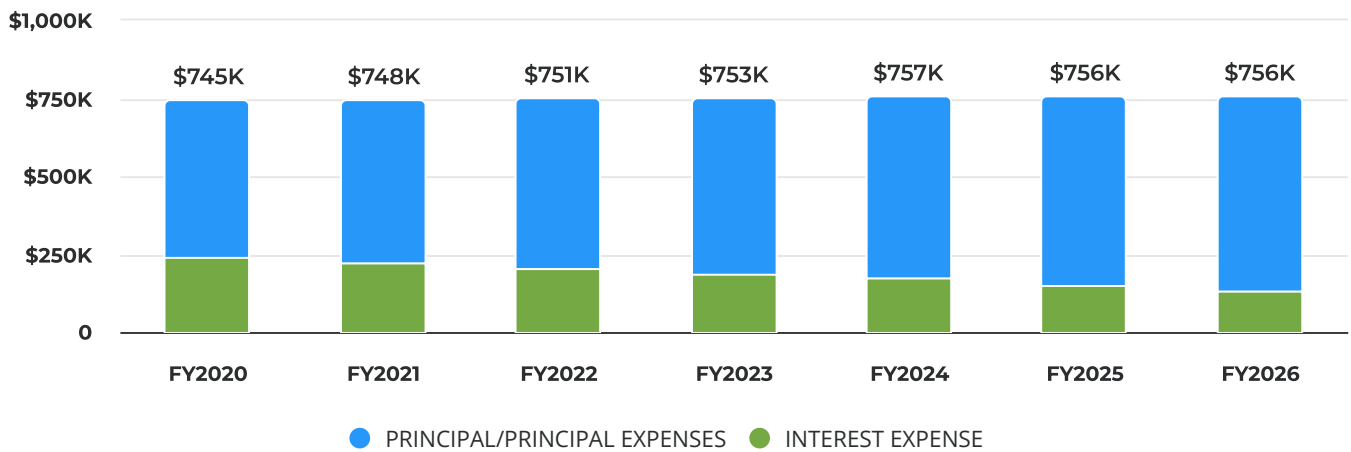


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CONTRIBUTIONS-PUBLIC SOURCES	\$61,551.75	\$51,200.00	\$51,200.00	\$40,400.00	-21.09%
TRANSFERS IN	\$693,658.50	\$705,000.00	\$705,000.00	\$716,000.00	1.56%
<b>Total Revenues</b>	<b>\$755,210.25</b>	<b>\$756,200.00</b>	<b>\$756,200.00</b>	<b>\$756,400.00</b>	<b>0.03%</b>

Public contribution is reimbursement from Boardman Lake Brownfield for interest expense on Boardman Lake trail portion or bond. A portion of the transfer in is from fund 488 Boardman Lake Trail Const Fund, the balance is from the general fund to cover the sidewalk portion of the bond.

### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PRINCIPAL/PRINCIPAL EXPENSES	\$585,000.00	\$605,000.00	\$605,000.00	\$625,000.00	3.31%
INTEREST EXPENSE	\$171,800.09	\$151,200.00	\$151,200.00	\$131,400.00	-13.10%
<b>Total Expenditures</b>	<b>\$756,800.09</b>	<b>\$756,200.00</b>	<b>\$756,200.00</b>	<b>\$756,400.00</b>	<b>0.03%</b>

Principal & interest bond payment

### Fund Balance Projections



# Capital Projects Funds

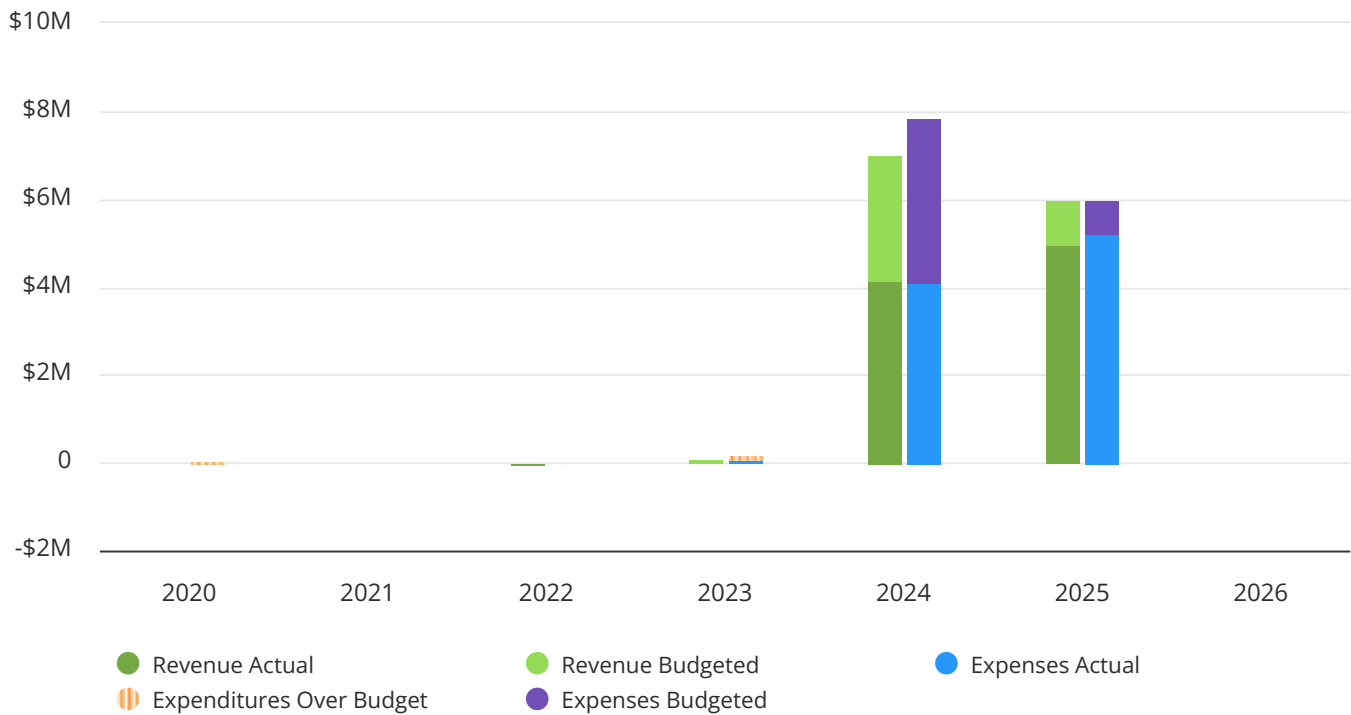


The Capital Projects Funds accounts for transfers from the General Fund and various grants for miscellaneous equipment transactions, property development and construction projects. The capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

# Senior Center Building Fund (277)

This fund was used to account for funding sources and construction costs related to the construction of the new Senior Center Services Building. Construction will be completed during the fiscal year ending 6/30/2025. Therefore, there will not be a fiscal year-end 2026 budget.

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$182,667	\$236,917	\$236,917	-
<b>Revenues</b>				
INTERGOVERNMENTAL	\$3,500,000	\$3,500,000	\$3,500,000	-
OTHER REVENUE	\$77,456	\$1,130,000	\$215,900	-
TRANSFER IN	\$573,800	\$2,018,000	\$1,246,400	-
<b>Total Revenues</b>	<b>\$4,151,256</b>	<b>\$6,648,000</b>	<b>\$4,962,300</b>	-
<b>Expenditures</b>				
CAPITAL OUTLAY	\$4,097,005	\$6,648,000	\$5,199,200	-
<b>Total Expenditures</b>	<b>\$4,097,005</b>	<b>\$6,648,000</b>	<b>\$5,199,200</b>	-
<b>Total Revenues Less Expenditures</b>	<b>\$54,250</b>	<b>-</b>	<b>-\$236,900</b>	-
<b>Ending Fund Balance</b>	<b>\$236,917</b>	<b>\$236,917</b>	<b>\$17</b>	-

**Revenues by Object**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
STATE GRANTS - OTHER	\$3,500,000.00	\$3,500,000.00	\$3,500,000.00	-	-100.00%
INTEREST & DIVIDEND EARNINGS	\$31,895.51	\$2,000.00	\$2,000.00	-	-100.00%
CONTRIBUTIONS-PRIVATE SOURCES	\$3,060.00	\$250,000.00	\$213,900.00	-	-100.00%
CONTRIBUTIONS-PUBLIC SOURCES	\$42,500.00	-	-	-	-
PRIOR YEARS' SURPLUS	-	\$878,000.00	-	-	-100.00%
TRANSFERS IN	\$573,800.00	\$2,018,000.00	\$1,246,400.00	-	-100.00%
<b>Total Revenues</b>	<b>\$4,151,255.51</b>	<b>\$6,648,000.00</b>	<b>\$4,962,300.00</b>	<b>-</b>	<b>-100.00%</b>

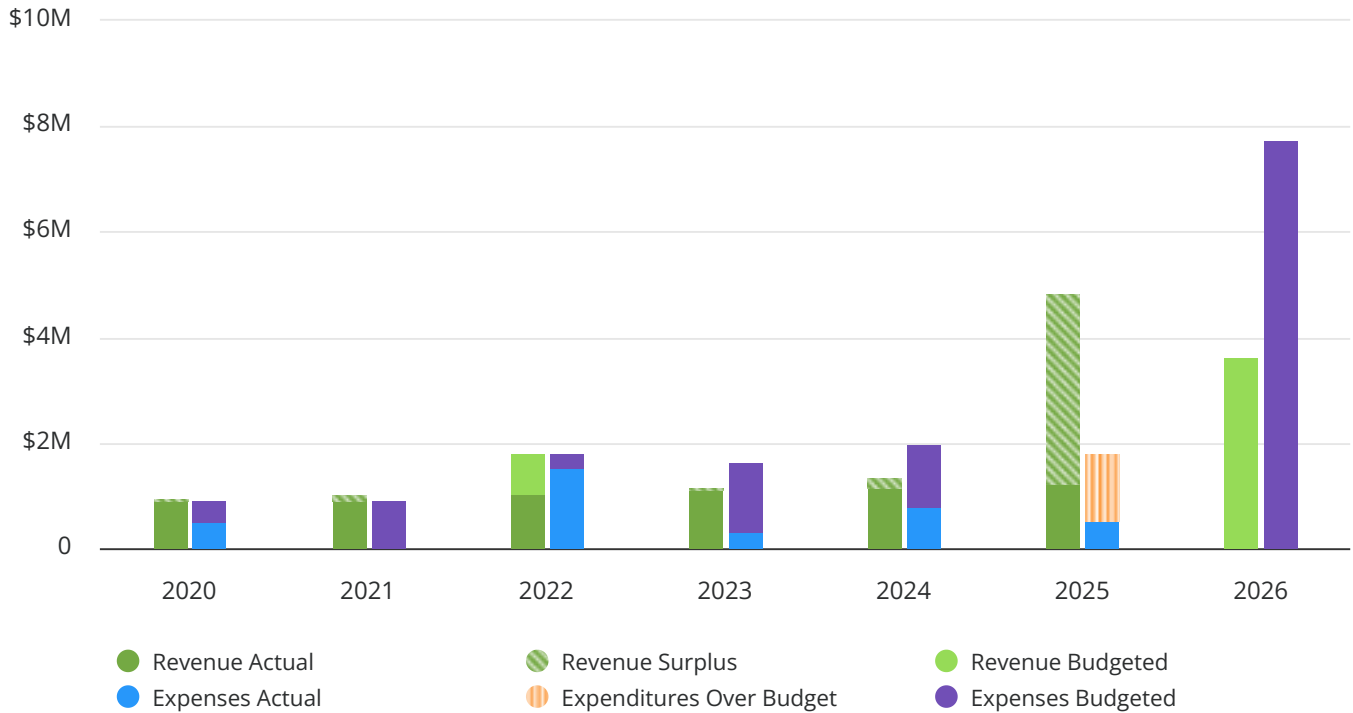
**Expenditures by Object**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	\$4,097,005.24	\$6,648,000.00	\$5,199,200.00	-	-100.00%
<b>Total Expenditures</b>	<b>\$4,097,005.24</b>	<b>\$6,648,000.00</b>	<b>\$5,199,200.00</b>	<b>-</b>	<b>-100.00%</b>

# Street Improvement Fund (447)

This fund was initially established to track proceeds from the Grand Traverse County Road Commission for the City's share of a voter-approved Street Improvement Millage. With the Chart of Accounts conversion, we moved the 1.000 mill of the City General Operating millage dedicated for City Street projects to this fund. This allows for all road construction funding to all be accounted for in one fund. We have separated the activity by department for appropriate tracking capabilities.

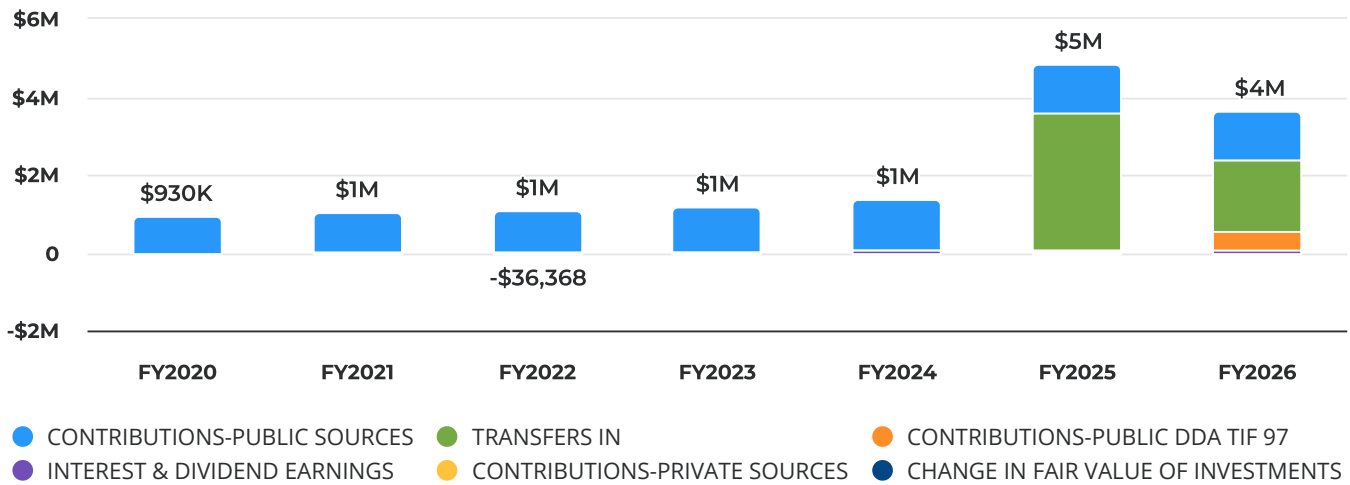
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$2,510,640	\$3,107,375	\$3,107,375	\$6,103,670
<b>Revenues</b>				
OTHER REVENUE	\$1,364,158	\$1,257,700	\$1,313,800	\$1,800,800
TRANSFER IN	-	\$3,509,100	\$3,509,000	\$1,821,800
<b>Total Revenues</b>	<b>\$1,364,158</b>	<b>\$4,766,800</b>	<b>\$4,822,800</b>	<b>\$3,622,600</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	\$564,647	\$4,040,400	\$1,751,500	\$7,771,500
TRANSFER OUT	\$202,777	-	\$75,000	-
<b>Total Expenditures</b>	<b>\$767,423</b>	<b>\$4,040,400</b>	<b>\$1,826,500</b>	<b>\$7,771,500</b>
<b>Total Revenues Less Expenditures</b>	<b>\$596,735</b>	<b>\$726,400</b>	<b>\$2,996,300</b>	<b>-\$4,148,900</b>
<b>Ending Fund Balance</b>	<b>\$3,107,375</b>	<b>\$3,833,775</b>	<b>\$6,103,675</b>	<b>\$1,954,770</b>

### Historical Revenues by Object



### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$62,269.50	\$22,000.00	\$62,300.00	\$50,000.00	127.27%
CONTRIBUTIONS-PRIVATE SOURCES	-	-	\$25,300.00	-	-
CONTRIBUTIONS-PUBLIC SOURCES	\$1,301,888.71	\$1,235,700.00	\$1,226,200.00	\$1,250,800.00	1.22%
TRANSFERS IN	-	\$3,509,100.00	\$3,509,000.00	\$1,821,800.00	-48.08%
CONTRIBUTIONS-PUBLIC DDA TIF 97	-	-	-	\$500,000.00	-
<b>Total Revenues</b>	<b>\$1,364,158.21</b>	<b>\$4,766,800.00</b>	<b>\$4,822,800.00</b>	<b>\$3,622,600.00</b>	<b>-24.00%</b>

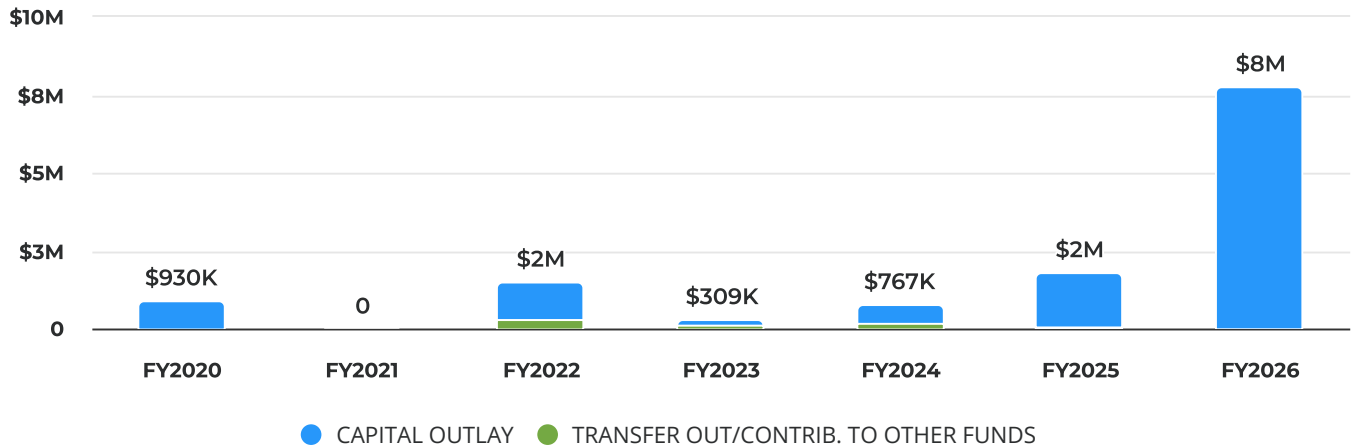
- Public Contribution is estimated County road millage revenue
- Transfers In is 1.000 mil dedicated for street improvements, 2024/2025 also includes balance of street projects that had been budgeted in Capital Projects fund
- Contribution from DDA for State St 2-way project

2025/2026 General Fund Transfer proposed projects

#### Transfers to Street Capital Projects Fund #447

Annual Street Reconstruction	\$	901,100
Traffic Signals		483,500
Complete Streets		253,400
Street Improvement Plan		25,000
Eastern Avenue Sidewalk		158,800
<b>Total</b>	<b>\$</b>	<b>1,821,800</b>

### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	\$564,646.65	\$4,040,400.00	\$1,751,500.00	\$7,771,500.00	92.34%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$202,776.56	-	\$75,000.00	-	-
<b>Total Expenditures</b>	<b>\$767,423.21</b>	<b>\$4,040,400.00</b>	<b>\$1,826,500.00</b>	<b>\$7,771,500.00</b>	<b>92.34%</b>

We have moved all street projects from fund 499 to 447 for easier tracking. This accounts for the significant jump over last year.

#### Fund 447 Street Capital Projects Fund:

11th Street Kids Creek Culvert Engineering	\$	20,800
Street Improvement Plan		100,000
Garfield Avenue Sidewalk		215,000
State Street Two Way Project		500,000
Eastern Avenue Sidewalk		158,800
Traffic Signal Purchase (s)		500,000
2025/26 Pavement Preservation Program		800,000
2025/26 Street Reconstruction Program		5,476,900
	<b>\$</b>	<b>7,771,500</b>



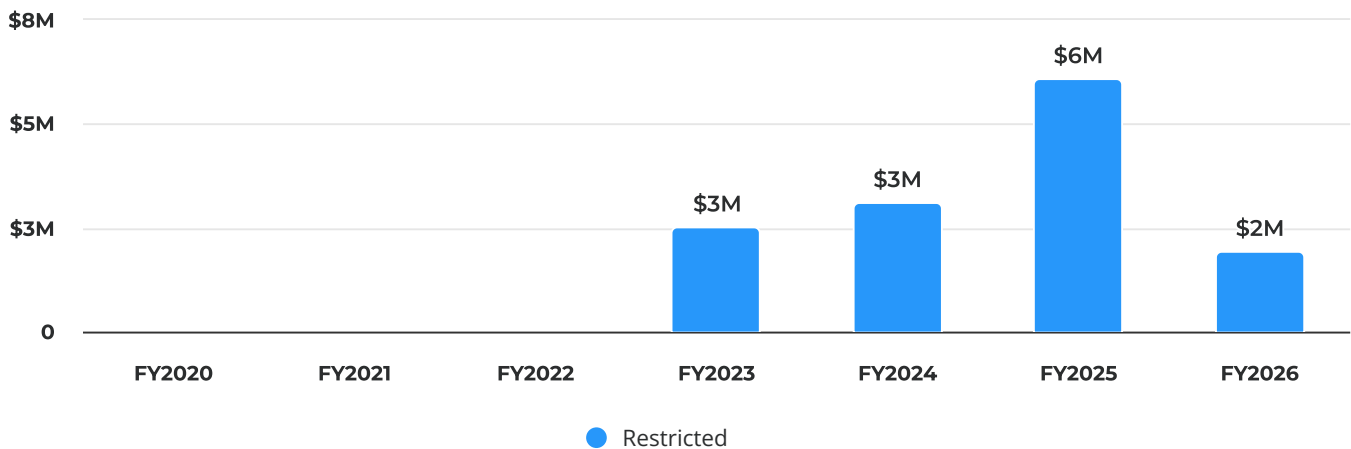
## Capital Projects Funds Summary

The additional budget amount reflects the expectation of getting County millage funds not received yet, to be used for eligible street construction.

Project Name	447 fund Actual cash Available at 4/10/25
11th st kids creek culvert	4,414.50
14th Street Reconstruction	-
2025 pavement preservation project	-
8th St Lake Ave to Woodmere	272,414.88
Annual Road Millage	1,238,577.92
annual sidewalks	289,363.96
annual street reconstruction	2,248,801.95
barlow st redesign	16,147.10
East Front Street scape boadman to grndview	-
Madison Jefferson Reconstruction	92,123.02
Stormwater Issues	12,742.59
Street Improvement Plan	75,000.00
traffic calming	119,076.04
Traffic Signals	166,656.11
veterans drive	(26,652.70)
<b>Total balance in 447 Fund as of 4/10/25</b>	<b>4,508,665.37</b>
<b>Pending FYE 25 County Millage Contribution</b>	<b>1,226,200.00</b>
<b>Maximum available at 6/30/2025</b>	<b>5,734,865.37</b>
<b>Estimated FYE 2026 County Millage</b>	<b>1,250,800.00</b>
<b>Estimated FYE 2026 City General Operating Share</b>	<b>1,821,800.00</b>
<b>Maximum available for FYE 2026 projects</b>	<b>8,807,465.37</b>
<b>2025/2026 Additional funds</b>	<b>1,821,800.00</b>
<b>2025/2026 TOTAL 447 Fund Expenditures</b>	<b>6,330,465.37</b>
<b>Additional budget for County millage</b>	<b>7,771,500.00</b> <b>1,441,034.63</b>

Additional budget amount reflects expectation to get County millage funds not received yet to be used for eligible street construction

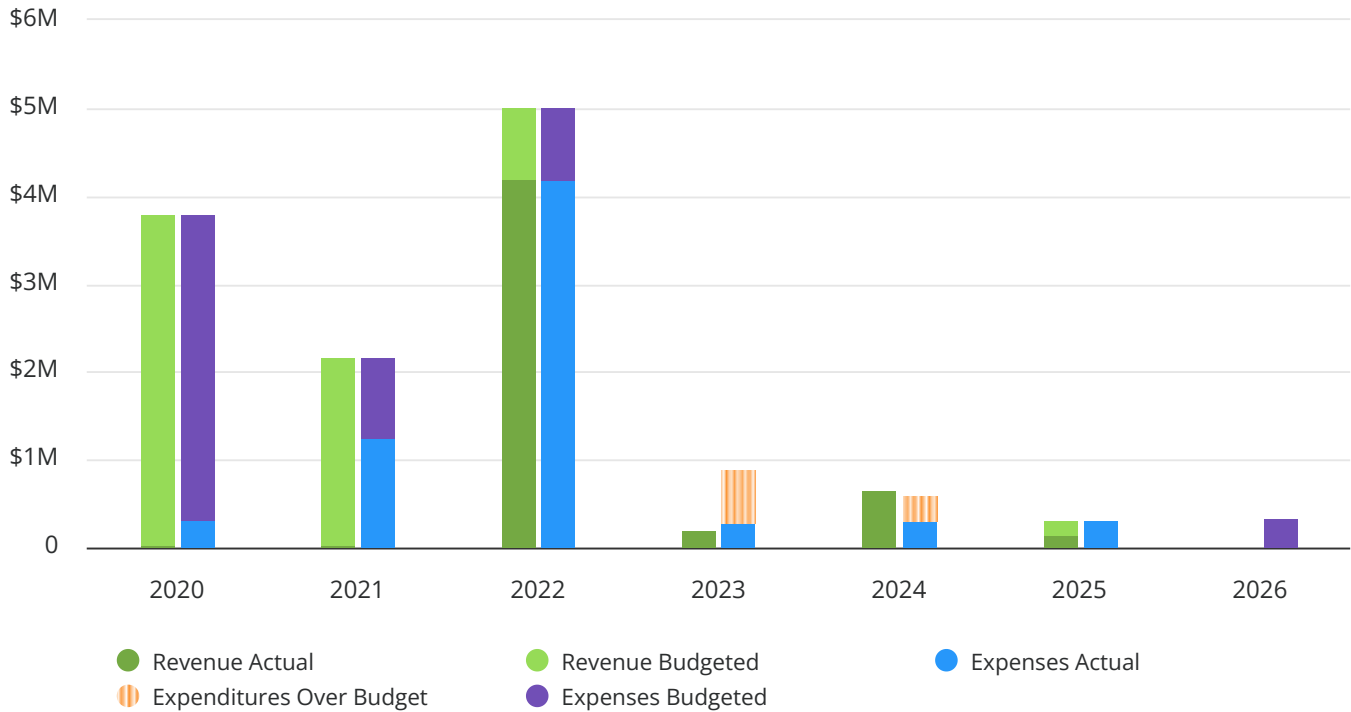
### Fund Balance Projections



# Boardman Lake Trail Construction Fund (488)

This fund was 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 the available fund balance.

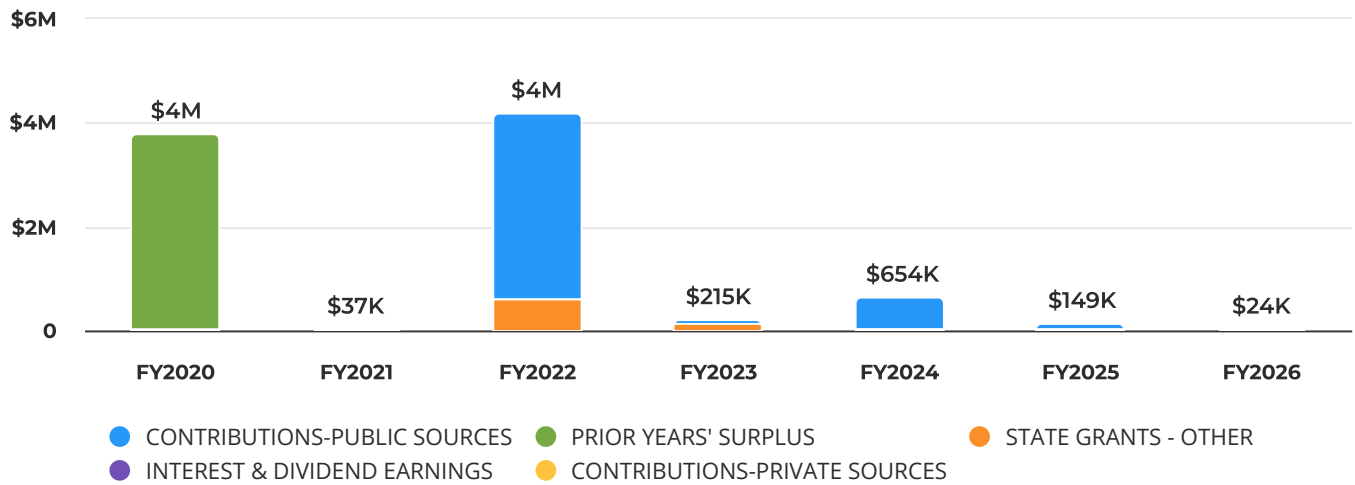
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$1,671,688	\$1,730,774	\$1,730,774	\$1,549,874
<b>Revenues</b>				
OTHER REVENUE	\$654,441	\$330,000	\$149,100	\$24,000
<b>Total Revenues</b>	<b>\$654,441</b>	<b>\$330,000</b>	<b>\$149,100</b>	<b>\$24,000</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	\$280,355	-	-	-
TRANSFER OUT	\$315,000	\$330,000	\$330,000	\$340,000
<b>Total Expenditures</b>	<b>\$595,355</b>	<b>\$330,000</b>	<b>\$330,000</b>	<b>\$340,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$59,086</b>	<b>-</b>	<b>-\$180,900</b>	<b>-\$316,000</b>
<b>Ending Fund Balance</b>	<b>\$1,730,774</b>	<b>\$1,730,774</b>	<b>\$1,549,874</b>	<b>\$1,233,874</b>

### Historical Revenues by Object

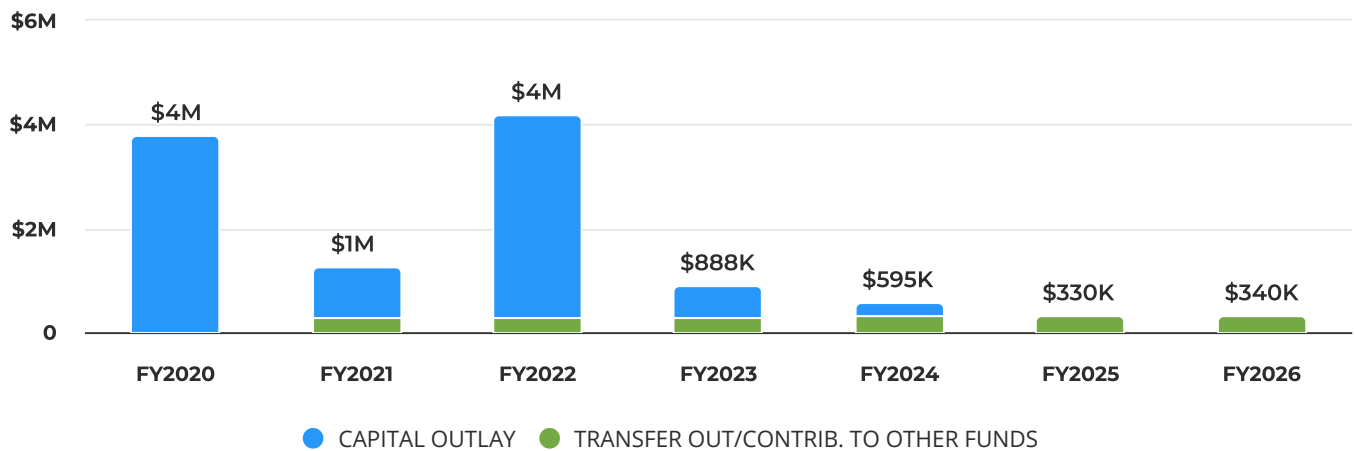


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$28,085.45	-	\$25,000.00	\$24,000.00	-
CONTRIBUTIONS-PUBLIC SOURCES	\$626,355.72	-	\$124,100.00	-	-
PRIOR YEARS' SURPLUS	-	\$330,000.00	-	-	0.00%
<b>Total Revenues</b>	<b>\$654,441.17</b>	<b>\$330,000.00</b>	<b>\$149,100.00</b>	<b>\$24,000.00</b>	<b>0.00%</b>

Contribution is from Boardman Lake Brownfield tif reimbursement for eligible expenditures.

### Historical Expenditures by Object

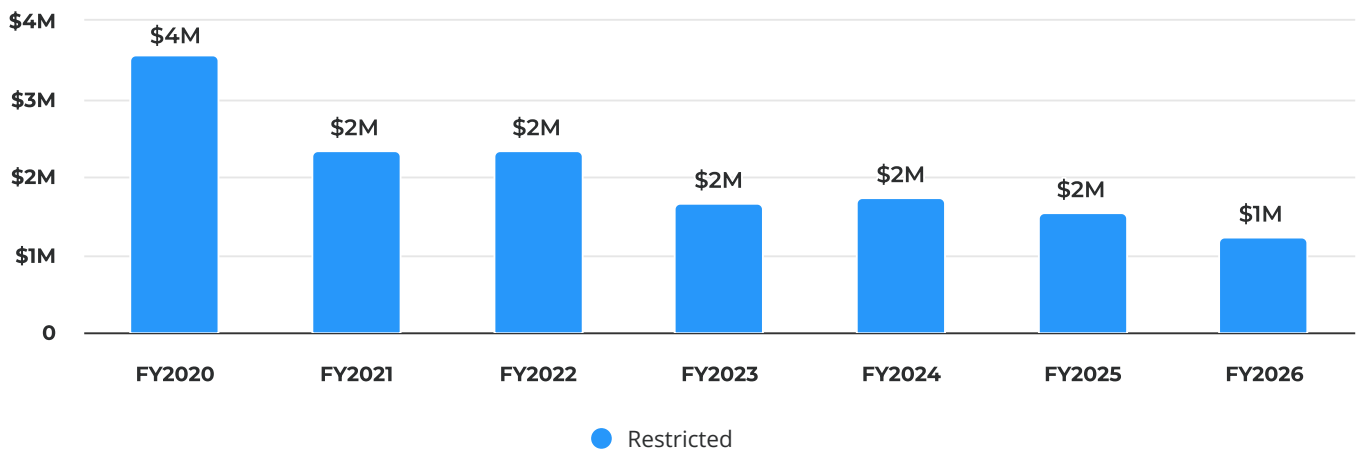


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	\$280,355.23	-	-	-	-
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$315,000.00	\$330,000.00	\$330,000.00	\$340,000.00	3.03%
<b>Total Expenditures</b>	<b>\$595,355.23</b>	<b>\$330,000.00</b>	<b>\$330,000.00</b>	<b>\$340,000.00</b>	<b>3.03%</b>

Transfer out to debt fund to cover bond principal payment for boardman lake trail.

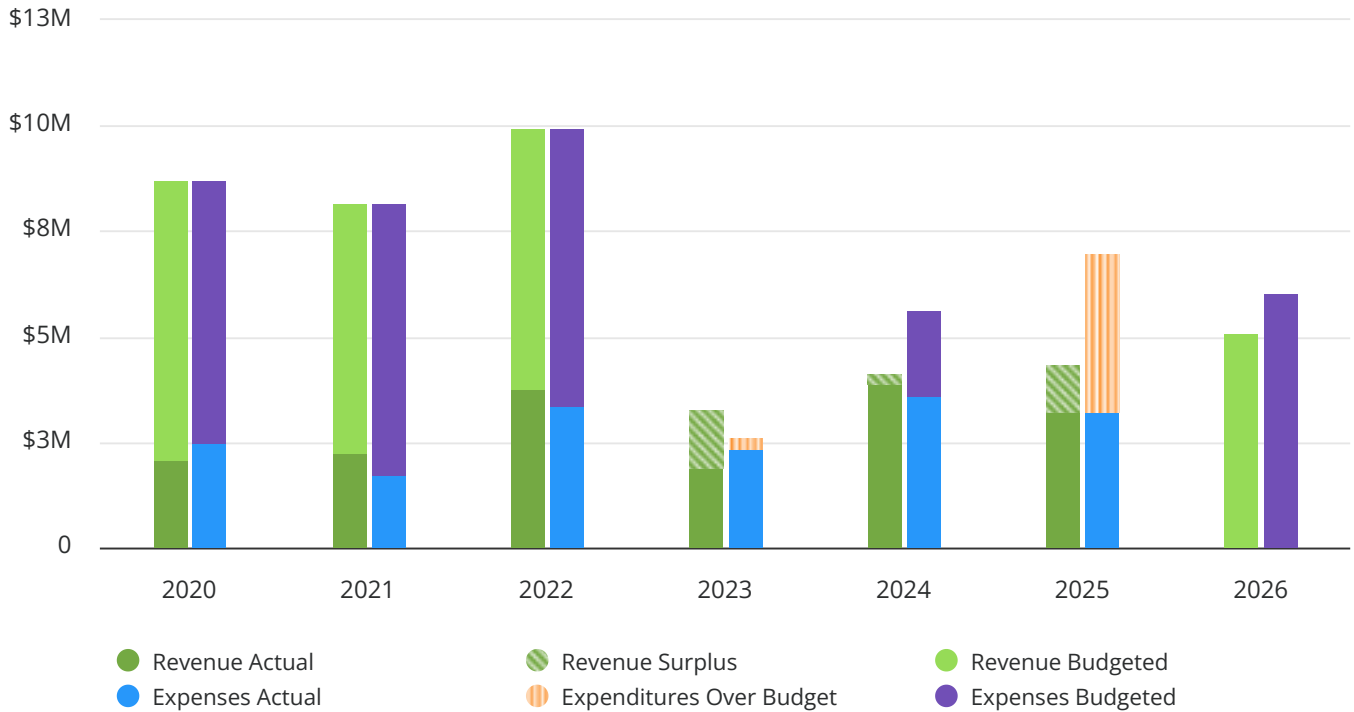
### Fund Balance Projections



# Capital Projects Fund (499)

This fund was created to account for revenues and expenditures associated with property development and public improvement construction projects. This fund holds the funding proceeds for those projects associated with the City's General Fund as well as multi-source funded projects. Street activity was moved to fund 447 for better tracking capability.

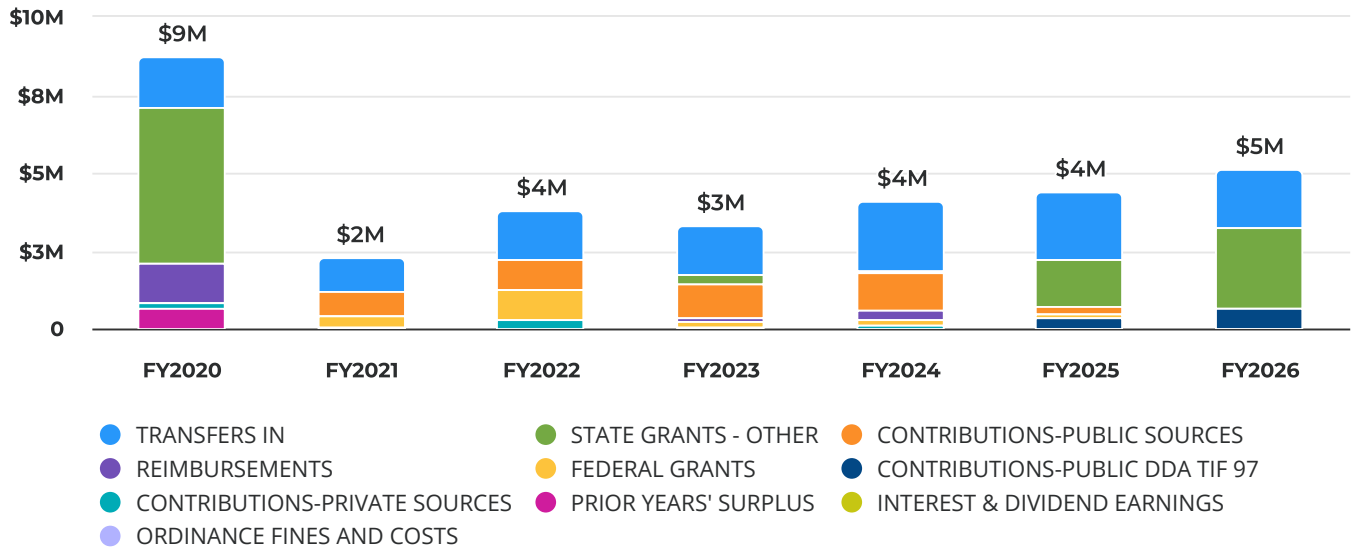
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$3,669,354	\$4,177,567	\$4,177,567	\$1,573,267
<b>Revenues</b>				
INTERGOVERNMENTAL	\$152,525	\$700,500	\$1,630,400	\$2,587,700
OTHER REVENUE	\$1,346,994	\$4,086,200	\$612,600	\$692,000
REIMBURSEMENTS	\$351,142	-	-	-
TRANSFER IN	\$2,266,392	\$2,588,500	\$2,131,000	\$1,836,000
<b>Total Revenues</b>	<b>\$4,117,053</b>	<b>\$7,375,200</b>	<b>\$4,374,000</b>	<b>\$5,115,700</b>
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$359,824	\$2,000	\$2,500	\$2,500
CAPITAL OUTLAY	\$3,242,704	\$4,300,200	\$3,902,900	\$6,051,400
TRANSFER OUT	\$6,312	\$3,073,000	\$3,072,900	-
<b>Total Expenditures</b>	<b>\$3,608,840</b>	<b>\$7,375,200</b>	<b>\$6,978,300</b>	<b>\$6,053,900</b>
<b>Total Revenues Less Expenditures</b>	<b>\$508,213</b>	<b>-</b>	<b>-\$2,604,300</b>	<b>-\$938,200</b>
<b>Ending Fund Balance</b>	<b>\$4,177,567</b>	<b>\$4,177,567</b>	<b>\$1,573,267</b>	<b>\$635,067</b>

### Historical Revenues by Object



### FY26 Revenues by Object



STATE GRANTS - OTHER	\$2,587,700	50.58%
TRANSFERS IN	\$1,836,000	35.89%
CONTRIBUTIONS-PUBLIC DDA TIF 97	\$662,000	12.94%
CONTRIBUTIONS-PUBLIC SOURCES	\$25,000	0.49%
INTEREST & DIVIDEND EARNINGS	\$5,000	0.10%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FEDERAL GRANTS	\$132,525.00	-	\$122,900.00	-	-
STATE GRANTS - OTHER	\$20,000.00	\$700,500.00	\$1,507,500.00	\$2,587,700.00	269.41%
INTEREST & DIVIDEND EARNINGS	\$4,972.95	\$5,000.00	\$5,000.00	\$5,000.00	0.00%
CONTRIBUTIONS-PRIVATE SOURCES	\$136,572.72	\$121,500.00	\$1,800.00	-	-100.00%
CONTRIBUTIONS-PUBLIC SOURCES	\$1,205,448.64	\$290,000.00	\$251,500.00	\$25,000.00	-91.38%
REIMBURSEMENTS	\$351,142.06	-	-	-	-
PRIOR YEARS' SURPLUS	-	\$3,669,700.00	-	-	-100.00%
TRANSFERS IN	\$2,266,391.56	\$2,588,500.00	\$2,131,000.00	\$1,836,000.00	-29.07%
CONTRIBUTIONS-PUBLIC DDA TIF 97	-	-	\$354,300.00	\$662,000.00	-
<b>Total Revenues</b>	<b>\$4,117,052.93</b>	<b>\$7,375,200.00</b>	<b>\$4,374,000.00</b>	<b>\$5,115,700.00</b>	<b>-30.64%</b>

State Grants include an EGLE Dam risk reduction grant for the fish pass project in 2024/25 and MNRTF grant for the Brown Bridge property purchase and the MDNR grant for West-End Bathhouse project in 2025/26.

Transfer In detail

**Transfers to Capital Projects Fund # 499**

Annual Bridge Maintenance	\$	78,000
Grandview Irrigation Division to M-72		266,400
North Union St Bridge Repair		375,000
Stormwater Management Plan		25,000
West Front Street Safety Improvements		150,000
<b>Total</b>	<b>\$</b>	<b>894,400</b>

**Transfers to Capital Projects Fund # 499 from BBT Fund 153**

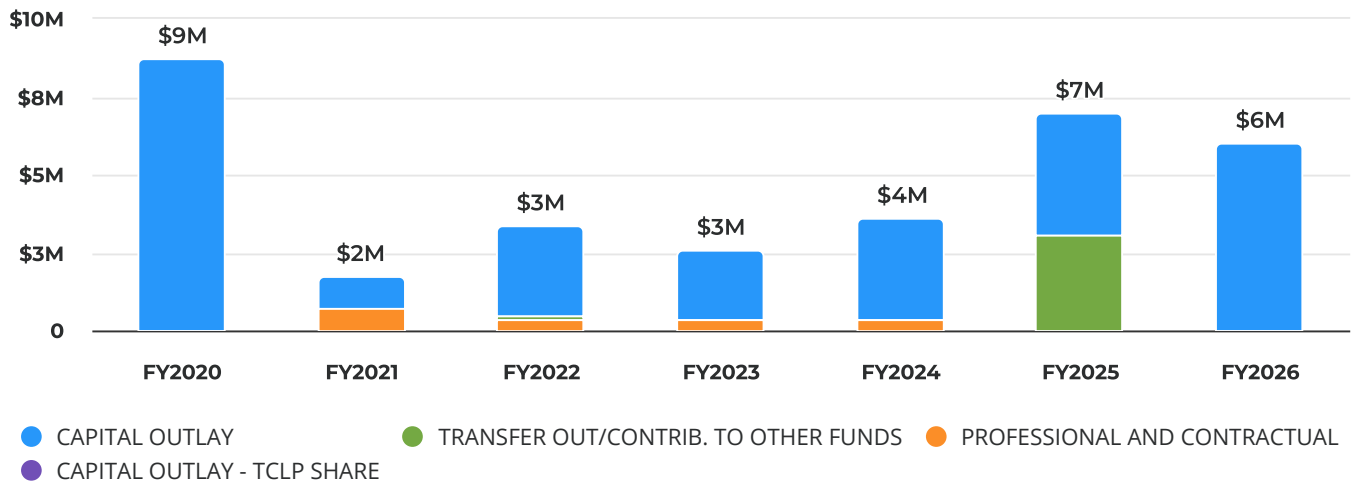
Brown Bridge Property purchase	\$	826,600
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**Transfers to Capital Projects Fund # 499 from BBT Parks Fund 239**

Highland Park		30,000
City Wide Restroom upgrades		85,000
<b>Total</b>	<b>\$</b>	<b>115,000</b>

<b>Total</b>		<b>1,836,000</b>
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### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$359,823.59	\$2,000.00	\$2,500.00	\$2,500.00	25.00%
CAPITAL OUTLAY	\$3,242,703.90	\$4,300,200.00	\$3,902,900.00	\$6,051,400.00	40.72%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$6,312.47	\$3,073,000.00	\$3,072,900.00	-	-100.00%
<b>Total Expenditures</b>	<b>\$3,608,839.96</b>	<b>\$7,375,200.00</b>	<b>\$6,978,300.00</b>	<b>\$6,053,900.00</b>	<b>-17.92%</b>

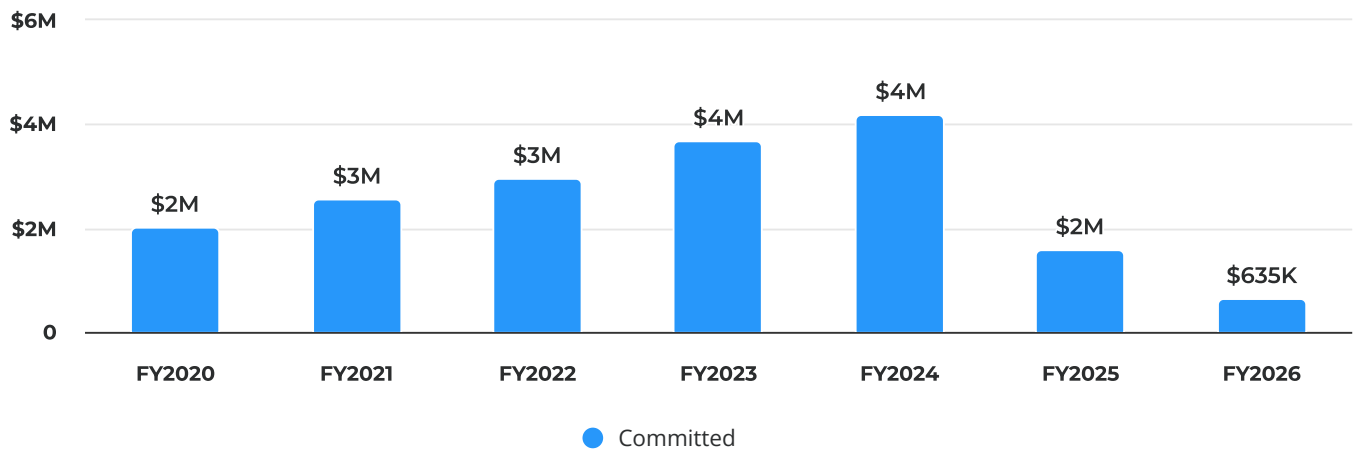
2024/2025 Transfer out to move previously funded road projects to fund 447 for better tracking.

2025/2026 budgeted Capital Expenditures



Project	Amount
Ashton Park	\$ 27,000
Brown Bridge Property Purchase	\$ 3,178,800
E Bay Park Storm Sewer Outlet	\$ 60,000
Grandview Pkwy Irrigation Division to 72	\$ 266,400
Highland Park Upgrade	\$ 30,000
North Union Bridge Repair	\$ 750,000
Park Master Plan	\$ 100,000
Public Safety Video Sytem	\$ 40,000
City Wide Park Bathroom Upgrades	\$ 85,000
Ramsdell Storm Sewer Upgrade	\$ 60,000
Riverwalk Staircase project	\$ 247,000
Rose & Boyd/Jupiter Gardens Park	\$ 21,500
Stromwater mgmt Plan	\$ 100,000
TART Connect Parsons & Oakwood Cemetery	\$ 35,000
W Front St Safety Improvmeents	\$ 150,000
W End beach bathhouse/parking lot	\$ 672,700
City wide bridge maintenence	\$ 200,000
West boardman Lake trail maintenance	\$ 25,000
Green community challenge projects	\$ 3,000
<b>Total</b>	<b><u>\$ 6,051,400</u></b>

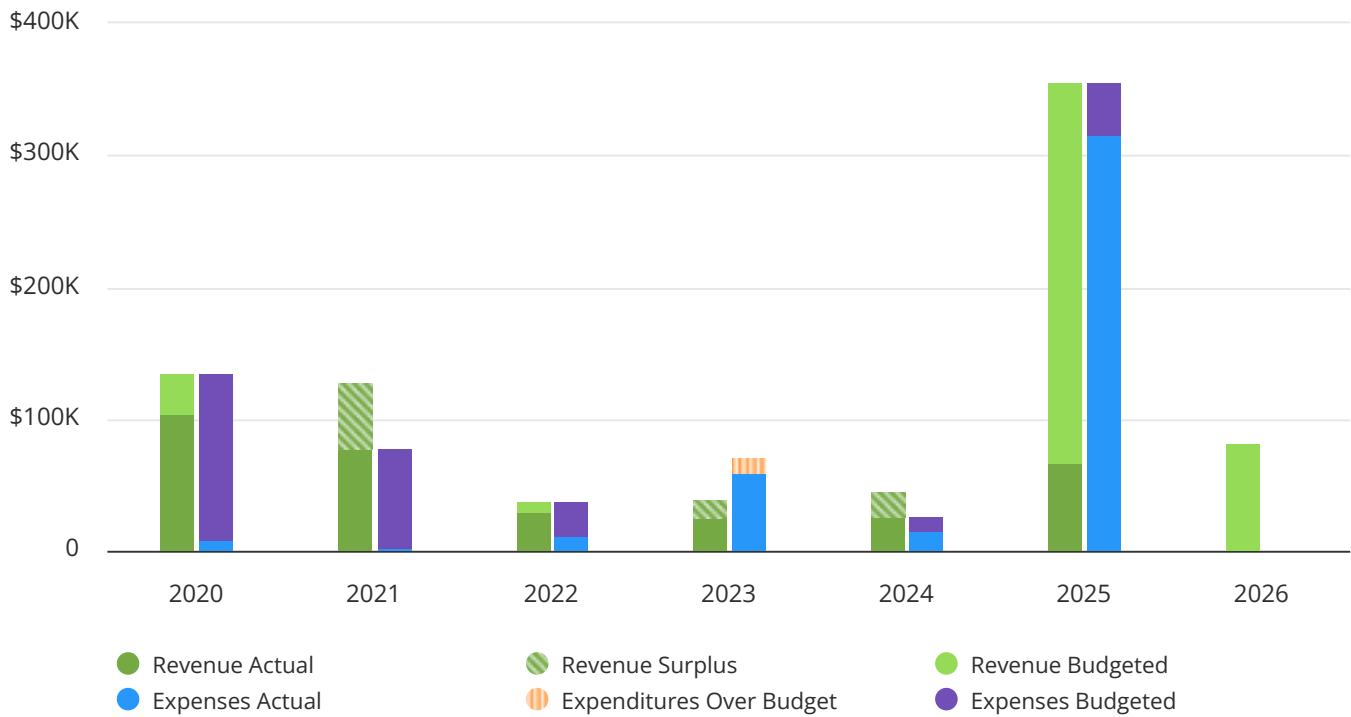
Fund Balance Projections



# Special Assessment Fund (812)

This fund was created to account for the 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.

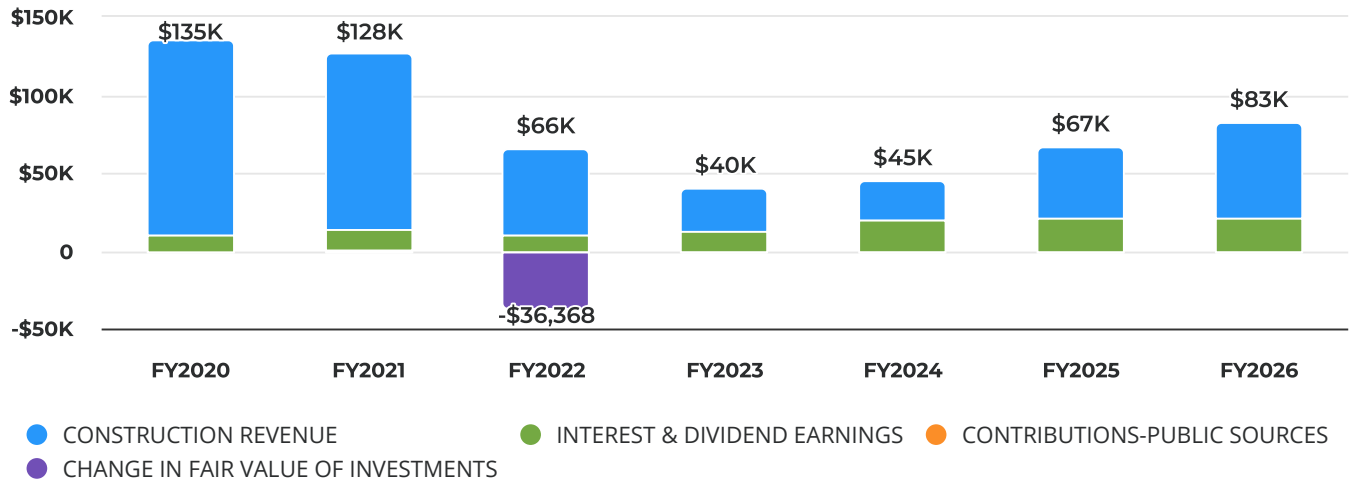
## Revenues vs Expenditures Summary



## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$716,154	\$745,961	\$745,961	\$496,861
<b>Revenues</b>				
OTHER REVENUE	\$20,461	\$311,800	\$21,000	\$21,000
REVENUES	\$24,518	\$44,600	\$46,000	\$61,500
<b>Total Revenues</b>	<b>\$44,979</b>	<b>\$356,400</b>	<b>\$67,000</b>	<b>\$82,500</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	\$15,172	\$356,400	\$316,100	-
<b>Total Expenditures</b>	<b>\$15,172</b>	<b>\$356,400</b>	<b>\$316,100</b>	<b>-</b>
<b>Total Revenues Less Expenditures</b>	<b>\$29,807</b>	<b>-</b>	<b>-\$249,100</b>	<b>\$82,500</b>
<b>Ending Fund Balance</b>	<b>\$745,961</b>	<b>\$745,961</b>	<b>\$496,861</b>	<b>\$579,361</b>

### Historical Revenues by Object

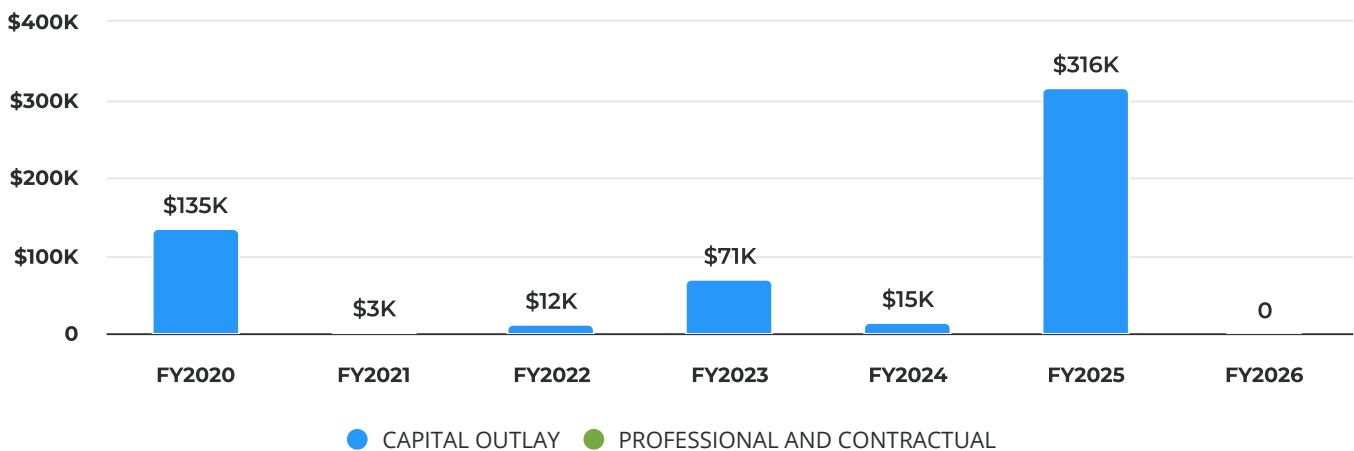


### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$20,460.74	\$16,000.00	\$21,000.00	\$21,000.00	31.25%
CONSTRUCTION REVENUE	\$24,518.29	\$44,600.00	\$46,000.00	\$61,500.00	37.89%
PRIOR YEARS' SURPLUS	-	\$295,800.00	-	-	-100.00%
<b>Total Revenues</b>	<b>\$44,979.03</b>	<b>\$356,400.00</b>	<b>\$67,000.00</b>	<b>\$82,500.00</b>	<b>-76.85%</b>

Construction Revenue is the recognition of annual reimbursement billings to Special Assessment customers.

### Historical Expenditures by Object

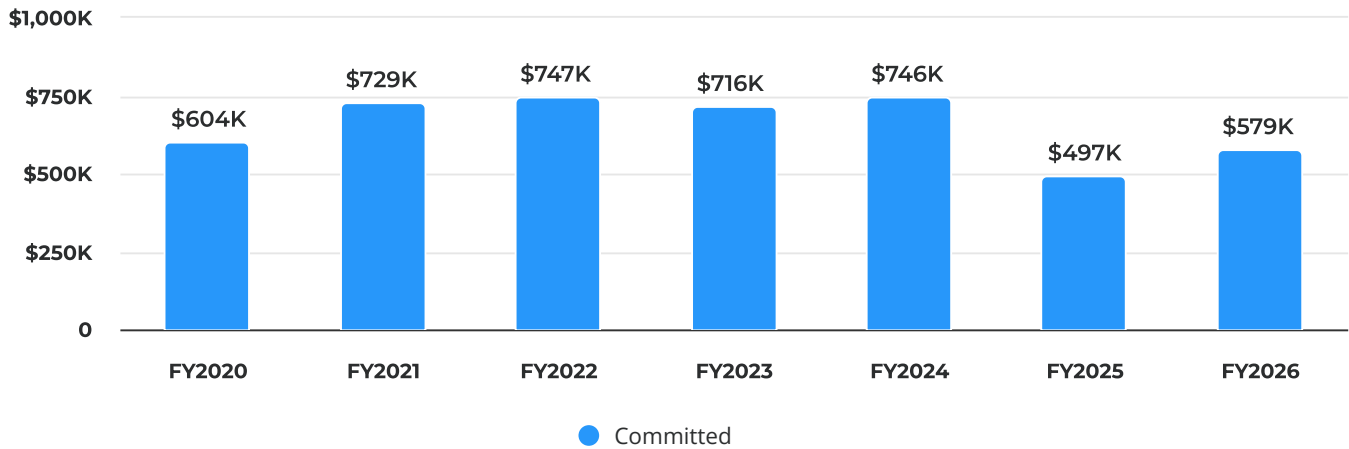


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	\$15,171.69	\$356,400.00	\$316,100.00	-	-100.00%
<b>Total Expenditures</b>	<b>\$15,171.69</b>	<b>\$356,400.00</b>	<b>\$316,100.00</b>	<b>-</b>	<b>-100.00%</b>

2024/25 expenses for Peninsula Dr alley & various locations and East Bay Blvd. No known new districts for 2025/2026 at this time, will do budget adjustment if new project approved.

### Fund Balance Projections



The fund balance in this fund is used to provide the City's share of future special assessment projects. Nearly all special assessment projects include a City share, which is normally 50% of the total project cost.

# Permanent Funds



The permanent fund accounts for and reports resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. Interest income is transferred to the General Fund to subsidize operations.

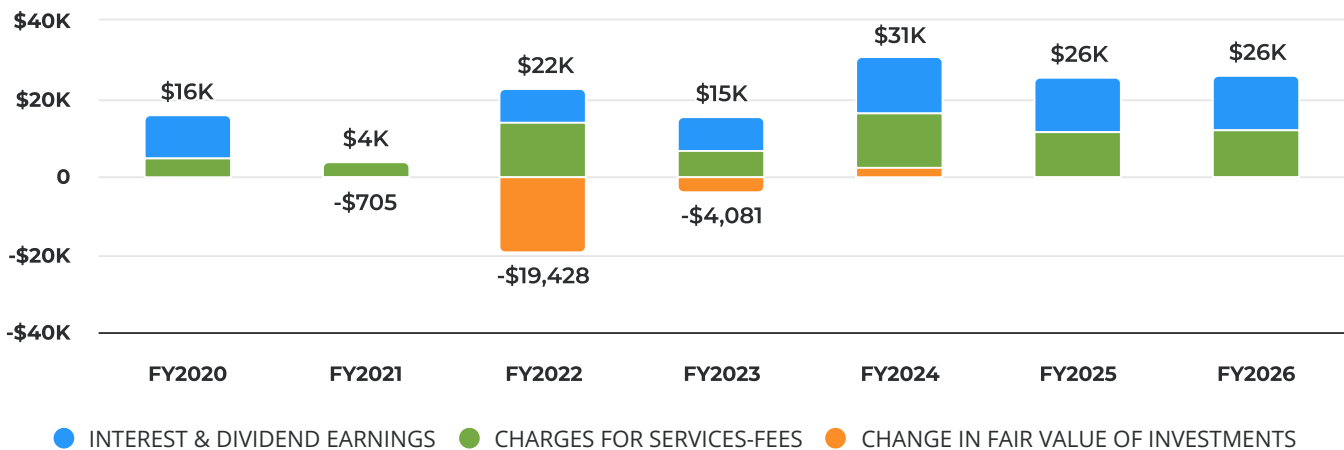
# Cemetery Perpetual Care Trust Fund (151)

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.

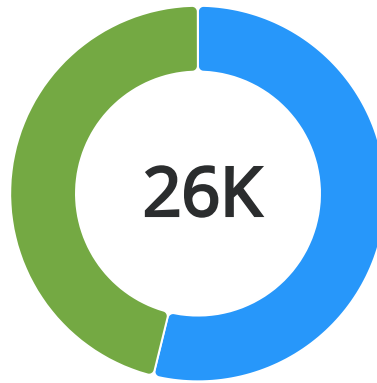
## Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$447,989	\$447,063	\$447,063	\$410,660
<b>Revenues</b>				
CHARGES FOR SERVICES	\$13,957	\$8,700	\$11,600	\$12,000
OTHER REVENUE	\$17,065	\$48,300	\$14,000	\$14,000
<b>Total Revenues</b>	<b>\$31,022</b>	<b>\$57,000</b>	<b>\$25,600</b>	<b>\$26,000</b>
<b>Expenditures</b>				
PROFESSIONAL SERVICES	\$18,700	\$48,000	\$48,000	\$90,000
TRANSFER OUT	\$13,248	\$9,000	\$14,000	\$14,000
<b>Total Expenditures</b>	<b>\$31,948</b>	<b>\$57,000</b>	<b>\$62,000</b>	<b>\$104,000</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$926</b>	<b>-</b>	<b>-\$36,400</b>	<b>-\$78,000</b>
<b>Ending Fund Balance</b>	<b>\$447,063</b>	<b>\$447,063</b>	<b>\$410,663</b>	<b>\$332,660</b>

Historical Revenues by Object



### FY26 Revenues by Object

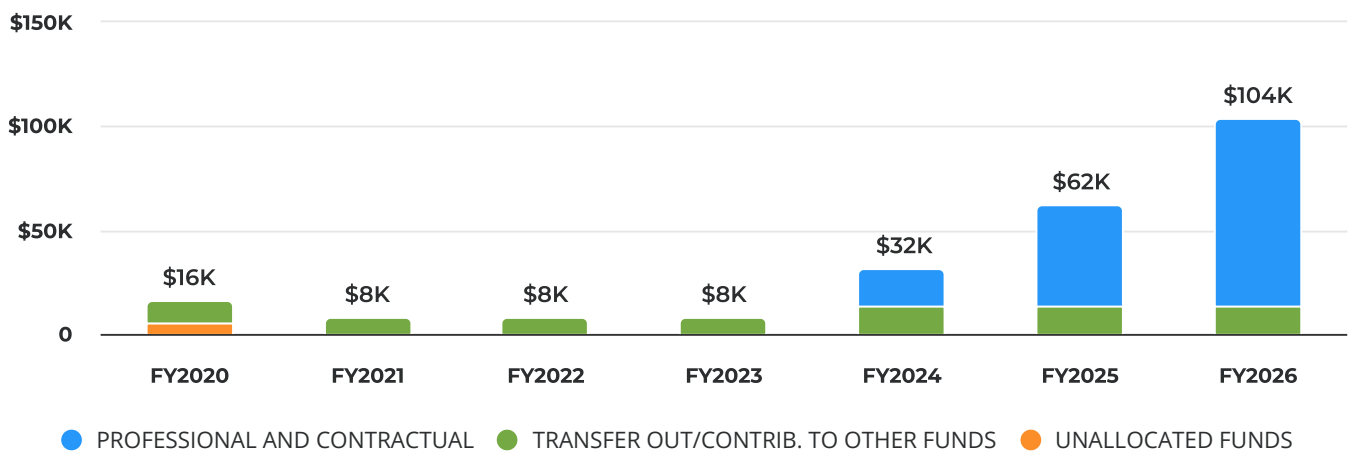


<span style="color: blue;">●</span> INTEREST & DIVIDEND EARNINGS	<b>\$14,000</b>	53.85%
<span style="color: green;">●</span> CHARGES FOR SERVICES-FEES	<b>\$12,000</b>	46.15%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CHARGES FOR SERVICES-FEES	\$13,957.25	\$8,700.00	\$11,600.00	\$12,000.00	37.93%
INTEREST & DIVIDEND EARNINGS	\$14,806.16	\$10,000.00	\$14,000.00	\$14,000.00	40.00%
CHANGE IN FAIR VALUE OF INVESTMENTS	\$2,258.73	-	-	-	-
PRIOR YEARS' SURPLUS	-	\$38,300.00	-	-	-100.00%
<b>Total Revenues</b>	<b>\$31,022.14</b>	<b>\$57,000.00</b>	<b>\$25,600.00</b>	<b>\$26,000.00</b>	<b>-54.39%</b>

### Historical Expenditures by Object

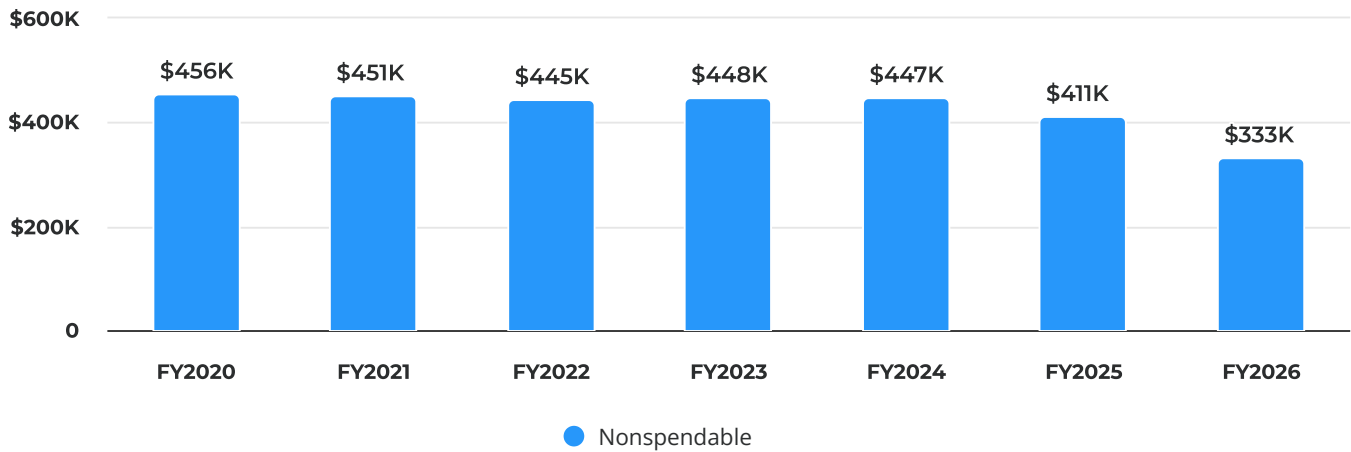


### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL AND CONTRACTUAL	\$18,700.00	\$48,000.00	\$48,000.00	\$90,000.00	87.50%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$13,247.99	\$9,000.00	\$14,000.00	\$14,000.00	55.56%
<b>Total Expenditures</b>	<b>\$31,947.99</b>	<b>\$57,000.00</b>	<b>\$62,000.00</b>	<b>\$104,000.00</b>	<b>82.46%</b>

Professional and Contractual includes an agreement for professional services for GIS Mapping, database management and a public-facing cemetery map.

### Fund Balance Projections





# Cemetery Trust Fund (152)

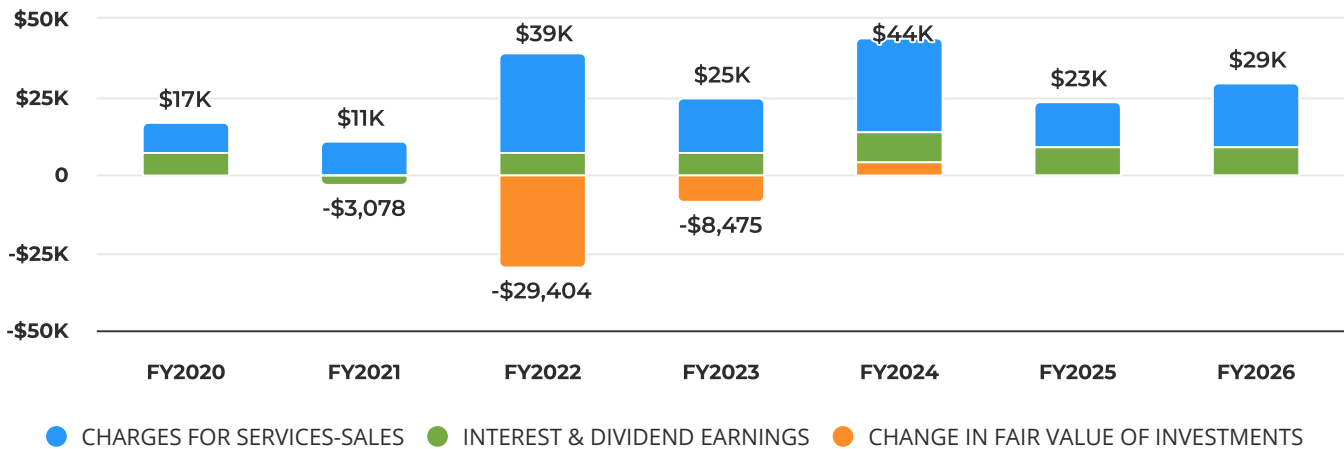
For each lot or crypt sale, 15% of the proceeds are deposited in the Cemetery Perpetual Care Fund, 42 1/2% is deposited in the Cemetery Trust Fund, and the remaining 42 1/2% is deposited in the General Fund. Interest income in this fund is transferred to the General Fund annually to help offset the costs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

## Comprehensive Fund Summary

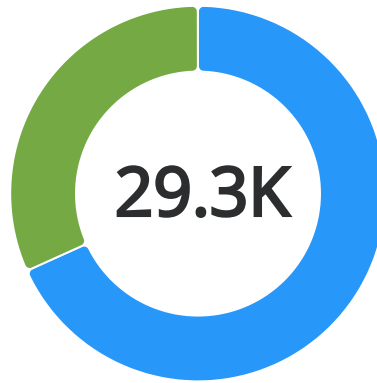
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$325,795	\$346,819	\$346,819	\$360,820
<b>Revenues</b>				
CHARGES FOR SERVICES	\$30,351	\$25,000	\$14,000	\$20,000
OTHER REVENUE	\$13,637	\$7,600	\$9,200	\$9,300
<b>Total Revenues</b>	<b>\$43,989</b>	<b>\$32,600</b>	<b>\$23,200</b>	<b>\$29,300</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	-	-	-	\$20,000
TRANSFER OUT	\$22,965	\$7,600	\$9,200	\$9,300
<b>Total Expenditures</b>	<b>\$22,965</b>	<b>\$7,600</b>	<b>\$9,200</b>	<b>\$29,300</b>
<b>Total Revenues Less Expenditures</b>	<b>\$21,024</b>	<b>\$25,000</b>	<b>\$14,000</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$346,819</b>	<b>\$371,819</b>	<b>\$360,819</b>	<b>\$360,820</b>

## Revenues by Object

Historical Revenues by Object



### FY26 Revenues by Object

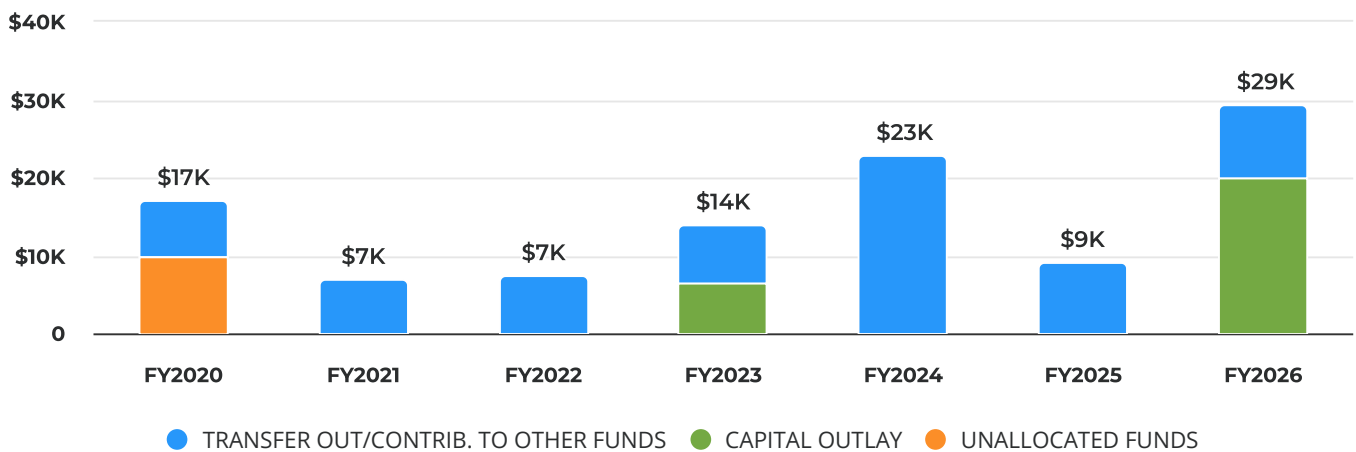


<span style="color: blue;">●</span> CHARGES FOR SERVICES-SALES	<b>\$20,000</b>	68.26%
<span style="color: green;">●</span> INTEREST & DIVIDEND EARNINGS	<b>\$9,300</b>	31.74%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CHARGES FOR SERVICES-SALES	\$30,351.34	\$25,000.00	\$14,000.00	\$20,000.00	-20.00%
INTEREST & DIVIDEND EARNINGS	\$9,202.37	\$7,600.00	\$9,200.00	\$9,300.00	22.37%
CHANGE IN FAIR VALUE OF INVESTMENTS	\$4,435.00	-	-	-	-
<b>Total Revenues</b>	<b>\$43,988.71</b>	<b>\$32,600.00</b>	<b>\$23,200.00</b>	<b>\$29,300.00</b>	<b>-10.12%</b>

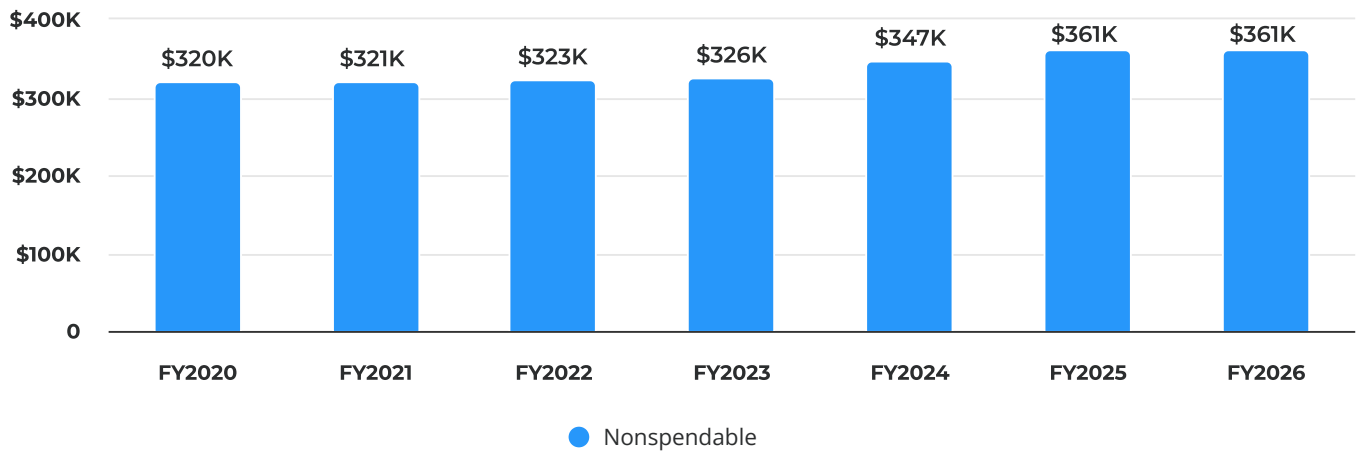
### Historical Expenditures by Object



### Expenditures by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	-	-	-	\$20,000.00	-
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$22,964.87	\$7,600.00	\$9,200.00	\$9,300.00	22.37%
<b>Total Expenditures</b>	<b>\$22,964.87</b>	<b>\$7,600.00</b>	<b>\$9,200.00</b>	<b>\$29,300.00</b>	<b>285.53%</b>

### Fund Balance Projections



# Brown Bridge Trust Fund (153)

This fund was created by 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 Bridge Park Improvement Fund. As initially established, the interest income from the remaining balance in the Brown Bridge Trust Fund is used to supplement City taxes as a credit against the General Fund levy. The Brown Bridge Trust Committee is actively working to prepare ballot language to be offered to the public in the 2025 general election in November. The proposal is to transfer 3 million from the BBTF (153) for identified capital projects in City Parks in lieu of gas & oil revenue historically being recorded in the Brown Bridge Trust Parks Imp Fund (239). This fund, BBTF (153), will continue to receipt gas & oil revenue to replenish a portion of the fund balance transferred to Fund 239 as it has done since November 2024.

The Committee also has a proposal to allow up to 5 million inter-fund loans when it is determined to be beneficial to City operations and the Trust fund. If approved by the voters, this will allow the Treasurer to make a recommendation to the City Commission for approval. At the end of 5 years, progress will be evaluated.

## Comprehensive Fund Summary

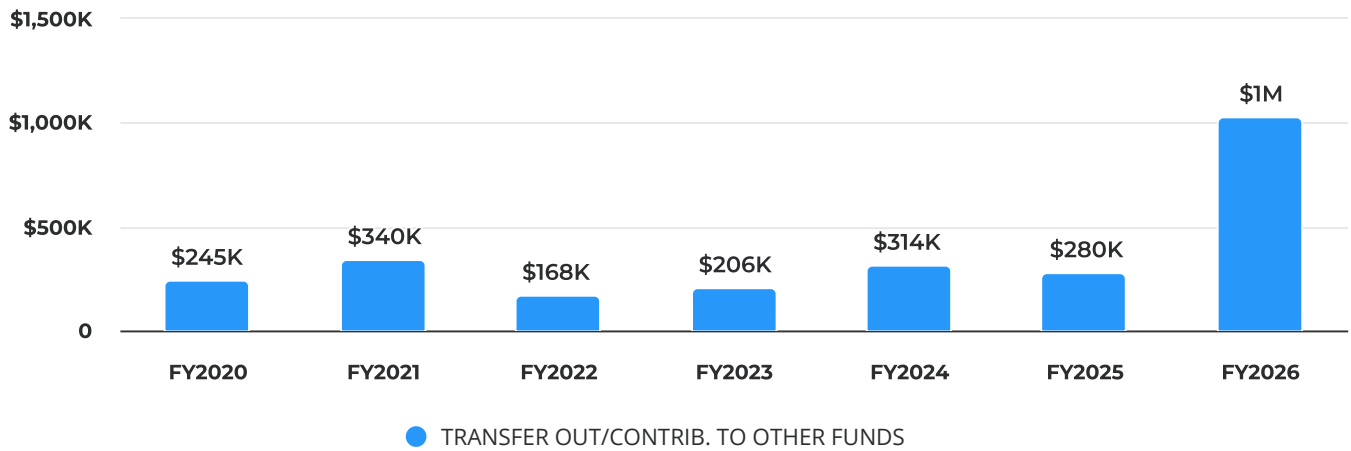
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	<b>\$11,465,624</b>	<b>\$11,671,520</b>	<b>\$11,671,520</b>	<b>\$11,829,020</b>
<b>Revenues</b>				
OTHER REVENUE	\$519,397	\$1,030,000	\$437,500	\$416,600
<b>Total Revenues</b>	<b>\$519,397</b>	<b>\$1,030,000</b>	<b>\$437,500</b>	<b>\$416,600</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	-	\$750,000	-	-
TRANSFER OUT	\$313,501	\$280,000	\$280,000	\$1,030,000
<b>Total Expenditures</b>	<b>\$313,501</b>	<b>\$1,030,000</b>	<b>\$280,000</b>	<b>\$1,030,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$205,896</b>	<b>-</b>	<b>\$157,500</b>	<b>-\$613,400</b>
<b>Ending Fund Balance</b>	<b>\$11,671,520</b>	<b>\$11,671,520</b>	<b>\$11,829,020</b>	<b>\$11,215,620</b>

## Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INTEREST & DIVIDEND EARNINGS	\$324,035.45	\$280,000.00	\$380,600.00	\$380,600.00	35.93%
CHANGE IN FAIR VALUE OF INVESTMENTS	\$195,361.60	-	-	-	-
RENTS AND ROYALTIES	-	-	\$56,900.00	\$36,000.00	-
PRIOR YEARS' SURPLUS	-	\$750,000.00	-	-	-100.00%
<b>Total Revenues</b>	<b>\$519,397.05</b>	<b>\$1,030,000.00</b>	<b>\$437,500.00</b>	<b>\$416,600.00</b>	<b>-59.55%</b>

Rent and Royalties include gas and oil royalties for wells on the Brown Bridge Quiet Area property.

### Historical Expenditures by Object

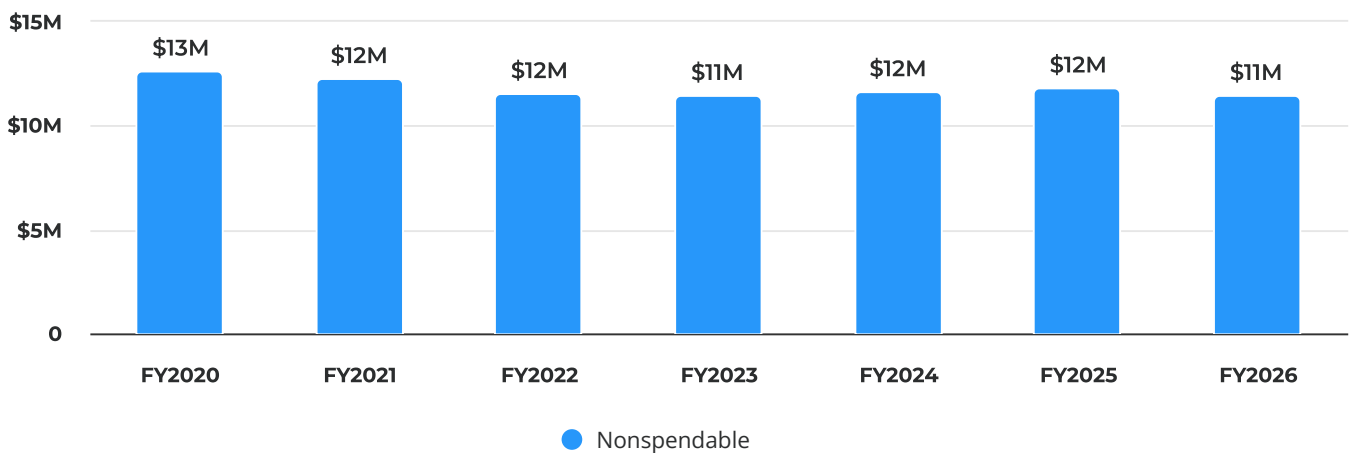


### Expenditures by Object

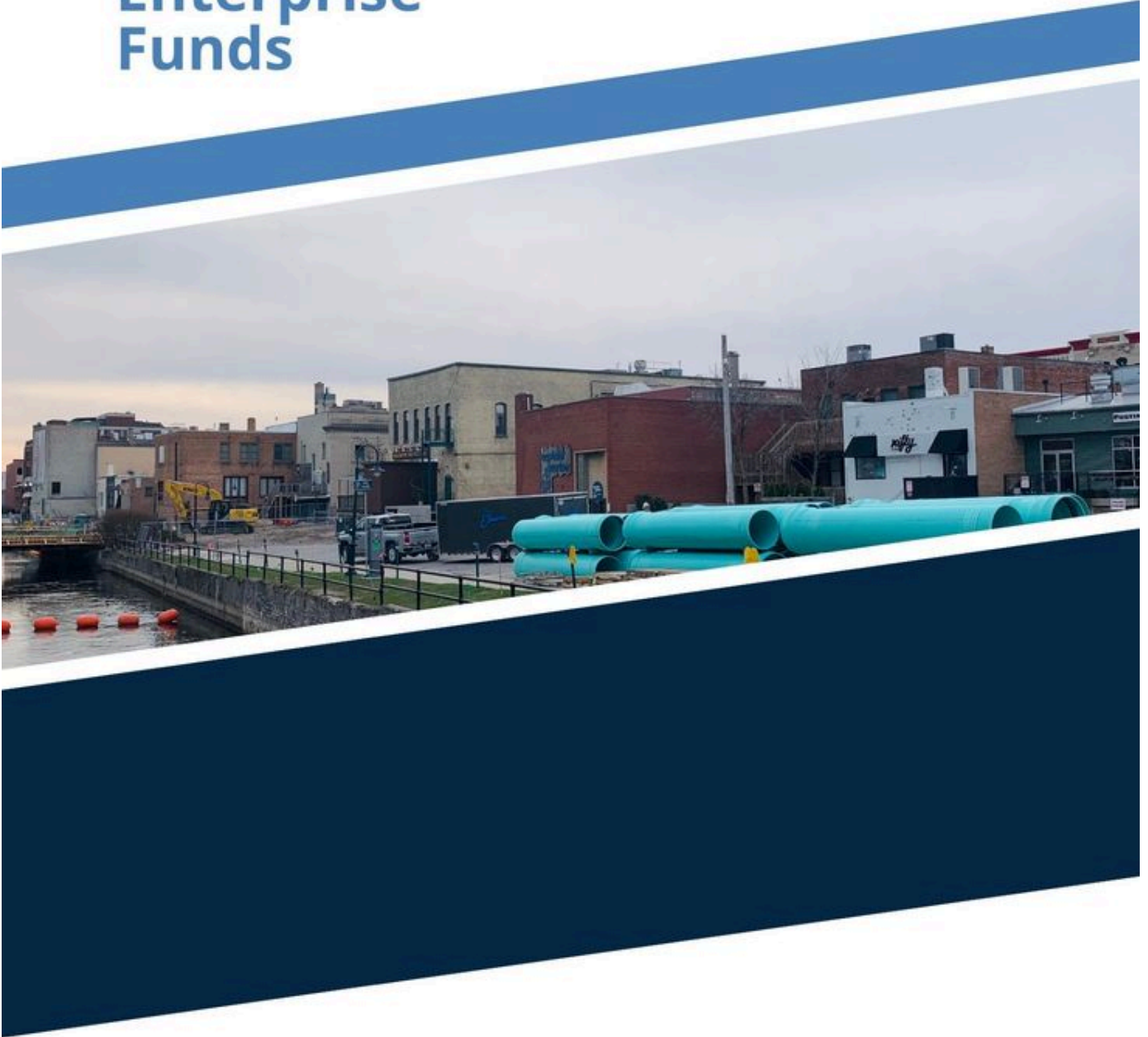
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
CAPITAL OUTLAY	-	\$750,000.00	-	-	-100.00%
TRANSFER OUT/CONTRIB. TO OTHER FUNDS	\$313,501.36	\$280,000.00	\$280,000.00	\$1,030,000.00	267.86%
<b>Total Expenditures</b>	<b>\$313,501.36</b>	<b>\$1,030,000.00</b>	<b>\$280,000.00</b>	<b>\$1,030,000.00</b>	<b>0.00%</b>

Transfers include a transfer to the Capital Projects fund for the planned purchase of Brown Bridge Quiet Area property for \$826,600 and the transfer of interest earnings to the General Operating Fund.

### Fund Balance Projections



# Enterprise Funds



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

# Hickory Hills Fund (504)

Hickory Hills is a municipally owned and operated ski area established in 1952. This treasured community asset offers four-season recreation opportunities including disc golf, hiking, downhill skiing, snowboarding, and Nordic trails, and is beloved for its accessibility, family-friendly atmosphere, and integration into the natural landscape. The facility serves both recreational users and youth athletic programs and has seen substantial improvements in recent years.



The **Hickory Hills Advisory Committee**, a City Commission-appointed body, provides strategic guidance on operations, programming, and long-term planning. The committee includes representatives from user groups, city residents, a park commissioner, and members with recreation or environmental expertise. Their current focus includes continued implementation of the Hickory Hills Master Plan through several key initiatives to expand and enhance year-round recreation at Hickory Hills:

- **Development of a mountain biking trail system**, designed in partnership with user groups and trail planners, to introduce warm-season activity and broaden public access.
- **Enhancements to the snowmaking system**, intended to improve early-season readiness and resilience amid changing climate conditions.
- **Exploration of reviving a summer day camp**, drawing inspiration from a beloved past program that provided youth education, nature experiences, and enrichment during the summer months.

In addition to city leadership and public engagement, these efforts benefit from a strong partnership with Preserve Hickory, a nonprofit 501(c)(3) organization formed to advocate for and invest in the future of the park. Preserve Hickory led a successful capital campaign in 2017, raising over \$2.4 million in private funds, which were combined with public dollars, including a \$1.5 million from the Brown Bridge Trust Parks Improvement Fund, to support transformative upgrades. These included:

- Construction of the modern lodge facility
- Expansion and improvement of ski terrain
- Trailhead enhancements and infrastructure for Nordic skiing
- Expanded snowmaking capabilities

Preserve Hickory continues to collaborate with the City and the Advisory Committee, playing a pivotal role in fundraising, community outreach, and stewardship efforts for ongoing and future projects.

Together, these partnerships reflect Traverse City's commitment to protecting the natural character of Hickory Hills while investing in a sustainable, inclusive, and vibrant recreational experience for all.

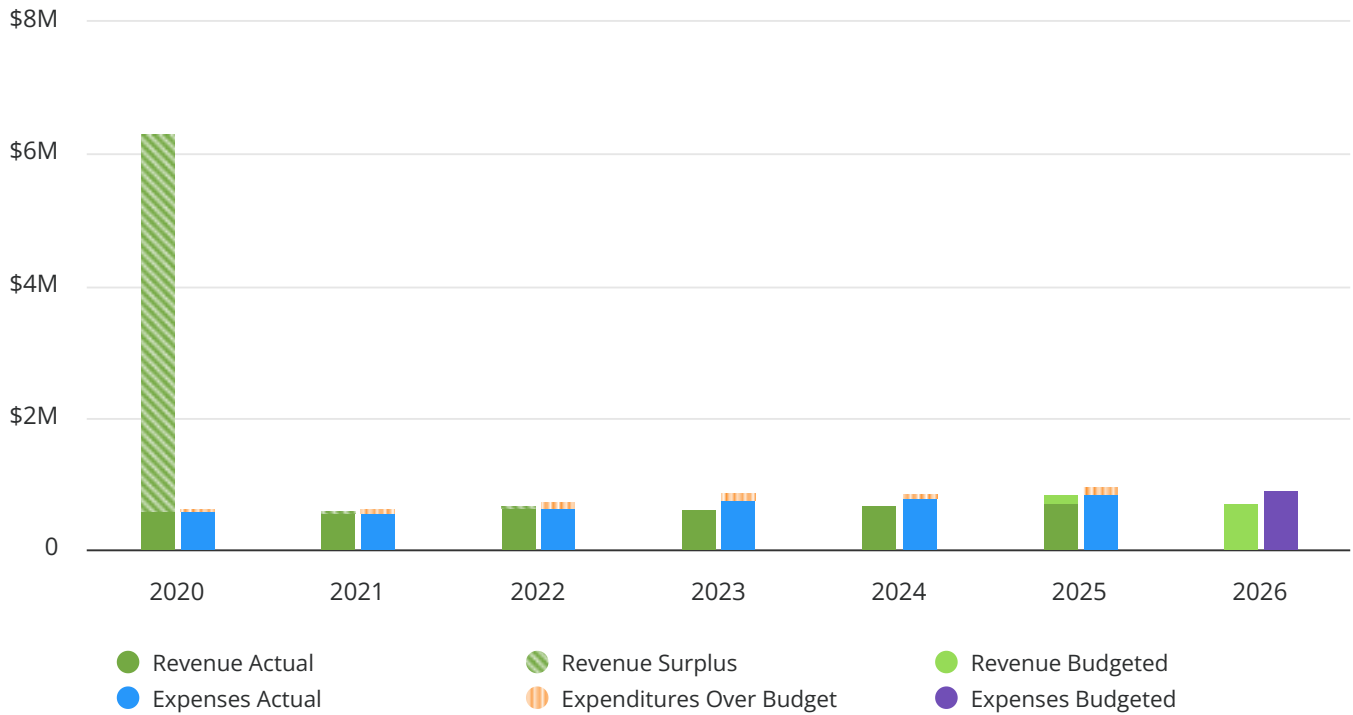
### Hickory Hills Org Chart



## SUMMARY OF SIGNIFICANT BUDGET CHANGES

- Point of Sale and Ski Management software.
- Installation of new signage and wayfinding for Hickory properties, grant applications in partnership with the Joint Rec Authority.
- Marketing the lodge for summer rentals and expos in local publications and nationwide, including partnerships with The Knot, TC Tourism and bridal magazines.

### Revenues vs Expenditures Summary

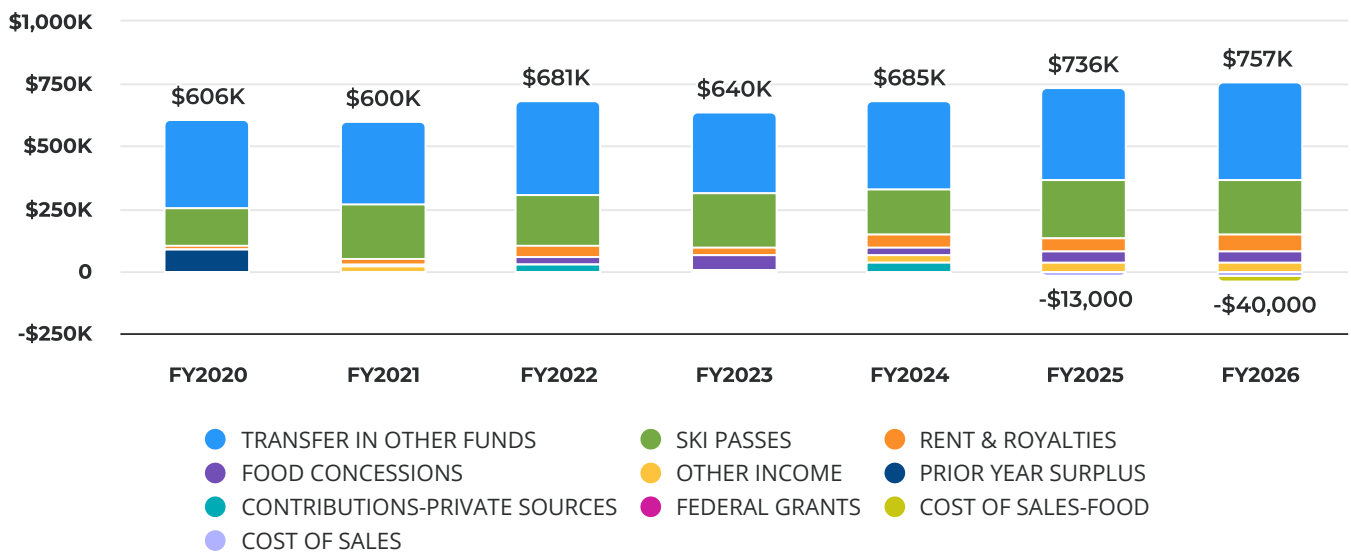




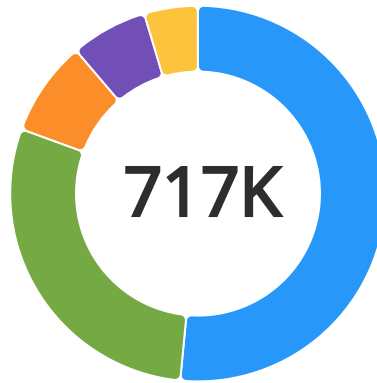
### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$5,446,725	\$5,290,998	\$5,290,998	\$5,052,700
<b>Revenues</b>				
OPERATING REVENUES	\$293,290	\$342,500	\$352,500	\$327,000
OTHER REVENUE	-	\$136,000	-	-
TRANSFER IN	\$356,800	\$370,000	\$370,000	\$390,000
NON-OPERATING REVENUES	\$35,000	-	-	-
<b>Total Revenues</b>	<b>\$685,090</b>	<b>\$848,500</b>	<b>\$722,500</b>	<b>\$717,000</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$242,966	\$264,200	\$314,000	\$286,500
FRINGE BENEFITS	\$20,685	\$22,300	\$30,400	\$27,500
OFFICE/OPERATING SUPPLIES	\$77,155	\$69,500	\$83,200	\$57,500
PROFESSIONAL SERVICES	\$108,243	\$72,000	\$116,000	\$90,000
INSURANCE & BONDS	\$5,602	\$5,500	\$5,600	\$5,700
PROFESSIONAL DEVELOPMENT	\$2,539	\$3,000	-	\$2,000
COMMUNICATION	\$8,412	\$12,000	\$18,200	\$12,000
TRANSPORTATION	\$190	\$500	\$200	\$500
PRINTING & PUBLISHING	\$438	\$500	\$200	\$500
UTILITIES	\$52,289	\$70,000	\$62,000	\$70,000
REPAIRS & MAINTENANCE	\$29,574	\$53,000	\$45,000	\$65,500
RENTALS	\$153,765	\$140,000	\$147,000	\$150,000
DEPRECIATION EXPENSE	\$138,961	\$136,000	\$139,000	\$139,000
<b>Total Expenditures</b>	<b>\$840,816</b>	<b>\$848,500</b>	<b>\$960,800</b>	<b>\$906,700</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$155,726</b>	<b>-</b>	<b>-\$238,300</b>	<b>-\$189,700</b>
<b>Ending Fund Balance</b>	<b>\$5,290,998</b>	<b>\$5,290,998</b>	<b>\$5,052,698</b>	<b>\$4,863,000</b>

### Historical Revenues by Source Summary



### FY26 Revenues by Source

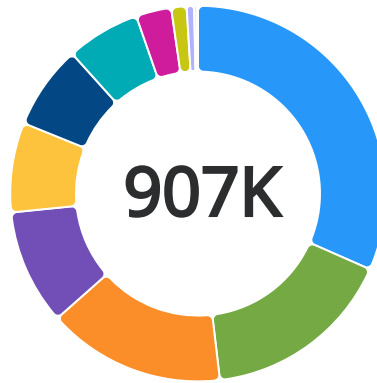


● TRANSFER IN OTHER FUNDS	\$390,000	54.39%
● SKI PASSES	\$220,000	30.68%
● RENT & ROYALTIES	\$62,000	8.65%
● FOOD CONCESSIONS	\$50,000	6.97%
● OTHER INCOME	\$35,000	4.88%
● COST OF SALES	-\$15,000	-2.09%
● COST OF SALES-FOOD	-\$25,000	-3.49%

### Revenues by Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OTHER INCOME	\$31,210	\$23,000	\$35,000	\$35,000	52.17%
FOOD CONCESSIONS	\$30,449	\$56,000	\$47,000	\$50,000	-10.71%
COST OF SALES	-	-\$12,500	-\$13,000	-\$15,000	20.00%
SKI PASSES	\$181,754	\$214,000	\$235,000	\$220,000	2.80%
RENT & ROYALTIES	\$49,876	\$62,000	\$48,500	\$62,000	0.00%
CONTRIBUTIONS-PRIVATE SOURCES	\$35,000	-	-	-	-
PRIOR YEAR SURPLUS	-	\$136,000	-	-	-100.00%
TRANSFER IN OTHER FUNDS	\$356,800	\$370,000	\$370,000	\$390,000	5.41%
COST OF SALES-FOOD	-	-	-	-\$25,000	-
<b>Total Revenues</b>	<b>\$685,090</b>	<b>\$848,500</b>	<b>\$722,500</b>	<b>\$717,000</b>	<b>-15.50%</b>

### FY26 Expenditures by Type Summary

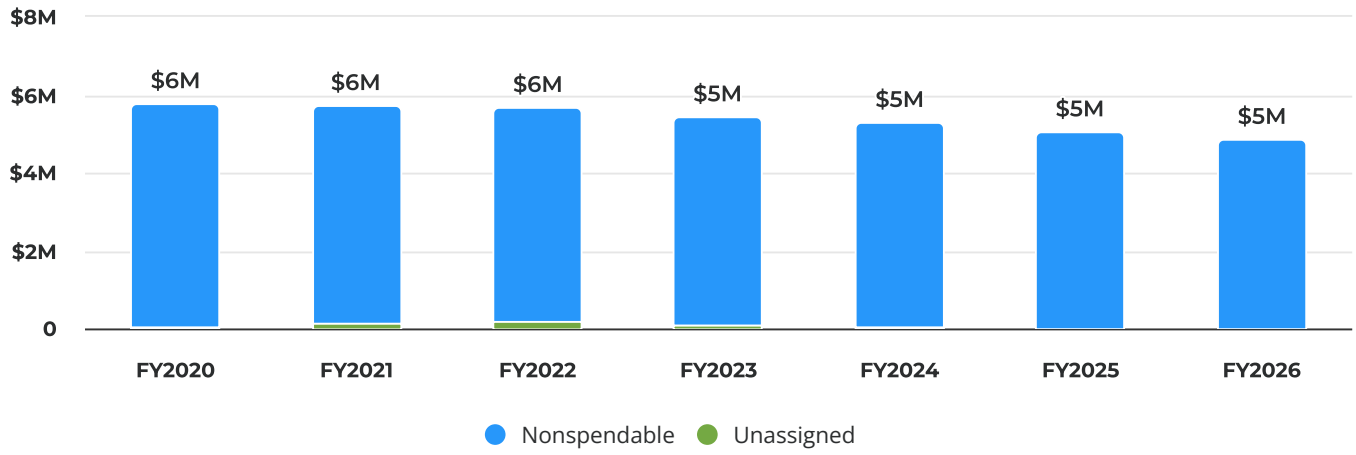


● SALARIES & WAGES	\$286,500	31.60%
● RENTALS	\$150,000	16.54%
● DEPRECIATION EXPENSE	\$139,000	15.33%
● PROFESSIONAL SERVICES	\$90,000	9.93%
● UTILITIES	\$70,000	7.72%
● REPAIRS & MAINTENANCE	\$65,500	7.22%
● OFFICE/OPERATING SUPPLIES	\$57,500	6.34%
● FRINGE BENEFITS	\$27,500	3.03%
● COMMUNICATION	\$12,000	1.32%
● INSURANCE & BONDS	\$5,700	0.63%
● PROFESSIONAL DEVELOPMENT	\$2,000	0.22%
● PRINTING & PUBLISHING	\$500	0.06%
● TRANSPORTATION	\$500	0.06%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$242,966	\$264,200	\$314,000	\$286,500	8.44%
FRINGE BENEFITS	\$20,685	\$22,300	\$30,400	\$27,500	23.32%
OFFICE/OPERATING SUPPLIES	\$77,155	\$69,500	\$83,200	\$57,500	-17.27%
PROFESSIONAL SERVICES	\$108,243	\$72,000	\$116,000	\$90,000	25.00%
INSURANCE & BONDS	\$5,602	\$5,500	\$5,600	\$5,700	3.64%
PROFESSIONAL DEVELOPMENT	\$2,539	\$3,000	-	\$2,000	-33.33%
COMMUNICATION	\$8,412	\$12,000	\$18,200	\$12,000	0.00%
TRANSPORTATION	\$190	\$500	\$200	\$500	0.00%
PRINTING & PUBLISHING	\$438	\$500	\$200	\$500	0.00%
UTILITIES	\$52,289	\$70,000	\$62,000	\$70,000	0.00%
REPAIRS & MAINTENANCE	\$29,574	\$53,000	\$45,000	\$65,500	23.58%
RENTALS	\$153,765	\$140,000	\$147,000	\$150,000	7.14%
DEPRECIATION EXPENSE	\$138,961	\$136,000	\$139,000	\$139,000	2.21%
<b>Total Expenditures</b>	<b>\$840,816</b>	<b>\$848,500</b>	<b>\$960,800</b>	<b>\$906,700</b>	<b>6.86%</b>

### Fund Balance Projections



# Parking System Fund (514)

**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 bicyclists and motorists, through efficient and effective management.*

The Parking Services Department, known as Traverse City Parking Services (TCPS), manages and operates all the parking assets and oversees the Auto Parking Fund enterprise fund. The Parking System has four primary revenue sources for the enterprise fund: parking permits, hourly meter fees, hourly parking structure fees, and parking violations. The department is responsible for maintaining these assets, which include the operation of two parking structures, on-street and off-street metered parking and parking permit programs. Being an enterprise fund, the Auto Parking Fund is vulnerable where performance is based solely on the use of the system.

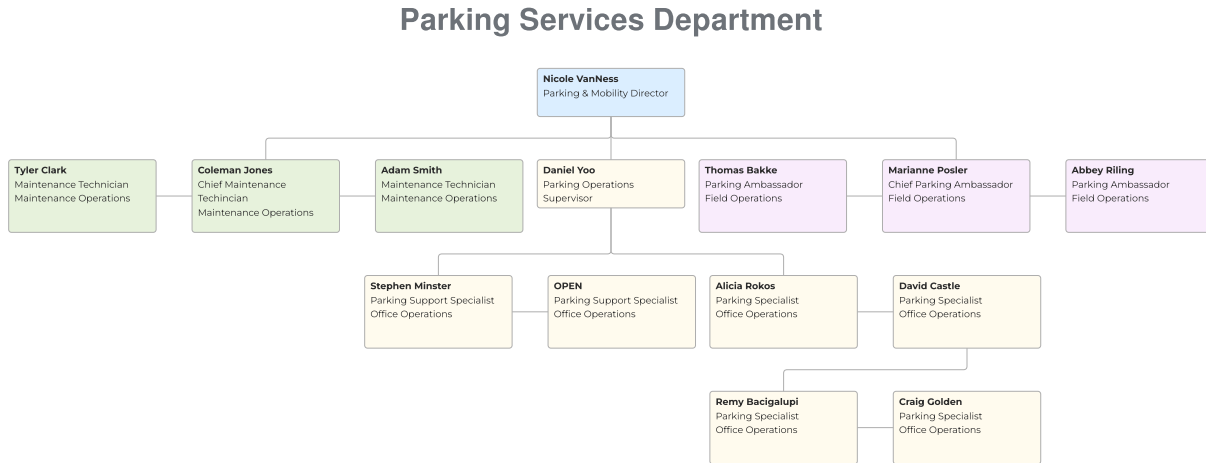


The projects planned for the 2025/26 fiscal year include replacing the existing battery back-up system at Old Town parking structure that is at the end of its useful life and demolishing two buildings on the W State Street properties. Removing the buildings will allow for a tax-exempt status and save the enterprise fund from paying taxes on vacant buildings that would require a significant investment to rehabilitate for use.

Continuing to make system-wide changes using the Transportation Demand Management initiatives will increase the efficient utilization of existing parking spaces to maintain net-zero parking. Planned changes will emphasize park once initiatives, and aim to reduce the overall physical assets and consumables by introducing more mobile payment and asset-free options. The new initiatives will evaluate short-term parking and continue seasonal meter rates to shift demand into underutilized areas. Pricing based on demand will create better utilization of the overall system.

Permit rates increased beginning in January 2025 and the increases are estimated to generate an additional \$20,000 in permit revenue combined for surface, Hardy and Old Town. Additional review with the Treasurer/Finance Director will be planned with the intent of studying rates over the next 18 months and publishing a rate schedule to be effective beginning July 1, 2026. The 2026 rate increases will consider the additional \$1.5 million in phase 2 restoration expenses identified for the parking structures.

# Parking Services Employees



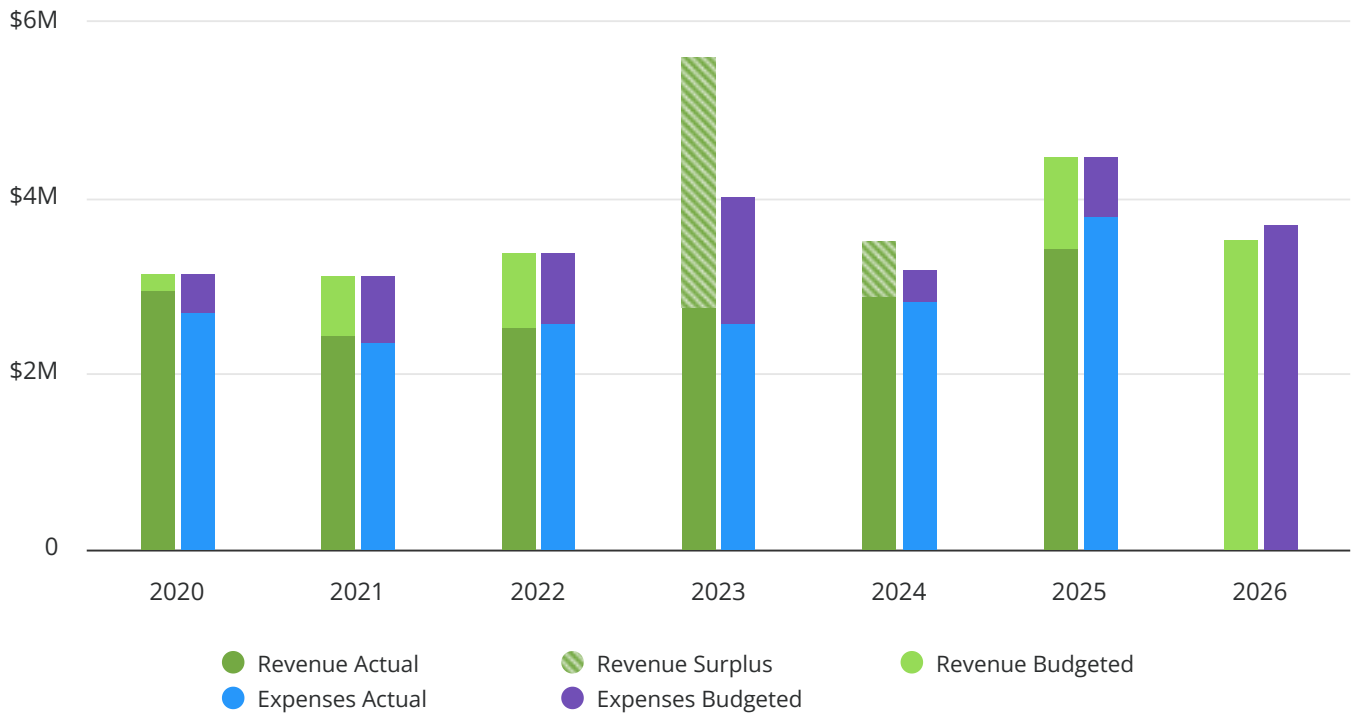
## Goals

1. Provide a successful, attractive parking environment that supports economic growth and tourism downtown
  - a. Support employees of downtown to increase the growth in total permits sold/spaces utilized
  - b. Support businesses 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 increased parking alternatives
  - a. Reduce the amount of surface parking spaces in the downtown district by redeveloping surface parking lots
  - b. Increase bicycle parking in the downtown district
  - c. Increase commuter amenities and multi-modal initiatives.
  - d. Make efficient use of resources by partnering with other agencies

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

The transfer of parking activity from the DDA to the City has helped bring employee wages and benefits inline with other City employees. This transition will also bring parking under City IT for greater control and security of digital infrastructure.

### Revenues vs Expenditures Summary

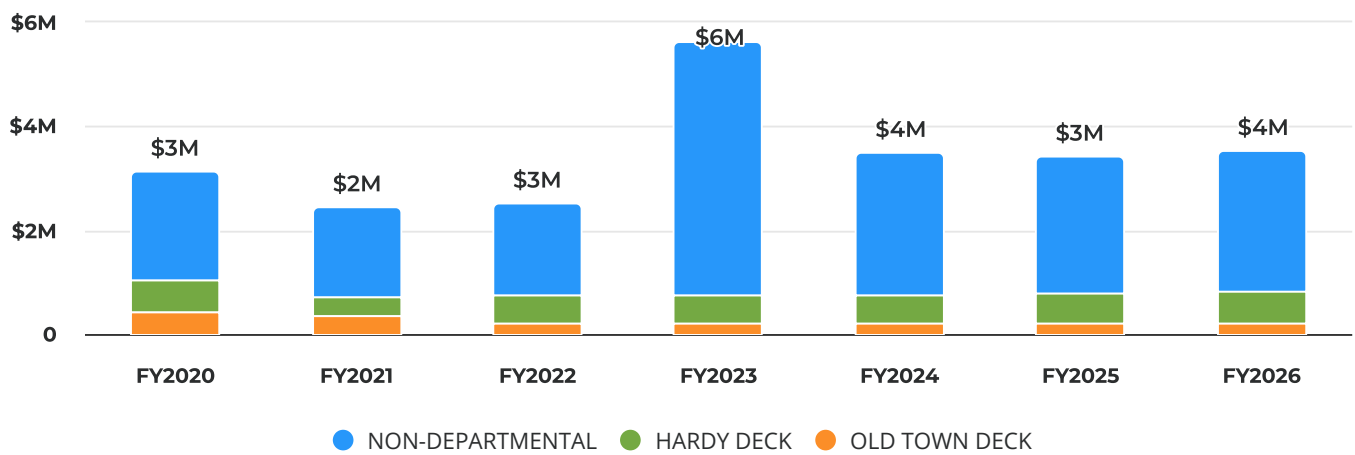


### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$27,283,087	\$27,971,140	\$27,971,140	\$27,619,040
<b>Revenues</b>				
CHARGES FOR SERVICES	\$268	-	\$200	\$200
OPERATING REVENUES	\$3,293,350	\$3,117,200	\$3,348,000	\$3,477,700
OTHER REVENUE	\$15	\$1,308,700	-	-
REIMBURSEMENTS	\$3,717	-	\$700	\$700
NON-OPERATING REVENUES	\$224,716	\$66,000	\$98,500	\$65,000
<b>Total Revenues</b>	<b>\$3,522,065</b>	<b>\$4,491,900</b>	<b>\$3,447,400</b>	<b>\$3,543,600</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$11,515	\$604,500	\$547,400	\$839,000
FRINGE BENEFITS	\$1,360	\$326,900	\$177,800	\$269,600
OFFICE/OPERATING SUPPLIES	\$92,386	\$86,500	\$68,000	\$76,000
PROFESSIONAL SERVICES	\$1,058,685	\$329,500	\$290,200	\$519,100
INSURANCE & BONDS	\$25,255	\$48,000	\$37,200	\$30,000
COLLECTION COST	\$826	\$1,000	\$1,000	\$6,000
PROFESSIONAL DEVELOPMENT	-	\$18,000	\$12,300	-
COMMUNICATION	\$36,452	\$63,700	\$40,000	\$52,300
TRANSPORTATION	\$3,287	\$5,000	\$3,500	\$5,000
COMMUNITY PROMOTION	\$452	\$1,500	\$600	-
PRINTING & PUBLISHING	\$6,687	\$14,000	\$11,000	\$5,000
UTILITIES	\$97,831	\$97,000	\$113,000	\$100,000
REPAIRS & MAINTENANCE	\$439,717	\$1,715,000	\$1,448,500	\$621,800

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
RENTALS	\$110,549	\$109,000	\$73,400	\$113,600
MISCELLANEOUS EXP	\$91,871	\$79,000	\$80,000	\$80,000
TRANSFER OUT CITY FEE	\$164,867	\$130,000	\$167,400	\$173,900
DEPRECIATION EXPENSE	\$497,545	\$538,100	\$497,500	\$497,500
CAPITAL OUTLAY	\$4,760	\$116,000	\$72,700	\$100,000
NON OPERATING EXPENSE	\$51,858	-	-	-
INFORMATION TECHNOLOGY SERVICES	\$138,110	\$209,200	\$158,000	\$232,500
<b>Total Expenditures</b>	<b>\$2,834,012</b>	<b>\$4,491,900</b>	<b>\$3,799,500</b>	<b>\$3,721,300</b>
<b>Total Revenues Less Expenditures</b>	<b>\$688,053</b>	<b>-</b>	<b>-\$352,100</b>	<b>-\$177,700</b>
<b>Ending Fund Balance</b>	<b>\$27,971,140</b>	<b>\$27,971,140</b>	<b>\$27,619,040</b>	<b>\$27,441,340</b>

Historical Revenues by Department

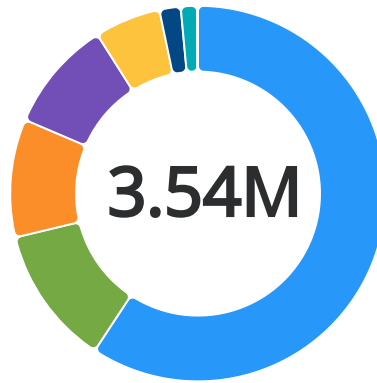


Revenues by Department

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
NON-DEPARTMENTAL	\$2,780,976.43	\$3,826,900.00	\$2,664,100.00	\$2,728,600.00	-28.70%
HARDY DECK	\$521,733.80	\$505,000.00	\$561,400.00	\$590,000.00	16.83%
OLD TOWN DECK	\$219,354.63	\$160,000.00	\$221,900.00	\$225,000.00	40.63%
<b>Total Revenues</b>	<b>\$3,522,064.86</b>	<b>\$4,491,900.00</b>	<b>\$3,447,400.00</b>	<b>\$3,543,600.00</b>	<b>-21.11%</b>



### FY26 Revenues by Source



<span style="color: blue;">●</span> PARKING FEES	<b>\$2,100,000</b>	59.26%
<span style="color: green;">●</span> PARKING DECK PROCEEDS	<b>\$425,000</b>	11.99%
<span style="color: orange;">●</span> PARKING FINES	<b>\$360,100</b>	10.16%
<span style="color: purple;">●</span> PERMITS-PARKING DECK	<b>\$340,000</b>	9.59%
<span style="color: yellow;">●</span> PERMITS-SURFACE LOTS	<b>\$201,500</b>	5.69%
<span style="color: darkblue;">●</span> INTEREST REVENUE	<b>\$65,000</b>	1.83%
<span style="color: cyan;">●</span> RENT & ROYALTIES	<b>\$50,000</b>	1.41%
<span style="color: magenta;">●</span> OTHER INCOME	<b>\$1,300</b>	0.04%
<span style="color: limegreen;">●</span> REIMBURSEMENTS	<b>\$700</b>	0.02%

### Revenues by Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OTHER INCOME	\$8,387	-	\$1,700	\$1,300	-
PARKING DECK PROCEEDS	\$420,575	\$390,000	\$421,200	\$425,000	8.97%
PARKING FEES	\$2,028,764	\$2,000,000	\$2,009,100	\$2,100,000	5.00%
PERMITS-SURFACE LOTS	\$184,488	\$202,200	\$194,000	\$201,500	-0.35%
PERMITS-PARKING DECK	\$320,458	\$245,000	\$336,300	\$340,000	38.78%
PARKING FINES	\$330,905	\$250,000	\$360,100	\$360,100	44.04%
INTEREST REVENUE	\$102,908	\$66,000	\$98,500	\$65,000	-1.52%
CHANGE IN FAIR VALUE INVESTMENTS	\$121,808	-	-	-	-
RENT & ROYALTIES	\$55	\$30,000	\$25,800	\$50,000	66.67%
REIMBURSEMENTS	\$3,717	-	\$700	\$700	-
PRIOR YEAR SURPLUS	-	\$1,308,700	-	-	-100.00%
<b>Total Revenues</b>	<b>\$3,522,065</b>	<b>\$4,491,900</b>	<b>\$3,447,400</b>	<b>\$3,543,600</b>	<b>-21.11%</b>

**Parking Garage Hourly Proceeds:** Revenues are expected to remain consistent with the past two budget cycles with minimal increase.

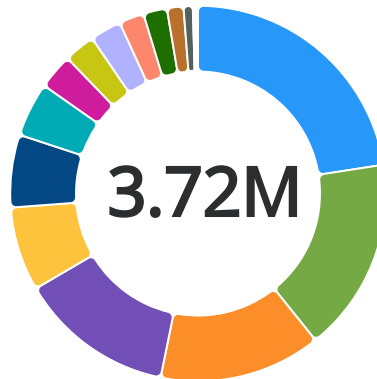
**Parking Fees-Coin:** Revenues are expected to increase as we anticipate the continued increase in tourism in the area.

**Permits – Surface Lots:** Revenues are expected to increase due to the permit rate increase that became effective January 1, 2025. The revenues will remain consistent due to the wait list and no new surface permits being offered.

**Permits – Parking Garages:** Revenues are expected to increase due to the permit rate increase that became effective January 1, 2025.

**Parking Fines:** Revenues are expected to remain the same.

### FY26 Expenditures by Type Summary



● SALARIES & WAGES	\$839,000	22.55%
● REPAIRS & MAINTENANCE	\$621,800	16.71%
● PROFESSIONAL SERVICES	\$519,100	13.95%
● DEPRECIATION EXPENSE	\$497,500	13.37%
● FRINGE BENEFITS	\$269,600	7.24%
● INFORMATION TECHNOLOGY SERVICES	\$232,500	6.25%
● TRANSFER OUT CITY FEE	\$173,900	4.67%
● RENTALS	\$113,600	3.05%
● UTILITIES	\$100,000	2.69%
● CAPITAL OUTLAY	\$100,000	2.69%
● MISCELLANEOUS EXP	\$80,000	2.15%
● OFFICE/OPERATING SUPPLIES	\$76,000	2.04%
● COMMUNICATION	\$52,300	1.41%
● INSURANCE & BONDS	\$30,000	0.81%
● COLLECTION COST	\$6,000	0.16%
● TRANSPORTATION	\$5,000	0.13%
● PRINTING & PUBLISHING	\$5,000	0.13%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$11,515	\$604,500	\$547,400	\$839,000	38.79%
FRINGE BENEFITS	\$1,360	\$326,900	\$177,800	\$269,600	-17.53%
OFFICE/OPERATING SUPPLIES	\$92,386	\$86,500	\$68,000	\$76,000	-12.14%
PROFESSIONAL SERVICES	\$1,058,685	\$329,500	\$290,200	\$519,100	57.54%
INSURANCE & BONDS	\$25,255	\$48,000	\$37,200	\$30,000	-37.50%
COLLECTION COST	\$826	\$1,000	\$1,000	\$6,000	500.00%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
PROFESSIONAL DEVELOPMENT	-	\$18,000	\$12,300	-	-100.00%
COMMUNICATION	\$36,452	\$63,700	\$40,000	\$52,300	-17.90%
TRANSPORTATION	\$3,287	\$5,000	\$3,500	\$5,000	0.00%
COMMUNITY PROMOTION	\$452	\$1,500	\$600	-	-100.00%
PRINTING & PUBLISHING	\$6,687	\$14,000	\$11,000	\$5,000	-64.29%
UTILITIES	\$97,831	\$97,000	\$113,000	\$100,000	3.09%
REPAIRS & MAINTENANCE	\$439,717	\$1,715,000	\$1,448,500	\$621,800	-63.74%
RENTALS	\$110,549	\$109,000	\$73,400	\$113,600	4.22%
MISCELLANEOUS EXP	\$91,871	\$79,000	\$80,000	\$80,000	1.27%
TRANSFER OUT CITY FEE	\$164,867	\$130,000	\$167,400	\$173,900	33.77%
DEPRECIATION EXPENSE	\$497,545	\$538,100	\$497,500	\$497,500	-7.55%
CAPITAL OUTLAY	\$4,760	\$116,000	\$72,700	\$100,000	-13.79%
NON OPERATING EXPENSE	\$51,858	-	-	-	-
INFORMATION TECHNOLOGY SERVICES	\$138,110	\$209,200	\$158,000	\$232,500	11.14%
<b>Total Expenditures</b>	<b>\$2,834,012</b>	<b>\$4,491,900</b>	<b>\$3,799,500</b>	<b>\$3,721,300</b>	<b>-17.16%</b>

**Salaries, Wages and Fringe Benefits:** Salaries, wages and fringe benefits will increase to reflect the Parking Services employees who are now reflected directly in the Auto Parking Fund in all areas of operations, including Administration, Office Operations, Field Operations, and Maintenance Operations.

**Professional Services:** This line item includes expenses for the demolition of buildings on the W State Street properties.

**Information Technology:** New this year, this line item will increase to account for IT operational expenses to transition all parking operations to the City's IT department. Other 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 the same as the previous year.

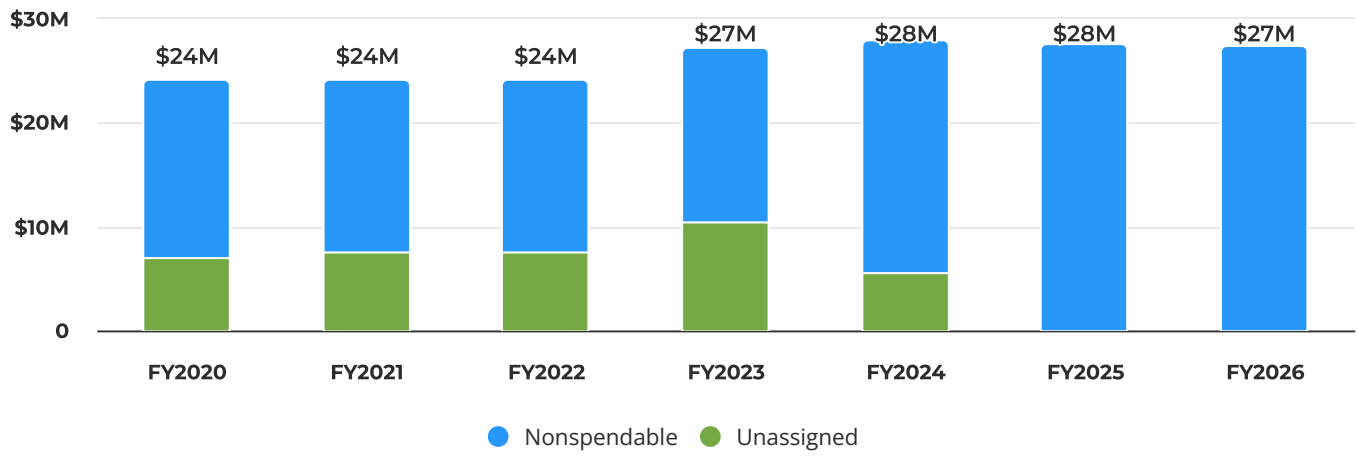
**Repair and Maintenance:** The expense is expected to cover daily operational costs, which include pavement markings, snow removal, elevator service, HVAC services, and cleaning services.

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

**Equipment** – Expenditures include the five-year capital improvement project for battery back-up system replacements.

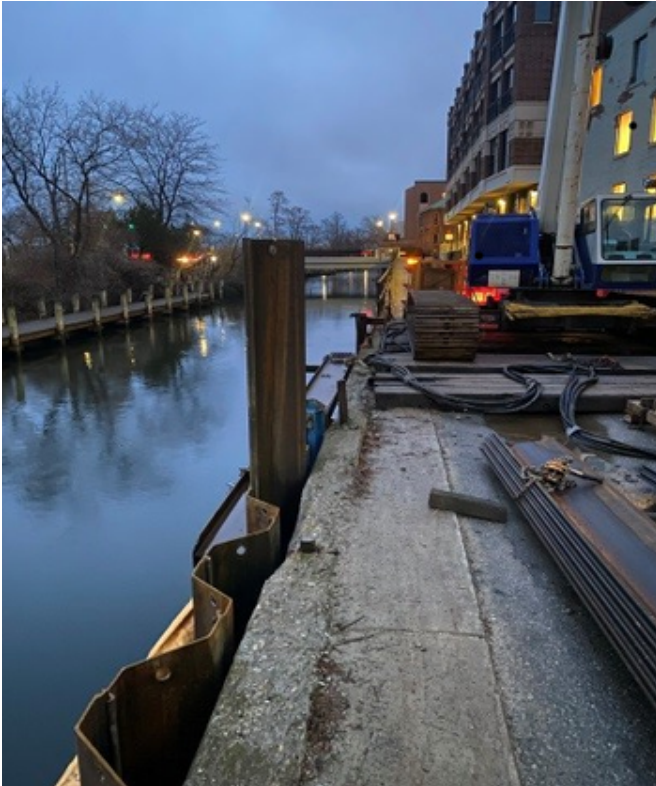
**Transfer Out – City Fee:** The City fee of 5% of the General (514) parking revenues. This is the third year the fee is 5% down from 10%. The reasons for the decrease and restriction to parking general include: 1) 5% is in alignment with other enterprise fund fees, and 2) the aging parking structures will rely more on the revenue to cover maintenance in the coming years.

### Fund Balance Projections



# Department of Municipal Utilities (Wastewater 590 & Water 591)

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. Continue to successfully secure adequate funding source(s) to complete planned 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 (590)

**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.*

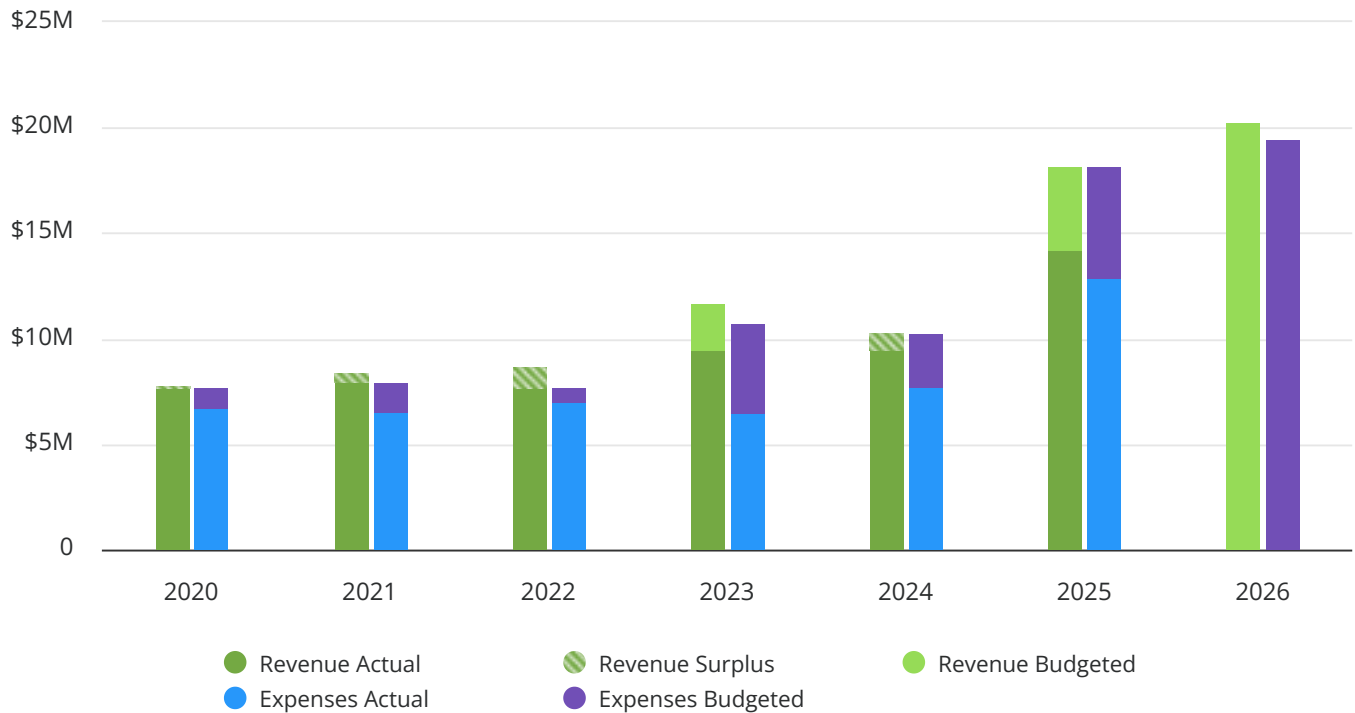
Traverse City and the surrounding townships are leading the way with environmental leadership and in executing their responsibility to reflect the local environmental ethic in its policies.

The Traverse City Regional 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, originally 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 into 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 townships as well as City sewer use ordinances. The above is accomplished through a management contract with Jacobs.



The Traverse City Regional Wastewater Plant was, upon start-up in 2004, 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.

### Revenues vs Expenditures Summary



### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$26,642,400	\$29,186,307	\$29,186,307	\$30,534,207
<b>Revenues</b>				
INTERGOVERNMENTAL	\$521,787	\$2,514,400	\$1,845,300	\$733,200
OPERATING REVENUES	\$9,553,777	\$9,311,800	\$10,065,100	\$10,903,200
OTHER REVENUE	-	\$6,400,000	\$2,200,000	\$8,200,000
REIMBURSEMENTS	\$121,585	\$20,000	\$50,800	\$379,600
NON-OPERATING REVENUES	\$81,127	\$7,600	\$80,000	\$80,000
<b>Total Revenues</b>	<b>\$10,278,277</b>	<b>\$18,253,800</b>	<b>\$14,241,200</b>	<b>\$20,296,000</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$660,309	\$727,400	\$716,600	\$815,900
FRINGE BENEFITS	\$353,269	\$294,700	\$298,000	\$329,100
OFFICE/OPERATING SUPPLIES	\$45,221	\$62,900	\$43,600	\$63,500
PROFESSIONAL SERVICES	\$5,205,766	\$5,424,500	\$5,690,100	\$6,321,400
INSURANCE & BONDS	\$67,808	\$75,700	\$99,900	\$103,200
COLLECTION COST	-	\$100	-	-
PROFESSIONAL DEVELOPMENT	\$6,523	\$9,000	\$2,500	\$9,000
COMMUNICATION	\$25,940	\$26,000	\$26,000	\$26,500
TRANSPORTATION	\$6,853	\$6,500	\$7,000	\$7,000
PRINTING & PUBLISHING	-	\$500	-	-
UTILITIES	\$8,805	\$9,000	\$9,000	\$9,500
REPAIRS & MAINTENANCE	\$5,822	\$35,000	\$7,000	\$35,000
RENTALS	\$147,578	\$137,200	\$152,400	\$132,500

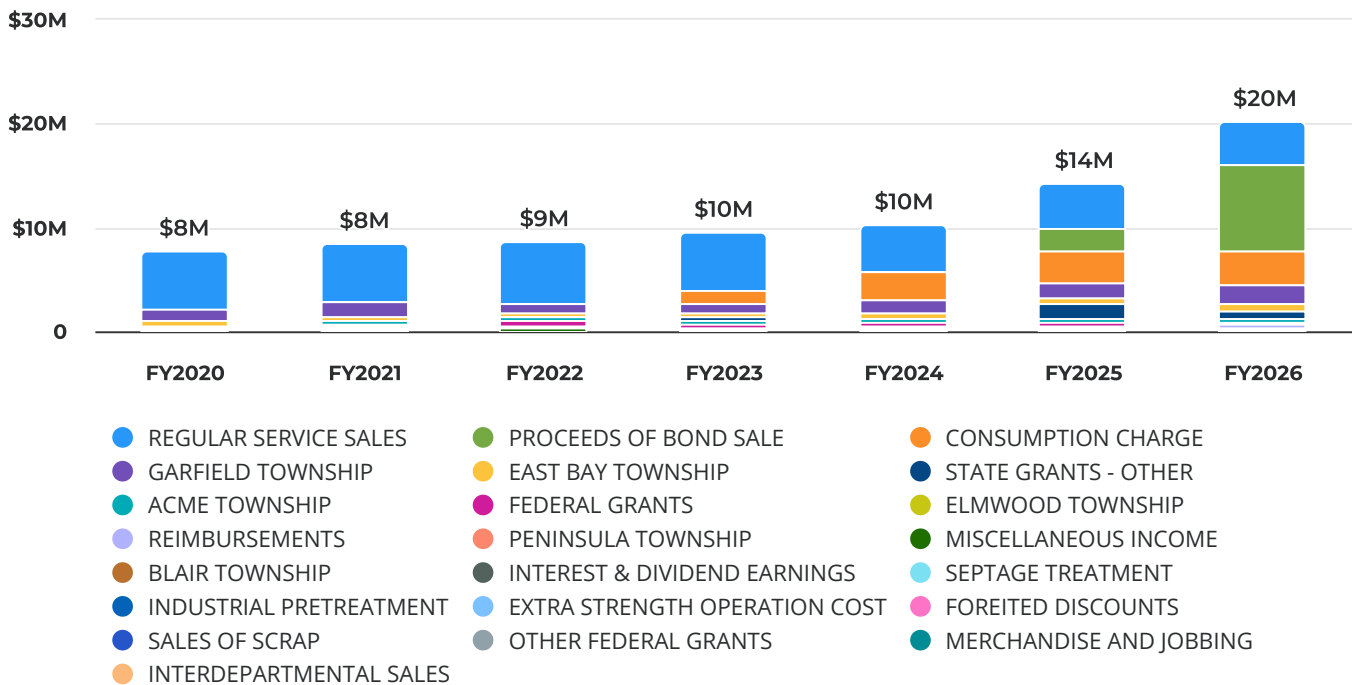


Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
MISCELLANEOUS EXP	-	\$200	-	\$200
TRANSFER OUT CITY FEE	\$487,827	\$501,400	\$503,300	\$545,200
DEPRECIATION EXPENSE	\$690,805	\$685,500	\$705,400	\$710,400
CAPITAL OUTLAY	-	\$10,158,400	\$4,592,000	\$9,575,600
OTHER CHARGES	-	\$12,000	-	-
NON OPERATING EXPENSE	\$20,225	\$40,000	\$33,600	\$764,400
INFORMATION TECHNOLOGY SERVICES	\$1,619	\$1,500	\$6,900	\$15,600
<b>Total Expenditures</b>	<b>\$7,734,370</b>	<b>\$18,207,500</b>	<b>\$12,893,300</b>	<b>\$19,464,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$2,543,907</b>	<b>\$46,300</b>	<b>\$1,347,900</b>	<b>\$832,000</b>
<b>Ending Fund Balance</b>	<b>\$29,186,307</b>	<b>\$29,232,607</b>	<b>\$30,534,207</b>	<b>\$31,366,207</b>

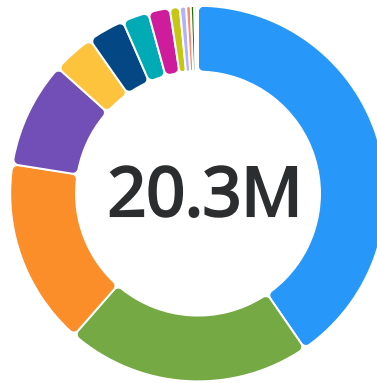
Note other revenue includes Bond Proceeds, which are included for cash flow management purposes only and will not be included as revenue in the annual audited financial statements. Similarly, the Capital Outlay line item is for budget and cash flow management only. Capital additions are reported as fixed assets for financial reporting purposes, not as expenses.

## Revenues by Object

Historical Revenues by Object



### FY26 Revenues by Object



● PROCEEDS OF BOND SALE	\$8,200,000	40.40%
● REGULAR SERVICE SALES	\$4,271,200	21.04%
● CONSUMPTION CHARGE	\$3,258,800	16.06%
● GARFIELD TOWNSHIP	\$1,854,800	9.14%
● STATE GRANTS - OTHER	\$733,200	3.61%
● EAST BAY TOWNSHIP	\$647,900	3.19%
● ACME TOWNSHIP	\$461,800	2.28%
● REIMBURSEMENTS	\$379,600	1.87%
● ELMWOOD TOWNSHIP	\$172,900	0.85%
● PENINSULA TOWNSHIP	\$110,900	0.55%
● INTEREST & DIVIDEND EARNINGS	\$80,000	0.39%
● BLAIR TOWNSHIP	\$60,900	0.30%
● SEPTAGE TREATMENT	\$40,400	0.20%
● INDUSTRIAL PRETREATMENT	\$23,000	0.11%
● SALES OF SCRAP	\$600	0.00%

### Revenues by Object

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FEDERAL GRANTS	\$479,387.49	\$997,500.00	\$473,400.00	-	-100.00%
STATE GRANTS - OTHER	\$42,399.92	\$1,516,900.00	\$1,371,900.00	\$733,200.00	-51.66%
REGULAR SERVICE SALES	\$4,443,983.61	\$4,216,300.00	\$4,245,700.00	\$4,271,200.00	1.30%
CONSUMPTION CHARGE	\$2,681,158.46	\$2,975,400.00	\$3,071,400.00	\$3,258,800.00	9.52%
BLAIR TOWNSHIP	\$43,003.59	\$36,300.00	\$49,500.00	\$60,900.00	67.77%
ELMWOOD TOWNSHIP	\$119,025.99	\$133,400.00	\$142,900.00	\$172,900.00	29.61%
PENINSULA TOWNSHIP	\$77,196.59	\$68,300.00	\$90,400.00	\$110,900.00	62.37%
ACME TOWNSHIP	\$331,296.08	\$366,500.00	\$375,200.00	\$461,800.00	26.00%
EAST BAY TOWNSHIP	\$468,560.85	\$319,000.00	\$526,300.00	\$647,900.00	103.10%

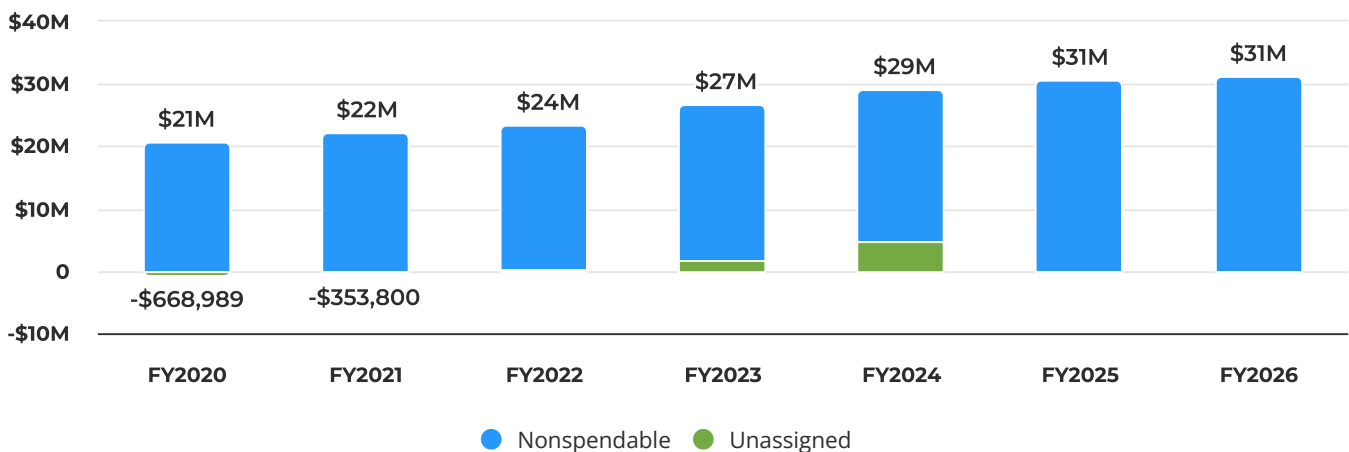
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
GARFIELD TOWNSHIP	\$1,336,744.13	\$1,153,600.00	\$1,507,300.00	\$1,854,800.00	60.78%
INDUSTRIAL PRETREATMENT	\$23,021.12	\$20,000.00	\$23,000.00	\$23,000.00	15.00%
SEPTAGE TREATMENT	\$28,919.52	\$22,200.00	\$32,800.00	\$40,400.00	81.98%
INTEREST & DIVIDEND EARNINGS	\$81,126.56	\$7,600.00	\$80,000.00	\$80,000.00	952.63%
REIMBURSEMENTS	\$121,585.12	\$20,000.00	\$50,800.00	\$379,600.00	1,798.00%
SALES OF SCRAP	\$867.51	\$600.00	\$600.00	\$600.00	0.00%
MISCELLANEOUS INCOME	-	\$200.00	-	-	-100.00%
PROCEEDS OF BOND SALE	-	\$6,400,000.00	\$2,200,000.00	\$8,200,000.00	28.13%
<b>Total Revenues</b>	<b>\$10,278,276.54</b>	<b>\$18,253,800.00</b>	<b>\$14,241,200.00</b>	<b>\$20,296,000.00</b>	<b>11.19%</b>

Note: Regular service sales and consumption charges have been calculated based on the current billing structure. However, a rate study is planned to align future rates with the township’s bulk sales agreements, with the goal of minimizing significant impacts on customers.

The federal grants for COVID testing have been completely eliminated, as well as a reduction in the state solar grant revenue.

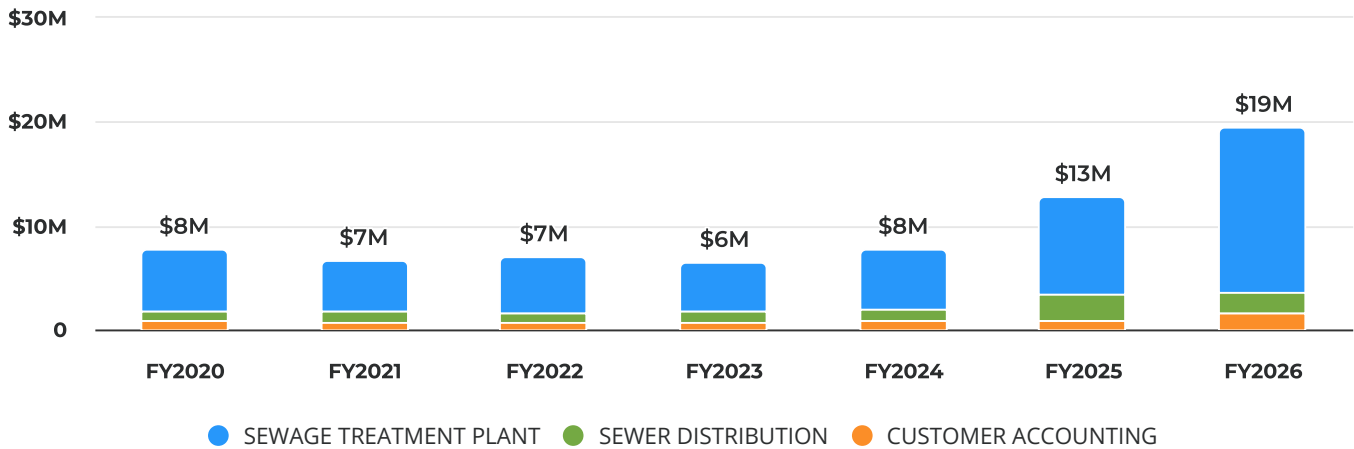
Township shares increased significantly due to their share of capital expenditures increasing with the large upcoming capital projects. Township contributions are determined by bulk sales agreements.

### Fund Balance Projections

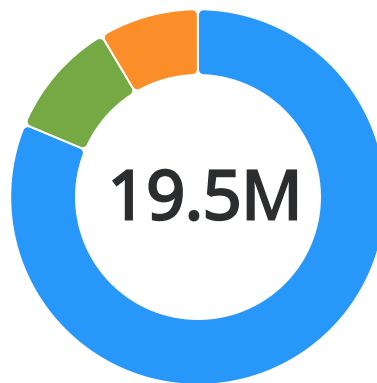


# Wastewater Fund Department Summary (590)

Historical Expenditures by Department



FY26 Expenditures by Department



● SEWAGE TREATMENT PLANT	\$15,829,100	81.33%
● SEWER DISTRIBUTION	\$1,967,100	10.11%
● CUSTOMER ACCOUNTING	\$1,667,800	8.57%

## Expenditures by Department

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SEWAGE TREATMENT PLANT	\$5,713,658.97	\$14,618,600.00	\$9,475,000.00	\$15,829,100.00	8.28%
SEWER DISTRIBUTION	\$1,207,081.88	\$2,722,400.00	\$2,529,200.00	\$1,967,100.00	-27.74%
CUSTOMER ACCOUNTING	\$813,628.66	\$866,500.00	\$889,100.00	\$1,667,800.00	92.48%
<b>Total Expenditures</b>	<b>\$7,734,369.51</b>	<b>\$18,207,500.00</b>	<b>\$12,893,300.00</b>	<b>\$19,464,000.00</b>	<b>6.90%</b>

## Wastewater Capital Projects Summary

Below is a list of capital projects that are included in the 2025/2026 budget for the Wastewater plant broken down by department and funding source.

### Capital Projects Summary

<b>Distribution System</b>	
Gravity Main rehab/repair (CCTV PACP main inspections)	\$ 90,000
Woodmere Coast Guard Riverine engineering evaluation	75,000
Ninth Street reconstruction	387,500
Griffin Street reconstruction	90,000
	<hr/>
<b>Total Distribution System</b>	<b>642,500</b>
	<hr/>
<b>Plant - Township Participation</b>	
2nd membrane replacement (one train)	1,250,000
Membrane tank cover or enclosure engineering	50,000
Membrane system PLC replacement	500,000
Yard piping engineering evaluation	150,000
North aeration basin structural repair	175,000
Odor control system engineering Study	50,000
Electrical Engineering Evaluation	150,000
	<hr/>
<b>Total Plant - Township Participation</b>	<b>2,325,000</b>
	<hr/>
<b>Plant - Bond and Grant Funded</b>	
Solar panel installation - grant funded	733,100
Headworks & UV Upgrade construction - bond funded	8,000,000
Headworks & UV design - bond funded	200,000
	<hr/>
<b>Total Plant - Bond and Grant Funded</b>	<b>8,933,100</b>
	<hr/>
<b>Total Wastewater Fund Capital Projects</b>	<b>\$ 11,900,600</b>
	<hr/> <hr/>

# Wastewater Fund Plant operations (590-550)

## Goals – WWTP and Pump Stations

Complete or assist with Capital Improvement Projects for the current fiscal year. These include membrane PLC replacements, one train of membrane filter replacements, odor control study, aeration basin repairs, and Front Street lift station repairs. These upgrades will extend equipment life, ensure reliable operation, reduce compliance risks, and improve overall plant efficiency.

Other goals include:

- Improve biological phosphorus removal
- Complete the installation of the rooftop solar and BESS battery energy storage system
- Reduce electrical consumption not covered by solar and BESS
- Implement the tree planting plan around the perimeter of the facility
- Help fund a mural on the west biosolids storage tank
- Support the headworks, primary treatment, and UV system upgrade project
- Install one new aeration turbo blower at Jacobs' expense

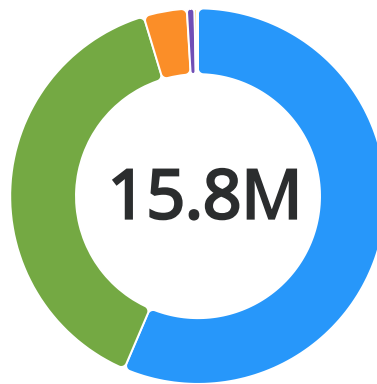
## Performance Measurements – WWTP

This table shows performance measurements for the Traverse City Regional Wastewater Treatment Plant (TCRWWTP) from 2019 to 2024. The treated volume is decreasing as the City upgrades the collection system to manage infiltration and inflow, and lake levels drop from near-record highs seen in recent years. Organic loading in millions of pounds of Biochemical Oxygen Demand (BOD) treated is trending up in recent years, most likely due to growth in the Grand Traverse area. We monitor both flow and loading trends to help determine when future capacity analysis or upgrades should be considered. Currently, the facility is well within capacity. The plant has remained 100% compliant with NPDES permit limits, thanks to Jacobs' commitment to environmental compliance, city support, and the high-quality effluent the membrane filtration process produces. Kilowatt-hours per pound of BOD and per million gallons treated decreased in 2024 due to lower flows, operational efficiency improvements, and the absence of Membrane Bioreactor fouling, as seen in years past. Safety is always our top priority. Currently, we have surpassed 1,887 days since our last recordable incident in 2020.

Performance Measurements - WWTP							
	Performance Indicator	2019	2020	2021	2022	2023	2024
Output	Billions of gallons treated	2.05	2.16	1.77	1.66	1.66	1.57
	Millions of pounds of BOD treated	3.05	2.53	3.06	3.28	3.10	3.69
	Recordable safety incidents	0	1	0	0	0	0

Efficiency	Percentage of effluent in compliance with NPDES permit	100%	100%	100%	100%	100%	100%
	Kilowatt hours used / pound of BOD treated	1.93	2.34	1.62	1.49	1.65	1.21
	Kilowatt hours used / million gallons of sewage treated	2,700	2,694	2,782	2,934	3,084	2,848
	Total recordable rates	0.0%	5.8%	0.0%	0.0%	0.0%	0.0%
	Days away or on restricted duty	0	8	0	0	0	0

### FY26 Expenditures by Type Summary



● CAPITAL OUTLAY	<b>\$8,933,100</b>	56.43%
● PROFESSIONAL SERVICES	<b>\$6,156,600</b>	38.89%
● DEPRECIATION EXPENSE	<b>\$590,000</b>	3.73%
● INSURANCE & BONDS	<b>\$102,500</b>	0.65%
● SALARIES & WAGES	<b>\$36,000</b>	0.23%
● FRINGE BENEFITS	<b>\$7,200</b>	0.05%
● RENTALS	<b>\$2,500</b>	0.02%
● INFORMATION TECHNOLOGY SERVICES	<b>\$1,200</b>	0.01%

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$34,536	\$34,500	\$34,500	\$36,000	4.35%
FRINGE BENEFITS	\$6,614	\$5,800	\$6,600	\$7,200	24.14%
PROFESSIONAL SERVICES	\$5,032,678	\$5,274,500	\$5,564,900	\$6,156,600	16.72%
INSURANCE & BONDS	\$67,127	\$75,000	\$99,200	\$102,500	36.67%
RENTALS	\$2,310	\$2,200	\$2,400	\$2,500	13.64%
DEPRECIATION EXPENSE	\$570,394	\$585,000	\$585,000	\$590,000	0.85%
CAPITAL OUTLAY	-	\$8,629,600	\$3,182,000	\$8,933,100	3.52%
OTHER CHARGES	-	\$12,000	-	-	-100.00%
INFORMATION TECHNOLOGY SERVICES	-	-	\$400	\$1,200	-
<b>Total Expenditures</b>	<b>\$5,713,659</b>	<b>\$14,618,600</b>	<b>\$9,475,000</b>	<b>\$15,829,100</b>	<b>8.28%</b>

Note: As previously mentioned, Capital Outlay is included in this report for budget and cash flow management purposes. Capital additions are reported as fixed assets on year-end financial statements. In addition, the professional services line item includes approximately \$2.3 million in budgeted cost for fixed asset additions that will be paid for in part by contributions from townships and will appear as fixed asset additions in the year-end financial statements.



# Wastewater Fund Distribution (590-555)

**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.

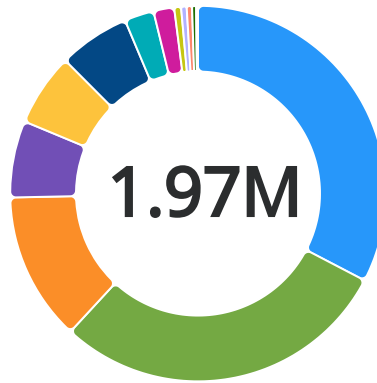
## Goals – Maintenance & Repairs

1. Continue to televise and evaluate sewers for condition assessment.
2. Finish installing all AMI meters 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 & Repairs

	Performance Indicators	2019-20	2020-21	2021-22	2022-23	2023-24 to date
Output	Sewer maintenance calls	71	80	120	80	52
	Footage of Sewers CCTV's	12,320	13,830	16,000	2,500	4000
	Footage of sewers cleaned	61,275	65,860	60,000	80,000	77,000
Efficiency	Percentage of maintenance calls responded to within one hour	100%	100%	100%	100%	99%
	Percentage of sewer backups that were homeowner responsibility	71%	72%	76%	75%	79%
	Percentage of annual sewers cleaned	15%	16%	14%	17%	17%

### FY26 Expenditures by Type Summary



<span style="color: blue;">●</span> CAPITAL OUTLAY	<b>\$642,500</b>	32.66%
<span style="color: green;">●</span> SALARIES & WAGES	<b>\$574,800</b>	29.22%
<span style="color: orange;">●</span> FRINGE BENEFITS	<b>\$251,500</b>	12.79%
<span style="color: purple;">●</span> RENTALS	<b>\$130,000</b>	6.61%
<span style="color: yellow;">●</span> PROFESSIONAL SERVICES	<b>\$123,100</b>	6.26%
<span style="color: darkblue;">●</span> DEPRECIATION EXPENSE	<b>\$120,400</b>	6.12%
<span style="color: cyan;">●</span> OFFICE/OPERATING SUPPLIES	<b>\$50,000</b>	2.54%
<span style="color: magenta;">●</span> REPAIRS & MAINTENANCE	<b>\$35,000</b>	1.78%
<span style="color: limegreen;">●</span> INFORMATION TECHNOLOGY SERVICES	<b>\$11,400</b>	0.58%
<span style="color: lightblue;">●</span> UTILITIES	<b>\$9,500</b>	0.48%
<span style="color: salmon;">●</span> PROFESSIONAL DEVELOPMENT	<b>\$9,000</b>	0.46%
<span style="color: darkgreen;">●</span> TRANSPORTATION	<b>\$7,000</b>	0.36%
<span style="color: brown;">●</span> COMMUNICATION	<b>\$2,200</b>	0.11%
<span style="color: grey;">●</span> INSURANCE & BONDS	<b>\$700</b>	0.04%

**Expenditures by Type Summary**

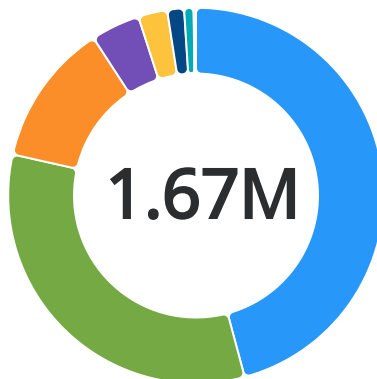
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$468,147	\$502,900	\$497,100	\$574,800	14.30%
FRINGE BENEFITS	\$285,620	\$222,000	\$223,300	\$251,500	13.29%
OFFICE/OPERATING SUPPLIES	\$27,651	\$50,000	\$30,000	\$50,000	0.00%
PROFESSIONAL SERVICES	\$129,667	\$120,000	\$66,700	\$123,100	2.58%
INSURANCE & BONDS	\$681	\$700	\$700	\$700	0.00%
PROFESSIONAL DEVELOPMENT	\$6,523	\$9,000	\$2,500	\$9,000	0.00%
COMMUNICATION	\$1,950	\$2,000	\$2,000	\$2,200	10.00%
TRANSPORTATION	\$6,853	\$6,500	\$7,000	\$7,000	7.69%
UTILITIES	\$8,805	\$9,000	\$9,000	\$9,500	5.56%
REPAIRS & MAINTENANCE	\$5,822	\$35,000	\$7,000	\$35,000	0.00%
RENTALS	\$144,951	\$135,000	\$150,000	\$130,000	-3.70%
DEPRECIATION EXPENSE	\$120,411	\$100,500	\$120,400	\$120,400	19.80%
CAPITAL OUTLAY	-	\$1,528,800	\$1,410,000	\$642,500	-57.97%
INFORMATION TECHNOLOGY SERVICES	-	\$1,000	\$3,500	\$11,400	1,040.00%
<b>Total Expenditures</b>	<b>\$1,207,082</b>	<b>\$2,722,400</b>	<b>\$2,529,200</b>	<b>\$1,967,100</b>	<b>-27.74%</b>

Note: Capital Outlay is included on this report for budgetary and cash flow management purposes. Capital additions will be reported as fixed assets in the year-end financial statements, not as expenses.

# Wastewater Fund Customer Accounting (590-560)

This department tracks administration and billing-related costs.

FY26 Expenditures by Type Summary



NON OPERATING EXPENSE	\$764,400	45.83%
TRANSFER OUT CITY FEE	\$545,200	32.69%
SALARIES & WAGES	\$205,100	12.30%
FRINGE BENEFITS	\$70,400	4.22%
PROFESSIONAL SERVICES	\$41,700	2.50%
COMMUNICATION	\$24,300	1.46%
OFFICE/OPERATING SUPPLIES	\$13,500	0.81%
INFORMATION TECHNOLOGY SERVICES	\$3,000	0.18%
MISCELLANEOUS EXP	\$200	0.01%

## Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$157,626	\$190,000	\$185,000	\$205,100	7.95%
FRINGE BENEFITS	\$61,034	\$66,900	\$68,100	\$70,400	5.23%
OFFICE/OPERATING SUPPLIES	\$17,571	\$12,900	\$13,600	\$13,500	4.65%
PROFESSIONAL SERVICES	\$43,421	\$30,000	\$58,500	\$41,700	39.00%
COLLECTION COST	-	\$100	-	-	-100.00%
COMMUNICATION	\$23,989	\$24,000	\$24,000	\$24,300	1.25%
PRINTING & PUBLISHING	-	\$500	-	-	-100.00%
RENTALS	\$317	-	-	-	-
MISCELLANEOUS EXP	-	\$200	-	\$200	0.00%
TRANSFER OUT CITY FEE	\$487,827	\$501,400	\$503,300	\$545,200	8.74%
NON OPERATING EXPENSE	\$20,225	\$40,000	\$33,600	\$764,400	1,811.00%
INFORMATION TECHNOLOGY SERVICES	\$1,619	\$500	\$3,000	\$3,000	500.00%
<b>Total Expenditures</b>	<b>\$813,629</b>	<b>\$866,500</b>	<b>\$889,100</b>	<b>\$1,667,800</b>	<b>92.48%</b>

# Water Fund (591)

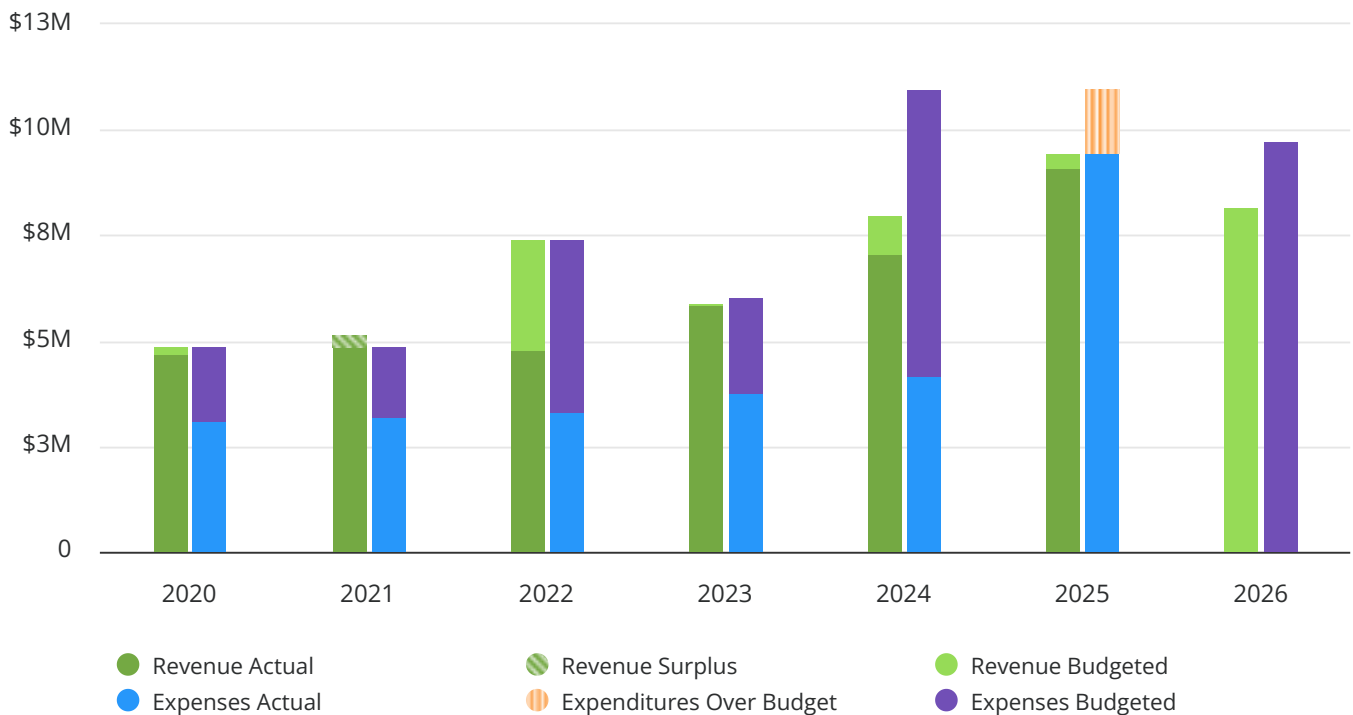
**Mission Statement:** *To provide abundant, clean, safe and aesthetically pleasing water to our customers.*

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 firm capacity of 19.7 million gallons a day.

The Water Treatment Plant (WTP) produces and supplies approximately 2.0 billion gallons of drinking water annually. Plant personnel operate a state-certified laboratory to monitor water quality and provide bacteriological testing for the plant and surrounding Township-owned water systems. 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.



## Revenues vs Expenditures Summary



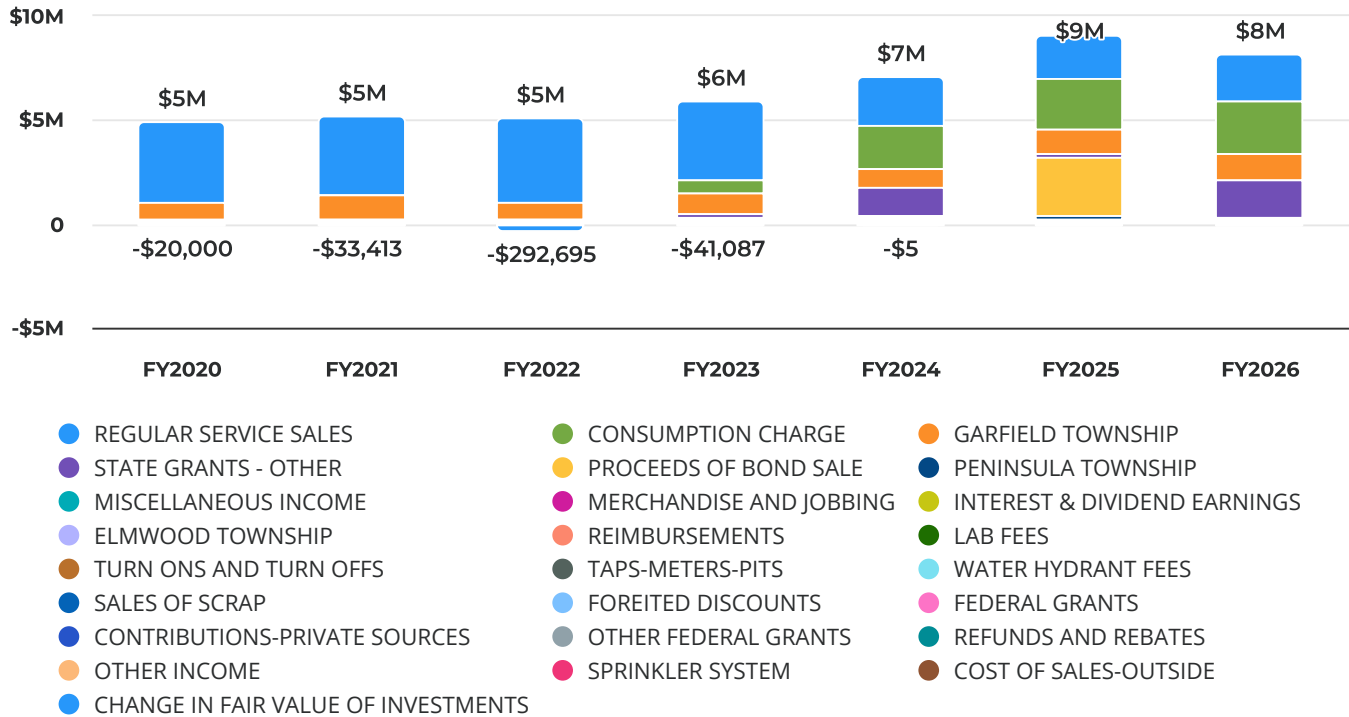
**Comprehensive Fund Summary**

<b>Category</b>	<b>2023/2024 Actual</b>	<b>2024/2025 Amended</b>	<b>2024/2025 Projected</b>	<b>2025/2026 Budgeted</b>
<b>Beginning Fund Balance</b>	<b>\$21,656,042</b>	<b>\$24,568,870</b>	<b>\$24,568,870</b>	<b>\$22,707,820</b>
<b>Revenues</b>				
INTERGOVERNMENTAL	\$1,407,120	-	\$226,300	\$1,774,200
OPERATING REVENUES	\$5,511,775	\$5,805,500	\$6,010,900	\$6,334,800
OTHER REVENUE	-	\$3,643,800	\$2,797,500	-
REIMBURSEMENTS	-	-	\$16,500	\$5,000
NON-OPERATING REVENUES	\$167,368	\$43,000	\$59,400	\$59,400
<b>Total Revenues</b>	<b>\$7,086,263</b>	<b>\$9,492,300</b>	<b>\$9,110,600</b>	<b>\$8,173,400</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$1,020,622	\$1,060,800	\$1,094,000	\$1,209,600
FRINGE BENEFITS	\$753,151	\$663,300	\$685,300	\$763,000
OFFICE/OPERATING SUPPLIES	\$505,654	\$315,100	\$450,500	\$368,500
PROFESSIONAL SERVICES	\$279,262	\$599,000	\$2,103,350	\$377,600
INSURANCE & BONDS	\$43,003	\$45,200	\$41,800	\$43,200
COLLECTION COST	-	\$100	-	-
PROFESSIONAL DEVELOPMENT	\$16,030	\$20,000	\$9,300	\$20,000
COMMUNICATION	\$39,971	\$39,200	\$42,800	\$43,800
TRANSPORTATION	\$6,579	\$10,000	\$8,800	\$10,000
PRINTING & PUBLISHING	\$102	\$600	\$300	\$500
UTILITIES	\$354,657	\$396,400	\$348,000	\$366,000
REPAIRS & MAINTENANCE	\$134,207	\$125,000	\$180,000	\$195,000
RENTALS	\$116,199	\$160,500	\$128,000	\$131,000
MISCELLANEOUS EXP	-	\$100	-	\$100
TRANSFER OUT CITY FEE	\$279,156	\$288,500	\$301,400	\$317,000
DEPRECIATION EXPENSE	\$600,903	\$579,200	\$604,700	\$604,700
CAPITAL OUTLAY	-	\$5,160,000	\$4,932,700	\$5,220,200
NON OPERATING EXPENSE	-	-	\$6,300	\$14,600
INFORMATION TECHNOLOGY SERVICES	\$23,947	\$29,300	\$34,400	\$57,200
<b>Total Expenditures</b>	<b>\$4,173,444</b>	<b>\$9,492,300</b>	<b>\$10,971,650</b>	<b>\$9,742,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$2,912,818</b>	<b>-</b>	<b>-\$1,861,050</b>	<b>-\$1,568,600</b>
<b>Ending Fund Balance</b>	<b>\$24,568,861</b>	<b>\$24,568,870</b>	<b>\$22,707,820</b>	<b>\$21,139,220</b>

Note: Capital Outlay appears for budget and cash management purposes only. Capital additions will be reported as fixed assets on the year-end financial statements, not as expenses. Projected other revenue for year-end 6/30/2025 is estimated bond proceeds, which similarly to capital outlay is included as a cash flow management tool and will not be reported as revenue on the year-end financial statements.

# Revenues by Object

Historical Revenues by Object



## Revenues by Object

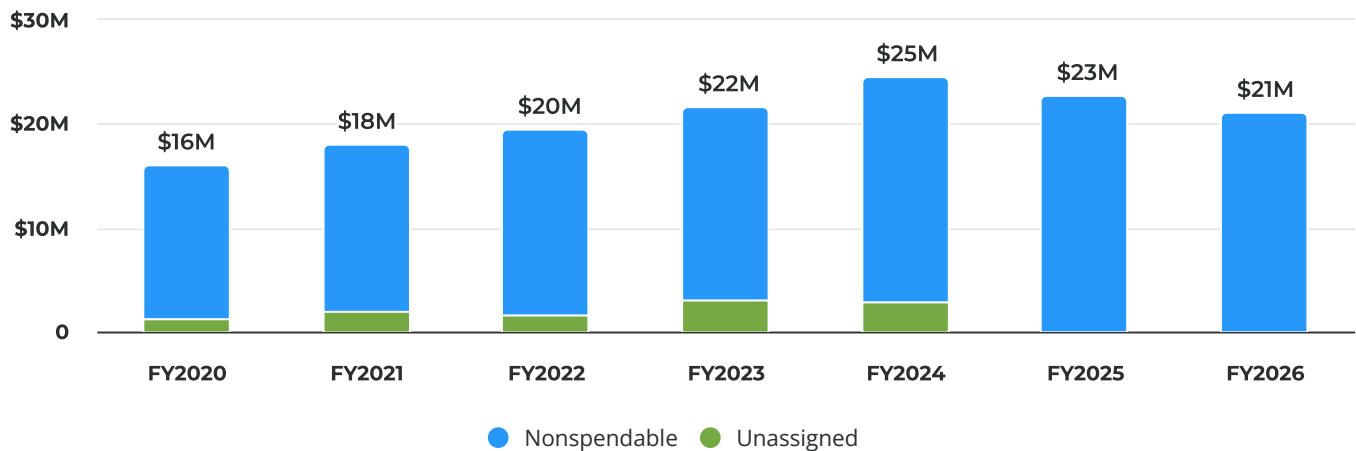
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
FEDERAL GRANTS	\$12,756.99	-	\$500.00	-	-
STATE GRANTS - OTHER	\$1,394,363.00	-	\$225,800.00	\$1,774,200.00	-
REGULAR SERVICE SALES	\$2,284,349.60	\$2,083,000.00	\$2,120,500.00	\$2,202,200.00	5.72%
CONSUMPTION CHARGE	\$2,088,850.18	\$2,378,300.00	\$2,441,200.00	\$2,541,300.00	6.85%
ELMWOOD TOWNSHIP	\$24,090.70	\$28,400.00	\$28,400.00	\$32,300.00	13.73%
PENINSULA TOWNSHIP	\$68,955.46	\$105,800.00	\$114,900.00	\$130,900.00	23.72%
GARFIELD TOWNSHIP	\$905,528.30	\$1,057,600.00	\$1,130,800.00	\$1,288,900.00	21.87%
SPRINKLER SYSTEM	\$4,126.66	\$300.00	\$300.00	\$300.00	0.00%
MERCHANDISE AND JOBBING	\$63,667.34	\$70,000.00	\$50,000.00	\$50,000.00	-28.57%
TAPS-METERS-PITS	-	\$5,000.00	-	-	-100.00%
TURN ONS AND TURN OFFS	\$9,604.96	\$8,800.00	\$9,500.00	\$9,500.00	7.95%
LAB FEES	\$9,556.00	\$9,600.00	\$11,300.00	\$11,400.00	18.75%
WATER HYDRANT FEES	-	\$700.00	\$27,000.00	\$10,000.00	1,328.57%
INTEREST & DIVIDEND EARNINGS	\$96,027.60	\$43,000.00	\$59,400.00	\$59,400.00	38.14%
CHANGE IN FAIR VALUE OF INVESTMENTS	\$64,340.19	-	-	-	-
CONTRIBUTIONS-PRIVATE SOURCES	\$7,000.00	-	-	-	-

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REIMBURSEMENTS	-	-	\$16,500.00	\$5,000.00	-
OTHER INCOME	-\$4.52	-	-	-	-
SALES OF SCRAP	\$745.47	\$1,000.00	\$21,000.00	\$2,000.00	100.00%
MISCELLANEOUS INCOME	\$52,304.71	\$57,000.00	\$56,000.00	\$56,000.00	-1.75%
PRIOR YEARS' SURPLUS	-	\$1,863,800.00	-	-	-100.00%
PROCEEDS OF BOND SALE	-	\$1,780,000.00	\$2,797,500.00	-	-100.00%
<b>Total Revenues</b>	<b>\$7,086,262.64</b>	<b>\$9,492,300.00</b>	<b>\$9,110,600.00</b>	<b>\$8,173,400.00</b>	<b>-13.89%</b>

Note: Regular service sales and consumption charges have been calculated based on the current billing structure. However, a rate study is planned to align future rates with the township's bulk sales agreements, with the goal of minimizing significant impacts on customers.

Miscellaneous income includes revenue from cell tower leases.

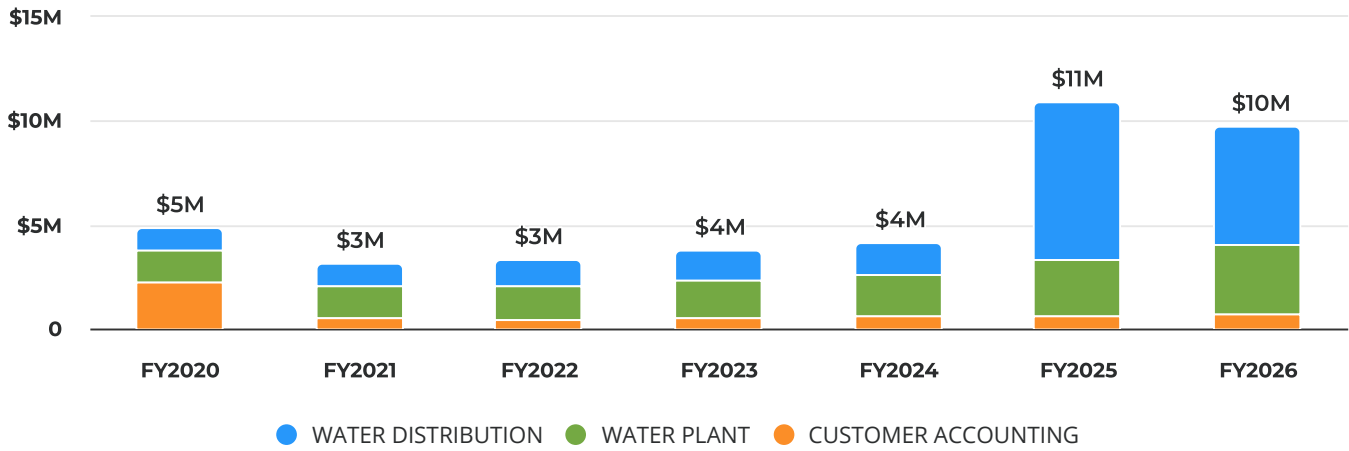
### Fund Balance Projections



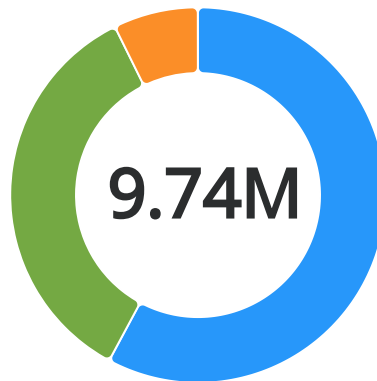


# Water Fund Department Summary (591)

Historical Expenditures by Department



FY26 Expenditures by Department



<span style="color: blue;">●</span> WATER DISTRIBUTION	<b>\$5,635,100</b>	57.84%
<span style="color: green;">●</span> WATER PLANT	<b>\$3,395,400</b>	34.85%
<span style="color: orange;">●</span> CUSTOMER ACCOUNTING	<b>\$711,500</b>	7.30%

## Expenditures by Department

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
WATER PLANT	\$1,988,678	\$1,909,400	\$2,634,450	\$3,395,400	77.83%
CUSTOMER ACCOUNTING	\$590,329	\$624,600	\$666,500	\$711,500	13.91%
WATER DISTRIBUTION	\$1,594,438	\$6,958,300	\$7,670,700	\$5,635,100	-19.02%
<b>Total Expenditures</b>	<b>\$4,173,444</b>	<b>\$9,492,300</b>	<b>\$10,971,650</b>	<b>\$9,742,000</b>	<b>2.63%</b>

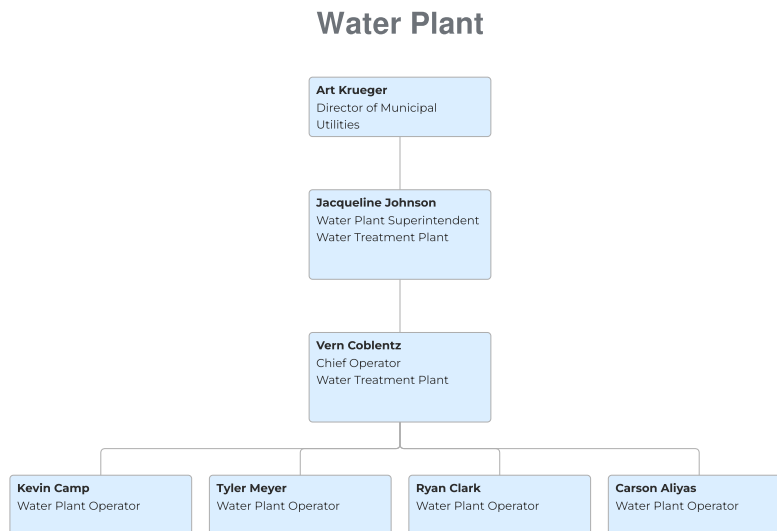
# Water Capital Projects Summary

Below is a list of capital projects that are included in the 2025/2026 budget for the Water Plant, broken down by department and funding source.

**City of Traverse City  
Water Fund # 591  
Capital Projects Summary**

<b>Distribution System</b>	
Bloomfield booster demo	\$ 120,000
Cass & 9th intersection repair	120,000
Veterans drive booster station demolition	120,000
Grand Traverse Regional system study/reliability study	200,000
Grand Traverse Recreational Authority/Commons water systems upgrade	425,000
Ninth Street reconstruction	200,000
Griffin Street reconstruction	185,000
Eleventh Street reconstruction	770,000
East Twelfth Street reconstruction	91,000
Galvanized service earmark grant (water pipe id project)	1,774,200
<b>Total Distribution System</b>	<b>4,005,200</b>
<b>Plant</b>	
Windows replacement project	65,000
High & low service pump repair	310,000
Chlorine storage & building improvements	540,000
Water treatment plant & Wayne Hill overflow installation	300,000
<b>Total Plant</b>	<b>1,215,000</b>
<b>Total Water Fund Capital Projects</b>	<b>\$ 5,220,200</b>

# Water Fund - Plant (591-536)



## Goals – Plant, Storage Tanks & 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) Five-Year Project Plan including construction of new East-West 24-inch water transmission mains (phased plan). 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.

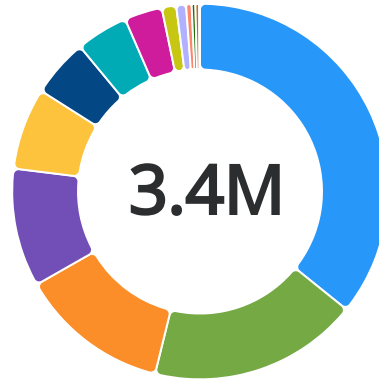
## Performance Measurements – Plant, Storage Tanks & Booster Stations

	Performance Indicators	2020	2021	2022	2023	2024
<b>Output</b>	Million gallons of water pumped	1,774.36	1,959.56	1,883.00	2,014.82	2,010.03
	Chemical costs	\$48,148.00	\$52,851.00	\$60,797.92	\$105,518.25	\$98,757.19
	Electrical demand - kWh (kiloWatt-hours)	2,092,204	2,377,040	2,219,229	2,408,880	2,396,147
<b>Efficiency</b>	Chemical cost per million gallons water pumped	\$27.14	\$26.97	\$32.29	\$52.37	\$49.13
	Gallons / kWh	848.08	824.37	848.49	836.42	838.86

# SUMMARY OF SIGNIFICANT BUDGET CHANGES- Plant, Storage Tanks & Booster Stations

No significant changes compared to the previous year’s budget line items except for the planned capital improvement projects listed in the Water Capital Projects Summary.

FY26 Expenditures by Type Summary



CAPITAL OUTLAY	\$1,215,000	35.78%
SALARIES & WAGES	\$613,700	18.07%
FRINGE BENEFITS	\$438,300	12.91%
UTILITIES	\$346,000	10.19%
DEPRECIATION EXPENSE	\$239,000	7.04%
REPAIRS & MAINTENANCE	\$170,000	5.01%
OFFICE/OPERATING SUPPLIES	\$152,000	4.48%
PROFESSIONAL SERVICES	\$110,600	3.26%
INSURANCE & BONDS	\$41,800	1.23%
INFORMATION TECHNOLOGY SERVICES	\$29,000	0.85%
COMMUNICATION	\$16,000	0.47%
PROFESSIONAL DEVELOPMENT	\$11,000	0.32%
RENTALS	\$11,000	0.32%
TRANSPORTATION	\$2,000	0.06%

**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$484,999	\$500,200	\$504,000	\$613,700	22.69%
FRINGE BENEFITS	\$473,743	\$365,000	\$374,900	\$438,300	20.08%
OFFICE/OPERATING SUPPLIES	\$139,827	\$151,300	\$155,500	\$152,000	0.46%
PROFESSIONAL SERVICES	\$95,269	\$104,000	\$97,750	\$110,600	6.35%
INSURANCE & BONDS	\$41,714	\$43,800	\$40,500	\$41,800	-4.57%
PROFESSIONAL DEVELOPMENT	\$4,973	\$11,000	\$2,300	\$11,000	0.00%
COMMUNICATION	\$13,252	\$12,200	\$16,000	\$16,000	31.15%
TRANSPORTATION	\$862	\$2,000	\$1,800	\$2,000	0.00%
PRINTING & PUBLISHING	\$102	\$100	\$300	-	-100.00%
UTILITIES	\$342,001	\$376,400	\$336,000	\$346,000	-8.08%
REPAIRS & MAINTENANCE	\$128,768	\$100,000	\$170,000	\$170,000	70.00%
RENTALS	\$11,963	\$13,500	\$18,000	\$11,000	-18.52%
DEPRECIATION EXPENSE	\$239,212	\$213,500	\$239,000	\$239,000	11.94%
CAPITAL OUTLAY	-	-	\$662,000	\$1,215,000	-
INFORMATION TECHNOLOGY SERVICES	\$11,991	\$16,400	\$16,400	\$29,000	76.83%
<b>Total Expenditures</b>	<b>\$1,988,678</b>	<b>\$1,909,400</b>	<b>\$2,634,450</b>	<b>\$3,395,400</b>	<b>77.83%</b>

Note: Capital Outlay is included for budgeting and cash flow management. Capital additions will be reported as fixed assets on the year-end financial statements, not as an expense.

# Water Fund - Distribution (591-575)

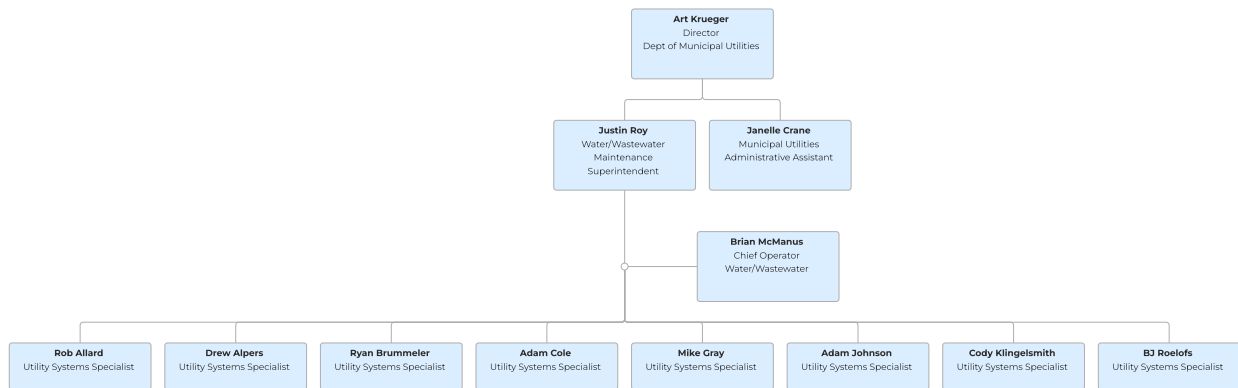
**Mission Statement :** *To distribute abundant, clean and safe potable water to our customers and provide adequate fire protection for the City of Traverse City.*

**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



## Water Distribution Org Chart



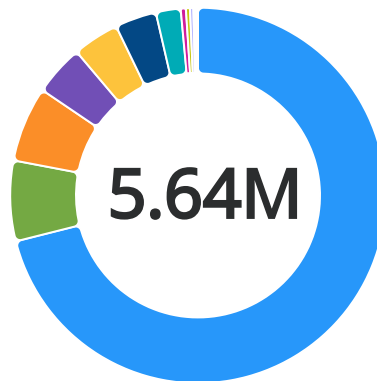
## Goals - Distribution

1. Continue to explore ways to improve 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. Finish the AMI meter replacements with our own workforce to improve water billing accuracy.
4. Exercise 20% of the water system mainline valves.
5. Continue to work with GIS/Asset Management Division to improve utility location maps and utility locating abilities (Miss Dig).

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes in the distribution budget.

FY26 Expenditures by Type Summary



CAPITAL OUTLAY	\$4,005,200	71.08%
SALARIES & WAGES	\$390,000	6.92%
DEPRECIATION EXPENSE	\$365,000	6.48%
FRINGE BENEFITS	\$246,000	4.37%
PROFESSIONAL SERVICES	\$225,300	4.00%
OFFICE/OPERATING SUPPLIES	\$200,500	3.56%
RENTALS	\$120,000	2.13%
REPAIRS & MAINTENANCE	\$25,000	0.44%
UTILITIES	\$20,000	0.35%
INFORMATION TECHNOLOGY SERVICES	\$16,200	0.29%
PROFESSIONAL DEVELOPMENT	\$9,000	0.16%
TRANSPORTATION	\$8,000	0.14%
COMMUNICATION	\$3,500	0.06%
INSURANCE & BONDS	\$1,400	0.02%

**Expenditures by Type Summary**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$376,559	\$369,100	\$404,000	\$390,000	5.66%
FRINGE BENEFITS	\$211,308	\$223,600	\$235,800	\$246,000	10.02%
OFFICE/OPERATING SUPPLIES	\$352,484	\$150,300	\$280,500	\$200,500	33.40%
PROFESSIONAL SERVICES	\$140,750	\$465,000	\$1,954,600	\$225,300	-51.55%
INSURANCE & BONDS	\$1,289	\$1,400	\$1,300	\$1,400	0.00%
PROFESSIONAL DEVELOPMENT	\$11,057	\$9,000	\$7,000	\$9,000	0.00%
COMMUNICATION	\$2,730	\$2,000	\$2,800	\$3,500	75.00%
TRANSPORTATION	\$5,717	\$8,000	\$7,000	\$8,000	0.00%
UTILITIES	\$12,656	\$20,000	\$12,000	\$20,000	0.00%
REPAIRS & MAINTENANCE	\$5,438	\$25,000	\$10,000	\$25,000	0.00%
RENTALS	\$103,920	\$147,000	\$110,000	\$120,000	-18.37%
DEPRECIATION EXPENSE	\$361,011	\$365,000	\$365,000	\$365,000	0.00%
CAPITAL OUTLAY	-	\$5,160,000	\$4,270,700	\$4,005,200	-22.38%
INFORMATION TECHNOLOGY SERVICES	\$9,517	\$12,900	\$10,000	\$16,200	25.58%
<b>Total Expenditures</b>	<b>\$1,594,438</b>	<b>\$6,958,300</b>	<b>\$7,670,700</b>	<b>\$5,635,100</b>	<b>-19.02%</b>

Note: Capital Outlay is included in this report as a budgetary and cash management tool. Capital additions will be reported as fixed assets on the year-end annual financial statements, not as an expense.



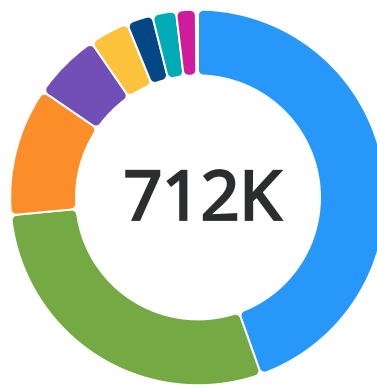
# Water Fund - Customer Accounting (591-580)

Cost of administration/billing costs

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes in the customer accounting budget.

FY26 Expenditures by Expense Type Summary



● TRANSFER OUT CITY FEE	\$317,000	44.55%
● SALARIES & WAGES	\$205,900	28.94%
● FRINGE BENEFITS	\$78,700	11.06%
● PROFESSIONAL SERVICES	\$41,700	5.86%
● COMMUNICATION	\$24,300	3.42%
● OFFICE/OPERATING SUPPLIES	\$16,000	2.25%
● NON OPERATING EXPENSE	\$14,600	2.05%
● INFORMATION TECHNOLOGY SERVICES	\$12,000	1.69%
● DEPRECIATION EXPENSE	\$700	0.10%
● PRINTING & PUBLISHING	\$500	0.07%
● MISCELLANEOUS EXP	\$100	0.01%

### Expenditures by Expense Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$159,063	\$191,500	\$186,000	\$205,900	7.52%
FRINGE BENEFITS	\$68,099	\$74,700	\$74,600	\$78,700	5.35%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OFFICE/OPERATING SUPPLIES	\$13,343	\$13,500	\$14,500	\$16,000	18.52%
PROFESSIONAL SERVICES	\$43,242	\$30,000	\$51,000	\$41,700	39.00%
COLLECTION COST	-	\$100	-	-	-100.00%
COMMUNICATION	\$23,989	\$25,000	\$24,000	\$24,300	-2.80%
PRINTING & PUBLISHING	-	\$500	-	\$500	0.00%
RENTALS	\$317	-	-	-	-
MISCELLANEOUS EXP	-	\$100	-	\$100	0.00%
TRANSFER OUT CITY FEE	\$279,156	\$288,500	\$301,400	\$317,000	9.88%
DEPRECIATION EXPENSE	\$680	\$700	\$700	\$700	0.00%
NON OPERATING EXPENSE	-	-	\$6,300	\$14,600	-
INFORMATION TECHNOLOGY SERVICES	\$2,439	-	\$8,000	\$12,000	-
<b>Total Expenditures</b>	<b>\$590,329</b>	<b>\$624,600</b>	<b>\$666,500</b>	<b>\$711,500</b>	<b>13.91%</b>

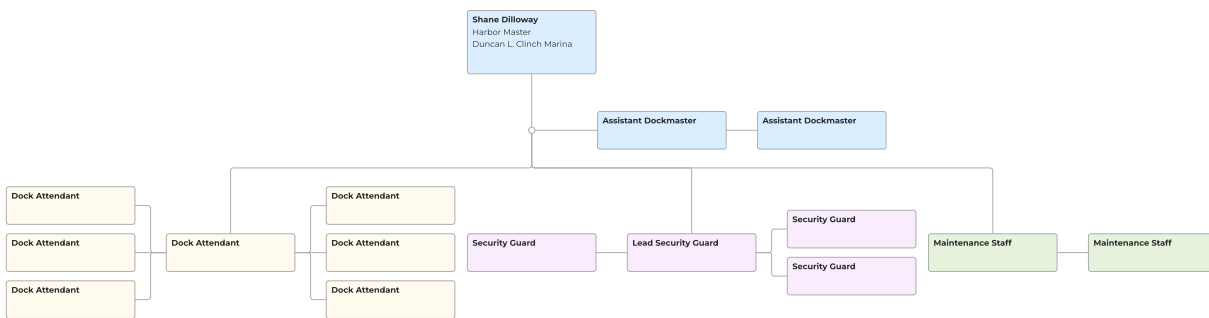
# Duncan L Clinch Marina Fund (594)

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

Clinch Marina provides facilities for the boating public. There are 71 slips for seasonal boaters and 48 for transient boaters. There is also nearly 1,200 feet of broadside dockage that can accommodate up to 30 boats of different sizes, including boats of 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.



## Marina



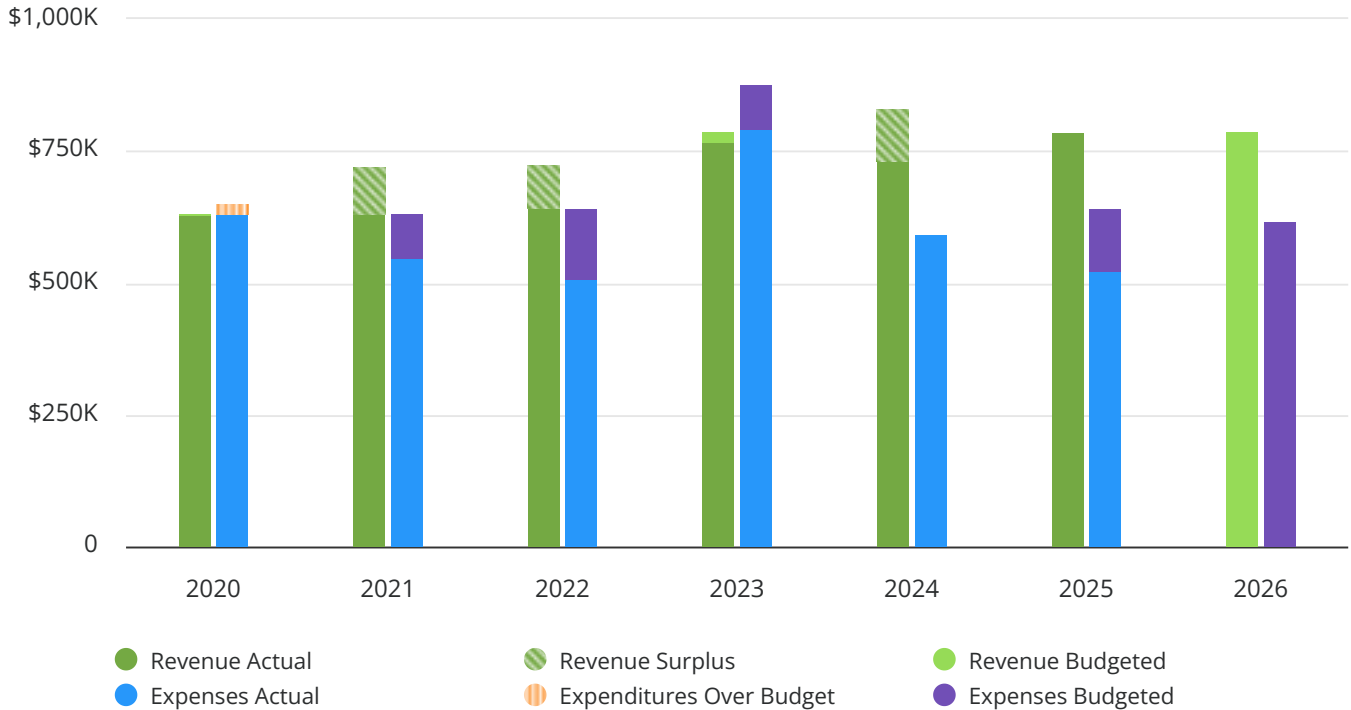
## Goals

- Complete the new Master Plan using the awarded Michigan DNR Waterways grant.
- Add seasonal slip & wait lists to the CAMIS reservation software through Michigan DNR. Transient Slip information and fuel dock sales are already managed in this software and this would centralize all management into one location.

# SUMMARY OF SIGNIFICANT BUDGET CHANGES

- Complete Marina wide dock repairs

## Revenues vs Expenditures Summary

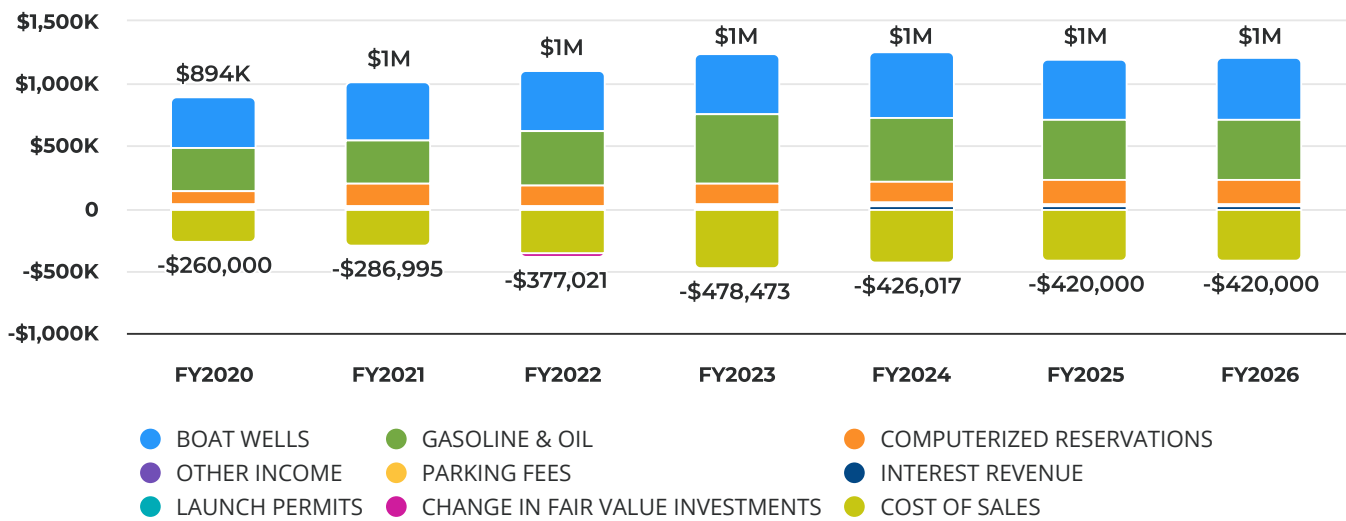


## Comprehensive Fund Summary

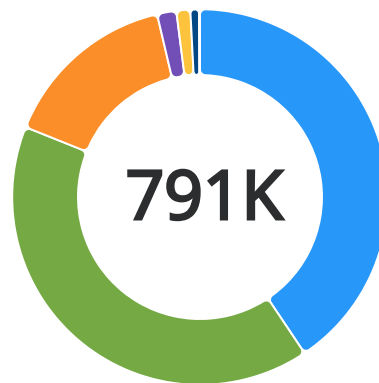
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$8,863,048	\$9,101,408	\$9,101,408	\$9,365,208
<b>Revenues</b>				
INTERGOVERNMENTAL	-	\$28,000	-	-
OPERATING REVENUES	\$811,247	\$750,400	\$765,900	\$771,400
NON-OPERATING REVENUES	\$21,745	\$6,700	\$20,000	\$20,000
<b>Total Revenues</b>	<b>\$832,992</b>	<b>\$785,100</b>	<b>\$785,900</b>	<b>\$791,400</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$206,979	\$203,600	\$206,800	\$251,800
FRINGE BENEFITS	\$39,401	\$43,200	\$33,300	\$53,700
OFFICE/OPERATING SUPPLIES	\$25,296	\$13,800	\$21,500	\$21,600
PROFESSIONAL SERVICES	\$117,735	\$160,000	\$100,000	\$120,000
INSURANCE & BONDS	\$5,784	\$5,200	\$3,100	\$3,200
PROFESSIONAL DEVELOPMENT	-	\$2,200	-	-
COMMUNICATION	\$13,324	\$15,000	\$14,000	\$14,000
TRANSPORTATION	\$539	\$1,000	\$600	\$700
PRINTING & PUBLISHING	\$3,346	\$2,700	\$2,500	\$2,500
UTILITIES	\$43,197	\$47,000	\$39,000	\$44,000
REPAIRS & MAINTENANCE	\$39,507	\$10,000	\$5,000	\$10,000

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
RENTALS	\$7,033	\$5,900	\$5,000	\$5,000
TRANSFER OUT CITY FEE	\$40,562	\$37,900	\$38,900	\$38,600
DEPRECIATION EXPENSE	\$31,568	\$72,000	\$32,000	\$32,000
NON OPERATING EXPENSE	\$17,628	\$17,700	\$15,000	\$12,200
INFORMATION TECHNOLOGY SERVICES	\$2,733	\$5,200	\$5,400	\$10,500
<b>Total Expenditures</b>	<b>\$594,632</b>	<b>\$642,400</b>	<b>\$522,100</b>	<b>\$619,800</b>
<b>Total Revenues Less Expenditures</b>	<b>\$238,360</b>	<b>\$142,700</b>	<b>\$263,800</b>	<b>\$171,600</b>
<b>Ending Fund Balance</b>	<b>\$9,101,408</b>	<b>\$9,244,108</b>	<b>\$9,365,208</b>	<b>\$9,536,808</b>

### Historical Revenues by Source Summary



### FY26 Revenues by Source



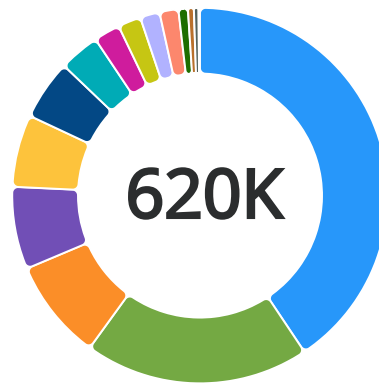
● GASOLINE & OIL	\$492,000	62.17%
● BOAT WELLS	\$490,000	61.92%
● COMPUTERIZED RESERVATIONS	\$185,000	23.38%
● INTEREST REVENUE	\$20,000	2.53%
● OTHER INCOME	\$14,500	1.83%
● PARKING FEES	\$9,000	1.14%
● LAUNCH PERMITS	\$900	0.11%
● COST OF SALES	-\$420,000	-53.07%

**Revenues by Source**

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OTHER INCOME	\$16,386	\$17,000	\$14,000	\$14,500	-14.71%
STATE GRANT	-	\$28,000	-	-	-100.00%
LAUNCH PERMITS	\$1,040	\$900	\$900	\$900	0.00%
BOAT WELLS	\$520,010	\$485,000	\$485,000	\$490,000	1.03%
COMPUTERIZED RESERVATIONS	\$174,716	\$163,500	\$185,000	\$185,000	13.15%
GASOLINE & OIL	\$512,344	\$522,000	\$492,000	\$492,000	-5.75%
COST OF SALES	-\$426,017	-\$454,000	-\$420,000	-\$420,000	-7.49%
PARKING FEES	\$12,769	\$16,000	\$9,000	\$9,000	-43.75%
INTEREST REVENUE	\$21,745	\$6,700	\$20,000	\$20,000	198.51%
<b>Total Revenues</b>	<b>\$832,992</b>	<b>\$785,100</b>	<b>\$785,900</b>	<b>\$791,400</b>	<b>0.80%</b>

**State Grant-** This category covers the grant awarded by the Michigan DNR Waterways in 2024/25 to create a new Master Plan to be completed by March 2026.

### FY26 Expenditures by Type Summary



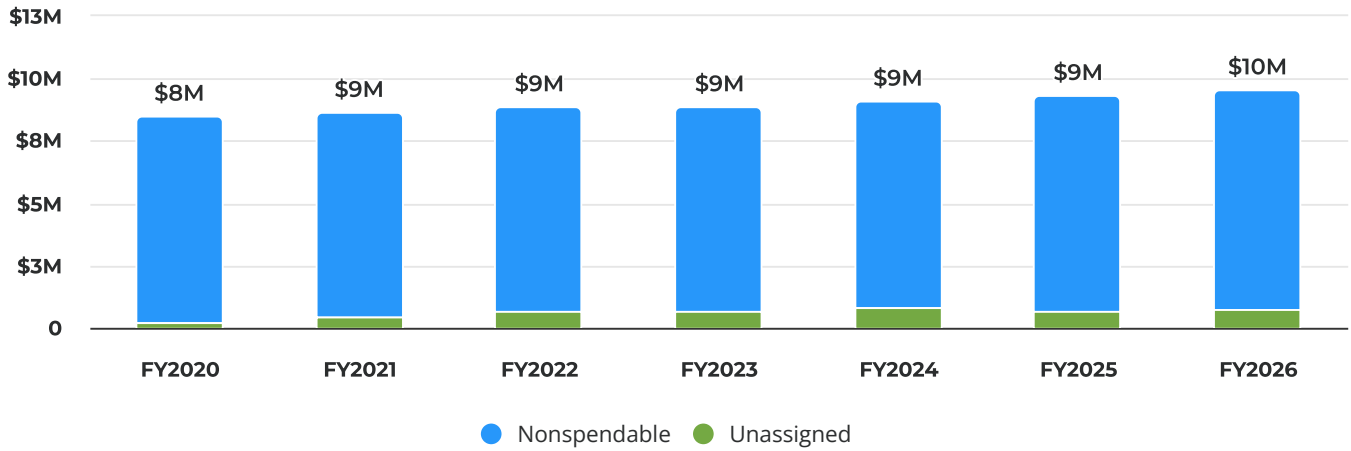
● SALARIES & WAGES	\$251,800	40.63%
● PROFESSIONAL SERVICES	\$120,000	19.36%
● FRINGE BENEFITS	\$53,700	8.66%
● UTILITIES	\$44,000	7.10%
● TRANSFER OUT CITY FEE	\$38,600	6.23%
● DEPRECIATION EXPENSE	\$32,000	5.16%
● OFFICE/OPERATING SUPPLIES	\$21,600	3.48%
● COMMUNICATION	\$14,000	2.26%
● NON OPERATING EXPENSE	\$12,200	1.97%
● INFORMATION TECHNOLOGY SERVICES	\$10,500	1.69%
● REPAIRS & MAINTENANCE	\$10,000	1.61%
● RENTALS	\$5,000	0.81%
● INSURANCE & BONDS	\$3,200	0.52%
● PRINTING & PUBLISHING	\$2,500	0.40%
● TRANSPORTATION	\$700	0.11%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$206,979	\$203,600	\$206,800	\$251,800	23.67%
FRINGE BENEFITS	\$39,401	\$43,200	\$33,300	\$53,700	24.31%
OFFICE/OPERATING SUPPLIES	\$25,296	\$13,800	\$21,500	\$21,600	56.52%
PROFESSIONAL SERVICES	\$117,735	\$160,000	\$100,000	\$120,000	-25.00%
INSURANCE & BONDS	\$5,784	\$5,200	\$3,100	\$3,200	-38.46%
PROFESSIONAL DEVELOPMENT	-	\$2,200	-	-	-100.00%
COMMUNICATION	\$13,324	\$15,000	\$14,000	\$14,000	-6.67%
TRANSPORTATION	\$539	\$1,000	\$600	\$700	-30.00%
PRINTING & PUBLISHING	\$3,346	\$2,700	\$2,500	\$2,500	-7.41%
UTILITIES	\$43,197	\$47,000	\$39,000	\$44,000	-6.38%
REPAIRS & MAINTENANCE	\$39,507	\$10,000	\$5,000	\$10,000	0.00%
RENTALS	\$7,033	\$5,900	\$5,000	\$5,000	-15.25%
TRANSFER OUT CITY FEE	\$40,562	\$37,900	\$38,900	\$38,600	1.85%
DEPRECIATION EXPENSE	\$31,568	\$72,000	\$32,000	\$32,000	-55.56%
NON OPERATING EXPENSE	\$17,628	\$17,700	\$15,000	\$12,200	-31.07%

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
INFORMATION TECHNOLOGY SERVICES	\$2,733	\$5,200	\$5,400	\$10,500	101.92%
<b>Total Expenditures</b>	<b>\$594,632</b>	<b>\$642,400</b>	<b>\$522,100</b>	<b>\$619,800</b>	<b>-3.52%</b>

### Fund Balance Projections





# Internal Service Funds



The City operates two internal service funds. The Garage Fund accounts for fleet and equipment management provided to City Departments. The Information Technology Fund manages City-owned IT equipment and software as well as providing IT support services to City departments.

# Municipal Garage Fund (661)

**Mission Statement:** *To ensure 24/7 support for all City departments and divisions by maintaining and servicing their vehicles and equipment in a cost-effective manner, while prioritizing environmentally sustainable solutions.*



The Garage Division is staffed by a dedicated team, including 1 Superintendent, 1 Supervisor, 1 Stores Clerk, 6 Mechanics, and 1 shopkeeper. Our operations span two shifts throughout the week with 24/7 emergency services available.

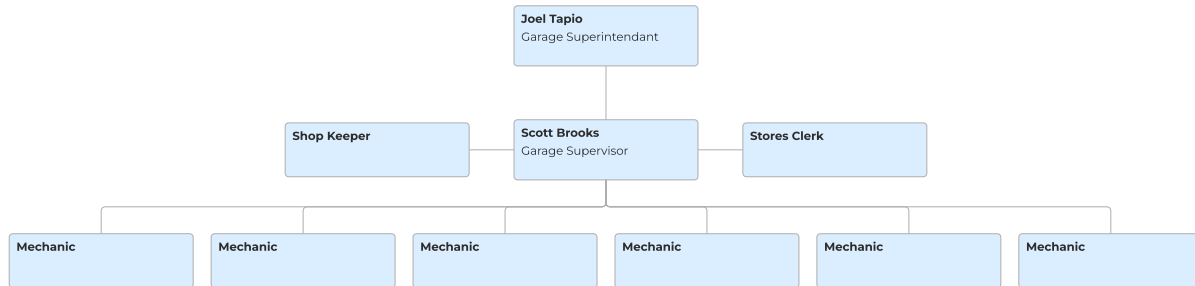
The Garage Division works closely with all City departments and divisions, including Light & Power, to identify and acquire the most cost-effective equipment to meet operational needs. Our responsibilities include research, demonstrations, writing specifications, bidding, purchasing, repairing, maintaining, and disposing of vehicles and equipment. Additionally, the Garage Division maintains the Department of Public Services campus on Woodmere Avenue, offering both indoor and outdoor storage for a wide range of departments—Streets, Parks, Police, Sewer/Water, Fire, Clerk, Treasurer, and Engineering. We also manage a 24/7 fuel depot to ensure all City vehicles are properly fueled.

Additionally, the Garage manages a central storeroom that supplies automotive and maintenance materials to all departments. It also serves as a shipping and receiving hub for various City departments and divisions.

Key Changes and Initiatives:

- Implement custom reports within our fleet management software to track and analyze fleet-related costs, including vehicle operating expenses and lifecycle assessments.
- Continue refining procedures for allocating expenses and determining chargeback rates.
- Strengthen interdepartmental collaboration to align vehicle and equipment purchases with operational demands.
- Expand the adoption of fully electric and hybrid vehicles.

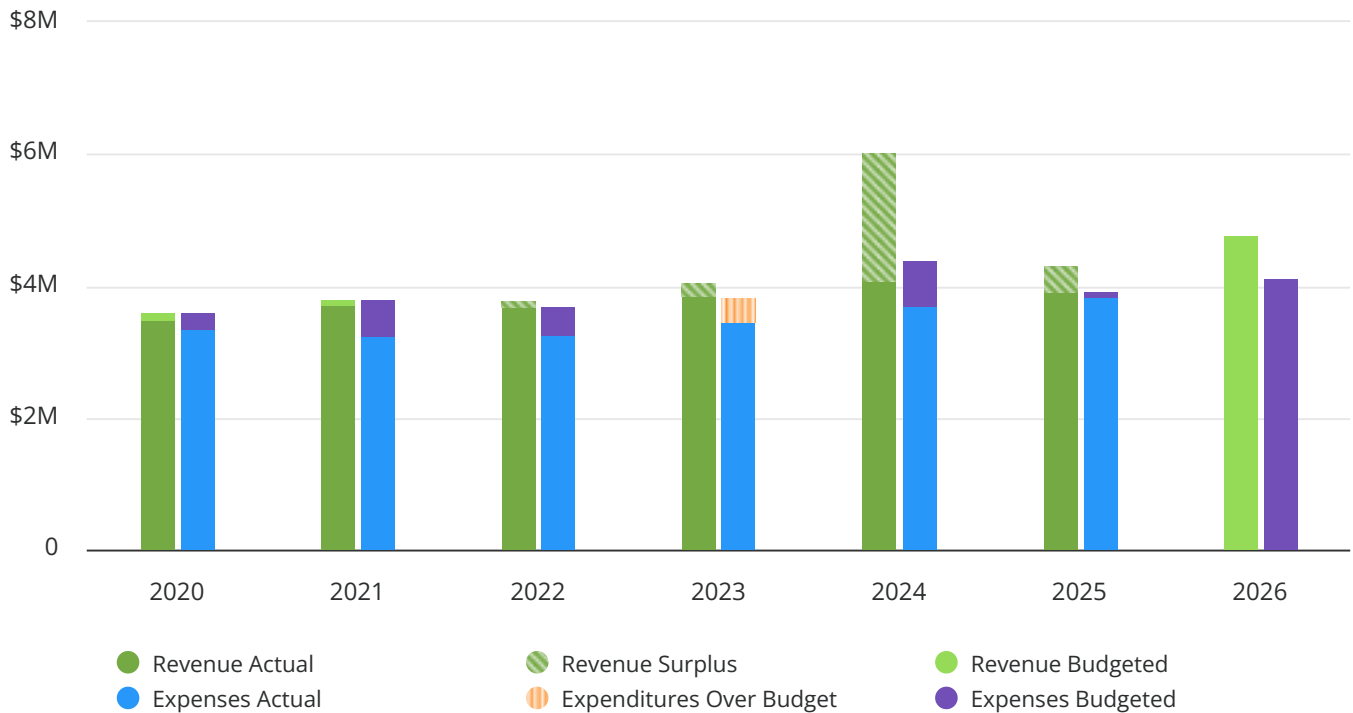
### DPS Garage Org Chart



## SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes

### Revenues vs Expenditures Summary

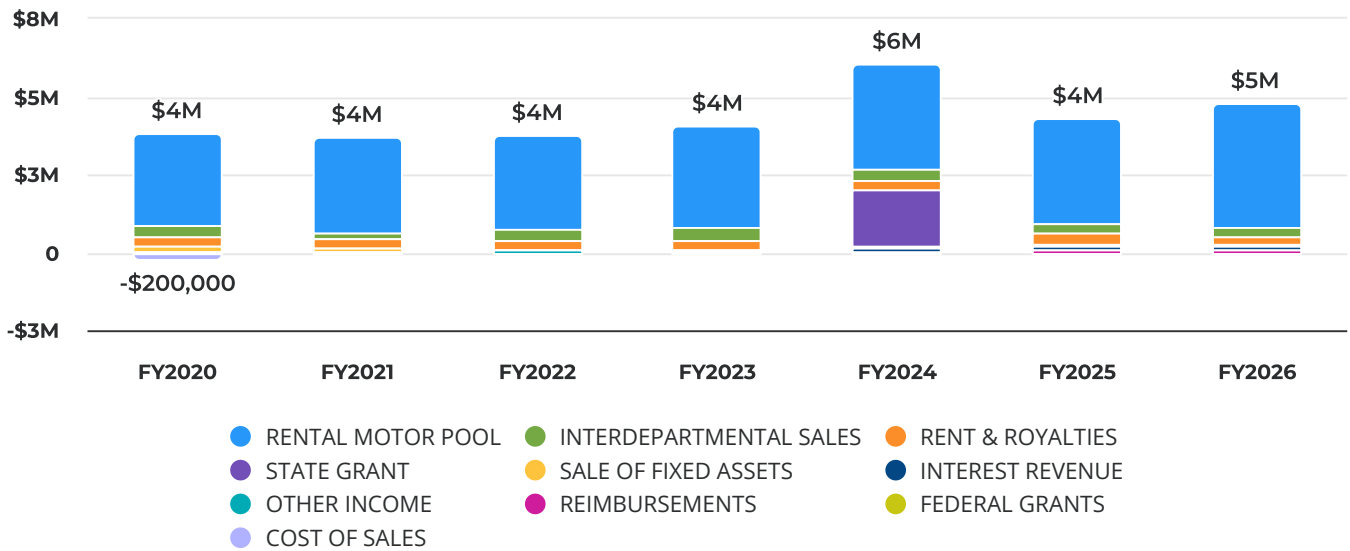


### Comprehensive Fund Summary

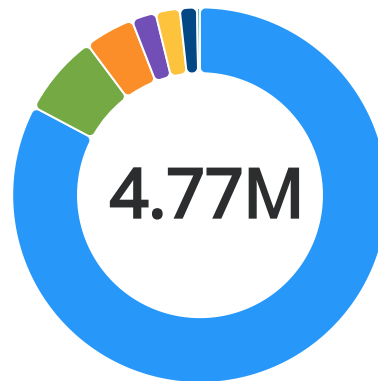
Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	\$10,701,895	\$13,019,641	\$13,019,641	\$13,502,641
<b>Revenues</b>				
INTERGOVERNMENTAL	\$1,800,000	-	-	-
OPERATING REVENUES	\$4,003,104	\$3,756,600	\$4,033,000	\$4,503,600
OTHER REVENUE	-	\$21,300	-	-
REIMBURSEMENTS	-	-	\$85,000	\$70,000
NON-OPERATING REVENUES	\$222,756	\$140,000	\$200,000	\$200,000
<b>Total Revenues</b>	<b>\$6,025,860</b>	<b>\$3,917,900</b>	<b>\$4,318,000</b>	<b>\$4,773,600</b>
<b>Expenditures</b>				
SALARIES & WAGES	\$538,831	\$667,700	\$663,400	\$745,000
FRINGE BENEFITS	\$367,794	\$347,300	\$338,000	\$367,300
OFFICE/OPERATING SUPPLIES	\$608,714	\$635,600	\$628,900	\$637,500
PROFESSIONAL SERVICES	\$301,132	\$250,000	\$248,000	\$311,200
INSURANCE & BONDS	\$83,210	\$70,100	\$74,300	\$76,600
PROFESSIONAL DEVELOPMENT	\$894	\$12,300	\$1,000	\$4,200
COMMUNICATION	\$12,477	\$12,000	\$11,000	\$12,000
TRANSPORTATION	\$2,948	\$4,500	\$4,200	\$4,200
PRINTING & PUBLISHING	\$47	\$100	-	-
UTILITIES	\$43,961	\$48,000	\$53,000	\$53,000
REPAIRS & MAINTENANCE	\$27,022	\$214,000	\$50,000	\$137,000
RENTALS	\$27,875	\$28,500	\$26,000	\$28,500
DEPRECIATION EXPENSE	\$1,670,159	\$1,600,000	\$1,700,000	\$1,700,000

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
TRANSFER OUT	\$4,500	\$7,200	\$7,200	\$7,200
INFORMATION TECHNOLOGY SERVICES	\$18,549	\$20,600	\$30,000	\$37,800
<b>Total Expenditures</b>	<b>\$3,708,114</b>	<b>\$3,917,900</b>	<b>\$3,835,000</b>	<b>\$4,121,500</b>
<b>Total Revenues Less Expenditures</b>	<b>\$2,317,746</b>	<b>-</b>	<b>\$483,000</b>	<b>\$652,100</b>
<b>Ending Fund Balance</b>	<b>\$13,019,641</b>	<b>\$13,019,641</b>	<b>\$13,502,641</b>	<b>\$14,154,741</b>

### Historical Revenues by Source Summary



### FY26 Revenues by Source



RENTAL MOTOR POOL	\$3,951,300	82.77%
INTERDEPARTMENTAL SALES	\$335,000	7.02%
RENT & ROYALTIES	\$205,300	4.30%
SALE OF FIXED ASSETS	\$100,000	2.09%
INTEREST REVENUE	\$100,000	2.09%
REIMBURSEMENTS	\$70,000	1.47%
OTHER INCOME	\$12,000	0.25%

## Revenues by Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OTHER INCOME	\$16,078	\$23,000	\$11,400	\$12,000	-47.83%
STATE GRANT	\$1,800,000	-	-	-	-
INTERDEPARTMENTAL SALES	\$318,727	\$380,000	\$335,000	\$335,000	-11.84%
RENTAL MOTOR POOL	\$3,373,603	\$3,047,000	\$3,380,000	\$3,951,300	29.68%
INTEREST REVENUE	\$114,082	\$40,000	\$100,000	\$100,000	150.00%
RENT & ROYALTIES	\$294,696	\$306,600	\$306,600	\$205,300	-33.04%
SALE OF FIXED ASSETS	\$108,674	\$100,000	\$100,000	\$100,000	0.00%
REIMBURSEMENTS	-	-	\$85,000	\$70,000	-
PRIOR YEAR SURPLUS	-	\$21,300	-	-	-100.00%
<b>Total Revenues</b>	<b>\$6,025,860</b>	<b>\$3,917,900</b>	<b>\$4,318,000</b>	<b>\$4,773,600</b>	<b>21.84%</b>

**Other Income** includes miscellaneous sales of surplus items such as used tires and scrap metal. It also includes surplus vehicle auction fees collected by the Garage and remitted to the auction platform.

**State Grant** revenue in FY23/24 reflects a one-time \$1.8 million grant used for the purchase of a Fire Department ladder truck. No additional grant revenue is budgeted for FY25/26.

**Interdepartmental Sales** consist of fuel sales for fleet vehicles and services billed under a "shop model," where departments are charged directly for labor and materials. These services include vehicle maintenance, repairs, and parts for assets not covered under the standard fleet chargeback schedule, as well as non-fleet support such as snow removal, hazard mitigation, and traffic control assistance.

**Rental Motor Pool** revenue is derived from monthly chargeback rates assigned to fleet assets on a replacement schedule. These rates are based on the original purchase price, expected service life, annual inflation, projected maintenance, repair costs, and insurance. The FY25/26 increase reflects recent fleet additions and technology upgrades, including:

- Two new Fire EMS ambulances
- Two EV Police motorcycles and twelve hybrid squad cars
- Two hybrid wheel loaders for the Streets Division
- Two EV mowers for the Parks Division

**Interest Revenue** represents earnings on the cash balance held in the Garage Fund account.

**Rent & Royalties** include chargeback rates for use of facilities on the DPS campus, including the main DPS building, the Annex, salt barns, and pole buildings. These rates have been recalculated based on department-specific square footage, along with associated overhead, maintenance, and depreciation expenses.

**Sale of Fixed Assets** includes proceeds from the sale of surplus fleet vehicles and equipment.

**Reimbursements** consist of insurance claim payouts and other reimbursements received by the Garage.

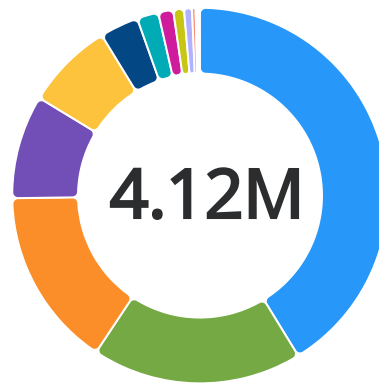
**FY25/26 Vehicle Replacement Schedule**

Vehicle Number	Year	Description	Department	Depreciation Date	Estimated Replacement Cost	Notes
013.19	2019	Ford Interceptor Squad Car	Police	4/30/2026	\$80,000	New hybrid squad car
019.18	2018	Ford Interceptor Squad Car	Police	4/30/2025	\$80,000	New hybrid squad car
New		Ford Interceptor Squad Car	Police		\$80,000	New hybrid squad car
052.17	2017	Snowmobile	Hickory Hills	12/1/2027	\$17,000	Explore EV options
New		Kubota Tractor	Hickory Hills		\$70,000	
056	2011	Kubota Backhoe	Cemetery	10/25/2021	\$70,000	
101.21	2021	Multihog Sidewalk Tractor	Streets	11/1/2031	\$75,000	Replace with sidewalk wheel loader
New		EMS/Admin Vehicle	Fire		\$70,000	New hybrid EMS/admin vehicle
111	1983	Avon Twin Engine Rescue Boat	Fire	1/1/2018	\$775,000	2-3 Years of lead time. 40 year service life
131	2004	KME Pumper Fire Truck	Fire	2/23/2024	\$1,250,000	3-4 Years of lead time
140	2002	Ford E250 Camera Van	Sewage	5/22/2013	\$150,000	Explore EV or hybrid options
154.16	2016	Mad Vac Litter Vacuum	Parks	12/1/2026	\$30,000	Replace with EV mower
157	2012	Cat 420E Backhoe	Streets	8/1/2022	\$120,000	Explore EV option
178	2011	Ford E250 Evidence Van	Police	10/20/2025	\$80,000	Replace with new hybrid squad car
205	2012	V-box spreader	Streets	1/29/2023	\$51,000	Replacement pending liquid application pilot result
New		Trailer, tandem axle	Streets		\$6,000	For traffic control barriers and spills response
213	2001	Solartech Flashing Arrow	Streets	8/7/2011	\$30,000	Replace with crash attenuator trailer
300	1991	Trailer, single axle	Parks	1/1/2011	\$3,000	For zero turn mowers
272	2000	Broom Attachment	Streets	1/1/2005	\$8,000	Sidewalk loader attachment
282	2015	Snowblower Attachment	Streets	3/1/2023	\$14,000	Sidewalk loader attachment
288	2014	Broom Attachment	Parks	2/6/2023	\$8,000	Sidewalk loader attachment
301	2015	V-plov Attachment	Streets	2/6/2023	\$6,000	Sidewalk loader attachment
360.21	2021	Multihog Sidewalk Tractor	Streets	11/1/2031	\$75,000	Replace with sidewalk wheel loader
365.22	2021	Broom Attachment	Streets	11/14/2026	\$8,000	Sidewalk loader attachment
Shop Equipment	1980	Motorcycle Hoist	Garage		\$7,000	Replacement for obsolete air powered hoist
Shop Equipment	1990	2 post Hoist	Garage		\$25,000	Upgraded capacity for ambulances
				<b>Total:</b>	<b>\$3,188,000</b>	

**Rollover from FY 24/25:**

Vehicle Number	Year	Description	Department	Depreciation Date	Estimated Replacement Cost	Notes
067	2014	Altec Sign Bucket truck	Streets	10/16/2024	\$200,000	3-4 years lead time. Replace with Hybrid GEMS
163	2015	Kubota Tractor	Parking	1/31/2025	\$38,000	
171	2013	Beach Cleaner	Parks	4/4/2023	\$135,000	
233	2014	Ashpalt Recycler	Streets	7/7/2024	\$100,000	
				<b>Total:</b>	<b>\$473,000</b>	

### FY26 Expenditures by Type Summary



DEPRECIATION EXPENSE	\$1,700,000	41.25%
SALARIES & WAGES	\$745,000	18.08%
OFFICE/OPERATING SUPPLIES	\$637,500	15.47%
FRINGE BENEFITS	\$367,300	8.91%
PROFESSIONAL SERVICES	\$311,200	7.55%
REPAIRS & MAINTENANCE	\$137,000	3.32%
INSURANCE & BONDS	\$76,600	1.86%
UTILITIES	\$53,000	1.29%
INFORMATION TECHNOLOGY SERVICES	\$37,800	0.92%
RENTALS	\$28,500	0.69%
COMMUNICATION	\$12,000	0.29%
TRANSFER OUT	\$7,200	0.17%
PROFESSIONAL DEVELOPMENT	\$4,200	0.10%
TRANSPORTATION	\$4,200	0.10%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$538,831	\$667,700	\$663,400	\$745,000	11.58%
FRINGE BENEFITS	\$367,794	\$347,300	\$338,000	\$367,300	5.76%
OFFICE/OPERATING SUPPLIES	\$608,714	\$635,600	\$628,900	\$637,500	0.30%
PROFESSIONAL SERVICES	\$301,132	\$250,000	\$248,000	\$311,200	24.48%
INSURANCE & BONDS	\$83,210	\$70,100	\$74,300	\$76,600	9.27%
PROFESSIONAL DEVELOPMENT	\$894	\$12,300	\$1,000	\$4,200	-65.85%
COMMUNICATION	\$12,477	\$12,000	\$11,000	\$12,000	0.00%
TRANSPORTATION	\$2,948	\$4,500	\$4,200	\$4,200	-6.67%
PRINTING & PUBLISHING	\$47	\$100	-	-	-100.00%
UTILITIES	\$43,961	\$48,000	\$53,000	\$53,000	10.42%
REPAIRS & MAINTENANCE	\$27,022	\$214,000	\$50,000	\$137,000	-35.98%
RENTALS	\$27,875	\$28,500	\$26,000	\$28,500	0.00%
DEPRECIATION EXPENSE	\$1,670,159	\$1,600,000	\$1,700,000	\$1,700,000	6.25%
TRANSFER OUT	\$4,500	\$7,200	\$7,200	\$7,200	0.00%
INFORMATION TECHNOLOGY SERVICES	\$18,549	\$20,600	\$30,000	\$37,800	83.50%

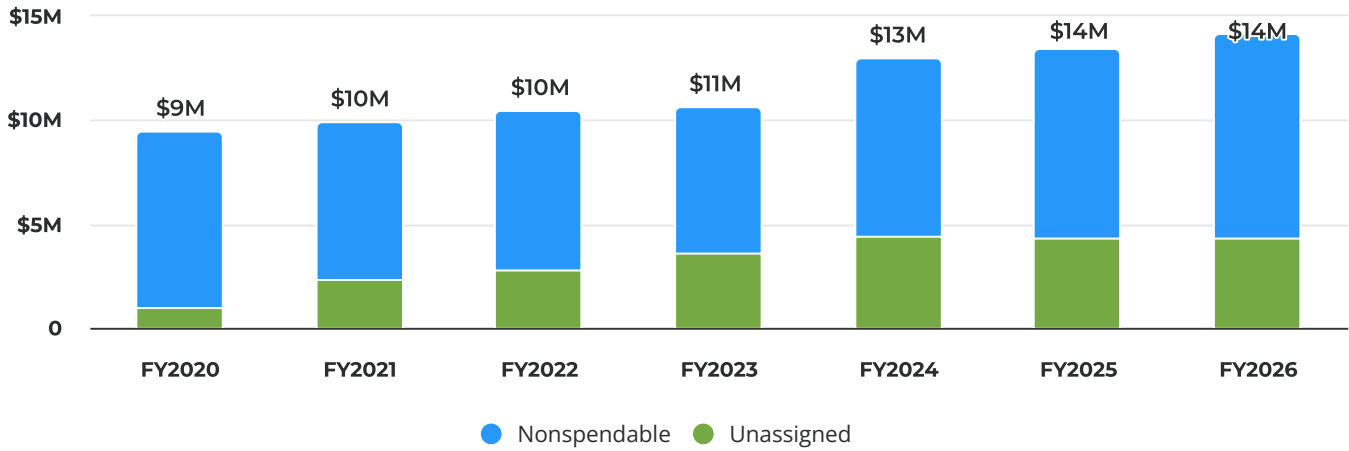


Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
<b>Total Expenditures</b>	<b>\$3,708,114</b>	<b>\$3,917,900</b>	<b>\$3,835,000</b>	<b>\$4,121,500</b>	<b>5.20%</b>

**Professional Services** includes an additional \$60,000 for fleet software upgrades.

**Repairs & Maintenance** vary from year to year due to the differing needs of the DPS facilities and campus over time.

### Fund Balance Projections



# Information Technology Fund (636)

**Mission Statement:** *To administer and coordinate Information Technology (IT) services across city departments and ensure efficient use of various technologies.*

*IT/GIS history is shown in the General Fund section of the budget document.*

The City's Information Technology Fund is responsible for organizing and administering the City's IT policies, serving as the City's representative to outside organizations. Other tasks including developing short- and long-term goals, detailed strategic planning and multi-year budgeting for the City. The IT Division is responsible for managing the City's IT assets including computer hardware and software to ensure optimal operations throughout all City departments. The IT Fund staff also provide technical assistance to all City Funds, Departments and Component Units.

## This specifically includes the functions of:

Acting as liaison to the City's managed service providers in all areas of IT and communications, including software, equipment, telecommunications networks and devices, and audio/visual equipment.

Coordinates end user and higher-level support with the city's IT managed services providers.

Provides employees on and off boarding to include IT equipment and devices, IT policy and procedure, email, telecommunication devices, and cyber security.

At the direction of the City Manager, manages the procurement and replacement of IT devices and equipment and is responsible for equipment and software inventory to include the disposition of equipment, devices, and software.

Leads strategic technological planning to achieve City's goals by prioritizing technology initiatives and coordinating the evaluation, deployment, and management of current and future technologies.

Collaborates with all City departments to develop and maintain a technology plan that supports their needs.

## Information Technology

**Jerry Swanson**  
GIS & IT Administrator

**Porter Behling**  
IT Support Specialist

## GIS Department

**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 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.

## SUMMARY OF SIGNIFICANT BUDGET CHANGES

With the transition from a shared service agreement to fully managing IT services internally, the City now oversees its own internet services, Microsoft Office and Google licenses, cybersecurity software (including CrowdStrike), vendor support agreements, and newly created IT staff positions. As a result, IT expenditures have been moved from the General Fund into a separate Internal Service Fund. This fund is solely funded by chargebacks across all departments, with billing based on the number of computers allocated to each department. The requested budget is higher than in prior years to account for these direct costs of providing IT services independently. Accordingly, increases in IT line items are reflected across all funds and departmental budgets.

### Comprehensive Fund Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted
<b>Beginning Fund Balance</b>	-	-	-	-
<b>Revenues</b>				
CHARGES FOR SERVICES	-	-	-	\$915,500
<b>Total Revenues</b>	-	-	-	<b>\$915,500</b>
<b>Expenditures</b>				
SALARIES & WAGES	-	-	-	\$316,700
FRINGE BENEFITS	-	-	-	\$76,300
OFFICE/OPERATING SUPPLIES	-	-	-	\$64,500
PROFESSIONAL SERVICES	-	-	-	\$346,200
PROFESSIONAL DEVELOPMENT	-	-	-	\$6,400
COMMUNICATION	-	-	-	\$3,500
TRANSPORTATION	-	-	-	\$600
PRINTING & PUBLISHING	-	-	-	\$1,000
REPAIRS & MAINTENANCE	-	-	-	\$500
MISCELLANEOUS EXP	-	-	-	\$2,000
INFORMATION TECHNOLOGY SERVICES	-	-	-	\$97,800
<b>Total Expenditures</b>	-	-	-	<b>\$915,500</b>
<b>Total Revenues Less Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	-	-	-	-

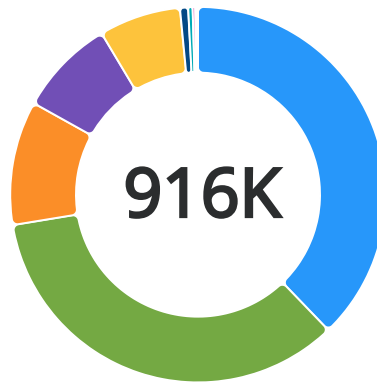
All history of IT expenses are recorded in the General Fund section of the budget document.

### Revenues by Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
GENERAL FEES & SERVICES	-	-	-	\$915,500	-
<b>Total Revenues</b>	-	-	-	<b>\$915,500</b>	-

Information Technology fund revenue is generated by billing back actual costs to all departments on a per computer basis.

### FY26 Expenditures by Type Summary



● PROFESSIONAL SERVICES	<b>\$346,200</b>	37.82%
● SALARIES & WAGES	<b>\$316,700</b>	34.59%
● INFORMATION TECHNOLOGY SERVICES	<b>\$97,800</b>	10.68%
● FRINGE BENEFITS	<b>\$76,300</b>	8.33%
● OFFICE/OPERATING SUPPLIES	<b>\$64,500</b>	7.05%
● PROFESSIONAL DEVELOPMENT	<b>\$6,400</b>	0.70%
● COMMUNICATION	<b>\$3,500</b>	0.38%
● MISCELLANEOUS EXP	<b>\$2,000</b>	0.22%
● PRINTING & PUBLISHING	<b>\$1,000</b>	0.11%
● TRANSPORTATION	<b>\$600</b>	0.07%
● REPAIRS & MAINTENANCE	<b>\$500</b>	0.05%

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	-	-	-	\$316,700	-
FRINGE BENEFITS	-	-	-	\$76,300	-
OFFICE/OPERATING SUPPLIES	-	-	-	\$64,500	-
PROFESSIONAL SERVICES	-	-	-	\$346,200	-
PROFESSIONAL DEVELOPMENT	-	-	-	\$6,400	-
COMMUNICATION	-	-	-	\$3,500	-
TRANSPORTATION	-	-	-	\$600	-
PRINTING & PUBLISHING	-	-	-	\$1,000	-
REPAIRS & MAINTENANCE	-	-	-	\$500	-
MISCELLANEOUS EXP	-	-	-	\$2,000	-
INFORMATION TECHNOLOGY SERVICES	-	-	-	\$97,800	-
<b>Total Expenditures</b>	-	-	-	<b>\$915,500</b>	-

- Salaries & wages includes proposed GIS/IT System Administrator
- Professional & contractual category includes the contract with our IT service provider, Microsoft/google license fees, internet & phone contracts costs



# Component Units



**Component Unit Funds:** Account for operations maintained and operated by related entities of the City created through the State Statute or City Charter. The City of Traverse City has 2 component units, Traverse City DDA and Traverse City Light & Power.

# Downtown Development Authority

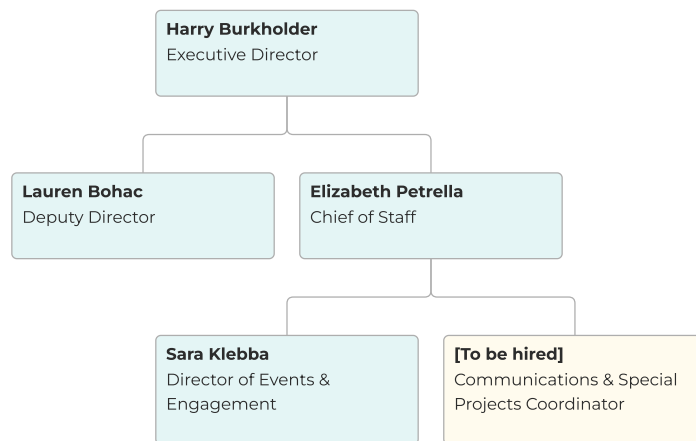
Established in 1978, the Traverse City Downtown Development Authority (DDA) is directed by a nine-member City-appointed board, which hires an Executive Director to lead its operations. The DDA is considered a *Component Unit* of the City of Traverse City and is responsible for creating, supporting and promoting critical public infrastructure and other services 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.

**DDA Mission:** To promote economic growth and provide a world-class downtown that is active, thriving and inclusive. In collaboration with all stakeholders, the DDA creates and implements development plans, encourages historic preservation, corrects and prevents deterioration in the downtown district, and makes sound investments in sustainable infrastructure and civic amenities. Serving as the caretakers of Downtown Traverse City, the DDA works with businesses, property owners, and residents to maintain a vibrant city center that is economically healthy.

The DDA facilitates its work in partnership and collaboration with the City. Projects may be led and funded entirely by the DDA, or the City and the DDA may share the cost of collaborative projects.



## DDA Organization Chart





## Overview

The DDA utilizes the current plans, ongoing initiatives and overarching strategies adopted by the DDA, City and other community entities to develop the framework for its budget, including but not limited to the Capital Improvement Plan, the City's ongoing Strategic Action Plan, the Lower Boardman Unified Plan, the Moving Downtown Forward Plan and priorities/recommendations of the DDA Board.

The Guiding Principles of the DDA's Moving Downtown Forward Plan illustrate the mission and values of the DDA and serve as the basis for its projects and services.

### *Moving Downtown Forward Guiding Principles*

1. Design a great place for all ages and for future generations
2. Protect and preserve small local independent businesses
3. Support job growth and varied career opportunities
4. Champion the development of attainable and workforce housing
5. Advance climate action, sustainability, renewable energy, energy efficiency and resiliency

The DDA has three unique but complementary funds that comprise its total budget: the General Fund, the TIF-97 Fund, and the Old Town TIF Fund.

FY26 Revenues by Fund

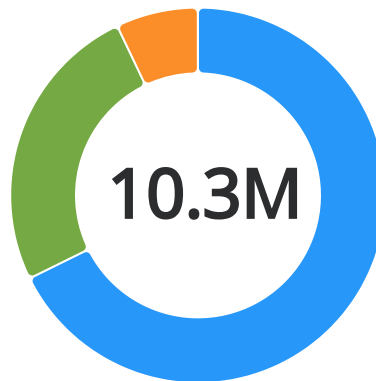


● DDA TIF 97	<b>\$4,340,800</b>	54.79%
● DOWNTOWN DEVELOPMENT AUTHORITY	<b>\$2,752,000</b>	34.73%
● DDA OLD TOWN TIF	<b>\$830,100</b>	10.48%

### Revenues by Fund

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
DOWNTOWN DEVELOPMENT AUTHORITY	\$1,803,617	\$2,801,728	\$1,283,600	\$2,752,000	-1.77%
DDA OLD TOWN TIF	\$790,274	-	\$910,600	\$830,100	-
DDA TIF 97	\$3,979,794	\$4,170,320	\$4,017,900	\$4,340,800	4.09%
<b>Total Revenues</b>	<b>\$6,573,685</b>	<b>\$6,972,048</b>	<b>\$6,212,100</b>	<b>\$7,922,900</b>	<b>13.64%</b>

### FY26 Expenditures by Fund



● DDA TIF 97	<b>\$6,983,400</b>	67.71%
● DOWNTOWN DEVELOPMENT AUTHORITY	<b>\$2,600,900</b>	25.22%
● DDA OLD TOWN TIF	<b>\$729,200</b>	7.07%

### Expenditures by Fund

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
DOWNTOWN DEVELOPMENT AUTHORITY	\$1,878,619.34	\$2,907,113.00	\$1,069,300.00	\$2,600,900.00	-10.53%
DDA OLD TOWN TIF	\$1,118,257.00	\$1,154,533.00	\$558,600.00	\$729,200.00	-36.84%
DDA TIF 97	\$3,142,642.00	\$4,803,540.00	\$2,771,100.00	\$6,983,400.00	45.38%
<b>Total Expenditures</b>	<b>\$6,139,518.34</b>	<b>\$8,865,186.00</b>	<b>\$4,399,000.00</b>	<b>\$10,313,500.00</b>	<b>16.34%</b>

# DDA Administration Fund (248)

The DDA General Fund is used to pay for the day-to-day operations of the DDA, including employee salaries, office supplies and utilities, professional services and professional development. Revenue sources for the DDA General Fund include a 2-mill levy on property within the Downtown District, administrative fees from the TIF-97 and Old Town TIF funds, booth rental fees from the Farmers Market, a contract with the Downtown Traverse City Association (DTCA), and grants for specific DDA projects and initiatives.



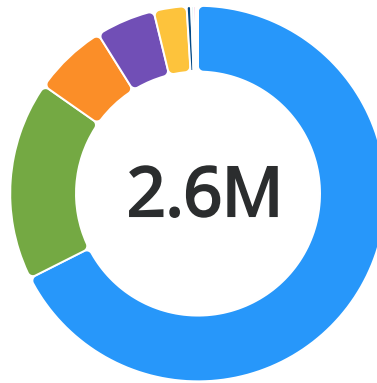
## Expenditures Summary

Significant changes include a reduction in Professional and Contractual Services, and an increase in Capital Outlay.

The Capital Outlay expenditure category is supported by grants for three infrastructure projects:

- \$500,000 from Rotary Charities for the development of Rotary Square
- \$657,750 from the National Oceanic & Atmospheric Administration as a sub-recipient of a grant awarded to the Grand Traverse Band of Ottawa and Chippewa Indians for coastal habitat restoration
- \$600,000 from the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for the environmental clean-up and development of deteriorated West End sites

### FY26 Expenditures by Expense Type Summary



● CAPITAL OUTLAY	<b>\$1,757,700</b>	67.58%
● SALARIES & WAGES	<b>\$446,200</b>	17.16%
● PROFESSIONAL SERVICES	<b>\$165,400</b>	6.36%
● FRINGE BENEFITS	<b>\$133,000</b>	5.11%
● OFFICE/OPERATING SUPPLIES	<b>\$73,600</b>	2.83%
● MISCELLANEOUS EXP	<b>\$10,000</b>	0.38%
● COMMUNICATION	<b>\$5,000</b>	0.19%
● PROFESSIONAL DEVELOPMENT	<b>\$5,000</b>	0.19%
● UTILITIES	<b>\$4,000</b>	0.15%
● REPAIRS & MAINTENANCE	<b>\$1,000</b>	0.04%

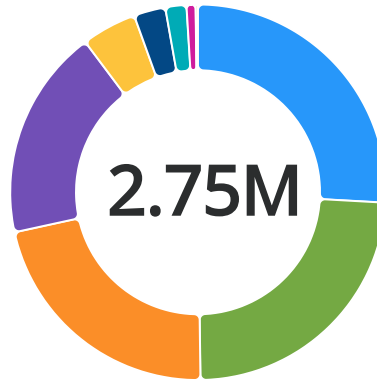
### Expenditures by Expense Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
SALARIES & WAGES	\$938,446	\$430,000	\$446,400	\$446,200	3.77%
FRINGE BENEFITS	\$327,813	\$111,113	\$134,200	\$133,000	19.70%
OFFICE/OPERATING SUPPLIES	\$20,125	-	\$10,700	\$73,600	-
PROFESSIONAL SERVICES	\$562,104	\$476,000	\$412,300	\$165,400	-65.25%
PROFESSIONAL DEVELOPMENT	\$14,451	\$5,000	\$3,600	\$5,000	0.00%
COMMUNICATION	-	-	\$2,000	\$5,000	-
CONTRACTUAL SERVICES	-	\$50,000	\$49,200	-	-100.00%
PRINTING & PUBLISHING	-	-	\$1,100	-	-
UTILITIES	\$15,000	\$10,000	\$3,400	\$4,000	-60.00%
REPAIRS & MAINTENANCE	\$680	-	\$1,000	\$1,000	-
MISCELLANEOUS EXP	-	-	\$5,400	\$10,000	-
CAPITAL OUTLAY	-	\$1,825,000	-	\$1,757,700	-3.69%
<b>Total Expenditures</b>	<b>\$1,878,619</b>	<b>\$2,907,113</b>	<b>\$1,069,300</b>	<b>\$2,600,900</b>	<b>-10.53%</b>

## Revenues Summary

There are no significant changes to revenue. Revenues in the Business Licenses & Permits and Rent & Royalties categories are from fees and booth rentals for the Sara Hardy Farmers Market.

### FY26 Revenues by Revenue Source



● TRANSFER IN OTHER FUNDS	\$712,500	25.89%
● FEDERAL GRANTS	\$657,700	23.90%
● STATE GRANT	\$600,000	21.80%
● GRANTS FROM LOCAL SOURCES	\$500,000	18.17%
● REAL ESTATE/PERSONAL PROPERTY TAX	\$130,000	4.72%
● CONTRIBUTIONS-PUBLIC SOURCES	\$75,000	2.73%
● RENT & ROYALTIES	\$50,000	1.82%
● BUSINESS LICENSES & PERMITS	\$21,500	0.78%
● INTEREST REVENUE	\$5,300	0.19%

### Revenues by Revenue Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. 2025/2026 Budgeted (% Change)
REAL ESTATE/PERSONAL PROPERTY TAX	\$131,422	\$130,000	\$125,900	\$130,000	0.00%
BUSINESS LICENSES & PERMITS	-	-	\$21,500	\$21,500	-
FEDERAL GRANTS	-	\$175,000	-	\$657,700	275.83%
STATE GRANT	-	\$1,200,000	\$12,400	\$600,000	-50.00%
GRANTS FROM LOCAL SOURCES	-	\$500,000	\$145,000	\$500,000	0.00%
INTEREST REVENUE	\$4,882	\$2,000	\$5,600	\$5,300	165.00%
RENT & ROYALTIES	-	\$51,000	\$48,200	\$50,000	-1.96%
CONTRIBUTIONS-PUBLIC SOURCES	-	-	-	\$75,000	-
TRANSFER IN OTHER FUNDS	\$1,667,313	\$743,728	\$925,000	\$712,500	-4.20%
<b>Total Revenues</b>	<b>\$1,803,617</b>	<b>\$2,801,728</b>	<b>\$1,283,600</b>	<b>\$2,752,000</b>	<b>-1.77%</b>

# DDA Old Town TIF Fund (252)

The Old Town TIF Fund was established through the Old Town Tax Increment Financing (TIF) plan adopted by the DDA and City in 2016 (originally called TIF-2, which was adopted in 1985 and expired in 2015). It is funded through the harnessed appreciation of tax revenue within the Old Town TIF District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in the Old Town TIF, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well the DDA's levied millage.



## Expenditure Summary

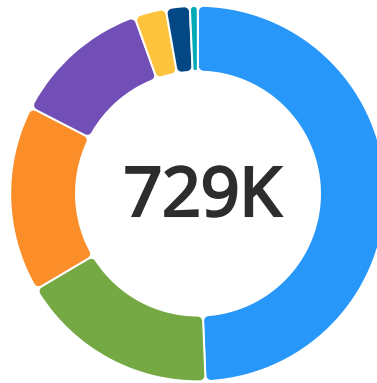
There are no significant changes to Expenditures. The Capital Outlay expenditure category is comprised of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure". All items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are within the Professional Services expenditure category.

Funds under (A) Essential Public Infrastructure may be used for projects developed by the DDA or as a contribution to projects led by the City. A new line for City Infrastructure Contribution was created specifically to support City projects.

Under (B) Transformative Public Services new line for Non-Motorized Investments was created to support projects or programs led by the DDA or the City that encourage and prioritize non-motorized transportation downtown, including the DDA's Destination Downtown partnership with BATA.

<b>Old Town TIF</b>	
<b>Taxable Value</b>	<b>\$33,556,796</b>
<b>Estimated Revenue</b>	<b>\$829,992</b>
<b>Est. Fund Balance of Previous Fiscal Year</b>	<b>\$878,401</b>
<b>Running Downtown</b>	<b>\$272,210</b>
<i>DDA Administration</i>	\$117,449
<i>Service Agreement with City</i>	\$124,761
<i>Legal Services</i>	\$10,000
<i>Miscellaneous &amp; Utilities</i>	\$20,000
<b>Building and Maintaining Downtown</b>	
<b>(A) Essential Public Infrastructure</b>	<b>\$90,000</b>
<i>Streetscaping/Snowmelt</i>	\$50,000
<i>Stormwater Infrastructure</i>	\$10,000
<i>General infrastructure Repair</i>	\$10,000
<i>City Infrastructure Contribution</i>	\$20,000
<b>(B) Essential Public Services</b>	<b>\$62,000</b>
<i>Community Police Officer (\$3,000)*</i>	
<i>Trash Removal (\$20,000)*</i>	
<i>Wayfinding Signage</i>	\$3,000
<i>Clean and Green Team</i>	\$15,000
<i>Landscaping**</i>	\$3,000
<i>City Truck Rental</i>	\$1,000
<i>Holiday Lights</i>	\$30,000
<i>Miscellaneous</i>	\$10,000
<b>Transforming Downtown</b>	
<b>(A) Transformative Public Infrastructure</b>	<b>\$270,000</b>
<i>Rivers Edge Riverwalk</i>	\$250,000
<i>Riverwalk Signage</i>	\$20,000
<b>(B) Transformative Public Services</b>	<b>\$10,000</b>
<i>Composting Program</i>	\$5,000
<i>Non-Motorized Investments***</i>	\$5,000
<b>Activating Downtown &amp; Growing Business</b>	<b>\$25,000</b>
<i>Communication, Promotion &amp; Events</i>	\$20,000
<i>Traverse Connect</i>	\$5,000
<b>Total Expenses</b>	<b>\$729,210</b>
<b>Estimated Remaining Fund Balance</b>	<b>\$979,183</b>
* Trash Removal & Police Officer included In The Service Agreement Total	
** Planters and maintenance of Rotary Square and other downtown areas	
*** Includes BATA's Destination Downtown Program	

### FY26 Expenditures by Expense Type Summary



<span style="color: blue;">●</span> CAPITAL OUTLAY	<b>\$360,000</b>	49.37%
<span style="color: green;">●</span> TRANSFER OUT CITY FEE	<b>\$124,800</b>	17.11%
<span style="color: orange;">●</span> TRANSFER OUT	<b>\$117,400</b>	16.10%
<span style="color: purple;">●</span> PROFESSIONAL SERVICES	<b>\$87,000</b>	11.93%
<span style="color: yellow;">●</span> COMMUNITY PROMOTION	<b>\$20,000</b>	2.74%
<span style="color: darkblue;">●</span> MISCELLANEOUS EXP	<b>\$15,000</b>	2.06%
<span style="color: teal;">●</span> UTILITIES	<b>\$5,000</b>	0.69%

### Expenditures by Expense Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OFFICE/OPERATING SUPPLIES	-	\$100	\$300	-	-100.00%
PROFESSIONAL SERVICES	\$267,432	\$25,000	\$158,400	\$87,000	248.00%
COMMUNITY PROMOTION	-	-	-	\$20,000	-
UTILITIES	-	\$5,000	\$2,000	\$5,000	0.00%
REPAIRS & MAINTENANCE	-	-	\$1,400	-	-
MISCELLANEOUS EXP	-	\$5,000	-	\$15,000	200.00%
TRANSFER OUT CITY FEE	-	\$82,339	-	\$124,800	51.57%
CAPITAL OUTLAY	\$850,825	\$923,394	\$282,900	\$360,000	-61.01%
TRANSFER OUT	-	\$113,700	\$113,600	\$117,400	3.25%
<b>Total Expenditures</b>	<b>\$1,118,257</b>	<b>\$1,154,533</b>	<b>\$558,600</b>	<b>\$729,200</b>	<b>-36.84%</b>

### Revenue Summary

There are no significant changes to revenue. Revenue is from the tax capture in the Old Town TIF district.

### Revenues by Revenue Source

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
REAL ESTATE/PERSONAL PROPERTY TAX	\$789,984	-	\$910,000	\$830,000	-
INTEREST REVENUE	\$290	-	\$600	\$100	-
<b>Total Revenues</b>	<b>\$790,274</b>	<b>-</b>	<b>\$910,600</b>	<b>\$830,100</b>	<b>-</b>



# DDA TIF 97 Fund (253)

The TIF-97 Fund was established through the Tax Increment Financing (TIF) plan adopted by the DDA and City in 1997. TIF-97 is funded through the harnessed appreciation of tax revenue within the designated TIF-97 District. The City of Traverse City contributes 53-cents on the dollar of the revenue collected in TIF-97, with the remaining 47-cents contributed by the following regional taxing authorities: Grand Traverse County Commission on Aging; Grand Traverse County Veterans Affairs; Grand Traverse County Road Commission; Northwestern Michigan College; Bay Area Transportation Authority; Grand Traverse County Conservation District; Grand Traverse County Animal Control; the Recreation Authority; and Grand Traverse County, as well the DDA's levied millage.



## Expenditure Summary

There is a significant increase to Capital Outlay expenditures, which can be attributed to the major projects planned within "Transforming Downtown (A) Transformative Public Infrastructure," including a mid-block crosswalk on State Street, schematic design/engineering of the Lower Boardman/Ottaway Riverwalk's first phase, and the long-planned Farmer's Market Pavilion, which would enhance the City's upcoming reconstruction of Lot B.

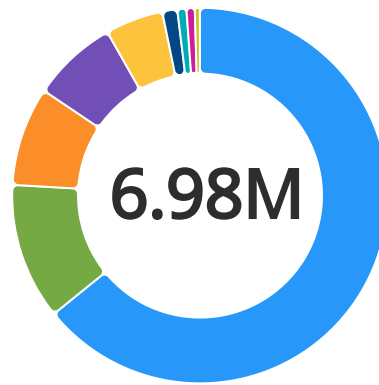
The Capital Outlay expenditure category is comprised of all items under "Building and Maintaining Downtown (A) Essential Public Infrastructure" and "Transforming Downtown (A) Transformative Public Infrastructure." All items under "Building and Maintaining Downtown (B) Essential Public Services" and "Transforming Downtown (B) Transformative Public Services" are within the Professional Services expenditure category.

Funds under (A) Essential Public Infrastructure may be used for projects developed by the DDA or as a contribution to projects led by the City. A new line for City Infrastructure Contribution was created specifically to support City projects.

Under (B) Transformative Public Services, a new line for Non-Motorized Investments was created to support projects or programs led by the DDA or the City that encourage and prioritize non-motorized transportation downtown, including the DDA's Destination Downtown partnership with BATA. The DDA is actively working with its property management partner to find the retail incubator space's next tenant, which would eliminate this line item.

<b>Taxable Value</b>	<b>\$170,026,825</b>
<b>Estimated Revenue</b>	<b>\$4,336,329</b>
<b>Est. Fund Balance of Previous Fiscal Year</b>	<b>\$6,599,401</b>
<b>Running Downtown</b>	<b>\$1,209,783</b>
<i>DDA Administration</i>	\$595,094
<i>Service Agreement with City</i>	\$514,689
<i>Legal Services</i>	\$20,000
<i>Miscellaneous &amp; Utilities</i>	\$80,000
<b>Building and Maintaining Downtown</b>	
<b>(A) Essential Public Infrastructure</b>	<b>\$1,504,459</b>
<i>Hardy Parking Deck Payment</i>	\$874,459
<i>Streetscaping/Snowmelt</i>	\$120,000
<i>Stormwater Infrastructure (Lot B)</i>	\$110,000
<i>N. Union Street Bridge Repair</i>	\$150,000
<i>N. Union Deck/Stair Replacement</i>	\$80,000
<i>General infrastructure Repair</i>	\$65,000
<i>City Infrastructure Contribution</i>	\$80,000
<i>Miscellaneous</i>	\$25,000
<b>(B) Essential Public Services</b>	<b>\$284,200</b>
<i>Community Police Officer (\$120,431)*</i>	
<i>Trash Removal (\$60,078)*</i>	
<i>Farmers Market</i>	\$38,000
<i>Public Restroom Program</i>	\$6,000
<i>Wayfinding Signage</i>	\$15,000
<i>Clean and Green Team</i>	\$65,000
<i>Landscaping**</i>	\$10,000
<i>City Truck Rental</i>	\$5,200
<i>Holiday Lights</i>	\$120,000
<i>Miscellaneous</i>	\$25,000
<b>Transforming Downtown</b>	
<b>(A) Transformative Public Infrastructure</b>	<b>\$3,810,000</b>
<i>Rotary Square</i>	\$150,000
<i>Farmers Market Pavillion</i>	\$2,800,000
<i>Boardman/Ottaway Riverwalk</i>	\$400,000
<i>Two-Way Pilot</i>	\$80,000
<i>Mid-Block Crosswalks</i>	\$300,000
<i>West End Demolition</i>	\$80,000
<b>(B) Transformative Public Services</b>	<b>\$75,000</b>
<i>Composting Program</i>	\$10,000
<i>Retail Incubator</i>	\$50,000
<i>Non-Motorized Investments***</i>	\$15,000
<b>Activating Downtown &amp; Growing Business</b>	<b>\$100,000</b>
<i>Communication, Promotion &amp; Events</i>	\$90,000
<i>Traverse Connect</i>	\$10,000
<b>Total Expenses</b>	<b>\$6,983,442</b>
<b>Estimated Remaining Fund Balance</b>	<b>\$3,952,288</b>
* Trash Removal & Police Officer included In The Service Agreement Total	
** Planters and maintenance of Rotary Square and other downtown areas	
*** Includes BATA's Destination Downtown Program	

### FY26 Expenditures by Type Summary



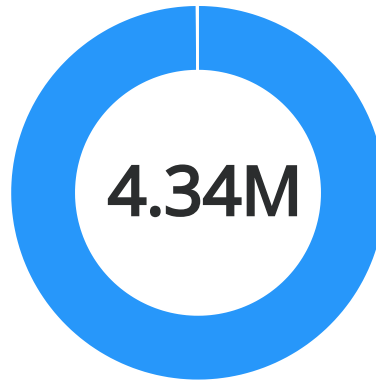
● CAPITAL OUTLAY	<b>\$4,481,000</b>	<b>64.17%</b>
● PRINCIPAL	<b>\$820,000</b>	<b>11.74%</b>
● TRANSFER OUT	<b>\$595,100</b>	<b>8.52%</b>
● TRANSFER OUT CITY FEE	<b>\$514,700</b>	<b>7.37%</b>
● PROFESSIONAL SERVICES	<b>\$348,100</b>	<b>4.98%</b>
● CONTRACTUAL SERVICES	<b>\$90,000</b>	<b>1.29%</b>
● INTEREST EXPENSE & FEES	<b>\$54,500</b>	<b>0.78%</b>
● MISCELLANEOUS EXP	<b>\$50,000</b>	<b>0.72%</b>
● UTILITIES	<b>\$30,000</b>	<b>0.43%</b>

### Expenditures by Type Summary

Category	2023/2024 Actual	2024/2025 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. FY 2025/2026 Budgeted (% Change)
OFFICE/OPERATING SUPPLIES	-	\$5,000	\$700	-	-100.00%
PROFESSIONAL SERVICES	\$1,318,785	\$670,026	\$374,400	\$348,100	-48.05%
CONTRACTUAL SERVICES	-	-	-	\$90,000	-
PRINTING & PUBLISHING	-	\$20,000	\$1,500	-	-100.00%
UTILITIES	-	-	\$3,400	\$30,000	-
MISCELLANEOUS EXP	-	-	\$46,000	\$50,000	-
TRANSFER OUT CITY FEE	-	\$514,689	\$514,700	\$514,700	0.00%
CAPITAL OUTLAY	\$830,746	\$2,125,000	\$361,600	\$4,481,000	110.87%
PRINCIPAL	\$840,000	\$840,000	\$840,000	\$820,000	-2.38%
INTEREST EXPENSE & FEES	\$153,111	\$73,719	\$73,700	\$54,500	-26.07%
TRANSFER OUT	-	\$555,106	\$555,100	\$595,100	7.20%
<b>Total Expenditures</b>	<b>\$3,142,642</b>	<b>\$4,803,540</b>	<b>\$2,771,100</b>	<b>\$6,983,400</b>	<b>45.38%</b>

## Revenues Summary

### FY26 Revenues by Revenue Source



● REAL ESTATE/PERSONAL PROPERTY TAX	<b>\$4,336,300</b>	99.90%
● INTEREST REVENUE	<b>\$4,500</b>	0.10%

### Revenues by Revenue Source

Category	2023/2024 Actual	2023/2024 Amended	2024/2025 Projected	2025/2026 Budgeted	2024/2025 Amended vs. 2025/2026 Budgeted (% Change)
REAL ESTATE/PERSONAL PROPERTY TAX	\$3,832,136	-	\$4,016,500	\$4,336,300	4.09%
INTEREST REVENUE	\$54,755	-	\$1,400	\$4,500	0.00%
RENT & ROYALTIES	\$700	-	-	-	-
REIMBURSEMENTS	\$92,203	-	-	-	-
<b>Total Revenues</b>	<b>\$3,979,794</b>	<b>-</b>	<b>\$4,017,900</b>	<b>\$4,340,800</b>	<b>4.09%</b>

# Capital Improvements Plan

The City Capital Improvements Plan (CIP) outlines a schedule of public service expenditures over the ensuing six-year period and is updated annually by the Planning Department through the coordination of scheduled projects with all City Department administrators and the City Manager. The first year of the Capital Improvements Plan serves as the basis for establishing the City's Capital Projects Budget (CPB). The CIP and CPB make up the City's Capital Improvements Program.

See the 2025/26-2030/31 CIP [here](#)

[ClearGov](#) | [ClearDocs](#)

## Qualifying Projects

The CIP does not address all of the capital expenditures for the City, but provides for large, physical improvements that are permanent in nature, including the basic facilities, services, and installations needed for the functioning of the community. These include transportation systems, utilities, municipal facilities and other miscellaneous projects. To qualify for inclusion into the CIP, a project must:

- Any capital improvement project or program plan or study that the cost is \$25,000 or more or construction or replacement of a new facility (i.e., a public building, water/sanitary sewer mains, storm sewers, major/local roadways, recreational facilities), an addition to, or extension of such a facility, provided that the cost is \$50,000 or more and that the improvement will have a useful life of three years or more.
- Any nonrecurring rehabilitation or replacement of all or a part of a building, its grounds, a facility, or component, provided that the cost is \$50,000 or more and the improvement will have a useful life of three years or more.
- Any new purchase, including land of major equipment to support community programs provided that the cost is \$50,000 or more and will be coded to a capital asset account.
- Any planning, feasibility, engineering, or design study costing \$25,000 or more that is not part of an individual capital improvements project or a program.

## Planning Commission Approval

After the plan is prepared, it is the Planning Commission's role to adopt the CIP. [The Michigan Planning Enabling Act](#) states, "to further the desirable future development of the local unit of government under the master plan, a planning commission under the adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements..."(MCL 125.3865), and that "...A street, square, park, playground, public way, ground, or other open space; or public building or other structure shall not be constructed or authorized for construction in an area covered by a municipal master plan unless the **location, character, and extent** of the street, public way, open space, structure or utility have been submitted to the planning commission by the legislative body..."(MCL 125.3861).

The Planning Commission introduces and reviews the CIP, and schedules a public hearing prior to adoption. This process is to occur before the annual budget process in order to serve as a guide to City Administration and the City Commission.

# Supplemental Information



# Budget Timeline

## FYE 6/30/2026 Budget Schedule

The process of creating the Traverse City's Annual Operating Budget is comprehensive and takes considerable time. It begins every November with the creation of the 6-Year Capital Improvement Plan. The first year of the Capital Improvement Plan serves as the foundation for the Capital Budget, which is then reviewed, and approved projects are included in the Annual Operating Budget.

The budget document is presented to the City Commission in May each year and approved at the first meeting in June annually. The cycle ends with the Annual Audit and final report presented to the City Commission the following March. The following is a proposed schedule for preparation, review, and the eventual adoption of the 2025-2026 Fiscal Year Budget.

**November:** Begin Development of 6-Year Capital Improvement Plan

**December:** Departments begin preliminary discussions regarding budget objectives and priorities.

**February 3rd:** Department Heads can begin entering Budget Requests in BS&A/ClearGov

**March 2nd:** Budget Requests entered by Department Heads completed

**March 3rd – April 4th:** Budget Meetings between City Manager & Department Heads

**May 5th:** Initial Budget Proposal provided to City Commission & Commission schedules public Hearing for May 19<sup>th</sup>

**May 12th:** Study session at City Commission meeting

**May 19th:** Budget Public Hearing

**June 2nd:** Approval of Budget by the City Commission

**July 1st:** Annual Operating Budget takes effect and an audit of the previous year starts.

## Amend the Budget

The Annual Operating Budget acts as a guide and ensures accountability by City officials concerning annual expenditure. Due to the dynamic nature of City operations, budget adjustments are frequently necessary throughout the fiscal year. The City Charter and the General Appropriations Act permit amendments.

# Demographics

Higher daytime populations lead to greater demand for public safety, sanitation, transportation, and facility maintenance. For example, more police and emergency services may be needed to manage increased traffic and safety concerns. Trash collection and street cleaning become more frequent, while roads and public transit systems face faster wear and higher maintenance needs. Public spaces such as parks and restrooms also experience more usage, requiring additional staffing and upkeep.

## Population



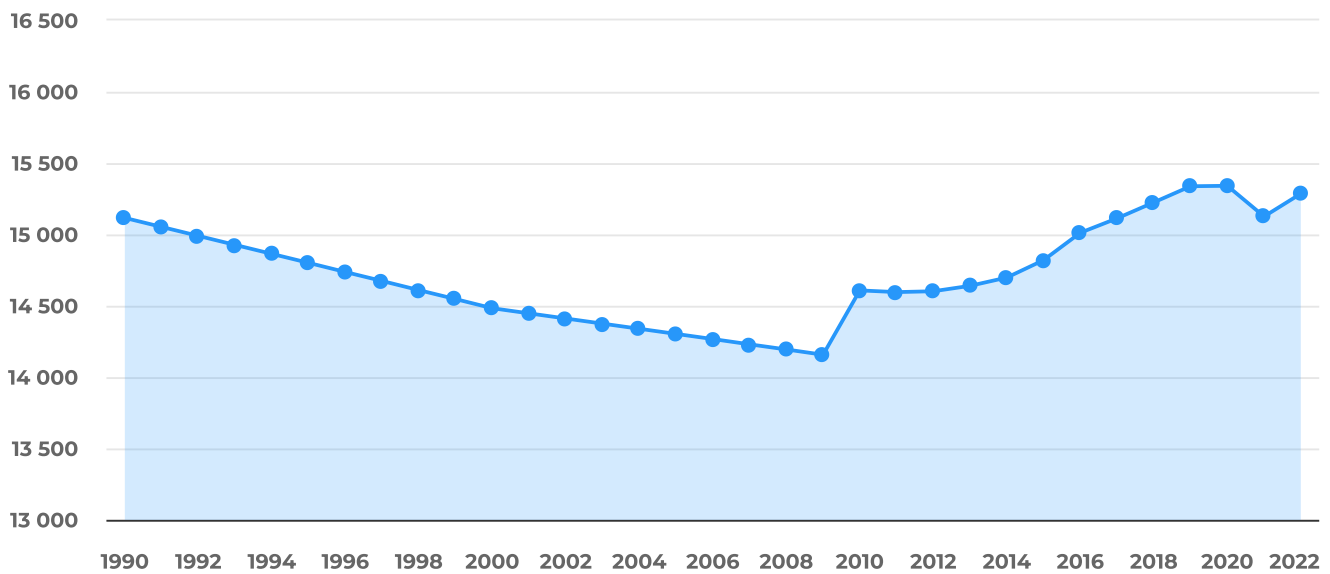
TOTAL POPULATION

**15,286**

**1.06%**  
vs. 2021

GROWTH RANK

**555** out of **1773** Municipalities in Michigan



\* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



DAYTIME POPULATION

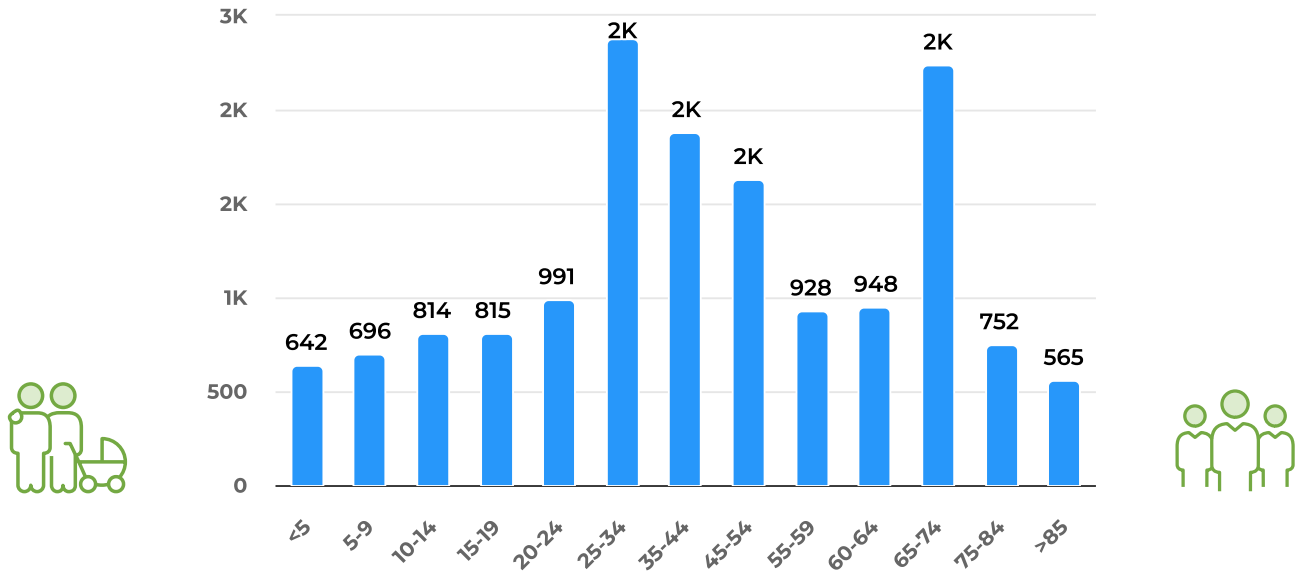
**31,006**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

\* Data Source: American Community Survey 5-year estimates



### POPULATION BY AGE GROUP



*Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.*

*\* Data Source: American Community Survey 5-year estimates*

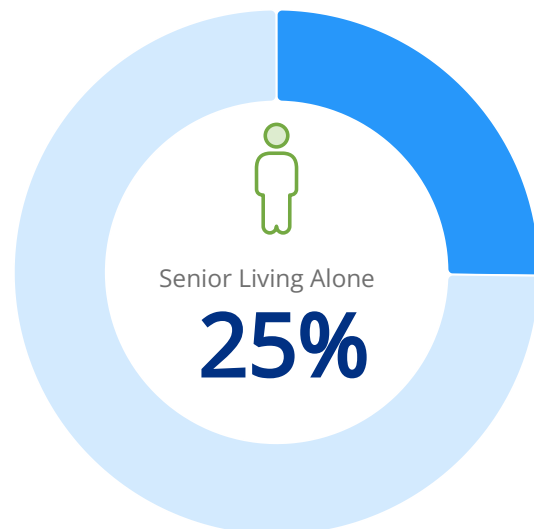
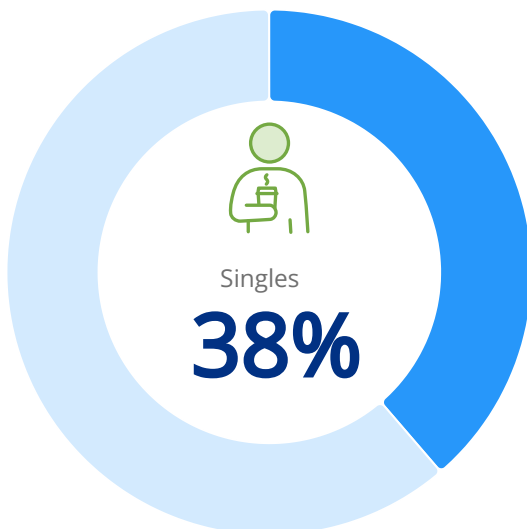
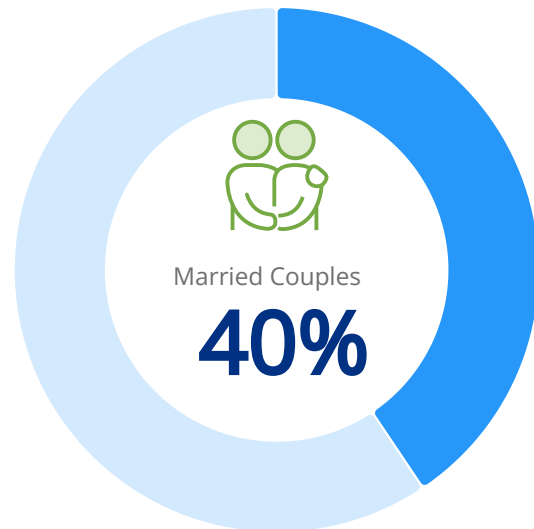
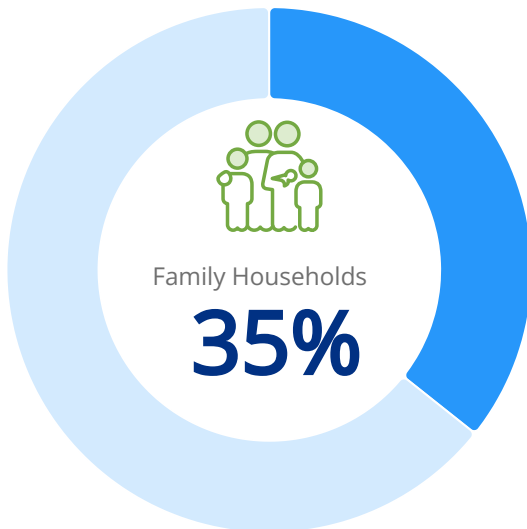
Municipalities must consider the dynamics of household types to plan for and provide services effectively. For example, areas with a high proportion of single person households may require more affordable housing options, while communities with many families with children may need expanded school capacity, parks, and recreation services. Similarly, senior led households might necessitate increased investment in accessible transportation and healthcare services.

## Household

TOTAL HOUSEHOLDS

# 7,015

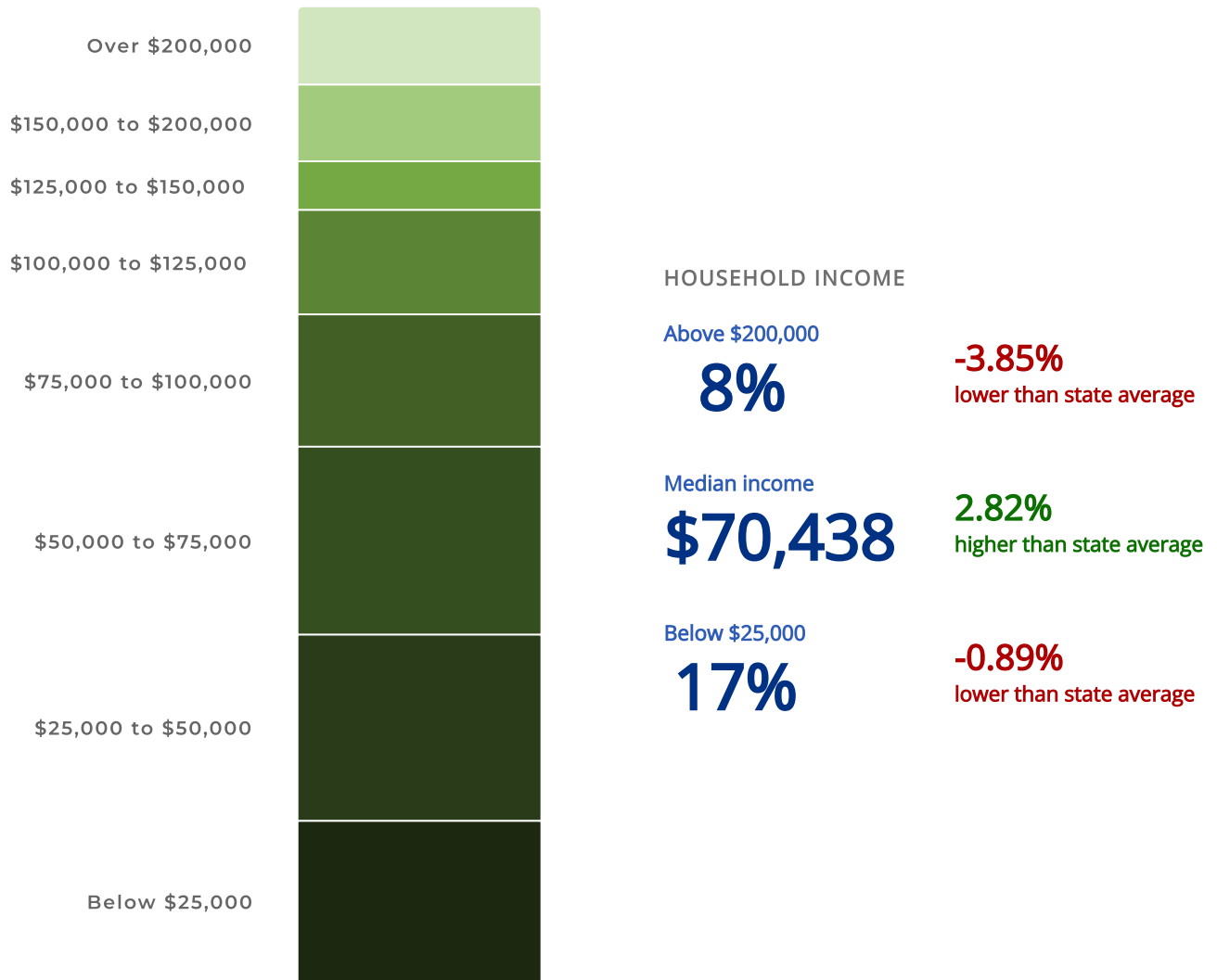
Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



\* Data Source: American Community Survey 5-year estimates

## Economic

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



\* Data Source: American Community Survey 5-year estimates

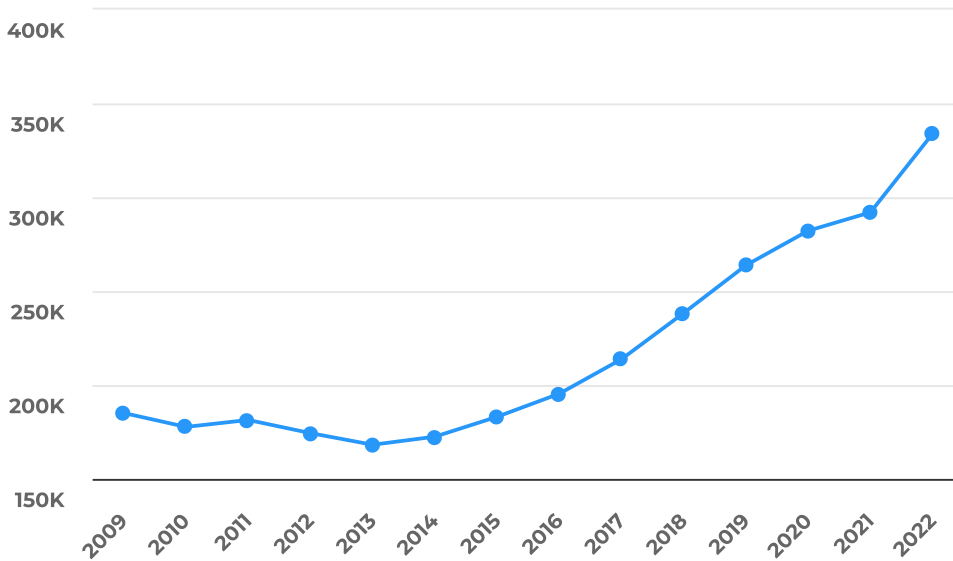
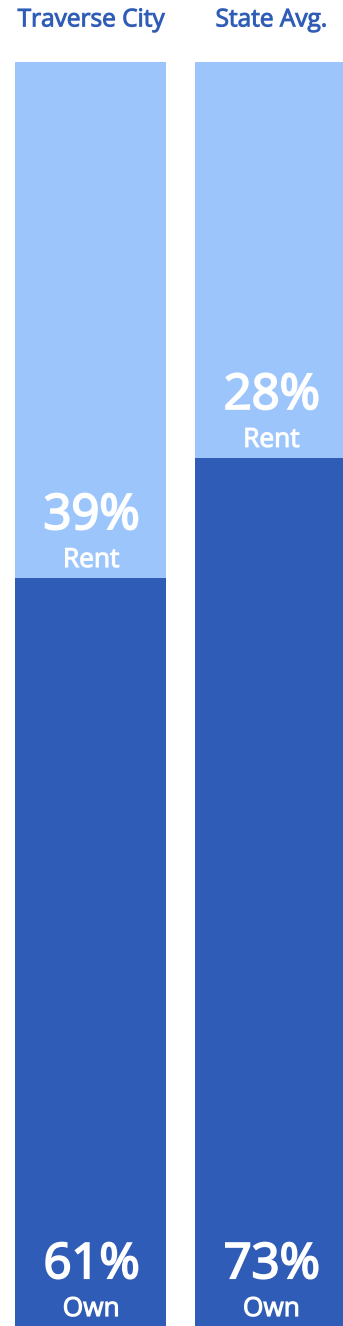
# Housing



2022 MEDIAN HOME VALUE

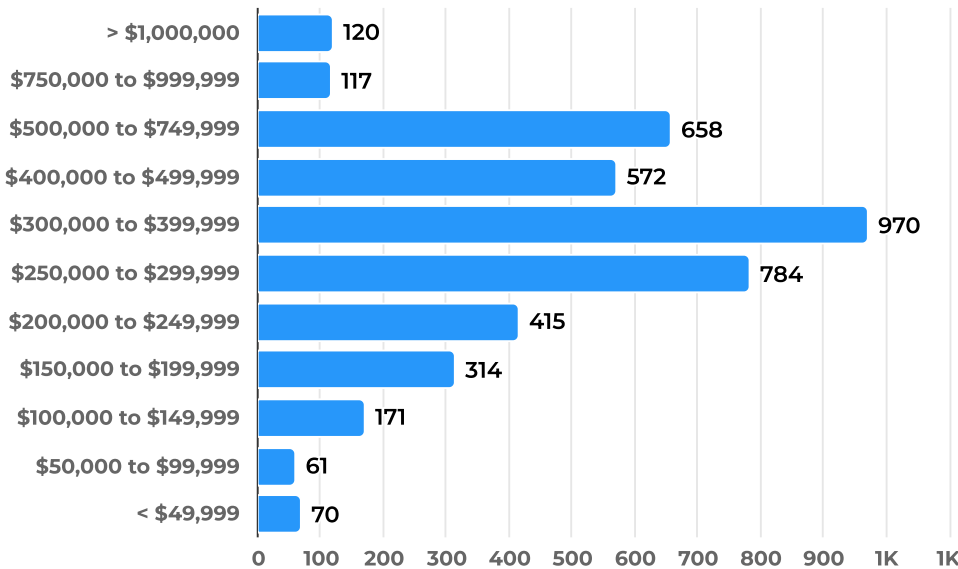
**\$333,900**

HOME OWNERS VS RENTERS



\* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

## HOME VALUE DISTRIBUTION



\* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

\* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

# 2025/2026 Budget Resolutions



## Budget Resolution Waiving 1/2 Property Tax Admin Fee

### Administration Fee for Fiscal Year 2025-2026

Because, the City Commission of the City of Traverse City, Grand Traverse County and Leelanau County, Michigan, adopted a resolution on May 2, 1983, which authorizes the imposition of a 1% property tax administration fee; and

Because, that resolution reserved the right and authority to waive all or part of the property tax administration fee imposed by that resolution for a specific tax levy and collection period by the adoption of a resolution to that effect; now, therefore be it

**Resolved**, by the City Commission of the City of Traverse City, Grand Traverse County and Leelanau County, Michigan, that ½ of the property tax administration fee be waived and not collected on any property tax levied within the City for Fiscal Year 2025-2026.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

---

Benjamin Marentette, City Clerk

## Resolution Establishing Water Rates, Water Service Charges & Sewer Rates

Because, the City Commission shall from time to time determine the water service charges for City users of water from the City water distribution system; and

Because, the City Commission desires to provide enough funds for the operational expenses and the debt service of the water system; and

Because, the City Commission desires to provide enough funds for the capital improvement to the water system; therefore, be it

**Resolved**, that the City Commission of the City of Traverse City does hereby establish the following rate schedule for users of the city sewer collection system in accordance with the Traverse City Code of Ordinances, effective July 1, 2025.

### Inside City Limits

\$47.00 per first 600 cubic feet

\$ 6.10 per hundred (100) for each additional hundred (100) cubic feet

Customers outside City limits are charged 1 ½ times the City rate; and further, be it

Resolved, that the City Commission of the City of Traverse City does hereby establish the following water rates and charges schedule for users of water from the city water distribution system in accordance with the Traverse City Code of Ordinances, effective July 1, 2025:

First 600 Cu. Ft or less	Inside City Limits	Outside City Limits
5/8 Inch or 3/4 Inch (Avg, Residence)	\$ 16.80	\$ 25.20
1 Inch	\$ 32.55	\$ 48.83
1 ¼ Inch	\$ 49.35	\$ 74.03
1 ½ Inch	\$ 65.10	\$ 97.65
2 Inch	\$ 97.65	\$ 146.48
3 Inch	\$130.20	\$ 195.30
4 Inch	\$195.30	\$ 292.95
6 – 12 Inch	\$324.45	\$ 486.68
Over 600 cubic ft. per 100 cu. ft.	\$2.28	\$3.42

\*Irrigation Meters will be billed year round at 1/2 the monthly rate for the corresponding meter size.

The following are rates for the various services provided by the Water and Sewer Maintenance Division:

Tap Only:

1"	\$300.00
1 ½"	\$350.00
2"	\$400.00
4"	\$600.00
6"	\$800.00
8"	\$1,000.00
10"	\$1,200.00
12"	\$1,400.00

Meter Changes:

New meter installations or changes in meter size requested by customer.

<u>Size</u>	<u>Cost to Install</u>
¾"	\$600.00
1"	\$725.00
Residential Meter with Restrictor Valve	\$875.00

Greater than 1-inch diameter = time and material cost basis.

Service Turn-Ons and Turn-Offs:

During scheduled work hours	\$60.00
During non-scheduled working hours	\$120.00

Inspection Fee:

Sewer/water cut & caps	\$60.00
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Repeat Calls for Services:

No show, not ready, re-freeze	\$60.00
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Bulk Water Sales:

Fill tankers at our shop – 1 <sup>st</sup> 600 cu ft	\$52.00
Next 1,000 cu ft	\$11.00

Bacteriological Testing:

Cost for labor, materials and equipment	\$20.00
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Hydrant Flow Test:

Hydrant Flow Test	\$175.00
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I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution to Establish the City Manager's Per-Transaction Spending Authority Pursuant to City Charter Section 40

BECAUSE, Section 40 of the City Charter of the City of Traverse City prescribes, in part, the per-transaction spending limit for the City Manager; and,

BECAUSE, 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, the City Commission adopted a resolution placing a ballot proposal to amend Section 40 of the City Charter before the city's electorate at the November 2, 2021, election, indicating, "the City Charter for the City of Traverse City, in addition to codified ordinances of the City of Traverse City adopted by the City Commission and City Commission policy provide that disbursements of any funds from city accounts must receive approval from the City Treasurer and finally the City Clerk following all other requisite approvals, which provides additional oversight of all fund disbursements as a system of checks and balances; and

BECAUSE, the City Charter for the City of Traverse City provides that the City Manager's appointment and removal of the City Clerk and the City Treasurer must be approved by five (5) affirmative votes of the City Commission, which furthers this system of checks and balances; and

BECAUSE, the per-transaction spending limit of the City Manager as prescribed in the City Charter has not been revised since 2005" and

BECAUSE, at the City Manager's request, the City Clerk, City Treasurer and the City Attorney, reviewed different options for adjustment to the City Manager's spending authority; and

BECAUSE, the Executive Director for Traverse City Light and Power has a spending limit of one-tenth of one percent (0.1%) of budgeted operating expenses for Traverse City Light and Power for the given year; and

BECAUSE, the City Manager presented a similar option, outlined by the City Clerk, at the July 12, 2021, Study Session of the City Commission where the City Commission could present a ballot proposal to the electorate of the City of Traverse City at the November 2, 2021, election, asking to amend the Charter of the City of Traverse City at Section 40 to provide that the City Commission may delegate a per-transaction spending limit to the City Manager equal to an amount up to 0.1% of the budgeted operational expenses for the General Fund of the City of Traverse City for the given fiscal year; and

BECAUSE, the electorate, at the November 2, 2021, election, approved such amendment to the City Charter for the City of Traverse City; and now, therefore be it

**RESOLVED**, by the City Commission for the City of Traverse City that the City Manager's per-transaction spending authority be established at twenty six thousand two hundred dollars (\$26,200) for the Fiscal Year 2025-2026 which is 0.1% of the budgeted operational expenses for the General Fund of the City of Traverse City, with the City Commission retaining the option of modifying the per-transaction spending authority before the conclusion of the Fiscal Year as authorized by City Charter Section 40.

I certify that this resolution was adopted by the City Commission for the City of Traverse City at its June 2, 2025, regular meeting.

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Benjamin Marentette, MMC, City Clerk

## Resolution Certifying Tax Levy for Act 345 Police and Fire Pension System for Fiscal Year 2025-2026

**Resolved**, by the City Commission of the City of Traverse City, Michigan, that the City Assessor of Traverse City, shall as soon as the City Clerk shall certify to her the amount of the ACT 345 tax levy fixed by the City Commission, which is established at 2.32 mills, and within three (3) days after adoption by the City Commission, the budget for fiscal period of July 1, 2025, to June 30, 2026, inclusive, proceed to ratably assess to all persons and pieces of property on the assessment roll accordingly, and in proportion to the valuation entered thereon, the amount of said tax levy.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Certifying Tax Levy for the City of Traverse City for Fiscal Year 2025-2026

**Resolved**, by the City Commission of the City of Traverse City, Michigan, that the City Assessor of Traverse City, shall as soon as the City Clerk shall certify to her the amount of the tax levy fixed by the City Commission, which is established at 11.5775 mills, and within three (3) days after adoption by the City Commission, the budget for fiscal period of July 1, 2025, to June 30, 2026, inclusive, proceed to ratably assess to all persons and pieces of property on the assessment roll accordingly, and in proportion to the valuation entered thereon, the amount of tax with all delinquent special assessments and delinquent wastewater, electrical and water charges, as recorded by the City Treasurer and on file with the Office of the City Treasurer, such record to be a permanent record of the City of Traverse City.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Certifying Tax Levy for Fire/EMS for the City of Traverse City for Fiscal Year 2025-2026

**Resolved**, by the City Commission of the City of Traverse City, Michigan, that the City Assessor of Traverse City, shall as soon as the City Clerk shall certify to her the amount of the tax levy fixed by the City Commission, which is established at .9837 mills, and within three (3) days after adoption by the City Commission, the budget for fiscal period of July 1, 2025, to June 30, 2026, inclusive, proceed to ratably assess to all persons and pieces of property on the assessment roll accordingly, and in proportion to the valuation entered thereon, the amount of tax with all delinquent special assessments and delinquent wastewater, electrical and water charges, as recorded by the City Treasurer and on file with the Office of the City Treasurer, such record to be a permanent record of the City of Traverse City.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Adopting the City of Traverse City Fiscal Year 2025-2026 Capital Improvements Plan and Capital Projects Fund

Because, the City Manager has caused a Capital Improvements Plan, to be prepared and presented to this City Commission covering the fiscal year commencing July 1, 2025, and ending June 30, 2026; now, therefore, be it

**Resolved**, that the following appropriations be and are hereby authorized for the fiscal year beginning July 1, 2025.

Capital Projects Fund	\$6,053,900
Street Capital projects Fund	\$7,771,500

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Adopting the City of Traverse City Fiscal Year 2025-2026 Comprehensive Annual Budget Report

Because, the City Manager has caused a budget document, to be prepared and presented to this City Commission covering the fiscal year commencing July 1, 2025, and ending June 30, 2026; and

Because, this document has been placed on file in the Office of City Clerk and made available for public examination; and

Because, a public hearing upon the adoption of this document has been held as required by the City Charter; and

Because, as a result of this public hearing and its own study, the City Commission has caused certain changes to be made; now, therefore, be it

**Resolved**, that the proposed budgets listed below as amended by the City Commission of Traverse City entitled City of Traverse City 2025-2026 Comprehensive Annual Budget Report of the City of Traverse City, Michigan, for the fiscal period of July 1, 2025, through June 30, 2026, excluding the budgets for Traverse City Light and Power and the Downtown Development Authority, which shall be adopted by separate resolution and that the City Manager be, and is hereby authorized to make expenditures provided for in said budget, providing said expenditures be made according to law; further be it

**Resolved**, that the budget be placed on file in the Office of the City Clerk and be made a permanent record of the City of Traverse City and is made part of this resolution by reference; further be it

**Resolved**, that to defray the costs of the appropriations contained in said budget the estimated sum of \$15,900,000 based on the rate of 11.5775 mills shall be raised in the City of Traverse City, Michigan, by taxation for municipal purposes for the fiscal period of July 1, 2025, through June 30, 2026 inclusive, in accordance with the Charter of the City of Traverse City and the laws of the State of Michigan relative to the taxation of real and personal property; further be it

**Resolved**, that to defray the costs of the appropriations contained in said budget the estimated sum of

\$2,960,000 based on the rate of 2.32 mills shall be raised in the City of Traverse City, Michigan by taxation for, defraying the cost of supporting the retirement plan for qualified personnel of the Department of Public Safety of the City of Traverse City, Michigan pursuant to the provisions of ACT 345 of the Public Acts of 1937, as amended, as approved by a vote on November 3, 1970;

**Resolved**, that the following appropriations be and are hereby authorized for the fiscal year beginning July 1, 2025.

**General Fund Department**

City Commission	\$	275,500
City Manager Department	\$	589,000
Human Resources Department	\$	480,100
DPS Director and Asset Management Department	\$	450,500
GIS Department	\$	-
City Assessor Department	\$	541,500
City Attorney Department	\$	534,700
City Clerk Department	\$	789,300
City Communications	\$	248,000
City Treasurer Department	\$	620,200
Police Department	\$	6,122,200
Fire Department	\$	-
Engineering Department	\$	1,455,700
Planning and Zoning Department	\$	920,100
Parks and Recreation Department	\$	2,329,900
Oakwood Cemetery Division	\$	473,400
Streets Administration Department	\$	703,100
Facilities Management	\$	377,500
Appropriations	\$	1,409,300
Contingencies	\$	125,000
<b>Total Departmental Expenditures</b>	<b>\$</b>	<b>18,445,000</b>

Operating Transfers Out - Capital Projects	\$	1,435,500
Transfers Out - Other	\$	6,365,700
<b>Total Operating Transfers Out</b>	<b>\$</b>	<b>7,801,200</b>

<b>Total General Fund Expenditures &amp; Transfers Out</b>	<b>\$</b>	<b>26,246,200</b>
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**GASB 54 Funds**

Budget Stabilization Fund (102)	\$	34,000
Hazardous Material Response Team Fund (103)	\$	49,200
Carnegie Building Fund (104)	\$	82,500
County Senior Center Fund (105)	\$	186,600
Brown Bridge Maintenance Fund (106)	\$	213,400
Public Arts Commission Fund (107)	\$	80,000
Coast Guard Committee Fund (108)	\$	500
Banner Program Fund (109)	\$	1,400
City Opera House Fund (110)	\$	325,300
Economic Development Fund (112)	\$	19,700
	<b>\$</b>	<b>992,600</b>



<b>Special Revenue Funds</b>	
Major Street Fund (202)	\$ 2,044,900
Local Street Fund (203)	\$ 1,634,600
EMS Ambulance Fund (210)	\$ 4,920,600
Tree Ordinance Fund (211)*	\$ 17,600
Act 302 Police Training Fund (214)	\$ 37,200
College Parking Fund (231)	\$ 4,000
Act 345 Millage Fund (233)*	\$ 3,074,600
Brown Bridge Trust Parks Improvement Fund (239)	\$ 125,000
Traverse City/Garfield Joint Planning Fund (241)	\$ 2,000
Peg Capital Fund (251)*	\$ 19,000
CDBG Grant SEFA #14.218 (272)	\$ 360,000
ARPA Coronavirus Fiscal Recovery Fund (285)	\$ 380,000
	<u>\$ 12,619,500</u>
<b>Debt Service Funds</b>	
Parking Bond Debt Retirement Fund - Tax Exempt (306)	\$ 874,500
Sidewalk and Trail Debt Retirement Fund (309)	\$ 756,400
	<u>\$ 1,630,900</u>
<b>Capital Projects Funds</b>	
Street Capital Projects Fund (447)	\$ 7,771,500
Boardman Lake Trail Construction Fund (488)	\$ 340,000
Capital Projects Fund (499)	\$ 6,053,900
Special Assessment Fund (812)*	\$ 82,500
	<u>\$ 14,247,900</u>
<b>Permanent Funds</b>	
Cemetery Perpetual Care Trust Fund (151)	\$ 104,000
Cemetery Trust Fund (152)	\$ 29,300
Brown Bridge Trust Fund (153)	\$ 1,030,000
	<u>\$ 1,163,300</u>
<b>Enterprise Funds</b>	
Hickory Hills Fund (504)	\$ 906,700
Parking System Fund (514)	\$ 3,721,300
Wastewater Fund (590)*	\$ 20,296,000
Water Fund (591)	\$ 9,742,000
Marina Fund (594)*	\$ 791,400
	<u>\$ 35,457,400</u>
<b>Internal Service Fund</b>	
Garage Fund (661)*	\$ 4,773,600
Information Technology (636)	\$ 915,500
	<u>\$ 5,689,100</u>
<b>Total</b>	<u><u>\$ 98,046,900</u></u>

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Adopting the Traverse City Light and Power Budget for Fiscal Year 2025-2026 Including the Capital Improvement Plan

**Resolved**, that the Traverse City Light and Power Board has caused a budget document, to be prepared and presented to the City Commission covering the fiscal year commencing July 1, 2025, and ending June 30, 2026, and that the proposed budget document of the Traverse City Light and Power Department for the fiscal period of July 1, 2025, through June 30, 2026, is hereby approved in its entirety in the amount of \$46,626,892 and the Fiber Optics Fund of \$2,006,850, pursuant to the Charter of the City of Traverse City, Section 179(j); and that the Traverse City Light and Power Board is hereby authorized to adopt this budget, as submitted; further, be it

**Resolved**, that the Traverse City Light and Power Board has caused a Capital Improvements Plan to be prepared and presented to the City Commission covering the fiscal year commencing July 1, 2025, and ending June 30, 2026, and is hereby approved in its entirety; and that the Traverse City Light and Power Board is hereby authorized to adopt this Capital Improvements Plan, as submitted.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Certifying Tax Levy for Downtown Development Authority for Fiscal Year 2025-2026

**Resolved**, by the City Commission of Traverse City, Michigan, that the City Assessor of Traverse City shall, as soon as the City Clerk shall certify to her the amount of the tax levy fixed by the City Commission, which is established at 1.5879 mills, and within three (3) days after the adoption by the City Commission of the DDA Budget for the fiscal period of July 1, 2025, to June 30, 2026, inclusive, proceed to ratably assess to all persons and pieces of property on the assessment roll which are located within the Downtown Development Authority as described in Chapter 298.04 of the Traverse City Code of Ordinances accordingly, and in proportion to the valuation entered thereon the amount of said tax levy.

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

## Resolution Adopting Downtown Development Authority Budget Fiscal Year 2025-2026

**Resolved**, that to defray the cost of appropriations contained in the Downtown Development Authority budget portion of said document, the estimated sum of \$130,000 based on Resolution Adopting Budget on a rate of 1.5897 mills shall be raised by taxation within the area of the Traverse City Downtown Development Authority District as described in Chapter 298.04 of the Traverse City Code of Ordinances, in accordance with the Charter of the City of Traverse City and the laws of the State of Michigan relative to the taxation of real and personal property; further be it

**Resolved further**, that the following appropriations be and are hereby authorized for the fiscal year beginning July 1, 2025.

Downtown Development Authority Fund	\$	2,752,000
Tax Increment Financing District 97 Fund		6,983,400
Old Town Tax Increment Financing Fund		830,100

I hereby certify that the above Resolution was adopted by the City Commission on June 2, 2025, at a regular meeting of the City Commission held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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Benjamin Marentette, City Clerk

# Supplemental Statistical Information



# Debt Service Requirements to Maturity (Unaudited)

## CITY OF TRAVERSE CITY, MICHIGAN Debt Service Requirements to Maturity (Unaudited)

Fiscal years ending June 30,	Parking deck non-taxable refunding bond		Boardman Lake Trail and Sidewalk construction bond		Junior Lien Revenue Bond Clean Water State Revolving Loan		Primary government
	Principal	Interest	Principal	Interest	Principal	Interest	Total principal and interest
2025	840,000	73,720	605,000	151,111	84,497	33,576	1,787,904
2026	820,000	54,459	625,000	131,369	84,497	34,518	1,749,843
2027	790,000	35,656	645,000	110,986	89,497	32,933	1,704,072
2028	765,000	17,541	670,000	89,880	89,497	31,255	1,663,173
2029	-	-	695,000	67,972	89,497	29,577	882,046
2030	-	-	330,000	51,521	94,497	27,899	503,917
2031	-	-	340,000	40,767	94,497	26,128	501,392
2032	-	-	355,000	29,612	94,497	24,356	503,465
2033	-	-	365,000	18,056	99,497	22,584	505,137
2034	-	-	380,000	6,099	99,497	20,718	506,314
2035-2039	-	-	-	-	532,485	65,150	597,635
2040-2043	-	-	-	-	472,989	22,500	495,489
<b>Total</b>	<b>\$ 3,215,000</b>	<b>\$ 181,376</b>	<b>\$ 5,010,000</b>	<b>\$ 697,373</b>	<b>\$ 1,925,444</b>	<b>\$ 371,194</b>	<b>\$ 11,400,387</b>

# Revenues by Source

**CITY OF TRAVERSE CITY, MICHIGAN**  
**General Governmental Revenues by Source (Unaudited)**  
**General Fund before GASB 54 Consolidation**  
**Last ten fiscal years**

Fiscal years ending June 30,	Taxes	Licenses and permits	Federal sources	State Share Revenue	Other State sources	Charges for services	Fines and forfeitures	Reimbursements	Other revenues	Transfer in	Total revenues
2015	8,223,794	295,046	3,128	1,279,398	68,911	362,895	9,825	557,783	2,341,385	971,074	14,113,239
2016	8,559,711	297,926	13,039	1,278,328	48,259	346,864	8,027	655,570	3,277,794	1,176,443	15,661,961
2017	9,109,325	305,043	-	1,342,361	75,285	365,605	9,528	449,244	2,347,529	1,152,596	15,156,516
2018	10,070,208	315,757	-	1,385,247	61,462	434,298	8,100	685,772	2,303,273	1,156,795	16,420,912
2019	11,279,219	737,872	7,938	1,440,190	75,227	258,201	5,745	503,736	2,486,537	1,255,431	18,050,096
2020	11,823,999	370,101	2,377	1,412,539	45,763	235,944	7,084	629,565	2,327,184	1,254,238	18,108,794
2021	12,223,174	457,519	836,423	1,611,761	249,547	203,959	1,920	495,261	2,106,516	1,332,485	19,518,565
2022	12,790,270	519,562	471	1,911,918	239,616	291,325	44,905	566,596	2,149,528	1,233,953	19,748,144
2023	13,563,940	612,986	128,707	1,879,629	373,145	229,727	37,003	709,713	2,749,234	1,294,207	21,578,291
2024	14,569,702	1,190,517	106,279	1,922,165	449,422	212,479	36,018	885,502	3,264,301		22,636,385

# Expenditures by Function

**CITY OF TRAVERSE CITY, MICHIGAN**  
**General Governmental Expenditures by Function (Unaudited)**  
**General Fund before GASB 54 Consolidation**  
**Last ten fiscal years**

Fiscal years ending June 30,	General government	Public safety	Streets, alleys and sidewalks	Culture and recreation	Other	Transfer out	Total expenditures
2005	\$ 1,772,334	\$ 6,253,646	\$ 363,012	\$ 1,424,539	\$ 1,918,853	\$ 972,237	\$ 12,704,621
2006	1,813,736	6,641,897	213,461	1,507,000	1,908,819	1,367,699	13,452,612
2007	1,986,207	7,047,105	(21,438)	1,567,482	1,788,606	1,645,080	14,013,042
2015	2,106,448	6,164,377	783,598	1,904,330	1,655,936	2,743,071	15,357,760
2016	2,276,074	6,233,256	829,333	1,855,507	1,670,747	2,503,346	15,368,263
2017	2,571,171	6,739,612	647,013	2,094,037	1,687,453	1,650,430	15,389,716
2018	2,563,345	7,109,604	560,859	2,162,221	1,831,862	1,886,533	16,114,424
2019	2,581,463	7,201,805	873,269	2,205,885	1,796,390	2,308,580	16,967,392
2020	2,656,008	7,396,618	1,260,777	1,844,444	1,928,469	2,619,635	17,705,951
2021	2,834,482	7,716,942	1,400,627	1,912,485	2,120,674	2,206,454	18,191,664
2022	2,985,908	7,667,010	971,819	1,827,591	2,667,998	2,489,815	18,610,141
2023	3,250,457	8,248,584	991,268	1,847,648	3,215,437	2,807,677	20,361,071
2024	3,631,047	8,596,886	886,066	1,949,709	3,276,745	3,467,780	21,808,233



# Overlapping Millage Rates

**CITY OF TRAVERSE CITY, MICHIGAN**  
**Property Tax Millage Rates - All Overlapping Governments (Unaudited)**  
**Last ten fiscal years**

Fiscal years ending June 30,	City	County	School	ISD	College	State Education Tax	Library	BATA	Recreational Authority	TOTAL
2015 - Homestead	13.4367	6.5838	3.1000	2.9312	2.8300	6.0000	1.1004	0.3454	0.4094	36.7369
2015 - Non-Homestead	13.4367	6.5838	21.1000	2.9312	2.8300	6.0000	1.1004	0.3454	0.4094	54.7369
2016 - Homestead	13.4367	6.5838	3.1000	2.9312	2.8300	6.0000	1.1004	0.3454	0.4094	36.7369
2016 - Non-Homestead	13.4367	6.5838	21.1000	2.9312	2.8300	6.0000	1.1004	0.3454	0.4094	54.7369
2017 - Homestead	13.4367	6.7017	3.1000	2.9299	2.8192	6.0000	1.0870	0.3447	0.4294	36.8486
2017 - Non-Homestead	13.4367	6.7017	21.1000	2.9299	2.8192	6.0000	1.0870	0.3447	0.4294	54.8486
2018 - Homestead	13.4367	6.6486	3.1000	2.9234	2.7420	6.0000	0.9467	0.3420	0.4283	36.5677
2018 - Non-Homestead	13.4367	6.6486	21.1000	2.9234	2.7420	6.0000	0.9467	0.3420	0.4283	54.5677
2019 - Homestead	14.4367	6.7608	3.1000	2.9197	2.7140	6.0000	0.9431	0.4978	0.4282	37.8003
2019 - Non-Homestead	14.4367	6.7608	21.1000	2.9197	2.7140	6.0000	0.9431	0.4978	0.4282	55.8003
2020 - Homestead	14.4367	6.6915	3.1000	2.9161	2.6950	6.0000	0.9382	0.4952	0.4278	37.7005
2020 - Non-Homestead	14.4367	6.6915	21.1000	2.9161	2.6950	6.0000	0.9382	0.4952	0.4278	55.7005
2021 - Homestead	14.4367	6.6548	3.1000	2.9091	2.1138	6.0000	0.9292	0.4908	0.4800	37.1144
2021 - Non-Homestead	14.4367	6.6548	21.1000	2.9091	2.1138	6.0000	0.9292	0.4908	0.4800	55.1144
2021 - Homestead	14.4154	6.5560	3.1000	2.9003	2.0935	6.0000	0.9202	0.4863	0.4800	36.9517
2021 - Non-Homestead	14.4154	6.5560	21.1000	2.9003	2.0935	6.0000	0.9202	0.4863	0.4800	54.9517
2022 - Homestead	14.0888	6.5149	3.1000	2.8871	2.0574	6.0000	0.9044	0.4788	0.4800	36.5114
2022 - Non-Homestead	14.0888	6.5149	21.1000	2.8871	2.0574	6.0000	0.9044	0.4788	0.4800	54.5114
2023 - Homestead	14.0888	6.5086	3.1000	2.8871	2.0576	6.0000	0.9044	0.4788	0.3800	36.4053
2023 - Non-Homestead	14.0888	6.5086	21.1000	2.8871	2.0576	6.0000	0.9044	0.4788	0.3800	54.4053

**Notes:**

The City's rate does not reflect a 1.5927 mill levy the Downtown Development District established in 1979. Millage rates above reflect operating and debt rates. The County's rates include only Grand Traverse County and not Leelanau County.

# Property Tax Collection History

**CITY OF TRAVERSE CITY, MICHIGAN**  
**Property Tax Collection History (Unaudited)**  
**Last ten fiscal years**

Levied July 1st	Adjusted Tax Levy (1)	Collection to March 1, Year Following Levy	Percent Collected
2014	9,831,385	9,528,527	96.9
2015	10,182,199	9,887,824	97.1
2016	10,869,344	10,594,460	97.5
2017	11,229,019	11,000,626	98.0
2018	12,758,038	12,440,564	97.5
2019	13,347,929	12,988,529	97.3
2020	14,120,360	13,727,016	97.2
2021	14,730,520	14,442,041	98.0
2022	15,573,578	15,200,872	97.6
2023	16,846,878	16,469,992	97.8

(1) Real and personal taxes, City operating and ACT 345 pension levy combined

# Taxable Value by Class

**CITY OF TRAVERSE CITY, MICHIGAN**  
**Taxable Value by Use and Class (Unaudited)**  
**Last five years**

City	June 30,	June 30,	June 30,	June 30,	June 30,
Use	2020	2021	2022	2023	2024
Commercial	\$ 408,887,341	\$ 439,524,486	\$ 468,556,296	\$ 501,336,353	\$ 539,818,696
Industrial	44,618,917	43,556,284	47,003,977	47,928,127	48,683,701
Residential	643,220,962	681,542,397	718,941,896	798,913,300	869,610,463
Utility	5,183,500	6,069,100	5,742,400	6,920,300	7,736,300
<b>Total</b>	<b>\$ 1,101,910,720</b>	<b>\$ 1,170,692,267</b>	<b>\$ 1,240,244,569</b>	<b>\$ 1,355,098,080</b>	<b>\$ 1,465,849,160</b>
Class					
Real Property	\$ 1,044,182,437	\$ 1,111,518,967	\$ 1,182,207,232	\$ 1,298,338,480	\$ 1,412,274,360
Personal Property	57,728,283	59,173,300	58,037,337	56,759,600	53,574,800
<b>Total</b>	<b>\$ 1,101,910,720</b>	<b>\$ 1,170,692,267</b>	<b>\$ 1,240,244,569</b>	<b>\$ 1,355,098,080</b>	<b>\$ 1,465,849,160</b>

# Top 10 Taxpayers

**CITY OF TRAVERSE CITY, MICHIGAN**  
**Ten Largest Taxpayers by Taxable Value (Unaudited)**  
**June 30, 2024**

Taxpayer	Principal Product or Service	Taxable Value	Percent of Ten Largest Taxpayers
CEGM Traverse City LLC	Commercial property	15,021,256	15.0%
Delmar Traverse City LLC	Hotel property	14,826,289	14.8%
4Front Credit Union	Commercial property	12,395,358	12.4%
PHR TCI	Hotel property	11,093,401	11.1%
Costco Wholesale Corp	Grocery/retail	9,173,574	9.1%
Grand Traverse Senior Living LLC	Residential Real Estate	8,967,966	8.9%
Tom's Food Market	Grocery/retail	8,717,561	8.7%
Regency Midwest Ventures LP	Commercial property	7,240,860	7.2%
Innovo Breakwater Apartments	Residential Real Estate	7,150,000	7.1%
DTE Gas Co	Utility	5,685,016	5.7%

# Legal Debt Margin

**CITY OF TRAVERSE CITY, MICHIGAN**  
**Legal Debt Margin (Unaudited)**  
**June 30, 2024**

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Debt limit	\$	146,584,916
Debt outstanding		14,547,470
Legal debt margin	\$	<u>132,037,446</u>

# Debt Summary

**CITY OF TRAVERSE CITY  
Debt Statement (Unaudited)  
June 30, 2024**

<b>City Direct Debt</b>	<u>Gross</u>	<u>Self Supporting</u>	<u>Net</u>
Share of Michigan Public Power Agency debt	6,322,470	6,322,470	-
Boardman Lake Trail and Sidewalk Construction Bond	5,010,000	5,010,000	-
Downtown Development Refunding Bond	3,215,000	3,215,000	-
State Revolving Loan Fund	1,925,444	1,925,444	-
<b>Total</b>	<b>\$ 14,547,470</b>	<b>\$ 14,547,470</b>	<b>\$ -</b>

<b>Overlapping Debt</b>	<u>Gross</u>	<u>City Share as Percent of Gross</u>	<u>Net</u>
Traverse City Public Schools	\$ 85,221,708	17.79%	\$ 15,160,942
Grand Traverse County	73,076,426	16.69%	12,196,455
Leelanau County	6,328,201	0.88%	55,688
Northwestern Michigan College	24,555,563	16.69%	4,098,323
Traverse City-Garfield Recreational Authority	1,400,000	45.74%	640,360
Traverse Area District Library	-	17.07%	-
<b>Total</b>	<b>\$ 164,333,611</b>		<b>\$ 32,151,769</b>

# Financial Policies

The City of Traverse City's Finance Policies are designed to ensure fiscal responsibility, transparency, and compliance with applicable standards and regulations. These policies align with the Governmental Accounting Standards Board (GASB) guidelines and adhere to the State of Michigan's statutory requirements.

## 1. Financial Reporting

- **Accounting Standards:** The City will prepare its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) as established by GASB.
- **Annual Audit:** An independent audit of the City's financial statements will be conducted annually, as mandated by Michigan Statute.
- **Management's Discussion and Analysis (MD&A):** The City will include an MD&A section in its annual financial report to provide an objective analysis of financial activities, in line with GASB requirements.

## 2. Budgeting

- **Balanced Budget:** The City will adopt a balanced budget annually, ensuring that expenditures do not exceed available revenues, in compliance with Michigan's budget laws.
- **Public Participation:** The budget process will include opportunities for public input, promoting transparency and community involvement.

## 3. Revenue Management

- **Diversification:** The City will strive to maintain a diversified and stable revenue system to protect against short-term fluctuations in any single revenue source.
- **Fees and Charges:** The City will periodically review user fees and charges to ensure they reflect the cost of services provided.
- **Grant Management:** The City will pursue grants that align with its priorities and ensure compliance with grant requirements.

## 4. Expenditure Control

- **Authorization:** All expenditures must be authorized through the budget process or by City Commission action.
- **Monitoring:** The City will regularly monitor expenditures to ensure adherence to the approved budget and implement corrective actions as necessary.
- **Purchasing:** The City will follow established procurement policies to ensure fair and competitive purchasing practices.

## 5. Capital Asset Management

- **Capital Improvement Plan (CIP):** The City will develop and maintain a CIP to plan for the acquisition and maintenance of capital assets.
- **Asset Inventory:** The City will maintain an inventory of all capital assets, including their condition and maintenance schedules.
- **Depreciation:** The City will account for depreciation of capital assets in accordance with GASB standards.

## 6. Debt Management

- **Debt Issuance:** The City will issue debt only for capital improvements and not for operating expenses, ensuring compliance with Michigan's legal debt limitations.
- **Debt Levels:** The City will maintain debt levels within acceptable limits to ensure creditworthiness and fiscal health.
- **Repayment:** The City will structure debt repayment schedules to ensure timely repayment and minimize interest costs.

## 7. Fund Balance

- Reserve Levels: The City will maintain adequate reserves in accordance with all applicable regulations to ensure financial stability.

## 8. Investments

- Investment Policy: The City will adopt an investment policy that prioritizes safety, liquidity, and yield, in that order.
- Authorized Investments: The City will invest only in accordance with its investment policy.
- Monitoring: The City will regularly monitor the performance of its investments and ensure compliance with the investment policy.

## 9. Internal Controls

- Control Environment: The City will maintain an internal control environment to safeguard assets and ensure accurate financial reporting.
- Segregation of Duties: The City will implement segregation of duties to prevent fraud and errors.
- Regular Reviews: The City will conduct regular reviews and audits of financial processes and controls.

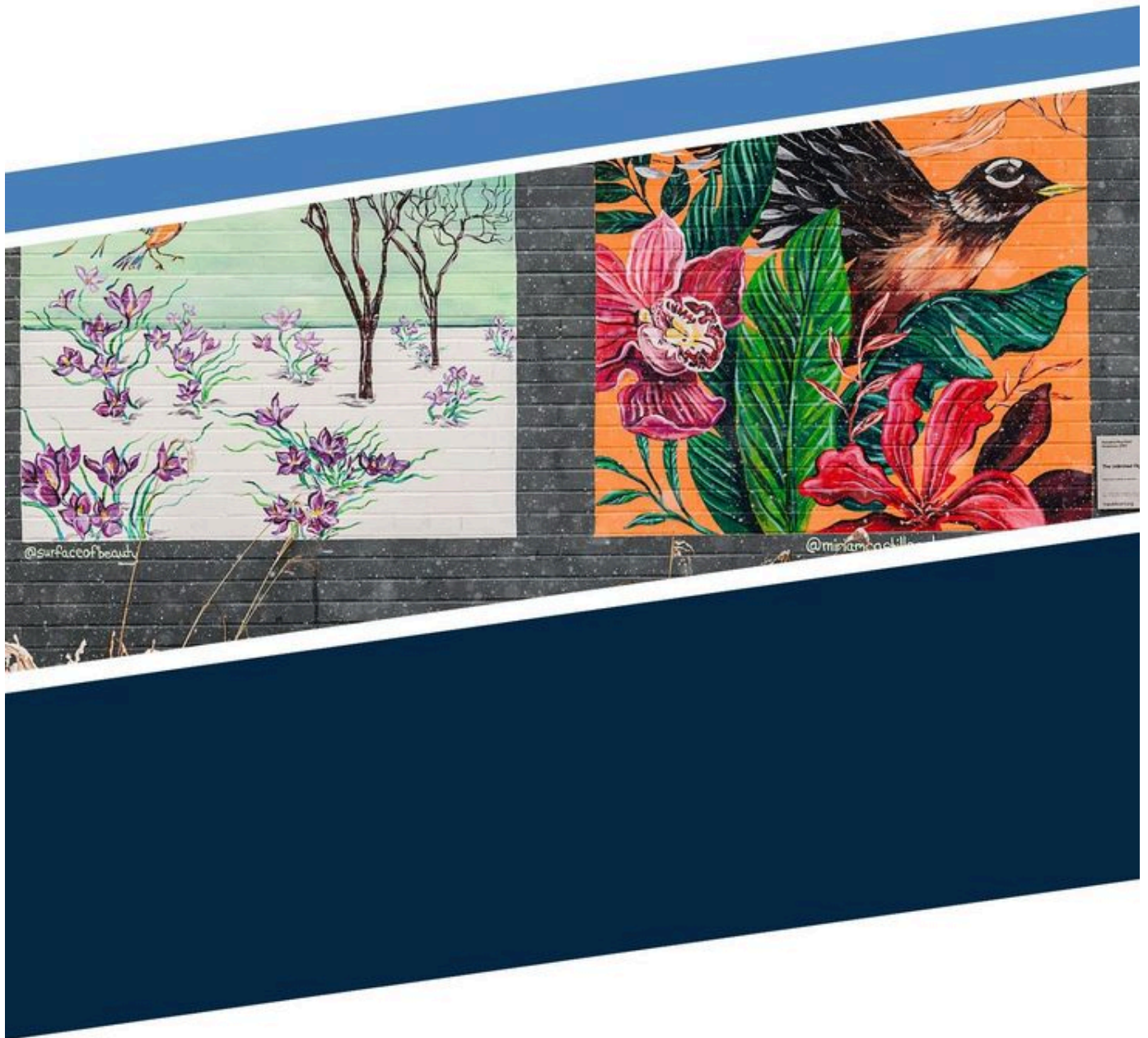
## 10. Financial Transparency

- Reporting: The City will provide regular financial reports to the City Commission to promote transparency.

Open Records: The City will comply with Freedom of Information Act (FOIA) requirements, ensuring public access to financial information.



# Appendix



# Glossary

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrual Basis of Accounting:** A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

**Accrued Interest:** The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**ACFR: Annual Comprehensive Financial Report** - A detailed report of an organization's financial activities and performance over the fiscal year.

**Ad Valorem:** According to value. "A method of taxation using the value of the thing taxed to determine the amount of tax. Taxes can be either "ad valorem" or "specific." Example: A tax of \$5.00 per \$1000.00 of value per house is "ad valorem." A tax of \$5.00 per house (irrespective of value) is specific.

**American Rescue Plan Act of 2021(ARPA):** A federal stimulus bill that will provide payments to local units of government for use on Covid-19 repleted expenses and certain infrastructure projects.

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appropriation:** An authorization made by the City Commission, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** The estimated value placed upon real and personal property by the City assessor. Assessed value is required to be at least 50% of the true cash value.

**Assets:** Property owned by the City that has economic value, such as cash, investments, property, and equipment.

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. Bonds are typically used for long-term debt to pay for specific capital improvements.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.

**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

**Budget (Operating):** A plan of financial operations allocating resources to support particular services, purposes and functions over a specified period of time.

**Budget Calendar:** The schedule of key dates or milestones that the city follows in the preparation and adoption of the budget.

**Budgetary Control:** The level at which expenditures cannot legally exceed the appropriated amounts.

**Capital Assets:** All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Outlay:** A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$5,000 and have a useful life of more than one year.

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Flow:** The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

**Cash Management:** The process of monitoring the ebb and flow of money in and out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in accordance with the Investment Policy.

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Chart of Accounts:** A financial organizational tool that provides a complete listing of every account in an accounting system. The State of Michigan updated the chart of accounts in 2017.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

**Compliance:** Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Contractual Services:** Items of expenditure from services that the city receives from an outside company. Heating and cooling maintenance services, custodial services, and information technology support are examples of contractual services.

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Current Taxes:** Taxes that are levied and due within one year.

**Debt Limit:** The total amount of money a government is authorized to borrow.

**Debt Service:** The City's obligation to pay the principal and interest of all bonds and other debt instruments based on an amortization schedule, of the principal and interest on any particular bond issue.

**Department:** An administration division of the city. Departments are the main groupings within the budget, for example, City Manager, Public Works, Engineering etc.

**Depreciation:** A noncash expense that reduces the value of an asset as a result of wear and tear, age or obsolescence. Most assets lose their value over time (in other words, they depreciate) and must be replaced when the end of their useful life is reached.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

**Enterprise Funds:** A governmental accounting fund which provides a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. The rate schedule for these services is established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Enterprise funds are established for services such as water and sewer.

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the community that is subject to local taxation.

**Estimated Revenue:** The amount of projected revenue to be collected during the fiscal year.

**Essential Services:** As contained in the Local Community Stabilization Act, essential services are police, fire, ambulance, and jail.

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and governmental entities. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** The cost of goods delivered and services rendered, whether paid or unpaid by municipalities to provide the programs and services within their approved budget.

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefits) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Financial Statements:** Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

**Fiscal Year:** The 12-month period for which an organization plans the use of its funds, July 1 through June 30.

**Fixed Assets:** Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** A distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples include the General Fund for day-to-day activities, Major Streets Funds for activities relating to major streets, Sewer Fund for sewer-related activities, etc.

**Fund Balance:** The excess of an entity's assets over liabilities. A negative fund balance is often called a deficit.

**GAAP:** Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures used to compile financial statements.

**GASB (Governmental Accounting Standards Board):** An independent private-sector organization that establishes accounting and financial reporting standards for US state and local government following GAAP. [www.gasb.org](http://www.gasb.org)

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes criteria for the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, roads, sewers, etc. It also requires the presentation of a narrative statement about the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity accounts for and reports other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The largest fund within the City, the General Fund accounts for most of the day-to-day operations of the government, such as fire and police protection, finance, public works and general administration. The main source of revenue for the General Fund is the City's operating millage.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of the City.

**Geographic Information System:** A system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

**Governing Body:** A board, committee, commission, or other executive or policymaking body of a municipality or school district.

**Government Finance Officers Association:** A professional association representing public finance officials throughout the United States and Canada. Their mission is to promote excellence in state and local governmental financial management. [www.gfoa.org](http://www.gfoa.org)

**Governmental Fund:** Funds that are generally used to account for tax-supported activities. There are five different types of governmental funds – the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery.

**Internal Controls:** Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** The placement of excess City cash assets into instruments approved by the City's Investment Policy for the purpose of earning interest income.

**Liabilities:** Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses. The term does not include encumbrances.

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Community Stabilization Authority:** An authority created by the State of Michigan to account for and administer the changes in personal property tax collection and reimbursements.

**Long Term Debt:** Debt with a maturity of more than one year.

**Major Fund:** A governmental or enterprise fund reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report.

**Maturities:** The date on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

**Michigan Department of Environmental Quality(EGLE):** An agency of the State responsible for overseeing municipal drinking water and sewer systems, together with other health and environmental protection systems.

**Michigan Department of Treasury:** An agency of the State responsible for oversight of financial reporting in the State of Michigan.

**Michigan Economic Development Corporation(MEDC):** An agency of the State dedicated to fostering an atmosphere that is positive for economic development. They may make funds available for certain projects, and provide assistance to communities in the area of economic development.

**Michigan Government Finance Officers Association(MGFOA):** The Michigan chapter of the Government Finance Officers Association. [www.migfoa.org](http://www.migfoa.org)

**Michigan Municipal Employees Retirement System (MERS):** A multi-employer statewide public employee retirement plan created to provide retirement, survivor and disability benefits to local government employees. Michigan Municipal Treasurers Association: The Michigan chapter of the Association of Public Treasurers of the United States and Canada. [www.mmta-mi.org](http://www.mmta-mi.org) Michigan State Housing Authority: An agency of the State that may have funds available for certain types of economic development. Millage: A rate of taxation expressed as mills per dollar.

**Modified Accrual Basis of Accounting:** Basis of accounting to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is

incurred, if measurable, except for un-matured interest on general long-term debt and certain similar obligations which should be recognized when due.

**Net Income:** The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

**Non-Major Fund:** A governmental or enterprise fund that is not reported as a separate column in the basic fund financial statements, instead of being reported in the aggregate.

**Pavement Surface Evaluation and Rating(PASER):** A road rating system that uses visual inspections to evaluate surface conditions that provide a basis for comparing the quality of roadway segments.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

**Personnel Services:** The expenditures within the budget that relate to personnel, such as salaries and fringe benefits.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Proprietary Funds:** Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

**Public Act 20 of 1943:** An act relative to the investment of public funds for the State of Michigan and political subdivisions.

**Public Act 51 of 1951:** An act to provide for the classification of all public roads, streets and highways of the State of Michigan.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve Fund:** An amount set aside annually within the budget to provide a funding source for extraordinary or unforeseen expenditures. In the City this is the Budget Stabilization Fund

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

**Revenues:** Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

**Special Assessments:** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

**State Equalized Value:** One-half of the market value of real or personal property.

**Stormwater, Asset Management, and Wastewater Program:** The Michigan Department of Environmental Quality (MDEQ) has established a Stormwater, Asset Management, and Wastewater Grant program to help communities develop an asset management program for stormwater and wastewater collection systems. An asset management program will allow a community to plan for future capital improvement projects, identify critical assets and recognize problem areas before they become emergencies.

**Taxable Value:** This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable values may only be increased by 5% or the rate of inflation, whichever is lower. When property changes hands, the value returns to 50% of the true cash value.

**Transfers In/Transfers Out:** A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Title Foreclosure:** The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

**Trust and Agency Fund:** These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds.

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Undesignated Fund Balance:** Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected.

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

**Water and Sewer Funds:** These two enterprise funds are used to account for the provision of water and sewer services to the customer, financed primarily by user charges.