

9.30.26 - Sent to Finance
10.14.26 - Tabled until
10.28.2026

City Clerk

From: Mayor's Assistant
Sent: Tuesday, October 13, 2026 11:18 AM
To: Danielle Ruddle
Cc: Treasurer
Subject: Additional Agenda Information FWTH Budget Proposal

10.28.26 —

Subject: FWTH Budget Proposal Figures

Good morning, Danielle,

The Finance Committee met and I will be providing a committee report. However, I would like to attach some figures to the agenda item regarding the FWTH new budget proposal that was tabled at the last Council meeting.

The proposed budget reflects an overall expense increase of **8.4%**, or **\$16,327**, compared to last year's budget.

Based on the new budget's net operating income, the following estimated revenue increases could be generated through rent adjustments:

- **2.5% rent increase:** \$4,276.28
- **3.0% rent increase:** \$5,131.53
- **3.5% rent increase:** \$5,986.79
- **4.0% rent increase:** \$6,842.07

These additional revenues could help offset the budget increase and allow FWTH to recoup a portion of the increased expenses, while also helping to strengthen reserve funds within the budget.

Please let me know if you need any additional information.

Thank you,

Trista L. Franco

Mayor's Assistant
City of Mackinac Island
7358 Market Street
P.O. Box 455
Mackinac Island, MI 49757
assistant@cityofmi.org

Sent to Finance - 9.30.26

Trista France

From: Marsha Woodworth <marsha.woodworth@kmgprestige.com>
Sent: Thursday, September 3, 2026 9:19 PM
To: Mayor's Assistant
Cc: Emma Motz
Subject: Forest Way Townhomes 2027 budget
Attachments: Twelve Month Actual With Notes Forest Way Townhomes(2027) - marsha_woodworth (1).pdf;
Market Rent Forest Way Townhomes(2027) - marsha_woodworth.pdf

Hi there,

Attached you will find the 2027 Budget for Forest Way Townhomes.

- The team is asking for a \$0% increase on rents, asking that if we could get into a schedule to only do increases every other year? This is 100% up to the discretion of the board.
- The bottom line of the budget is \$150,546.

Please let me know if you need any changes or if you/the board approves no later than 10/1/2026

Thank you so much!!

Thank you,

Marsha Woodworth

Regional Property Manager

KMG Prestige, AMO
102 South Main Street
Mt. Pleasant, MI 48858
Direct 517.679.7353 | **Main** 989.772.3261 ext. 475 |
Fax 989.817.4276
marsha.woodworth@kmgprestige.com | www.kmgprestige.com



"Becoming the Best, Most Respected Property Management Co

Standard Budget - 12 Months Forest Way Townhomes (5403)

Account Description	Prior Budget Months	Prior 12 Months Act	Proposed Budget	Per Unit	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
GROSS RENTAL INCOME																
5120.000 Market Rent - Resident	341,832	309,668	341,832	12,208	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486
Based on a 2% rent increase for all households.			0		0	0	0	0	0	0	0	0	0	0	0	0
Variance: Market Rent			341,832		28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486
TOTAL GROSS RENTAL INCOME	341,832	309,668	341,832	12,208	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486	28,486
REDUCTIONS TO RENTAL INCOME																
5220.000 Vacancy Loss	-6,840	-6,760	-6,840	-244	-570	-570	-570	-570	-570	-570	-570	-570	-570	-570	-570	-570
Variance: Vacancy Loss based on 2.00% of Market Rent Potential.			-6,840		-570	-570	-570	-570	-570	-570	-570	-570	-570	-570	-570	-570
6252.000 Loss to Lease	-15,880	-10,219	-13,212	-472	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101
Employee unit offset:			-13,212		-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101	-1,101
Variance - Loss to Lease is typically the difference for the Annual Increases effective at the households 12 month Renewal; however, we're proposing no rent increase for 2027.			0		0	0	0	0	0	0	0	0	0	0	0	0
6253.000 Concessions	-800	0	-800	-29	-67	-67	-67	-67	-67	-67	-67	-67	-67	-66	-66	-66
Budgeting small amount for concessions if needed for lack of an amenity such as repairs to washer/dryer units.			-800		-67	-67	-67	-67	-67	-67	-67	-67	-66	-66	-66	-66
TOTAL REDUCTIONS TO RENTAL INCOME	-23,520	-16,979	-20,852	-745	-1,738	-1,738	-1,738	-1,738	-1,738	-1,738	-1,738	-1,738	-1,737	-1,737	-1,737	-1,737
TOTAL NET RENTAL INCOME	318,312	292,689	320,980	11,464	26,748	26,748	26,748	26,748	26,748	26,748	26,748	26,748	26,749	26,749	26,749	26,749
OTHER INCOME																
5410.000 Interest Income	400	1,735	1,200	43	100	100	100	100	100	100	100	100	100	100	100	100
Interest Income			1,200		100	100	100	100	100	100	100	100	100	100	100	100
5491.000 Other Rent Charges	25	142	25	1	3	2	2	2	2	2	2	2	2	2	2	2
Variance - prior actuals are higher than typical due to a household paying the month to month fee in lieu of signing an additional 12 month lease.			0		0	0	0	0	0	0	0	0	0	0	0	0

Standard Budget - 12 Months Forest Way Townhomes (5403)

Account Description	Prior Budget Months	Prior 12 Act	Proposed Budget	Per Unit	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Software Licensing - Office/Remote Apps \$42/office employee/month and \$21/month/non-office employee			876		73	73	73	73	73	73	73	73	73	73	73	73
Computer Support Services - \$13 PUPY			364		31	31	31	31	30	30	30	30	30	30	30	30
RealPage Payments - \$0.96 PUPM			323		27	27	27	27	27	27	27	27	27	27	27	26
Cyber Security Training/Cyber Protection/Spam Filtering \$187/office employee/year \$511/non-office employee/year			263		263	0	0	0	0	0	0	0	0	0	0	0
RealPage Leasing & Rents - Conventional \$2.23 PUPM			749		63	63	63	63	63	62	62	62	62	62	62	62
RealPage Payments - Mercantile Credit \$-0.36 PUPM			-121		-11	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10
Cost of toner			400		34	34	34	34	33	33	33	33	33	33	33	33
Multifactor Authentication \$3.00/month/employee			84		7	7	7	7	7	7	7	7	7	7	7	7
RealPage - Facilities Suite \$0.70 PUPM			235		20	20	20	20	20	20	20	19	19	19	19	19
Computer System Management			117		117	0	0	0	0	0	0	0	0	0	0	0
Fax to Email - \$36/Year			36		36	0	0	0	0	0	0	0	0	0	0	0
RealPage - Business Intelligence (Core Reporting) \$0.43 PUPM			144		12	12	12	12	12	12	12	12	12	12	12	12
6320.000 Management Fees	13,368	12,021	13,368	477	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114
Management Fee based on 4.5% GRP per month			13,368		1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114
6340.000 Legal	500	0	300	11	25	25	25	25	25	25	25	25	25	25	25	25
Small amount if needed			300		25	25	25	25	25	25	25	25	25	25	25	25
6350.010 Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Per City, the property will be included with the city audit. Do not budget.			0		0	0	0	0	0	0	0	0	0	0	0	0
6360.000 Telephone	4,064	3,800	4,064	145	339	339	339	339	339	339	339	339	338	338	338	338
Cost for monthly phone usage for manager and maintenance emergency line.\$125/\$75			2,600		217	217	217	217	217	217	217	217	216	216	216	216
Call forwarding of toll free number \$12/month			144		12	12	12	12	12	12	12	12	12	12	12	12
Monthly cost for Internet at \$110/month Astrea			1,320		110	110	110	110	110	110	110	110	110	110	110	110
6390.000 Other Administrative Expense	100	78	100	4	9	9	9	9	8	8	8	8	8	8	8	8

Standard Budget - 12 Months
Forest Way Townhomes (5403)

Account Description	Prior Budget Months Act	Prior 12 Months Act	Proposed Budget	Per Unit	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Credit and Criminal screening for applicants, these have increased from a flat \$17 per adult screening to a variable of \$17-\$50 depending on how many states need to be screened per applicant. Increasing to accommodate the more thorough screening.			350		30	30	29	29	29	29	29	29	29	29	29	29

6255.000 Concessions - Non Rent	0	743	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MARKETING EXPENSES	611	1,078	805	29	69	69	68	68	68	68	67	66	66	66	65	65

PAYROLL & BENEFITS

6310.000 Administrative Salaries	23,441	23,202	25,784	921	1,918	1,854	2,169	2,101	2,034	2,101	2,101	2,101	2,101	2,034	2,101	3,169
Payroll Wages			25,784		1,918	1,854	2,169	2,101	2,034	2,101	2,101	2,101	2,101	2,034	2,101	3,169
6331.000 Employee Insurance - Health	1,980	1,465	2,136	76	178	178	178	178	178	178	178	178	178	178	178	178
Benefits			2,136		178	178	178	178	178	178	178	178	178	178	178	178

6540.000 Maintenance Payroll	9,224	9,147	9,772	349	672	640	780	746	712	746	746	746	746	712	746	1,780
Payroll Wages			9,772		672	640	780	746	712	746	746	746	746	712	746	1,780

6711.000 Payroll Taxes	3,042	2,946	3,373	120	291	271	308	297	284	288	258	246	246	234	241	409
Payroll Taxes			3,373		291	271	308	297	284	288	258	246	246	234	241	409

6721.000 Worker's Compensation	227	214	251	9	17	16	20	20	18	20	20	20	20	18	20	42
WC			251		17	16	20	20	18	20	20	20	20	18	20	42

6724.000 Employee Benefits - 401(k)	671	92	728	26	53	51	61	58	57	58	58	58	58	57	58	101
Variance - Employees are choosing to not participate, but we budget for this as they can sign up at any time.			0		0	0	0	0	0	0	0	0	0	0	0	0

401K			728		53	51	61	58	57	58	58	58	58	57	58	101
TOTAL PAYROLL & BENEFITS	38,585	37,066	42,044	1,502	3,129	3,010	3,516	3,400	3,283	3,391	3,361	3,349	3,349	3,233	3,344	5,679

UTILITY EXPENSES

6430.000 Electricity - Units	500	0	300	11	25	25	25	25	25	25	25	25	25	25	25	25
Electric expenses during unit turns.			300		25	25	25	25	25	25	25	25	25	25	25	25

6450.000 Electricity - House	4,900	4,404	4,900	175	600	600	600	500	400	200	200	200	300	400	400	500
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Standard Budget - 12 Months Forest Way Townhomes (5403)

Account Description	Prior Budget	Prior 12 Months Act	Proposed Budget	Per Unit	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
6517.000 Janitorial Contract Common Areas	0	4,880	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Variance - part of the remediation costs for the cat damage that was charged back and paid from the resident.			0	0	0	0	0	0	0	0	0	0	0	0	0	0
6517.010 Cleaning Units	2,000	0	2,000	71	0	0	0	0	0	0	2,000	0	0	0	0	0
During the lease up of the 4-4BR townhomes, many units will be transferring to alternative sizing units, making about 6 unit turns at the same time. Budgeting for a vendor to help with these costs during the lease up.			2,000		0	0	0	0	0	0	2,000	0	0	0	0	0
6517.020 Carpet Cleaning	100	0	100	4	9	9	9	9	8	8	8	8	8	8	8	8
Carpet only on stairway inside unit. Purchased carpet cleaner, budgeting small amount for cleaning solution and replacement parts as needed			100		9	9	9	9	8	8	8	8	8	8	8	8
6520.000 Extermination Contract	5,300	4,006	6,000	214	501	501	501	501	500	500	500	500	499	499	499	499
ACI services \$334/month			4,000		334	334	334	334	333	333	333	333	333	333	333	333
Extra extermination as needed bed bug treatment etc. as needed.			2,000		167	167	167	167	167	167	167	167	166	166	166	166
6525.000 Trash Removal	700	200	700	25	59	59	59	59	59	59	59	59	57	57	57	57
Extra trash removal for unit turns and Large Item removal if needed			500		42	42	42	42	42	42	42	42	41	41	41	41
Mackinac Island Service Company provides trash removal to residents. Each household is responsible for their own trash removal costs. For our maintenance/community trash removal, we are budeting a small amount. It is \$7.50 per bag for removal.			200		17	17	17	17	17	17	17	17	16	16	16	16
6541.000 Supplies	500	789	800	29	67	67	67	67	67	67	67	67	66	66	66	66
Small amount for tools, prior actuals include purchasing all items to stock maintenance.			800		67	67	67	67	67	67	67	67	66	66	66	66
6542.010 Building Safety Systems	1,925	2,437	2,625	94	112	112	112	712	810	110	110	110	110	109	109	109
Small amount for smoke detectors and batteries			400		34	34	34	34	33	33	33	33	33	33	33	33
Annual John E green inspection both phases			600		0	0	0	600	0	0	0	0	0	0	0	0
Fire extinguisher yearly inspection			525		44	44	44	44	44	44	44	44	44	43	43	43

Standard Budget - 12 Months Forest Way Townhomes (5403)

Account Description	Prior Budget	Prior 12 Months Act	Proposed Budget	Per Unit	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
6581.000 Electrical Repairs - Material	400	241	400	14	34	34	34	34	33	33	33	33	33	33	33	33
Electrical repairs material			400		34	34	34	34	33	33	33	33	33	33	33	33
6581.010 Electrical Repairs - Contract	3,000	3,381	3,400	121	284	284	284	284	283	283	283	283	283	283	283	283
Electrical repairs from a vendor as needed.			3,400		284	284	284	284	283	283	283	283	283	283	283	283
6582.000 Plumbing Repairs - Material	250	48	250	9	21	21	21	21	21	21	21	21	21	21	20	20
Plumbing repairs material			250		21	21	21	21	21	21	21	21	21	21	20	20
6582.010 Plumbing Repairs - Contract	850	1,050	950	34	80	80	79	79	79	79	79	79	79	79	79	79
Small amount as needed			950		80	80	79	79	79	79	79	79	79	79	79	79
6584.000 HVAC Repairs - Material	250	0	250	9	21	21	21	21	21	21	21	21	21	21	20	20
HVAC repair materials			250		21	21	21	21	21	21	21	21	21	21	20	20
6585.000 Appliance Repairs - Material	500	369	500	18	42	42	42	42	42	42	42	42	41	41	41	41
Drip Pans, and small repair items for appliances.			500		42	42	42	42	42	42	42	42	41	41	41	41
6585.010 Appliance Repair - Contract	1,500	75	600	21	50	50	50	50	50	50	50	50	50	50	50	50
Appliances are out of warranty, budgeting small amount for repairs from local company.			600		50	50	50	50	50	50	50	50	50	50	50	50
6588.000 Lock & Key Repairs - Material	75	143	75	3	7	7	7	6	6	6	6	6	6	6	6	6
Small amount if needed			75		7	7	7	6	6	6	6	6	6	6	6	6
6588.010 Lock & Key Repair - Contract	0	2,158	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6589.000 Light Bulb Replacement	200	55	200	7	17	17	17	17	17	17	17	17	16	16	16	16
Light bulbs for exterior common lights			200		17	17	17	17	17	17	17	17	16	16	16	16
6590.000 Other Operating Expense	300	69	300	11	25	25	25	25	25	25	25	25	25	25	25	25
Small amount if needed.			300		25	25	25	25	25	25	25	25	25	25	25	25
6590.010 Other Unit Renovation Materials	500	206	250	9	21	21	21	21	21	21	21	21	21	21	20	20
Small amount as needed			250		21	21	21	21	21	21	21	21	21	21	20	20
6591.000 Maintenance Equipment Repairs	0	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Account Description

Prior Prior 12 Proposed
Budget Months Act Budget

Per Unit Jan Feb Mar April May June July Aug Sept Oct Nov Dec

MORTGAGE & LOAN EXPENSES

6890.010 1st Mort Principal Reduction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond payment will be paid by the city.			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6820.000 1st Mortgage Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond payment will be made by the city			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MORTGAGE & LOAN EXPENSES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CAPITAL EXPENDITURES

7110.000 Appliances	3,800	662	3,800	136	0	1,200	550	350	0	650	800	250	0	0	0	0	0	0	0
Microwave			350		0	0	0	350	0	0	0	0	0	0	0	0	0	0	0
Washer/Dryer			1,200		0	1,200	0	0	0	0	0	0	0	0	0	0	0	0	0
Range			650		0	0	0	0	0	650	0	0	0	0	0	0	0	0	0
Budgeted for appliances with warranty expired			0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Refrigerator			800		0	0	0	0	0	0	800	0	0	0	0	0	0	0	0
Dishwasher			550		0	0	550	0	0	0	0	0	0	0	0	0	0	0	0
Disposals			250		0	0	0	0	0	0	0	250	0	0	0	0	0	0	0
7110.010 Buildings & Components	0	849	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manual Note			0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7110.020 Maintenance Equipment	500	1,448	500	18	0	0	0	0	0	500	0	0	0	0	0	0	0	0	0
Backpack blower			500		0	0	0	0	0	500	0	0	0	0	0	0	0	0	0
7110.030 Office Equipment	0	965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7130.000 Carpet/Flooring	0	11,241	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7140.000 Windows/Doors/Blinds	0	1,365	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7202.000 Hot Water Tanks/Furnances/Boilers	2,000	0	2,000	71	167	167	167	167	167	167	167	167	167	166	166	166	166	166	166
variance: One Hot Water heater failed in 2023, budgeting another in case.																			

Market Rent Report

Forest Way Townhomes (5403) Ver: 2027

Unit Type: 2BR Townhome

# Units:	18	Max TC Rent:	\$908	Budgeted Annual Rent:	\$196,128
Last Year(2025):	\$891				
Current Year(2026):	\$908	Increase rent %:	0.00%	Increase Month:	1
Base Rent(2027):	\$908	Increase rent \$:	\$0		

Unit Type: 3BR Townhome

# Units:	6	Max TC Rent:	\$1,123	Budgeted Annual Rent:	\$80,856
Last Year(2025):	\$1,101				
Current Year(2026):	\$1,123	Increase rent %:	0.00%	Increase Month:	1
Base Rent(2027):	\$1,123	Increase rent \$:	\$0		

Unit Type: 4BR Townhome

# Units:	4	Max TC Rent:	\$1,351	Budgeted Annual Rent:	\$64,848
Last Year(2025):	\$1,325				
Current Year(2026):	\$1,351	Increase rent %:	0.00%	Increase Month:	1
Base Rent(2027):	\$1,351	Increase rent \$:	\$0		

Total Budgeted Annual Rent: \$341,832