



City Manager Report

January 16, 2026

Fiscal Year 24/25 Audit

- On Monday, the independent auditor presented the results of the audit for fiscal year 2024-2025. Here are some comments from the auditor:
 - “We found that the city bookkeeping is being handled in a very excellent manner.”
 - “We issued the standard, unmodified opinion... which is the best that is possible.”
 - “I think we see a very healthy balance sheet for all the funds.”
 - “You have a very healthy statement of net position.”
- The City’s net position increased by \$2,306,694.
- The City continues to report a solid net position, with approximately \$12.8 million reported in cash and investments, approximately \$1.3 million in long-term debt, and no net pension liability.
- We added significant sums (\$1,854,599 in total of all funds) to our fund balances (savings) last year:
 - General Fund financing sources exceeded their financing uses by \$1,186,199 increasing its ending fund balance to \$7,444,857.
 - Major Street Fund increased its ending fund balance by \$131,633 to \$912,302.
 - Local Street Fund, increased its ending fund balance by \$314,628 to \$2,564,302.
 - The Water/Sewer Improvements Fund, increased its ending fund balance by \$219,742 to \$794,256.
 - The Debt Service Fund, increased its ending fund balance by \$2,397 to \$55,767.
- We are investing some of these savings into several capital improvement projects that are in the works.

Strategic Planning Session

- On Wednesday, City Council held its annual strategic planning work session to review progress on current priorities, reflect on how the Council is working together, and look ahead to the coming fiscal year. The session included presentations on 2025 accomplishments, a review of Master Plan community survey results, and discussion of the City’s strategic framework, including its vision and key goal areas. Council also discussed learning and town hall opportunities and identified and

ranked projects and initiatives for FY 2026/2027, helping set clear direction and focus for the year ahead.

- Staff will be working to develop a one-page summary of next year's priorities for Council review and approval in February.
- You can view the 2025 accomplishments, status on current priorities, and master plan survey results here:
https://www.saugatuckcity.com/uploads/1/3/3/9/133977444/p_1-14-26_strategic_planning_session.pdf

Assessor's Presentation

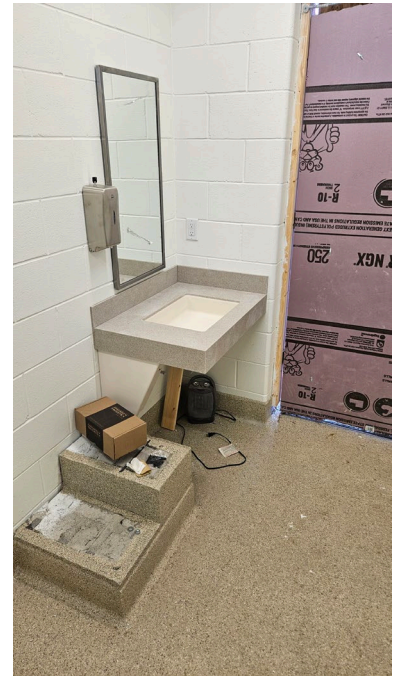
- At the Council meeting on Monday, the assessor presented on the assessing process. The presentation included how value is established, why your neighbor might pay less, what happens with maintenance and repairs versus remodeling, and how to protest your valuation.
- You can view the presentation and video here:
 - Presentation: <https://tinyurl.com/yv96hzen>
 - Video: https://youtu.be/JF_l-VEF8kl?si=6Ehk5dhswhghatao&t=1652

Public Works and Engineering Updates

- Christmas Decorations & Holiday Lights - Removal of Christmas decorations will begin soon as weather allows. Public Works staff continue to monitor holiday lighting throughout the City and address issues as they arise, including GFI resets, bulb replacements, and minor repairs to keep lights operational as long as possible.
- Chain Ferry Arbors- Installation completed on January 7 by Diversified Welding.
- Pallet Sign- Initial repairs occurred on January 12. Further repairs are pending.
- Village Square Court Renovation - The City's grant application was selected for funding. We are preparing a proposal for engineering and administration services on the project.
- Maple Street - EGLE permitting is complete and the project is out for bids. The bid opening is scheduled for January 27 and bids are anticipated to be presented at the February 4 council workshop for an award at the February 9 regular meeting. Construction is anticipated to be completed April – November 2026. We will receive a more detailed schedule once a contract has been awarded.
- Park Street – A planning phase proposal has been developed to build on prior study work and develop a scope, concept and cost estimate for improvement of the corridor. EGLE grant was awarded. Awaiting the final agreement. Once grant agreement and engineering proposal are approved by Council, further planning will kick off.
- Elizabeth Street - Planning phase services have begun. Topographic survey work is in process. Projected schedule is planning work in early 2026, design in mid-2026, bidding in late 2026 and construction in 2027.

Mt. Baldhead Restroom Update

- Midwest Construction provided the following update:
 - Construction is nearing completion, with soffit/fascia, countertops, sinks, and all plumbing, HVAC, and electrical fixtures installed. Final plumbing and HVAC inspections are scheduled.
 - Upcoming work includes completing gutters, removing the dumpster and fencing, and cleaning the parking lot.
 - Permanent doors are delayed again, so temporary doors have been ordered to allow final inspection and open the facility sooner.
 - The drinking fountain is expected to arrive with the permanent doors and will require minimal site disruption.
 - Despite material delays, temporary doors will allow visitors to begin using the new facilities.



Blue Star Trail

- I recently met with engineers, the Township, and Friends of the Blue Star Trail to review project status.
- Douglas and the Township received major state grant funding to advance additional trail segments, reinforcing strong state support for completion of the trail.
- Engineers are preparing an RFP for Phase 1 archaeological survey work due to known contributing resources to the traditional cultural property. This will require review by MDOT and tribal nations and can begin once weather conditions allow. A cost-share proposal will be brought to City Council once bids are received.

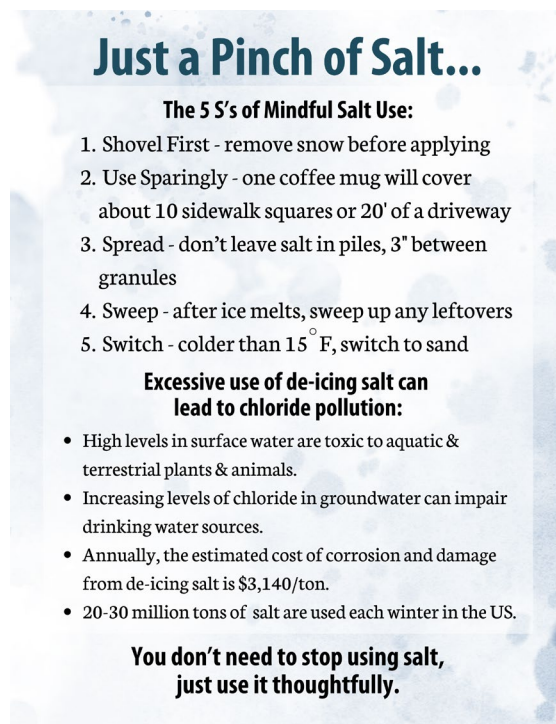
- Engineers are also finalizing an amendment and payment request for recent work and are preparing a proposal for the construction phase.

Warming Station

- CVB Executive Director, Ashley Siebelink will be at the February 4 workshop to go over survey results and answer questions that were raised at previous Council meetings.

Kalamazoo River Greenway (KRG)

- As part of the KRG work, the Outdoor Discovery Center has developed community outreach materials on water quality and salt use. Each week leading up to Winter Salt Week, we will be posting the materials on Facebook. Here is snapshot:



Upcoming Meetings

Full meeting packets are posted on the City website and Facebook prior to each meeting. When available, they can be viewed by selecting the board/commission:

- January 26 at 6:30p – City Council Regular Meeting
- January 27at 10a – Parks and Public Works Committee
- February 3 at 6p – Kalamazoo Lake Harbor Authority
- February 4 at 4p – City Council Workshop Meeting
- February 5 at 6p – Historic District Commission