
City of Grosse Pointe Woods, Michigan

(Prepared by the Office of the City's Finance Department)

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2025

Introductory Section

Letter of Transmittal	i-vii
GFOA Certificate of Achievement	viii
Organizational Chart	ix
List of Elected Officials	x

Financial Section

Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-9

Basic Financial Statements

Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11-12
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	13
Reconciliation of the Balance Sheet to the Statement of Net Position	14
Statement of Revenue, Expenditures, and Changes in Fund Balances	15
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Proprietary Funds:	
Statement of Net Position	17
Statement of Revenue, Expenses, and Changes in Net Position	18
Statement of Cash Flows	19-20
Fiduciary Funds:	
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to Financial Statements	23-51

Required Supplementary Information

Budgetary Comparison Schedule - General Fund	53
Schedule of Changes in the Net Pension Liability and Related Ratios - Pension Plan	54-55
Schedule of Pension Investment Returns - Pension Plan and Pension Plan Supplemental Annuity	56
Schedule of Pension Contributions - Pension Plan	57
Schedule of Changes in the Net Pension Liability and Related Ratios - Supplemental Annuity	58-59
Schedule of Pension Contributions - Supplemental Annuity	60
Schedule of Changes in the Net OPEB Liability and Related Ratios	61-62
Schedule of OPEB Contributions	63
Schedule of OPEB Investment Returns	64
Note to Required Supplementary Information	65

Supplementary Information	66
Nonmajor Governmental Funds:	
Fund Descriptions	67-68
Combining Balance Sheet	69-70
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	71-72
Budgetary Comparison Schedule - Major Governmental Fund - Grosse-Gratiot Drain Fund	73
Budgetary Comparison Schedules - Nonmajor Governmental Funds	74-88
Local Street Fund - Fund-based Balance Sheet	89
Nonmajor Enterprise Funds:	
Fund Descriptions	90
Combining Statement of Net Position	91
Combining Statement of Revenue, Expenses, and Changes in Net Position	92
Combining Statement of Cash Flows	93
Internal Service Funds:	
Fund Descriptions	94
Combining Statement of Net Position	95
Combining Statement of Revenue, Expenses, and Changes in Net Position	96
Combining Statement of Cash Flows	97-98
Fiduciary Funds:	
Fund Descriptions	99
Statement of Fiduciary Net Position	100
Statement of Changes in Fiduciary Net Position	101
Note to Supplementary Information	102
<u>Statistical Section</u>	
Description of the Statistical Section	103
Financial Trend Information	
Net Position by Component	104-105
Changes in Governmental Activities, Business-type Activities, and Primary Government Net Position	106-109
Fund Balances - Governmental Funds	110-111
Changes in Fund Balances - Governmental Funds	112-113
Revenue Capacity Information	
General Governmental Revenue History	114
Property Tax Levies and Collections	115
Taxable Value and Estimated Actual Value of Taxable Property	116-117
Direct and Overlapping Property Tax Rates	118-119
Debt Capacity Information	
Principal Property Tax Payers	120
Ratios of Outstanding Debt	121-122
Pledged-revenue Coverage	123
Ratios of General Bonded Debt Outstanding	124
Direct and Overlapping Governmental Activities Debt	125
Legal Debt Margin	126-127
Demographic and Economic Information	
Demographic and Economic Statistics	128
Principal Employers	129

Operating Information

Full-time Government Employees	130
Operating Indicators	131-132
Capital Asset Statistics	133
State-shared Revenue	134
Gas and Weight Taxes	135
Labor Agreements	136
Water and Sewer Customers and Consumption	137
Historical Net Earnings, Cash Flow, and Debt Service Coverage	138
Water Usage and Revenue of the Largest Customers	139
Metered Water Rates	140
State Equalized Value and Taxable Value by Class and Use	141



CITY OF GROSSE POINTE WOODS

20025 Mack Plaza Drive
Grosse Pointe Woods, Michigan 48236-2397

November 7, 2025

To the Honorable Mayor
and City Council
City of Grosse Pointe Woods, Michigan

The Annual Comprehensive Financial Report (ACFR) of the City of Grosse Pointe Woods, Michigan for the fiscal year ended June 30, 2025 is submitted herewith, in accordance with provisions of Section 8.7 (Charter) of the City of Grosse Pointe Woods and the rules and regulations as put forward by the State of Michigan Department of Treasury. This report was prepared by and is the responsibility of the City's Finance Department. This document represents the official report of the City's financial operations to its residents, elected officials, employees, investment firms, banks and rating and regulatory agencies, and other interested parties. The data, as presented in the report, is accurate in all material respects, is shown in a manner designed to clearly and fairly set forth the financial activity of all the various funds established and utilized by the City and all disclosures have been included to enable the reader to gain the maximum understanding of the City's financial operations. The independent auditing firm of Plante & Moran, PLLC performed the annual audit of the City of Grosse Pointe Woods' financial statements as required by the Michigan Department of Treasury and has issued its unmodified opinion here within.

This document consists of management's representations concerning the finances of the City of Grosse Pointe Woods. Consequently, Administration assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these presentations, Administration has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To ensure that the City's system of internal controls is providing the security needed, the City's auditors are routinely consulted before any changes are made to the system and are requested to advise management of any improvements that would benefit operations. As Administration, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

To the Honorable Mayor
and City Council
City of Grosse Pointe Woods, Michigan

November 7, 2025

Furthermore, it is important to note that this letter complements the Management's Discussion and Analysis (MD&A), which is found in the financial section.

Reporting Entity

This report includes all funds for which the City's elected officials have operational and financial authority. This authority implies that the elected and administrative officials are legally responsible for establishing and implementing the fiscal policies and overseeing the financial management of the City. Where required, actual results of individual government funds are shown with its original/amended budgetary appropriations. This required disclosure allows the reader to compare the effectiveness of the administration to stay within the spending guidelines (budget) established by the City Council during the budget process and to disclose other variations that may occur during the course of the fiscal year.

Legal Requirement

This report has been prepared pursuant to and in compliance with Michigan Department of Treasury regulations, which, in part, require that an annual independent audit of the City's financial records of accounts and transactions be performed. The opinion by the City's independent auditor, Plante & Moran, PLLC, dated November 7, 2025 on the basic financial statements and individual fund statements and schedules are included in the financial section of this report. There is not a separate issued Single Audit Report for the General Fund and the Federal Grant Fund under the 2 CFR 200 regulations of the Single Audit Act. The total federal grant expenditures were less than the minimum expenditure limit of \$750,000 of the Single Audit Act.

Consistent with previous years, the intent and responsibility of Administration is to effectively adhere to the fiscal policies and initiatives established by the City Council while remaining cost efficient and responsive to the needs of its residents. Many of the financial policies and procedures established by the City Council are detailed in the City's annual budget. In accordance with the City Charter, the City Administrator and the Treasurer/Comptroller will have presented their budgetary estimates of revenues and expenditures of all the City's funds (excluding Custodial Funds and selected Special Revenue Funds) to the Mayor and City Council no later than the first council meeting in April. These estimates are then forwarded to the City's Finance Committee, which performs a thorough review of the operational, financial, and capital components of the budget. Upon completing this budget review along with recommendations, the budget is

November 7, 2025

presented back to the Mayor and City Council for additional review and comments. The proposed budget document is formally approved by the Mayor and City Council no later than the third Monday in May. Throughout the course of the fiscal year, the Finance Committee may review any significant changes to the original budget document as recommended by the City Administrator and/or the Treasurer/Comptroller. Per the City Charter, the Mayor and City Council must formally approve any proposed adjustments to the budget. This process allows the City to remain flexible to changes in the revenue and expenditure patterns that occur throughout the year as well as keeping the elected officials updated on the financial condition of the City. Following the passage of the budget, a summary of the completed document is made available to all residents, and a budget summary published in the local newspaper, the City website and in the annual City calendar.

Fiscal Policies/Major Initiatives

One of the most elemental functions of our City is to establish practices to guide us through good times and challenging times. Implementing cost cutting initiatives and maintaining excellent service levels to the community has provided the City with the ability to build a strong cash reserve. Currently, we have an unassigned fund balance of 45 percent of actual expenses. Our cash reserves are acceptable based upon the GFOA recommendation of a 10-15 percent fund balance. We are ever cognizant of the delicate balancing that is required to maintain adequate operational reserves while maintaining essential City services and funding infrastructure improvements. Administration continues to look for efficiencies, expanding community partnerships and alternative sources of revenue to keep our City financially strong and maintain our desirability as one of the premier communities in southeast Michigan to live, work and play.

The City's long-term financial stability is the result of a strong and continuous commitment to fundamental principles of fiscal integrity. The City's current Administration has taken many steps over the last several years toward improved budgeting, cost containment, and improved efficiency, which has helped in dealing with the current economic conditions. The City has developed a cautious but proactive strategy at evaluating the needs of our community.

The following are significant initiatives accomplished by the City during the past fiscal year:

- Sewer repair and maintenance projects continue to be a priority for the City. Capital outlay totaling \$467,500 was approved during fiscal year 2024-2025 for the completion of sewer rehabilitation program that includes open cut repair and cured-in-place-pipe lining.

November 7, 2025

Also, improvements at Torrey Road Pump Station were made with the continued work on the backup generator. Funding for these projects came from user fees and water and sewer reserves.

- The City continues its commitment to the major and local street repair and maintenance program. Road Projects included the completion of the resurfacing of Wedgewood, beginning of the Mack and Vernier Intersection reconstruction, concrete and sidewalk maintenance. Project costs totaling \$1 million were funded through transportation revenue from the State of Michigan (Act 51), prior year reserves.
- Maintaining City parks continues to be a priority for the City. Notably, the three baseball diamonds have been renovated and the softball and Babe Ruth diamonds were updated, a walking path is being constructed around the park, as well as the restrooms are being renovated and an all-abilities swing set has been installed. Additionally, at the Lakefront Park the construction of a splash pad was completed, the slide was restored, the pool liner was replaced, the concession stand is being renovated, a storage building for equipment is being built and the parking lot and boat launch have been resurfaced.
- Replacing the City's aging vehicles and equipment have also been a priority for the City. During fiscal year 2024-2025, the City invested over \$173,000 in capital outlay for maintenance equipment.

City Administration continues to look for funding opportunities, cost containment initiatives, community partnerships and potential grant funds to fund and maintain the high level of public services provided to our community. Significant amenities the City provides include Lake Front Park, where you can spend the day with your family poolside, host a picnic or special event, or take a stroll on the boardwalk that overlooks Lake St. Clair. In addition, the Community Center offers programs for all ages, where members of the community can participate.

Additionally, maintaining a strong cash reserve is paramount in order to continue with our Water/Sewer bond rating of AA+ allowing for the City to make the costs of borrowing lower and allows us to better invest in our City. Just as importantly, we need to build our savings so that we are able to continue operations in the event of a fiscal emergency or natural disaster. Lastly, increasing our reserves would demonstrate to businesses, governmental organizations, and rating agencies that we have prudent, disciplined fiscal practices and that we are good stewards

To the Honorable Mayor
and City Council
City of Grosse Pointe Woods, Michigan

November 7, 2025

of our taxpayers' money. This stability is good for business and good for the people of Grosse Pointe Woods.

Economic Conditions and Outlook

The City of Grosse Pointe Woods is one of the most desired areas to live in the State of Michigan, located 10 miles northeast of Detroit. Its population of 16,487 (per 2020 census figures) is distributed among approximately 6,874 households and has a median household income of \$129,442 and an average per capita income of \$60,502. The median home value of an owner-occupied residence in the City is \$322,500. The labor force is comprised largely of professional, healthcare, information activities and retail trade, with 66% having a bachelor's or graduate degree.

The City has struggled over the last decade as a result of a low inflation rate multiplier used to calculate taxable value on all properties. In January 2025, the Michigan State Tax Commission issued Bulletin 14 of 2024 regarding the inflation rate multiplier for use in the 2025 capped value formula and the Headlee millage reduction fraction formula. The inflation rate for property taxes has decreased from the historical 5 percent cap to 3.1 percent for 2025. The inflation rate multiplier of 1.031 must be used in the calculation of the 2024 Headlee millage reduction fraction and the inflation rate multiplier to be used in the 2025 formula is 3.1 percent.

Continued redevelopment and reinvestment within the City will add value in fiscal year 2025. Reinvestment is key to maintaining the health and welfare of established communities where land is not readily available for new construction. The building department and its staff had a very busy year with plan reviews, inspections and public contacts as our businesses and residents performed upgrades, additions and/or renovations to maintain and enhance their homes and properties. The City is fortunate to have such commitment in our residents and businesses who work hard to maintain the status that the City of Grosse Pointe Woods enjoys.

In accordance with the City Charter, the City may levy up to 20 mills. The Headlee Act, which amended the State Constitution in regard to property tax relief, has forced the City to roll back its 20 mills to 12.6444 mills.

The City's General Fund year-end fund balance is approximately \$9.3 million; \$1.7 million is committed, assigned, or non-spendable, leaving \$7.6 million unassigned.

To the Honorable Mayor
and City Council
City of Grosse Pointe Woods, Michigan

November 7, 2025

The City is committed to providing excellence in public safety, public works, and recreational opportunities and also promotes a true sense of community. We are proud of our Lake Front Park which provides the largest outdoor swimming complex in the Midwest as well as all of our recreational programs and community events.

Administrative Summary

The City's strengths continue to be strong financial management, sound finances, and low debt levels. Because of this, the City's Water and Sewer Fund enjoys an outstanding bond rating of "AA" and the City's overall rating is "AA+" from Standard & Poor's. This outstanding bond rating allows the City to borrow at the lowest possible interest rate, saving taxpayers thousands of dollars in future costs.

The Government Finance Officers Association (GFOA) of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This is the 52nd consecutive year that the City of Grosse Pointe Woods received this prestigious award. In fact, our City is the longest-standing recipient in GFOA's history.

In 2024, GFOA awarded the City with a Popular Annual Financial Reporting Award (PAFR). This is the 12th consecutive year the City has received this award which is presented to local governments that successfully extract information from their Annual Comprehensive Financial Report (ACFR) and produce a high-quality report specifically designed to be readily accessible and easily understandable to the general public and others who do not have a background in public finance.

The City continues to maintain our well respected status and is proud to be labeled as one of the most desired areas to live in southeast Michigan. The challenge to the City is to continue to provide a multitude of public services, while complying with increased state regulations for accountability and transparency. Administration also remains confident that City Council and the employees possess the capability, foresight, and resolve necessary to successfully meet these challenges.

To the Honorable Mayor
and City Council
City of Grosse Pointe Woods, Michigan

November 7, 2025

Sincerely,

A handwritten signature in cursive script that reads "Frank Schulte".

Frank Schulte
City Administrator

A handwritten signature in cursive script that reads "Steven Schmidt".

Steven Schmidt
Treasurer/Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

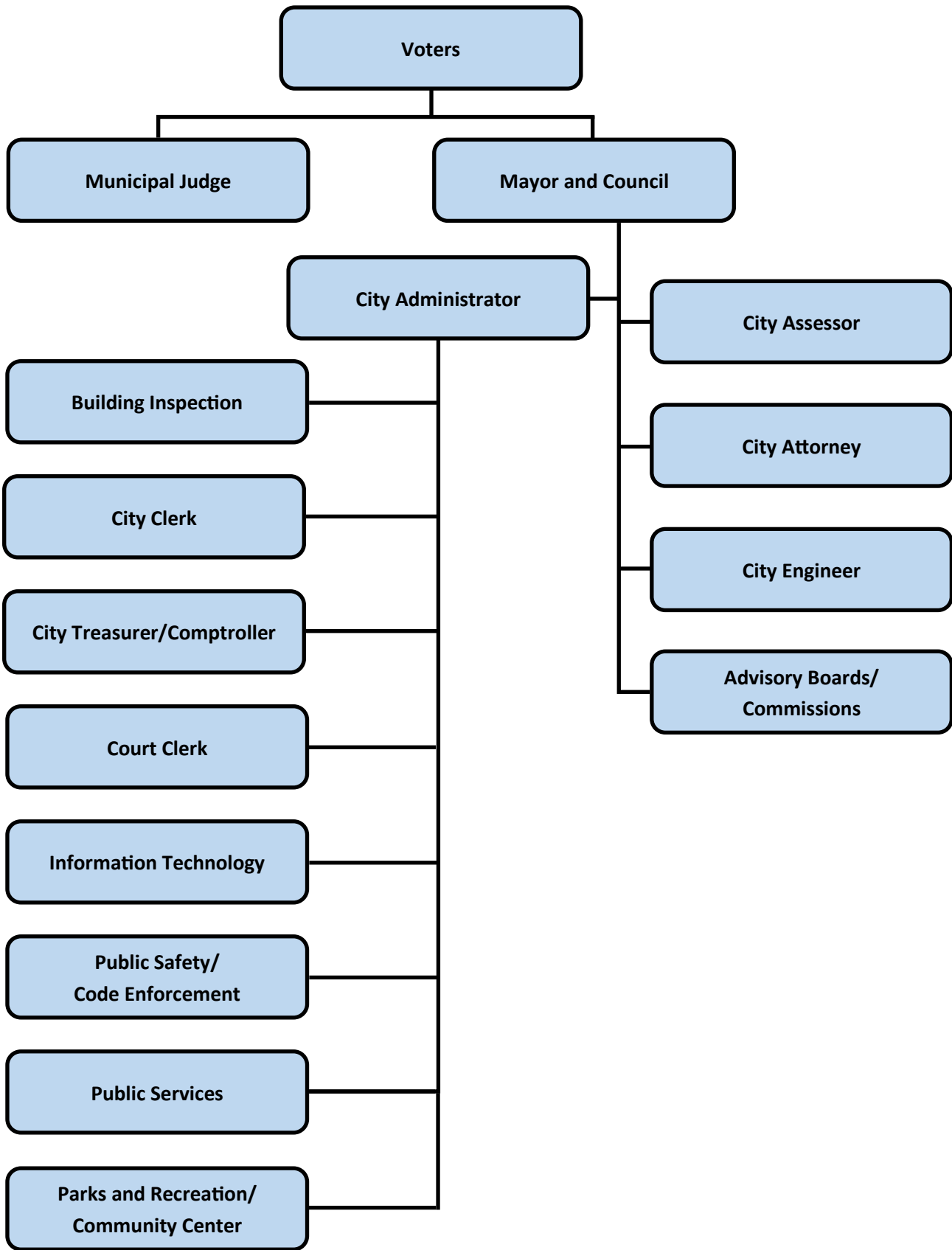
Presented to

**City of Grosse Pointe Woods
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Executive Director/CEO



Elected Officials

Mayor

Arthur W Bryant

Council Member

Victoria A Granger

Council Member

Angela Coletti Brown

Council Member

Kenneth Gafa

Council Member

Michael Koester

Council Member

Todd A. McConaghy

Council Member

James Motschall

Municipal Judge

Municipal Judge

Theodore A. Metry

Administrator's Office

Administrator

Frank Schulte

Clerk's Office

Clerk

Paul P. Antolin

City Treasurer/Comptroller's Office

Treasurer/Comptroller

Steven Schmidt

City Attorney

City Attorney

Rosati, Schultz,
Joppich &
Amtsbuechler, P.C.

City Attorney

York, Dolan & Tomlinson, P.C.

Independent Auditor's Report

To the Honorable Mayor and City Council
City of Grosse Pointe Woods, Michigan

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grosse Pointe Woods, Michigan (the "City") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025 and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Honorable Mayor and City Council
City of Grosse Pointe Woods, Michigan

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the accompanying information in the Annual Comprehensive Financial Report. The additional information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover such information, and we do not express an opinion or any form of assurance thereon.

To the Honorable Mayor and City Council
City of Grosse Pointe Woods, Michigan

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Plante & Moreau, PLLC

November 7, 2025

Our discussion and analysis of the City of Grosse Pointe Woods, Michigan's (the "City") financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the City's financial statements.

Financial Highlights

The following represents the most significant financial highlights for the year ended June 30, 2025:

- Property taxes continue to be the City's largest source of revenue; slow but steady increases have been realized over the last several years. The City has had incremental increases, with a CPI of 5.0 percent (maximum allowed) for tax year 2025, remaining the same as the 5.0 percent in tax year 2024. The general operating property tax revenue increased by approximately 2.28 percent from fiscal year 2023-2024.
- Revenue sharing from the State of Michigan remains the City's second largest source of revenue. The City has successfully met all accountability and transparency requirements set by the State, receiving 100 percent of its state-shared revenue allocation for fiscal year 2024-2025. This consistent support is vital for funding essential services and programs in the community.
- The City remains vigilant with property maintenance enforcement to ensure properties are maintained. Maintaining property values and preventing decline through an effective property maintenance and rental inspection program is an important component of our overall financial plan and in maintaining the quality of life within our community.
- The City has made several park improvements recently at Ghesquiere Park. Notably, the three baseball diamonds have been renovated and the softball and Babe Ruth diamonds were updated, a walking path is being constructed in around the park, the restrooms are being renovated, and an all-ability swing set has been installed. Additionally, at the Lakefront Park, the construction of a splash pad was completed, the slide was restored, the pool liner was replaced, the concession stand is being renovated, a storage building for equipment is being built, and the parking lot and boat launch have been resurfaced. These enhancements aim to give a fresh new look to the parks.
- Road repair and reconstruction continue to be priorities for the City. A major street project included in fiscal year 2024-2025 was the Wedgewood resurfacing project and the start of the Vernier and Mack intersection reconstruction. In addition, maintenance of city roads included asphalt patching, concrete maintenance, and sidewalk repair. Project costs totaling \$320,000 were funded through transportation revenue from the State of Michigan (ACT 51) and prior year reserves.
- Maintaining and improving water and sewer infrastructure is a priority for the City. Projects included in fiscal year 2024-2025 are water main work on Roslyn Road, upgrades to the Torrey Road Pump Station, and the continued work on installing a backup generator for the pump station. Additionally, open cut repair, and cured-in-place pipe lining repair and maintenance were completed. Project costs of approximately \$1.1 million were funded from capital improvement revenue and water and sewer reserves.
- The City is prioritizing the replacement of aging vehicles and equipment, investing \$173,000 during fiscal year 2024-2025. This investment includes a Ford F550 with a plow and salt spreader, a trackless stump grinder, a Turf Tiger riding mower, and a tire machine. These upgrades aim to enhance efficiency and safety across various city operations.

Using This Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing government services.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

The fund financial statements present a short-term view; they tell the reader how the taxpayers' resources were spent during the year and how much is available for future spending. Fund financial statements also report the City's operations in more detail than the government-wide financial statements by providing information about the City's most significant funds. The fiduciary fund statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

The City as a Whole

The following table shows, in a condensed format, the net position as of the current date compared to the prior year:

Summary Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	\$ 18,887,868	\$ 17,790,813	\$ 14,149,793	\$ 13,934,791	\$ 33,037,661	\$ 31,725,604
Capital assets	60,134,489	61,227,924	35,779,931	35,499,330	95,914,420	96,727,254
Total assets	79,022,357	79,018,737	49,929,724	49,434,121	128,952,081	128,452,858
Deferred Outflows of Resources	2,606,354	1,023,037	304,544	184,983	2,910,898	1,208,020
Liabilities						
Current liabilities	1,664,811	1,246,703	490,845	958,968	2,155,656	2,205,671
Noncurrent liabilities	65,597,902	67,505,773	7,735,150	8,498,751	73,333,052	76,004,524
Total liabilities	67,262,713	68,752,476	8,225,995	9,457,719	75,488,708	78,210,195
Deferred Inflows of Resources	4,427,345	5,300,165	307,170	424,709	4,734,515	5,724,874
Net Position						
Net investment in capital assets	41,461,434	40,788,632	32,012,702	31,084,204	73,474,136	71,872,836
Restricted	3,928,118	3,300,662	198,090	198,090	4,126,208	3,498,752
Unrestricted	(35,450,899)	(38,100,161)	9,490,311	8,454,382	(25,960,588)	(29,645,779)
Total net position	\$ 9,938,653	\$ 5,989,133	\$ 41,701,103	\$ 39,736,676	\$ 51,639,756	\$ 45,725,809

Capital assets in governmental activities decreased by approximately \$1.1 million, net of approximately \$3.2 million in depreciation. The City's ongoing work related to the Milk River Drainage District totals approximately \$8,000, and the remaining additions in capital assets totaled approximately \$2.3 million related to the City's continued investment in road improvement projects and other infrastructure assets.

The decrease in governmental activities long-term liabilities was \$1.9 million; this is primarily due to the payments on debt and the reduction of the net pension liability, as discussed in Note 9. The City continues to make the required contributions to the pension plans.

Net position in governmental activities increased to \$9.9 million, up from a net position of \$6.0 million in fiscal year 2023-2024. Business-type activities net position increased to \$41.7 million, up from \$39.7 million in fiscal year 2023-2024.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

The following table shows the City's major revenue and expenses as a whole for both the governmental and business-type activities. The bottom of the table shows the changes in net position during the current year in comparison to the prior year:

Summary Condensed Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue						
Program revenue:						
Charges for services	\$ 1,535,254	\$ 1,401,580	\$ 8,145,209	\$ 8,068,649	\$ 9,680,463	\$ 9,470,229
Operating grants	2,174,777	2,071,109	-	-	2,174,777	2,071,109
Capital grants	13,361	50,992	-	-	13,361	50,992
General revenue:						
Property taxes	19,432,297	18,999,422	-	-	19,432,297	18,999,422
Intergovernmental	2,750,267	2,282,603	-	-	2,750,267	2,282,603
Investment earnings	885,502	966,680	563,980	651,016	1,449,482	1,617,696
Other revenue:						
Cable franchise fees	263,312	292,561	-	-	263,312	292,561
Other miscellaneous income	270,156	258,958	-	-	270,156	258,958
Total revenue	27,324,926	26,323,905	8,709,189	8,719,665	36,034,115	35,043,570
Expenses						
General government	3,006,790	2,875,560	-	-	3,006,790	2,875,560
Public safety	6,990,806	4,909,503	-	-	6,990,806	4,909,503
Public works	9,063,145	8,292,828	-	-	9,063,145	8,292,828
Solid waste	1,895,160	1,870,389	-	-	1,895,160	1,870,389
Community and economic development	1,232,855	671,958	-	-	1,232,855	671,958
Parks and recreation	880,015	1,256,700	-	-	880,015	1,256,700
Debt service	414,278	472,294	-	-	414,278	472,294
Water and Sewer Fund	-	-	6,349,334	5,788,228	6,349,334	5,788,228
Parking Utility Fund	-	-	145,888	320,196	145,888	320,196
Boat Dock Rental Fund	-	-	138,634	149,236	138,634	149,236
Commodity Sales Fund	-	-	3,263	3,199	3,263	3,199
Total expenses	23,483,049	20,349,232	6,637,119	6,260,859	30,120,168	26,610,091
Transfers	107,643	-	(107,643)	-	-	-
Change in Net Position	3,949,520	5,974,673	1,964,427	2,458,806	5,913,947	8,433,479
Net Position - Beginning of year	5,989,133	14,460	39,736,676	37,277,870	45,725,809	37,292,330
Net Position - End of year	\$ 9,938,653	\$ 5,989,133	\$ 41,701,103	\$ 39,736,676	\$ 51,639,756	\$ 45,725,809

Governmental Activities

The City's governmental revenue totaled approximately \$27.3 million, with the greatest revenue source being property taxes. Total revenue for governmental activities increased by approximately \$1 million compared to fiscal year 2023-2024. The increase is related to an increase in charges for services, property taxes, and intergovernmental revenue.

Property taxes make up approximately 71.1 percent of total governmental revenue. That percentage decreased from the 72.2 percent reported in fiscal year 2023-2024. Overall, the City experienced an increase of 5.0 percent in taxable value for 2024-2025, remaining consistent with the 5.0 percent increase in fiscal year 2023-2024.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

Total governmental expenses for the City were approximately \$23.5 million. This is an increase of approximately \$3.1 million compared to fiscal year 2023-2024. This increase is primarily due to increased cost of health care, benefits, wages, and pensions.

Business-type Activities

The City's business-type activities consist of the funds for water and sewer, parking utility, commodity sales, and boat dock rental.

Water and sewer utility system revenue is primarily from fees paid by customers based on use. Water and sewer rates did not change in the current year, and fund balance covered the increased costs to purchase water and to fund required infrastructure improvements.

The remaining business-type funds continue to be funded exclusively by user fees, and there were no significant changes in revenue or expenses in the current year.

In the business-type activities, revenue decreased by approximately \$10,000, primarily due to a decrease in investment earnings and an increase in user fees. Expenses increased by approximately \$380,000 due to an increase in operation and maintenance expenses.

The City's Funds

An analysis of the City's major funds begins on page 13, following the government-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. The City Council created funds to help manage money for specific purposes and to show accountability for certain activities, such as special property tax millages. The City's major governmental funds for fiscal year 2024-2025 include the General Fund and the Grosse-Gratiot Drain Fund. Since the Local Street Fund and the Cable Franchise Fund receive the majority of their revenue from unrestricted sources, they can no longer be classified as special revenue funds. Therefore, they are included in the General Fund. The City's major business-type funds are the Water and Sewer Fund and the Parking Utility Fund.

General Fund

The General Fund pays for most of the City's governmental services. The two largest services funded by the General Fund are public safety (combined police and fire services) and public works, which account for approximately \$11.1 million in expenses. The parks and recreation department accounted for \$2.1 million in expenses, with this department of the City being primarily funded through tax revenue and user fees.

Other major activities in the General Fund include recreation and culture, solid waste, and all general government administrative and services operations. Some of these activities rely on fees for services to help offset costs, and some do not generate any significant service-related revenue. Many of these activities rely heavily on property taxes and revenue sharing to subsidize their operations.

In fiscal year 2024-2025, the General Fund's fund balance increased by approximately \$83,000. The increase is primarily due to increases in revenue related to charges for services, property taxes, and investment earnings.

The City's General Fund year-end fund balance is approximately \$9.3 million; \$1.7 million is committed, assigned, or nonspendable, leaving \$7.6 million unassigned. The unassigned amount represents approximately 45 percent of fiscal year 2024-2025 actual expenditures. This level of fund balance is above the recommended level of between 10 percent and 15 percent of annual expenditures; however, the City strives to maintain a cash surplus sufficient to maintain superior city services and retain a favorable bond rating.

Grosse-Gratiot Drain Fund

The Grosse-Gratiot Drain Fund is used to accumulate resources for payment of operations and maintenance costs, as well as the Grosse-Gratiot drain improvements financed by issuance of debt. The Milk River Intercounty Drain Drainage Board has issued debt in the amount of \$40 million for system updates and improvements. The City is responsible for 51.28 percent of the first debt issuance and 35.89 percent of the second debt issuance that was issued for cost overruns. As of June 30, 2025, the project is 99 percent completed.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

In fiscal year 2024-2025, the fund derived revenue from property taxes of approximately \$3.7 million and expenditures of approximately \$2.5 million related to drain operations and maintenance provided by Wayne County, Michigan and approximately \$40,000 related to capital expenditures.

The Grosse-Gratiot Drain Fund's fund balance decreased by \$31,315; its fund balance at year end is \$428,929. This will be used to fund operations and maintenance, as well as future principal and interest payments.

Water and Sewer Fund

The Water and Sewer Fund continues to maintain a small amount of working capital and the required reserves to meet bond covenants. Because revenue is derived from user fees that are adjusted periodically to cover expenses, the fund is very secure. Unlike the governmental activities of the City, the Water and Sewer Fund does not rely on tax dollars and state aid for its financial well-being.

Water and sewer rates remained constant with fiscal year 2023-2024. These fees cover the expenses imposed by the Great Lakes Water Authority; Wayne County, Michigan; city billing staff; and city operations and maintenance staff, and infrastructure improvements are financed by issuance of debt and the use of reserves.

The City Council and administration review revenue and expenditures annually to ensure revenue remains at an adequate level to support the required expenditures of the water and sewer systems.

General Fund Budgetary Highlights

The City experienced a 5.0 percent increase in taxable value in fiscal year 2024-2025, resulting in a modest increase in property tax revenue. The City Council and administration review expenditures to determine if appropriate funding levels from property taxes and revenue sharing will adequately cover expenditures. Revenue exceeded expenditures for fiscal year 2024-2025 by approximately \$83,000.

Local Street Activity

The Local Street Fund accounts for the maintenance and replacement of all local streets within the City. The City has approximately 42 miles of local streets within its municipal boundaries. The primary source of financing for this fund is provided by distribution of gas tax proceeds from the State under Public Act 51, with the City receiving just over \$576,000 in fiscal year 2024-2025. In addition, the City received \$49,161 from the State for PA 248 funding. The Local Street Fund also receives a small amount of its revenue from interest on investments.

The Local Street Fund's fund balance decreased by \$163,867. The Local Street Fund's fund balance at June 30, 2025 is \$859,584. For reporting purposes, this fund balance has been classified as committed and rolled into the General Fund.

Cable Franchise Activity

The Cable Franchise Fund was established to invest the proceeds from the sale of the City's interest in a cable company's earnings used for capital improvements.

The Cable Franchise Fund's fund balance increased to \$586,428 primarily as a result of annual interest earnings and is reported in the General Fund as assigned.

Capital Asset and Debt Administration

General obligation debt for the City in fiscal year 2024-2025 includes the 2015 Road Construction Bonds, the 2017 Road Construction Bonds, and the 2018 Capital Improvement Bonds utilized to fund municipal infrastructure needs throughout various city-owned buildings and properties. These general obligation bonds are secured by an issuing government's pledge to use all available resources to repay holders of the bond, and they are backed by the full faith and credit of the City of Grosse Pointe Woods, Michigan as the issuing authority. Fiscal year 2024-2025 ended with general obligation debt of \$2.7 million in outstanding principal.

Overall, the City's debt remains low, with combined governmental long-term debt at \$18 million, with \$15.26 million directly attributed to the Milk River Drainage Project. Detailed information on the City's debt can be found in the statistical section of this report in debt capacity information and the direct and overlapping debt schedules. For more information regarding the activity of capital assets and debt, please refer to Notes 4 and 7, respectively.

Economic Factors

Property tax values increased pursuant to the Consumer Price Index (CPI) by 5 percent and realized an overall increase of 4.39 percent in fiscal year 2024-2025. The overall increase is inclusive of all taxable value additions and losses calculated into this final percentage. This resulted in an increase in property tax revenue of approximately \$430,000 in fiscal year 2024-2025. The City remains hopeful that the rebound from the 2007 decline in taxable values will continue. Prudent fiscal management continues to be a top priority, as the City continues to implement cost-saving measures, including reducing discretionary spending, evaluating and prioritizing capital projects, and working to establish partnerships with other agencies.

Contacting the City's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, please contact the city administrator's office at (313) 343-2450.

City of Grosse Pointe Woods, Michigan

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments (Note 3)	\$ 15,739,897	\$ 11,847,816	\$ 27,587,713
Receivables:			
Customer receivables	-	1,912,114	1,912,114
Accrued interest receivable	70,893	86,102	156,995
Leases receivable (Note 5)	1,737,407	-	1,737,407
Other receivables	4,577	1,531	6,108
Due from other governments	898,119	102,164	1,000,283
Prepaid expenditures and other assets	358,678	1,976	360,654
Restricted assets	-	198,090	198,090
Investment in Grosse Pointes-Clinton Refuse Disposal Authority (Note 15)	78,297	-	78,297
Capital assets: (Note 4)			
Assets not subject to depreciation	2,757,261	1,340,660	4,097,921
Assets subject to depreciation - Net	57,377,228	34,439,271	91,816,499
Total assets	79,022,357	49,929,724	128,952,081
Deferred Outflows of Resources - Deferred pension costs	2,606,354	304,544	2,910,898
Liabilities			
Accounts payable	906,003	444,712	1,350,715
Accrued liabilities and other:			
Accrued salaries and wages	197,048	15,431	212,479
Payroll taxes and withholdings	72,295	1,605	73,900
Accrued interest payable	112,794	24,052	136,846
Accrued other	367,171	5,045	372,216
Unearned revenue	9,500	-	9,500
Noncurrent liabilities:			
Due within one year:			
Compensated absences (Note 7)	816,949	55,013	871,962
Provision for claims (Notes 7 and 16)	155,000	-	155,000
Current portion of bonds and contracts payable (Note 7)	1,417,594	460,000	1,877,594
Due in more than one year:			
Compensated absences (Note 7)	82,626	19,835	102,461
Net pension liability (Note 9)	22,768,112	1,924,036	24,692,148
Net OPEB liability (Note 11)	23,774,011	2,202,202	25,976,213
Bonds and contracts payable - Net of current portion (Note 7)	16,583,610	3,074,064	19,657,674
Total liabilities	67,262,713	8,225,995	75,488,708
Deferred Inflows of Resources			
Deferred pension cost reductions	2,691,152	299,195	2,990,347
Deferred OPEB cost reductions	86,104	7,975	94,079
Deferred inflows from leases (Note 5)	1,650,089	-	1,650,089
Total deferred inflows of resources	4,427,345	307,170	4,734,515
Net Position			
Net investment in capital assets	41,461,434	32,012,702	73,474,136
Restricted:			
Roads	1,529,048	-	1,529,048
Debt service	612,792	198,090	810,882
Public safety	235,854	-	235,854
Solid waste	1,280,937	-	1,280,937
Community development	134,624	-	134,624
Grants	18,932	-	18,932
Opioid settlement	115,931	-	115,931
Unrestricted	(35,450,899)	9,490,311	(25,960,588)
Total net position	\$ 9,938,653	\$ 41,701,103	\$ 51,639,756

City of Grosse Pointe Woods, Michigan

	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 3,006,790	\$ 856,584	\$ 164,805	\$ -
Public safety	6,990,806	377,745	-	-
Public works	9,063,145	25,951	2,009,972	13,361
Solid waste	1,895,160	-	-	-
Municipal improvement	1,232,855	-	-	-
Parks and recreation	880,015	274,974	-	-
Interest on long-term debt	414,278	-	-	-
Total governmental activities	23,483,049	1,535,254	2,174,777	13,361
Business-type activities:				
Water and Sewer Fund	6,349,334	7,560,432	-	-
Parking Utility Fund	145,888	342,529	-	-
Nonmajor enterprise	141,897	242,248	-	-
Total business-type activities	6,637,119	8,145,209	-	-
Total primary government	<u>\$ 30,120,168</u>	<u>\$ 9,680,463</u>	<u>\$ 2,174,777</u>	<u>\$ 13,361</u>
General revenue:				
Taxes - Property taxes				
Intergovernmental				
Unrestricted investment income				
Franchise fees				
Other miscellaneous income				
Total general revenue				
Transfers				
Change in Net Position				
Net Position - Beginning of year				
Net Position - End of year				

Statement of Activities

Year Ended June 30, 2025

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,985,401)	\$ -	\$ (1,985,401)
(6,613,061)	-	(6,613,061)
(7,013,861)	-	(7,013,861)
(1,895,160)	-	(1,895,160)
(1,232,855)	-	(1,232,855)
(605,041)	-	(605,041)
(414,278)	-	(414,278)
(19,759,657)	-	(19,759,657)
-	1,211,098	1,211,098
-	196,641	196,641
-	100,351	100,351
-	1,508,090	1,508,090
(19,759,657)	1,508,090	(18,251,567)
19,432,297	-	19,432,297
2,750,267	-	2,750,267
885,502	563,980	1,449,482
263,312	-	263,312
270,156	-	270,156
23,601,534	563,980	24,165,514
107,643	(107,643)	-
3,949,520	1,964,427	5,913,947
5,989,133	39,736,676	45,725,809
\$ 9,938,653	\$ 41,701,103	\$ 51,639,756

City of Grosse Pointe Woods, Michigan

Governmental Funds Balance Sheet

June 30, 2025

	General Fund	Debt Service Fund - Grosse-Gratiot Drain Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and investments (Note 3)	\$ 9,453,331	\$ 449,750	\$ 4,411,110	\$ 14,314,191
Receivables:				
Accrued interest receivable	61,350	-	336	61,686
Leases receivable	1,737,407	-	-	1,737,407
Other receivables	2,901	-	1,676	4,577
Due from other governments	538,374	-	359,745	898,119
Due from other funds (Note 6)	60,731	-	-	60,731
Prepaid expenditures and other assets	10,157	32,892	-	43,049
Total assets	\$ 11,864,251	\$ 482,642	\$ 4,772,867	\$ 17,119,760
Liabilities				
Accounts payable	\$ 410,905	\$ -	\$ 481,260	\$ 892,165
Due to other funds (Note 6)	-	-	20,000	20,000
Accrued liabilities and other:				
Accrued salaries and wages	184,815	-	7,865	192,680
Payroll taxes and withholdings	32,405	-	38,593	70,998
Accrued other	260,392	53,713	50,600	364,705
Unearned revenue	-	-	9,500	9,500
Total liabilities	888,517	53,713	607,818	1,550,048
Deferred Inflows of Resources				
Unavailable revenue	-	-	100,053	100,053
Deferred inflows from leases (Note 5)	1,650,089	-	-	1,650,089
Total deferred inflows of resources	1,650,089	-	100,053	1,750,142
Fund Balances				
Nonspendable	10,157	32,892	-	43,049
Restricted:				
Roads	-	-	1,529,048	1,529,048
Public safety	-	-	235,854	235,854
Debt service	-	396,037	183,863	579,900
Grants	-	-	8,888	8,888
Community development	-	-	134,624	134,624
Solid waste	-	-	1,280,937	1,280,937
Opioid settlement	-	-	35,878	35,878
Committed:				
Capital projects	26,430	-	533,655	560,085
Local streets	859,584	-	-	859,584
Assigned:				
Public safety	50,000	-	-	50,000
Parkway beautification	-	-	132,205	132,205
Cable	586,428	-	-	586,428
Cook Road	200,000	-	-	200,000
Unassigned	7,593,046	-	(9,956)	7,583,090
Total fund balances	9,325,645	428,929	4,064,996	13,819,570
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,864,251	\$ 482,642	\$ 4,772,867	\$ 17,119,760

City of Grosse Pointe Woods, Michigan

Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2025

Fund Balances Reported in Governmental Funds	\$ 13,819,570
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	57,675,887
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	100,053
Investments in joint ventures are not financial resources and are not reported in the funds	78,297
Bonds payable and lease liabilities are not due and payable in the current period and are not reported in the funds	(18,001,204)
Accrued interest is not due and payable in the current period and is not reported in the funds	(112,794)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(866,090)
Pension benefits	(22,145,312)
Retiree health care benefits (OPEB)	(23,204,014)
Internal service funds are included as part of governmental activities	2,594,260
Net Position of Governmental Activities	<u>\$ 9,938,653</u>

City of Grosse Pointe Woods, Michigan

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2025

	General Fund	Debt Service Fund - Grosse-Gratiot Drain Fund	Nonmajor Funds	Total Governmental Funds
Revenue				
Property taxes	\$ 12,321,633	\$ 3,685,416	\$ 3,465,248	\$ 19,472,297
Franchise fees	337,793	-	-	337,793
Intergovernmental	2,782,983	22,861	2,005,222	4,811,066
Charges for services	1,048,461	-	-	1,048,461
Fines and forfeitures	198,902	-	-	198,902
Investment income	668,517	17,848	156,676	843,041
Other revenue	434,145	-	236,888	671,033
Total revenue	17,792,434	3,726,125	5,864,034	27,382,593
Expenditures				
Current services:				
General government	3,697,958	-	88,922	3,786,880
Public safety	7,849,422	-	138,359	7,987,781
Public works	3,214,224	2,470,226	3,108,014	8,792,464
Community and economic development	-	-	1,264,123	1,264,123
Parks and recreation	2,093,009	-	107,574	2,200,583
Debt service:				
Principal	-	892,260	1,480,000	2,372,260
Interest on long-term debt	-	394,954	96,037	490,991
Total expenditures	16,854,613	3,757,440	6,283,029	26,895,082
Excess of Revenue Over (Under) Expenditures	937,821	(31,315)	(418,995)	487,511
Other Financing Sources (Uses)				
Transfers in	400,000	-	1,362,766	1,762,766
Transfers out	(1,255,123)	-	(400,000)	(1,655,123)
Total other financing (uses) sources	(855,123)	-	962,766	107,643
Net Change in Fund Balances	82,698	(31,315)	543,771	595,154
Fund Balances - Beginning of year	9,242,947	460,244	3,521,225	13,224,416
Fund Balances - End of year	\$ 9,325,645	\$ 428,929	\$ 4,064,996	\$ 13,819,570

City of Grosse Pointe Woods, Michigan

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2025

Net Change in Fund Balances Reported in Governmental Funds	\$ 595,154
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Depreciation expense	(2,864,253)
Donated assets	20,250
Capital outlay	1,950,348
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(52,879)
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt and amortization of bond premiums)	2,434,528
Interest expense is recognized in the government-wide statements as it accrues	14,444
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	1,699,082
Change in investment in a joint Grosse Pointes-Clinton Refuse Disposal Authority is not recorded in the funds	4,506
Internal service funds are included as part of governmental activities	148,340
Change in Net Position of Governmental Activities	<u>\$ 3,949,520</u>

City of Grosse Pointe Woods, Michigan

Proprietary Funds Statement of Net Position

June 30, 2025

	Enterprise Funds				Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets					
Current assets:					
Cash and investments	\$ 10,341,883	\$ 786,020	\$ 719,913	\$ 11,847,816	\$ 1,425,706
Receivables:					
Customer receivables	1,912,114	-	-	1,912,114	-
Accrued interest receivable	81,046	5,056	-	86,102	9,207
Other receivables	-	1,531	-	1,531	-
Due from other governments	102,164	-	-	102,164	-
Prepaid expenditures and other assets	1,976	-	-	1,976	315,629
Total current assets	12,439,183	792,607	719,913	13,951,703	1,750,542
Noncurrent assets:					
Restricted assets	198,090	-	-	198,090	-
Capital assets:					
Assets not subject to depreciation	954,862	180,782	205,016	1,340,660	-
Assets subject to depreciation - Net	33,807,945	338,448	292,878	34,439,271	2,458,602
Total noncurrent assets	34,960,897	519,230	497,894	35,978,021	2,458,602
Total assets	47,400,080	1,311,837	1,217,807	49,929,724	4,209,144
Deferred Outflows of Resources - Deferred pension costs	271,007	33,537	-	304,544	121,832
Liabilities					
Current liabilities:					
Accounts payable	358,657	46,643	39,412	444,712	13,838
Due to other funds	-	-	-	-	40,731
Accrued liabilities and other	40,252	3,890	1,991	46,133	8,131
Compensated absences	47,180	7,833	-	55,013	-
Provision for claims	-	-	-	-	155,000
Current portion of bonds and contracts payable	460,000	-	-	460,000	-
Total current liabilities	906,089	58,366	41,403	1,005,858	217,700
Noncurrent liabilities:					
Compensated absences	19,835	-	-	19,835	33,485
Net pension liability	1,701,589	222,447	-	1,924,036	708,889
Net OPEB liability	1,754,913	447,289	-	2,202,202	653,733
Bonds and contracts payable - Net of current portion	3,074,064	-	-	3,074,064	-
Total noncurrent liabilities	6,550,401	669,736	-	7,220,137	1,396,107
Total liabilities	7,456,490	728,102	41,403	8,225,995	1,613,807
Deferred Inflows of Resources					
Deferred pension cost reductions	266,761	32,434	-	299,195	120,541
Deferred OPEB cost reductions	6,356	1,619	-	7,975	2,368
Total deferred inflows of resources	273,117	34,053	-	307,170	122,909
Net Position					
Net investment in capital assets	31,076,571	477,628	458,503	32,012,702	2,458,602
Restricted - Debt service	198,090	-	-	198,090	-
Unrestricted	8,666,819	105,591	717,901	9,490,311	135,658
Total net position	<u>\$ 39,941,480</u>	<u>\$ 583,219</u>	<u>\$ 1,176,404</u>	<u>\$ 41,701,103</u>	<u>\$ 2,594,260</u>

See notes to financial statements.

City of Grosse Pointe Woods, Michigan

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Position

Year Ended June 30, 2025

	Enterprise Funds				Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenue					
Water sales and charges for services	\$ 7,256,020	\$ -	\$ -	\$ 7,256,020	\$ -
Interest and penalty charges	125,415	-	-	125,415	-
Fees and violations	-	301,226	-	301,226	-
Docking and launching fees	-	-	234,844	234,844	-
Commodity sales	-	-	7,404	7,404	-
Other revenue	178,997	41,303	-	220,300	-
Charges to other funds	-	-	-	-	4,181,952
Total operating revenue	7,560,432	342,529	242,248	8,145,209	4,181,952
Operating Expenses					
Cost of water	3,528,281	-	-	3,528,281	-
Cost of insurance claims	-	-	-	-	3,009,797
General and administrative	915,141	32,604	77,550	1,025,295	380,406
Operation and maintenance	611,625	82,143	5,000	698,768	-
Charges from internal service funds	143,750	-	-	143,750	-
Vehicle operation and maintenance	-	-	-	-	337,861
Depreciation	1,055,590	31,141	59,347	1,146,078	372,851
Total operating expenses	6,254,387	145,888	141,897	6,542,172	4,100,915
Operating Income	1,306,045	196,641	100,351	1,603,037	81,037
Nonoperating Revenue (Expense)					
Investment income	484,996	35,220	43,764	563,980	59,521
Interest expense	(94,947)	-	-	(94,947)	-
Gain on sale of assets	-	-	-	-	1,000
Insurance proceeds	-	-	-	-	6,782
Total nonoperating revenue	390,049	35,220	43,764	469,033	67,303
Transfers Out	-	-	(107,643)	(107,643)	-
Change in Net Position	1,696,094	231,861	36,472	1,964,427	148,340
Net Position - Beginning of year	38,245,386	351,358	1,139,932	39,736,676	2,445,920
Net Position - End of year	\$ 39,941,480	\$ 583,219	\$ 1,176,404	\$ 41,701,103	\$ 2,594,260

City of Grosse Pointe Woods, Michigan

Proprietary Funds Statement of Cash Flows

Year Ended June 30, 2025

	Enterprise Funds				Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows from Operating Activities					
Receipts from customers	\$ 7,537,767	\$ 344,180	\$ 248,267	\$ 8,130,214	\$ -
Receipts from interfund services and reimbursements	-	-	-	-	4,181,952
Payments to suppliers	(4,056,135)	-	-	(4,056,135)	(337,840)
Payments to employees and fringes	(2,062,135)	(233,320)	(52,419)	(2,347,874)	(599,268)
Claims paid	-	-	-	-	(3,108,242)
Net cash and cash equivalents provided by operating activities	1,419,497	110,860	195,848	1,726,205	136,602
Cash Flows Used in Noncapital Financing Activities - Transfers to other funds	-	-	(107,643)	(107,643)	-
Cash Flows from Capital and Related Financing Activities					
Proceeds from insurance	-	-	-	-	6,782
Proceeds from sale of capital assets	-	-	-	-	1,000
Purchase of capital assets	(1,040,881)	(180,782)	(205,016)	(1,426,679)	(173,071)
Principal and interest paid on capital debt	(542,728)	-	-	(542,728)	-
Net cash and cash equivalents used in capital and related financing activities	(1,583,609)	(180,782)	(205,016)	(1,969,407)	(165,289)
Cash Flows from Investing Activities					
Interest received on investments	500,472	42,519	43,764	586,755	72,457
Purchases of investment securities	(184,396)	-	-	(184,396)	(35,463)
Net cash and cash equivalents provided by investing activities	316,076	42,519	43,764	402,359	36,994
Net Increase (Decrease) in Cash and Cash Equivalents	151,964	(27,403)	(73,047)	51,514	8,307
Cash and Cash Equivalents - Beginning of year	3,463,602	319,484	792,960	4,576,046	622,067
Cash and Cash Equivalents - End of year	<u>\$ 3,615,566</u>	<u>\$ 292,081</u>	<u>\$ 719,913</u>	<u>\$ 4,627,560</u>	<u>\$ 630,374</u>
Classification of Cash and Cash Equivalents					
Cash and investments	\$ 10,341,883	\$ 786,020	\$ 719,913	\$ 11,847,816	\$ 1,425,706
Restricted cash	198,090	-	-	198,090	-
Less amounts classified as investments	(6,924,407)	(493,939)	-	(7,418,346)	(795,332)
Total cash and cash equivalents	<u>\$ 3,615,566</u>	<u>\$ 292,081</u>	<u>\$ 719,913</u>	<u>\$ 4,627,560</u>	<u>\$ 630,374</u>

City of Grosse Pointe Woods, Michigan

Proprietary Funds Statement of Cash Flows (Continued)

Year Ended June 30, 2025

	Enterprise Funds				Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income to Net Cash from Operating Activities					
Operating income	\$ 1,306,045	\$ 196,641	\$ 100,351	\$ 1,603,037	\$ 81,037
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	1,055,590	31,141	59,347	1,146,078	372,851
Changes in assets and liabilities:					
Receivables	(22,665)	(1,531)	-	(24,196)	-
Prepaid and other assets	14,828	2,439	-	17,267	(237,167)
Net pension or OPEB liability	(403,344)	(146,429)	(113)	(549,886)	(27,672)
Accounts payable	(530,957)	28,599	36,263	(466,095)	33,469
Estimated claims liability	-	-	-	-	(85,916)
Total adjustments	113,452	(85,781)	95,497	123,168	55,565
Net cash and cash equivalents provided by operating activities	<u>\$ 1,419,497</u>	<u>\$ 110,860</u>	<u>\$ 195,848</u>	<u>\$ 1,726,205</u>	<u>\$ 136,602</u>

City of Grosse Pointe Woods, Michigan

Fiduciary Funds Statement of Fiduciary Net Position

June 30, 2025

	Pension and Other Employee Benefit Trust Funds	<u>Custodial Fund</u> Tax Collection Fund
Assets		
Cash and cash equivalents	\$ 857,855	\$ -
Investments:		
Equity funds	15,956,451	-
Bond funds	9,286,567	-
Exchange-traded funds	27,811,823	-
Receivables - Accrued interest receivable	1,019	-
	<u>53,913,715</u>	<u>-</u>
Total assets		
	53,913,715	-
Liabilities	<u>-</u>	<u>-</u>
Net Position		
Restricted for pension	50,905,372	-
Restricted for postemployment benefits other than pension	3,008,343	-
	<u>\$ 53,913,715</u>	<u>\$ -</u>
Total net position		

City of Grosse Pointe Woods, Michigan

Fiduciary Funds Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2025

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
Additions		
Investment income (loss):		
Interest and dividends	\$ 477,396	\$ -
Net increase in fair value of investments	5,544,737	-
Investment costs	(69,034)	-
Net investment income	5,953,099	-
Contributions:		
Employer contributions	4,317,151	-
Employee contributions	360,272	-
Total contributions	4,677,423	-
Property tax collections for other governments	-	42,194,873
Total additions	10,630,522	42,194,873
Deductions		
Benefit payments	5,875,072	-
Tax distributions to other governments	-	42,194,873
Total deductions	5,875,072	42,194,873
Net Increase in Fiduciary Net Position	4,755,450	-
Net Position - Beginning of year	49,158,265	-
Net Position - End of year	\$ 53,913,715	\$ -

Note 1 - Significant Accounting Policies

Reporting Entity

The City of Grosse Pointe Woods, Michigan (the "City") is governed by an elected mayor and a six-member City Council. In accordance with government accounting principles, there are no separate legal entities appropriate to be reported within these financial statements other than the fiduciary component units.

Fiduciary Component Units

The City of Grosse Pointe Woods Pension Plan and the City of Grosse Pointe Woods Pension Plan Supplemental Annuity are governed by a five-member pension board that includes the mayor, one member of City Council, one resident appointed by the mayor, and two employees - one general and one public safety. Although they are legally separate from the City, they are reported as fiduciary component units because the City appoints a voting majority to the pension board and the plans impose a financial burden on the City.

The Grosse Pointe Woods Retiree Healthcare Plan is governed by a five-member board that includes the mayor, one member of City Council, one resident appointed by the mayor, and two employees - one general and one public safety. Although it is legally separate from the City, it is reported as a fiduciary component unit because the City appoints a voting majority to the retiree health care plan board and the plan imposes a financial burden on the City.

Accounting and Reporting Principles

The City follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the City:

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue 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. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the City's water and sewer function and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds, if any, are reported as separate columns in the fund financial statements.

Note 1 - Significant Accounting Policies (Continued)

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the City has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, state gas and weight tax revenue, court fines, and interest associated with the current fiscal period. Conversely, amounts collected after the period of availability are recorded as a deferred inflow, along with a corresponding receivable.

Proprietary funds and fiduciary funds, as applicable, use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Accounting

The City accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the City to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The City reports the following funds as major governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Grosse-Gratiot Drain Fund is used to account for revenue received that is used to pay for capital projects related to the drain, as well as principal and interest on the Grosse-Gratiot drain long-term debt. Funding is provided by a specific property tax millage.

Proprietary Funds

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the City). The City reports the following funds as major enterprise funds:

- The Water and Sewer Fund provides water to customers and disposes of sanitary sewage in exchange for quarterly user charges.
- The Parking Utility Fund accounts for the City's parking meters and costs associated with maintaining the meters. Funding is provided by parking meter fees and violation fees.

Note 1 - Significant Accounting Policies (Continued)

The City's internal service funds are used to allocate insurance costs and machinery and equipment purchases and maintenance to the various funds on a full accrual basis so that the full costs are recognized and allocated to the various funds in the year that the costs are incurred. The City has three internal service funds:

- The Motor Vehicle Fund has been established to account for costs associated with vehicles purchased by the City and used by all departments within the City.
- The Workers' Compensation Fund is used to fund workers' compensation claims and purchase insurance that provides coverage for employees. The fund is financed primarily by charges to various departments within the City.
- The Medical Care Fund has been established to account for medical costs associated with employee fringe benefits and the City's OPEB plan. The fund is financed primarily by charges to various departments within the City.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the City's programs. Activities that are reported as fiduciary include the following:

- The Pension and Other Employee Benefit Trust Funds account for the activities of the employee benefit plans, which accumulate resources for pension benefit payments to retirees and other postemployment benefit payments to qualified retirees.
- The Tax Collection Fund collects taxes on behalf of all the taxing authorities (state, county, school district, and the various smaller authorities).

Interfund Activity

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Specific Balances and Transactions

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value based on quoted market prices; estimated using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals; or are stated at net asset value (NAV).

Note 1 - Significant Accounting Policies (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable. Prepaid items are recorded as expenditures when consumed rather than when purchased.

Restricted Assets

The revenue bonds of the Water and Sewer Fund require amounts to be set aside for debt service. These amounts have been classified as restricted assets. The balance of the restricted asset account for revenue bond restriction for debt payments is \$198,090 at June 30, 2025. These amounts have also been classified as restricted net position.

Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

Capital Asset Class	Depreciable Life - Years
Infrastructure	10-50
Buildings	25
Water and sewer lines	20
Equipment	5
Vehicles	3-7
Land improvements	10-40

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses. The General Fund and debt service funds are generally used to liquidate governmental long-term debt, and the Water and Sewer Fund is generally used to liquidate business-type long-term debt.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

Note 1 - Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The City reports the following deferred outflows of resources and deferred inflows of resources:

	Inflows	Outflows
Unavailable revenue (those not collected within the period of availability) -		
Reported only at the modified accrual level	✓	
Deferred pension costs (or cost reductions)	✓	✓
Deferred OPEB costs (or cost reductions)	✓	
Deferred lease revenue	✓	

Net Position

Net position of the City is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The City will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

The City will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Note 1 - Significant Accounting Policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by passing a resolution prior to the end of the fiscal year, commit fund balance. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City has, by resolution, authorized the finance director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Property Tax Revenue

Property taxes are levied on each December 31. The related property taxes are billed and become a lien on July 1 of the following year. Taxes are considered delinquent on February 28 of the following year, at which time they are added to the county tax rolls.

The City's 2024 property tax revenue was levied and collectible on July 1, 2024 and was recognized as revenue in the year ended June 30, 2025 when the proceeds of the levy were budgeted and available for the financing of operations.

The 2024 taxable valuation of the City totaled \$921 million. Taxes were levied as follows:

Purpose	Millage Rate	Revenue
General operating	12.7851 \$	11,671,000
Public relations	0.0543	50,000
Solid waste disposal	2.4440	2,232,000
Grosse-Gratiot drain	4.0677	3,715,000
Road bond debt	1.3815	1,262,000
Total		\$ 18,930,000

Pension

The City offers a defined benefit pension plan to its employees. The City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

June 30, 2025**Note 1 - Significant Accounting Policies (Continued)****Other Postemployment Benefit Costs**

The City offers retiree health care benefits to retirees. The City records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences (Vacation and Sick Leave)

It is the City's policy that employees earn vacation pay benefits on their anniversary date and sick benefits monthly. The government-wide and proprietary fund statements accrue all vacation and sick pay that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in governmental funds as it comes due for payment (when the time is taken off or employees terminate).

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. In addition, the Water and Sewer Fund recognizes the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Leases

The City is a lessor for noncancelable leases of property used for telecommunications equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The City uses its incremental borrowing rate as the discount rate for leases.

Note 1 - Significant Accounting Policies (Continued)

- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Accounting Changes and Error Corrections

Adoption of New Accounting Pronouncement

During the year, the City adopted GASB Statement No. 101, *Compensated Absences*. As a result, the liability for compensated absences in the statement of net position has been calculated to comply with this new pronouncement. The financial statements for the year ended June 30, 2024 have not been restated due to the immaterial impact to the financial statements.

Upcoming Accounting Pronouncements

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-of-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2026.

Note 2 - Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the City incurred expenditures in the Grosse-Gratiot Drain Fund and Municipal Improvement Fund that were in excess of the amount budgeted as follows:

	Budget	Actual
Grosse-Gratiot Drain Fund	\$ 3,751,055	\$ 3,757,440
Municipal Improvement Fund	1,184,353	1,264,123

Note 2 - Stewardship, Compliance, and Accountability (Continued)

Construction Code Fees

The City oversees building construction in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Cumulative shortfall at July 1, 2024	\$ (1,130,679)
Current year permit revenue	737,354
Related expenses - Direct costs	647,337
Current year profit	90,017
Cumulative shortfall at June 30, 2025	\$ (1,040,662)

At June 30, 2025, the City had no outstanding encumbrances.

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The pension trust fund and retiree health care fund are also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The City has designated five banks for the deposit of its funds. The investment policy adopted by the City Council in accordance with Public Act 196 of 1997 has authorized investment in all of the state statutory authorities listed above except for obligations of the State of Michigan or its political subdivisions. Also, the City's investment policy allows the City to invest no more than 50 percent of any one fund in commercial paper rated at the time of purchase within the three highest classifications established by no fewer than two standard rating services. The City's deposits and investments are in accordance with statutory authority.

The City's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At year end, the City had bank deposits of \$3,638,013 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The City believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

June 30, 2025

Note 3 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy minimizes interest rate risk by restricting investment maturities to securities maturing three years or less from the date of purchase, unless matched to a specific cash flow requirement. However, the repurchase agreements may be collateralized using longer-dated investments not to exceed 30 years to maturity. Additionally, no more than 40 percent of the City's total investment portfolio, as of June 30 of the preceding year, shall be placed in securities maturing in more than 3 years.

At year end, the City had the following investments and maturities:

Primary Government		Carrying Value	0-5 Years	
Municipal bonds		\$ 248,628	\$	248,628
Federal Home Loan Mortgage Corporation		3,220,104		3,220,104
Federal National Mortgage Association		1,655,486		1,655,486
Federal Home Loan Bank		3,590,790		3,590,790
Federal Farm Credit Bank		2,734,302		2,734,302
Total		\$ 11,449,310	\$	11,449,310

Fiduciary Funds	Carrying Value	0-5 Years	5-15 Years	More Than 15 Years
Commercial bond funds	\$ 9,286,567	\$ -	\$ 9,286,567	\$ -

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of June 30, 2025, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
Federal Home Loan Mortgage Corporation	\$ 3,220,104	Aa1	Moody's
Federal National Mortgage Association - Fixed	1,655,486	Aa1	Moody's
Federal Home Loan Bank - Fixed	3,590,790	Aa1	Moody's
Federal Farm Credit Bank	2,734,302	Aa1	Moody's
Municipal bonds	248,628	Aa2	Moody's
Comerica J Fund	12,018,955	Not rated	N/A

Investment	Carrying Value	Rating	Rating Organization
Fiduciary Funds			
Commercial bond funds	\$ 9,286,567	Not rated	N/A

Note 3 - Deposits and Investments (Continued)

Concentration of Credit Risk

The City's investment policy minimizes concentration of credit risk by placing limits on the amount that the City may invest in any one issuer or security type to no more than 50 percent of the total investment portfolio invested in a single security type or 25 percent invested with a single financial institution. The City has more than 5 percent of its investments in the following:

Primary Government	Percent
Federal National Mortgage Association	13.57 %
Federal Home Loan Bank	29.43
Federal Home Loan Mortgage Corporation	26.39
Federal Farm Credit Bank	22.41
Fiduciary Funds	Percent
iShares	34.34 %
Vanguard Small Cap	6.27
Total	40.61 %

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

June 30, 2025

Note 3 - Deposits and Investments (Continued)

The City has the following recurring fair value measurements as of June 30, 2025:

	Assets Measured at Carrying Value on a Recurring Basis at June 30, 2025			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2025
Debt securities - Bond funds	\$ 9,286,567	\$ -	\$ -	\$ 9,286,567
Equity securities:				
Equity funds	15,956,451	-	-	15,956,451
Exchange-traded funds	27,811,823	-	-	27,811,823
Total equity securities	43,768,274	-	-	43,768,274
Governmental securities:				
U.S. governmental bonds	-	11,200,682	-	11,200,682
Municipal bonds	-	248,628	-	248,628
Total governmental securities	-	11,449,310	-	11,449,310
Total investments by fair value	\$ 53,054,841	\$ 11,449,310	\$ -	\$ 64,504,151

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The fair value of governmental securities and certificates of deposit at June 30, 2025 was determined primarily based on Level 2 inputs. The City estimates the fair value of these investments using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Bank pools totaling \$12,018,955 are recorded at amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. These investments are held in the Comerica J Fund and are not subject to any limitations or restrictions on withdrawals.

June 30, 2025

Note 4 - Capital Assets

Capital asset activity of the City's governmental and business-type activities was as follows:

Governmental Activities

	Balance July 1, 2024	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2025
Capital assets not being depreciated:					
Land	\$ 1,547,967	\$ -	\$ -	\$ -	\$ 1,547,967
Construction in progress	292,899	-	916,395	-	1,209,294
Subtotal	1,840,866	-	916,395	-	2,757,261
Capital assets being depreciated:					
Infrastructure	69,468,823	-	31,001	-	69,499,824
Buildings	12,620,343	-	685,256	-	13,305,599
Equipment and vehicles	10,992,394	-	244,644	(54,368)	11,182,670
Land improvements	2,208,281	-	266,373	-	2,474,654
Subtotal	95,289,841	-	1,227,274	(54,368)	96,462,747
Accumulated depreciation:					
Infrastructure	19,218,456	-	2,186,137	-	21,404,593
Buildings	7,325,797	-	332,766	-	7,658,563
Equipment and vehicles	8,766,401	-	625,207	(54,368)	9,337,240
Land improvements	592,129	-	92,994	-	685,123
Subtotal	35,902,783	-	3,237,104	(54,368)	39,085,519
Net capital assets being depreciated	59,387,058	-	(2,009,830)	-	57,377,228
Net governmental activities capital assets	\$ 61,227,924	\$ -	\$ (1,093,435)	\$ -	\$ 60,134,489

Business-type Activities

	Balance July 1, 2024	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2025
Capital assets not being depreciated - Construction in progress	\$ 317,825	\$ (24,812)	\$ 1,047,647	\$ -	\$ 1,340,660
Capital assets being depreciated:					
Water and sewer lines	55,111,863	24,812	379,032	-	55,515,707
Land improvements	2,581,694	-	-	-	2,581,694
Subtotal	57,693,557	24,812	379,032	-	58,097,401
Accumulated depreciation:					
Water and sewer lines	20,652,172	-	1,055,590	-	21,707,762
Land improvements	1,859,880	-	90,488	-	1,950,368
Subtotal	22,512,052	-	1,146,078	-	23,658,130
Net capital assets being depreciated	35,181,505	24,812	(767,046)	-	34,439,271
Net business-type activity capital assets	\$ 35,499,330	\$ -	\$ 280,601	\$ -	\$ 35,779,931

June 30, 2025

Note 4 - Capital Assets (Continued)

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
General government	\$ 246,526
Public safety	120,470
Public works	2,288,358
Recreation and culture	208,899
Internal service funds	372,851
	<u>3,237,104</u>
Total governmental activities	\$ 3,237,104
Business-type activities:	
Water and sewer	\$ 1,055,590
Parking utility	31,141
Boat dock	56,479
Commodity sales	2,868
	<u>1,146,078</u>
Total business-type activities	\$ 1,146,078

Construction Commitments

The City has active construction projects at year end. At June 30, 2025, the City has spent \$1,963,341 in connection with active construction projects and the City's commitment with contractors was \$3,831,804.

Note 5 - Leases

The City is the lessor for one asset related to telecommunications. The lease commenced on October 1, 2021 and is for a term of 30 years, with fixed monthly payments that increase by 3.5 percent yearly on October 1. This lease was amended in 2023 to increase the space leased for a term of 10 years, with additional fixed payments that increase by 2.5 percent yearly.

During the year ended June 30, 2025, the City recognized the following related to its lessor agreements in the General Fund:

Lease revenue	\$ 74,481
Interest income related to its leases	52,383

The City received \$120,000 in the year ended June 30, 2022 as a one-time lease renewal payment. That amount is being recognized over the life of the lease.

As of June 30, 2025, the City had a lease receivable of \$1,737,407 and deferred inflows related to the lease of \$1,650,089.

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances in the fund statements is as follows:

Receivable	Payable	Amount
General Fund	Nonmajor governmental funds	\$ 20,000
General Fund	Internal service funds	40,731

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

June 30, 2025

Note 6 - Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers reported in the fund financial statements are composed of the following:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Nonmajor governmental funds	\$ 1,255,123
Nonmajor governmental funds	General Fund	400,000
Nonmajor enterprise funds	Nonmajor governmental funds	107,643

The transfers from the General Fund represent transfers of unrestricted resources to finance operations of the various departments in accordance with budgetary authorizations.

The transfer from the nonmajor governmental funds represents a transfer of \$400,000 of restricted resources from the Major Street Fund to the Local Street Fund, which is part of the General Fund. These resources were used for local streets expenditures.

The transfer from the nonmajor enterprise funds represents a transfer of \$107,643 of unrestricted resources from the Boat Dock Rental Fund to the Municipal Improvement Fund. These resources were used for funding the concession stand building renovation project.

Note 7 - Long-term Debt

Long-term debt activity for the year ended June 30, 2025 can be summarized as follows:

Governmental Activities

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Direct borrowings and direct placements:							
State Revolving Fund, Series 5446-01 - Maturing through 2039	2.5%	\$840,992 - \$1,164,057	\$ 14,743,001	\$ -	\$ (820,480)	\$ 13,922,521	\$ 840,992
State Revolving Fund, Series 5446-02 - Maturing through 2041	1.875%	\$71,780 - \$95,109	1,406,887	-	(71,780)	1,335,107	71,780
Total direct borrowings and direct placements principal outstanding			16,149,888	-	(892,260)	15,257,628	912,772
Other debt:							
General obligation bonds - 2015 Road Construction bonds:							
Amount of issue - \$6,600,000							
Maturing through 2025	2.00% - 4.00%	\$1,000,000	1,000,000	-	(1,000,000)	-	-
General obligation bonds - 2017 Road Construction bonds:							
Amount of issue - \$2,875,000							
Maturing through 2028	2.36%	\$335,000 - \$345,000	1,345,000	-	(325,000)	1,020,000	335,000
General obligation bonds - 2018 Capital Improvement bonds:							
Amount of issue - \$2,500,000							
Maturing through 2033	3.5%	\$160,000 - \$210,000	1,800,000	-	(155,000)	1,645,000	160,000
Total other debt principal outstanding			4,145,000	-	(1,480,000)	2,665,000	495,000
Unamortized bond premiums			140,844	-	(62,268)	78,576	9,822
Total bonds and contracts payable			20,435,732	-	(2,434,528)	18,001,204	1,417,594
Employee compensated absences			996,140	-	(96,565)	899,575	816,949
Estimated liability for workers' compensation and health claims			285,314	2,020,496	(2,150,810)	155,000	155,000
Total			\$ 21,717,186	\$ 2,020,496	\$ (4,681,903)	\$ 19,055,779	\$ 2,389,543

June 30, 2025

Note 7 - Long-term Debt (Continued)

Business-type Activities

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Direct borrowings and direct placements:							
2010 Drinking Water Revolving Fund							
Bond - 7301-01:							
Amount of issue - \$2,095,606		\$120,000 -					
Maturing through 2030	2.5%	\$130,606	\$ 735,606	\$ -	\$ (115,000)	\$ 620,606	\$ 120,000
2010 Drinking Water Revolving Fund							
Bond - 7332-01:							
Amount of issue - \$3,531,192		\$195,000 -					
Maturing through 2029	2.5%	\$221,393	1,651,393	-	(190,000)	1,461,393	195,000
2012 State Revolving Fund Bond -							
5365-01:							
Amount of issue - \$2,922,065		\$145,000 -					
Maturing through 2033	2.5%	\$177,065	1,592,065	-	(140,000)	1,452,065	145,000
Total bonds and contracts payable			3,979,064	-	(445,000)	3,534,064	460,000
Employee compensated absences			79,237	-	(4,389)	74,848	55,013
Estimated liability for workers' compensation and health claims			5,062	5,284	(10,346)	-	-
Total business-type activities long-term debt			<u>\$ 4,063,363</u>	<u>\$ 5,284</u>	<u>\$ (459,735)</u>	<u>\$ 3,608,912</u>	<u>\$ 515,013</u>

The tables above disclose the net change in the compensated absence liability of the City.

General Obligation Bonds and Contracts

The City issues general obligation bonds to provide for the construction of roads and other capital improvements. General obligations have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. County contractual agreements and installment purchase agreements are also general obligations of the City.

Other Long-term Liabilities

For the governmental activities, claims and judgments are generally liquidated by the General Fund related to employee salaries and fringes. Additionally, for the business-type activities, claims and judgments are generally liquidated by the Water and Sewer Fund for employee salaries and fringes. Net pension obligations and net OPEB obligations typically are paid from the funds from which the individual employee's salaries and wages are paid, which are mainly the General Fund, the Major Street Fund, the Water and Sewer Fund, and the Parking Utility Fund.

June 30, 2025

Note 7 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending June 30	Governmental Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2026	\$ 912,772	\$ 331,790	\$ 495,000	\$ 72,925	\$ 1,812,487
2027	935,079	309,419	505,000	60,052	1,809,550
2028	959,949	286,503	515,000	46,898	1,808,350
2029	984,820	262,975	175,000	37,188	1,459,983
2030	1,005,332	238,837	180,000	30,975	1,455,144
2031-2035	5,427,918	811,310	795,000	56,788	7,091,016
Thereafter	5,031,758	154,919	-	-	5,186,677
Total	\$ 15,257,628	\$ 2,395,753	\$ 2,665,000	\$ 304,826	\$ 20,623,207

Years Ending June 30	Business-type Activities		
	Direct Borrowings and Direct Placements		Total
	Principal	Interest	
2026	\$ 460,000	\$ 86,542	\$ 546,542
2027	470,000	74,979	544,979
2028	485,000	63,167	548,167
2029	485,000	51,042	536,042
2030	505,606	38,854	544,460
2031-2035	1,128,458	51,438	1,179,896
Thereafter	-	-	-
Total	\$ 3,534,064	\$ 366,022	\$ 3,900,086

Note 8 - Milk River Drainage District

The City is a member of the Milk River Drainage District, administered by Wayne County, Michigan. The drainage district serves Wayne County, Michigan; the State of Michigan; and the cities of Grosse Pointe Woods, Harper Woods, and St. Clair Shores, Michigan. At June 30, 2025, the drainage district had issued \$40,660,000 of debt to make improvements to the system. The total cost of the project as of June 30, 2025 is \$44,427,504, and it was substantially completed during the fiscal year ended June 30, 2023. The City of Grosse Pointe Woods, Michigan is responsible for funding 50.5 percent of the project. As of June 30, 2025, the City has recorded \$22,435,889 for its share of the completed capital improvements and \$15,257,628 for its share of the debt. In addition to the debt, the City has recorded \$32,892 in prepayments for additional costs as of June 30, 2025. The City records the activity in the Grosse-Gratiot Drain Fund.

June 30, 2025

Note 9 - Defined Benefit Pension Plans

Plan Description

The City of Grosse Pointe Woods, Michigan provides a monthly retirement benefit to employees who meet the eligibility requirements, including age and years of service. The benefits are provided through the City of Grosse Pointe Woods Pension Plan (the "Pension Plan") and the City of Grosse Pointe Woods Pension Plan Supplemental Annuity (the "Supplemental Annuity"), which are single-employer defined benefit pension plans administered by the pension board.

The financial statements of each pension system are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund). There are no separately available financial statements for the pension systems.

Management of the plans is vested in the pension board, which consists of five members, the mayor, one member of City Council, one resident appointed by the mayor, and two employees - one general and one public safety. The city treasurer serves as the treasurer of the retirement system and is the custodian of the cash and investments. The city attorney is the legal advisor to the pension board.

Benefits Provided

The City of Grosse Pointe Woods Pension Plan and the City of Grosse Pointe Woods Pension Plan Supplemental Annuity provide retirement, disability, and death benefits. Benefit terms for the Pension Plan are established by negotiation with the City's competitive bargaining units and the Retirement System Ordinance. Benefit terms for the Supplemental Annuity are established as a negotiable item within various union contracts. Retirement benefits for plan members range from \$3,000 annually for 10 years of services to a maximum of \$4,800 annually for 25 years of service.

Effective September 12, 2022, the Pension Plan added the Employee Retention Option Plan (EROP), which allowed command and public safety officers to draw a deferred pension. These employees are eligible at age 50 with 25 years of service or age 55 with 20 years of service. Participation has a 5-year maximum and 3.00 percent interest. The EROP balance as of June 30, 2025 was \$0.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	City of Grosse Pointe Woods Pension Plan	City of Grosse Pointe Woods Pension Plan Supplemental Annuity
Date of member count	June 30, 2025	June 30, 2025
Inactive plan members or beneficiaries currently receiving benefits	116	64
Inactive plan members entitled to but not yet receiving benefits	10	-
Active plan members	74	44
Total employees covered by the plan	200	108

June 30, 2025

Note 9 - Defined Benefit Pension Plans (Continued)

Contributions

State law requires public employers to make pension contributions in accordance with an actuarial valuation. The City hires an independent actuary for this purpose and annually contributes the amount determined to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to make pension contributions based on the City's collective bargaining units. The City's required contribution is determined after consideration of the required contribution rate of employees. For the year ended June 30, 2025, the average active general employee contribution rate was 5.0 percent and 0.0 percent of covered payroll for the Pension Plan and the Supplemental Annuity, respectively, and the average active public safety employee contribution rate was 6.0 and 0.0 percent of covered payroll for the Pension Plan and the Supplemental Annuity, respectively. The City's contribution rate was 42.91 percent and 12.80 percent of covered payroll for the various employee groups for the Pension Plan and the Supplemental Annuity, respectively.

Net Pension Liability

The City chooses a date for each pension plan to measure its net pension liability. This is based on the measurement date of each pension plan, which may be based on a comprehensive valuation as of that date or based on an earlier valuation that has used procedures to roll the information forward to the measurement date.

	City of Grosse Pointe Woods Pension Plan	City of Grosse Pointe Woods Pension Plan Supplemental Annuity
Measurement date used for the City net pension liability	June 30, 2025	June 30, 2025

Changes in the net pension liability during the measurement year were as follows:

City of Grosse Pointe Woods Pension Plan

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at July 1, 2024	\$ 67,031,109	\$ 43,710,962	\$ 23,320,147
Changes for the year:			
Service cost	838,174	-	838,174
Interest	4,845,239	-	4,845,239
Differences between expected and actual experience	1,143,798	-	1,143,798
Changes in assumptions	1,552,339	-	1,552,339
Contributions - Employer	-	2,379,869	(2,379,869)
Contributions - Employee	-	315,815	(315,815)
Net investment income	-	5,373,990	(5,373,990)
Benefit payments, including refunds	(4,167,288)	(4,167,288)	-
Administrative expenses	-	(54,392)	54,392
Net changes	4,212,262	3,847,994	364,268
Balance at June 30, 2025	<u>\$ 71,243,371</u>	<u>\$ 47,558,956</u>	<u>\$ 23,684,415</u>

The plan's fiduciary net position represents 66.76 percent of the total pension liability.

June 30, 2025

Note 9 - Defined Benefit Pension Plans (Continued)

City of Grosse Pointe Woods Pension Plan Supplemental Annuity

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at July 1, 2024	\$ 4,138,674	\$ 2,957,046	\$ 1,181,628
Changes for the year:			
Service cost	35,029	-	35,029
Interest	297,328	-	297,328
Differences between expected and actual experience	150,775	-	150,775
Changes in assumptions	43,857	-	43,857
Contributions - Employer	-	341,012	(341,012)
Net investment income	-	363,231	(363,231)
Benefit payments, including refunds	(311,514)	(311,514)	-
Administrative expenses	-	(3,359)	3,359
Net changes	215,475	389,370	(173,895)
Balance at June 30, 2025	<u>\$ 4,354,149</u>	<u>\$ 3,346,416</u>	<u>\$ 1,007,733</u>

The plan's fiduciary net position represents 76.86 percent of the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the City Council recognized pension expense of \$171,520 from the Pension Plan and pension expense of \$153,311 from the Supplemental Annuity.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,510,931	\$ -
Changes in assumptions	1,164,254	(1,367,308)
Net difference between projected and actual earnings on pension plan investments	-	(1,510,469)
Total	<u>\$ 2,675,185</u>	<u>\$ (2,877,777)</u>

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the Supplemental Annuity from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 183,872	\$ (7,406)
Changes in assumptions	51,841	-
Net difference between projected and actual earnings on pension plan investments	-	(105,164)
Total	<u>\$ 235,713</u>	<u>\$ (112,570)</u>

June 30, 2025

Note 9 - Defined Benefit Pension Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Pension Plan	Supplemental Annuity
2026	\$ 652,120	\$ 135,835
2027	(221,277)	22,567
2028	(194,267)	(6,503)
2029	(439,168)	(28,756)
Total	<u>\$ (202,592)</u>	<u>\$ 123,143</u>

Actuarial Assumptions

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	City of Grosse Pointe Woods Pension Plan	City of Grosse Pointe Woods Pension Plan Supplemental Annuity
Inflation	2.5%	2.5%
Salary increases (including inflation)	2.5%	2.5%
Investment rate of return (net of investment expenses)	7.2%	7.2%
Mortality rates	PubS-2010 and PubG-2010 Mortality Tables with MP-2018	PubS-2010 and PubG-2010 Mortality Tables with MP-2018

Discount Rate

The discount rate used to measure the total pension liability of the City of Grosse Pointe Woods Pension Plan and City of Grosse Pointe Woods Pension Plan Supplemental Annuity was 7.18 and 7.20 percent, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plans' fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate incorporates a municipal bond rate, which was 4.81 percent. The source of that bond rate was the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2025. The long-term expected rate of return was applied to projected benefit payments for the periods in which the plan maintains a positive fiduciary net position: from June 30, 2025 through July 1, 2089 and from June 30, 2025 through July 1, 2115 for the City of Grosse Pointe Woods Pension Plan and City of Grosse Pointe Woods Pension Plan Supplemental Annuity, respectively.

The long-term expected rate of return on both plans' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

June 30, 2025

Note 9 - Defined Benefit Pension Plans (Continued)

Investment Rate of Return

Best estimates of geometric real rates of return as of the June 30, 2025 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment note, for both the City of Grosse Pointe Woods Pension Plan and City of Grosse Pointe Woods Pension Plan Supplemental Annuity are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. large-cap equity	37.00 %	4.44 %
U.S. mid-cap equity	5.00	4.82
U.S. small-cap equity	7.00	5.20
International developed equity	10.00	4.97
International developed small cap	5.00	5.36
International emerging markets	5.00	5.36
U.S. core bonds	10.00	3.67
Public real estate (REITS)	3.00	4.82
High-yield bonds	10.00	4.44
Energy/MLPs	3.00	4.59
Liquid diversifying strategies	5.00	6.51

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the current discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.18 and 6.20 percent for the Pension Plan and Supplemental Annuity, respectively) or 1 percentage point higher (8.18 and 8.20 percent for the Pension Plan and Supplemental Annuity, respectively) than the current rate:

	1 Percentage Point Decrease	Current Discount Rate	1 Percentage Point Increase
Net pension liability of the City of Grosse Pointe Woods Pension Plan	\$ 32,526,730	\$ 23,684,415	\$ 16,355,721
Net pension liability of the City of Grosse Pointe Woods Pension Plan Supplemental Annuity	1,493,745	1,007,733	602,223

Assumption Changes

The discount rate for the Pension Plan was updated from 7.37 percent to 7.18 percent to reflect the current and expected economic conditions. The long-term rate of return was updated from 7.40 to 7.20 percent to reflect the current and expected economic conditions.

The long-term rate of return and the discount rate for the Supplemental Annuity were updated from 7.40 to 7.20 percent to reflect the current and expected economic conditions.

June 30, 2025

Note 9 - Defined Benefit Pension Plans (Continued)

Investment Policy

The Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the pension board by a majority vote of its members. It is the policy of the pension board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Pension Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the pension board's adopted asset allocation policy as of June 30, 2025:

Asset Class	Target Allocation
U.S. large-cap equity	37.00 %
U.S. mid-cap equity	5.00
U.S. small-cap equity	7.00
International developed equity	10.00
International developed small cap	5.00
International emerging markets	5.00
U.S. core bonds	10.00
Public real estate (REITS)	3.00
High-yield bonds	10.00
Energy/MLPs	3.00
Liquid diversifying strategies	5.00
Total	100.00 %

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments and the supplemental annuity investments, net of pension plan investment expense, was 9.42 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 10 - Aggregate Pension-related Balances

The following table presents the aggregate balances for the net pension liability, deferred inflows related to pensions, deferred outflows related to pensions, and pension expense for the year ended June 30, 2025. Detailed information for each pension plan can be found in Note 9.

	Total Pension Liability	Plan Net Position	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
City of Grosse Pointe Woods Pension Plan	\$ 71,243,371	\$ 47,558,956	\$ 23,684,415	\$ 2,675,185	\$ (2,877,777)	\$ 171,520
City of Grosse Pointe Woods Pension Plan Supplemental Annuity	4,354,149	3,346,416	1,007,733	235,713	(112,570)	153,311
Total	\$ 75,597,520	\$ 50,905,372	\$ 24,692,148	\$ 2,910,898	\$ (2,990,347)	\$ 324,831

Note 11 - Other Postemployment Benefit Plan

Plan Description

The City provides the Grosse Pointe Woods Retiree Healthcare Plan (the "Plan"), a single-employer defined benefit OPEB plan that is used to provide postemployment benefits other than pensions for all eligible general, public safety, and fire plan members and their beneficiaries. The Plan is administered by the Grosse Pointe Woods Retiree Health Plan Board. There are no separately available financial statements for the Plan.

Note 11 - Other Postemployment Benefit Plan (Continued)

The financial statements of the OPEB plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund).

Management of the Plan is vested in the Retiree Health Plan Board, which consists of five members, the mayor, one member of City Council, one resident appointed by the mayor, and two employees - one general and one public safety. The city treasurer shall be the treasurer of the Plan and shall be the custodian of the cash and investments. The city attorney shall be legal advisor to the Retiree Health Plan Board.

Benefits Provided

The Grosse Pointe Woods Retiree Healthcare Plan provides health care, dental, prescription, and vision benefits for retirees hired prior to 2012 and their dependents. Members are vested at 10 years of service and are eligible if they had been an employee on the date preceding the effective date of the retiree's retirement and commencement of benefits from the City. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan.

City Ordinance 543 grants the authority to establish and amend the benefit terms to the board.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	Grosse Pointe Woods Retiree Healthcare Plan
Date of member count	June 30, 2024
Inactive plan members or beneficiaries currently receiving benefits	100
Active plan members	30
Total plan members	130

Contributions

City Ordinance 543 grants the authority to establish and amend the contribution requirements of the City and employees to the board. The board establishes contribution rates based on an actuarially determined rate per a funding valuation. For the year ended June 30, 2025, the City's contribution was \$1,596,270. Certain plan members are required to contribute based on the terms of their union contract. Total employee contributions were \$44,457.

Net OPEB Liability

The City has chosen to use the June 30 measurement date as its measurement date for the net OPEB liability. The June 30, 2025 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the June 30, 2025 measurement date rolled forward from the valuation date of June 30, 2024.

June 30, 2025

Note 11 - Other Postemployment Benefit Plan (Continued)

Changes in the net OPEB liability during the measurement year were as follows:

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance at July 1, 2024	\$ 28,212,457	\$ 2,490,257	\$ 25,722,200
Changes for the year:			
Service cost	264,712	-	264,712
Interest	1,903,657	-	1,903,657
Contributions - Employer	-	1,596,270	(1,596,270)
Contributions - Employee	-	44,457	(44,457)
Net investment income	-	289,653	(289,653)
Benefit payments, including refunds	(1,396,270)	(1,396,270)	-
Administrative expenses	-	(16,024)	16,024
Net changes	772,099	518,086	254,013
Balance at June 30, 2025	<u>\$ 28,984,556</u>	<u>\$ 3,008,343</u>	<u>\$ 25,976,213</u>

The plan's fiduciary net position represents 10.38 percent of the total OPEB liability.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the City recognized OPEB expense of \$1,812,264.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ (94,079)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (note that employer contributions subsequent to the measurement date will reduce the net OPEB liability and, therefore, will not be included in future OPEB expense):

Years Ending June 30	Amount
2026	\$ 22,539
2027	(53,580)
2028	(40,788)
2029	(22,250)
Total	<u>\$ (94,079)</u>

June 30, 2025

Note 11 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using an investment rate of return (net of investment expenses) of 6.85 percent; a health care cost trend rate of 5.8 percent for the first year, decreasing by 0.1 percent per year to an ultimate rate of 5.0 percent; and the Pub-2010 Mortality Table with MP-2021 improvement scale. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2025 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment note, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. large-cap equity	25.00 %	4.33 %
U.S. mid-cap equity	15.00	4.70
U.S. small-cap equity	10.00	5.07
International developed equity	15.00	4.85
Emerging markets equity	5.00	5.22
U.S. core bonds	25.00	3.58
TIPs	5.00	3.43

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 6.85 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.85%)	Current Discount Rate (6.85%)	1 Percentage Point Increase (7.85%)
Net OPEB liability of the Grosse Pointe Woods Retiree Healthcare Plan	\$ 29,860,082	\$ 25,976,213	\$ 22,797,794

June 30, 2025

Note 11 - Other Postemployment Benefit Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the City, calculated using the health care cost trend rate of 5.8 percent the first year, decreasing in 0.1 percent increments over the following 8 years to an ultimate assumed rate of 5.0 percent, as well as what the City's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.0 - 5.0%)	Current Health Care Cost Trend Rate (5.0 - 6.0%)	1 Percentage Point Increase (6.0 - 7.0%)
Net OPEB liability of the Grosse Pointe Woods Retiree Healthcare Plan	\$ 22,448,414	\$ 25,976,213	\$ 30,293,256

Investment Policy

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB board by a majority vote of its members. It is the policy of the OPEB board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the OPEB board's adopted asset allocation policy as of June 30, 2025:

Asset Class	Target Allocation
U.S. large-cap equity	25.00 %
U.S. mid-cap equity	15.00
U.S. small-cap equity	10.00
International developed equity	15.00
Emerging markets equity	5.00
U.S. core bonds	25.00
TIPs	5.00
Total	100.00 %

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 11.36 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 12 - Deferred Compensation

The City offers its employees a deferred compensation plan (the "DC Plan") created in accordance with Internal Revenue Code Section 457. The DC Plan, which permits participants to defer a portion of their salary until future years, is available to all full-time city employees, and is administered by Mission Square. Payment of the deferred compensation is not available to employees until retirement, death, or unforeseeable emergency. As of June 30, 2025, employees who had elected to participate in the DC Plan had total assets of \$7,385,577.

All amounts of compensation deferred under the DC Plan; all property and rights purchased with those amounts; and all income attributable to those amounts, property, or rights are solely the property and rights of the individual participants.

June 30, 2025

Note 13 - Defined Contribution Health Care Plan

The City offers its employees a defined contribution health care plan through a health savings account (the "HSA Plan"). The HSA Plan provides for the City to make a required contribution of \$150 per month for each employee hired after April 2011. Contributions to the HSA Plan totaled \$94,938 for the year ended June 30, 2025. Employees are also required to submit 1 percent of earnings to the HSA Plan. Employees are 100 percent vested after six years of employment. As of June 30, 2025, the HSA Plan had total assets of \$1,746,366.

Note 14 - Pension and Other Employee Benefit Trust Funds

The following are condensed financial statements for the individual pension plans and postemployment health care plan:

	Pension Trust Fund	Supplementary Annuity Fund	OPEB Trust Fund	Total
Statement of Net Position				
Cash and cash equivalents	\$ 773,439	\$ 54,422	\$ 29,994	\$ 857,855
Stocks	14,297,026	1,659,425	-	15,956,451
Corporate bonds	9,286,567	-	-	9,286,567
Bonds	23,200,972	1,632,502	2,978,349	27,811,823
Other assets	952	67	-	1,019
Net position	<u>\$ 47,558,956</u>	<u>\$ 3,346,416</u>	<u>\$ 3,008,343</u>	<u>\$ 53,913,715</u>
Statement of Changes in Net Position				
Investment income	\$ 5,369,249	\$ 363,231	\$ 289,653	\$ 6,022,133
Other deductions	(49,651)	(3,359)	(16,024)	(69,034)
Contributions	2,695,684	341,012	1,640,727	4,677,423
Benefit payments	(4,167,288)	(311,514)	(1,396,270)	(5,875,072)
Net change in net position	<u>\$ 3,847,994</u>	<u>\$ 389,370</u>	<u>\$ 518,086</u>	<u>\$ 4,755,450</u>
Net position - Beginning of year	\$ 43,710,962	\$ 2,957,046	\$ 2,490,257	\$ 49,158,265
Net position - End of year	47,558,956	3,346,416	3,008,343	53,913,715

Note 15 - Joint Venture

The City is a member of the Grosse Pointes-Clinton Refuse Disposal Authority joint venture (the "Authority"), which provides refuse disposal services to participating municipalities in the counties of Wayne and Macomb, Michigan. Other members include the cities of Grosse Pointe Farms, Grosse Pointe Park, Grosse Pointe, Harper Woods, Mount Clemens, and Grosse Pointe Woods, Michigan and the Township of Clinton. The City Council appoints one member to the Authority's governing board, which then approves its budget. The Authority currently contracts with a commercial refuse disposal company and bills members for their proportionate share of the costs.

The City's interest in the net position of the Authority totaled \$78,297 at June 30, 2025 and is reported as part of the governmental activities in the statement of net position. The City is unaware of any circumstances, including potential environmental remediation, that would cause an additional burden to the participating municipalities in the near future. Complete financial statements for the Authority can be obtained from its administrative offices at 27941 Harper Avenue, Suite 106, St. Clair Shores, MI 48081.

June 30, 2025

Note 16 - Risk Management

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased commercial insurance for claims relating to property loss claims, torts, and errors and omissions. The City is self-insured for workers' compensation claims and participates in a self-funding program for medical claims with other communities. Under the workers' compensation program and medical program, the City is held liable for the first \$400,000 and \$25,000, respectively, of any occurrence. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The City is self-funding medical benefits up to a retention amount, at which time the City's reinsurance coverage begins. The self-funding program is done in conjunction with the cities of Grosse Pointe Park, Grosse Pointe Farms, and Grosse Pointe, Michigan and the Village of Grosse Pointe Shores, Michigan. The City of Grosse Pointe Woods, Michigan serves as the administrative agent for the program; however, each municipality is responsible for its individual claims.

The City estimates the liability for medical benefits claims that have been incurred through the end of the fiscal year, including both those claims that have been reported and those that have not yet been reported. The City's liability is based on individual claims and management's evaluation of experience with respect to the probable number and nature of claims.

The City estimates the liability for workers' compensation and medical benefits that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported, which includes estimates of both future payments of losses and related claim adjustment expense, both allocated and unallocated. The liability is based on individual claims and management's evaluation of experience with respect to the probable number and nature of claims. Any adjustments resulting from the settlement of losses will be reflected in earnings at the time the adjustments are determined. These estimates are recorded in the Workers' Compensation Fund and within the governmental activities and business-type activities columns of the statement of net position for workers' compensation and in the modified accrual funds for medical claims.

Changes in the estimated liability for the past two fiscal years were as follows:

	Workers' Compensation		Medical Claims	
	2025	2024	2025	2024
Estimated liability - Beginning of year	\$ 240,332	\$ 193,466	\$ 50,044	\$ 284,901
Estimated claims incurred, including changes in estimates	66,769	126,166	2,263,213	1,865,879
Claim payments	(152,101)	(79,300)	(2,313,257)	(2,100,736)
Estimated liability - End of year	<u>\$ 155,000</u>	<u>\$ 240,332</u>	<u>\$ -</u>	<u>\$ 50,044</u>

Note 17 - Contingent Liabilities

The City is involved in a putative class action lawsuit related to sewer backups that occurred in the summer of 2021. The City is vigorously defending the lawsuit. No accrual has been recorded as of June 30, 2025.

Required Supplementary Information

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Budgetary Comparison Schedule General Fund

Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 12,365,208	\$ 12,365,208	\$ 12,321,633	\$ (43,575)
Franchise fees	380,000	380,000	337,793	(42,207)
Intergovernmental - Federal grants	-	-	5,990	5,990
State and local sources:				
State-shared revenue	2,136,594	2,136,594	2,146,766	10,172
Other state grants	15,000	15,000	53,707	38,707
Charges for services	937,099	937,099	1,048,461	111,362
Fines and forfeitures	230,000	230,000	198,902	(31,098)
Investment income	150,000	150,000	597,336	447,336
Other revenue	298,167	298,167	385,680	87,513
Total revenue	16,512,068	16,512,068	17,096,268	584,200
Expenditures - Current services				
General government:				
City Council	95,704	95,704	76,088	19,616
City comptroller	543,710	508,710	446,819	61,891
Commission	30,667	33,267	22,205	11,062
Municipal court	455,071	455,071	348,353	106,718
Management information systems	494,150	494,150	415,070	79,080
Assessing	116,693	116,693	102,079	14,614
Clerk	527,330	527,330	496,951	30,379
Building inspection	626,476	626,476	655,936	(29,460)
Attorney	265,000	245,000	121,620	123,380
Administration	411,063	411,063	369,097	41,966
Fringe benefits	312,565	312,565	311,808	757
Other services and charges	352,751	358,778	331,932	26,846
Public safety:				
Police service	4,790,139	4,881,911	4,746,851	135,060
Fire prevention and inspection	81,930	75,249	53,369	21,880
Fringe benefits	2,022,129	2,172,129	2,122,150	49,979
Support services	156,225	169,616	150,074	19,542
Administration	339,148	337,766	319,255	18,511
Other services and charges	445,052	453,241	457,723	(4,482)
Public works:				
Street maintenance	402,558	402,558	360,822	41,736
Other services and charges	791,344	794,177	823,456	(29,279)
Supervision and engineering	135,085	135,085	128,194	6,891
Forestry services	310,778	150,778	95,314	55,464
Fringe benefits	362,172	362,172	350,063	12,109
City building and grounds	323,518	289,918	218,362	71,556
Parks and recreation:				
Other services and charges	33,551	36,343	36,343	-
Supervision and engineering	19,366	19,366	10,449	8,917
Lake Front Park	1,651,049	1,641,249	1,426,377	214,872
Fringe benefits	112,047	147,047	143,368	3,679
Community center	236,380	240,930	193,686	47,244
City parks	134,331	312,631	282,786	29,845
Total expenditures	16,577,982	16,806,973	15,616,600	1,190,373
Excess of Revenue (Under) Over Expenditures	(65,914)	(294,905)	1,479,668	1,774,573
Other Financing Uses - Transfer out	(1,023,413)	(1,255,123)	(1,255,123)	-
Net Change in Fund Balance	(1,089,327)	(1,550,028)	224,545	1,774,573
Fund Balance - Beginning of year	7,655,088	7,655,088	7,655,088	-
Fund Balance - End of year	\$ 6,565,761	\$ 6,105,060	\$ 7,879,633	\$ 1,774,573

Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Pension Plan

	Last Ten Fiscal Years									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 838,174	\$ 812,864	\$ 1,029,506	\$ 1,080,805	\$ 1,459,769	\$ 1,381,734	\$ 1,419,981	\$ 872,705	\$ 812,794	\$ 893,380
Interest	4,845,239	4,670,531	4,655,548	4,517,849	4,149,881	4,160,628	4,115,769	3,739,452	3,713,413	3,802,189
Changes in benefit terms	-	-	(2,108,032)	196,683	-	-	-	-	-	-
Differences between expected and actual experience	1,143,798	948,035	716,258	(630,363)	(219,966)	(2,041,992)	61,396	1,898,141	(1,943,674)	(509,341)
Changes in assumptions	1,552,339	(155,143)	(5,158,946)	(2,730,443)	(13,509,818)	1,372,928	(2,730,629)	17,877,664	(3,946,934)	7,000,034
Benefit payments, including refunds	(4,167,288)	(3,953,914)	(3,921,734)	(3,586,669)	(3,570,576)	(3,403,902)	(3,346,109)	(3,354,997)	(3,215,776)	(3,187,512)
Net Change in Total Pension Liability	4,212,262	2,322,373	(4,787,400)	(1,152,138)	(11,690,710)	1,469,396	(479,592)	21,032,965	(4,580,177)	7,998,750
Total Pension Liability - Beginning of year	67,031,109	64,708,736	69,496,136	70,648,274	82,338,984	80,869,588	81,349,180	60,316,215	64,896,392	56,897,642
Total Pension Liability - End of year	\$ 71,243,371	\$ 67,031,109	\$ 64,708,736	\$ 69,496,136	\$ 70,648,274	\$ 82,338,984	\$ 80,869,588	\$ 81,349,180	\$ 60,316,215	\$ 64,896,392
Plan Fiduciary Net Position										
Contributions - Employer	\$ 2,379,869	\$ 1,956,340	\$ 2,042,555	\$ 2,044,344	\$ 1,623,076	\$ 1,406,409	\$ 1,215,450	\$ 1,230,649	\$ 1,076,052	\$ 925,683
Contributions - Member	315,815	311,863	297,963	290,887	282,203	262,296	263,799	249,835	243,096	252,579
Net investment income (loss)	5,373,990	5,069,650	3,922,857	(6,523,478)	12,109,682	157,140	1,291,520	2,128,175	3,992,724	(1,359,930)
Administrative expenses	(54,392)	(58,328)	(72,227)	(52,775)	(46,967)	(70,669)	(58,125)	(62,843)	(37,168)	(51,765)
Benefit payments, including refunds	(4,167,288)	(3,953,914)	(3,921,734)	(3,586,669)	(3,570,576)	(3,403,902)	(3,346,109)	(3,354,997)	(3,215,776)	(3,187,512)
Other	-	-	-	-	-	-	-	22,728	12,254	-
Net Change in Plan Fiduciary Net Position	3,847,994	3,325,611	2,269,414	(7,827,691)	10,397,418	(1,648,726)	(633,465)	213,547	2,071,182	(3,420,945)
Plan Fiduciary Net Position - Beginning of year	43,710,962	40,385,351	38,115,937	45,943,628	35,546,210	37,194,936	37,828,401	37,614,854	35,543,672	38,964,617
Plan Fiduciary Net Position - End of year	\$ 47,558,956	\$ 43,710,962	\$ 40,385,351	\$ 38,115,937	\$ 45,943,628	\$ 35,546,210	\$ 37,194,936	\$ 37,828,401	\$ 37,614,854	\$ 35,543,672
City's Net Pension Liability - Ending	\$ 23,684,415	\$ 23,320,147	\$ 24,323,385	\$ 31,380,199	\$ 24,704,646	\$ 46,792,774	\$ 43,674,652	\$ 43,520,779	\$ 22,701,361	\$ 29,352,720
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	66.76 %	65.21 %	62.41 %	54.85 %	65.03 %	43.17 %	45.99 %	46.50 %	62.36 %	55.02 %
Covered Payroll	\$ 5,546,056	\$ 5,619,486	\$ 5,408,364	\$ 5,425,650	\$ 5,372,630	\$ 4,791,109	\$ 4,716,600	\$ 4,544,155	\$ 4,493,845	\$ 4,592,611
City's Net Pension Liability as a Percentage of Covered Payroll	427.05 %	414.99 %	449.74 %	578.37 %	459.82 %	976.66 %	925.98 %	957.73 %	505.17 %	632.60 %

Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Pension Plan (Continued)

Last Ten Fiscal Years

Assumption Changes

Assumption changes were made for each year as follows:

2015: Changed from the 1994 uninsured pension mortality table to the RP-2014 Healthy Annuitant Mortality Table and the discount rate from 8.0 to 6.82 percent
2016: Changed the investment rate of return from 8.0 to 7.8 percent, inflation from 4.0 to 3.5 percent, and the discount rate to 5.83 percent
2017: Changed the discount rate to 6.33 percent
2018: Changed the investment rate of return to 7.75 percent, inflation to 2.5 percent, the mortality table to the RP-2014 Mortality Table with MP-2017, and the discount rate to 5.12 percent
2019: Changed the discount rate to 5.21 percent
2020: Changed the investment rate of return to 7.50 percent, mortality table to the Pub-2010 Mortality Table with MP-2018 improvement scale, and the discount rate to 5.06 percent
2021: Changed the discount rate to 6.46 percent
2022: Changed the discount rate to 6.79 percent
2023: Changed the investment rate of return to 7.40 percent. Changed the discount rate to 7.35 percent due to a change in the crossover
2024: Changed the discount rate to 7.37 percent
2025: Changed the discount rate to 7.18 percent and investment rate of return to 7.20 percent

Changes in Benefit Terms

2023: The \$2.1 million change in benefit terms resulted from the plan's addition of an Employee Retention Option Plan (EROP).

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Schedule of Pension Investment Returns Pension Plan and Pension Plan Supplemental Annuity

	Last Ten Fiscal Years Years Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return - Net of investment expense	9.42 %	9.94 %	7.97 %	(16.99)%	36.24 %	1.52 %	4.89 %	4.84 %	11.60 %	(3.50)%

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Schedule of Pension Contributions Pension Plan

	Last Ten Fiscal Years Years Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,295,000	\$ 1,879,000	\$ 2,003,000	\$ 2,044,000	\$ 1,623,000	\$ 1,406,000	\$ 1,215,000	\$ 1,231,000	\$ 1,076,000	\$ 926,000
Contributions in relation to the actuarially determined contribution	2,380,000	1,956,000	2,043,000	2,044,000	1,623,000	1,406,000	1,215,000	1,231,000	1,076,000	926,000
Additional Contribution	\$ 85,000	\$ 77,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,546,056	\$ 5,619,486	\$ 5,408,364	\$ 5,425,650	\$ 5,372,630	\$ 4,791,109	\$ 4,716,600	\$ 4,544,155	\$ 4,493,845	\$ 4,592,611
Contributions as a Percentage of Covered Payroll	42.91 %	34.81 %	37.77 %	37.67 %	30.21 %	29.35 %	25.76 %	27.09 %	23.94 %	20.17 %

Notes to Schedule of Pension Contributions - Pension Plan

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported. Covered payroll is as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Remaining amortization period	25 years, open
Asset valuation method	5-year smoothed market
Inflation	2.50 percent
Salary increase	3.50 - 7.30 percent, including inflation
Investment rate of return	7.40 percent - Net of expense
Mortality	Pub-2010 Mortality Table with MP-2018

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Schedule of Changes in the Net Pension Liability and Related Ratios Supplemental Annuity

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 35,029	\$ 34,736	\$ 44,932	\$ 45,787	\$ 43,432	\$ 51,793	\$ 47,748	\$ 59,640	\$ 39,299	\$ 37,233
Interest	297,328	287,956	283,542	281,506	275,505	272,594	259,909	239,740	254,061	269,224
Differences between expected and actual experience	150,775	110,188	39,243	(22,217)	21,271	(151,559)	136,155	161,463	(227,980)	(232,788)
Changes in assumptions	43,857	-	47,379	-	(15,148)	(198,496)	(57,257)	567,907	-	86,953
Benefit payments, including refunds	(311,514)	(301,553)	(286,747)	(267,409)	(266,789)	(278,103)	(275,592)	(242,921)	(257,534)	(263,715)
Net Change in Total Pension Liability	215,475	131,327	128,349	37,667	58,271	(303,771)	110,963	785,829	(192,154)	(103,093)
Total Pension Liability - Beginning of year	4,138,674	4,007,347	3,878,998	3,841,331	3,783,060	4,086,831	3,975,868	3,190,039	3,382,193	3,485,286
Total Pension Liability - End of year	\$ 4,354,149	\$ 4,138,674	\$ 4,007,347	\$ 3,878,998	\$ 3,841,331	\$ 3,783,060	\$ 4,086,831	\$ 3,975,868	\$ 3,190,039	\$ 3,382,193
Plan Fiduciary Net Position										
Contributions - Employer	\$ 341,012	\$ 345,827	\$ 329,201	\$ 349,494	\$ 318,174	\$ 335,830	\$ 311,792	\$ 298,389	\$ 290,000	\$ 297,360
Net investment income (loss)	363,231	325,281	235,635	(368,012)	649,743	7,796	59,811	91,098	159,415	3,963
Administrative expenses	(3,359)	(3,742)	(4,372)	(7,005)	(2,519)	(3,506)	(2,693)	(5,768)	(995)	-
Benefit payments, including refunds	(311,514)	(301,553)	(286,747)	(267,409)	(266,789)	(278,103)	(275,592)	(242,921)	(257,534)	(263,715)
Other	-	-	2,589	2,024	-	-	-	960	-	-
Net Change in Plan Fiduciary Net Position	389,370	365,813	276,306	(290,908)	698,609	62,017	93,318	141,758	190,886	37,608
Plan Fiduciary Net Position - Beginning of year	2,957,046	2,591,233	2,314,927	2,605,835	1,907,226	1,845,209	1,751,891	1,610,133	1,419,247	1,381,639
Plan Fiduciary Net Position - End of year	\$ 3,346,416	\$ 2,957,046	\$ 2,591,233	\$ 2,314,927	\$ 2,605,835	\$ 1,907,226	\$ 1,845,209	\$ 1,751,891	\$ 1,610,133	\$ 1,419,247
City's Net Pension Liability - Ending	\$ 1,007,733	\$ 1,181,628	\$ 1,416,114	\$ 1,564,071	\$ 1,235,496	\$ 1,875,834	\$ 2,241,622	\$ 2,223,977	\$ 1,579,906	\$ 1,962,946
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.86 %	71.45 %	64.66 %	59.68 %	67.84 %	50.41 %	45.15 %	44.06 %	50.47 %	41.96 %
Covered Payroll	\$ 2,663,928	\$ 2,746,799	\$ 2,783,550	\$ 2,810,667	\$ 2,816,325	\$ 2,475,978	\$ 2,525,337	\$ 2,231,884	\$ 2,258,831	\$ 2,347,151
City's Net Pension Liability as a Percentage of Covered Payroll	37.83 %	43.02 %	50.87 %	55.65 %	43.87 %	75.76 %	88.77 %	99.65 %	69.94 %	83.63 %

Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Supplemental Annuity (Continued)

Last Ten Fiscal Years

GASB Statement No. 67 was implemented for the FYE June 30, 2014 and does not require retroactive implementation. The required supplementary information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

Assumption Changes

Assumption changes were made for each year as follows:

2015: Changed from the 1994 uninsured pension mortality table to the RP-2014 Healthy Annuitant Mortality Table, inflation from 0.0 to 4.0 percent, and the discount rate from 8.0 to 7.98 percent

2016: Changed the investment rate of return from 8.0 to 7.8 percent, inflation to 3.5 percent, and the discount rate to 7.71 percent

2018: Changed the investment rate of return to 7.75 percent, inflation to 2.5 percent, the mortality table to the RP-2014 Mortality Table with MP-2017, and the discount rate to 6.73 percent

2019: Changed the discount rate to 6.86 percent

2020: Changed the investment rate of return to 7.50 percent, mortality table to the Pub-2010 Mortality Table with MP-2018 improvement scale, and the discount rate to 7.46 percent

2021: Changed the discount rate to 7.50 percent

2023: Changed the investment rate of return to 7.40 percent and the discount rate to 7.40 percent

2024: No changes

2025: Changed the investment rate of return to 7.20 percent and the discount rate to 7.20 percent

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Schedule of Pension Contributions Supplemental Annuity

**Last Ten Fiscal Years
Years Ended June 30**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 341,012	\$ 345,827	\$ 329,201	\$ 349,494	\$ 318,174	\$ 335,830	\$ 311,792	\$ 298,000	\$ 290,000	\$ 297,360
Contributions in relation to the actuarially determined contribution	341,012	345,827	329,201	349,494	318,174	335,830	311,792	298,000	290,000	297,360
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,663,928	\$ 2,746,799	\$ 2,783,550	\$ 2,810,667	\$ 2,816,325	\$ 2,475,978	\$ 2,525,337	\$ 2,231,884	\$ 2,258,831	\$ 2,347,151
Contributions as a Percentage of Covered Payroll	12.80 %	12.59 %	11.83 %	12.43 %	11.30 %	13.56 %	12.35 %	13.35 %	12.84 %	12.67 %

Notes to Schedule of Pension Contributions - Supplemental Annuity

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported. Covered payroll is as of June 30 of the current fiscal year. Public safety members retiring after December 31, 1994 are not covered.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	25 years, open
Asset valuation method	Market
Inflation	2.50 percent
Salary increase	0.00 percent
Investment rate of return	7.40 percent - Net of expense
Mortality	Pub-2010 Mortality Table with MP-2018

City of Grosse Pointe Woods, Michigan

Required Supplementary Information Schedule of Changes in the Net OPEB Liability and Related Ratios

Last Eight Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 264,712	\$ 280,060	\$ 270,591	\$ 512,420	\$ 431,244	\$ 416,661	\$ 448,946	\$ 1,861,554
Interest	1,903,657	1,869,245	1,814,809	2,617,900	2,527,585	2,428,098	2,426,171	1,973,036
Differences between expected and actual experience	-	(212,192)	-	(377,814)	-	(551,667)	(1,375,107)	(3,809,187)
Changes in assumptions	-	(33,675)	-	(990,445)	(288,910)	290,589	(1,046,230)	(25,133,680)
Benefit payments, including refunds	(1,396,270)	(1,375,571)	(1,227,234)	(1,479,212)	(1,443,135)	(1,351,986)	(1,507,028)	(1,578,411)
Net Change in Total OPEB Liability	772,099	527,867	858,166	282,849	1,226,784	1,231,695	(1,053,248)	(26,686,688)
Total OPEB Liability - Beginning of year	28,212,457	27,684,590	26,826,424	26,543,575	36,386,477	35,154,782	36,208,030	62,894,718
Total OPEB Liability - End of year	\$ 28,984,556	\$ 28,212,457	\$ 27,684,590	\$ 26,826,424	\$ 37,613,261	\$ 36,386,477	\$ 35,154,782	\$ 36,208,030
Plan Fiduciary Net Position								
Contributions - Employer	\$ 1,596,270	\$ 1,575,571	\$ 1,427,234	\$ 1,679,212	\$ 1,643,135	\$ 1,401,986	\$ 1,557,027	\$ 1,628,411
Contributions - Active and inactive plan members not yet receiving benefits	44,457	49,619	51,075	57,134	59,723	58,919	54,911	63,942
Net investment income (loss)	289,653	238,754	180,863	(260,670)	323,547	29,551	56,866	4,590
Administrative expenses	(16,024)	(11,160)	-	-	-	-	-	-
Benefit payments, including refunds	(1,396,270)	(1,375,571)	(1,227,234)	(1,479,212)	(1,443,135)	(1,351,986)	(1,507,028)	(1,578,411)
Net Change in Plan Fiduciary Net Position	518,086	477,213	431,938	(3,536)	583,270	138,470	161,776	118,532
Plan Fiduciary Net Position - Beginning of year	2,490,257	2,013,044	1,581,106	1,584,642	1,001,372	862,902	701,126	582,594
Plan Fiduciary Net Position - End of year	\$ 3,008,343	\$ 2,490,257	\$ 2,013,044	\$ 1,581,106	\$ 1,584,642	\$ 1,001,372	\$ 862,902	\$ 701,126
Net OPEB Liability - Ending	\$ 25,976,213	\$ 25,722,200	\$ 25,671,546	\$ 25,245,318	\$ 36,028,619	\$ 35,385,105	\$ 34,291,880	\$ 35,506,904
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	10.38 %	8.83 %	7.27 %	5.89 %	4.21 %	2.75 %	2.45 %	1.94 %
Covered Payroll	\$ 2,863,132	\$ 2,766,311	\$ 3,135,333	\$ 3,029,307	\$ 3,361,323	\$ 3,247,655	\$ 3,618,888	\$ 3,333,571
Net OPEB Liability as a Percentage of Covered Payroll	907.27 %	929.84 %	818.78 %	833.37 %	1,071.86 %	1,089.56 %	947.58 %	1,065.13 %

Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios (Continued)

Last Eight Fiscal Years

The required supplementary information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

Restatement

The total OPEB liability as of the beginning of the year ended June 30, 2022 was restated as the result of an error in prior periods. The net OPEB liability had been overstated as a result of including deferred retirees in the calculation who were ineligible for the benefit, as well as using the incorrect benefits for certain participants in the plan. The effect of the restatement was to decrease the total OPEB liability by \$11,069,686 as of the beginning of the year.

Assumption Changes

2018: Changed the mortality assumptions to the RP-2014 fully generational mortality using projection scale MP-2017; the health care trend rate to 6.0 percent, graded down to 5.0 percent in 0.1 percent increments; and the long-term rate of return and the discount rate from 3.50 percent to 6.80 percent due to a change in investment portfolio

2019: Changed the long-term rate of return and the discount rate to 7.00 percent

2020: Changed the mortality table to the Pub-2010 Mortality Table with MP-2018 improvement scale

2021: Changed the mortality table to the Pub-2010 Mortality Table with MP-2019 improvement scale

2022: Changed the mortality table to the Pub-2010 Mortality Table with MP-2020 improvement scale and changed the discount rate to 6.85 percent

2023: No changes

2024: Changes in assumptions are related to updated expected per capita claims costs and ensured alignment with the 2023 pension experience study study (retirement rates, termination rates, and disability rates).

2025: No changes

Required Supplementary Information
Schedule of OPEB Contributions

Last Ten Fiscal Years Years Ended June 30										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,277,169	\$ 2,257,667	\$ 2,260,062	\$ 2,227,338	\$ 3,509,525	\$ 3,125,991	\$ 3,125,991	\$ 3,083,916	\$ 3,230,383	\$ 3,767,017
Contributions in relation to the actuarially determined contribution	1,596,270	1,575,571	1,427,234	1,679,212	1,643,135	1,401,986	1,557,027	1,628,411	1,472,713	1,675,660
Contribution Deficiency	\$ (680,899)	\$ (682,096)	\$ (832,828)	\$ (548,126)	\$ (1,866,390)	\$ (1,724,005)	\$ (1,568,964)	\$ (1,455,505)	\$ (1,757,670)	\$ (2,091,357)
Covered Payroll	\$ 2,863,132	\$ 2,766,311	\$ 3,135,333	\$ 3,029,307	\$ 3,361,323	\$ 3,247,655	\$ 3,618,888	\$ 3,333,571	\$ 4,493,845	\$ 4,592,000
Contributions as a Percentage of Covered Payroll	55.75 %	56.96 %	45.52 %	55.43 %	48.88 %	43.17 %	43.03 %	48.85 %	32.77 %	36.49 %

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of June 30, one to two years prior to the end of the fiscal year in which the contributions are reported. Covered payroll is as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Remaining amortization period	30 years
Asset valuation method	Market
Health care cost trend rates	6.0 percent, graded down to 5.0 percent in 0.1 percent increments
Investment rate of return	6.85 percent
Mortality	Pub-2010 Mortality Table with MP-2021

City of Grosse Pointe Woods, Michigan

Required Supplementary Information
Schedule of OPEB Investment Returns

	Last Eight Fiscal Years Years Ended June 30							
	2025	2024	2023	2022	2021	2020	2019	2018
Annual money-weighted rate of return - Net of investment expense	11.36 %	8.78 %	8.09 %	(15.20)%	24.76 %	3.10 %	6.68 %	0.68 %

June 30, 2025**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all special revenue funds, and debt service funds, except for transfers, which are budgeted as revenue and expenditures and not other financing sources and uses. All annual appropriations lapse at fiscal year end; encumbrances are not included as expenditures. During the year, the budget was amended in a legally permissible manner.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the first council meeting in April, the city treasurer/comptroller and the city administrator prepare a proposed operating budget for the fiscal year commencing on July 1 and submit it to the City Council. The budget must be adopted through a passage of a budget resolution no later than the third Monday in May.
2. Public hearings are conducted to obtain citizen comments.
3. For the General Fund, the legislative budget is adopted for expenditures at the level of general government (other than Management Information Systems, which is budgeted separately), public safety, public works, and parks and recreation. For all other funds, the legislative budget is adopted at the fund level. Line item detail is provided as a general guideline. Throughout the year, the City Council receives requests to amend the activity budget. All amendments must be approved by a vote of the City Council. Changes in line items within an activity may be made with the approval of the city comptroller.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

As a result of GASB Statement No. 54, the Local Street Fund and the Cable Franchise Fund are now merged with the General Fund for reporting purposes. The General Fund is budgeted for as a separate fund. The following table reconciles the balances presented in the operating statement with the balances presented in the General Fund's budgetary comparison schedule:

	<u>Total Revenue</u>	<u>Total Expenditures</u>	<u>Other Financing Uses</u>
Amounts per operating statement	\$ 17,792,434	\$ 16,854,613	\$ (855,123)
Local Street Fund budgeted separately from the General Fund	(674,146)	(1,238,013)	(400,000)
Cable Franchise Fund budgeted separately from the General Fund	(22,020)	-	-
Amounts per budget statement	<u>\$ 17,096,268</u>	<u>\$ 15,616,600</u>	<u>\$ (1,255,123)</u>

Supplementary Information

Special Revenue Funds

These funds are used to account for specific revenue sources that are legally restricted to expenditures for specific functions or activities. Restrictions may be imposed by state statute, the state constitution, the city board resolution of action, or the electorate through the approval of special dedicated millages.

Major Street Fund

This fund accounts for the maintenance and replacement of all major streets within the City. Funding is provided by distribution of gas tax proceeds.

Solid Waste Fund

This fund is used to account for the collection, disposal, and recycling of all residential and commercial waste within the City. Financing is provided by a separate tax millage.

Act 302 Training Fund

This fund accounts for the costs of training courses for the police department. Financing is provided by state grants.

PA 1 MCOLES Training Fund

This fund accounts for the costs of continuing professional education for law enforcement officers as a result of the MCOLES Act.

Grants Fund

This fund is used to account for the activity of the Community Development Block Grant Program and other federal grants. Financing is provided by the Wayne County Economic Development Grant Program.

911 Emergency Service Fund

This fund accounts for moneys expended to maintain and operate an emergency response system. Moneys are received from the AT&T phone company, which levies a surcharge on all phone users within the community.

Drug Enforcement Fund

This fund is used to account for moneys seized in arrests for illegal drug activities and from various grants issued to the police department. Functions and activities include drug enforcement and education, departmental training, and expenses associated with the grants received.

Parkway Beautification Fund

This fund was created to account for moneys provided by donors to finance parkway beautification activities.

MIDC Grant Fund

The Michigan Indigent Defense Commission Grant Fund (MIDC Grant Fund) was created to account for grants received related to the court.

Opioid Settlement Fund

This fund was created to track future revenue and expenditures for the National Opioid Settlement, where the City was listed as eligible to receive funds for the Teva, Allergan, CVS, Walmart, and Walgreens settlements.

Debt Service Funds

Debt service funds are used to account for the payment of principal and interest on long-term debt.

2015 Road Bond Debt Service Fund

This fund accounts for the debt service of the 2015 Road Bonds.

2018 Capital Improvement Bond Fund

This fund accounts for the debt service related to 2018 capital improvements.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Revenue sources include General Fund transfers, grants from other units of government, private contributions, and bond proceeds.

Municipal Improvement Fund

This fund accounts for the acquisition and construction of various construction projects in the City.

Budgetary Funds

These funds are funds that were merged into the General Fund as a result of GASB Statement No. 54 but are budgeted as separate funds by the City Council.

Local Street Fund

This fund accounts for the maintenance and replacement of all local streets within the City. Funding is provided by distribution of gas tax proceeds.

Cable Franchise Fund

This fund accounts for the investment of proceeds from the sale of the City's interest in a cable company's earnings used for capital improvements.

City of Grosse Pointe Woods, Michigan

	Special Revenue Funds					
	Major Street Fund	Solid Waste Fund	Act 302 Training Fund	PA 1 MCOLES Training Fund	Grants Fund	911 Emergency Service Fund
Assets						
Cash and investments	\$ 1,460,709	\$ 1,356,668	\$ 16,995	\$ 21,773	\$ 10,044	\$ 218,598
Receivables:						
Accrued interest receivable	-	-	-	-	-	-
Other receivables	1,676	-	-	-	-	-
Due from other governments	224,826	-	-	-	20,000	14,525
Total assets	\$ 1,687,211	\$ 1,356,668	\$ 16,995	\$ 21,773	\$ 30,044	\$ 233,123
Liabilities						
Accounts payable	\$ 152,121	\$ 4,564	\$ -	\$ -	\$ -	\$ 38,765
Due to other funds	-	-	-	-	20,000	-
Accrued liabilities and other:						
Accrued salaries and wages	3,597	2,461	-	-	-	1,807
Payroll taxes and withholdings	839	37,321	-	-	-	433
Accrued other	1,606	31,385	-	-	-	1,116
Unearned revenue	-	-	-	-	-	-
Total liabilities	158,163	75,731	-	-	20,000	42,121
Deferred Inflows of Resources -						
Unavailable revenue	-	-	-	-	20,000	-
Total liabilities and deferred inflows of resources	158,163	75,731	-	-	40,000	42,121
Fund Balances (Deficit)						
Restricted:						
Roads	1,529,048	-	-	-	-	-
Public safety	-	-	16,995	21,773	-	191,002
Debt service	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Solid waste	-	1,280,937	-	-	-	-
Opioid settlement	-	-	-	-	-	-
Committed - Repairs and equipment	-	-	-	-	-	-
Assigned - Parkway beautification	-	-	-	-	-	-
Unassigned	-	-	-	-	(9,956)	-
Total fund balances (deficit)	1,529,048	1,280,937	16,995	21,773	(9,956)	191,002
Total liabilities, deferred inflows of resources, and fund balances (deficit)	\$ 1,687,211	\$ 1,356,668	\$ 16,995	\$ 21,773	\$ 30,044	\$ 233,123

Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2025

Special Revenue Funds				Debt Service Funds		Capital Project Funds	Total
Drug Enforcement Fund	Parkway Beautification Fund	MIDC Grant Fund	Opioid Settlement Fund	2015 Road Bond Debt Service Fund	2018 Capital Improvement Bond Fund	Municipal Improvement Fund	
\$ 6,084	\$ 268,898	\$ 12,114	\$ 28,887	\$ 193,787	\$ 6,569	\$ 809,984	\$ 4,411,110
-	336	-	-	-	-	-	336
-	-	-	-	-	-	-	1,676
-	-	-	87,044	-	-	13,350	359,745
\$ 6,084	\$ 269,234	\$ 12,114	\$ 115,931	\$ 193,787	\$ 6,569	\$ 823,334	\$ 4,772,867
\$ -	\$ 2,405	\$ 3,226	\$ -	\$ -	\$ -	\$ 280,179	\$ 481,260
-	-	-	-	-	-	-	20,000
-	-	-	-	-	-	-	7,865
-	-	-	-	-	-	-	38,593
-	-	-	-	16,493	-	-	50,600
-	-	-	-	-	-	9,500	9,500
-	2,405	3,226	-	16,493	-	289,679	607,818
-	-	-	80,053	-	-	-	100,053
-	2,405	3,226	80,053	16,493	-	289,679	707,871
-	-	-	-	-	-	-	1,529,048
6,084	-	-	-	-	-	-	235,854
-	-	-	-	177,294	6,569	-	183,863
-	-	8,888	-	-	-	-	8,888
-	134,624	-	-	-	-	-	134,624
-	-	-	-	-	-	-	1,280,937
-	-	-	35,878	-	-	-	35,878
-	-	-	-	-	-	533,655	533,655
-	132,205	-	-	-	-	-	132,205
-	-	-	-	-	-	-	(9,956)
6,084	266,829	8,888	35,878	177,294	6,569	533,655	4,064,996
\$ 6,084	\$ 269,234	\$ 12,114	\$ 115,931	\$ 193,787	\$ 6,569	\$ 823,334	\$ 4,772,867

City of Grosse Pointe Woods, Michigan

	Special Revenue Funds					
	Major Street Fund	Solid Waste Fund	Act 302 Training Fund	PA 1 MCOLES Training Fund	Grants Fund	911 Emergency Service Fund
Revenue						
Property taxes	\$ -	\$ 2,213,718	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State sources:						
State-shared revenue	490,000	13,160	-	-	-	-
Act 51 gas and weight tax	1,410,473	-	-	-	-	-
Other state grants	-	-	11,003	24,000	-	-
Investment income - Investment earnings	53,092	103,584	-	-	-	-
Other revenue	44,606	-	10	-	-	91,822
Total revenue	1,998,171	2,330,462	11,013	24,000	-	91,822
Expenditures						
Current services:						
General government	-	-	-	-	-	36,365
Public safety	-	-	4,975	16,727	-	116,408
Public works	1,096,399	2,007,160	-	-	-	-
Community and economic development	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Total expenditures	1,096,399	2,007,160	4,975	16,727	-	152,773
Excess of Revenue Over (Under) Expenditures	901,772	323,302	6,038	7,273	-	(60,951)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	(400,000)	-	-	-	-	-
Total other financing (uses) sources	(400,000)	-	-	-	-	-
Net Change in Fund Balances	501,772	323,302	6,038	7,273	-	(60,951)
Fund Balances (Deficit) - Beginning of year	1,027,276	957,635	10,957	14,500	(9,956)	251,953
Fund Balances (Deficit) - End of year	\$ 1,529,048	\$ 1,280,937	\$ 16,995	\$ 21,773	\$ (9,956)	\$ 191,002

Supplementary Information

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2025

Special Revenue Funds				Debt Service Funds		Capital Project Funds	
Drug Enforcement Fund	Parkway Beautification Fund	MIDC Grant Fund	Opioid Settlement Fund	2015 Road Bond Debt Service Fund	2018 Capital Improvement Bond Fund	Municipal Improvement Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,251,530	\$ -	\$ -	\$ 3,465,248
-	-	-	-	7,860	-	-	511,020
-	-	-	-	-	-	-	1,410,473
-	-	39,981	8,745	-	-	-	83,729
-	-	-	-	-	-	-	156,676
4,518	72,953	-	-	-	-	22,979	236,888
4,518	72,953	39,981	8,745	1,259,390	-	22,979	5,864,034
-	-	52,557	-	-	-	-	88,922
249	-	-	-	-	-	-	138,359
-	-	-	4,455	-	-	-	3,108,014
-	-	-	-	-	-	1,264,123	1,264,123
-	107,574	-	-	-	-	-	107,574
-	-	-	-	1,325,000	155,000	-	1,480,000
-	-	-	-	35,801	60,236	-	96,037
249	107,574	52,557	4,455	1,360,801	215,236	1,264,123	6,283,029
4,269	(34,621)	(12,576)	4,290	(101,411)	(215,236)	(1,241,144)	(418,995)
-	-	3,175	-	-	215,238	1,144,353	1,362,766
-	-	-	-	-	-	-	(400,000)
-	-	3,175	-	-	215,238	1,144,353	962,766
4,269	(34,621)	(9,401)	4,290	(101,411)	2	(96,791)	543,771
1,815	301,450	18,289	31,588	278,705	6,567	630,446	3,521,225
\$ 6,084	\$ 266,829	\$ 8,888	\$ 35,878	\$ 177,294	\$ 6,569	\$ 533,655	\$ 4,064,996

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Major Governmental Fund Grosse-Gratiot Drain Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 3,744,774	\$ 3,744,774	\$ 3,685,416	\$ (59,358)
Intergovernmental	13,000	13,000	22,861	9,861
Investment income	1,000	1,000	17,848	16,848
Total revenue	3,758,774	3,758,774	3,726,125	(32,649)
Expenditures				
Current services - Public works	2,463,841	2,463,841	2,470,226	(6,385)
Debt service	1,287,214	1,287,214	1,287,214	-
Total expenditures	3,751,055	3,751,055	3,757,440	(6,385)
Net Change in Fund Balance - Excess of revenue over (under) expenditures	7,719	7,719	(31,315)	(39,034)
Fund Balance - Beginning of year	460,244	460,244	460,244	-
Fund Balance - End of year	<u>\$ 467,963</u>	<u>\$ 467,963</u>	<u>\$ 428,929</u>	<u>\$ (39,034)</u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds Major Street Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Intergovernmental - State sources	\$ 1,399,376	\$ 2,379,376	\$ 1,900,473	\$ (478,903)
Investment income	10,000	10,000	53,092	43,092
Other revenue	27,500	27,500	44,606	17,106
Total revenue	1,436,876	2,416,876	1,998,171	(418,705)
Expenditures				
Current services - Public works:				
Street construction	624,000	1,479,276	495,580	983,696
Routine maintenance	236,675	231,675	197,882	33,793
Winter maintenance	20,151	20,151	14,609	5,542
Traffic services	10,100	10,100	9,717	383
Administration	155,941	158,187	158,226	(39)
Fringe benefits	262,514	267,514	220,385	47,129
Total expenditures	1,309,381	2,166,903	1,096,399	1,070,504
Other Financing Uses - Transfers out	(400,000)	(400,000)	(400,000)	-
Net Change in Fund Balance - Excess of revenue (under) over expenditures	(272,505)	(150,027)	501,772	651,799
Fund Balance - Beginning of year	1,027,276	1,027,276	1,027,276	-
Fund Balance - End of year	<u>\$ 754,771</u>	<u>\$ 877,249</u>	<u>\$ 1,529,048</u>	<u>\$ 651,799</u>

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Solid Waste Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 2,249,993	\$ 2,249,993	\$ 2,213,718	\$ (36,275)
Intergovernmental	8,000	8,000	13,160	5,160
Investment income	200	200	103,584	103,384
Total revenue	2,258,193	2,258,193	2,330,462	72,269
Expenditures				
Current services - Public works:				
Other services and chargers	1,931,270	1,933,940	1,860,862	73,078
Fringe benefits	148,666	148,666	146,298	2,368
Total expenditures	2,079,936	2,082,606	2,007,160	75,446
Net Change in Fund Balance	178,257	175,587	323,302	147,715
Fund Balance - Beginning of year	957,635	957,635	957,635	-
Fund Balance - End of year	\$ 1,135,892	\$ 1,133,222	\$ 1,280,937	\$ 147,715

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Act 302 Training Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Intergovernmental	\$ 5,000	\$ 5,000	\$ 11,013	\$ 6,013
Expenditures - Current - Public safety	5,000	5,000	4,975	25
Net Change in Fund Balance	-	-	6,038	6,038
Fund Balance - Beginning of year	10,957	10,957	10,957	-
Fund Balance - End of year	<u><u>\$ 10,957</u></u>	<u><u>\$ 10,957</u></u>	<u><u>\$ 16,995</u></u>	<u><u>\$ 6,038</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) PA 1 MCOLES Training Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Intergovernmental	\$ -	\$ 24,000	\$ 24,000	\$ -
Expenditures - Current - Public safety	-	24,000	16,727	7,273
Net Change in Fund Balance	-	-	7,273	7,273
Fund Balance - Beginning of year	14,500	14,500	14,500	-
Fund Balance - End of year	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 21,773</u>	<u>\$ 7,273</u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Grants Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Federal grants	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Expenditures - Current - General government	20,000	20,000	-	20,000
Net Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) - Beginning of year	(9,956)	(9,956)	(9,956)	-
Fund Balance (Deficit) - End of year	<u><u>\$ (9,956)</u></u>	<u><u>\$ (9,956)</u></u>	<u><u>\$ (9,956)</u></u>	<u><u>\$ -</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) 911 Emergency Service Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other revenue	\$ 74,000	\$ 74,000	\$ 91,822	\$ 17,822
Expenditures - Current services				
General government	36,845	36,845	36,365	480
Public safety	94,729	125,816	116,408	9,408
Total expenditures	131,574	162,661	152,773	9,888
Net Change in Fund Balance	(57,574)	(88,661)	(60,951)	27,710
Fund Balance - Beginning of year	251,953	251,953	251,953	-
Fund Balance - End of year	<u><u>\$ 194,379</u></u>	<u><u>\$ 163,292</u></u>	<u><u>\$ 191,002</u></u>	<u><u>\$ 27,710</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Drug Enforcement Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other revenue	\$ -	\$ -	\$ 4,518	\$ 4,518
Expenditures - Current services - Public safety	750	750	249	501
Net Change in Fund Balance	(750)	(750)	4,269	5,019
Fund Balance - Beginning of year	1,815	1,815	1,815	-
Fund Balance - End of year	<u><u>\$ 1,065</u></u>	<u><u>\$ 1,065</u></u>	<u><u>\$ 6,084</u></u>	<u><u>\$ 5,019</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Parkway Beautification Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other revenue	\$ 73,250	\$ 73,250	\$ 72,953	\$ (297)
Expenditures - Current - Recreation and culture	115,715	115,715	107,574	8,141
Net Change in Fund Balance	(42,465)	(42,465)	(34,621)	7,844
Fund Balance - Beginning of year	301,450	301,450	301,450	-
Fund Balance - End of year	<u><u>\$ 258,985</u></u>	<u><u>\$ 258,985</u></u>	<u><u>\$ 266,829</u></u>	<u><u>\$ 7,844</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) MIDC Grant Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - State grants	\$ 52,800	\$ 52,800	\$ 39,981	\$ (12,819)
Expenditures - Current - General government	55,975	55,975	52,557	3,418
Excess of Expenditures Over Revenue	(3,175)	(3,175)	(12,576)	(9,401)
Other Financing Sources - Transfer in	3,175	3,175	3,175	-
Net Change in Fund Balance	-	-	(9,401)	(9,401)
Fund Balance - Beginning of year	18,289	18,289	18,289	-
Fund Balance - End of year	<u><u>\$ 18,289</u></u>	<u><u>\$ 18,289</u></u>	<u><u>\$ 8,888</u></u>	<u><u>\$ (9,401)</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Opioid Settlement Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other state grants	\$ 2,000	\$ 2,000	\$ 8,745	\$ 6,745
Expenditures	3,000	6,515	4,455	2,060
Net Change in Fund Balance - Excess of revenue (under) over expenditures	(1,000)	(4,515)	4,290	8,805
Fund Balance - Beginning of year	31,588	31,588	31,588	-
Fund Balance - End of year	<u><u>\$ 30,588</u></u>	<u><u>\$ 27,073</u></u>	<u><u>\$ 35,878</u></u>	<u><u>\$ 8,805</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
2015 Road Bond Debt Service Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 1,271,835	\$ 1,271,835	\$ 1,251,530	\$ (20,305)
Intergovernmental	5,000	5,000	7,860	2,860
Total revenue	1,276,835	1,276,835	1,259,390	(17,445)
Expenditures - Debt service				
Principal	1,325,000	1,325,000	1,325,000	-
Interest on long-term debt	35,801	35,801	35,801	-
Total expenditures	1,360,801	1,360,801	1,360,801	-
Net Change in Fund Balance	(83,966)	(83,966)	(101,411)	(17,445)
Fund Balance - Beginning of year	278,705	278,705	278,705	-
Fund Balance - End of year	<u><u>\$ 194,739</u></u>	<u><u>\$ 194,739</u></u>	<u><u>\$ 177,294</u></u>	<u><u>\$ (17,445)</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
2018 Capital Improvement Bond Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures - Debt service				
Principal	155,000	155,000	155,000	-
Interest on long-term debt	60,238	60,238	60,236	2
Total expenditures	215,238	215,238	215,236	2
Excess of Expenditures Over Revenue	(215,238)	(215,238)	(215,236)	2
Other Financing Sources - Transfers in	215,238	215,238	215,238	-
Net Change in Fund Balance	-	-	2	2
Fund Balance - Beginning of year	6,567	6,567	6,567	-
Fund Balance - End of year	<u><u>\$ 6,567</u></u>	<u><u>\$ 6,567</u></u>	<u><u>\$ 6,569</u></u>	<u><u>\$ 2</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Municipal Improvement Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Miscellaneous	\$ -	\$ 30,000	\$ 22,979	\$ (7,021)
Expenditures - Current - Community and economic development	815,000	1,184,353	1,264,123	(79,770)
Excess of Expenditures Over Revenue	(815,000)	(1,154,353)	(1,241,144)	(86,791)
Other Financing Sources - Transfers in	805,000	1,144,353	1,144,353	-
Net Change in Fund Balance	(10,000)	(10,000)	(96,791)	(86,791)
Fund Balance - Beginning of year	630,446	630,446	630,446	-
Fund Balance - End of year	<u><u>\$ 620,446</u></u>	<u><u>\$ 620,446</u></u>	<u><u>\$ 533,655</u></u>	<u><u>\$ (86,791)</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Cable Franchise Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Investment income	\$ 1,500	\$ 1,500	\$ 22,020	\$ 20,520
Expenditures - Current - Public works	-	-	-	-
Net Change in Fund Balance	1,500	1,500	22,020	20,520
Fund Balance - Beginning of year	564,408	564,408	564,408	-
Fund Balance - End of year	<u><u>\$ 565,908</u></u>	<u><u>\$ 565,908</u></u>	<u><u>\$ 586,428</u></u>	<u><u>\$ 20,520</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Local Street Fund

Year Ended June 30, 2025

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Intergovernmental	\$ 571,724	\$ 571,724	\$ 576,520	\$ 4,796
Investment income	10,225	45,225	49,161	3,936
Other revenue	40,000	48,400	48,465	65
Total revenue	621,949	665,349	674,146	8,797
Expenditures - Current services - Public works				
Streets	681,241	783,470	703,133	80,337
Administration	179,774	181,248	178,223	3,025
Traffic services	10,400	10,400	5,795	4,605
Winter maintenance	60,351	44,189	43,707	482
Fringe benefits	284,888	319,921	307,155	12,766
Total expenditures	1,216,654	1,339,228	1,238,013	101,215
Excess of Expenditures Over Revenue	(594,705)	(673,879)	(563,867)	110,012
Other Financing Sources - Transfers in	400,000	400,000	400,000	-
Net Change in Fund Balance	(194,705)	(273,879)	(163,867)	110,012
Fund Balance - Beginning of year	1,023,451	1,023,451	1,023,451	-
Fund Balance - End of year	<u><u>\$ 828,746</u></u>	<u><u>\$ 749,572</u></u>	<u><u>\$ 859,584</u></u>	<u><u>\$ 110,012</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Local Street Fund Fund-based Balance Sheet

		June 30, 2025
Assets		
Cash and investments	\$	842,634
Receivables		91,896
Total assets	\$	934,530
Liabilities		
Accounts payable	\$	60,825
Accrued liabilities and other		14,121
Total liabilities		74,946
Fund Balance - Committed - Roads		859,584
Total liabilities and fund balance	\$	934,530

Note - As a result of GASB Statement No. 54, the Local Street Fund is now merged with the General Fund for reporting purposes. The Local Street Fund balance sheet is shown for supplementary purposes.

Commodity Sales Fund

This fund records the purchases and sale of rubbish bags and other miscellaneous items that the municipality holds for resale.

Boat Dock Rental Fund

This fund accounts for boat dock rental units that are available to the citizens of the City of Grosse Pointe Woods, Michigan on an annual basis. Boat launch ramps and other watercraft maintenance services are available.

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Net Position Nonmajor Enterprise Funds

June 30, 2025

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Assets			
Current assets - Cash and cash equivalents	\$ 593,571	\$ 126,342	\$ 719,913
Noncurrent assets - Capital assets - Net	434,803	63,091	497,894
Total assets	1,028,374	189,433	1,217,807
Liabilities - Current liabilities			
Accounts payable	39,412	-	39,412
Accrued liabilities and other	1,991	-	1,991
Total liabilities	41,403	-	41,403
Net Position			
Net investment in capital assets	395,412	63,091	458,503
Unrestricted	591,559	126,342	717,901
Total net position	<u><u>\$ 986,971</u></u>	<u><u>\$ 189,433</u></u>	<u><u>\$ 1,176,404</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Revenue, Expenses, and Changes in Net Position Nonmajor Enterprise Funds

Year Ended June 30, 2025

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Operating Revenue			
Docking and launching fees	\$ 234,844	\$ -	\$ 234,844
Commodity sales	-	7,404	7,404
Total operating revenue	234,844	7,404	242,248
Operating Expenses			
General and administrative	77,155	395	77,550
Operation and maintenance	5,000	-	5,000
Depreciation	56,479	2,868	59,347
Total operating expenses	138,634	3,263	141,897
Operating Income	96,210	4,141	100,351
Nonoperating Revenue - Investment income	37,169	6,595	43,764
Transfers Out	(107,643)	-	(107,643)
Change in Net Position	25,736	10,736	36,472
Net Position - Beginning of year	961,235	178,697	1,139,932
Net Position - End of year	<u>\$ 986,971</u>	<u>\$ 189,433</u>	<u>\$ 1,176,404</u>

Supplementary Information
Combining Statement of Cash Flows
Nonmajor Enterprise Funds

Year Ended June 30, 2025

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers	\$ 240,863	\$ 7,404	\$ 248,267
Payments to employees and fringes	(52,024)	(395)	(52,419)
Net cash and cash equivalents provided by operating activities	188,839	7,009	195,848
Cash Flows Used in Noncapital Financing Activities -			
Transfers to other funds	(107,643)	-	(107,643)
Cash Flows Used in Capital and Related Financing Activities -			
Purchase of capital assets	(205,016)	-	(205,016)
Cash Flows Provided by Investing Activities -			
Interest received on investments	37,169	6,595	43,764
Net (Decrease) Increase in Cash and Cash Equivalents	(86,651)	13,604	(73,047)
Cash and Cash Equivalents - Beginning of year	680,222	112,738	792,960
Cash and Cash Equivalents - End of year	<u>\$ 593,571</u>	<u>\$ 126,342</u>	<u>\$ 719,913</u>
Classification of Cash and Cash Equivalents - Cash and cash equivalents	<u>\$ 593,571</u>	<u>\$ 126,342</u>	<u>\$ 719,913</u>
Reconciliation of Operating Income to Net Cash from Operating Activities			
Operating income	\$ 96,210	\$ 4,141	\$ 100,351
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	56,479	2,868	59,347
Changes in assets and liabilities:			
Net pension or OPEB liability	(113)	-	(113)
Accounts payable	36,263	-	36,263
Total adjustments	92,629	2,868	95,497
Net cash and cash equivalents provided by operating activities	<u>\$ 188,839</u>	<u>\$ 7,009</u>	<u>\$ 195,848</u>

Motor Vehicle Fund

This fund accounts for the costs of acquiring and maintaining city-operated vehicles used by various city departments. The actual cost of labor and materials is reimbursed to this fund by the user department through fees.

Workers' Compensation Fund

This fund was created to identify all costs associated with operating a self-insured workers' compensation fund. Funds are accumulated via transfers from other governmental and proprietary fund types and interest made on surplus earnings.

Medical Care Fund

This fund was created to pay all of the employee health care and OPEB benefit expenses on behalf of all other funds. Funds are accumulated via transfers from other governmental and proprietary fund types made to cover medical costs.

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Net Position Internal Service Funds

June 30, 2025

	Motor Vehicle Fund	Workers' Compensation Fund	Medical Care Fund	Total Internal Service Funds
Assets				
Current assets:				
Cash and cash equivalents	\$ 468,054	\$ 162,320	\$ -	\$ 630,374
Investments	665,648	129,684	-	795,332
Receivables - Accrued interest receivable	9,013	194	-	9,207
Prepaid expenditures and other assets - Prepaid expenses	-	78,044	237,585	315,629
Total current assets	1,142,715	370,242	237,585	1,750,542
Noncurrent assets - Capital assets - Net	2,458,602	-	-	2,458,602
Total assets	3,601,317	370,242	237,585	4,209,144
Deferred Outflows of Resources - Deferred pension costs	121,832	-	-	121,832
Liabilities				
Current liabilities:				
Accounts payable	5,421	320	8,097	13,838
Due to other funds	-	-	40,731	40,731
Accrued liabilities and other	8,131	-	-	8,131
Provision for claims	-	155,000	-	155,000
Total current liabilities	13,552	155,320	48,828	217,700
Noncurrent liabilities:				
Compensated absences	33,485	-	-	33,485
Net pension liability	708,889	-	-	708,889
Net OPEB liability	653,733	-	-	653,733
Total liabilities	1,409,659	155,320	48,828	1,613,807
Deferred Inflows of Resources - Deferred pension cost reductions	122,909	-	-	122,909
Net Position				
Net investment in capital assets	2,458,602	-	-	2,458,602
Unrestricted	(268,021)	214,922	188,757	135,658
Total net position	<u>\$ 2,190,581</u>	<u>\$ 214,922</u>	<u>\$ 188,757</u>	<u>\$ 2,594,260</u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Revenue, Expenses, and Changes in Net Position Internal Service Funds

Year Ended June 30, 2025

	Motor Vehicle Fund	Workers' Compensation Fund	Medical Care Fund	Total Internal Service Funds
Operating Revenue - Charges to other funds	\$ 892,606	\$ 195,930	\$ 3,093,416	\$ 4,181,952
Operating Expenses				
Cost of insurance claims	12,351	92,787	2,904,659	3,009,797
General and administrative	373,845	6,561	-	380,406
Vehicle operation and maintenance	337,861	-	-	337,861
Depreciation	372,851	-	-	372,851
Total operating expenses	1,096,908	99,348	2,904,659	4,100,915
Operating (Loss) Income	(204,302)	96,582	188,757	81,037
Nonoperating Revenue				
Investment income	53,522	5,999	-	59,521
Gain on sale of assets	1,000	-	-	1,000
Insurance proceeds	6,782	-	-	6,782
Total nonoperating revenue	61,304	5,999	-	67,303
Change in Net Position	(142,998)	102,581	188,757	148,340
Net Position - Beginning of year	2,333,579	112,341	-	2,445,920
Net Position - End of year	<u>\$ 2,190,581</u>	<u>\$ 214,922</u>	<u>\$ 188,757</u>	<u>\$ 2,594,260</u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Cash Flows Internal Service Funds

Year Ended June 30, 2025

	Motor Vehicle Fund	Workers' Compensation Fund	Medical Care Fund	Total Internal Service Funds
Cash Flows from Operating Activities				
Receipts from interfund services and reimbursements	\$ 892,606	\$ 195,930	\$ 3,093,416	\$ 4,181,952
Payments to suppliers	(337,840)	-	-	(337,840)
Payments to employees and fringes	(399,394)	(11,117)	(188,757)	(599,268)
Claims paid	(12,935)	(190,648)	(2,904,659)	(3,108,242)
Net cash and cash equivalents provided by (used in) operating activities	142,437	(5,835)	-	136,602
Cash Flows from Capital and Related Financing Activities				
Proceeds from insurance	6,782	-	-	6,782
Proceeds from sale of capital assets	1,000	-	-	1,000
Purchase of capital assets	(173,071)	-	-	(173,071)
Net cash and cash equivalents used in capital and related financing activities	(165,289)	-	-	(165,289)
Cash Flows from Investing Activities				
Interest received on investments	63,354	9,103	-	72,457
Purchases of investment securities	(26,360)	(9,103)	-	(35,463)
Net cash and cash equivalents provided by investing activities	36,994	-	-	36,994
Net Increase (Decrease) in Cash and Cash Equivalents	14,142	(5,835)	-	8,307
Cash and Cash Equivalents - Beginning of year	453,912	168,155	-	622,067
Cash and Cash Equivalents - End of year	\$ 468,054	\$ 162,320	\$ -	\$ 630,374
Classification of Cash and Cash Equivalents				
Cash and investments	\$ 1,133,702	\$ 292,004	\$ -	\$ 1,425,706
Less amounts classified as investments	(665,648)	(129,684)	-	(795,332)
Total cash and cash equivalents	\$ 468,054	\$ 162,320	\$ -	\$ 630,374

City of Grosse Pointe Woods, Michigan

Supplementary Information Combining Statement of Cash Flows (Continued) Internal Service Funds

Year Ended June 30, 2025

	Motor Vehicle Fund	Workers' Compensation Fund	Medical Care Fund	Total Internal Service Funds
Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities				
Operating (loss) income	\$ (204,302)	\$ 96,582	\$ 188,757	\$ 81,037
Adjustments to reconcile operating (loss) income to net cash from operating activities:				
Depreciation	372,851	-	-	372,851
Changes in assets and liabilities:				
Prepaid and other assets	6,536	(6,118)	(237,585)	(237,167)
Net pension or OPEB liability	(27,672)	-	-	(27,672)
Accounts payable	(4,392)	(10,967)	48,828	33,469
Estimated claims liability	(584)	(85,332)	-	(85,916)
Total adjustments	346,739	(102,417)	(188,757)	55,565
Net cash and cash equivalents provided by operating activities	<u>\$ 142,437</u>	<u>\$ (5,835)</u>	<u>\$ -</u>	<u>\$ 136,602</u>

Trust funds are used to account for assets held by the government in a trustee capacity.

Pension and Other Employee Benefit Trust Funds

The City operates one retirement system, one supplemental annuity fund, and one retiree health care account, which are accounted for in three separate funds. These funds cover all full-time employees of the City.

Supplementary Information
Statement of Fiduciary Net Position
Fiduciary Funds

June 30, 2025

	Pension and Other Employee Benefit Trust Funds			
			Other	
	Pension Fund	Supplemental Annuity Fund	Postemployment Benefit Trust Fund	Total Pension and OPEB Funds
Assets				
Cash and cash equivalents	\$ 773,439	\$ 54,422	\$ 29,994	\$ 857,855
Investments:				
Equity funds	14,297,026	1,659,425	-	15,956,451
Bond funds	9,286,567	-	-	9,286,567
Exchange-traded funds	23,200,972	1,632,502	2,978,349	27,811,823
Receivables - Accrued interest receivable	952	67	-	1,019
Total assets	47,558,956	3,346,416	3,008,343	53,913,715
Liabilities	-	-	-	-
Net Position				
Restricted for pension	47,558,956	3,346,416	-	50,905,372
Restricted for postemployment benefits other than pension	-	-	3,008,343	3,008,343
Total net position	<u><u>\$ 47,558,956</u></u>	<u><u>\$ 3,346,416</u></u>	<u><u>\$ 3,008,343</u></u>	<u><u>\$ 53,913,715</u></u>

City of Grosse Pointe Woods, Michigan

Supplementary Information Statement of Changes in Fiduciary Net Position Fiduciary Funds

Year Ended June 30, 2025

	Pension and Other Employee Benefit Trust Funds			
	Pension Fund	Supplemental Annuity Fund	Other Postemployment Benefit Trust Fund	Total Pension and OPEB Funds
Additions				
Investment income (loss):				
Interest and dividends	\$ 380,697	\$ 25,755	\$ 70,944	\$ 477,396
Net increase in fair value of investments	4,988,552	337,476	218,709	5,544,737
Investment costs	(49,651)	(3,359)	(16,024)	(69,034)
Net investment income	5,319,598	359,872	273,629	5,953,099
Contributions:				
Employer contributions	2,379,869	341,012	1,596,270	4,317,151
Employee contributions	315,815	-	44,457	360,272
Total contributions	2,695,684	341,012	1,640,727	4,677,423
Total additions	8,015,282	700,884	1,914,356	10,630,522
Deductions - Benefit payments	4,167,288	311,514	1,396,270	5,875,072
Net Increase in Fiduciary Net Position	3,847,994	389,370	518,086	4,755,450
Net Position - Beginning of year	43,710,962	2,957,046	2,490,257	49,158,265
Net Position - End of year	\$ 47,558,956	\$ 3,346,416	\$ 3,008,343	\$ 53,913,715

June 30, 2025

Budgetary Information

As a result of GASB Statement No. 54, the Local Street Fund and Cable Franchise Fund are now merged with the General Fund for reporting purposes but are budgeted as separate funds.

Statistical Section

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health

The statistical section is organized into the following main categories:

Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides

Continuing Disclosure

Continuing disclosure information contained herein complies with Rule 15c2-12, a federal regulation promulgated by the Securities and Exchange Commission, designed to improve disclosure practices in the municipal bond market. Municipal bonds issued after July 3, 1995 are subject to this mandatory requirement.

Continuing disclosure requires certain annual financial information and operating data, including audited financial statements for the preceding fiscal year. This information is generally consistent with the information contained or cross-referenced in the official statement relating to the bonds.

City of Grosse Pointe Woods

	As of June 30,			
	2016	2017	2018	2019
Governmental Activities				
Net investment in capital assets	\$ 25,064,363	\$ 22,206,276	\$ 27,441,437	\$ 29,554,228
Restricted	2,946,510	3,380,839	3,853,062	4,675,063
Unrestricted	<u>(26,399,199)</u>	<u>(26,770,331)</u>	<u>(65,318,399)</u>	<u>(62,826,090)</u>
Total net position	<u>\$ 1,611,674</u>	<u>\$ (1,183,216)</u>	<u>\$ (34,023,900)</u>	<u>\$ (28,596,799)</u>
Business-type Activities				
Net investment in capital assets	\$ 18,154,537	\$ 18,507,826	\$ 18,830,410	\$ 21,640,125
Restricted	256,000	223,500	198,090	155,000
Unrestricted	<u>7,005,669</u>	<u>9,036,011</u>	<u>8,144,812</u>	<u>7,377,799</u>
Total net position	<u>\$ 25,416,206</u>	<u>\$ 27,767,337</u>	<u>\$ 27,173,312</u>	<u>\$ 29,172,924</u>
Primary Government in Total				
Net investment in capital assets	\$ 43,218,900	\$ 40,714,102	\$ 46,271,847	\$ 51,194,353
Restricted	3,202,510	3,604,339	4,051,152	4,830,063
Unrestricted	<u>(19,393,530)</u>	<u>(17,734,320)</u>	<u>(57,173,587)</u>	<u>(55,448,291)</u>
Total net position	<u>\$ 27,027,880</u>	<u>\$ 26,584,121</u>	<u>\$ (6,850,588)</u>	<u>\$ 576,125</u>

Source: City annual financial statements

Summary Condensed State of Net Position

Net Position by Component

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

As of June 30,					
2020	2021	2022	2023	2024	2025
\$ 34,307,867	\$ 37,562,491	\$ 38,551,052	\$ 39,062,388	\$ 40,788,632	\$ 41,461,434
3,879,012	3,224,854	3,238,920	3,132,849	3,300,662	3,928,118
(62,229,876)	(64,355,478)	(50,566,076)	(42,180,777)	(38,100,161)	(35,450,899)
\$ (24,042,997)	\$ (23,568,133)	\$ (8,776,104)	\$ 14,460	\$ 5,989,133	\$ 9,938,653
\$ 23,036,705	\$ 24,837,411	\$ 27,007,453	\$ 28,235,200	\$ 31,484,291	\$ 32,012,702
198,090	198,090	198,090	198,090	198,090	198,090
8,078,834	7,571,807	7,700,107	8,844,580	8,054,295	9,490,311
\$ 31,313,629	\$ 32,607,308	\$ 34,905,650	\$ 37,277,870	\$ 39,736,676	\$ 41,701,103
\$ 57,344,572	\$ 62,399,902	\$ 65,558,505	\$ 67,297,588	\$ 72,272,923	\$ 73,474,136
\$ 4,077,102	\$ 3,422,944	\$ 3,437,010	\$ 3,330,939	\$ 3,498,752	\$ 4,126,208
(54,151,042)	(56,783,671)	(42,865,969)	(33,336,197)	(30,045,866)	(25,960,588)
\$ 7,270,632	\$ 9,039,175	\$ 26,129,546	\$ 37,292,330	\$ 45,725,809	\$ 51,639,756

City of Grosse Pointe Woods, Michigan

	Fiscal Year			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Expenses				
Governmental activities:				
General government	\$ 3,586,605	\$ 3,508,241	\$ 2,132,039	\$ 739,340
Public safety	9,321,147	8,318,311	5,667,873	4,025,271
Public works	6,431,753	6,720,230	5,388,938	6,164,026
Solid waste	1,126,483	1,108,370	1,666,746	1,499,882
Municipal improvement	575,094	260,432	811,929	1,029,092
Recreation and culture	1,855,328	1,905,019	1,758,972	1,723,645
Interest on long-term debt	207,605	158,803	186,192	539,273
Total governmental activities	23,104,015	21,979,406	17,612,689	15,720,529
Business-type activities:				
Water/Sewer	6,053,295	5,897,189	6,147,744	6,351,669
Parking	304,826	136,057	235,753	495,089
Boat dock	104,778	89,176	432,292	279,565
Commodity sales	23,940	35,713	10,922	47,233
Total business-type activities expenses	6,486,839	6,158,135	6,826,711	7,173,556
Total primary government expenses	29,590,854	28,137,541	24,439,400	22,894,085
Program Revenue				
Governmental activities:				
Charges for services				
Municipal court	401,218	489,299	452,764	410,923
Building inspections and related	-	-	-	-
Recreation and culture	116,383	146,619	141,725	136,973
Other activities	379,099	364,232	397,502	305,384
Total charges for services	896,700	1,000,150	991,991	853,280
Operating and capital grants and contributions	1,009,509	1,306,687	1,655,576	1,756,482
Total governmental activities program revenue	1,906,209	2,306,837	2,647,567	2,609,762
Business-type Activities				
Charges for services:				
Water/Sewer	7,202,849	7,818,095	8,763,915	8,214,871
Parking	439,720	446,643	473,826	448,071
Boat dock	150,625	142,843	172,091	194,478
Commodity sales	30,392	27,679	25,939	21,382
Capital grants and contributions	-	-	-	-
Total business-type program revenue	7,823,586	8,435,260	9,435,771	8,878,802
Total primary government program revenue	\$ 9,729,795	\$ 10,742,097	\$ 12,083,338	\$ 11,488,564
Net (Expense) Revenue				
Governmental activities	\$ (21,197,806)	\$ (19,672,569)	\$ (14,965,122)	\$ (13,110,767)
Business-type activities	1,336,747	2,277,125	2,609,060	1,705,246
Total primary government net expense	\$ (19,861,059)	\$ (17,395,444)	\$ (12,356,062)	\$ (11,405,521)

Source: City annual financial statements

Changes in Governmental Activities, Business-type Activities, and Primary Government Net Position

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal Year					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 518,716	\$ 2,593,302	\$ 2,628,416	\$ 2,594,261	\$ 2,875,560	\$ 3,006,790
5,741,383	6,675,082	4,539,620	2,845,192	4,909,503	6,990,806
6,547,959	7,888,744	7,312,364	8,103,899	8,292,828	9,063,145
1,661,616	1,725,517	1,781,243	1,778,704	1,870,389	1,895,160
1,283,863	1,017,990	(48,212)	50,976	671,958	1,232,855
1,848,120	939,350	1,864,690	1,739,957	1,256,700	880,015
560,896	719,155	591,553	531,883	472,294	414,278
18,162,553	21,559,140	18,669,674	17,644,872	20,349,232	23,483,049
6,399,751	6,089,411	6,340,899	5,978,476	5,788,228	6,349,334
432,624	899,113	354,994	338,605	320,196	145,888
132,434	157,547	168,082	166,731	149,236	138,634
5,279	5,642	5,408	3,158	3,199	3,263
6,970,088	7,151,713	6,869,383	6,486,970	6,260,859	6,637,119
25,132,641	28,710,853	25,539,057	24,131,842	26,610,091	30,120,168
403,678	473,529	510,360	734,184	684,728	856,584
78,258	56,639	119,609	242,217	251,924	274,974
253,907	232,067	221,400	415,061	464,928	403,696
735,843	762,235	851,369	1,391,462	1,401,580	1,535,254
2,496,185	1,731,363	1,848,173	3,874,627	2,122,101	2,188,138
3,232,028	2,493,598	2,699,542	5,266,089	3,523,681	3,723,392
8,021,351	7,831,304	7,623,445	7,999,000	7,431,681	7,560,432
321,868	318,653	282,440	331,026	394,145	342,529
512,097	236,098	234,134	216,226	232,816	234,844
13,795	12,084	11,230	9,555	10,007	7,404
-	-	-	-	-	-
8,869,111	8,398,139	8,151,249	8,555,807	8,068,649	8,145,209
\$ 12,101,139	\$ 10,891,737	\$ 10,850,791	\$ 13,821,896	\$ 11,592,330	\$ 11,868,601
\$ (14,930,525)	\$ (19,065,542)	\$ (15,970,132)	\$ (12,378,783)	\$ (16,825,551)	\$ (19,759,657)
1,899,023	1,246,426	1,281,866	2,068,837	1,807,790	1,508,090
\$ (13,031,502)	\$ (17,819,116)	\$ (14,688,266)	\$ (10,309,946)	\$ (15,017,761)	\$ (18,251,567)

City of Grosse Pointe Woods, Michigan

	Fiscal Year			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Revenue				
Governmental activities:				
Property taxes	\$ 13,450,544	\$ 14,229,532	\$ 14,116,610	\$ 15,161,779
Income taxes				
State-shared revenue	1,640,461	1,564,983	1,715,312	1,848,256
Investment earnings	82,738	38,764	171,696	438,677
Donations	-	-	-	-
Franchise fees	427,964	379,362	362,235	336,174
Other	627,485	665,038	822,143	752,982
Gain on sale of fixed assets	23,684	-	-	-
Transfers	-	-	-	-
Total governmental activities	16,252,876	16,877,679	17,187,996	18,537,868
Business-type activities:				
Unrestricted investment earnings	50,129	74,006	147,189	294,366
Other	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	50,129	74,006	147,189	294,366
Total primary government	16,303,005	16,951,685	17,335,185	18,832,234
Change in Net Position				
Governmental activities	(4,944,930)	(2,794,890)	2,222,874	5,427,101
Business-type activities	1,386,876	2,351,131	2,756,249	1,999,612
Total primary government	\$ (3,558,054)	\$ (443,759)	\$ 4,979,123	\$ 7,426,713

Source: City annual financial statements

Changes in Governmental Activities, Business-type Activities, and Primary Government Net Position (Continued)

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal Year					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 15,997,173	\$ 16,333,840	\$ 17,562,597	\$ 17,797,438	\$ 18,999,422	\$ 19,432,297
1,649,486	2,395,549	2,078,560	2,175,251	2,282,603	2,750,267
338,402	25,167	(103,986)	504,673	966,680	885,502
-	-	-	-	-	-
369,566	341,918	325,892	316,184	292,561	263,312
1,129,700	443,932	809,184	375,801	258,958	270,156
-	-	-	-	-	-
-	-	-	-	-	107,643
19,484,327	19,540,406	20,672,247	21,169,347	22,800,224	23,709,177
241,682	47,253	36,704	303,383	651,016	563,980
-	-	-	-	-	-
-	-	-	-	-	(107,643)
<u>241,682</u>	<u>47,253</u>	<u>36,704</u>	<u>303,383</u>	<u>651,016</u>	<u>456,337</u>
<u>19,726,009</u>	<u>19,587,659</u>	<u>20,708,951</u>	<u>21,472,730</u>	<u>23,451,240</u>	<u>24,165,514</u>
4,553,802	474,864	4,702,115	8,790,564	5,974,673	3,949,520
2,140,705	1,293,679	1,318,570	2,372,220	2,458,806	1,964,427
\$ 6,694,507	\$ 1,768,543	\$ 6,020,685	\$ 11,162,784	\$ 8,433,479	\$ 5,913,947

City of Grosse Pointe Woods

	As of June 30,			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund				
Nonspendable	79,148	94,419	24,890	405,496
Restricted	-	-	-	-
Committed	751,952	541,642	424,329	1,387,970
Assigned	707,910	748,464	3,391,228	1,224,769
Unassigned	<u>4,992,622</u>	<u>6,255,011</u>	<u>5,315,591</u>	<u>5,366,466</u>
Total general fund	<u>6,531,632</u>	<u>7,639,536</u>	<u>9,156,038</u>	<u>8,384,701</u>
All Other Governmental Funds				
Nonspendable	10,438	11,153	3,636	9,080
Restricted	2,937,106	5,816,063	3,850,363	5,552,733
Committed	16,770	23,158	20,006	-
Assigned	1,876,521	231,432	363,125	325,198
Unassigned	<u>-</u>	<u>(33,213)</u>	<u>(207,026)</u>	<u>-</u>
Total all other governmental funds	<u>4,840,835</u>	<u>6,048,593</u>	<u>4,030,104</u>	<u>5,887,011</u>
Total of all governmental funds	<u>\$ 13,910,800</u>	<u>\$ 13,688,129</u>	<u>\$ 13,186,142</u>	<u>\$ 14,271,712</u>

Source: City annual financial statements

Fund Balances - Governmental Funds

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

As of June 30,					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
290,917	296,990	259,597	254,077	157,142	10,157
-	-	-	-	-	-
791,701	1,273,809	989,090	833,336	1,024,810	886,014
599,619	600,130	587,230	588,108	614,408	836,428
<u>6,181,169</u>	<u>5,129,049</u>	<u>5,744,104</u>	<u>7,247,713</u>	<u>7,446,587</u>	<u>7,593,046</u>
<u>7,863,406</u>	<u>7,299,978</u>	<u>7,580,021</u>	<u>8,923,234</u>	<u>9,242,947</u>	<u>9,325,645</u>
11,783	13,860	13,401	97,840	58,435	32,892
4,157,254	3,233,157	3,215,475	2,961,835	3,145,363	3,805,129
-	-	-	564,258	535,186	533,655
291,806	341,746	268,127	288,972	252,441	132,205
-	-	-	(9,956)	(9,956)	(9,956)
<u>4,460,843</u>	<u>3,588,763</u>	<u>3,497,003</u>	<u>3,902,949</u>	<u>3,981,469</u>	<u>4,493,925</u>
\$ 12,324,249	\$ 10,888,741	\$ 11,077,024	\$ 12,826,183	\$ 13,224,416	\$ 13,819,570

City of Grosse Pointe Woods

	Fiscal Year			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue				
Property taxes	\$ 13,450,544	\$ 13,942,867	\$ 14,403,290	\$ 15,161,779
State and local sources	2,649,970	2,723,847	3,167,506	3,746,298
Federal financial assistance	-	25,227	13,777	44,670
Other revenue	2,057,149	2,272,146	2,276,711	2,247,657
Investment income	<u>70,506</u>	<u>27,286</u>	<u>146,493</u>	<u>397,423</u>
Total revenue	<u>18,228,169</u>	<u>18,991,373</u>	<u>20,007,777</u>	<u>21,597,827</u>
Expenditures				
Current:				
General government	2,603,109	2,645,589	2,700,380	4,501,649
Public safety	5,322,568	5,467,346	5,578,638	5,715,168
Public works	10,813,928	8,840,961	17,925,257	12,517,740
Recreation and culture	1,367,357	1,463,628	1,700,044	2,008,936
Miscellaneous	-	-	-	-
Capital outlay	451,935	171,937	615,005	909,337
Debt service principal	-	750,000	750,000	824,103
Debt service interest	<u>207,605</u>	<u>211,250</u>	<u>237,679</u>	<u>531,741</u>
Total expenditures	<u>20,766,502</u>	<u>19,550,711</u>	<u>29,507,003</u>	<u>27,008,674</u>
Excess of Revenue (Under) Over Expenditures	(2,538,333)	(559,338)	(9,499,226)	(5,410,847)
Other Financing Sources (Uses)				
Debt issuance/proceeds from sale of cap assets	-	2,875,000	8,997,239	6,496,417
Transfers in	364,163	16,900	333,586	361,347
Transfers out	<u>(364,163)</u>	<u>(16,900)</u>	<u>(333,586)</u>	<u>(361,347)</u>
Total other financing (uses) sources	<u>-</u>	<u>2,875,000</u>	<u>8,997,239</u>	<u>6,496,417</u>
Net Change in Fund Balances	(2,538,333)	2,315,662	(501,987)	1,085,570
Fund Balances - Beginning of year	<u>13,910,800</u>	<u>11,372,467</u>	<u>13,688,129</u>	<u>13,186,142</u>
Fund Balances - End of year	<u>\$ 11,372,467</u>	<u>\$ 13,688,129</u>	<u>\$ 13,186,142</u>	<u>\$ 14,271,712</u>
Debt service as a percentage of noncapital expenditures	1.34%	5.90%	3.75%	7.20%

Source: City annual financial statements

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal Year					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 15,996,485	\$ 16,333,840	\$ 17,562,597	\$ 17,797,438	\$ 18,999,422	\$ 19,472,297
3,215,563	4,102,284	3,906,733	4,038,555	4,250,665	4,811,066
26,750	20,000	-	1,683,134	20,000	-
1,683,001	1,636,399	1,929,171	2,314,483	2,122,022	2,256,189
289,278	20,597	(106,430)	470,100	903,693	843,041
<u>21,211,077</u>	<u>22,113,120</u>	<u>23,292,071</u>	<u>26,303,710</u>	<u>26,295,802</u>	<u>27,382,593</u>
2,603,533	3,155,827	3,168,107	3,858,151	3,716,289	3,786,880
5,652,474	6,347,322	6,584,918	6,648,055	7,340,478	7,987,781
16,082,363	10,550,044	9,199,527	9,250,096	9,097,449	8,792,464
1,747,492	1,541,078	1,774,950	1,905,186	2,048,683	2,200,583
-	-	-	-	-	-
1,181,810	1,015,605	62,940	231,071	806,247	1,264,123
1,648,548	1,676,496	1,872,905	2,052,647	2,339,954	2,372,260
616,472	672,673	667,712	609,345	548,469	490,991
<u>29,532,692</u>	<u>24,959,045</u>	<u>23,331,059</u>	<u>24,554,551</u>	<u>25,897,569</u>	<u>26,895,082</u>
(8,321,615)	(2,845,925)	(38,988)	1,749,159	398,233	487,511
6,374,152	1,410,417	227,271	-	-	-
1,839,895	1,539,407	798,754	704,739	1,562,051	1,762,766
(1,839,895)	(1,539,407)	(798,754)	(704,739)	(1,562,051)	(1,655,123)
<u>6,374,152</u>	<u>1,410,417</u>	<u>227,271</u>	<u>-</u>	<u>-</u>	<u>107,643</u>
(1,947,463)	(1,435,508)	188,283	1,749,159	398,233	595,154
<u>14,271,712</u>	<u>12,324,249</u>	<u>10,888,741</u>	<u>11,077,024</u>	<u>12,826,183</u>	<u>13,224,416</u>
\$ 12,324,249	\$ 10,888,741	\$ 11,077,024	\$ 12,826,183	\$ 13,224,416	\$ 13,819,570
11.47%	11.25%	11.43%	11.53%	12.07%	11.48%

City of Grosse Pointe Woods

General Governmental Revenue History

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal Year	General Property Taxes	Inter-governmental Revenue	Licenses and Permits	Federal Financial Assistance	Charges for Services	Interest and Miscellaneous	Total Revenue
2016	13,450,544	2,649,970	825,131	-	225,434	1,077,090	18,228,169
2017	13,942,867	2,723,847	860,940	25,227	259,340	1,179,152	18,991,373
2018	14,403,290	3,167,506	362,235	13,777	699,489	1,361,480	20,007,777
2019	15,161,779	3,746,298	336,174	44,670	850,123	1,458,778	21,597,822
2020	15,996,485	3,215,563	369,566	26,750	600,775	1,001,938	21,211,077
2021	16,333,840	3,606,739	341,918	515,545	622,309	692,769	22,113,120
2022	17,562,597	3,906,575	370,999	158	722,004	729,738	23,292,071
2023	17,797,438	4,038,555	376,482	1,683,134	919,111	1,488,990	26,303,710
2024	18,999,422	4,250,655	359,351	20,000	866,483	1,799,891	26,295,802
2025	19,472,297	4,811,066	337,793	-	1,048,461	1,712,976	27,382,593

Source: City annual financial statements

City of Grosse Pointe Woods

Property Tax Levies and Collections

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Tax Year	Year Ended June 30,	Total Levy	Current Collections (1)	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Total
							Collections to Levy
2015	2016	13,131,261	12,483,896	95.07%	647,365	13,131,261	100.00%
2016	2017	14,037,134	13,307,362	94.80%	726,581	14,033,943	99.98%
2017	2018	13,278,048	13,135,291	98.92%	238,023	13,373,314	100.72%
2018	2019	14,671,703	14,371,506	97.95%	300,251	14,671,756	100.00%
2019	2020	15,535,494	15,200,200	97.84%	335,294	15,535,494	100.00%
2020	2021	15,926,332	15,666,713	98.37%	259,619	15,926,332	100.00%
2021	2022	16,272,132	16,028,353	98.50%	243,779	16,272,132	100.00%
2022	2023	16,761,441	16,564,877	98.83%	196,564	16,761,441	100.00%
2023	2024	17,814,992	17,570,674	98.63%	244,318	17,814,992	100.00%
2024	2025	18,492,249	17,926,578	96.94%	565,671	18,492,249	100.00%

(1) Figure includes delinquent taxes turned over to Wayne County for collections on March 1 of each year.

Source: Comptroller's office

City of Grosse Pointe Woods

Tax Year	Fiscal Year	Taxable Value by Property Type			
		Residential	Commercial	Industrial	Personal Property
2015	2016	563,473,469	72,936,601	109,445	14,693,500
2016	2017	578,864,599	66,717,419	110,430	13,757,547
2017	2018	602,093,150	67,911,530	112,749	25,907,200
2018	2019	628,785,679	68,566,360	115,454	25,084,400
2019	2020	650,171,495	71,772,973	117,647	24,344,600
2020	2021	671,520,874	72,674,633	118,400	22,827,600
2021	2022	707,733,272	76,210,252	118,900	23,034,670
2022	2023	758,306,425	79,861,111	117,700	22,991,700
2023	2024	814,356,420	83,749,759	116,900	22,396,100
2024	2025	853,000,575	86,330,195	118,000	21,542,400

Note: Under Michigan law, the revenue base is referred to as "Taxable Value". This amount represents Assessed value (50% of true cash value), limited for each property by the lower of 5% or inflation.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year

Source: Comptroller's office

Taxable Value and Estimated Actual Value of Taxable Property

June 30, 2025
(Unaudited)

Total Value	Tax Rate (mills)	State Equalized Value	Estimated Actual Value	Taxable Value as a Percentage of Actual
651,213,015	21.5685	793,579,200	1,587,158,400	41.03%
659,449,995	20.0671	842,847,660	1,685,695,320	39.12%
696,024,629	20.3936	870,068,002	1,740,136,004	40.00%
722,551,893	21.5214	950,311,765	1,900,623,530	38.02%
746,406,715	21.3551	1,004,650,469	2,009,300,938	37.15%
767,141,507	21.8829	1,036,351,089	2,072,702,178	37.01%
807,097,094	21.4272	1,081,703,586	2,163,407,172	37.31%
861,276,936	21.3037	1,179,535,598	2,359,071,196	36.51%
920,619,179	20.7326	1,282,697,845	2,565,395,690	35.89%
960,991,170	19.7908	1,350,370,595	2,700,741,190	35.58%

City of Grosse Pointe Woods

Millage Rates - Direct City Taxes (1)									Overlapping Taxes
Tax Year	General Operating	Voted EMS	Voted Park Bond	Voted Road Bond	Statutory Solid Waste	Ch 20/21 Milk River Drain	Senior Services	Total Direct Taxes	County
2016	13.8925	-	-	1.5000	2.0251	4.1509	-	21.5685	9.1220
2017	13.9732	-	-	1.5300	2.0251	2.6070	-	20.1353	9.1220
2018	13.6843	-	-	1.5000	2.6023	3.3250	-	21.1116	9.1220
2019	13.4990	-	-	1.5000	2.5674	3.9550	-	21.5214	9.1211
2020	13.3568	-	-	1.5000	2.5406	3.9550	-	21.3524	9.1211
2021	13.1944	-	-	1.5000	2.5099	4.6786	-	21.8829	9.0972
2022	12.9888	-	-	1.2761	2.4711	4.6912	-	21.4272	9.0655
2023	12.9849	-	-	1.5000	2.4711	4.3477	-	21.3037	9.0655
2024	12.8394	-	-	1.3815	2.4440	4.0677	-	20.7326	9.0351
2025	12.6966	-	-	0.4000	2.4171	3.9310	0.3461	19.7908	8.9844

(1) Includes general operating, public safety, recreation, and culture

(2) Previously termed homestead and nonhomestead

Source: Comptroller's office

Direct and Overlapping Property Tax Rates

**June 30, 2025
(Unaudited)**

Overlapping Taxes						Total Tax Rate (2)	
H.C.M.A.	Community College	Grosse Pointe Library	Intermediate School District	School District Principal	School District Nonprincipal	Principal	Nonprincipal
0.2146	3.2408	2.0613	5.4643	15.3770	27.3955	55.0485	67.0670
0.2141	3.2408	2.2186	5.4643	15.3770	27.3955	31.1500	31.1500
0.2129	3.2408	2.1925	5.4643	14.7127	26.7127	55.0616	66.7441
0.2117	3.2408	2.1707	5.4643	15.5975	27.5975	57.2594	69.7706
0.2104	3.2408	2.1504	5.4643	15.9353	28.1307	57.4747	69.6701
0.2089	3.2378	2.1235	5.4643	13.0458	28.1189	55.0604	70.1335
0.2070	3.2202	2.0970	5.4275	14.4586	28.1061	55.9030	69.5505
0.2070	3.2202	2.0970	5.4275	13.8124	28.1011	55.1333	69.4220
0.2062	3.2043	2.0811	5.4092	13.6446	28.0988	54.3131	68.7673
0.2050	3.1876	2.0600	5.3800	15.6320	30.1097	55.2398	69.7175

Principal Property Tax Payers

Current and Ten Years Ago

June 30, 2025

(Unaudited)

	Taxpayer	2025 Taxable Value	Percentage of Total	2016 Taxable Value	Percentage of Total
1	DRSN Real Estate GP LLC	\$ 16,534,154	1.920%	19,633,700	3.174%
2	DTE Gas Co.	9,530,900	1.107%	2,567,700	0.415%
3	Health Care Reit Inc	7,397,158	0.859%	7,024,400	1.136%
4	DTE Electric	6,673,900	0.775%	3,302,800	0.534%
5	Pointe Plaza	6,106,033	0.709%	4,819,587	0.779%
6	VDG Mack Ave LLC	3,082,644	0.358%	N/A	0.000%
7	Legacy Oaks	2,267,589	0.263%	N/A	0.000%
8	Lochmoor Club	1,805,891	0.210%	1,709,266	0.276%
9	Comerica Bank	1,575,558	0.183%	1,320,813	0.214%
10	Kroger Co. of Michigan	1,522,143	0.177%	1,198,083	0.194%
11	SCI Michigan Funeral Service	1,465,600	0.170%	1,438,055	0.233%
12	ANK Enterprises Incorporated	1,380,996	0.160%	1,111,600	0.000%
	Total	\$ 59,342,566	6.890%	\$ 44,126,004	6.955%
	Total	861,276,936		618,492,730	

Source: City of Grosse Pointe Woods Assessing Department records

City of Grosse Pointe Woods

	As of June 30,			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental Activities				
GOB contract - Wayne County Drain	-	-	8,997,239	12,846,326
2015 Road Bonds Issue #1	7,072,022	6,269,575	5,467,128	4,664,681
2015 Road Bonds Issue #2	-	2,875,000	2,875,000	2,875,000
2018 Capital Improvement Bond Issue				2,637,508
Installment loans - Vehicles	648,813	539,586	303,927	62,096
E-One Metro 100' Aerial Apparatus	-	-	-	-
Total	<u>7,720,835</u>	<u>9,684,161</u>	<u>17,643,294</u>	<u>23,085,611</u>
Business-type Activities				
Installment purchase agreements	-	-	-	-
2010 DWRF Bonds	4,436,798	4,166,798	4,051,999	3,791,999
2012 SRF Bonds	2,620,513	2,497,065	2,377,065	2,252,065
Revenue bonds	2,560,000	2,235,000	1,900,000	1,550,000
Bond premium	<u>197,896</u>	<u>169,626</u>	<u>141,353</u>	<u>113,082</u>
Total	<u>9,815,207</u>	<u>9,068,489</u>	<u>8,470,417</u>	<u>7,707,146</u>
Total debt of the government	<u>\$ 17,536,042</u>	<u>\$ 18,752,650</u>	<u>\$ 26,113,711</u>	<u>\$ 30,792,757</u>
Total Taxable Value (1)	\$ 651,213,015	\$ 659,449,995	\$ 696,024,629	\$ 723,476,987
Ratio of Total Debt to Personal Income	2.69%	2.84%	3.75%	4.26%
Total Population	16,135	16,135	16,135	16,135
Total Debt Per Capita	1,087	1,162	1,618	1,908

(1) Personal income is not available

Source: City annual financial statements; population data reported from demographics schedule

Ratios of Outstanding Debt

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

As of June 30,					
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
17,824,929	18,490,523	17,867,490	17,019,842	16,149,889	15,257,628
4,112,234	3,559,787	2,907,340	2,104,893	1,052,446	-
2,580,000	2,280,000	1,975,000	1,665,000	1,345,000	1,020,000
2,497,686	2,352,865	2,203,042	2,048,220	1,888,398	1,723,576
-	299,927	201,856	201,856	-	-
-	-	-	-	-	-
27,014,849	26,983,101	25,154,728	23,039,811	20,435,733	18,001,204
-	-	-	-	-	-
3,526,999	3,251,999	2,971,999	2,681,999	2,386,999	2,081,999
2,127,065	1,997,065	1,867,065	1,732,065	1,592,065	1,452,065
1,185,000	810,000	415,000	-	-	-
84,811	56,540	28,269	-	-	-
6,923,875	6,115,604	5,282,333	4,414,064	3,979,064	3,534,064
\$ 33,938,724	\$ 33,098,705	\$ 30,437,061	\$ 27,453,875	\$ 24,414,797	\$ 21,535,268
\$ 746,406,715	\$ 767,141,507	\$ 807,097,094	\$ 861,276,936	\$ 920,619,179	\$ 960,991,170
4.55%	4.31%	3.77%	3.19%	2.65%	2.24%
16,135	15,332	16,487	16,487	16,487	16,487
2,103	2,159	1,846	1,665	1,481	1,306

Pledged-revenue Coverage

June 30, 2025

(Unaudited)

Fiscal Year	Debt Service Requirements (3)						
	Gross Revenue (1)	Applicable Expenses (2)	Net Revenue	Principal	Interest	Total	Coverage
2016	7,174,578	5,003,502	2,171,076	320,000	76,851	396,851	547.08%
2017	7,789,824	4,826,771	2,963,053	325,000	74,850	399,850	741.04%
2018	8,735,644	5,072,817	3,662,827	335,000	68,250	403,250	908.33%
2019	8,186,600	5,355,540	2,831,060	350,000	59,650	409,650	691.09%
2020	7,993,080	5,344,854	2,648,226	365,000	48,925	413,925	639.78%
2021	7,803,033	4,970,717	2,832,316	375,000	35,950	410,950	689.21%
2022	7,595,174	4,693,139	2,902,035	395,000	22,525	417,525	695.06%
2023	7,970,731	4,900,105	3,070,626	415,000	8,300	423,300	725.40%
2024	7,431,682	4,594,869	2,836,813	-	-	-	n/a
2025	7,560,432	5,198,797	2,361,635	-	-	-	n/a

(1) Exclusive of nonoperating revenue

(2) Exclusive of depreciation charges and nonoperating expenditures

(3) Includes principal and interest of revenue bonds only

Source: ACFR, Statement of Revenue, Expenses, and Changes in Net Position - Proprietary Funds

City of Grosse Pointe Woods

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal Year	Population Per Federal Census		Adjusted Taxable Equalized Valuation	General Obligation Bond Outstanding	Percent Debt to Assessed Value	Debt Per Capita
2016	16,135		651,213,015	7,071,532	1.09%	438
2017	16,135	(1)	659,449,995	6,674,748	1.01%	414
2018	16,135		696,024,629	14,772,899	2.12%	916
2019	16,135	(2)	722,551,893	19,798,180	1.54%	1,227
2020	16,135	(2)	746,406,715	24,971,469	3.35%	1,548
2021	15,332	(2)	767,141,507	25,418,505	3.31%	1,658
2022	16,487		807,097,094	24,352,020	3.02%	1,477
2023	16,487		861,276,936	22,304,269	2.59%	1,353
2024	16,487		920,619,179	19,792,107	2.15%	1,200
2025	16,487		960,991,170	17,388,412	1.81%	1,055

(1) Road Bond Debt Issue #2 Added

(2) Capital Improvement Bonds

Source: Comptroller's office

City of Grosse Pointe Woods

Direct and Overlapping Governmental Activities Debt

**June 30, 2025
(Unaudited)**

Governmental unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Grosse Pointe Public Library	\$ 13,310,000	25.01%	\$ 3,328,831
Grosse Pointe Public Schools	89,645,000	25.01%	22,420,215
County of Wayne Building Authority and Debt Fund	255,285,020	1.60%	4,084,560
Wayne County Community College		1.59%	-
Total overlapping debt	358,240,020		29,833,606
Direct city debt	<u>18,001,204</u>		<u>18,001,204</u>
Total direct and overlapping debt	<u>\$ 376,241,224</u>		<u>\$ 47,834,810</u>

The estimated percentage applicable is calculated by the taxable value of the City of Grosse Pointe Woods divided by the taxable value of the taxing authority's district.

Source: Municipal Advisory Council of Michigan

City of Grosse Pointe Woods

	As of June 30, 2025			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Calculation of debt limit (1):				
Taxable valuation	\$ 651,213,015	\$ 659,449,995	\$ 696,024,629	\$ 723,476,987
10 percent of equalized value	79,357,920	84,284,766	87,006,800	94,964,167
Calculation of debt subject to limit:				
Total debt	16,887,229	18,213,064	25,809,784	30,730,661
Less debt not subject to limit:				
Grosse-Gratiot Drain/Milk River Debt	-	-	8,997,239	12,846,326
2010 DWRP Bonds	4,436,798	4,166,798	3,911,798	3,905,081
2012 SRF Bonds	2,620,513	2,497,065	2,377,065	2,252,065
Water/Sewer Revenue Bonds 2003	2,560,000	2,235,000	1,900,000	1,550,000
Net debt subject to limit	9,617,311	8,898,863	17,186,102	20,553,472
Total net debt (2)	7,269,918	9,314,201	8,623,682	10,177,189
Legal debt margin	72,088,002	74,970,565	78,383,118	84,786,978
Net debt subject to limit as percentage of debt limit	10.08%	12.42%	11.00%	12.00%

(1) The legal debt limit continues to be derived from state equalized value (SEV), not Taxable Value (TV).

(2) Amount does not include water and sewer and County contractual obligations.

Source: Comptroller's office

Legal Debt Margin

June 30, 2025

(Unaudited)

As of June 30, 2025

	<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>
\$	746,406,715	\$	767,141,507	\$	807,097,094	\$	861,276,936	\$	920,619,179	\$	960,991,170
	100,465,047		103,635,109		108,170,359		117,953,559		128,269,785		135,037,060
	33,938,724		32,798,778		30,235,205		27,252,019		24,414,797		21,535,268
	17,824,929		18,490,523		17,867,490		17,019,842		16,149,889		15,257,629
	3,611,810		3,308,539		2,971,999		2,681,999		2,386,999		2,081,999
	2,127,065		1,997,065		1,867,065		1,732,065		1,592,065		1,452,065
	1,185,000		810,000		415,000		-		-		-
	24,748,804		24,606,127		23,121,554		21,433,906		20,128,953		18,791,693
	9,189,920		8,192,651		7,113,651		5,818,113		4,285,844		2,743,575
	91,275,127		95,442,458		101,056,708		112,135,446		123,983,941		132,293,485
	10.07%		8.58%		7.04%		5.19%		3.46%		2.07%

Demographic and Economic Statistics

June 30, 2025

(Unaudited)

Fiscal Year	Population		Personal Income (in thousands)	Per Capita Personal Income	Median Age	Unemployment Rate	School Enrollment
2016	16,135	(1)	(3)	93,404	45.0	5.80%	3,900
2017	16,135	(1)	(3)	95,697	45.4	5.80%	3,662
2018	15,785	(1)	(3)	95,697	45.4	5.80%	3,662
2019	15,412	(1)	(3)	95,697	45.4	5.80%	3,662
2020	15,332	(2)	(3)	97,711	45.8	3.70%	3,613
2021	15,332	(2)	(3)	104,848	45.6	5.60%	3,613
2022	16,487	(4)	(3)	111,392	45.1	5.60%	2,962
2023	16,487	(4)	(3)	115,247	45.1	5.60%	2,843
2024	16,487	(4)	(3)	125,712	45.1	5.60%	2,790
2025	16,487	(4)	(3)	129,442	43.3	6.20%	2,730

(1) US Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

(2) US Census Bureau, 2018 American Community Survey Estimates

(3) Data not available

(4) 2020 Census

Source: Comptroller's office

Principal Employers

June 30, 2025

(Unaudited)

	Employer	Enterprise	2025 Employees	Employer's Percentage of Total Employment	2019 Employees
1	GP Public School	School	384	24.98%	384
2	Van Elslander Center	Medical	250	16.27%	250
3	Kroger	Grocery	159	10.34%	159
4	University of Liggett	School	128	8.33%	128
5	Sunrise Assisted Living	Medical	130	8.46%	140
6	Great Lakes Cancer Mgt Specialist	Medical	103	6.70%	103
7	St. John I.T. & Desktop Support	Medical Business	100	6.51%	100
7	Lochmoor Club	Country Club	100	6.51%	100
9	City of Grosse Pointe Woods	Municipal	83	5.40%	76
10	Original Pancake House	Restaurant	50	3.25%	50
10	Gateway Pediatric Therapy	Medical	50	3.25%	N/A
	Total People Employed in City		1,537		1,490

Source: City Business License Registry

Full-time Government Employees (1)

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

As of June 30,											Percent of Total for 2024
Department	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Supervisor/Administrator	2	2	2	2	2	2	2	2	2	2	2%
Assessing	-	-	-	-	-	-	-	-	-	-	0%
Clerk's Office	3	3	3	3	3	3	3	3	3	3	4%
Treasurer's Office	4	4	4	4	4	4	4	4	4	4	5%
Municipal Court	3	3	3	3	3	3	3	3	3	3	4%
Information Systems	2	2	1	1	1	2	2	2	2	2	2%
Building	4	4	4	4	4	4	5	0	0	0	0%
Parks and Recreation	2	2	2	2	2	2	2	2	2	3	4%
Public Safety	34	34	35	32	36	36	35	38	39	40	48%
Public Works	23	24	22	25	25	25	25	25	25	26	31%
Total	77	78	76	76	80	81	81	79	80	83	100%
	(1)	(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	

(1) Full-time employees reported only; data is not available for equivalent part-time positions.

(2) Public Works vacancy in the process of being filled June 30, 2018.

(3) Public Safety vacancies (2) filled post June 30, 2019

(4) Information Systems position added

(5) Building Department position added

(6) Building Department outsourced

(6) Public Safety added (1) dispatcher

(6) Public Safety (1) PSO vacancy filled

(6) Public Safety added (1) Code Enforcement Officer from Building Department

(7) Public Safety (1) PSO vacancy filled

(8) Public Safety (1) PSO hired for future retirement vacancy

(8) Public Works (1) position added

Source: City personnel records

City of Grosse Pointe Woods

Function/ Program	As of June 30, 2025			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Public safety (calendar year Jan 1 - Dec 31):				
Annual Calls for Service	10,964	11,902	11,411	9,828
Police physical arrests	309	326	177	130
Police traffic violations	1,541	2,724	2,569	1,461
Fire runs	199	282	219	243
Fire actual fires	25	29	14	11
Fire basic ambulance runs	541	544	430	582
Fire Advance Life Support ambulance runs	536	566	828	888
Fire inspections	14	11	8	17
Parking Meter Violations	6,821	7,164	7,263	7,674
Parks and recreation (estimated):				
Recreation programs - Lake Front Park	217	217	195	217
Community center programs	59	59	75	59
Water:				
New connections (calendar year Jan 1 - Dec 31)	2	9	-	3
Water main breaks	34	23	18	31
Total consumption (billed to customers - HCF) - FY	653,545	653,901	731,328	721,131

(1) Information not applicable, as function reports operating indicators on a calendar year

Source: City Departmental Operational Reports

Operating Indicators

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

As of June 30, 2025

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
8,191	7,924	8294	9,779	9,497	(1)
66	69	30	60	61	(1)
1,273	958	1215	2,720	2,289	(1)
284	249	161	220	243	(1)
24	21	20	19	11	(1)
576	523	574	171	748	(1)
820	784	400	659	106	(1)
10	16	21	18	13	(1)
5,101	5,456	5348	6,681	6,880	(1)
3	146	149	145	142	(1)
30	82	58	61	56	(1)
1	2	1	1	-	(1)
17	17	30	16	17	(1)
666,821	611,777	655,752	656,297	576,399	548,967

Capital Asset Statistics

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Function/Program	As of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	8	8
Fire trucks	3	3	3	3	3	3	2	2	2	2
Ambulances	1	1	1	1	-	-	-	-	-	-
Parks and recreation:										
Acreage	92	92	92	92	92	92	92	92	92	92
Playgrounds	5	5	5	5	5	5	5	5	5	5
Soccer fields	2	2	2	2	2	2	2	2	2	2
Baseball/Softball diamonds	5	5	5	5	5	5	5	5	5	5
Water:										
Mains (miles)	63	63	63	63	63	63	68	68	68	68
Fire hydrants	608	608	608	608	608	608	605	605	605	605
Sewer - Miles of sanitary sewers	78	78	78	78	78	78	95	95	95	95

Source: Departmental annual reports

<u>Fiscal Year</u>	<u>Modified Accrual and Accrual Basis of Accounting</u>
2016	1,394,687
2017	1,389,170
2018	1,599,713
2019	1,670,593
2020	1,640,435
2021	1,840,319
2022	2,027,099
2023	2,052,736
2024	2,126,956
2025	2,121,208

Source: Comptroller's office

Gas and Weight Taxes

Last Ten Fiscal Years

June 30, 2025

(Unaudited)

Fiscal year	Type of Street		Total
	Major	Local	Gas and Weight Tax (Act 51) Receipts
2016	697,972	433,599	1,131,571
2017	802,672	364,938	1,167,610
2018	961,831	394,264	1,356,095
2019	1,038,109	456,650	1,494,759
2020	1,111,874	452,402	1,564,276
2021	1,193,060	524,688	1,717,748
2022	1,277,672	559,615	1,837,288
2023	1,314,394	536,585	1,850,979
2024	1,347,306	550,453	1,897,758
2025	1,410,473	576,520	1,986,993

Source: Comptroller's office

Labor Agreements

June 30, 2025

(Unaudited)

Bargaining Unit	Expiration Date	Number of Employees at June 30, 2025
FRATERNAL ORDER OF POLICE LABOR COUNCIL Represents Public Safety Officers	6/30/2026	21
LEGISLATIVE LABOR FUND Represents Public Safety Sergeants and Lieutenants	6/30/2027	9
FRATERNAL ORDER OF POLICE LABOR COUNCIL Represents all Communications Dispatchers	6/30/2026	4
Technical, Professional, and Office Workers Assn of MI Represents clerical, public works employees, building, and ordinance officers	6/30/2026	27
Nonunion Employees (Full-time)		
City Administrator	N/A	1
Assistant City Administrator	N/A	1
City Assessor	N/A	0
Treasurer/Comptroller	N/A	1
Deputy Treasurer/Comptroller	N/A	1
Water Billing Specialist	N/A	1
City Clerk	N/A	1
Public Safety Director	N/A	1
Court Clerk	N/A	1
Deputy Court Clerk	N/A	1
Information Technology Manager	N/A	1
System Administrator	N/A	1
Building Official	N/A	0
Property Maintenance Inspector	N/A	0
Director of Public Works	N/A	1
Assistant Director of PW	N/A	1
Foreman	N/A	1
Director of Parks and Rec	N/A	1
Confidential Administrative Assistant	N/A	4

19

Source: Comptroller's office

City of Grosse Pointe Woods

Water and Sewer Customers and Consumption

June 30, 2025

(Unaudited)

User Type	Number of Meters	Water Consumption Volume (100 cubic feet)	Percentage of Consumption
Residential	6,562	479,369	87.32%
Commercial	282	50,730	9.24%
Churches, schools, and government	32	18,868	3.44%
Total	6,876	548,967	100%

Source: Comptroller's office

City of Grosse Pointe Woods

Historical Net Earnings, Cash Flow, and Debt Service Coverage

June 30, 2025

(Unaudited)

Fiscal Year	Operating Expense	Operating Expenses Exclusive of Depreciation	Net Operating Income	Other Nonoperating Income (1)	Annual Income Available for Debt Service	Annual Revenue Debt Service Requirements	Annual Coverage
2016	5,805,365	5,003,502	1,369,213	86,421	1,455,634	396,851	3.67%
2017	5,631,186	4,826,771	2,158,639	74,058	2,232,697	399,850	5.58%
2018	5,885,978	5,072,817	2,849,666	156,326	3,005,992	403,250	7.45%
2019	6,197,856	5,355,540	1,988,744	260,554	2,249,298	409,650	5.49%
2020	6,224,296	5,344,854	1,768,784	248,323	2,017,107	410,950	4.91%
2021	5,878,466	4,970,717	1,924,567	70,377	1,994,944	417,525	4.78%
2022	6,014,247	5,068,032	1,580,927	75,402	1,656,329	423,300	3.91%
2023	5,854,782	4,900,105	2,115,949	291,348	2,407,297	-	n/a
2024	5,682,342	4,594,869	1,749,339	570,571	2,319,910	-	n/a
2025	6,254,387	5,198,797	1,306,045	484,996	1,791,041	-	n/a

(1) Nonoperating income except connection fees net of nonoperating expenses other than interest expense

Source: ACFR - Statement of Revenue, Expenses, and Changes in Net Position - Proprietary Funds

City of Grosse Pointe Woods**Water Usage and Revenue of the Largest Customers****June 30, 2025****(Unaudited)**

	Customer	Usage in Dollars	Volume of Water Used (in 100 cubic feet)
1	St John Providence	\$44,632.14	12,502
2	GP Board of Education	\$25,864.65	7,245
3	University of Liggett	\$24,458.07	6,851
4	The Rivers	\$21,544.95	6,035
5	Shore Pointe Condos	\$15,690.15	4,395
6	Sunrise	\$15,454.53	4,329
7	Lochmoor Club	\$14,736.96	4,128
8	Original Pancake House	\$8,553.72	2,396
9	Ank Enterprises	\$8,525.16	2,388
10	Berskshires Condo Assoc	\$6,804.42	1,906
11	Pointe Plaza Ltd	\$5,822.67	1,631
12	Star of the Sea	\$5,230.05	1,465
13	Kroger Utilities	\$3,652.11	1,023
14	Blake, Anne	\$2,852.43	799
15	Barbieri-Kolinski, Ann	\$2,656.08	744

Source: City of Grosse Pointe Woods Finance

Metered Water Rates

**June 30, 2025
(Unaudited)**

Meter Size	Residential	Commercial(1)
5/8"	\$ 45.67	\$ 45.67
3/4"	45.67	45.67
1"	100.47	100.47
1 1/2"	182.68	182.68
2"	287.72	287.72
3"	657.65	657.65
4"	977.34	977.34
6"	1,845.07	1,845.07
8"	2,877.21	2,877.21
10"	4,388.89	4,388.89
Billing Charge	2.08	2.08
Water Rate per 100 cubic feet used	3.57	3.57
Sewer Rate per 100 cubic feet used	2.60	2.60

(1) Commercial rate includes churches, schools, and government

Source: Comptroller's office

City of Grosse Pointe Woods

State Equalized Value

	By Class				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Real property	\$ 1,328,828,195	\$ 1,260,301,745	\$ 1,156,543,998	\$ 1,058,668,916	\$ 1,013,523,489
Personal property	<u>21,542,400</u>	<u>22,396,100</u>	<u>22,991,700</u>	<u>23,034,670</u>	<u>22,827,600</u>
Total	<u>\$ 1,350,370,595</u>	<u>\$ 1,282,697,845</u>	<u>\$ 1,179,535,698</u>	<u>\$ 1,081,703,586</u>	<u>\$ 1,036,351,089</u>

	By Use				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Residential	\$ 1,234,604,195	\$ 1,167,072,645	\$ 1,067,406,498	\$ 972,004,716	\$ 930,527,789
Commercial	94,106,000	93,112,200	89,019,700	86,545,300	82,877,300
Industrial	118,000	116,900	117,700	118,900	118,400
Personal property	<u>21,542,400</u>	<u>22,396,100</u>	<u>22,991,700</u>	<u>23,034,670</u>	<u>22,827,600</u>
Total	<u>\$ 1,350,370,595</u>	<u>\$ 1,282,697,845</u>	<u>\$ 1,179,535,598</u>	<u>\$ 1,081,703,586</u>	<u>\$ 1,036,351,089</u>

Taxable Value

	By Class				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Real property	\$ 939,448,770	\$ 898,223,079	\$ 838,285,236	\$ 784,062,424	\$ 744,313,907
Personal property	<u>21,542,400</u>	<u>22,396,100</u>	<u>22,991,700</u>	<u>23,034,670</u>	<u>22,827,600</u>
Total	<u>\$ 960,991,170</u>	<u>\$ 920,619,179</u>	<u>\$ 861,276,936</u>	<u>\$ 807,097,094</u>	<u>\$ 767,141,507</u>

	By Use				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Residential	\$ 853,000,575	\$ 814,356,420	\$ 758,306,425	\$ 707,733,272	\$ 671,520,874
Commercial	86,330,195	83,749,759	79,861,111	76,210,252	72,674,633
Industrial	118,000	116,900	117,700	118,900	118,400
Personal property	<u>21,542,400</u>	<u>22,396,100</u>	<u>22,991,700</u>	<u>23,034,670</u>	<u>22,827,600</u>
Total	<u>\$ 960,991,170</u>	<u>\$ 920,619,179</u>	<u>\$ 861,276,936</u>	<u>\$ 807,097,094</u>	<u>\$ 767,141,507</u>

Source: Comptroller's office