
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, 2022

Introductory Section

Letter of Transmittal	i-vii
GFOA Certificate of Achievement	viii
Organization 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	17-18
Statement of Revenue, Expenses, and Changes in Net Position	19
Statement of Cash Flows	20-21

Fiduciary Funds:

Statement of Fiduciary Net Position	22
Statement of Changes in Fiduciary Net Position	23

Notes to Financial Statements	24-53
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Required Supplemental Information	54
Budgetary Comparison Schedule - General Fund	55
Schedule of Changes in the Net Pension Liability and Related Ratios - Pension Plan	56-57
Schedule of Pension Investment Returns - Pension Plan and Pension Plan Supplemental Annuity	58
Schedule of Pension Contributions - Pension Plan	59
Schedule of Changes in the Net Pension Liability and Related Ratios - Supplemental Annuity	60-61
Schedule of Pension Contributions - Supplemental Annuity	62
Schedule of Changes in the Net OPEB Liability and Related Ratios	63-64
Schedule of OPEB Contributions	65
Schedule of OPEB Investment Returns	66
Notes to Required Supplemental Information	67
Other Supplemental Information	68
Nonmajor Governmental Funds:	
Fund Descriptions	69-70
Combining Balance Sheet	71-72
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	73-74
Budgetary Comparison Schedule - Major Governmental Fund - Grosse-Gratiot Drain Fund	75
Budgetary Comparison Schedules - Nonmajor Governmental Funds	76-89
Local Street Fund - Fund-based Balance Sheet	90
Nonmajor Enterprise Funds:	
Fund Descriptions	91
Combining Statement of Net Position	92
Combining Statement of Revenue, Expenses, and Changes in Net Position	93
Combining Statement of Cash Flows	94
Internal Service Funds:	
Fund Descriptions	95
Combining Statement of Net Position	96
Combining Statement of Revenue, Expenses, and Changes in Net Position	97
Combining Statement of Cash Flows	98-99
Fiduciary Funds:	
Fund Descriptions	100
Statement of Fiduciary Net Position	101
Statement of Changes in Fiduciary Net Position	102
Note to Other Supplemental Information	103

Statistical Section

Description of the Statistical Section	104
Financial Trends	
Net Position by Component	105-106
Changes in Governmental Activities, Business-type Activities, and Primary Government Net Position	107-110
Fund Balances - Governmental Funds	111-112
Changes in Fund Balances - Governmental Funds	113-114
Revenue Capacity Information	
General Governmental Revenue History	115
Property Tax Levies and Collections	116
Taxable Value and Estimated Actual Value of Taxable Property	117-118
Direct and Overlapping Property Tax Rates	119-120
Debt Capacity Information	
Principal Property Tax Payers	121
Ratios of Outstanding Debt	122-123
Pledged-revenue Coverage	124
Ratios of General Bonded Debt Outstanding	125
Direct and Overlapping Governmental Activities Debt	126
Legal Debt Margin	127-128
Demographic and Economic Information	
Demographic and Economic Statistics	129
Principal Employers	130
Operating Information	
Full-time Government Employees (1)	131
Operating Indicators	132-133
Capital Asset Statistics	134
State-shared Revenue	135
Gas and Weight Taxes	136
Labor Agreements	137
Water and Sewer Customers and Consumption	138
Historical Net Earnings, Cash Flow, and Debt Service Coverage	139
Water Usage and Revenue of the Largest Customers	140
Metered Water Rates	141
State Equalized Value and Taxable Value by Class and Use	142



CITY OF GROSSE POINTE WOODS

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

November 17, 2022

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, 2022 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, City 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

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

November 17, 2022

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. 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 17, 2022 on the basic financial statements and individual fund statements and schedules is included in the financial section of this report. There is not a separately issued Single Audit Report for the Federal Grant Fund under the 2 CFR 200 regulations because the total federal grant expenditures were less than the threshold of \$750,000, which is the minimum expenditure limit needed to be subject to the regulations of the Single Audit Act. Through the Wayne County Community Development Block Grant (CDBG) Program, the City is designated as a sub-grantee and coordinates its program.

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 the 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

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

November 17, 2022

(excluding Trust & Agency Funds and selected Special Revenue Funds) to the Mayor and City Council no later than the first 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 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 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 39 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. City 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 to evaluating the needs of our community. Excess

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

November 17, 2022

reserve funds have been budgeted throughout the course of fiscal year 2021 – 2022 to accomplish numerous projects that include:

- Water main replacement and sewer repair and maintenance projects continue to be a priority for the City. Capital outlay totaling 1.4 million was approved during fiscal year 2021-2022 for the Vernier Road water main. (Mack to West City Limit) In addition, the City continued the sewer rehabilitation program that includes open cut repair and cured in place pipe lining. Funding for these projects came from water and sewer reserves.
- The City implemented a Sewer System Evaluation Strategy during fiscal year 2021-2022. The purpose of this project is to evaluate how the Grosse Pointe Woods sewer system reacts to large rainfalls. The level sensors read flow and are linked to a supervisory control and data acquisition (SCADA) system. The SCADA system provides real time monitoring of the city's sewer system during rain events and is also linked to the Torrey Road Pump Station. Costs for year one of this project are \$455,000 and were funded through water and sewer reserves. Annual costs after the first year are estimated at \$115,000.
- The City continues its commitment to the local street repair and maintenance program. The reconstruction of Allard Road (Chester to West City Limit) and asphalt patching on portions of Lochmoor, Lennon and Bramcaster Roads were included in the road program for fiscal year 2021-2022. Project costs totaling \$780,000 were funded through a transfer from Major Roads fund balance and Local Road prior year reserves.
- Maintaining Lake Front Park continues to be a priority for the City. The Lakefront Park aquatic facility filter room was renovated in fiscal year 2021-2022 as well as resurfacing of tennis courts and the roof replacement of the guard shack. Project costs totaled \$52,000.
- Replacing the City's aging vehicles and equipment have also been a priority for the City. During fiscal year 2021-2022, the City invested over \$360,000 in capital outlay that included two (2) new police vehicles in the Department of Public Safety, a utility tractor and street sweeper in the Department of Public Works.

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

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

November 17, 2022

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 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 \$111,392 and an average per capita income of \$50,172. The median home value of an owner-occupied residence in the City is \$259,600. The labor force is comprised largely of professional, healthcare, hospitality and education services, with 64% 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. Low inflation rates significantly impact property tax revenue and the funding of essential City services. In tax year 2022, the inflation rate factor was 3.3 percent.

The City received \$1.6 million in American Rescue Plan funding in fiscal year 2021-2022. The U.S. Department of Treasury's final rule offers a standard allowance of revenue loss of up to \$10 million, allowing recipients to select between the standard allowance or complete a full revenue loss calculation. The City has selected to use the standard allowance and has budgeted the \$1.6 million in fiscal year 2022-2023 to support governmental services.

Continued re-development and re-investment within the City will add value in fiscal year 2023. Re-investment 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

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

November 17, 2022

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 home and property. 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 13.1293 mills.

The City's General Fund year-end fund balance is approximately \$7.6 million; \$1.9 million is committed, assigned, or non-spendable, leaving \$5.7 million unassigned.

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 and 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, 2021. This is the 49th 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 2021, GFOA awarded the City with a Popular Annual Financial Reporting Award (PAFR). This is the ninth 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

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

November 17, 2022

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.

Sincerely,



Frank Schulte
City Administrator



Shawn M. Murphy
Treasurer/Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

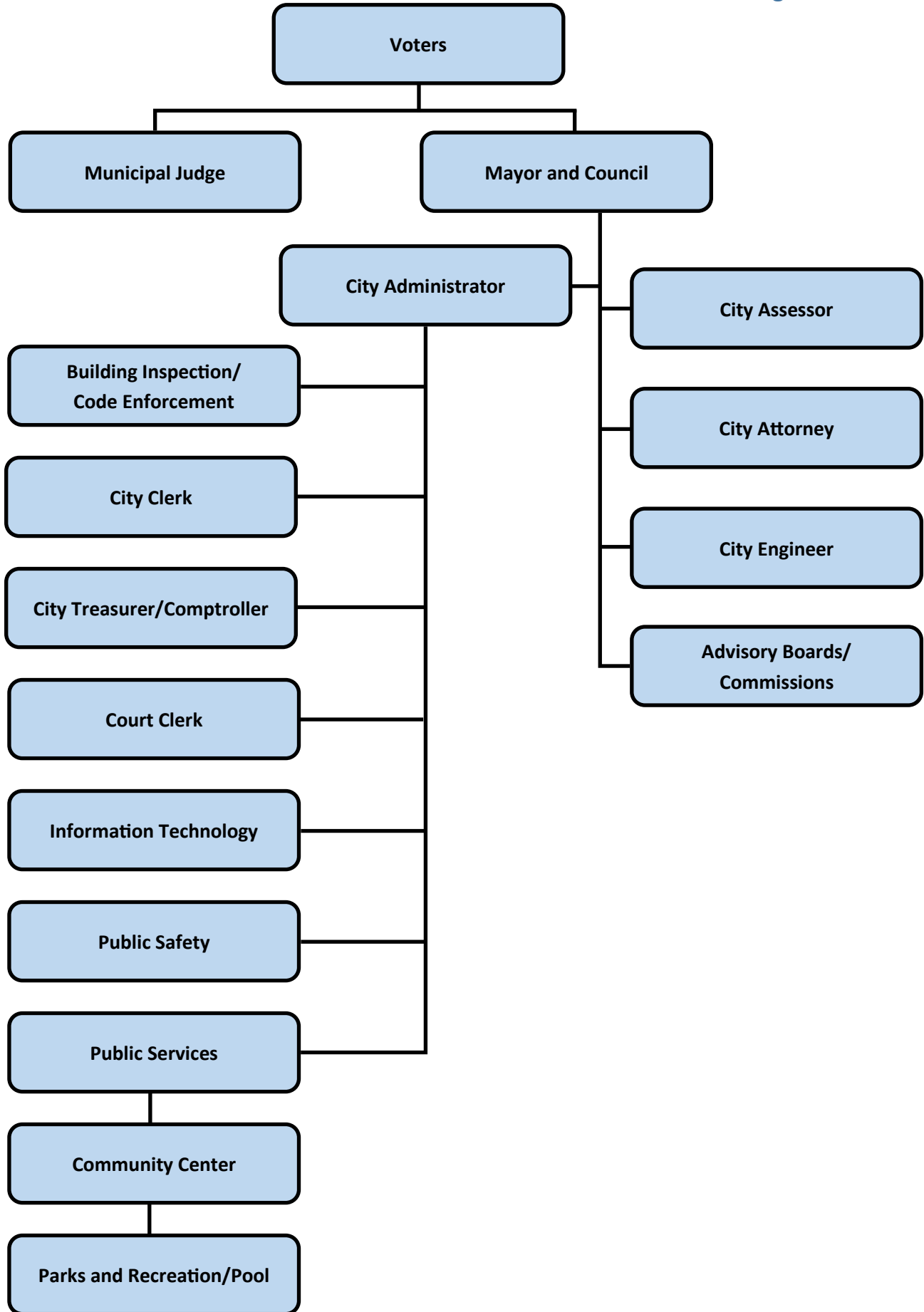
**City of Grosse Pointe Woods
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



Elected Officials

Mayor
Council Member
Council Member
Council Member
Council Member
Council Member
Council Member

Arthur W Bryant
Victoria A Granger
Angela Coletti Brown
Kenneth Gafa
Michael Koester
Todd A. McConaghy
Thomas S. Vaughn

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

Shawn M. Murphy

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, 2022 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, 2022 and the respective changes in its financial position and, where applicable, 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.

Emphasis of Matter

As described in Note 1 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, which establishes criteria for accounting for leases. Our opinion is not modified with respect to this matter.

As discussed in Note 2 to the financial statements, certain errors resulting in an overstatement of the net other postemployment benefit liability were discovered by the City's management during the current year. Accordingly, an adjustment has been made to net position as of July 1, 2021 to correct the errors. Our opinion is not modified with respect to this matter.

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.

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

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.

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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental 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 supplemental 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.

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

Supplemental 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 other supplemental 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 other supplemental 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 other information included in the Annual Comprehensive Financial Report. The other 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 the other information, and we do not express an opinion or any form of assurance thereon.

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 & Moran, PLLC

November 17, 2022

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, 2022. 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, 2022:

- Property taxes continue to be the City's largest source of revenue; slow but steady increases have been realized over the last two fiscal years. The City has had incremental increases, with a CPI of 3.3 percent for fiscal year 2021-2022, up from 1.4 percent in fiscal year 2020-2021. The general operating property tax revenue increased approximately 1.5 percent from fiscal year 2020-2021.
- Revenue sharing from the State of Michigan remains our second largest revenue source. The City continues to meet all requirements of accountability and transparency with the State and received 100 percent of our state-shared revenue allocation in 2021-2022.
- 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 maintaining the quality of life within our community.
- Repair and maintenance of Lake Front Park is a priority for the City. Renovations during fiscal year 2021-2022 included replacement of the filter room catwalk, tennis court resurfacing, and guard shack roof replacement. Project costs totaled \$52,000.
- Road repair and reconstruction continue to be priorities for the City. Road projects included in fiscal year 2021-2022 are the reconstruction of Allard Road (Chester to West City Limit) and asphalt patching on portions of Lochmoor, Lennon, and Bramcaster roads. Project costs totaling \$780,000 were funded through a transfer from the Major Road fund balance and Local Road fund balance.
- Maintaining and improving water and sewer infrastructure is a priority for the City. Projects included in fiscal year 2021-2022 are the replacement of a water main on Vernier Road (Mack to west city limit). Sewer rehabilitation included open cut repair and cured in place pipe lining repair and maintenance. Project costs totaling \$1.4 million were funded from water and sewer reserves.
- The City also invested in a Sewer System Evaluation Strategy project. The purpose of the project is to evaluate how the Grosse Pointe Sewer System reacts to large rainfalls. Project costs for year one total \$455,000 and were funded through water and sewer reserves.
- Replacement of the City's aging vehicles and equipment is a priority for the City. The City invested \$360,000 in vehicles and equipment during fiscal year 2021-2022. This included two new police vehicles, a utility tractor, and street sweeper.
- The City has realized an increase in its General Fund balance of approximately \$577,000 exclusive of the Cable Franchise and Local Street funds. This is a result of an increase in revenue and a decrease in capital expenditures.

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, as well as 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	
	2022	2021	2022	2021	2022	2021
Assets						
Current and other assets	\$ 17,327,715	\$ 14,782,157	\$ 14,247,084	\$ 15,288,558	\$ 31,574,799	\$ 30,070,715
Capital assets	63,705,779	64,523,429	32,289,786	30,953,015	95,995,565	95,476,444
Total assets	81,033,494	79,305,586	46,536,870	46,241,573	127,570,364	125,547,159
Deferred Outflows of Resources	3,966,988	678,448	446,418	136,052	4,413,406	814,500
Liabilities						
Current liabilities	2,758,002	2,093,693	685,225	828,369	3,443,227	2,922,062
Noncurrent liabilities	79,422,427	84,878,998	10,415,552	11,453,897	89,837,979	96,332,895
Total liabilities	82,180,429	86,972,691	11,100,777	12,282,266	93,281,206	99,254,957
Deferred Inflows of Resources	11,596,157	16,579,476	976,861	1,488,051	12,573,018	18,067,527
Net Position (Deficit)						
Net investment in capital assets	38,551,052	37,562,491	27,007,453	24,837,411	65,558,505	62,399,902
Restricted	3,238,920	3,224,854	198,090	198,090	3,437,010	3,422,944
Unrestricted	(50,566,076)	(64,355,478)	7,700,107	7,571,807	(42,865,969)	(56,783,671)
Total net position (deficit)	\$ (8,776,104)	\$ (23,568,133)	\$ 34,905,650	\$ 32,607,308	\$ 26,129,546	\$ 9,039,175

Capital assets in governmental activities decreased by approximately \$818,000, net of approximately \$2.3 million in depreciation. The City's ongoing work related to the Milk River Drainage District totals approximately \$955,000, and the remaining additions in capital assets totaled approximately \$511,000 related to the City's continued investment in road improvement projects and other infrastructure assets.

The decrease in long-term liabilities was \$5.5 million; this is primarily due to the restatement of beginning net position to correct an error in the net liability related to OPEB, as discussed in Note 2. The City continues to make the required contributions to the pension plans. Market conditions and changes in the governmental accounting standards have changed the manner in which these liabilities are reported on the City's statement of net position.

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	
	2022	2021	2022	2021	2022	2021
Revenue						
Program revenue:						
Charges for services	\$ 851,369	\$ 762,235	\$ 8,151,249	\$ 8,398,139	\$ 9,002,618	\$ 9,160,374
Operating grants	1,828,173	1,706,735	-	-	1,828,173	1,706,735
Capital grants	20,000	24,628	-	-	20,000	24,628
General revenue:						
Property taxes	17,562,597	16,333,840	-	-	17,562,597	16,333,840
Intergovernmental	2,078,560	2,395,549	-	-	2,078,560	2,395,549
Investment (loss) earnings	(103,986)	25,167	36,704	47,253	(67,282)	72,420
Other revenue:						
Cable franchise fees	325,892	341,918	-	-	325,892	341,918
Other miscellaneous income	809,184	443,932	-	-	809,184	443,932
Total revenue	23,371,789	22,034,004	8,187,953	8,445,392	31,559,742	30,479,396
Expenses						
General government	2,628,416	2,593,302	-	-	2,628,416	2,593,302
Public safety	4,539,620	6,675,082	-	-	4,539,620	6,675,082
Public works	7,312,364	7,888,744	-	-	7,312,364	7,888,744
Solid waste	1,781,243	1,725,517	-	-	1,781,243	1,725,517
Community and economic development	(48,212)	1,017,990	-	-	(48,212)	1,017,990
Parks and recreation	1,864,690	939,350	-	-	1,864,690	939,350
Debt service	591,553	719,155	-	-	591,553	719,155
Water and Sewer Fund	-	-	6,340,899	6,089,411	6,340,899	6,089,411
Parking Utility Fund	-	-	354,994	899,113	354,994	899,113
Boat Dock Rental Fund	-	-	168,082	157,547	168,082	157,547
Commodity Sales Fund	-	-	5,408	5,642	5,408	5,642
Total expenses	18,669,674	21,559,140	6,869,383	7,151,713	25,539,057	28,710,853
Change in Net Position	4,702,115	474,864	1,318,570	1,293,679	6,020,685	1,768,543
Net Position (Deficit) - Beginning of year (as restated)	<u>(13,478,219)</u>	<u>(24,042,997)</u>	<u>33,587,080</u>	<u>31,313,629</u>	<u>20,108,861</u>	<u>7,270,632</u>
Net Position (Deficit) - End of year (as restated)	<u>\$ (8,776,104)</u>	<u>\$ (23,568,133)</u>	<u>\$ 34,905,650</u>	<u>\$ 32,607,308</u>	<u>\$ 26,129,546</u>	<u>\$ 9,039,175</u>

Governmental Activities

The beginning net position has been restated to correct an error in the net liability related to other postemployment benefits (OPEB) made in prior years. 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 net OPEB liability by \$11,069,686 as of the beginning of the year. Net position in governmental activities and business-type activities has been increased as of July 1, 2021 by \$10,089,914 and \$979,772, respectively, for the effects of the restatement on prior years.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

The City's governmental revenue totaled approximately \$23.3 million, with the greatest revenue source being property taxes. Total revenue for governmental activities increased approximately \$1.3 million compared to fiscal year 2020-2021. The increase is related to an increase in charges for services, operating grants, property taxes, and other miscellaneous income.

Property taxes make up approximately 75 percent of total governmental revenue. That percentage increased slightly from the 74 percent reported in fiscal year 2020-2021. Overall, the City experienced an increase of 2.8 percent in taxable value for 2021-2022, down slightly from the 3.2 percent increase in fiscal year 2020-2021.

Total governmental expenses for the City were approximately \$18.7 million. This is a decrease of approximately \$2.9 million compared to fiscal year 2020-2021. This decrease is primarily due to a decrease in pension expenses related to changes in the net pension liability.

Business-type Activities

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

Water and sewer utility system revenue is primarily from fees paid by customers based on use. Water and sewer rates were increased in the current year to cover 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 \$257,000, primarily due to a decrease in investment earnings and user fees. Expenses decreased approximately \$282,000 due to a decrease in parking lot 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 2021-2022 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 fund is the Water and Sewer 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 \$10 million in expenses. The parks and recreation department accounted for \$1.7 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 2021-2022, the General Fund's fund balance increased by \$280,043. The increase is primarily due to the decrease in operating transfers to other funds.

The City's General Fund year-end fund balance is approximately \$7.6 million; \$1.9 million is committed, assigned, or nonspendable, leaving \$5.7 million unassigned. The unassigned amount represents approximately 39 percent of fiscal year 2021-2022 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.

City of Grosse Pointe Woods, Michigan

Management's Discussion and Analysis (Continued)

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. During the year ended June 30, 2022, the Milk River Intercounty Drain Drainage Board 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. The project is expected to be completed by June 30, 2023.

In fiscal year 2021-2021, the fund derived revenue from property taxes of approximately \$3.6 million and expenditures of approximately \$2.3 million related to drain operations and maintenance provided by Wayne County, Michigan and approximately \$535,000 million related to capital expenditures.

This Grosse-Gratiot Drain Fund's fund balance decreased \$262,113; its fund balance at year end is \$949,675. 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 2021-2022. 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 2.8 percent increase in taxable value in fiscal year 2021-2022, 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 2021-2022 by approximately \$580,000. The increase is due an increase in revenue sources related to property taxes, state-shared revenue, and charges for service. In addition, operating transfers to other funds decreased in fiscal year 2021-2022

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 our 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 \$515,000 in fiscal year 2021-2022. In addition, the City received \$43,520 from the State for PA 248 funding. The Local Street Fund additionally receives a small amount of its revenue from fees, special assessment, and interest on investments.

The Local Street Fund's fund balance decreased by \$284,050. The Local Street Fund's fund balance at June 30, 2022 is \$998,348. 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 decreased to \$537,230 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 2021-2022 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 2021-2022 ended with general obligation debt of \$6.82 million in outstanding principal.

The City added an installment loan for the new E One Fire Apparatus that was purchased in fiscal year 2020-2021. The City financed \$500,000 over five years of the \$1 million dollar purchase. Overall, the City's debt remains low, with combined governmental long-term debt at \$25 million, with \$18 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 the debt capacity and direct and overlapping debt schedules. For more information regarding the activity of capital assets and debt, please refer to Notes 5 and 8, respectively.

Economic Factors

Property tax values increased pursuant to the Consumer Price Index (CPI) by approximately 3.3 percent and realized an overall increase of 2.8 percent in fiscal year 2021-2022. 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 \$1.23 million in fiscal year 2021-2022. The City remains hopeful that the rebound from the 2007 decline in taxable values continues. Prudent fiscal management continues to be a top priority, as the City continues to implement cost-saving measures: reducing discretionary spending, evaluating and prioritizing capital projects, and working to establish partnerships with other agencies.

The global COVID-19 pandemic continued to have an operating impact during fiscal year 2021-2022. The City continues to adhere to COVID-19 safety guidelines, providing personal protective equipment, maintaining social barriers, and continuing remote work when necessary. The City has gradually brought back recreational programs and community events, keeping the safety of our residents the number one priority.

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, 2022

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments (Note 4)	\$ 13,703,509	\$ 12,113,355	\$ 25,816,864
Receivables:			
Customer receivables	-	1,877,401	1,877,401
Accrued interest receivable	8,881	9,209	18,090
Leases receivable (Note 6)	1,682,345	-	1,682,345
Other receivables	62,504	-	62,504
Due from other governments	920,328	31,216	951,544
Internal balances	1,000	(1,000)	-
Prepaid expenditures and other assets	883,429	18,813	902,242
Restricted assets	-	198,090	198,090
Investment in Grosse Pointes-Clinton Refuse Disposal Authority (Note 16)	65,719	-	65,719
Capital assets: (Note 5)			
Assets not subject to depreciation	23,842,542	2,100,773	25,943,315
Assets subject to depreciation - Net	39,863,237	30,189,013	70,052,250
Total assets	81,033,494	46,536,870	127,570,364
Deferred Outflows of Resources			
Deferred pension costs	3,816,111	431,667	4,247,778
Deferred OPEB costs	150,877	14,751	165,628
Total deferred outflows of resources	3,966,988	446,418	4,413,406
Liabilities			
Accounts payable	632,238	640,483	1,272,721
Accrued liabilities and other:			
Accrued salaries and wages	99,230	6,039	105,269
Payroll taxes and withholdings	21,115	1,871	22,986
Accrued interest payable	156,337	33,011	189,348
Accrued other	200,823	3,821	204,644
Unearned revenue	1,648,259	-	1,648,259
Noncurrent liabilities:			
Due within one year:			
Compensated absences (Note 8)	775,757	53,341	829,098
Provision for claims (Notes 8 and 17)	127,046	1,471	128,517
Current portion of bonds and contracts payable (Note 8)	2,114,916	868,269	2,983,185
Due in more than one year:			
Compensated absences (Note 8)	235,335	18,381	253,716
Net pension liability (Note 10)	30,132,517	2,811,753	32,944,270
Net OPEB liability (Note 12)	22,997,045	2,248,273	25,245,318
Bonds and contracts payable - Net of current portion (Note 8)	23,039,811	4,414,064	27,453,875
Total liabilities	82,180,429	11,100,777	93,281,206
Deferred Inflows of Resources			
Deferred pension cost reductions	9,126,054	907,367	10,033,421
Deferred OPEB cost reductions	710,941	69,494	780,435
Deferred inflows from leases (Note 6)	1,759,162	-	1,759,162
Total deferred inflows of resources	11,596,157	976,861	12,573,018
Net Position (Deficit)			
Net investment in capital assets	38,551,052	27,007,453	65,558,505
Restricted:			
Roads	1,063,655	-	1,063,655
Debt service	1,441,494	198,090	1,639,584
Public safety	155,078	-	155,078
Solid waste	450,409	-	450,409
Community development	115,092	-	115,092
Grants	13,192	-	13,192
Unrestricted	(50,566,076)	7,700,107	(42,865,969)
Total net position (deficit)	\$ (8,776,104)	\$ 34,905,650	\$ 26,129,546

See notes to financial statements.

City of Grosse Pointe Woods, Michigan

	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 2,628,416	\$ 510,360	\$ 48,911	\$ -
Public safety	4,539,620	221,400	-	-
Public works	7,312,364	-	1,779,262	20,000
Solid waste	1,781,243	-	-	-
Municipal improvement	(48,212)	-	-	-
Parks and recreation	1,864,690	119,609	-	-
Interest on long-term debt	591,553	-	-	-
Total governmental activities	18,669,674	851,369	1,828,173	20,000
Business-type activities:				
Water and Sewer Fund	6,340,899	7,623,445	-	-
Parking Fund	354,994	282,440	-	-
Nonmajor enterprise	173,490	245,364	-	-
Total business-type activities	6,869,383	8,151,249	-	-
Total primary government	\$ 25,539,057	\$ 9,002,618	\$ 1,828,173	\$ 20,000

General revenue:
 Taxes - Property taxes
 Intergovernmental
 Unrestricted investment (loss) income
 Franchise fees
 Other miscellaneous income

Total general revenue

Change in Net Position

Net Position (Deficit) - Beginning of year, as restated (Note 2)

Net Position (Deficit) - End of year

Statement of Activities

Year Ended June 30, 2022

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (2,069,145)	\$ -	\$ (2,069,145)
(4,318,220)	-	(4,318,220)
(5,513,102)	-	(5,513,102)
(1,781,243)	-	(1,781,243)
48,212	-	48,212
(1,745,081)	-	(1,745,081)
(591,553)	-	(591,553)
(15,970,132)	-	(15,970,132)
-	1,282,546	1,282,546
-	(72,554)	(72,554)
-	71,874	71,874
-	1,281,866	1,281,866
(15,970,132)	1,281,866	(14,688,266)
17,562,597	-	17,562,597
2,078,560	-	2,078,560
(103,986)	36,704	(67,282)
325,892	-	325,892
809,184	-	809,184
20,672,247	36,704	20,708,951
4,702,115	1,318,570	6,020,685
(13,478,219)	33,587,080	20,108,861
\$ (8,776,104)	\$ 34,905,650	\$ 26,129,546

City of Grosse Pointe Woods, Michigan

Governmental Funds Balance Sheet

June 30, 2022

	General Fund	Debt Service Fund - Grosse-Gratiot Drain Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and investments (Note 4)	\$ 9,088,977	\$ 363,075	\$ 2,653,136	\$ 12,105,188
Receivables:				
Accrued interest receivable	7,645	199	-	7,844
Leases receivable	1,682,345	-	-	1,682,345
Other receivables	55,603	-	6,901	62,504
Due from other governments	680,646	-	239,682	920,328
Due from other funds (Note 7)	42,347	-	-	42,347
Advances to other funds (Note 7)	102,930	-	-	102,930
Prepaid expenditures and other assets	156,667	638,787	13,401	808,855
	<u>\$ 11,817,160</u>	<u>\$ 1,002,061</u>	<u>\$ 2,913,120</u>	<u>\$ 15,732,341</u>
Total assets				
Liabilities				
Accounts payable	\$ 463,876	\$ 24,294	\$ 132,446	\$ 620,616
Due to other funds (Note 7)	-	-	41,347	41,347
Advances from other funds (Note 7)	-	-	102,930	102,930
Accrued liabilities and other:				
Accrued salaries and wages	95,599	-	2,557	98,156
Payroll taxes and withholdings	20,025	-	758	20,783
Accrued other	144,662	28,092	26,509	199,263
Unearned revenue	1,611,220	-	37,039	1,648,259
Provision for claims	15,686	-	2,206	17,892
	<u>2,351,068</u>	<u>52,386</u>	<u>345,792</u>	<u>2,749,246</u>
Total liabilities				
Deferred Inflows of Resources				
Unavailable revenue	126,909	-	20,000	146,909
Deferred inflows from leases	1,759,162	-	-	1,759,162
	<u>1,886,071</u>	<u>-</u>	<u>20,000</u>	<u>1,906,071</u>
Total deferred inflows of resources				
Fund Balances				
Nonspendable	259,597	638,787	13,401	911,785
Restricted:				
Roads	-	-	1,055,874	1,055,874
Public safety	-	-	154,392	154,392
Debt service	-	310,888	491,819	802,707
Grants	-	-	3,148	3,148
Community service	-	-	114,592	114,592
Solid waste	-	-	445,975	445,975
Committed - Local streets	989,090	-	-	989,090
Assigned:				
Public safety	50,000	-	-	50,000
Capital projects	-	-	137,225	137,225
Parkway beautification	-	-	140,858	140,858
Cable	537,230	-	-	537,230
Unassigned	5,744,104	-	(9,956)	5,734,148
	<u>7,580,021</u>	<u>949,675</u>	<u>2,547,328</u>	<u>11,077,024</u>
Total fund balances				
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,817,160</u>	<u>\$ 1,002,061</u>	<u>\$ 2,913,120</u>	<u>\$ 15,732,341</u>

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2022

Fund Balances Reported in Governmental Funds	\$ 11,077,024
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	60,672,102
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	146,909
Investments in joint ventures are not financial resources and are not reported in the funds	65,719
Bonds payable and lease liabilities are not due and payable in the current period and are not reported in the funds	(24,952,871)
Accrued interest is not due and payable in the current period and is not reported in the funds	(156,337)
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	(991,123)
Pension benefits	(34,175,487)
Retiree health care benefits (OPEB)	(22,889,259)
Internal service funds are included as part of governmental activities	<u>2,427,219</u>
Net Position (Deficit) of Governmental Activities	<u><u>\$ (8,776,104)</u></u>

City of Grosse Pointe Woods, Michigan

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2022

	General Fund	Debt Service Fund - Grosse-Gratiot Drain Fund	Nonmajor Funds	Total Governmental Funds
Revenue				
Property taxes	\$ 10,824,984	\$ 3,622,490	\$ 3,115,123	\$ 17,562,597
Franchise fees	370,999	-	-	370,999
Intergovernmental:				
Federal grants	158	-	-	158
State sources	2,568,146	20,135	1,318,294	3,906,575
Charges for services	722,004	-	-	722,004
Fines and forfeitures	221,400	-	-	221,400
Investment income	(106,770)	(1,423)	1,763	(106,430)
Other revenue	333,810	-	280,958	614,768
Total revenue	14,934,731	3,641,202	4,716,138	23,292,071
Expenditures				
Current services:				
General government	3,064,776	-	103,331	3,168,107
Public safety	6,503,536	-	81,382	6,584,918
Public works	3,562,977	2,826,562	2,809,988	9,199,527
Community and economic development	-	-	62,940	62,940
Parks and recreation	1,729,531	-	45,419	1,774,950
Debt service:				
Principal	-	827,905	1,045,000	1,872,905
Interest on long-term debt	-	453,719	213,993	667,712
Total expenditures	14,860,820	4,108,186	4,362,053	23,331,059
Excess of Revenue Over (Under) Expenditures	73,911	(466,984)	354,085	(38,988)
Other Financing Sources (Uses)				
Transfers in	491,243	-	307,511	798,754
Transfers out	(307,511)	-	(491,243)	(798,754)
New debt issued	-	204,871	-	204,871
Insurance recoveries	22,400	-	-	22,400
Total other financing sources (uses)	206,132	204,871	(183,732)	227,271
Net Change in Fund Balances	280,043	(262,113)	170,353	188,283
Fund Balances - Beginning of year	7,299,978	1,211,788	2,376,975	10,888,741
Fund Balances - End of year	\$ 7,580,021	\$ 949,675	\$ 2,547,328	\$ 11,077,024

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, 2022

Net Change in Fund Balances Reported in Governmental Funds	\$ 188,283
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	(1,867,839)
Capital outlay	1,101,548
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	146,909
Issuing debt provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(204,871)
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	1,935,174
Interest expense is recognized in the government-wide statements as it accrues	13,890
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	3,511,085
Change in investment in a joint Grosse Pointes-Clinton Refuse Disposal Authority is not recorded in the funds	1,298
Internal service funds are included as part of governmental activities	(123,362)
Change in Net Position of Governmental Activities	<u>\$ 4,702,115</u>

City of Grosse Pointe Woods, Michigan

Proprietary Funds Statement of Net Position

June 30, 2022

	Enterprise Funds				Governmental
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise	Total	Internal Service Funds
Assets					
Current assets:					
Cash and investments	\$ 10,844,146	\$ 757,092	\$ 512,117	\$ 12,113,355	\$ 1,598,321
Receivables:					
Customer receivables	1,877,401	-	-	1,877,401	-
Accrued interest receivable	8,893	316	-	9,209	1,037
Due from other governments	31,216	-	-	31,216	-
Prepaid expenditures and other assets	16,521	2,292	-	18,813	74,574
Total current assets	12,778,177	759,700	512,117	14,049,994	1,673,932
Noncurrent assets:					
Restricted assets	198,090	-	-	198,090	-
Capital assets:					
Assets not subject to depreciation	2,094,523	-	6,250	2,100,773	-
Assets subject to depreciation - Net	29,305,122	466,251	417,640	30,189,013	3,033,677
Total noncurrent assets	31,597,735	466,251	423,890	32,487,876	3,033,677
Total assets	44,375,912	1,225,951	936,007	46,537,870	4,707,609
Deferred Outflows of Resources					
Deferred pension costs	367,987	63,680	-	431,667	176,743
Deferred OPEB costs	11,893	2,858	-	14,751	4,278
Total deferred outflows of resources	379,880	66,538	-	446,418	181,021
Liabilities					
Current liabilities:					
Accounts payable	619,135	17,823	3,525	640,483	11,622
Due to other funds	1,000	-	-	1,000	-
Accrued liabilities and other	40,881	2,113	1,748	44,742	2,966
Compensated absences	50,912	2,429	-	53,341	-
Provision for claims	1,471	-	-	1,471	109,154
Current portion of bonds and contracts payable	868,269	-	-	868,269	-
Total current liabilities	1,581,668	22,365	5,273	1,609,306	123,742
Noncurrent liabilities:					
Compensated absences	8,492	9,889	-	18,381	19,969
Net pension liability	2,365,397	446,356	-	2,811,753	1,088,484
Net OPEB liability	1,812,747	435,526	-	2,248,273	651,962
Bonds and contracts payable - Net of current portion	4,414,064	-	-	4,414,064	201,856
Total noncurrent liabilities	8,600,700	891,771	-	9,492,471	1,962,271
Total liabilities	10,182,368	914,136	5,273	11,101,777	2,086,013
Deferred Inflows of Resources					
Deferred pension cost reductions	769,634	137,733	-	907,367	355,232
Deferred OPEB cost reductions	56,031	13,463	-	69,494	20,166
Total deferred inflows of resources	825,665	151,196	-	976,861	375,398

City of Grosse Pointe Woods, Michigan

**Proprietary Funds
Statement of Net Position (Continued)**

June 30, 2022

	Enterprise Funds			Governmental Activities	
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise	Total	Internal Service Funds
Net Position					
Net investment in capital assets	\$ 26,117,312	\$ 466,251	\$ 423,890	\$ 27,007,453	\$ 2,831,821
Restricted - Debt service	198,090	-	-	198,090	-
Unrestricted	7,432,357	(239,094)	506,844	7,700,107	(404,602)
Total net position	\$ 33,747,759	\$ 227,157	\$ 930,734	\$ 34,905,650	\$ 2,427,219

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Enterprise Funds			Total	Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise		Internal Service Funds
Operating Revenue					
Water sales and charges for services	\$ 7,405,845	\$ -	\$ -	\$ 7,405,845	\$ -
Interest and penalty charges	119,488	-	-	119,488	-
Fees and violations	-	270,270	-	270,270	-
Docking and launching fees	-	-	234,134	234,134	-
Commodity sales	-	-	11,230	11,230	-
Other revenue	69,841	12,170	-	82,011	906
Charges to other funds	-	-	-	-	1,059,411
Total operating revenue	7,595,174	282,440	245,364	8,122,978	1,060,317
Operating Expenses					
Cost of water	3,030,340	-	-	3,030,340	-
Cost of insurance claims	-	-	-	-	87,965
General and administrative	861,115	220,277	83,792	1,165,184	378,076
Operation and maintenance	1,071,577	86,339	12,033	1,169,949	-
Charges from internal service funds	105,000	-	-	105,000	-
Vehicle operation and maintenance	-	-	-	-	307,600
Depreciation	946,215	48,378	77,425	1,072,018	415,605
Total operating expenses	6,014,247	354,994	173,250	6,542,491	1,189,246
Operating Income (Loss)	1,580,927	(72,554)	72,114	1,580,487	(128,929)
Nonoperating Revenue (Expense)					
Income loss	47,131	(10,963)	536	36,704	(4,087)
Interest expense	(326,652)	-	(240)	(326,892)	(7,646)
Gain on sale of assets	-	-	-	-	17,300
Amortization of debt premium	28,271	-	-	28,271	-
Total nonoperating (expense) revenue	(251,250)	(10,963)	296	(261,917)	5,567
Change in Net Position	1,329,677	(83,517)	72,410	1,318,570	(123,362)
Net Position - Beginning of year, as restated (Note 2)	32,418,082	310,674	858,324	33,587,080	2,550,581
Net Position - End of year	\$ 33,747,759	\$ 227,157	\$ 930,734	\$ 34,905,650	\$ 2,427,219

City of Grosse Pointe Woods, Michigan

**Proprietary Funds
Statement of Cash Flows**

Year Ended June 30, 2022

	Enterprise Funds				Governmental
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise	Total	Internal Service Funds
Cash Flows from Operating Activities					
Receipts from customers	\$ 7,490,361	\$ 282,440	\$ 245,364	\$ 8,018,165	\$ 906
Receipts from interfund services and reimbursements	1,000	-	-	1,000	1,059,411
Payments to suppliers	(3,130,043)	(316,611)	(41,911)	(3,488,565)	(342,296)
Payments to employees and fringes	(1,864,552)	(267,812)	(51,814)	(2,184,178)	(396,586)
Payments from (to) other funds	-	365	(11,900)	(11,535)	-
Claims paid	-	-	-	-	(99,118)
Net cash and cash equivalents provided by (used in) operating activities	2,496,766	(301,618)	139,739	2,334,887	222,317
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of capital assets	-	-	-	-	17,300
Purchase of capital assets	(2,402,539)	-	(6,250)	(2,408,789)	(364,246)
Principal and interest paid on capital debt	(1,136,190)	(12,505)	(240)	(1,148,935)	(105,717)
Net cash and cash equivalents used in capital and related financing activities	(3,538,729)	(12,505)	(6,490)	(3,557,724)	(452,663)
Cash Flows from Investing Activities					
Interest received on investments	45,494	2,003	536	48,033	(3,808)
(Purchases of investments) proceeds from sale and maturities of investment securities	(1,201,097)	503,036	-	(698,061)	5,197
Net cash and cash equivalents (used in) provided by investing activities	(1,155,603)	505,039	536	(650,028)	1,389
Net (Decrease) Increase in Cash and Cash Equivalents	(2,197,566)	190,916	133,785	(1,872,865)	(228,957)
Cash and Cash Equivalents - Beginning of year	6,890,411	80,436	378,332	7,349,179	1,090,009
Cash and Cash Equivalents - End of year	\$ 4,692,845	\$ 271,352	\$ 512,117	\$ 5,476,314	\$ 861,052
Classification of Cash and Cash Equivalents					
Cash and investments	\$ 10,844,146	\$ 757,092	\$ 512,117	\$ 12,113,355	\$ 1,598,321
Restricted cash	198,090	-	-	198,090	-
Less amounts classified as investments	(6,349,391)	(485,740)	-	(6,835,131)	(737,269)
Total cash and cash equivalents	\$ 4,692,845	\$ 271,352	\$ 512,117	\$ 5,476,314	\$ 861,052

City of Grosse Pointe Woods, Michigan

**Proprietary Funds
Statement of Cash Flows (Continued)**

Year Ended June 30, 2022

	Enterprise Funds				Governmental Activities
	Water and Sewer Fund	Parking Utility Fund	Nonmajor Enterprise	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities					
Operating income (loss)	\$ 1,580,927	\$ (72,554)	\$ 72,114	\$ 1,580,487	\$ (128,929)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	946,215	48,378	77,425	1,072,018	415,605
Changes in assets and liabilities:					
Receivables	(119,305)	-	-	(119,305)	3,793
Due to and from other funds	1,000	365	(11,900)	(10,535)	-
Prepaid and other assets	(4,405)	36	-	(4,369)	(6,052)
Net pension or OPEB asset	204,081	(247,437)	552	(42,804)	(16,770)
Accounts payable	(111,747)	(30,406)	1,548	(140,605)	(29,704)
Estimated claims liability	-	-	-	-	(15,626)
Total adjustments	915,839	(229,064)	67,625	754,400	351,246
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ 2,496,766</u>	<u>\$ (301,618)</u>	<u>\$ 139,739</u>	<u>\$ 2,334,887</u>	<u>\$ 222,317</u>

City of Grosse Pointe Woods, Michigan

**Fiduciary Funds
Statement of Fiduciary Net Position**

June 30, 2022

	Pension and Other Employee Benefit Trust Funds	<u>Custodial Fund</u> Tax Collection Fund
Assets		
Cash and cash equivalents	\$ 843,552	\$ -
Investments:		
Stocks	15,442,355	-
Corporate bonds	6,680,926	-
Exchange-traded funds	19,044,947	-
Receivables - Accrued interest receivable	190	-
Total assets	42,011,970	-
Liabilities		
	-	-
Net Position		
Restricted for pension	40,430,864	-
Restricted for postemployment benefits other than pension	1,581,106	-
Total net position	\$ 42,011,970	\$ -

City of Grosse Pointe Woods, Michigan

Fiduciary Funds
Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
Additions		
Investment income (loss):		
Interest and dividends	\$ 351,662	\$ -
Net decrease in fair value of investments	(7,510,309)	-
Investment costs	(51,268)	-
Net investment loss	(7,209,915)	-
Contributions:		
Employer contributions	4,073,050	-
Employee contributions	348,020	-
Total contributions	4,421,070	-
Property tax collections for other governments	-	33,034,179
Total additions	(2,788,845)	33,034,179
Deductions		
Benefit payments	5,333,290	-
Tax distributions to other governments	-	33,034,179
Total deductions	5,333,290	33,034,179
Net Decrease in Fiduciary Net Position	(8,122,135)	-
Net Position - Beginning of year	50,134,105	-
Net Position - End of year	\$ 42,011,970	\$ -

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 plan imposes a financial burden on the City.

The Grosse Pointe Woods Retiree Healthcare Plan is 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 it is legally separate from the City, it is reported as fiduciary component units 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 fund as a 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 two 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 department 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.

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).

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.

Note 1 - Significant Accounting Policies (Continued)

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, 2022. 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 generally are 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.

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.

Note 1 - Significant Accounting Policies (Continued)

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).

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.

June 30, 2022

Note 1 - Significant Accounting Policies (Continued)

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 2021 property tax revenue was levied and collectible on July 1, 2021 and was recognized as revenue in the year ended June 30, 2022 when the proceeds of the levy were budgeted and available for the financing of operations.

The 2021 taxable valuation of the City totaled \$767 million million. Taxes were levied as follows:

Purpose	Millage Rate	Revenue
General operating	13.1293	\$ 10,057,000
Public relations	0.0651	49,000
Solid waste disposal	2.5099	1,922,000
Road bond debt	1.5000	1,149,000
Grosse-Gratiot Drain	4.6786	3,583,000
Total		<u>\$ 16,760,000</u>

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.

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.

Note 1 - Significant Accounting Policies (Continued)

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 as it is used or vested (whichever is earlier). 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). The General Fund, Water and Sewer Fund, and each nonmajor proprietary fund are generally used to liquidate compensated absences.

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.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is 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.

Note 1 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments; deferred inflows of resources; and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2023.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2023.

In April 2022, the Governmental Accounting Standards Board issued Statement No. 99, *Omnibus 2022*, which establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenue, the focus of government-wide financial statements, and terminology. The standard has various effective dates. The City does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2025.

Adoption of New Accounting Pronouncement

During the current year, the City adopted GASB Statement No. 87, *Leases*. As a result, the General Fund now includes receivables for the presented value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 6.

There was no effect of this new standard on fund balance/net position as of July 1, 2021.

June 30, 2022

Note 2 - Prior Period Adjustment

The beginning net position has been restated to correct an error in the net liability related to other postemployment benefits (OPEB) made in prior years. 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 net OPEB liability by \$11,069,686 as of the beginning of the year. Net position in governmental activities and business-type activities has been increased as of July 1, 2021 by \$10,089,914 and \$979,772, respectively, for the effects of the restatement on prior years. The restatement of the governmental activities includes a restatement of \$280,749 related to the internal service funds. The restatement of the business-type activities related to adjustments to the Water and Sewer Fund and the Parking Utility Fund of \$785,891 and \$193,881, respectively.

	Governmental Activities	Business-type Activities	Total
Net position at June 30, 2021	\$ (23,568,133)	\$ 32,607,308	\$ 9,039,175
Restatement	10,089,914	979,772	11,069,686
Net position at June 30, 2021, as restated	<u>\$ (13,478,219)</u>	<u>\$ 33,587,080</u>	<u>\$ 20,108,861</u>

Note 3 - Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the City incurred expenditures in the Grosse-Gratiot Drain, MIDC Grant, Municipal Improvement, and Capital Improvement funds that were in excess of the amounts budgeted as follows:

	Budget	Actual
Grosse-Gratiot Drain Fund	\$ 3,619,074	\$ 4,108,186
MIDC Grant Fund	21,148	33,900
Municipal Improvement Fund	30,000	62,940
Capital Improvement Fund	-	20,920

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, 2021	\$ (871,707)
Current year permit revenue	494,334
Related expenses - Direct costs	<u>632,370</u>
Current year shortfall	<u>(138,036)</u>
Cumulative shortfall at June 30, 2022	<u><u>\$ (1,009,743)</u></u>

Note 4 - 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 \$3,740,295 (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. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

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.

June 30, 2022

Note 4 - Deposits and Investments (Continued)

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

Primary Government	Carrying Value	0-5 Years
Municipal bonds	\$ 452,816	\$ 452,816
Negotiable certificates of deposit	472,931	472,931
Federal Home Loan Mortgage Corporation	1,891,764	1,891,764
Federal National Mortgage Association	483,818	483,818
Federal Home Loan Bank	2,595,529	2,595,530
Federal Farm Credit Bank	3,251,212	3,251,212
Certificates of deposit	3,324,454	3,324,454
Total	<u>\$ 12,472,525</u>	<u>\$ 12,472,525</u>

Fiduciary Funds	Carrying Value	0-5 Years	5-15 Years	More Than 15 Years
Commercial bond funds	\$ 6,680,926	\$ -	\$ -	\$ -

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, 2022, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
Negotiable CDs	\$ 472,931	Not rated	N/A
Federal Home Loan Mortgage Corporation	1,891,764	AAA	Moody's
Federal National Mortgage Association - Fixed	483,818	AAA	Moody's
Federal Home Loan Bank - Fixed	2,595,530	AAA	Moody's
Federal Farm Credit Bank	3,251,212	AAA	Moody's
Municipal bonds	452,816	AAA	Moody's

Investment	Carrying Value	Rating	Rating Organization
Fiduciary Funds			
Commercial bond funds	\$ 6,680,926	Not rated	N/A

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 Home Loan Mortgage Corporation	20.68 %
Federal National Mortgage Association	5.29
Federal Home Loan Bank	28.37
Federal Farm Credit Bank	35.54

June 30, 2022

Note 4 - Deposits and Investments (Continued)

Fiduciary Funds	Percent
iShares	34.15 %
DFA Emerging Markets	6.25
American Fund Europacific	8.67
Vanguard Small Cap	7.48

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.

The City has the following recurring fair value measurements as of June 30, 2022:

	Assets Measured at Carrying Value on a Recurring Basis at June 30, 2022			
	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, 2022
Debt securities - Bond funds	\$ 6,680,926	\$ -	\$ -	\$ 6,680,926
Equity securities:				
Money market funds	655,037	-	-	655,037
Equity funds	34,487,303	-	-	34,487,303
Total equity securities	35,142,340	-	-	35,142,340
Governmental securities:				
U.S. governmental bonds	-	8,222,323	-	8,222,323
Municipal bonds	-	452,816	-	452,816
Total governmental securities	-	8,675,139	-	8,675,139
Total investments by fair value	<u>\$ 41,823,266</u>	<u>\$ 8,675,139</u>	<u>\$ -</u>	<u>\$ 50,498,405</u>

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, 2022 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.

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is presented in the table below.

June 30, 2022

Note 4 - Deposits and Investments (Continued)

Investments in Entities that Calculate Net Asset Value per Share

The City holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At June 30, 2022, the fair value of those investments is as follows:

	<u>Carrying Value</u>
Comerica J Fund	\$ 387,472

The Comerica J Fund is not registered with the SEC and does not issue a separate report. The fair value of the position in the pool is not the same as the value of the pool shares since the pool does not meet the requirements under GASB Statement No. 79 to report its value for financial reporting purposes at amortized cost.

There were no unfunded commitments or redemptions associated with these investments.

Note 5 - Capital Assets

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

Governmental Activities

	<u>Balance July 1, 2021</u>	<u>Reclassifications</u>	<u>Additions</u>	<u>Disposals and Adjustments</u>	<u>Balance June 30, 2022</u>
Capital assets not being depreciated:					
Land	\$ 1,547,967	\$ -	\$ -	\$ -	\$ 1,547,967
Construction in progress	21,339,413	-	955,162	-	22,294,575
Subtotal	22,887,380	-	955,162	-	23,842,542
Capital assets being depreciated:					
Infrastructure	45,097,388	-	889	-	45,098,277
Buildings	12,311,123	-	36,035	-	12,347,158
Equipment and vehicles	10,350,480	-	468,888	(310,269)	10,509,099
Land improvements	1,554,001	-	4,820	-	1,558,821
Subtotal	69,312,992	-	510,632	(310,269)	69,513,355
Accumulated depreciation:					
Infrastructure	13,716,194	-	1,192,628	-	14,908,822
Buildings	6,356,658	-	353,709	-	6,710,367
Equipment and vehicles	7,215,300	-	679,770	(310,269)	7,584,801
Land improvements	388,791	-	57,337	-	446,128
Subtotal	27,676,943	-	2,283,444	(310,269)	29,650,118
Net capital assets being depreciated	41,636,049	-	(1,772,812)	-	39,863,237
Net governmental activities capital assets	<u>\$ 64,523,429</u>	<u>\$ -</u>	<u>\$ (817,650)</u>	<u>\$ -</u>	<u>\$ 63,705,779</u>

June 30, 2022

Note 5 - Capital Assets (Continued)

Business-type Activities

	Balance July 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets not being depreciated - Construction in progress	\$ 1,363,382	\$ (878,822)	\$ 1,616,213	\$ -	\$ 2,100,773
Capital assets being depreciated:					
Water and sewer lines	46,243,746	878,822	792,576	-	47,915,144
Land improvements	2,507,469	-	-	-	2,507,469
Subtotal	48,751,215	878,822	792,576	-	50,422,613
Accumulated depreciation:					
Water and sewer lines	17,663,807	-	946,215	-	18,610,022
Land improvements	1,497,775	-	125,803	-	1,623,578
Subtotal	19,161,582	-	1,072,018	-	20,233,600
Net capital assets being depreciated	29,589,633	878,822	(279,442)	-	30,189,013
Net business-type activities capital assets	<u>\$ 30,953,015</u>	<u>\$ -</u>	<u>\$ 1,336,771</u>	<u>\$ -</u>	<u>\$ 32,289,786</u>

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

Governmental activities:	
General government	\$ 248,645
Public safety	109,852
Public works	1,299,092
Recreation and culture	210,250
Internal service funds	415,605
Total governmental activities	<u>\$ 2,283,444</u>
Business-type activities:	
Water and sewer	\$ 946,215
Parking utility	48,378
Boat dock	77,425
Total business-type activities	<u>\$ 1,072,018</u>

Construction Commitments

The City has active construction projects at year end. At June 30, 2022, the City has spent \$3,536,686 in connection with active construction projects, and the City's commitment with contractors was \$3,193,847.

Note 6 - Leases

The City leases one asset for telecommunication purposes. Payments are fixed monthly and increase 3.5 percent yearly on October 1. The lease commenced on October 1, 2021 and is for a term of 30 years.

During the year ended June 30, 2022, the City recognized the following related to its lessor agreements in the General Fund:

Lease revenue	\$ 45,107
Interest income related to its leases	38,180

June 30, 2022

Note 6 - Leases (Continued)

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, 2022, the City had a lease receivable of \$1,682,345 and deferred inflows related to the lease of \$1,759,162

Note 7 - Interfund Receivables, Payables, and Transfers

The City has made the following long-term advances between funds:

Fund Borrowed From	Fund Loaned To	Amount
General Fund	Nonmajor governmental funds	\$ 102,930

The advance is being repaid over a period of five years at an interest rate of 2.00 percent.

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

Receivable	Payable	Amount
General Fund	Nonmajor governmental funds	\$ 41,347
General Fund	Nonmajor enterprise funds	1,000
	Total	<u>\$ 42,347</u>

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.

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	\$ 307,511
Nonmajor governmental funds	General Fund	491,243
	Total	<u>\$ 798,754</u>

The transfers from the General Fund represent transfers of unrestricted resources to finance operations of the various departments in accordance with budgetary authorizations. The transfers from nonmajor governmental funds represent transfers for capital projects.

June 30, 2022

Note 8 - Long-term Debt

Long-term debt activity for the year ended June 30, 2022 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%	\$779,456 - \$1,164,056	\$ 17,083,933	\$ -	\$ (761,508)	\$ 16,322,425	\$ 779,456
State Revolving Fund, Series 5446-02 - Maturing through 2039	1.875%	\$68,191 - \$95,109	1,406,590	204,871	(66,397)	1,545,064	68,191
Installment loan - Fire truck		\$98,071 - \$101,893	299,927	-	(98,071)	201,856	-
Total direct borrowings and direct placements principal outstanding			18,790,450	204,871	(925,976)	18,069,345	847,647
Other debt:							
General obligation bonds - 2015 Road Construction bonds:							
Amount of issue - \$6,600,000 Maturing through 2025	2.00% - 4.00%	\$750,000 - \$1,000,000	3,350,000	-	(600,000)	2,750,000	750,000
General obligation bonds - 2017 Road Construction bonds:							
Amount of issue - \$2,875,000 Maturing through 2028	2.36%	\$310,000 - \$345,000	2,280,000	-	(305,000)	1,975,000	310,000
General obligation bonds - 2018 Capital Improvement bonds:							
Amount of issue - \$2,500,000 Maturing through 2033	3.50%	\$145,000 - \$210,000	2,235,000	-	(140,000)	2,095,000	145,000
Total other debt principal outstanding			7,865,000	-	(1,045,000)	6,820,000	1,205,000
Unamortized bond premiums			327,651	-	(62,269)	265,382	62,269
Total bonds and contracts payable			26,983,101	204,871	(2,033,245)	25,154,727	2,114,916
Employee compensated absences			1,026,505	772,170	(787,583)	1,011,092	775,757
Estimated liability for workers' compensation and health claims (Note 17)			167,679	1,453,547	(1,494,180)	127,046	127,046
Total governmental activities long-term debt			\$ 28,177,285	\$ 2,430,588	\$ (4,315,008)	\$ 26,292,865	\$ 3,017,719

June 30, 2022

Note 8 - 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		\$110,000 -					
Maturing through 2030	2.5%	\$130,606	\$ 1,060,606	\$ -	\$ (105,000)	\$ 955,606	\$ 110,000
2010 Drinking Water Revolving Fund - 7332-01:							
Amount of issue - \$3,531,192		\$180,000 -					
Maturing through 2029	2.5%	\$221,393	2,191,393	-	(175,000)	2,016,393	180,000
2012 State Revolving Fund Bond - 5365-01:							
Amount of issue - \$2,922,065		\$135,000 -					
Maturing through 2033	2.5%	\$177,065	1,997,065	-	(130,000)	1,867,065	135,000
Total direct borrowings and direct placements principal outstanding			5,249,064	-	(410,000)	4,839,064	425,000
Other debt - 2013 Revenue Refunding Bond:							
Amount of refunding - \$3,190,000	2.00% -						
Maturing through 2023:	4.00%	\$415,000	810,000	-	(395,000)	415,000	415,000
Unamortized bond premiums			56,540	-	(28,271)	28,269	28,269
Total bonds and contracts payable			6,115,604	-	(833,271)	5,282,333	868,269
Employee compensated absences			67,719	54,366	(50,363)	71,722	53,341
Estimated liability for workers' compensation and health claims (Note 17)			3,526	128,245	(130,300)	1,471	1,471
Total business-type activities long-term debt			<u>\$ 6,186,849</u>	<u>\$ 182,611</u>	<u>\$ (1,013,934)</u>	<u>\$ 5,355,526</u>	<u>\$ 923,081</u>

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.

Note 8 - Long-term Debt (Continued)

Other Long-term Liabilities

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund related to employee salaries and fringes. Additionally, for the business-type activities, claims and judgments and compensated absences 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. The City has pledged substantially all revenue of the Water and Sewer Fund, net of operating expenses, to repay the above water and sewer 2013 Revenue Refunding Bonds. The bonds are payable solely from the net revenue of the water and sewer system. The remaining principal and interest to be paid on the bonds total \$423,300. During the current year, net revenue of the system was \$1,790,089 compared to the annual debt requirements of \$423,300.

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	
2023	\$ 847,647	\$ 401,514	\$ 1,205,000	\$ 165,785	\$ 2,619,946
2024	969,917	378,855	1,470,000	128,916	2,947,688
2025	994,153	355,615	1,480,000	96,088	2,925,856
2026	912,772	331,790	495,000	72,925	1,812,487
2027	935,079	309,419	505,000	60,052	1,809,550
2028-2032	5,040,503	1,191,361	1,255,000	157,323	7,644,187
Thereafter	8,369,274	563,183	410,000	14,525	9,356,982
Total	\$ 18,069,345	\$ 3,531,737	\$ 6,820,000	\$ 695,614	\$ 29,116,696
Years Ending June 30	Business-type Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2023	\$ 425,000	\$ 119,292	\$ 415,000	\$ 8,300	\$ 967,592
2024	435,000	108,604	-	-	543,604
2025	445,000	97,729	-	-	542,729
2026	460,000	86,542	-	-	546,542
2027	470,000	74,979	-	-	544,979
2028-2032	2,251,999	195,673	-	-	2,447,672
Thereafter	352,065	8,827	-	-	360,892
Total	\$ 4,839,064	\$ 691,646	\$ 415,000	\$ 8,300	\$ 5,954,010

June 30, 2022

Note 9 - Milk River Drainage District

The City is 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, 2022, 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, 2022 is \$43,227,715, and it is expected to be completed by June 30, 2023. The City of Grosse Pointe Woods, Michigan is responsible for funding 50.5 percent of the project. As of June 30, 2022, the City has recorded \$21,829,996 for its share of the completed capital improvements and \$17,867,489 for its share of the debt. In addition to the debt, the City has recorded \$638,787 in prepayments for additional costs as of June 30, 2022. The City records the activity in the Grosse-Gratiot Drain Fund.

Note 10 - 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 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).

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.

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, 2022	June 30, 2022
Inactive plan members or beneficiaries currently receiving benefits	103	57
Inactive plan members entitled to but not yet receiving benefits	16	-
Active plan members	79	50
Total employees covered by the plan	198	107

Note 10 - 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, 2022, the average active employee contribution rate was 5.4 percent and 0.0 percent of covered payroll, and the City's contribution rate was 37.68 percent and 13.83 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's net pension liability	June 30, 2022	June 30, 2022

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, 2021	\$ 70,648,274	\$ 45,943,628	\$ 24,704,646
Changes for the year:			
Service cost	1,080,805	-	1,080,805
Interest	4,517,849	-	4,517,849
Changes in benefits	196,683	-	196,683
Differences between expected and actual experience	(630,363)	-	(630,363)
Changes in assumptions	(2,730,443)	-	(2,730,443)
Contributions - Employer	-	2,044,344	(2,044,344)
Contributions - Employee	-	290,887	(290,887)
Net investment loss	-	(6,523,478)	6,523,478
Benefit payments, including refunds	(3,586,669)	(3,586,669)	-
Administrative expenses	-	(52,775)	52,775
Net changes	(1,152,138)	(7,827,691)	6,675,553
Balance at June 30, 2022	\$ 69,496,136	\$ 38,115,937	\$ 31,380,199

The plan's fiduciary net position represents 54.85 percent of the total pension liability.

June 30, 2022

Note 10 - 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, 2021	\$ 3,841,331	\$ 2,605,835	\$ 1,235,496
Changes for the year:			
Service cost	45,787	-	45,787
Interest	281,506	-	281,506
Differences between expected and actual experience	(22,217)	-	(22,217)
Contributions - Employer	-	349,494	(349,494)
Net investment loss	-	(368,012)	368,012
Benefit payments, including refunds	(267,409)	(267,409)	-
Administrative expenses	-	(7,005)	7,005
Miscellaneous other charges	-	2,024	(2,024)
Net changes	37,667	(290,908)	328,575
Balance at June 30, 2022	<u>\$ 3,878,998</u>	<u>\$ 2,314,927</u>	<u>\$ 1,564,071</u>

The plan's fiduciary net position represents 59.68 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, 2022, the City Council recognized pension recovery of \$1,808,928 from the Pension Plan and pension expense of \$149,500 from the Supplemental Annuity.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (1,093,253)
Changes in assumptions	343,225	(8,802,740)
Net difference between projected and actual earnings on pension plan investments	3,658,867	-
Total	<u>\$ 4,002,092</u>	<u>\$ (9,895,993)</u>

At June 30, 2022, 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	\$ 22,262	\$ (64,334)
Changes in assumptions	-	(73,094)
Net difference between projected and actual earnings on pension plan investments	223,424	-
Total	<u>\$ 245,686</u>	<u>\$ (137,428)</u>

Note 10 - 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 (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Years Ending June 30	Pension Plan	Supplemental Annuity
2023	\$ (3,495,870)	\$ (22,208)
2024	(3,641,721)	13,821
2025	(740,373)	10,782
2026	1,984,063	109,565
2027	-	(3,702)
Total	<u>\$ (5,893,901)</u>	<u>\$ 108,258</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)	3.5% - 7.3%	3.5% - 7.3%
Investment rate of return (net of investment expenses)	7.5%	7.5%
Mortality rates	Pub-2010 Mortality Tables with MP-2020	Pub-2010 Mortality Tables with MP-2020

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 6.79 and 7.50 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 4.09 percent. The source of that bond rate was the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2022. 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, 2022 through July 1, 2068 and from June 30, 2022 through July 1, 2111 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, 2022

Note 10 - Pension Plans (Continued)

Investment Rate of Return

Best estimates of geometric real rates of return as of the June 30, 2022 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, 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	30.00 %	4.85 %
U.S. mid-cap equity	5.00	5.39
U.S. small-cap equity	7.00	5.93
International developed equity	10.00	5.93
International developed small cap	5.00	5.93
International emerging markets	10.00	8.09
U.S. core bonds	10.00	1.73
Public real estate (REITS)	3.00	4.85
High-yield bonds	10.00	3.45
Commodities	3.00	6.47
Energy/MLPs	7.00	4.31

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 (5.79 and 6.50 percent for the Pension Plan and Supplemental Annuity, respectively) or 1 percentage point higher (7.79 and 8.50 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	\$ 40,229,343	\$ 31,380,199	\$ 24,073,474
Net pension liability of the City of Grosse Pointe Woods Pension Plan Supplemental Annuity	1,977,111	1,564,071	1,216,095

Assumption Changes

The discount rate was updated to reflect the current and expected economic conditions.

Benefit Changes

The pension multiplier for Public Safety Officers hired after July 1, 2011 was changed from 2.0 percent to 2.5 percent.

June 30, 2022

Note 10 - 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, 2022:

Asset Class	Target Allocation
U.S. large-cap equity	30.00 %
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	10.00
U.S. core bonds	10.00
Public real estate (REITS)	3.00
High-yield bonds	10.00
Energy/MLPs	3.00
Liquid diversifying strategies	7.00
Total	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments and the supplemental annuity investments, net of pension plan investment expense, was (16.99) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 11 - 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, 2022. Detailed information for each pension plan can be found in Note 10.

	Total Pension Liability	Plan Net Position	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
City of Grosse Pointe Woods Pension Plan	\$ 69,496,136	\$ 38,115,937	\$ 31,380,199	\$ 4,002,092	\$ 9,895,993	\$ (1,808,928)
City of Grosse Pointe Woods Pension Plan Supplemental Annuity	<u>3,878,998</u>	<u>2,314,927</u>	<u>1,564,071</u>	<u>245,686</u>	<u>137,428</u>	<u>149,500</u>
Total	<u>\$ 73,375,134</u>	<u>\$ 40,430,864</u>	<u>\$ 32,944,270</u>	<u>\$ 4,247,778</u>	<u>\$ 10,033,421</u>	<u>\$ (1,659,428)</u>

Note 12 - 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.

June 30, 2022

Note 12 - 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 the 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 Retiree Healthcare 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:

	<u>Grosse Pointe Woods Retiree Healthcare Plan</u>
Date of member count	June 30, 2022
Inactive plan members or beneficiaries currently receiving benefits	97
Active plan members	<u>36</u>
Total plan members	<u><u>133</u></u>

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, 2022, the City's contribution was \$1,679,212. Certain plan members are required to contribute based on the terms of their union contract. Total employee contributions were \$57,134.

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, 2022 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, 2022 measurement date. The valuation date was also June 30, 2022.

Note 12 - 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, 2021, as restated (Note 2)	\$ 26,543,575	\$ 1,584,642	\$ 24,958,933
Changes for the year:			
Service cost	512,420	-	512,420
Interest	2,617,900	-	2,617,900
Differences between expected and actual experience	(377,814)	-	(377,814)
Changes in assumptions	(990,445)	-	(990,445)
Contributions - Employer	-	1,679,212	(1,679,212)
Contributions - Employee	-	57,134	(57,134)
Net investment loss	-	(260,670)	260,670
Benefit payments, including refunds	(1,479,212)	(1,479,212)	-
Net changes	282,849	(3,536)	286,385
Balance at June 30, 2022	<u>\$ 26,826,424</u>	<u>\$ 1,581,106</u>	<u>\$ 25,245,318</u>

The plan's fiduciary net position represents 5.89 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, 2022, the City recognized OPEB expense of \$2,170,416.

At June 30, 2022, 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
Difference between expected and actual experience	\$ -	\$ (188,907)
Changes in assumptions	-	(591,528)
Net difference between projected and actual earnings on OPEB plan investments	165,628	-
Total	<u>\$ 165,628</u>	<u>\$ (780,435)</u>

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
2023	\$ (752,352)
2024	34,180
2025	27,247
2026	76,118
Total	<u>\$ (614,807)</u>

June 30, 2022

Note 12 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 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 6.0 percent for the first year, decreasing 0.1 percent per year to an ultimate rate of 5.0 percent; and the Pub-2010 Mortality Table with MP-2020 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, 2022 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. large-cap equity	25.00 %	5.29 %
U.S. mid-cap equity	15.00	5.74
U.S. small-cap equity	10.00	5.29
International developed equity	15.00	6.62
Emerging markets equity	5.00	8.38
U.S. core bonds	25.00	1.24
TIPs	10.00	1.32

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	\$ 29,064,427	\$ 25,245,318	\$ 22,138,991

Note 12 - 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 6.0 percent the first year, decreasing in 0.1 percent increments over the following 10 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	\$ 21,998,276	\$ 25,245,318	\$ 29,243,979

Assumption Changes

The mortality table was updated to the Pub-2010 Mortality Table with MP-2020 improvement scale. The long-term rate of return on investments was decreased from 7.00 percent to 6.85 percent per year.

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, 2022:

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, 2022, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was (15.20) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 13 - 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 is available to all full-time city employees, which permits them to defer a portion of their salary until future years, 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, 2022, employees who had elected to participate in the DC Plan had total assets of \$4,535,126.

Note 13 - Deferred Compensation (Continued)

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.

Note 14 - Defined Contribution Healthcare 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 \$80,400 for the year ended June 30, 2022. 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, 2022, the HSA Plan had total assets of \$894,257.

Note 15 - 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
Statement of Net Position			
Cash and cash equivalents	\$ 778,314	\$ 47,270	\$ 17,968
Stocks	14,558,181	884,174	-
Corporate bonds	6,347,601	333,325	-
Bonds	16,431,662	1,050,147	1,563,138
Other assets	179	11	-
	<u>\$ 38,115,937</u>	<u>\$ 2,314,927</u>	<u>\$ 1,581,106</u>
Statement of Changes in Net Position			
Investment income	\$ (6,527,736)	\$ (370,241)	\$ (260,670)
Contributions	2,335,230	349,494	1,736,346
Benefit payments	3,586,669	267,409	1,479,212
Other deductions	48,516	2,752	-
	<u>\$ (7,827,691)</u>	<u>\$ (290,908)</u>	<u>\$ (3,536)</u>

Note 16 - 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 \$65,719 at June 30, 2022 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.

Note 17 - 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	
	2022	2021	2022	2021
Estimated liability - Beginning of year	\$ 123,605	\$ 128,706	\$ 47,600	\$ -
Estimated claims incurred, including changes in estimates	38,912	37,785	1,542,880	1,487,829
Claim payments	(53,853)	(42,886)	(1,570,627)	(1,440,229)
Estimated liability - End of year	<u>\$ 108,664</u>	<u>\$ 123,605</u>	<u>\$ 19,853</u>	<u>\$ 47,600</u>

Note 18 - 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, 2022.

Note 19 - Subsequent Events

Subsequent to year end, the City implemented an Employee Retention Option Program that allowed Command and Public Safety Officers to draw a deferred pension.

Required Supplemental Information

City of Grosse Pointe Woods, Michigan

Required Supplemental Information Budgetary Comparison Schedule General Fund

Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 10,639,895	\$ 10,639,895	\$ 10,824,984	\$ 185,089
Franchise fees	325,000	325,000	370,999	45,999
Intergovernmental - Federal grants	-	-	158	158
State and local sources:				
State-shared revenue	1,691,254	1,691,254	2,037,696	346,442
Other state grants	-	-	14,354	14,354
Charges for services	535,480	613,330	722,004	108,674
Fines and forfeitures	285,000	285,000	221,400	(63,600)
Investment income (loss)	7,500	7,500	(95,165)	(102,665)
Other revenue	155,336	155,336	290,290	134,954
Total revenue	13,639,465	13,717,315	14,386,720	669,405
Expenditures - Current services:				
General government:				
City Council	66,360	68,782	45,725	23,057
City comptroller	467,297	473,093	425,123	47,970
Commission	17,505	21,705	12,167	9,538
Municipal court	456,963	456,963	357,271	99,692
Assessing	117,140	117,140	87,315	29,825
Clerk	408,630	444,830	414,751	30,079
Building inspection	632,637	644,487	631,001	13,486
Attorney	229,500	251,500	216,121	35,379
Administration	283,924	317,071	307,762	9,309
Fringe benefits	233,700	243,700	231,038	12,662
Other services and charges	335,985	372,527	336,502	36,025
Public safety:				
Police service	4,096,970	4,119,435	4,022,591	96,844
Fire prevention and inspection	40,615	40,615	31,815	8,800
Fringe benefits	1,559,128	1,559,128	1,561,242	(2,114)
Support services	173,328	173,328	155,247	18,081
Administration	398,736	398,736	303,820	94,916
Other services and charges	391,734	445,933	428,821	17,112
Public works:				
Streets	523,571	523,571	467,119	56,452
Street maintenance	377,962	377,962	130,846	247,116
Other services and charges	770,725	790,557	775,362	15,195
Supervision and engineering	139,175	135,475	132,481	2,994
Forestry services	260,177	260,177	201,619	58,558
Fringe benefits	331,820	331,820	319,072	12,748
City building and grounds	279,473	283,173	201,517	81,656
Parks and recreation:				
Other services and charges	21,053	35,198	30,900	4,298
Supervision and engineering	16,628	16,628	14,698	1,930
Lake Front Park	1,649,797	1,648,325	1,303,532	344,793
Fringe benefits	94,048	94,048	91,671	2,377
Community center	310,999	310,999	212,063	98,936
City parks	66,502	67,975	76,667	(8,692)
Total expenditures	14,752,082	15,024,881	13,525,859	1,499,022
Excess of Revenue (Under) Over Expenditures	(1,112,617)	(1,307,566)	860,861	2,168,427
Other Financing Sources (Uses)				
Transfers in	-	-	1,243	1,243
Transfers out	(307,511)	(307,511)	(307,511)	-
Insurance recoveries	-	-	22,400	22,400
Total other financing uses	(307,511)	(307,511)	(283,868)	23,643
Net Change in Fund Balance	(1,420,128)	(1,615,077)	576,993	2,192,070
Fund Balance - Beginning of year	5,467,450	5,467,450	5,467,450	-
Fund Balance - End of year	\$ 4,047,322	\$ 3,852,373	\$ 6,044,443	\$ 2,192,070

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

Last Nine Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 1,080,805	\$ 1,459,769	\$ 1,381,734	\$ 1,419,981	\$ 872,705	\$ 812,794	\$ 893,380	\$ 692,961	\$ 675,799
Interest	4,517,849	4,149,881	4,160,628	4,115,769	3,739,452	3,713,413	3,802,189	3,521,128	3,499,326
Changes in benefit terms	196,683	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(630,363)	(219,966)	(2,041,992)	61,396	1,898,141	(1,943,674)	(509,341)	501,262	(579,977)
Changes in assumptions	(2,730,443)	(13,509,818)	1,372,928	(2,730,629)	17,877,664	(3,946,934)	7,000,034	5,686,156	-
Benefit payments, including refunds	(3,586,669)	(3,570,576)	(3,403,902)	(3,346,109)	(3,354,997)	(3,215,776)	(3,187,512)	(3,315,548)	(3,092,014)
Net Change in Total Pension Liability	(1,152,138)	(11,690,710)	1,469,396	(479,592)	21,032,965	(4,580,177)	7,998,750	7,085,959	503,134
Total Pension Liability - Beginning of year	70,648,274	82,338,984	80,869,588	81,349,180	60,316,215	64,896,392	56,897,642	49,811,683	49,308,549
Total Pension Liability - End of year	\$ 69,496,136	\$ 70,648,274	\$ 82,338,984	\$ 80,869,588	\$ 81,349,180	\$ 60,316,215	\$ 64,896,392	\$ 56,897,642	\$ 49,811,683
Plan Fiduciary Net Position									
Contributions - Employer	\$ 2,044,344	\$ 1,623,076	\$ 1,406,409	\$ 1,215,450	\$ 1,230,649	\$ 1,076,052	\$ 925,683	\$ 889,829	\$ 888,696
Contributions - Member	290,887	282,203	262,296	263,799	249,835	243,096	252,579	258,967	275,808
Net investment (loss) income	(6,523,478)	12,109,682	157,140	1,291,520	2,128,175	3,992,724	(1,359,930)	15,073	6,669,874
Administrative expenses	(52,775)	(46,967)	(70,669)	(58,125)	(62,843)	(37,168)	(51,765)	(69,537)	(44,753)
Benefit payments, including refunds	(3,586,669)	(3,570,576)	(3,403,902)	(3,346,109)	(3,354,997)	(3,215,776)	(3,187,512)	(3,315,548)	(3,092,015)
Other	-	-	-	-	22,728	12,254	-	-	-
Net Change in Plan Fiduciary Net Position	(7,827,691)	10,397,418	(1,648,726)	(633,465)	213,547	2,071,182	(3,420,945)	(2,221,216)	4,697,610
Plan Fiduciary Net Position - Beginning of year	45,943,628	35,546,210	37,194,936	37,828,401	37,614,854	35,543,672	38,964,617	41,185,833	36,488,223
Plan Fiduciary Net Position - End of year	\$ 38,115,937	\$ 45,943,628	\$ 35,546,210	\$ 37,194,936	\$ 37,828,401	\$ 37,614,854	\$ 35,543,672	\$ 38,964,617	\$ 41,185,833
City's Net Pension Liability - Ending	\$ 31,380,199	\$ 24,704,646	\$ 46,792,774	\$ 43,674,652	\$ 43,520,779	\$ 22,701,361	\$ 29,352,720	\$ 17,933,025	\$ 8,625,850
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	54.85 %	65.03 %	43.17 %	45.99 %	46.50 %	62.36 %	55.02 %	68.48 %	82.69 %
Covered Payroll	\$ 5,425,650	\$ 5,372,630	\$ 4,791,109	\$ 4,716,600	\$ 4,544,155	\$ 4,493,845	\$ 4,592,611	\$ 4,651,563	\$ 4,411,702
City's Net Pension Liability as a Percentage of Covered Payroll	578.37 %	459.82 %	976.66 %	925.98 %	957.73 %	505.17 %	632.60 %	385.53 %	195.50 %

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

Last Nine Fiscal Years

GASB Statement No. 67 was implemented for the FYE June 30, 2014 and does not require retroactive implementation. The required supplemental 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 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:** Changes the discount rate to 6.79 percent

City of Grosse Pointe Woods, Michigan

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

	Last Nine Fiscal Years Years Ended June 30								
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return - Net of investment expense	(16.99)%	36.24 %	1.52 %	4.89 %	4.84 %	11.60 %	(3.50)%	0.10 %	8.00 %

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

Required Supplemental Information
Schedule of Pension Contributions
Pension Plan

Last Ten Fiscal Years
Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,044,000	\$ 1,623,000	\$ 1,406,000	\$ 1,215,000	\$ 1,231,000	\$ 1,076,000	\$ 926,000	\$ 890,000	\$ 889,000	\$ 768,000
Contributions in relation to the actuarially determined contribution	2,044,000	1,623,000	1,406,000	1,215,000	1,231,000	1,076,000	926,000	890,000	889,000	768,000
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,425,650	\$ 5,372,630	\$ 4,791,109	\$ 4,716,600	\$ 4,544,155	\$ 4,493,845	\$ 4,592,611	\$ 4,651,563	\$ 4,411,702	\$ 5,003,250
Contributions as a Percentage of Covered Payroll	37.67 %	30.21 %	29.35 %	25.76 %	27.09 %	23.94 %	20.17 %	19.13 %	17.06 %	14.63 %

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- open
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market
Inflation	2.50 percent
Salary increase	3.50 - 7.30 percent, including inflation
Investment rate of return	7.50 percent - Net of expense
Mortality	PubS-2010 mortality tables, with generational improvements using Scale MP-2018

City of Grosse Pointe Woods, Michigan

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

Last Nine Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 45,787	\$ 43,432	\$ 51,793	\$ 47,748	\$ 59,640	\$ 39,299	\$ 37,233	\$ 28,387	\$ 33,212
Interest	281,506	275,505	272,594	259,909	239,740	254,061	269,224	234,285	236,533
Differences between expected and actual experience	(22,217)	21,271	(151,559)	136,155	161,463	(227,980)	(232,788)	(399,452)	(42,908)
Changes in assumptions	-	(15,148)	(198,496)	(57,257)	567,907	-	86,953	831,276	-
Benefit payments, including refunds	(267,409)	(266,789)	(278,103)	(275,592)	(242,921)	(257,534)	(263,715)	(247,158)	(257,888)
Net Change in Total Pension Liability	37,667	58,271	(303,771)	110,963	785,829	(192,154)	(103,093)	447,338	(31,051)
Total Pension Liability - Beginning of year	3,841,331	3,783,060	4,086,831	3,975,868	3,190,039	3,382,193	3,485,286	3,037,948	3,068,999
Total Pension Liability - End of year	\$ 3,878,998	\$ 3,841,331	\$ 3,783,060	\$ 4,086,831	\$ 3,975,868	\$ 3,190,039	\$ 3,382,193	\$ 3,485,286	\$ 3,037,948
Plan Fiduciary Net Position									
Contributions - Employer	\$ 349,494	\$ 318,174	\$ 335,830	\$ 311,792	\$ 298,389	\$ 290,000	\$ 297,360	\$ 286,439	\$ 277,776
Net investment (loss) income	(368,012)	649,743	7,796	59,811	91,098	159,415	3,963	(9,093)	230,642
Administrative expenses	(7,005)	(2,519)	(3,506)	(2,693)	(5,768)	(995)	-	(22,140)	-
Benefit payments, including refunds	(267,409)	(266,789)	(278,103)	(275,592)	(242,921)	(257,534)	(263,715)	(247,158)	(257,888)
Other	2,024	-	-	-	960	-	-	-	-
Net Change in Plan Fiduciary Net Position	(290,908)	698,609	62,017	93,318	141,758	190,886	37,608	8,048	250,530
Plan Fiduciary Net Position - Beginning of year	2,605,835	1,907,226	1,845,209	1,751,891	1,610,133	1,419,247	1,381,639	1,373,591	1,123,061
Plan Fiduciary Net Position - End of year	\$ 2,314,927	\$ 2,605,835	\$ 1,907,226	\$ 1,845,209	\$ 1,751,891	\$ 1,610,133	\$ 1,419,247	\$ 1,381,639	\$ 1,373,591
City's Net Pension Liability - Ending	\$ 1,564,071	\$ 1,235,496	\$ 1,875,834	\$ 2,241,622	\$ 2,223,977	\$ 1,579,906	\$ 1,962,946	\$ 2,103,647	\$ 1,664,357
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	59.68 %	67.84 %	50.41 %	45.15 %	44.06 %	50.47 %	41.96 %	39.64 %	45.21 %
Covered Payroll	\$ 2,810,667	\$ 2,816,325	\$ 2,475,978	\$ 2,525,337	\$ 2,231,884	\$ 2,258,831	\$ 2,347,151	\$ 2,358,679	\$ 2,196,932
City's Net Pension Liability as a Percentage of Covered Payroll	55.65 %	43.87 %	75.76 %	88.77 %	99.65 %	69.94 %	83.63 %	89.19 %	75.76 %

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

Last Nine Fiscal Years

GASB Statement No. 67 was implemented for the FYE June 30, 2014 and does not require retroactive implementation. The required supplemental 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

City of Grosse Pointe Woods, Michigan

Required Supplemental Information Schedule of Pension Contributions Supplemental Annuity

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 349,494	\$ 318,174	\$ 335,830	\$ 311,792	\$ 298,000	\$ 290,000	\$ 297,360	\$ 286,439	\$ 277,776	\$ 245,862
Contributions in relation to the actuarially determined contribution	349,494	318,174	335,830	311,792	298,000	290,000	297,360	286,439	277,776	245,862
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,810,667	\$ 2,816,325	\$ 2,475,978	\$ 2,525,337	\$ 2,231,884	\$ 2,258,831	\$ 2,347,151	\$ 2,358,679	\$ 2,196,932	\$ 2,376,609
Contributions as a Percentage of Covered Payroll	12.43 %	11.30 %	13.56 %	12.35 %	13.35 %	12.84 %	12.67 %	12.14 %	12.64 %	10.35 %

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 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	10 years open
Asset valuation method	Market
Inflation	2.50 percent
Salary increase	0.0 percent
Investment rate of return	7.50 percent - Net of expense
Mortality	PubS-2010 mortality tables, with generational improvements using Scale MP-2018

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

	Last Five Fiscal Years				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 512,420	\$ 431,244	\$ 416,661	\$ 448,946	\$ 1,861,554
Interest	2,617,900	2,527,585	2,428,098	2,426,171	1,973,036
Differences between expected and actual experience	(377,814)	-	(551,667)	(1,375,107)	(3,809,187)
Changes in assumptions	(990,445)	(288,910)	290,589	(1,046,230)	(25,133,680)
Benefit payments, including refunds	<u>(1,479,212)</u>	<u>(1,443,135)</u>	<u>(1,351,986)</u>	<u>(1,507,028)</u>	<u>(1,578,411)</u>
Net Change in Total OPEB Liability	282,849	1,226,784	1,231,695	(1,053,248)	(26,686,688)
Total OPEB Liability - Beginning of year, as restated (Note 2)	<u>26,543,575</u>	<u>36,386,477</u>	<u>35,154,782</u>	<u>36,208,030</u>	<u>62,894,718</u>
Total OPEB Liability - End of year	<u>\$ 26,826,424</u>	<u>\$ 37,613,261</u>	<u>\$ 36,386,477</u>	<u>\$ 35,154,782</u>	<u>\$ 36,208,030</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 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	57,134	59,723	58,919	54,911	63,942
Net investment (loss) income	(260,670)	323,547	29,551	56,866	4,590
Benefit payments, including refunds	<u>(1,479,212)</u>	<u>(1,443,135)</u>	<u>(1,351,986)</u>	<u>(1,507,028)</u>	<u>(1,578,411)</u>
Net Change in Plan Fiduciary Net Position	(3,536)	583,270	138,470	161,776	118,532
Plan Fiduciary Net Position - Beginning of year	<u>1,584,642</u>	<u>1,001,372</u>	<u>862,902</u>	<u>701,126</u>	<u>582,594</u>
Plan Fiduciary Net Position - End of year	<u>\$ 1,581,106</u>	<u>\$ 1,584,642</u>	<u>\$ 1,001,372</u>	<u>\$ 862,902</u>	<u>\$ 701,126</u>
Net OPEB Liability - Ending	<u>\$ 25,245,318</u>	<u>\$ 36,028,619</u>	<u>\$ 35,385,105</u>	<u>\$ 34,291,880</u>	<u>\$ 35,506,904</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	5.89 %	4.21 %	2.75 %	2.45 %	1.94 %
Covered Payroll	\$ 3,029,307	\$ 3,361,323	\$ 3,247,655	\$ 3,618,888	\$ 3,333,571
Net OPEB Liability as a Percentage of Covered Payroll	833.37 %	1,071.86 %	1,089.56 %	947.58 %	1,065.13 %

The required supplemental 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 for 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.

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

Last Five Fiscal Years

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

Required Supplemental Information
Schedule of OPEB Contributions

Last Ten Fiscal Years
Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,227,338	\$ 3,509,525	\$ 3,125,991	\$ 3,125,991	\$ 3,083,916	\$ 3,230,383	\$ 3,767,017	\$ 3,622,132	\$ 3,482,819	\$ 4,192,613
Contributions in relation to the actuarially determined contribution	1,679,212	1,643,135	1,401,986	1,557,027	1,628,411	1,472,713	1,675,660	1,618,057	1,332,162	1,457,623
Contribution Deficiency	\$ (548,126)	\$ (1,866,390)	\$ (1,724,005)	\$ (1,568,964)	\$ (1,455,505)	\$ (1,757,670)	\$ (2,091,357)	\$ (2,004,075)	\$ (2,150,657)	\$ (2,734,990)
Covered Payroll	\$ 3,029,307	\$ 3,361,323	\$ 3,247,655	\$ 3,618,888	\$ 3,333,571	\$ 4,493,845	\$ 4,592,000	\$ 4,652,000	\$ 5,210,000	\$ 5,249,000
Contributions as a Percentage of Covered Payroll	55.43 %	48.88 %	43.17 %	43.03 %	48.85 %	32.77 %	36.49 %	34.78 %	25.57 %	27.77 %

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 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 - Open
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-2020

City of Grosse Pointe Woods, Michigan

**Required Supplemental Information
Schedule of OPEB Investment Returns**

	Last Five Fiscal Years Years Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Annual money-weighted rate of return - Net of investment expense	(15.20)%	24.76 %	3.10 %	6.68 %	0.68 %

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 operating 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 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. The legislative budget is adopted by fund on a departmental basis. 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 Sources (Uses)</u>
Amounts per operating statement	\$ 14,934,731	\$ 14,860,820	\$ 206,132
Local Street Fund budgeted separately from the General Fund	(560,911)	(1,334,961)	(490,000)
Cable Franchise Fund budgeted separately from the General Fund	12,900	-	-
	<u>\$ 14,386,720</u>	<u>\$ 13,525,859</u>	<u>\$ (283,868)</u>

Other Supplemental 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.

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.

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 projects 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.

Capital Improvement Fund

This fund accounts for the capital outlay funded by debt proceeds.

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	Grants Fund	911 Emergency Service Fund	Drug Enforcement Fund
Assets						
Cash and investments	\$ 899,096	\$ 595,973	\$ 2,289	\$ 10,044	\$ 169,255	\$ 2,560
Receivables:						
Other receivables	6,901	-	-	-	-	-
Due from other governments	195,828	-	-	20,000	19,398	-
Prepaid expenditures and other assets	7,781	4,434	-	-	686	-
Total assets	\$ 1,109,606	\$ 600,407	\$ 2,289	\$ 30,044	\$ 189,339	\$ 2,560
Liabilities						
Accounts payable	\$ 39,807	\$ 30,472	\$ -	\$ 20,000	\$ 38,865	\$ -
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	102,930	-	-	-	-
Accrued liabilities and other	4,673	16,106	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Provision for claims	1,471	490	-	-	245	-
Total liabilities	45,951	149,998	-	20,000	39,110	-
Deferred Inflows of Resources -						
Unavailable revenue	-	-	-	20,000	-	-
Total liabilities and deferred inflows of resources	45,951	149,998	-	40,000	39,110	-
Fund Balances (Deficit)						
Nonspendable	7,781	4,434	-	-	686	-
Restricted:						
Roads	1,055,874	-	-	-	-	-
Public safety	-	-	2,289	-	149,543	2,560
Debt service	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Solid waste	-	445,975	-	-	-	-
Assigned:						
Capital projects	-	-	-	-	-	-
Parkway beautification	-	-	-	-	-	-
Unassigned	-	-	-	(9,956)	-	-
Total fund balances (deficit)	1,063,655	450,409	2,289	(9,956)	150,229	2,560
Total liabilities, deferred inflows of resources, and fund balances (deficit)	\$ 1,109,606	\$ 600,407	\$ 2,289	\$ 30,044	\$ 189,339	\$ 2,560

Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2022

Special Revenue Funds		Debt Service Funds		Capital Project Funds		Total
Parkway Beautification Fund	MIDC Grant Fund	2015 Road Bond Debt Service Fund	2018 Capital Improvement Bond Fund	Municipal Improvement Fund	Capital Improvement Fund	
\$ 256,437	\$ 42,502	\$ 494,297	\$ 6,567	\$ 172,873	\$ 1,243	\$ 2,653,136
-	-	-	-	-	-	6,901
-	-	-	-	4,456	-	239,682
500	-	-	-	-	-	13,401
\$ 256,937	\$ 42,502	\$ 494,297	\$ 6,567	\$ 177,329	\$ 1,243	\$ 2,913,120
\$ 987	\$ 2,315	\$ -	\$ -	\$ -	\$ -	\$ 132,446
-	-	-	-	40,104	1,243	41,347
-	-	-	-	-	-	102,930
-	-	9,045	-	-	-	29,824
-	37,039	-	-	-	-	37,039
-	-	-	-	-	-	2,206
987	39,354	9,045	-	40,104	1,243	345,792
-	-	-	-	-	-	20,000
987	39,354	9,045	-	40,104	1,243	365,792
500	-	-	-	-	-	13,401
-	-	-	-	-	-	1,055,874
-	-	-	-	-	-	154,392
-	-	485,252	6,567	-	-	491,819
-	3,148	-	-	-	-	3,148
114,592	-	-	-	-	-	114,592
-	-	-	-	-	-	445,975
-	-	-	-	137,225	-	137,225
140,858	-	-	-	-	-	140,858
-	-	-	-	-	-	(9,956)
255,950	3,148	485,252	6,567	137,225	-	2,547,328
\$ 256,937	\$ 42,502	\$ 494,297	\$ 6,567	\$ 177,329	\$ 1,243	\$ 2,913,120

City of Grosse Pointe Woods, Michigan

	Special Revenue Funds					
	Major Street Fund	Solid Waste Fund	Act 302 Training Fund	Grants Fund	911 Emergency Service Fund	Drug Enforcement Fund
Revenue						
Property taxes	\$ -	\$ 1,950,205	\$ -	\$ -	\$ -	\$ -
Intergovernmental:						
State sources:						
State-shared revenue	-	12,934	-	-	-	-
Act 51 gas and weight tax	1,263,166	-	-	-	-	-
Other state grants	-	-	3,715	-	-	-
Investment income	910	853	-	-	-	-
Other revenue	41,875	275	-	-	147,897	-
Total revenue	1,305,951	1,964,267	3,715	-	147,897	-
Expenditures						
Current services:						
General government	-	-	-	20,000	28,421	-
Public safety	-	-	3,407	-	73,812	4,163
Public works	943,745	1,866,243	-	-	-	-
Community and economic development	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest on long-term debt	-	3,086	-	-	-	-
Total expenditures	943,745	1,869,329	3,407	20,000	102,233	4,163
Excess of Revenue Over (Under) Expenditures	362,206	94,938	308	(20,000)	45,664	(4,163)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	52,000	-
Transfers out	(490,000)	-	-	-	-	-
Total other financing (uses) sources	(490,000)	-	-	-	52,000	-
Net Change in Fund Balances	(127,794)	94,938	308	(20,000)	97,664	(4,163)
Fund Balances - Beginning of year	1,191,449	355,471	1,981	10,044	52,565	6,723
Fund Balances (Deficit) - End of year	\$ 1,063,655	\$ 450,409	\$ 2,289	\$ (9,956)	\$ 150,229	\$ 2,560

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended June 30, 2022

Special Revenue Funds		Debt Service Funds		Capital Project Funds		Total
Parkway Beautification Fund	MIDC Grant Fund	2015 Road Bond Debt Service Fund	2018 Capital Improvement Bond Fund	Municipal Improvement Fund	Capital Improvement Fund	
\$ -	\$ -	\$ 1,164,918	\$ -	\$ -	\$ -	\$ 3,115,123
-	-	7,637	-	-	-	20,571
-	-	-	-	-	-	1,263,166
-	30,842	-	-	-	-	34,557
-	-	-	-	-	-	1,763
80,555	-	-	-	10,356	-	280,958
80,555	30,842	1,172,555	-	10,356	-	4,716,138
-	33,990	-	-	-	20,920	103,331
-	-	-	-	-	-	81,382
-	-	-	-	-	-	2,809,988
-	-	-	-	62,940	-	62,940
45,419	-	-	-	-	-	45,419
-	-	905,000	140,000	-	-	1,045,000
-	-	128,544	82,363	-	-	213,993
45,419	33,990	1,033,544	222,363	62,940	20,920	4,362,053
35,136	(3,148)	139,011	(222,363)	(52,584)	(20,920)	354,085
-	3,148	-	222,363	30,000	-	307,511
-	-	-	-	-	(1,243)	(491,243)
-	3,148	-	222,363	30,000	(1,243)	(183,732)
35,136	-	139,011	-	(22,584)	(22,163)	170,353
220,814	3,148	346,241	6,567	159,809	22,163	2,376,975
\$ 255,950	\$ 3,148	\$ 485,252	\$ 6,567	\$ 137,225	\$ -	\$ 2,547,328

City of Grosse Pointe Woods, Michigan

Other Supplemental Information
Budgetary Comparison Schedule - Major Governmental Fund
Grosse-Gratiot Drain Fund

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 3,355,005	\$ 3,589,209	\$ 3,622,490	\$ 33,281
Intergovernmental	13,000	13,000	20,135	7,135
Investment income (loss)	10,000	10,000	(1,423)	(11,423)
Total revenue	3,378,005	3,612,209	3,641,202	28,993
Expenditures				
Current services - Public works	2,317,344	2,347,209	2,826,562	(479,353)
Debt service	1,037,661	1,271,865	1,281,624	(9,759)
Total expenditures	3,355,005	3,619,074	4,108,186	(489,112)
Excess of Revenue Over (Under)				
Expenditures	23,000	(6,865)	(466,984)	(460,119)
Other Financing Sources - New debt issued	-	-	204,871	204,871
Net Change in Fund Balance	23,000	(6,865)	(262,113)	(255,248)
Fund Balance - Beginning of year	1,211,788	1,211,788	1,211,788	-
Fund Balance - End of year	<u>\$ 1,234,788</u>	<u>\$ 1,204,923</u>	<u>\$ 949,675</u>	<u>\$ (255,248)</u>

City of Grosse Pointe Woods, Michigan

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
Major Street Fund

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Intergovernmental - State sources	\$ 1,226,425	\$ 1,226,425	\$ 1,263,166	\$ 36,741
Investment income	500	500	910	410
Other revenue	30,000	44,506	41,875	(2,631)
Total revenue	1,256,925	1,271,431	1,305,951	34,520
Expenditures - Current services - Public works				
Street construction	200,000	200,000	179,954	20,046
Routine maintenance	291,904	335,179	329,440	5,739
Winter maintenance	23,425	13,925	13,859	66
Traffic services	9,100	9,100	2,887	6,213
Administration	141,925	152,157	149,004	3,153
Fringe benefits	232,887	275,987	268,601	7,386
Total expenditures	899,241	986,348	943,745	42,603
Excess of Revenue Over Expenditures	357,684	285,083	362,206	77,123
Other Financing Uses - Transfers out	(490,000)	(490,000)	(490,000)	-
Net Change in Fund Balance	(132,316)	(204,917)	(127,794)	77,123
Fund Balance - Beginning of year	1,191,449	1,191,449	1,191,449	-
Fund Balance - End of year	\$ 1,059,133	\$ 986,532	\$ 1,063,655	\$ 77,123

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 1,925,448	\$ 1,925,448	\$ 1,950,205	\$ 24,757
Intergovernmental	7,000	7,000	12,934	5,934
Investment income	1,000	1,000	853	(147)
Other revenue	5,000	5,000	275	(4,725)
Total revenue	1,938,448	1,938,448	1,964,267	25,819
Expenditures				
Current services - Public works:				
Other services and chargers	1,767,809	1,791,916	1,725,585	66,331
Fringe benefits	125,269	143,069	140,658	2,411
Debt service	3,086	3,086	3,086	-
Total expenditures	1,896,164	1,938,071	1,869,329	68,742
Net Change in Fund Balance	42,284	377	94,938	94,561
Fund Balance - Beginning of year	355,471	355,471	355,471	-
Fund Balance - End of year	\$ 397,755	\$ 355,848	\$ 450,409	\$ 94,561

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget <u>(Unaudited)</u>	Amended Budget <u>(Unaudited)</u>	Actual	Variance with Amended Budget <u>(Unaudited)</u>
Revenue - Intergovernmental	\$ 5,000	\$ 5,000	\$ 3,715	\$ (1,285)
Expenditures - Current - Public safety	5,000	5,000	3,407	1,593
Net Change in Fund Balance	-	-	308	308
Fund Balance - Beginning of year	1,981	1,981	1,981	-
Fund Balance - End of year	<u>\$ 1,981</u>	<u>\$ 1,981</u>	<u>\$ 2,289</u>	<u>\$ 308</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget <u>(Unaudited)</u>	Amended Budget <u>(Unaudited)</u>	Actual	Variance with Amended Budget <u>(Unaudited)</u>
Revenue - Federal grants	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Expenditures - Current - General government	20,000	20,000	20,000	-
Net Change in Fund Balance	-	-	(20,000)	(20,000)
Fund Balance - Beginning of year	10,044	10,044	10,044	-
Fund Balance - End of year	<u>\$ 10,044</u>	<u>\$ 10,044</u>	<u>\$ (9,956)</u>	<u>\$ (20,000)</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other revenue	\$ 50,000	\$ 50,000	\$ 147,897	\$ 97,897
Expenditures - Current services:				
General government	28,289	28,289	28,421	(132)
Public safety	93,382	94,384	73,812	20,572
Total expenditures	121,671	122,673	102,233	20,440
Other Financing Sources - Transfers in	52,000	52,000	52,000	-
Net Change in Fund Balance	(19,671)	(20,673)	97,664	118,337
Fund Balance - Beginning of year	52,565	52,565	52,565	-
Fund Balance - End of year	<u>\$ 32,894</u>	<u>\$ 31,892</u>	<u>\$ 150,229</u>	<u>\$ 118,337</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget <u>(Unaudited)</u>	Amended Budget <u>(Unaudited)</u>	Actual	Variance with Amended Budget <u>(Unaudited)</u>
Revenue - Other revenue	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Expenditures - Current services - Public safety	<u>6,000</u>	<u>6,000</u>	<u>4,163</u>	<u>1,837</u>
Net Change in Fund Balance	(5,000)	(5,000)	(4,163)	837
Fund Balance - Beginning of year	<u>6,723</u>	<u>6,723</u>	<u>6,723</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 1,723</u></u>	<u><u>\$ 1,723</u></u>	<u><u>\$ 2,560</u></u>	<u><u>\$ 837</u></u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
	(Unaudited)	(Unaudited)		(Unaudited)
Revenue - Other revenue	\$ 53,450	\$ 53,450	\$ 80,555	\$ 27,105
Expenditures - Current - Recreation and culture	55,500	55,500	45,419	10,081
Net Change in Fund Balance	(2,050)	(2,050)	35,136	37,186
Fund Balance - Beginning of year	220,814	220,814	220,814	-
Fund Balance - End of year	<u>\$ 218,764</u>	<u>\$ 218,764</u>	<u>\$ 255,950</u>	<u>\$ 37,186</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - State grants	\$ 18,000	\$ 18,000	\$ 30,842	\$ 12,842
Expenditures - Current - General government	21,148	21,148	33,990	(12,842)
Excess of Expenditures Over Revenue	(3,148)	(3,148)	(3,148)	-
Other Financing Sources - Transfer in	3,148	3,148	3,148	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	3,148	3,148	3,148	-
Fund Balance - End of year	<u>\$ 3,148</u>	<u>\$ 3,148</u>	<u>\$ 3,148</u>	<u>\$ -</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Property taxes	\$ 1,150,712	\$ 1,150,712	\$ 1,164,918	\$ 14,206
Intergovernmental	5,000	5,000	7,637	2,637
Total revenue	1,155,712	1,155,712	1,172,555	16,843
Expenditures - Debt service				
Principal	905,000	905,000	905,000	-
Interest on long-term debt	128,544	128,544	128,544	-
Total expenditures	1,033,544	1,033,544	1,033,544	-
Net Change in Fund Balance	122,168	122,168	139,011	16,843
Fund Balance - Beginning of year	346,241	346,241	346,241	-
Fund Balance - End of year	<u><u>\$ 468,409</u></u>	<u><u>\$ 468,409</u></u>	<u><u>\$ 485,252</u></u>	<u><u>\$ 16,843</u></u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget <u>(Unaudited)</u>	Amended Budget <u>(Unaudited)</u>	Actual	Variance with Amended Budget <u>(Unaudited)</u>
Revenue - Interest income	\$ -	\$ -	\$ -	\$ -
Expenditures - Debt service				
Principal	140,000	140,000	140,000	-
Interest on long-term debt	82,363	82,363	82,363	-
Total expenditures	<u>222,363</u>	<u>222,363</u>	<u>222,363</u>	<u>-</u>
Excess of Expenditures Over Revenue	(222,363)	(222,363)	(222,363)	-
Other Financing Sources - Transfers in	<u>222,363</u>	<u>222,363</u>	<u>222,363</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	<u>6,567</u>	<u>6,567</u>	<u>6,567</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 6,567</u></u>	<u><u>\$ 6,567</u></u>	<u><u>\$ 6,567</u></u>	<u><u>\$ -</u></u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Miscellaneous	\$ -	\$ -	\$ 10,356	\$ 10,356
Expenditures - Current - Community and economic development	30,000	30,000	62,940	(32,940)
Excess of Expenditures Over Revenue	(30,000)	(30,000)	(52,584)	(22,584)
Other Financing Sources - Transfers in	30,000	30,000	30,000	-
Net Change in Fund Balance	-	-	(22,584)	(22,584)
Fund Balance - Beginning of year	159,809	159,809	159,809	-
Fund Balance - End of year	<u>\$ 159,809</u>	<u>\$ 159,809</u>	<u>\$ 137,225</u>	<u>\$ (22,584)</u>

City of Grosse Pointe Woods, Michigan

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Improvement Fund

Year Ended June 30, 2022

	Original Budget <u>(Unaudited)</u>	Amended Budget <u>(Unaudited)</u>	Actual	Variance with Amended Budget <u>(Unaudited)</u>
Revenue - Charges for services	\$ -	\$ -	\$ -	\$ -
Expenditures - Current - General government	-	-	20,920	(20,920)
Other Financing Uses - Transfers out	-	-	(1,243)	(1,243)
Net Change in Fund Balance	-	-	(22,163)	(22,163)
Fund Balance - Beginning of year	22,163	22,163	22,163	-
Fund Balance - End of year	<u>\$ 22,163</u>	<u>\$ 22,163</u>	<u>\$ -</u>	<u>\$ (22,163)</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Investment income (loss)	\$ 3,500	\$ 3,500	\$ (12,900)	\$ (16,400)
Expenditures - Current - Public works	-	-	-	-
Net Change in Fund Balance	3,500	3,500	(12,900)	(16,400)
Fund Balance - Beginning of year	550,130	550,130	550,130	-
Fund Balance - End of year	<u>\$ 553,630</u>	<u>\$ 553,630</u>	<u>\$ 537,230</u>	<u>\$ (16,400)</u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Intergovernmental	\$ 502,351	\$ 502,351	\$ 516,096	\$ 13,745
Investment income	500	500	1,295	795
Other revenue	-	43,519	43,520	1
Total revenue	502,851	546,370	560,911	14,541
Expenditures - Current services - Public works				
Streets	205,845	248,410	243,364	5,046
Administration	171,968	184,929	183,617	1,312
Traffic services	10,400	9,400	8,440	960
Winter maintenance	70,175	39,175	38,871	304
Fringe benefits	1,142,416	1,194,325	860,669	333,656
Total expenditures	1,600,804	1,676,239	1,334,961	341,278
Excess of Expenditures Over Revenue	(1,097,953)	(1,129,869)	(774,050)	355,819
Other Financing Sources - Transfers in	490,000	490,000	490,000	-
Net Change in Fund Balance	(607,953)	(639,869)	(284,050)	355,819
Fund Balance - Beginning of year	1,282,398	1,282,398	1,282,398	-
Fund Balance - End of year	<u>\$ 674,445</u>	<u>\$ 642,529</u>	<u>\$ 998,348</u>	<u>\$ 355,819</u>

City of Grosse Pointe Woods, Michigan

**Other Supplemental Information
Local Street Fund
Fund-based Balance Sheet**

	June 30, 2022
	<u>Local Street Fund</u>
Assets	
Cash and investments	\$ 1,080,963
Receivables	79,937
Due from other funds	1,000
Prepaid expenditures and other assets	<u>9,258</u>
Total assets	<u>\$ 1,171,158</u>
Liabilities	
Accounts payable	\$ 168,760
Accrued liabilities and other	3,069
Provision for claims	<u>981</u>
Total liabilities	172,810
Fund Balance - Committed - Roads	<u>998,348</u>
Total liabilities and fund balance	<u>\$ 1,171,158</u>

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 supplemental 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

Other Supplemental Information Combining Statement of Net Position Nonmajor Enterprise Funds

June 30, 2022

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Assets			
Current assets - Cash and cash equivalents	\$ 361,340	\$ 150,777	\$ 512,117
Noncurrent assets - Capital assets - Net	417,640	6,250	423,890
Total assets	778,980	157,027	936,007
Liabilities - Current liabilities			
Accounts payable	1,775	1,750	3,525
Accrued liabilities and other	1,748	-	1,748
Total liabilities	3,523	1,750	5,273
Net Position			
Net investment in capital assets	417,640	6,250	423,890
Unrestricted	357,817	149,027	506,844
Total net position	<u><u>\$ 775,457</u></u>	<u><u>\$ 155,277</u></u>	<u><u>\$ 930,734</u></u>

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Operating Revenue			
Docking and launching fees	\$ 234,134	\$ -	\$ 234,134
Commodity sales	-	11,230	11,230
Total operating revenue	234,134	11,230	245,364
Operating Expenses			
General and administrative	78,384	5,408	83,792
Operation and maintenance	12,033	-	12,033
Depreciation	77,425	-	77,425
Total operating expenses	167,842	5,408	173,250
Operating Income	66,292	5,822	72,114
Nonoperating Revenue (Expense)			
Investment income	377	159	536
Interest expense	(240)	-	(240)
Total nonoperating revenue	137	159	296
Change in Net Position	66,429	5,981	72,410
Net Position - Beginning of year	709,028	149,296	858,324
Net Position - End of year	<u>\$ 775,457</u>	<u>\$ 155,277</u>	<u>\$ 930,734</u>

City of Grosse Pointe Woods, Michigan

Other Supplemental Information Combining Statement of Cash Flows Nonmajor Enterprise Funds

Year Ended June 30, 2022

	Boat Dock Rental Fund	Commodity Sales Fund	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers	\$ 234,134	\$ 11,230	\$ 245,364
Payments to suppliers	(43,661)	-	(43,661)
Payments to employees and fringes	(46,406)	(5,408)	(51,814)
Payments to other funds	(11,900)	1,750	(10,150)
Net cash and cash equivalents provided by operating activities	132,167	7,572	139,739
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	-	(6,250)	(6,250)
Principal and interest paid on capital debt	(240)	-	(240)
Net cash and cash equivalents used in capital and related financing activities	(240)	(6,250)	(6,490)
Cash Flows Provided by Investing Activities	377	159	536
Net Increase in Cash and Cash Equivalents	132,304	1,481	133,785
Cash and Cash Equivalents - Beginning of year	229,036	149,296	378,332
Cash and Cash Equivalents - End of year	<u>\$ 361,340</u>	<u>\$ 150,777</u>	<u>\$ 512,117</u>
Classification of Cash and Cash Equivalents - Cash and cash equivalents	<u>\$ 361,340</u>	<u>\$ 150,777</u>	<u>\$ 512,117</u>
Reconciliation of Operating Income to Net Cash from Operating Activities			
Operating income	\$ 66,292	\$ 5,822	\$ 72,114
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	77,425	-	77,425
Changes in assets and liabilities:			
Due to and from other funds	(11,900)	-	(11,900)
Net pension or OPEB asset	552	-	552
Accounts payable	(202)	1,750	1,548
Total adjustments	65,875	1,750	67,625
Net cash and cash equivalents provided by operating activities	<u>\$ 132,167</u>	<u>\$ 7,572</u>	<u>\$ 139,739</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.

City of Grosse Pointe Woods, Michigan

Other Supplemental Information Combining Statement of Net Position Internal Service Funds

June 30, 2022

	Motor Vehicle Fund	Workers' Compensation Fund	Total Internal Service Funds
Assets			
Current assets:			
Cash and cash equivalents	\$ 691,654	\$ 169,398	\$ 861,052
Investments	622,019	115,250	737,269
Receivables - Accrued interest receivable	856	181	1,037
Prepaid expenditures and other assets - Prepaid expenses	11,615	62,959	74,574
Total current assets	1,326,144	347,788	1,673,932
Noncurrent assets - Capital assets - Net	3,033,677	-	3,033,677
Total assets	4,359,821	347,788	4,707,609
Deferred Outflows of Resources			
Deferred pension costs	176,743	-	176,743
Deferred OPEB costs	4,278	-	4,278
Total deferred outflows of resources	181,021	-	181,021
Liabilities			
Current liabilities:			
Accounts payable	10,639	983	11,622
Accrued liabilities and other	2,966	-	2,966
Provision for claims	490	108,664	109,154
Total current liabilities	14,095	109,647	123,742
Noncurrent liabilities:			
Compensated absences	19,969	-	19,969
Net pension liability	1,088,484	-	1,088,484
Net OPEB liability	651,962	-	651,962
Bonds and contracts payable - Net of current portion	201,856	-	201,856
Total liabilities	1,976,366	109,647	2,086,013
Deferred Inflows of Resources			
Deferred pension cost reductions	355,232	-	355,232
Deferred OPEB cost reductions	20,166	-	20,166
Total deferred inflows of resources	375,398	-	375,398
Net Position			
Net investment in capital assets	2,831,821	-	2,831,821
Unrestricted	(642,743)	238,141	(404,602)
Total net position	\$ 2,189,078	\$ 238,141	\$ 2,427,219

City of Grosse Pointe Woods, Michigan

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

Year Ended June 30, 2022

	Motor Vehicle Fund	Workers' Compensation Fund	Total Internal Service Funds
Operating Revenue			
Other revenue	\$ 800	\$ 106	\$ 906
Charges to other funds	936,109	123,302	1,059,411
Total operating revenue	936,909	123,408	1,060,317
Operating Expenses			
Cost of insurance claims	13,740	74,225	87,965
General and administrative	373,392	4,684	378,076
Vehicle operation and maintenance	307,600	-	307,600
Depreciation	415,605	-	415,605
Total operating expenses	1,110,337	78,909	1,189,246
Operating (Loss) Income	(173,428)	44,499	(128,929)
Nonoperating (Expense) Revenue			
Investment (loss) income	(4,421)	334	(4,087)
Interest expense	(7,646)	-	(7,646)
Gain on sale of assets	17,300	-	17,300
Total nonoperating revenue	5,233	334	5,567
Change in Net Position	(168,195)	44,833	(123,362)
Net Position - Beginning of year, as restated	2,357,273	193,308	2,550,581
Net Position - End of year	\$ 2,189,078	\$ 238,141	\$ 2,427,219

City of Grosse Pointe Woods, Michigan

**Other Supplemental Information
Combining Statement of Cash Flows
Internal Service Funds**

Year Ended June 30, 2022

	Motor Vehicle Fund	Workers' Compensation Fund	Total Internal Service Funds
Cash Flows from Operating Activities			
Receipts from customers	\$ 800	\$ 106	\$ 906
Receipts from interfund services and reimbursements	936,109	123,302	1,059,411
Payments to suppliers	(329,110)	(13,186)	(342,296)
Payments to employees and fringes	(387,429)	(9,157)	(396,586)
Claims paid	(14,425)	(84,693)	(99,118)
	205,945	16,372	222,317
Net cash and cash equivalents provided by operating activities			
Cash Flows from Capital and Related Financing Activities			
Proceeds from sale of capital assets	17,300	-	17,300
Purchase of capital assets	(364,246)	-	(364,246)
Principal and interest paid on capital debt	(105,717)	-	(105,717)
	(452,663)	-	(452,663)
Net cash and cash equivalents used in capital and related financing activities			
Cash Flows from Investing Activities			
Interest received on investments	(4,123)	315	(3,808)
Proceeds from sale and maturities of investment securities	5,512	(315)	5,197
	1,389	-	1,389
Net cash and cash equivalents provided by investing activities			
Net (Decrease) Increase in Cash and Cash Equivalents	(245,329)	16,372	(228,957)
Cash and Cash Equivalents - Beginning of year	936,983	153,026	1,090,009
Cash and Cash Equivalents - End of year	\$ 691,654	\$ 169,398	\$ 861,052
Classification of Cash and Cash Equivalents			
Cash and investments	\$ 1,313,673	\$ 284,648	\$ 1,598,321
Less amounts classified as investments	(622,019)	(115,250)	(737,269)
	\$ 691,654	\$ 169,398	\$ 861,052
Total cash and cash equivalents			

City of Grosse Pointe Woods, Michigan

**Other Supplemental Information
Combining Statement of Cash Flows (Continued)
Internal Service Funds**

Year Ended June 30, 2022

	Motor Vehicle Fund	Workers' Compensation Fund	Total Internal Service Funds
Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities			
Operating (loss) income	\$ (173,428)	\$ 44,499	\$ (128,929)
Adjustments to reconcile operating (loss) income to net cash from operating activities:			
Depreciation	415,605	-	415,605
Changes in assets and liabilities:			
Receivables	3,793	-	3,793
Prepaid and other assets	1,452	(7,504)	(6,052)
Net pension or OPEB asset	(16,770)	-	(16,770)
Accounts payable	(24,022)	(5,682)	(29,704)
Estimated claims liability	(685)	(14,941)	(15,626)
Total adjustments	379,373	(28,127)	351,246
Net cash and cash equivalents provided by operating activities	\$ 205,945	\$ 16,372	\$ 222,317

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.

City of Grosse Pointe Woods, Michigan

Other Supplemental Information Statement of Fiduciary Net Position Fiduciary Funds

June 30, 2022

	Pension and Other Employee Benefit Trust Funds			
	Pension Fund	Supplementary Annuity Fund	Other Postemployment Benefit Trust Fund	Total Pension and OPEB Funds
Assets				
Cash and cash equivalents	\$ 778,314	\$ 47,270	\$ 17,968	\$ 843,552
Investments:				
Stocks	14,558,181	884,174	-	15,442,355
Corporate bonds	6,347,601	333,325	-	6,680,926
Exchange-traded funds	16,431,662	1,050,147	1,563,138	19,044,947
Receivables - Accrued interest receivable	179	11	-	190
Total assets	38,115,937	2,314,927	1,581,106	42,011,970
Liabilities - Accounts payable	-	-	-	-
Net Position				
Restricted for pension	38,115,937	2,314,927	-	40,430,864
Restricted for postemployment benefits other than pension	-	-	1,581,106	1,581,106
Total net position	<u>\$ 38,115,937</u>	<u>\$ 2,314,927</u>	<u>\$ 1,581,106</u>	<u>\$ 42,011,970</u>

City of Grosse Pointe Woods, Michigan

Other Supplemental Information Statement of Changes in Fiduciary Net Position Fiduciary Funds

Year Ended June 30, 2022

	Pension and Other Employee Benefit Trust Funds			
	Pension Fund	Supplementary Annuity Fund	Other Postemployment Benefit Trust Fund	Total Pension and OPEB Funds
Additions				
Investment income (loss):				
Interest and dividends	\$ 299,295	\$ 16,975	\$ 35,392	\$ 351,662
Net decrease in fair value of investments	(6,827,031)	(387,216)	(296,062)	(7,510,309)
Investment costs	(48,516)	(2,752)	-	(51,268)
Net investment loss	(6,576,252)	(372,993)	(260,670)	(7,209,915)
Contributions:				
Employer contributions	2,044,344	349,494	1,679,212	4,073,050
Employee contributions	290,886	-	57,134	348,020
Total contributions	2,335,230	349,494	1,736,346	4,421,070
Total additions	(4,241,022)	(23,499)	1,475,676	(2,788,845)
Deductions - Benefit payments	3,586,669	267,409	1,479,212	5,333,290
Net Decrease in Fiduciary Net Position	(7,827,691)	(290,908)	(3,536)	(8,122,135)
Net Position - Beginning of year	45,943,628	2,605,835	1,584,642	50,134,105
Net Position - End of year	\$ 38,115,937	\$ 2,314,927	\$ 1,581,106	\$ 42,011,970

June 30, 2022

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

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities				
Net investment in capital assets	\$ 27,096,926	\$ 26,303,935	\$ 27,569,120	\$ 25,064,363
Restricted	924,572	835,294	7,500,582	2,946,510
Unrestricted	<u>(6,341,023)</u>	<u>(7,745,764)</u>	<u>(28,560,231)</u>	<u>(26,399,199)</u>
Total net position	<u>\$ 21,680,475</u>	<u>\$ 19,393,465</u>	<u>\$ 6,509,471</u>	<u>\$ 1,611,674</u>
Business-type Activities				
Net investment in capital assets	\$ 18,451,087	\$ 18,458,605	\$ 18,185,073	\$ 18,154,537
Restricted	349,500	319,000	306,500	256,000
Unrestricted	<u>4,232,956</u>	<u>5,465,819</u>	<u>5,537,757</u>	<u>7,005,669</u>
Total net position	<u>\$ 23,033,543</u>	<u>\$ 24,243,424</u>	<u>\$ 24,029,330</u>	<u>\$ 25,416,206</u>
Primary Government in Total				
Net investment in capital assets	\$ 45,548,013	\$ 44,762,540	\$ 45,754,193	\$ 43,218,900
Restricted	1,274,072	1,154,294	7,807,082	3,202,510
Unrestricted	<u>(2,108,067)</u>	<u>(2,279,945)</u>	<u>(23,022,474)</u>	<u>(19,393,530)</u>
Total net position	<u>\$ 44,714,018</u>	<u>\$ 43,636,889</u>	<u>\$ 30,538,801</u>	<u>\$ 27,027,880</u>

Source: City annual financial statements

Summary Condensed State of Net Position

Net Position by Component

Last Ten Fiscal Years

June 30, 2022

(Unaudited)

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22,206,276	\$ 27,441,437	\$ 29,554,228	\$ 34,307,867	\$ 37,562,491	\$ 38,551,052
3,380,839	3,853,062	4,675,063	3,879,012	3,224,854	3,238,920
<u>(26,770,331)</u>	<u>(65,318,399)</u>	<u>(62,826,090)</u>	<u>(62,229,876)</u>	<u>(64,355,478)</u>	<u>(50,566,076)</u>
\$ (1,183,216)	\$ (34,023,900)	\$ (28,596,799)	\$ (24,042,997)	\$ (23,568,133)	\$ (8,776,104)
\$ 18,507,826	\$ 18,830,410	\$ 21,640,125	\$ 23,036,705	\$ 24,837,411	\$ 27,007,453
223,500	198,090	155,000	198,090	198,090	198,090
<u>9,036,011</u>	<u>8,144,812</u>	<u>7,377,799</u>	<u>8,078,834</u>	<u>7,571,807</u>	<u>7,700,107</u>
\$ 27,767,337	\$ 27,173,312	\$ 29,172,924	\$ 31,313,629	\$ 32,607,308	\$ 34,905,650
\$ 40,714,102	\$ 46,271,847	\$ 51,194,353	\$ 57,344,572	\$ 62,399,902	\$ 65,558,505
3,604,339	\$ 4,051,152	\$ 4,830,063	\$ 4,077,102	\$ 3,422,944	\$ 3,437,010
<u>(17,734,320)</u>	<u>(57,173,587)</u>	<u>(55,448,291)</u>	<u>(54,151,042)</u>	<u>(56,783,671)</u>	<u>(42,865,969)</u>
\$ 26,584,121	\$ (6,850,588)	\$ 576,125	\$ 7,270,632	\$ 9,039,175	\$ 26,129,546

City of Grosse Pointe Woods, Michigan

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses				
Governmental activities:				
General government	\$ 3,207,643	\$ 3,130,925	\$ 2,494,362	\$ 3,586,605
Public safety	6,869,020	6,553,852	7,777,514	9,321,147
Public works	5,841,495	6,091,819	6,126,373	6,431,753
Solid waste	10,076,663	1,150,743	1,193,308	1,126,483
Municipal improvement	63,982	307,290	554,163	575,094
Recreation and culture	1,827,426	1,554,898	1,773,961	1,855,328
Interest on long-term debt	17,369	830,255	-	207,605
Total governmental activities	<u>27,903,598</u>	<u>19,619,782</u>	<u>19,919,681</u>	<u>23,104,015</u>
Business-type activities:				
Water/Sewer	5,432,429	5,420,387	5,919,315	6,053,295
Parking	207,597	195,791	246,050	304,826
Boat dock	69,894	97,519	96,733	104,778
Commodity sales	40,085	-	36,955	23,940
Total business-type activities expenses	<u>5,750,005</u>	<u>5,713,697</u>	<u>6,299,053</u>	<u>6,486,839</u>
Total primary government expenses	<u>33,653,603</u>	<u>25,333,479</u>	<u>26,218,734</u>	<u>29,590,854</u>
Program Revenue				
Governmental activities:				
Charges for services				
Municipal court	667,782	593,962	455,417	401,218
Building inspections and related	-	-	-	-
Recreation and culture	119,399	107,161	111,904	116,383
Other activities	639,214	614,984	321,151	379,099
Total charges for services	<u>1,426,395</u>	<u>1,316,107</u>	<u>888,472</u>	<u>896,700</u>
Operating and capital grants and contributions	<u>912,762</u>	<u>943,540</u>	<u>1,091,214</u>	<u>1,009,509</u>
Total governmental activities program revenue	<u>2,339,157</u>	<u>2,259,647</u>	<u>1,979,686</u>	<u>1,906,209</u>
Business-type Activities				
Charges for services:				
Water/Sewer	6,144,410	6,339,551	6,241,351	7,202,849
Parking	301,696	292,825	454,533	439,720
Boat dock	129,805	126,052	140,986	150,625
Commodity sales	37,922	34,214	33,075	30,392
Capital grants and contributions	-	-	-	-
Total business-type program revenue	<u>6,613,833</u>	<u>6,792,642</u>	<u>6,869,945</u>	<u>7,823,586</u>
Total primary government program revenue	<u>\$ 8,952,990</u>	<u>\$ 9,052,289</u>	<u>\$ 8,849,631</u>	<u>\$ 9,729,795</u>
Net (Expense) Revenue				
Governmental activities	\$ (16,640,014)	\$ (17,360,135)	\$ (17,939,995)	\$ (21,197,806)
Business-type activities	<u>863,828</u>	<u>1,078,945</u>	<u>570,892</u>	<u>1,336,747</u>
Total primary government net expense	<u>\$ (15,776,186)</u>	<u>\$ (16,281,190)</u>	<u>\$ (17,369,103)</u>	<u>\$ (19,861,059)</u>

Source: City annual financial statements

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

Last Ten Fiscal Years					
June 30, 2022					
(Unaudited)					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 3,508,241	\$ 2,132,039	\$ 739,340	\$ 518,716	\$ 2,593,302	\$ 2,628,416
8,318,311	5,667,873	4,025,271	5,741,383	6,675,082	4,539,620
6,720,230	5,388,938	6,164,026	6,547,959	7,888,744	7,312,364
1,108,370	1,666,746	1,499,882	1,661,616	1,725,517	1,781,243
260,432	811,929	1,029,092	1,283,863	1,017,990	(48,212)
1,905,019	1,758,972	1,723,645	1,848,120	939,350	1,864,690
<u>158,803</u>	<u>186,192</u>	<u>539,273</u>	<u>560,896</u>	<u>719,155</u>	<u>591,553</u>
21,979,406	17,612,689	15,720,529	18,162,553	21,559,140	18,669,674
5,897,189	6,147,744	6,351,669	6,399,751	6,089,411	6,340,899
136,057	235,753	495,089	432,624	899,113	354,994
89,176	432,292	279,565	132,434	157,547	168,082
<u>35,713</u>	<u>10,922</u>	<u>47,233</u>	<u>5,279</u>	<u>5,642</u>	<u>5,408</u>
<u>6,158,135</u>	<u>6,826,711</u>	<u>7,173,556</u>	<u>6,970,088</u>	<u>7,151,713</u>	<u>6,869,383</u>
28,137,541	24,439,400	22,894,085	25,132,641	28,710,853	25,539,057
489,299	452,764	410,923	403,678	473,529	510,360
-	-	-	-	-	-
146,619	141,725	136,973	78,258	56,639	119,609
<u>364,232</u>	<u>397,502</u>	<u>305,384</u>	<u>253,907</u>	<u>232,067</u>	<u>221,400</u>
1,000,150	991,991	853,280	735,843	762,235	851,369
<u>1,306,687</u>	<u>1,655,576</u>	<u>1,756,482</u>	<u>2,496,185</u>	<u>1,731,363</u>	<u>1,848,173</u>
<u>2,306,837</u>	<u>2,647,567</u>	<u>2,609,762</u>	<u>3,232,028</u>	<u>2,493,598</u>	<u>2,699,542</u>
7,818,095	8,763,915	8,214,871	8,021,351	7,831,304	7,623,445
446,643	473,826	448,071	321,868	318,653	282,440
142,843	172,091	194,478	512,097	236,098	234,134
27,679	25,939	21,382	13,795	12,084	11,230
-	-	-	-	-	-
<u>8,435,260</u>	<u>9,435,771</u>	<u>8,878,802</u>	<u>8,869,111</u>	<u>8,398,139</u>	<u>8,151,249</u>
\$ 10,742,097	\$ 12,083,338	\$ 11,488,564	\$ 12,101,139	\$ 10,891,737	\$ 10,850,791
\$ (19,672,569)	\$ (14,965,122)	\$ (13,110,767)	\$ (14,930,525)	\$ (19,065,542)	\$ (15,970,132)
<u>2,277,125</u>	<u>2,609,060</u>	<u>1,705,246</u>	<u>1,899,023</u>	<u>1,246,426</u>	<u>1,281,866</u>
\$ (17,395,444)	\$ (12,356,062)	\$ (11,405,521)	\$ (13,031,502)	\$ (17,819,116)	\$ (14,688,266)

City of Grosse Pointe Woods, Michigan

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Revenue				
Governmental activities:				
Property taxes	\$ 12,869,618	\$ 12,971,861	\$ 12,089,662	\$ 13,450,544
Income taxes				
State-shared revenue	1,500,662	1,521,267	1,568,207	1,640,461
Investment earnings	27,817	46,301	43,238	82,738
Donations	-	-	-	-
Franchise fees	380,964	340,268	315,723	427,964
Other	287,779	301,260	507,807	627,485
Gain on sale of fixed assets	-	-	7,850	23,684
Transfers	30,000	(107,832)	-	-
Total governmental activities	<u>15,096,840</u>	<u>15,073,125</u>	<u>14,532,487</u>	<u>16,252,876</u>
Business-type activities:				
Unrestricted investment earnings	3,869	21,104	28,735	50,129
Other	-	2,000	-	-
Transfers	(30,000)	107,832	-	-
Total business-type activities	<u>(26,131)</u>	<u>130,936</u>	<u>28,735</u>	<u>50,129</u>
Total primary government	<u>15,070,709</u>	<u>15,204,061</u>	<u>14,561,222</u>	<u>16,303,005</u>
Change in Net Position				
Governmental activities	(1,543,174)	(2,287,010)	(3,407,508)	(4,944,930)
Business-type activities	837,697	1,209,881	599,627	1,386,876
Total primary government	<u>\$ (705,477)</u>	<u>\$ (1,077,129)</u>	<u>\$ (2,807,881)</u>	<u>\$ (3,558,054)</u>

Source: City annual financial statements

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

Last Ten Fiscal Years						
June 30, 2022						
(Unaudited)						
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
\$ 14,229,532	\$ 14,116,610	\$ 15,161,779	\$ 15,997,173	\$ 16,333,840	\$ 17,562,597	
1,564,983	1,715,312	1,848,256	1,649,486	2,395,549	2,078,560	
38,764	171,696	438,677	338,402	25,167	(103,986)	
-	-	-	-	-	-	
379,362	362,235	336,174	369,566	341,918	325,892	
665,038	822,143	752,982	1,129,700	443,932	809,184	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>16,877,679</u>	<u>17,187,996</u>	<u>18,537,868</u>	<u>19,484,327</u>	<u>19,540,406</u>	<u>20,672,247</u>	
74,006	147,189	294,366	241,682	47,253	36,704	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>74,006</u>	<u>147,189</u>	<u>294,366</u>	<u>241,682</u>	<u>47,253</u>	<u>36,704</u>	
<u>16,951,685</u>	<u>17,335,185</u>	<u>18,832,234</u>	<u>19,726,009</u>	<u>19,587,659</u>	<u>20,708,951</u>	
(2,794,890)	2,222,874	5,427,101	4,553,802	474,864	4,702,115	
2,351,131	2,756,249	1,999,612	2,140,705	1,293,679	1,318,570	
<u>\$ (443,759)</u>	<u>\$ 4,979,123</u>	<u>\$ 7,426,713</u>	<u>\$ 6,694,507</u>	<u>\$ 1,768,543</u>	<u>\$ 6,020,685</u>	

City of Grosse Pointe Woods

	As of June 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	121,380	138,757	104,203	79,148
Restricted	-	-	-	-
Committed	207,961	317,432	558,479	751,952
Assigned	1,751,490	953,821	1,027,515	707,910
Unassigned	<u>3,435,761</u>	<u>3,754,923</u>	<u>3,716,961</u>	<u>4,992,622</u>
Total general fund	<u>5,516,592</u>	<u>5,164,933</u>	<u>5,407,158</u>	<u>6,531,632</u>
All Other Governmental Funds				
Nonspendable	-	17,002	13,365	10,438
Restricted	924,572	829,037	7,488,572	2,937,106
Committed	17,750	33,500	66,700	16,770
Assigned	375,123	1,152,784	935,005	1,876,521
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>1,317,445</u>	<u>2,032,323</u>	<u>8,503,642</u>	<u>4,840,835</u>
Total of all governmental funds	<u>\$ 6,834,037</u>	<u>\$ 7,197,256</u>	<u>\$ 13,910,800</u>	<u>\$ 11,372,467</u>

Source: City annual financial statements

Fund Balances - Governmental Funds

Last Ten Fiscal Years

June 30, 2022

(Unaudited)

As of June 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
94,419	24,890	405,496	290,917	296,990	259,597
-	-	-	-	-	-
541,642	424,329	1,387,970	791,701	1,273,809	989,090
748,464	3,391,228	1,224,769	599,619	600,130	587,230
<u>6,255,011</u>	<u>5,315,591</u>	<u>5,366,466</u>	<u>6,181,169</u>	<u>5,129,049</u>	<u>5,744,104</u>
<u>7,639,536</u>	<u>9,156,038</u>	<u>8,384,701</u>	<u>7,863,406</u>	<u>7,299,978</u>	<u>7,580,021</u>
11,153	3,636	9,080	11,783	13,860	13,401
5,816,063	3,850,363	5,552,733	4,157,254	3,233,157	3,215,475
23,158	20,006	-	-	-	-
231,432	363,125	325,198	291,806	341,746	268,127
<u>(33,213)</u>	<u>(207,026)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,048,593</u>	<u>4,030,104</u>	<u>5,887,011</u>	<u>4,460,843</u>	<u>3,588,763</u>	<u>3,497,003</u>
<u>\$ 13,688,129</u>	<u>\$ 13,186,142</u>	<u>\$ 14,271,712</u>	<u>\$ 12,324,249</u>	<u>\$ 10,888,741</u>	<u>\$ 11,077,024</u>

City of Grosse Pointe Woods

	As of June 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenue				
Property taxes	\$ 12,868,677	\$ 12,971,026	\$ 12,089,662	\$ 13,450,544
State and local sources	2,263,244	2,328,022	2,389,342	2,649,970
Intergovernmental taxes	-	-	-	-
Delinquent interest and collection fee income	-	-	-	-
Federal financial assistance	6,800	6,483	7,693	-
Other revenue	2,166,176	2,088,772	1,903,267	2,057,149
Investment income	<u>21,988</u>	<u>34,791</u>	<u>26,214</u>	<u>70,506</u>
Total revenue	<u>17,326,885</u>	<u>17,429,094</u>	<u>16,416,178</u>	<u>18,228,169</u>
Expenditures				
Current:				
General government	2,884,058	2,773,796	2,864,850	2,603,109
Public safety	5,453,295	5,480,645	5,397,800	5,322,568
Public works	5,905,623	6,202,883	6,465,890	10,813,928
Recreation and culture	1,421,895	1,337,255	1,373,591	1,367,357
Miscellaneous	-	-	-	-
Capital outlay	124,082	334,617	498,095	451,935
Debt service principal	1,173,754	828,847	226,874	-
Debt service interest	<u>14,676</u>	<u>-</u>	<u>-</u>	<u>207,605</u>
Total expenditures	<u>16,977,383</u>	<u>16,958,043</u>	<u>16,827,100</u>	<u>20,766,502</u>
Excess of Revenue (Under) Over Expenditures	349,502	471,051	(410,922)	(2,538,333)
Other Financing Sources (Uses)				
Debt issuance/proceeds from sale of cap assets	1,000	-	7,124,466	-
Transfers in	385,501	660,919	231,416	364,163
Transfers out	<u>(355,501)</u>	<u>(768,751)</u>	<u>(231,416)</u>	<u>(364,163)</u>
Total other financing (uses) sources	<u>31,000</u>	<u>(107,832)</u>	<u>7,124,466</u>	<u>-</u>
Net Change in Fund Balances	380,502	363,219	6,713,544	(2,538,333)
Fund Balances - Beginning of year	<u>6,453,535</u>	<u>6,834,037</u>	<u>7,197,256</u>	<u>13,910,800</u>
Fund Balances - End of year	<u>\$ 6,834,037</u>	<u>\$ 7,197,256</u>	<u>\$ 13,910,800</u>	<u>\$ 11,372,467</u>
Debt service as a percentage of noncapital expenditures	7.09%	5.01%	1.44%	1.34%

Source: City annual financial statements

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years
June 30, 2022
(Unaudited)

As of June 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 13,942,867	\$ 14,403,290	\$ 15,161,779	\$ 15,996,485	\$ 16,333,840	\$ 17,562,597
2,723,847	3,167,506	3,746,298	3,215,563	4,102,284	3,906,733
-	-	-	-	-	-
25,227	13,777	44,670	26,750	20,000	-
2,272,146	2,276,711	2,247,657	1,683,001	1,636,399	1,929,171
<u>27,286</u>	<u>146,493</u>	<u>397,423</u>	<u>289,278</u>	<u>20,597</u>	<u>(106,430)</u>
<u>18,991,373</u>	<u>20,007,777</u>	<u>21,597,827</u>	<u>21,211,077</u>	<u>22,113,120</u>	<u>23,292,071</u>
2,645,589	2,700,380	4,501,649	2,603,533	3,155,827	3,168,107
5,467,346	5,578,638	5,715,168	5,652,474	6,347,322	6,584,918
8,840,961	17,925,257	12,517,740	16,082,363	10,550,044	9,199,527
1,463,628	1,700,044	2,008,936	1,747,492	1,541,078	1,774,950
-	-	-	-	-	-
171,937	615,005	909,337	1,181,810	1,015,605	62,940
750,000	750,000	824,103	1,648,548	1,676,496	1,872,905
<u>211,250</u>	<u>237,679</u>	<u>531,741</u>	<u>616,472</u>	<u>672,673</u>	<u>667,712</u>
<u>19,550,711</u>	<u>29,507,003</u>	<u>27,008,674</u>	<u>29,532,692</u>	<u>24,959,045</u>	<u>23,331,059</u>
(559,338)	(9,499,226)	(5,410,847)	(8,321,615)	(2,845,925)	(38,988)
2,875,000	8,997,239	6,496,417	6,374,152	1,410,417	227,271
16,900	333,586	361,347	1,839,895	1,539,407	798,754
<u>(16,900)</u>	<u>(333,586)</u>	<u>(361,347)</u>	<u>(1,839,895)</u>	<u>(1,539,407)</u>	<u>(798,754)</u>
<u>2,875,000</u>	<u>8,997,239</u>	<u>6,496,417</u>	<u>6,374,152</u>	<u>1,410,417</u>	<u>227,271</u>
2,315,662	(501,987)	1,085,570	(1,947,463)	(1,435,508)	188,283
<u>11,372,467</u>	<u>13,688,129</u>	<u>13,186,142</u>	<u>14,271,712</u>	<u>12,324,249</u>	<u>10,888,741</u>
\$ 13,688,129	\$ 13,186,142	\$ 14,271,712	\$ 12,324,249	\$ 10,888,741	\$ 11,077,024
5.90%	3.75%	7.20%	11.47%	11.25%	11.43%

City of Grosse Pointe Woods

General Governmental Revenue History

Last Ten Fiscal Years

June 30, 2022

(Unaudited)

Fiscal Year	General Property Taxes	Inter-governmental Revenue	Licenses and Permits	Federal Financial Assistance	Charges for Services	Interest and Miscellaneous	Total Revenue
2013	12,868,677	2,263,244	875,743	6,800	121,379	1,191,042	17,326,885
2014	12,971,026	2,328,022	847,839	6,483	114,559	1,161,165	17,429,094
2015	12,089,662	2,389,342	762,903	7,693	200,141	966,437	16,416,178
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

Source: City annual financial statements

Property Tax Levies and Collections

**Last Ten Fiscal Years
June 30, 2022
(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
2012	2013	11,994,577	11,722,371	97.73%	272,206	11,994,577	100.00%
2013	2014	12,364,679	12,083,808	97.73%	280,870	12,364,678	100.00%
2014	2015	11,986,716	11,460,229	95.61%	526,487	11,986,716	100.00%
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%

(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

		Taxable Value by Property Type			
Tax Year	Fiscal Year	Residential	Commercial	Industrial	Personal Property
2012	2013	523,323,200	62,355,800	105,800	15,577,600
2013	2014	534,100,330	71,785,000	107,400	12,500,000
2014	2015	552,991,973	72,042,025	109,177	12,808,700
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

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, 2022
(Unaudited)

Total Value	Tax Rate (mills)	State Equalized Value	Estimated Actual Value	Taxable Value as a Percentage of Actual
601,362,400	20.6834	638,890,901	1,277,781,802	47.06%
618,492,730	18.8883	681,439,327	1,362,878,654	45.38%
637,951,875	20.6091	742,311,865	1,484,623,730	42.97%
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%

City of Grosse Pointe Woods

Tax Year	Millage Rates - Direct City Taxes (1)						Total Direct Taxes	Overlapping Taxes County
	General Operating	Voted EMS	Voted Park Bond	Voted Road Bond	Statutory Solid Waste	Ch 20/21 Milk River Drain		
2013	13.5212	0.5280	-	-	2.0251	4.5281	20.6024	8.7120
2014	14.1063	-	-	-	2.0251	2.7340	18.8654	9.1220
2015	14.1051	-	-	0.3280	2.0251	4.1509	20.6091	9.1220
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

(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, 2022
(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	2.0412	3.4643	16.0890	26.7852	54.3643	65.0605
0.2146	3.2408	2.0512	3.4643	15.9166	26.7550	52.8749	63.7133
0.2146	3.2408	2.0712	3.4643	15.9166	26.7550	54.6386	65.4770
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

Principal Property Tax Payers

**Current and Ten Years Ago
June 30, 2022
(Unaudited)**

	Taxpayer	2022 Taxable Value	Percentage of Total	2013 Taxable Value	Percentage of Total
1	DRSN Real Estate GP LLC	\$ 14,546,039	1.802%	N/A	0.000%
2	Michigan Cons. Gas Co.	11,638,600	1.442%	2,201,500	0.366%
3	Health Care Reit Inc	6,514,400	0.807%	7,346,000	1.222%
4	Pointe Plaza	5,371,827	0.666%	4,655,100	0.774%
5	Detroit Edison	4,998,800	0.619%	3,167,100	0.527%
6	VDG Mack Ave LLC	2,691,760	0.334%	N/A	0.000%
7	Legacy Oaks	1,994,929	0.247%	N/A	0.000%
8	Lochmoor Club	1,653,378	0.205%	1,990,250	0.331%
9	SCI Michigan Funeral Service	1,468,650	0.182%	1,622,400	0.270%
10	Comerica Bank	1,450,183	0.180%	1,911,800	0.318%
11	St. John Health System	1,313,642	0.163%	2,712,300	0.451%
12	Kroger Co. of Michigan	<u>1,339,118</u>	<u>0.166%</u>	<u>2,284,500</u>	<u>0.380%</u>
	Total	<u>\$ 54,981,326</u>	<u>6.812%</u>	<u>\$ 27,890,950</u>	<u>4.638%</u>
	Total	<u>807,097,094</u>		<u>601,362,400</u>	

Source: City of Grosse Pointe Woods Assessing Department records

City of Grosse Pointe Woods

	As of June 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities				
General obligation bonds (GOB)	-	-	-	-
GOB installment note	-	-	-	-
GOB contract - Wayne County Drain	-	-	-	-
2015 Road Bonds Issue #1	-	-	7,124,469	7,072,022
2015 Road Bonds Issue #2	-	-	-	-
2018 Capital Improvement Bond Issue	-	-	-	-
Installment loans - Vehicles	-	-	272,558	648,813
E-One Metro 100' Aerial Apparatus	-	-	-	-
Total	-	-	7,397,027	7,720,835
Business-type Activities				
Installment purchase agreements	-	-	-	-
2010 DWRF Bonds	5,170,410	4,951,798	4,696,798	4,436,798
2012 SRF Bonds	667,763	2,485,726	2,733,788	2,620,513
Revenue bonds	3,975,000	3,190,000	2,880,000	2,560,000
Bond premium	282,707	254,436	226,166	197,896
Total	10,095,880	10,881,960	10,536,752	9,815,207
Total debt of the government	\$ 10,095,880	\$ 10,881,960	\$ 17,933,779	\$ 17,536,042
Total Taxable Value (1)	\$ 601,362,400	\$ 618,492,730	\$ 637,951,875	\$ 651,213,015
Ratio of Total Debt to Personal Income	1.68%	1.76%	2.81%	2.69%
Total Population	16,135	16,135	16,135	16,135
Total Debt Per Capita	626	674	1,111	1,087

(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, 2022

(Unaudited)

		As of June 30,					
		2017	2018	2019	2020	2021	2022
\$	-	-	\$	-	\$	-	
	-	-	-	-	-	-	
	-	8,997,239	12,846,326	17,824,929	18,490,523	17,867,490	
	6,269,575	5,467,128	4,664,681	4,112,234	3,559,787	2,907,340	
	2,875,000	2,875,000	2,875,000	2,580,000	2,280,000	1,975,000	
			2,637,508	2,497,686	2,352,865	2,203,042	
	539,586	303,927	62,096	-	299,927	201,856	
	-	-	-	-	-	-	
	9,684,161	17,643,294	23,085,611	27,014,849	26,983,101	25,154,728	
	-	-	-	-	-	-	
	4,166,798	4,051,999	3,791,999	3,526,999	3,251,999	2,971,999	
	2,497,065	2,377,065	2,252,065	2,127,065	1,997,065	1,867,065	
	2,235,000	1,900,000	1,550,000	1,185,000	810,000	415,000	
	169,626	141,353	113,082	84,811	56,540	28,269	
	9,068,489	8,470,417	7,707,146	6,923,875	6,115,604	5,282,333	
\$	18,752,650	\$ 26,113,711	\$ 30,792,757	\$ 33,938,724	\$ 33,098,705	\$ 30,437,061	
\$	659,449,995	\$ 696,024,629	\$ 723,476,987	\$ 746,406,715	\$ 767,141,507	\$ 807,097,094	
	2.84%	3.75%	4.26%	4.55%	4.31%	3.77%	
	16,135	16,135	16,135	16,135	15,332	16,487	
	1,162	1,618	1,908	2,103	2,159	1,846	

Pledged-revenue Coverage

June 30, 2022

(Unaudited)

Debt Service Requirements (3)

Fiscal Year	Gross Revenue (1)	Applicable Expenses (2)	Net Revenue	Principal	Interest	Total	Coverage
2013	6,144,410	4,447,042	1,697,368	290,000	135,279	425,279	399.12%
2014	6,311,280	4,248,572	2,062,708	305,000	92,188	397,188	519.33%
2015	6,213,080	4,898,622	1,314,458	310,000	87,850	397,850	330.39%
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	7,595,173	4,693,139	2,902,034	395,000	22,525	417,525	695.06%

(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, 2022

(Unaudited)

Fiscal Year	Population Per Federal Census		Adjusted Taxable Equalized Valuation	General Obligation Bond Outstanding	Percent Debt to Assessed Value	Debt Per Capita
2013	16,135		601,362,400	-	0.00%	-
2014	16,135		618,492,730	-	0.00%	-
2015	16,135	(2)	637,951,875	7,124,469	1.12%	442
2016	16,135		651,213,015	7,071,532	1.09%	438
2017	16,135	(3)	659,449,995	6,674,748	1.01%	414
2018	16,135		696,024,629	14,772,899	2.12%	916
2019	16,135	(4)	722,551,893	19,798,180	1.54%	1,227
2020	16,135	(4)	746,406,715	24,971,469	3.35%	1,548
2021	15,332	(4)	767,141,507	25,418,505	3.31%	1,658
2022	16,487		807,097,094	24,352,020	3.02%	1,477

(2) Road Bonds approved by voters Nov 2014

(3) Road Bond Debt Issue #2 Added

(4) Capital Improvement Bonds

Source: Comptroller's office

City of Grosse Pointe Woods

Direct and Overlapping Governmental Activities Debt

**June 30, 2022
(Unaudited)**

Governmental unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Grosse Pointe Public Library	\$ 17,795,000	24.83%	\$ 4,418,499
Grosse Pointe Public Schools	107,105,000	24.83%	26,594,172
County of Wayne Building Authority and Debt Fund	206,434,551	1.70%	3,509,387
Wayne County Community College	<u>-</u>	2.88%	<u>-</u>
Total overlapping debt	331,334,551		
Direct city debt	<u>25,154,728</u>		<u>25,154,728</u>
Total direct and overlapping debt	<u>\$ 356,489,279</u>		<u>\$ 25,154,728</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,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Calculation of debt limit (1):				
Taxable valuation	\$ 601,362,400	\$ 618,492,730	\$ 637,951,875	\$ 651,213,015
10 percent of equalized value	62,331,330	62,331,330	74,231,187	79,357,920
Calculation of debt subject to limit:				
Total debt	10,095,880	10,881,960	17,661,221	16,887,229
Less debt not subject to limit:				
Grosse-Gratiot Drain/Milk River Debt	-	-	-	-
2010 DWRP Bonds	5,170,410	4,951,798	4,696,798	4,436,798
2012 SRF Bonds	667,763	2,485,726	2,733,788	2,620,513
Water/Sewer Revenue Bonds 2003	<u>3,495,000</u>	<u>3,190,000</u>	<u>2,880,000</u>	<u>2,560,000</u>
Net debt subject to limit	9,333,173	10,627,524	10,310,586	9,617,311
Total net debt (2)	762,707	254,436	7,350,635	7,269,918
Legal debt margin	61,568,623	62,076,894	66,880,552	72,088,002
Net debt subject to limit as percentage of debt limit	1.24%	0.41%	10.99%	10.08%

(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, 2022

(Unaudited)

As of June 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 659,449,995	\$ 696,024,629	\$ 723,476,987	\$ 746,406,715	\$ 767,141,507	\$ 807,097,094
84,284,766	87,006,800	94,964,167	100,465,047	103,635,109	108,170,359
18,213,064	25,809,784	30,730,661	33,938,724	32,798,778	30,235,205
-	8,997,239	12,846,326	17,824,929	18,490,523	17,867,490
4,166,798	3,911,798	3,905,081	3,611,810	3,308,539	2,971,999
2,497,065	2,377,065	2,252,065	2,127,065	1,997,065	1,867,065
2,235,000	1,900,000	1,550,000	1,185,000	810,000	415,000
8,898,863	17,186,102	20,553,472	24,748,804	24,606,127	23,121,554
9,314,201	8,623,682	10,177,189	9,189,920	8,192,651	7,113,651
74,970,565	78,383,118	84,786,978	91,275,127	95,442,458	101,056,708
12.42%	11.00%	12.00%	10.07%	8.58%	7.04%

City of Grosse Pointe Woods

Demographic and Economic Statistics

June 30, 2022

(Unaudited)

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Unemployment Rate	School Enrollment	
2013	16,135	(1)	(3)	87,123	44.5	8.30%	4,187
2014	16,135	(1)	(3)	89,513	44.9	7.80%	4,025
2015	16,135	(1)	(3)	92,014	44.9	5.70%	3,992
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

(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, 2022

(Unaudited)

	Employer	Enterprise	2022 Employees	Employer's Percentage of Total Employment	2013 Employees
1	GP Public School	School	384	10.87%	384
2	Van Elslander Center	Medical	250	7.07%	250
3	Kroger	Grocery	159	4.50%	159
4	University of Liggett	School	128	3.62%	128
5	Great Lakes Cancer Mgt Specialist	Medical	103	2.91%	103
	Sunrise Assisted Living	Medical	130	3.68%	140
6	St. John I.T. & Desktop Support	Medical Business	100	2.83%	100
7	Lochmoor Club	Country Club	100	2.83%	100
9	City of Grosse Pointe Woods	Municipal	81	2.29%	86
10	Gateway Pediatric Therapy	Medical	50	1.41%	n/a
	Total People Employed in City		<u>3,534</u>		<u>3,547</u>

Source: City Business License Registry

Full-time Government Employees (1)

Last Ten Fiscal Years

June 30, 2022

(Unaudited)

As of June 30,

Department	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Percent of Total for 2022
Supervisor/Administrator	2	2	2	2	2	2	2	2	2	2	2%
Assessing	1	1	-	-	-	-	-	-	-	0	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	2	2	2	1	1	1	2	2	2%
Building	3	3	4	4	4	4	4	4	4	5	6%
Parks and Recreation	2	2	2	2	2	2	2	2	2	2	2%
Public Safety	42	39	35	34	34	35	32	36	36	35	43%
Public Works	<u>22</u>	<u>22</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>22</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>31%</u>
Total	<u>84</u>	<u>81</u>	<u>78</u>	<u>77</u>	<u>78</u>	<u>76</u>	<u>76</u>	<u>80</u>	<u>81</u>	<u>81</u>	<u>100%</u>
		(2)	(3)			(4)	(5)	(5)	(6)	(7)	

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

(2) PS includes EMTs since they were on payroll through 6-30-14

(3) 2015 shows the loss of EMTs.

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

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

(6) Information Systems position added

(7) Building Department position added

Source: City personnel records

City of Grosse Pointe Woods

Function/ Program	As of June 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public safety (calendar year Jan 1 - Dec 31):				
Annual Calls for Service	10,577	10,980	10,886	10,964
Police physical arrests	374	337	359	309
Police traffic violations	1,883	1,306	1,652	1,541
Fire runs	242	213	214	199
Fire actual fires	14	10	20	25
Fire basic ambulance runs	523	458	433	541
Fire Advance Life Support ambulance runs	361	560	601	536
Fire inspections	104	8	19	14
Parking Meter Violations	5,333	6,793	6,938	6,821
Parks and recreation (estimated):				
Recreation programs - Lake Front Park	267	261	217	217
Community center programs	67	57	59	59
Water:				
New connections (calendar year Jan 1 - Dec 31)	1	16	5	2
Water main breaks	34	23	48	34
Total consumption (billed to customers - HCF) - FY	813,574	724,717	653,545	653,901

(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, 2022

(Unaudited)

As of June 30,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
11,902	11,411	9,828	8,191	7,924	(1)
326	177	130	66	69	(1)
2,724	2,569	1,461	1,273	958	(1)
282	219	243	284	249	(1)
29	14	11	24	21	(1)
544	430	582	576	523	(1)
566	828	888	820	784	(1)
11	8	17	10	16	(1)
7,164	7,263	7,674	5,101	5,456	(1)
217	195	217	3	146	(1)
59	75	59	30	82	(1)
9	-	3	1	2	(1)
23	18	31	17	17	(1)
731,328	721,131	666,821	611,777	655,752	587,841

Capital Asset Statistics

**Last Ten Fiscal Years
June 30, 2022
(Unaudited)**

Function/Program	As of June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	3	3	3	2
Ambulances	1	1	1	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	63	63	63	68
Fire hydrants	603	603	608	608	608	608	608	608	608	605
Sewer - Miles of sanitary sewers	78	78	78	78	78	78	78	78	78	95

Source: Departmental annual reports

<u>Fiscal Year</u>	<u>Modified Accrual and Accrual Basis of Accounting</u>
2013	1,363,026
2014	1,413,776
2015	1,431,780
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	2,024,099

Source: Comptroller's office

Gas and Weight Taxes

Last Ten Fiscal Years

June 30, 2022

(Unaudited)

Fiscal year	Type of Street		Total
	Major	Local	Gas and Weight Tax (Act 51) Receipts
2013	629,291	257,655	886,946
2014	648,809	265,806	914,615
2015	662,419	271,424	933,843
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

Source: Comptroller's office

Bargaining Unit	Expiration Date	Number of Employees at June 30, 2022
Police Officers Association of Michigan Represents Public Safety Officers	6/30/2022	20
Command Officers Association of Michigan Represents Public Safety Sergeants and Lieutenants	6/30/2022	9
Police Officers Labor Council Represents all Communications Dispatchers	6/30/2022	2
Technical, Professional, and Office Workers Assn of MI Represents clerical, public works employees, building, and ordinance officers	6/30/2022	29
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	1
Property Maintenance Inspector	N/A	1
Director of Public Works	N/A	1
Assistant Director of PW	N/A	1
Foreman	N/A	1
Recreation Supervisor	N/A	1
Confidential Administrative Assistant	N/A	4

21

Source: Comptroller's office

City of Grosse Pointe Woods

Water and Sewer Customers and Consumption

June 30, 2022

(Unaudited)

<u>User Type</u>	<u>Number of Meters</u>	<u>Water Consumption Volume (100 cubic feet)</u>	<u>Percentage of Consumption</u>
Residential	6,561	5,193	88.39%
Commercial	280	449	7.64%
Churches, schools, and government	33	233	3.97%
Total	<u>6,874</u>	<u>5,875</u>	<u>100%</u>

Source: Comptroller's office

City of Grosse Pointe Woods

Historical Net Earnings, Cash Flow, and Debt Service Coverage

June 30, 2022

(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
2013	5,168,865	4,447,042	975,545	3,718	979,263	425,279	2.30%
2014	5,029,027	4,248,572	1,282,253	16,430	1,298,683	397,188	3.27%
2015	5,640,641	4,898,622	572,439	25,876	598,315	397,850	1.50%
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%

(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, 2022
(Unaudited)**

	Customer	Usage in Dollars	Volume of Water Used (in 100 cubic feet)
1	GP Board of Education	\$35,767.83	10,019
2	University of Liggett	\$28,299.39	7,927
3	The Rivers	\$22,105.44	6,192
4	Shore Pointe Condos	\$19,331.55	5,415
5	Sunrise	\$14,408.52	4,036
6	Lochmoor Club	\$12,152.28	3,404
7	Pointe Plaza Ltd	\$11,359.74	3,182
8	Ank Enterprises	\$7,375.62	2,066
9	Berskshires Condo Assoc	\$6,790.14	1,902
10	Curis Big Boy	\$6,597.36	1,848
11	Kroger Utilities	\$6,561.66	1,838
12	Original Pancake House	\$6,458.13	1,809
13	Star of the Sea	\$5,026.56	1,408
14	St John Providence	\$4,665.99	1,307
15	City of GPW	\$4,184.04	1,172

Source: City of Grosse Pointe Woods Finance

Metered Water Rates

**June 30, 2022
(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 and Taxable Value by Class and Use

**June 30, 2022
(Unaudited)**

State Equalized Value

	By Class				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Real property	\$ 1,058,668,916	\$ 1,013,523,489	\$ 980,305,869	\$ 925,220,765	\$ 844,160,802
Personal property	23,034,670	22,827,600	24,344,600	25,091,000	25,907,200
Total	\$ 1,081,703,586	\$ 1,036,351,089	\$ 1,004,650,469	\$ 950,311,765	\$ 870,068,002

	By Use				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	\$ 972,004,716	\$ 930,527,789	\$ 896,921,869	\$ 851,079,365	\$ 771,792,302
Commercial	86,545,300	82,877,300	83,265,500	74,024,200	72,250,200
Industrial	118,900	118,400	118,500	117,200	118,300
Personal property	23,034,670	22,827,600	24,344,600	25,091,000	25,907,200
Total	\$ 1,081,703,586	\$ 1,036,351,089	\$ 1,004,650,469	\$ 950,311,765	870,068,002

Taxable Value

	By Class				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Real property	\$ 784,062,424	\$ 744,313,907	\$ 722,062,115	\$ 698,385,987	\$ 670,117,429
Personal property	23,034,670	22,827,600	24,344,600	25,091,000	25,907,200
Total	\$ 807,097,094	\$ 767,141,507	\$ 746,406,715	\$ 723,476,987	\$ 696,024,629

	By Use				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	\$ 707,733,272	\$ 671,520,874	\$ 650,171,495	\$ 629,310,713	\$ 602,093,150
Commercial	76,210,252	72,674,633	71,772,973	68,959,820	67,911,530
Industrial	118,900	118,400	117,647	115,454	112,749
Personal property	23,034,670	22,827,600	24,344,600	25,091,000	25,907,200
Total	\$ 807,097,094	\$ 767,141,507	\$ 746,406,715	\$ 723,476,987	\$ 696,024,629

Source: Comptroller's office