

CITY OF MARQUETTE, MICHIGAN
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended September 30, 2022

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PREPARED BY
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CHIEF FINANCIAL OFFICER
Mary Schlicht

CITY OF MARQUETTE, MICHIGAN
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2022

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March 22, 2023



To the Honorable Mayor, Members of the City Commission and
Citizens of the City of Marquette, Michigan

The Annual Comprehensive Financial Report (ACFR) of the City of Marquette, Michigan for the year ended September 30, 2022, is submitted in accordance with State and Federal statutes and Section 7 of the City Charter. The statutes and the City Charter require that the City of Marquette, Michigan issue an annual report of its financial position and activity and that the report be audited by an independent firm of certified public accountants. This Annual Comprehensive Financial Report is published to fulfill that requirement.

This report consists of management's representations concerning the finances of the City of Marquette, Michigan. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, City management 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 GAAP. 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 misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Anderson Tackman & Co. CPAs, have issued an unmodified ("clean") opinion of the City of Marquette's financial statements for the year ended September 30, 2022. Their independent auditor's report is located at the front of the financial section of this Annual Comprehensive Financial Report.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Marquette was founded in 1849, incorporated as a village in 1859 and as a city in 1871 under the provision of Act 279, PS 1909, as amended (Home Rule City Act). The City is the county seat of Marquette County and is the largest community in Michigan's Upper Peninsula.

The City is organized under the Commission-Manager form of government. The Commission consists of seven members, elected at large, who are residents of the City and qualified to vote under the constitution and laws of the State of Michigan. The members of the Commission are elected to serve staggered terms of three years with a maximum of six consecutive years. The Mayor and Mayor Pro-Tem of the City are elected annually by Commission members. The

Commission appoints the City Manager and the City Attorney. All other administrative appointments are the responsibility of the City Manager.

The City is responsible for managing and financing many of the services for its citizens. The service areas include Community Services, Financial Services, Safety Services, and Public Services. The City provides a full range of services including: police, fire, the construction and maintenance of streets and other infrastructure, refuse collection, recycling collection, recreation, senior services, public improvements, planning and zoning, and general administrative services.

In addition, the City operates other business-like operations for water utilities, sewage disposal utilities, marina services, stormwater maintenance, and park services. These services are financed through user-fees and are reported and managed through enterprise funds. City enterprises are expected to operate without substantial General Fund subsidies. Their performance is measured at year-end in the terms of positive or negative funding generated.

The annual budget serves as a foundation for the City's financial planning and control. The City Charter requires that the proposed budget be presented to the City Commission for review at the second July Commission meeting. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The budget is prepared by fund and department function. However, the legally adopted budget is at the fund level. Therefore, expenditures may not legally exceed budget appropriations at the fund level.

The City of Marquette has adopted financial policies that guide the City in its financial management practices. The City takes these policies into account in preparation of the annual budget and in review the budget status of each fund during the year. The City's Fund Balance Policy was adopted by the Commission in 2010. It specifies that the City's General Fund should be managed in such a way that the unrestricted fund balance be no less than 16% of the General Fund's adopted expenditures, and no greater than 49% of the General Fund's adopted expenditures.

Economic Condition and Outlook

Financial Trends

Marquette is located along the southern shore of Lake Superior and it is a nationally recognized destination for recreational trails during the non-winter months and for downhill skiing, cross-country skiing, and snow-biking in the winter months. The City is primarily residential and commercial, accounting for 58% and 39%, respectively, of the City's total taxable value. Marquette is home to Northern Michigan University, which has an enrollment of about 7,600 students.

In April 2019, one of the City's largest taxpayers retired its operating facility which resulted in a significant loss of annual revenues. In the preceding years in anticipation of this closure, City budgets had built up reserves within its fund balance to ensure that Marquette maintained budget flexibility to withstand the revenue decline. The use of these reserves was utilized in order to maintain City services in the years following the facility's closure. In fiscal year 2021, the City returned to balanced general fund surplus after two consecutive deficits through efforts that reduced expenditures and through the benefits of additional federally aided revenues.

Together, those dynamics helped to stabilize revenues allowing the City to adjust its millage rates to provide increased funding for existing services for fiscal year 2022 and beyond.

Long-term Financial Planning

The City Commission and the City Manager are committing to strategies designed to ensure the long-term financial health of the City. In fiscal year 2022, capital improvement budgets were reduced to maintenance-type projects and to completing existing capital projects still under construction. New capital projects will be considered if there is an appropriate revenue source to offset the costs. This revenue offset cannot include the issuance of debt as the City is also seeking to reduce its currently outstanding debts and to establish a reserve fund for its future capital needs.

Budgets are developed with cautious revenue and expenditure assumptions, using a zero-based budgeting approach that uses three-to-six years of historical data to forecast as well as the use of outside sources of information to forecast trends. The City expects to intentionally draw down on its fund balance reserves in the upcoming fiscal years to maintain a continuity of services and to pay its fixed costs until revenues can begin to rebound as planned developments complete construction.

Relevant Financial Policies

The City adheres to several financial management policies governing debt, investments, fund balance, pension funding, other postemployment benefits funding, and capital improvements. These policies demonstrate a commitment to maintain adequate reserves for necessary financial stability and long-term financial planning.

Major Initiatives

The accomplishments for fiscal year 2022 closely aligned with priorities listed in the City's current Strategic Plan. Such focus is directed towards economic development, climate change, housing and transportation, essential services, and City-owned facilities and infrastructure. Although the capital improvement projects undertaken in fiscal year 2022 do not illustrate a one-to-one correlation to these foci, the City undertook increased efforts to ensure that policies are in place to ensure it is prepared for new developments.

The major themes guiding City projects in fiscal year 2022 continued to be:

- Infrastructure repairs, replacement, and improvements
- Collaboration with regional partners to overcome barriers to economic growth
- Maintaining a continuity of service despite revenue reductions
- Focus on budget stabilization
- Debt management

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marquette for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This is the 36th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily

readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Financial Services Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the City Commission for their support in maintaining the highest standards of professionalism in the management of the City of Marquette's finances.

Respectfully submitted,


Karen Kovacs
City Manager


Mary Schlicht
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Marquette
Michigan**

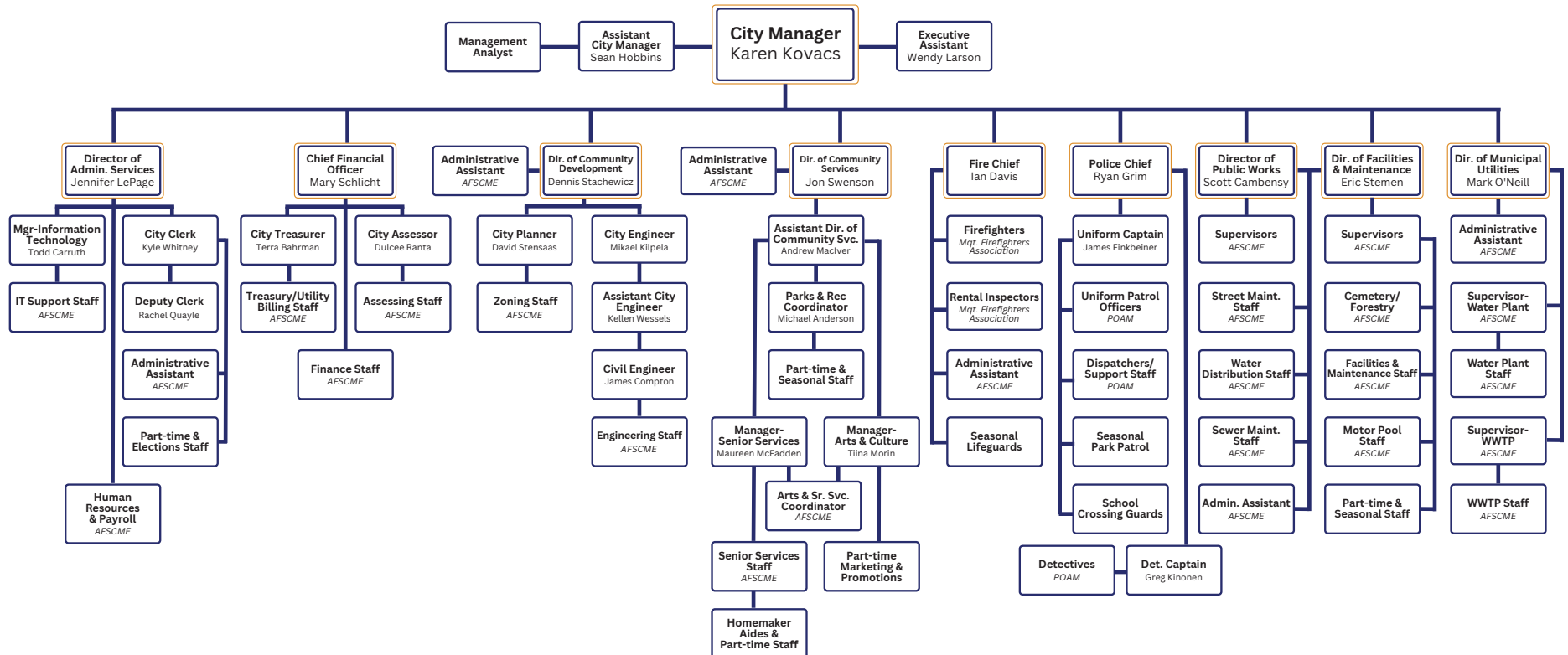
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF MARQUETTE



CITY OF MARQUETTE, MICHIGAN
ADMINISTRATIVE STAFF

CITY MANAGER

Karen Kovacs

ASSISTANT CITY MANAGER

Sean Hobbins

EXECUTIVE ASSISTANT

Wendy Larson

CITY ATTORNEY

Suzanne Larsen

CHIEF FINANCIAL OFFICER

Mary Schlicht

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Jennifer LePage

Information Services Division

Todd Carruth

Clerks Office Division

Kyle Whitney

DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

Dennis Stachewicz

Engineering Division

Mikael Kilpela

Kellen Wessels

James Compton

Planning & Zoning Division

David Stensaas

DIRECTOR OF COMMUNITY SERVICES

Jon Swenson

Parks & Recreation Division

Andrew MacIver

Michael Anderson

Arts & Culture

Tiina Morin

DIRECTOR OF PUBLIC WORKS

Scott Cambensy

DIRECTOR OF FACILITIES AND MAINTENANCE

Eric Stemen

DIRECTOR OF MUNICIPAL UTILITIES

Mark O'Neill

FIRE CHIEF

Ian Davis

POLICE CHIEF

Ryan Grim



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of City of Marquette, Michigan (the City), as of and for the year ended September 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Board of Light and Power, which represent 86 percent, 86 percent, and 76 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Light and Power, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

Change in Accounting Principle

As described in Note AB to the financial statements, in 2022 the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*, which provides guidance on the identification and reporting of leasing activities. 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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.

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Section 2 – Required Supplementary Information (as listed 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 who 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying individual major fund financial statements, combining and individual non-major fund financial statements, capital asset schedules, and long-term debt schedules are presented for purposes of additional analysis and are 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, based on our audit and the report of the other auditors, the individual major fund financial statements, combining and individual non-major fund financial statements, capital asset schedules, and long-term debt schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended September 30, 2021, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. We did not audit the financial statements of the Board of Light and Power, which represent 87 percent, 86 percent, and 68 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for component unit activities, is based solely on the report of the other auditors. The individual major fund financial statements and the individual non-major fund financial statements for the year ended September 30, 2021, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 basic financial statements. The information has been subjected to the audit procedures applied in the audit of those 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, based on our audit and the report of the other auditors, the 2021 individual major fund financial statements and individual non-major fund financial statements, are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Information

Management is responsible for the other information included in the annual 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 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 22, 2023

City of Marquette, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the City of Marquette, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the financial statements. Please refer to the table of contents for page numbers of these items.

FINANCIAL HIGHLIGHTS

- Net position for the City as a whole increased by \$6,744,714 as a result of this fiscal year's operations. Net position of our business-type activities increased by \$3,090,172 or 8.60%, and net position of our governmental activities increased by \$3,654,542 or 9.70%.
- During the year, the City had expenses for governmental activities that were \$15,846,476 more than the \$17,764,791 generated in program revenues.
- The City's business-type activities had expenses that were \$2,954,316 less than the \$17,578,893 generated in program revenues.

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. Fund financial statements are also presented (see Table of Contents for page references). For governmental activities, these statements tell how these services were financed in the short term as well as what remains for the future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the City as a Whole

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's *net position* and changes in them. You can think of the City's net position - the difference between assets plus deferred outflows, and liabilities plus deferred inflows - as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's patron base and the condition of the City's capital assets, to assess the *overall financial health* of the City.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

In the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- *Governmental activities* – Most of the City's basic services are reported here, including the police, fire, public works and parks departments, and general administration. Property taxes, charges for services and state sources fund most of these activities.
- *Business-type activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water system, sewer system, stormwater, marinas, lakeshore and lighthouse park, fuel system and recreational park activities are reported here.
- *Component units* – The City includes four separate legal entities in its report – the Board of Light and Power, the Peter White Public Library, the Downtown Development Authority, and the Brownfield Redevelopment Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds follows. The fund financial statements (see Table of Contents for page references) provide detailed information on the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Commission establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using taxes, grants, and other money. The City's two kinds of funds - *governmental* and *proprietary* - use different accounting approaches.

- *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and Statement of Activities) and governmental *funds* in a reconciliation which follows the fund financial statements.
- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities – such as the Motor Vehicle Equipment Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

The City as Trustee

The City is the trustee, or fiduciary, for its Fire-Police Retirement System pension plan. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position (see Table of Contents for page references). We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The City as a Whole

Table 1 provides a summary of the City's net position as of September 30, 2022 and 2021.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 40,203,774	\$ 34,369,750	\$ 16,873,056	\$ 11,992,525	\$ 57,076,830	\$ 46,362,275
Capital assets, net	94,892,474	95,612,118	62,519,998	64,036,666	157,412,472	159,648,784
Total Assets	135,096,248	129,981,868	79,393,054	76,029,191	214,489,302	206,011,059
Deferred outflows of resources	11,894,889	3,236,010	780,774	757,805	12,675,663	3,993,815
Current liabilities	6,869,485	7,237,671	5,777,795	5,949,268	12,647,280	13,186,939
Noncurrent liabilities	80,631,413	72,398,861	34,691,251	34,599,091	115,322,664	106,997,952
Total Liabilities	87,500,898	79,636,532	40,469,046	40,548,359	127,969,944	120,184,891
Deferred inflows of resources	18,141,890	15,887,539	668,946	292,973	18,810,836	16,180,512
Net Position:						
Net investment in capital assets	53,311,680	53,444,891	34,600,775	34,952,221	87,912,455	88,397,112
Restricted	959,604	937,104	3,888,094	2,349,695	4,847,698	3,286,799
Unrestricted	(12,922,935)	(16,688,188)	546,967	(1,356,252)	(12,375,968)	(18,044,440)
Total Net Position	\$ 41,348,349	\$ 37,693,807	\$ 39,035,836	\$ 35,945,664	\$ 80,384,185	\$ 73,639,471

Net position of the City's governmental activities stood at \$41,348,349. *Unrestricted* net position—the part of net position that could be used to finance day-to-day activities without constraints established by debt covenants, enabling legislation, or other legal requirements stood at \$(12,922,935).

The \$(12,922,935) in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The operating results of the General Fund will have a significant impact on the change in unassigned net position from year to year.

The net position of our business-type activities stood at \$39,035,836. The City can generally only use the net position to finance continuing operations of the water and sewer and other enterprise operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

The results of this year's operations for the City, as a whole are, reported in the Statement of Activities (see Table 2), which shows the changes in net position for fiscal years 2022 and 2021.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 6,792,046	\$ 6,162,107	\$ 17,380,201	\$ 15,812,427	\$ 24,172,247	\$ 21,974,534
Operating grants and contributions	5,980,252	4,794,822	-	-	5,980,252	4,794,822
Capital grants and contributions	4,992,493	1,960,996	198,692	363,151	5,191,185	2,324,147
General revenues:						
Property taxes	15,649,768	14,447,693	-	-	15,649,768	14,447,693
Unrestricted State sources	3,498,022	3,306,827	-	-	3,498,022	3,306,827
Investment earnings	(101,064)	26,851	12,916	14,612	(88,148)	41,463
Sale of capital assets	2,740	260,426	-	-	2,740	260,426
Miscellaneous	322,233	491,305	252,259	117,707	574,492	609,012
Total Revenues	<u>37,136,490</u>	<u>31,451,027</u>	<u>17,844,068</u>	<u>16,307,897</u>	<u>54,980,558</u>	<u>47,758,924</u>
Program Expenses:						
General government	5,986,476	5,202,213	-	-	5,986,476	5,202,213
Public health and safety	10,239,684	8,490,968	-	-	10,239,684	8,490,968
Public works	4,462,348	4,242,062	508,687	285,254	4,971,035	4,527,316
Highways and streets	4,369,537	3,289,477	-	-	4,369,537	3,289,477
Social services	865,904	698,272	-	-	865,904	698,272
Sanitation services	2,926,202	2,659,886	-	-	2,926,202	2,659,886
Community services	1,642,630	1,426,698	941,204	1,008,301	2,583,834	2,434,999
Interest on long-term debt	570,014	591,032	-	-	570,014	591,032
Depreciation - unallocated	2,548,472	2,426,961	-	-	2,548,472	2,426,961
Water supply	-	-	5,279,440	4,849,387	5,279,440	4,849,387
Sewage disposal	-	-	6,191,153	5,984,739	6,191,153	5,984,739
Stormwater utility	-	-	1,704,093	1,629,951	1,704,093	1,629,951
Total Expenses	<u>33,611,267</u>	<u>29,027,569</u>	<u>14,624,577</u>	<u>13,757,632</u>	<u>48,235,844</u>	<u>42,785,201</u>
Excess (deficiency) before transfers	3,525,223	2,423,458	3,219,491	2,550,265	6,744,714	4,973,723
Transfers	<u>129,319</u>	<u>265,248</u>	<u>(129,319)</u>	<u>(265,248)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	3,654,542	2,688,706	3,090,172	2,285,017	6,744,714	4,973,723
Net position, beginning, as restated	<u>37,693,807</u>	<u>35,005,101</u>	<u>35,945,664</u>	<u>33,660,647</u>	<u>73,639,471</u>	<u>68,665,748</u>
Net Position, Ending	<u>\$ 41,348,349</u>	<u>\$ 37,693,807</u>	<u>\$ 39,035,836</u>	<u>\$ 35,945,664</u>	<u>\$ 80,384,185</u>	<u>\$ 73,639,471</u>

The City's total revenues were \$54,980,558. The total cost of all programs and services was \$48,235,844 leaving an increase in net position of \$6,744,714. Our analysis below separately considers the operations of governmental and business-type activities:

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Governmental Activities – Analysis of Individual Funds:

General Fund

The General Fund has several sources of revenue which are discussed below:

Operating Grants and Contributions:

- Federal grant revenues increased due to the recognition of \$1,000,000 in revenues through the Coronavirus State and Local Fiscal Recovery program.

Property Taxes:

- Property Taxes are the biggest source of revenue in the General Fund. These taxes are based on taxable values (TV) of property as of December 31 of each year. The tax millage rate as set by the City Commission during the budget process is then applied to TV.
- Property Taxes are impacted by Proposal A, which caps annual taxable value increases to the lesser of inflation or 5%. Values are uncapped when the property is sold. The uncapped value is represented by State Equalized Value (SEV).
- The City Assessor sets TV and SEV as of December 31 of each year. Property owners can appeal these values by utilizing the City's Board of Review and further appeal by utilizing the State Tax Tribunal.
- The millage rate for fiscal year 2022 was changed from the previous fiscal year of 14.9225 mills to 17.5604 mills.

Payments in Lieu of Taxes (PILT):

- This revenue source is comprised of asset valuations of the City owned utilities of the Marquette Area Wastewater Treatment Facility and the City's Water and Sewer Utilities and applying the approved tax millage rate.
- Also included is 5.5% of the operating revenues of the Marquette Board of Light and Power.
- The City also has PILT arrangements with low income housing units. These units are exempt from property taxes but utilize a formula set by the Federal Government to help pay for City services provided to these units. Use of this formula does not increase rents paid by each property's residents.

State Shared Revenue:

- State Shared Revenues are comprised of Sales & Use Tax, Liquor License fees, and Fire Protection of State Facilities. Each of these components are distributed based upon formulas set by the State and the amount of money appropriated for each purpose by the State.
- Sales & Use Tax is largely dependent upon overall economic conditions in the State; Liquor License fees are based upon the number of licenses issued; and, Fire Protection of State Facilities is based upon the estimated SEV of State facilities located within the City, such as the prison, university, and various other State facilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

- There are two components to Sales & Use Tax distributions – Constitutional and Statutory. Constitutional, as the name suggests, is set in the State Constitution and would require a vote by the people of the State in order to change. Statutory, on the other hand, is subject to formula and appropriation by the State legislature.
- Additionally, statutory revenue sharing distributions are subject through participation in the City, Village, and Township Revenue Sharing (CVTRS) program. This program requires the City to publish a Citizen's Guide and Performance Dashboard by December 1 of each year. Currently, by participating in this program and conforming to its guidelines, the City receives approximately \$390,000 per year.

Other Revenue Sources:

- Service/Use/Sales/Rental fees: These revenues are based upon a Fee Schedule adopted by the City Commission each year during the budget process and are dependent upon the amount of services requested and provided.
- Fines and Forfeits: This revenue source is comprised of Civil Infraction fines and parking tickets.
- Sale of Capital Assets: Revenues in this classification are variable from year to year based on the availability of surplus assets the City may sell. During fiscal year 2022, a portion of a City parcel of land was sold for development.
- Investment Income: This source is dependent upon the amount of investable cash and interest rates. The City must also comply with GASB's mark-to-market accounting rules for investments. On occasion, this requires a write-down to the market value of investments during the fiscal year. This write-down is a "paper" loss only since the City holds investments until maturity. There is no actual loss in these instances.
- Other Revenue: The largest component of this revenue source relate to the services provided for rental code registrations and compliance inspections.

General Fund expenditures are grouped by function as discussed below:

- General Government is comprised mostly of Central Administration and Community Development.
- Public Health and Safety is comprised of the Police and Fire Departments and Waterfront Safety.
- Public Works is comprised of Public Works Maintenance, City Hall and Grounds, and Cemetery.
- Community Services is comprised of Promotional Fund, Parks and Recreation Administration, and Arts and Culture.
- Net Other Financing Uses include financing activities and transfers between the City's various Funds. The General Fund typically makes transfers to balance other Funds, such as the Street Funds, Lakeview Arena, and payments made by Debt Service Funds.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

In all functions, wages and fringe benefits are set by negotiated labor agreements for those staff covered by Labor Unions. For those staff not covered by Labor Unions, wages and fringe benefits are set by the City Commission during the budget process. Required pension plan payments are made in accordance with an annual actuarial study.

Street Funds

The Street Funds are divided between Major and Local and the largest revenue sources are received from the State’s Act 51 Gas & Weight Tax and transfers from the City’s General Fund.

Gas & Weight Tax is distributed based upon formulas and the amount of money appropriated by the State. In addition, Gas & Weight Tax is dependent upon how much gas is bought at the pump throughout the State.

Another portion of Act 51 is the Winter Maintenance (Snow) allocation made by the State. Again, this source is based upon formula and appropriated amounts by the State each year. This revenue source can vary greatly from year-to-year and is largely dependent upon a rolling average of annual snow fall and the cost to remove the snow for traffic purposes.

Because Act 51 revenues do not fully cover the cost of expenditures in the Major and Local Street Funds, transfers from the General Fund are usually required each year to “balance out” the activities of both Funds.

Expenditures in the Street Funds are classified according to the functions of Routine Maintenance, Winter Maintenance, State Trunkline, Construction, and Administration. Each of these functions can vary from year-to-year and is largely dependent upon the amount of annual snowfall and construction.

Construction Fund

Capital Grants and Contributions increased in fiscal year 2022 due to a one-time contribution of \$2,700,000 to fund future trucking corridor reconstruction costs.

Other Governmental Activity Funds

Public Art Fund: Beginning in fiscal year 2018, the General Fund contributes \$30,000 per year which is indexed for inflation each year thereafter. The expenditures are part of the City’s public art initiative as set forth according to local ordinance.

Sanitation Fund: Use fees are the biggest revenue source to cover expenditures related to recycling, trash collection services, and landfill usage. Recycling and trash collection services are based upon contracts for these services which are then billed out to residents on a monthly basis as part of their utility bill. Landfill usage is based on the number of permits sold for landfill disposal. The fee collected is then passed on to the County Landfill Authority as the City is only a pass-thru agent in this regard. These revenues, and corresponding expenditures, are variable from year-to-year based on the permitted landfill activity during the year.

Local Development Finance Authority (LDFA): Tax Increment Financing revenue is collected in accordance with LDFA Public 281 of 1986. This revenue is used to finance the City’s SmartZone initiative with the intent to create and maintain high-tech type jobs and help provide a basis for local economic development.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Public Education Government (PEG) Fund: As part of the cable tv franchise agreement, revenue is set aside to cover the expenses for the City's cable tv channel which broadcasts certain local public meetings and disseminates information to the public.

Drug Forfeiture Fund: Revenue sources are the result of seizure and forfeitures from drug enforcement action. Expenditures must be used for the enhancement of law enforcement efforts.

Road Maintenance and Safety Funds: An agreement with Eagle Mine provides for annual payments related to maintenance and safety of roads that are utilized by the Mine's trucking operations in the City.

Criminal Justice Training Fund: A grant from the State allows for ongoing training of the City's Police Department personnel.

Senior Services Fund: In order to provide services to its senior citizens, the City has a dedicated tax millage and contracts with the State and County to provide certain services. Amounts will fluctuate based upon the agreed upon services.

Lakeview Arena Fund: Use fees are the primary revenue source for the City's ice arena along with a transfer from the General Fund. Amounts can vary from year-to-year based upon the amount of usage of the facility for ice hockey and skating. The facility is also used during out-of-season time to host special events. Parks and Recreation staff offices are located year around at the arena.

Debt Service Funds: The City issues debt to fund various infrastructure construction and rehabilitation projects. Debt Service Funds are used to account for the cost of debt service for the Governmental Funds portion of such debt. Debt service for Non-Governmental Funds is accounted for in each specific fund.

Net Cost of Governmental Activity Funds

Table 3 presents the cost of each of the six largest programs – General Government, Public Health and Safety, Public Works, Highways and Streets, Sanitation, and Community Services – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that each program placed on the City's operation.

Table 3		
Governmental Activities		
	Total Cost of Services	Net Cost of Services
General government	\$ 5,986,476	\$ 4,553,408
Public health and safety	10,239,684	8,795,857
Public works	4,462,348	(1,991,084)
Highways and streets	4,369,537	329,114
Sanitation	2,926,202	(262,325)
Community services	1,642,630	953,891

Business-type Activities – Analysis of Individual Funds:

The City owns and operates three utilities: Water Supply, Sewage Disposal, and Stormwater. In addition, this category of Funds consists of Tourist Park, Lakeshore and Lighthouse Park, Fuel System, and Marinas.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Water Supply Fund: Water treatment and distribution are the services provided and use fees are charged. Revenues are largely dependent upon billable flows and the amount charged per 1,000 gallons (kgals). A recent study by an outside consulting firm has recommended 12.25% rate increases for a five-year period. This increase was implemented in fiscal year 2019 and have continued through fiscal year 2022. The main reason for these increases is due to this utility experiencing a period of declining billable flows resulting from conservation efforts by its customers. This has put pressure on the utility's ability to provide the required services and build up needed reserves.

Sewage Disposal Fund: Use fees are charged for sewage disposal services and sanitary sewer operations. The billable amounts are based upon kgal usage in the Water Supply Fund. This utility is experiencing the same issues as described in the Water Supply Fund and the outside consulting firm has recommended a 25% increase for fiscal year 2019, which was implemented, and 11.50% per year for the four years after. The 11.50% increase was implemented for fiscal year 2020 and continued through fiscal year 2022.

Stormwater Fund: Maintenance and construction are the services provided and use fees are charged for the City's stormwater management program. The outside consulting firm has recommended 15.25% rate increases for a five-year period. These increases were implemented in fiscal year 2019 and continued for fiscal year 2022. Rates are charged based on property size.

Tourist Park Fund: This is a camping and recreational park owned and operated by the City. Use fees are charged and set during the budget process. Weather is the largest factor in fluctuations within this fund.

Lakeshore and Lighthouse Park Fund: The City completed a property swap with the United States Coast Guard and received a Lighthouse and other facilities as part of the swap. The City refurbished the former Coast Guard facilities and now generate rental income based on use. The City also has a revenue sharing agreement with the Marquette Maritime Museum who provide tours of the Lighthouse facility and property. Fluctuations occur based on actual usage. In addition to this location, the City has also recently purchased another property along the lakeshore that it intends to refurbish into rental income generating.

Fuel System Fund: The City operates a fuel system depot for its fleet of vehicles and equipment and has agreements in place with other governmental entities so they can purchase fuel for their vehicles and equipment. Fluctuations will occur based on actual usage.

Marinas Fund: The City owns and operates two marinas and use fees are charged. Fees are set during the budget process and subject to confirmation by the State Waterways Commission. Fluctuations will occur based on actual usage.

THE CITY'S FUNDS

As the City completed the year, its governmental funds (as presented in the balance sheet, see table of contents for page reference) reported a *combined* fund balance of \$19,665,773, an increase of \$2,802,548 from the beginning of the year. The reasons for this increase are discussed below.

General Fund Budgetary Highlights

The General Fund originally budgeted for a \$1,906,240 use of fund balance. During the year, adjustments were implemented that resulted in a use of \$1,483,680 to the General Fund's fund balance. The main component of this \$422,560 swing is the increased millage levied for the 2022 tax year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022 the City had \$157,412,472 invested in a variety of capital assets including land and improvements, buildings and improvements, equipment, and infrastructure. (See Table 4 below)

Table 4
Capital Assets at Year-End
(Net of Depreciation)

	2022			Totals 2021
	Governmental Activities	Business-type Activities	Totals	
Land and construction in progress	\$ 20,670,189	\$ 775,992	\$ 21,446,181	\$ 20,412,394
Land improvements	1,609,331	2,657,427	4,266,758	4,112,140
Buildings and improvements	14,794,298	7,164,825	21,959,123	23,333,707
Furniture and equipment	3,725,146	943,374	4,668,520	4,217,631
Infrastructure	54,093,510	50,978,380	105,071,890	107,487,503
Totals	<u>\$ 94,892,474</u>	<u>\$ 62,519,998</u>	<u>\$ 157,412,472</u>	<u>\$ 159,563,375</u>

Further details on capital assets can be found in Note I.

Debt

At year-end, the City had \$73,457,224 in bonds, notes and capital lease obligations outstanding as depicted in Table 5 below, which shows total bonded debt as of September 30, 2022.

Table 5
Outstanding Debt at Year-End

	2022			Totals 2021
	Governmental Activities	Business-type Activities	Totals	
General obligation bonds	\$ 17,360,039	\$ 30,024,992	\$ 47,385,031	\$ 46,912,395
Contracts and notes payable	24,289,869	1,782,324	26,072,193	26,867,500
Totals	<u>\$ 41,649,908</u>	<u>\$ 31,807,316</u>	<u>\$ 73,457,224</u>	<u>\$ 73,779,895</u>

General Obligation Bonds are those bonds that have the City's taxing authority pledged as back-up (usually referred to as "Full (or Limited) Full Faith and Credit").

Contracts and Notes Payable are those items not generally classified as bonds but are still considered to be debt (such as loans from State programs – Water and Sewer Revolving Loan Fund).

Further details on long-term debt can be found in Note F.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The City's elected and appointed officials considered many factors when setting the fiscal year 2022 budget, including the global and national economies. Below are a few of these factors:

State Revenue Sharing remains a budgetary concern although recent trends are starting to show slight increases. Public Act 63 of 2011 introduced the Economic Vitality Incentive Program (EVIP) for eligible local governments to follow in order to receive Statutory Revenue Sharing from the State. Prior to EVIP, the statutory portion was allocated without need to meet criteria for qualification. With EVIP, the City must certify that it is meeting certain criteria in the areas of accountability and transparency, consolidation of services, and employee benefits. The City is currently qualified to receive its full share, approximately \$390,000. Prior to EVIP, the City was receiving \$500,000 of statutory payments annually without any qualification criteria. With EVIP, qualification is an annual process which the City must show compliance with the State-mandated criteria. In fiscal year 2015, the EVIP program was changed to City Village Township Revenue Sharing (CVTRS) and left just the first phase to be complied with in order to receive the "full" allocation of Statutory Revenue Sharing. It is still unclear what additional program modifications or legislative action will bring. As a result, the Administration views statutory revenue sharing as "speculative".

Property Taxes (Real and Personal) are another big factor in the City's General Fund budget. Property Tax calculations are based on taxable value. Taxable value is determined by the City Assessor as of December 31st of each year, using State approved methods and processes. Taxable value growth is capped, by State constitution, at the lower of the rate of inflation or 5%. In the year when property sells, the taxable value is then allowed to be adjusted to reflect actual increases in taxable value and then the capping process starts all over again. There are several avenues for taxpayers to contest taxable values, namely the City's Board of Review and the State tax tribunal process.

The City projects nominal future increases in assessed taxable value. There is also a change in the Personal Property Tax structure where businesses with less than \$80,000 cash value (\$40,000 taxable value) in personal property are exempt from having to pay the tax. This threshold is increasing to \$180,000 cash value in 2023. The State has promised to fully reimburse the loss to municipalities. It is possible that additional changes to the Personal Property Tax structure could be made in future years, but this cannot be quantified at the current time.

Presque Isle Power Plant (WE Energies), at one time the City's largest property taxpayer, closed in April 2019. Discussions continue to remediate and develop the property as quickly as possible to mitigate the loss of jobs and taxable value. The initial loss in Property Taxes is \$1.3 million per year to the City. When the possibility of closure first arose, the City began an effort to increase the fund balance of the General Fund as high as possible to help offset this loss of Property Tax revenue and allow for uninterrupted staffing and service levels. At the end of fiscal year 2020, the General Fund had accumulated a balance that exceeded its 180-day benchmark, an amount identified in the General Fund Unrestricted Fund Balance Policy that would initiate an appropriate triage in which to begin spending down that balance. This policy played a factor in the 2021 budget and will continue to do so in the upcoming fiscal year budgets.

Expenditures and inflation in the post-pandemic world are increasing at a rate that exceeds the constrained increases projected in revenues. As the costs to provide City services continue to increase, the City is approved the decision to increase the property tax millage in 2022, which has not been increased in over a decade. With these increased revenues, the City is intending to maintain current services, to reduce its need to incur debt needed to support infrastructure needs, and to build up assigned fund balances for future capital improvement needs.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

The City continues to look for economic development opportunities with the goal to create jobs and increase the City's tax base. The City owned Cliff's Dow property and the privately owned former hospital site are two such examples for potential development.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Financial Services Office at City of Marquette, 300 West Baraga, Marquette, Michigan, 49855. Additional information about the City may also be found on the City's website at www.marquettemi.gov.

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CITY OF MARQUETTE, MICHIGAN
BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide an overview of the City's financial position and the result of current year's operations and cash flows.

These Basic Financial Statements indicate the classes and funds displayed in subsequent sections of the report and present comprehensive data for assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, transfers, expenses or expenditures and cash flows of the City funds.

CITY OF MARQUETTE, MICHIGAN

STATEMENT OF NET POSITION

September 30, 2022

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 23,843,178	\$ 10,114,621	\$ 33,957,799	\$ 40,335,493
Investments	5,963,078	-	5,963,078	28,866,300
Receivables (net)	5,498,132	1,857,373	7,355,505	5,314,366
Inventory	116,148	159,435	275,583	2,156,039
Prepaid expenses and other assets	1,117,181	77,869	1,195,050	650,527
TOTAL CURRENT ASSETS	36,537,717	12,209,298	48,747,015	77,322,725
Non-current Assets:				
Restricted assets	190,353	613,773	804,126	11,844,452
Accrued Interest	-	-	-	18,695
Investment in UPPPA	-	-	-	5,794,916
Investment in joint venture	3,475,704	4,049,985	7,525,689	-
Leases receivable	-	-	-	57,306
Capital assets:				
Land and construction in progress	20,670,189	775,992	21,446,181	405,980
Other capital assets, net of depreciation	74,222,285	61,744,006	135,966,291	102,822,723
Total Capital Assets	94,892,474	62,519,998	157,412,472	103,228,703
TOTAL NON-CURRENT ASSETS	98,558,531	67,183,756	165,742,287	120,944,072
TOTAL ASSETS	135,096,248	79,393,054	214,489,302	198,266,797
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	69,113	156,166	225,279	-
Deferred amounts related to pension	11,664,174	615,350	12,279,524	1,645,316
Employer contributions subsequent to measurement date	-	-	-	1,409,291
Deferred amounts related to OPEB	161,602	9,258	170,860	1,427,380
Receivables for developer obligations	-	-	-	78,890,204
TOTAL DEFERRED OUTFLOWS OF RESOURCES	11,894,889	780,774	12,675,663	83,372,191
LIABILITIES				
Current Liabilities:				
Cash overdraft	-	-	-	-
Accounts payable	3,094,604	1,712,778	4,807,382	2,443,723
Accrued wages payable	242,039	44,653	286,692	-
Accrued liabilities	422,965	371,640	794,605	351,197
Compensated absences	674,284	-	674,284	1,289,375
Customer deposits payable	39,135	15,386	54,521	1,922,911
Due to primary government	-	-	-	10,894
Grants received in advance	-	-	-	3,000
Current portion of bonds payable	1,784,566	3,633,338	5,417,904	1,347,000
Current portion of contracts and notes payable	587,413	-	587,413	-
Current maturities on revenue bonds	-	-	-	2,895,000
Other current liabilities	24,479	-	24,479	1,719,935
TOTAL CURRENT LIABILITIES	6,869,485	5,777,795	12,647,280	11,983,035
Non-current Liabilities:				
Compensated absences	1,097,267	341,139	1,438,406	72,395
Other post-employment benefits (OPEB)	4,060,981	232,634	4,293,615	3,785,841
Net pension liability	36,195,236	4,570,225	40,765,461	7,202,377
Bonds payable	15,575,473	26,887,821	42,463,294	99,706,723
Long-term contracts and notes payable	23,702,456	2,659,432	26,361,888	40,269,327
Other	-	-	-	81,751
TOTAL NON-CURRENT LIABILITIES	80,631,413	34,691,251	115,322,664	151,118,414
TOTAL LIABILITIES	87,500,898	40,469,046	127,969,944	163,101,449
DEFERRED INFLOWS OF RESOURCES				
Taxes levied for a subsequent period	10,207,446	-	10,207,446	6,061,636
Special assessments	-	4,682	4,682	-
Deferred amounts related to leases	-	-	-	80,856
Deferred amounts related to OPEB	1,211,321	69,392	1,280,713	1,493,208
Deferred amounts related to pension	6,723,123	594,872	7,317,995	3,183,608
TOTAL DEFERRED INFLOWS OF RESOURCES	18,141,890	668,946	18,810,836	10,819,308
NET POSITION				
Net investment in capital assets	53,311,680	34,600,775	87,912,455	36,604,999
Restricted for:				
Debt services	-	-	-	-
Capital outlay	-	3,888,094	3,888,094	-
Nonexpendable	959,604	-	959,604	-
Other activities:				
Board of Light and Power	-	-	-	9,873,007
Brownfield Redevelopment Authority	-	-	-	-
Non-major component units	-	-	-	1,829,620
Unrestricted	(12,922,935)	546,967	(12,375,968)	59,410,605
TOTAL NET POSITION	\$ 41,348,349	\$ 39,035,836	\$ 80,384,185	\$ 107,718,231

CITY OF MARQUETTE, MICHIGAN

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Program Revenues					Net (Expense) Revenue and Changes in Net Position			
Function / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 5,986,476	\$ 1,361,028	\$ 72,040	\$ -	\$ (4,553,408)	\$ -	\$ (4,553,408)	\$ -
Public health and safety	10,239,684	355,216	1,087,915	696	(8,795,857)	-	(8,795,857)	-
Public works	4,462,348	1,461,635	-	4,991,797	1,991,084	-	1,991,084	-
Highway and streets	4,369,537	-	4,040,423	-	(329,114)	-	(329,114)	-
Social services	865,904	-	516,775	-	(349,129)	-	(349,129)	-
Sanitation services	2,926,202	2,941,028	247,499	-	262,325	-	262,325	-
Community services	1,642,630	673,139	15,600	-	(953,891)	-	(953,891)	-
Interest on long-term debt	570,014	-	-	-	(570,014)	-	(570,014)	-
Depreciation - unallocated	2,548,472	-	-	-	(2,548,472)	-	(2,548,472)	-
Total Governmental Activities	33,611,267	6,792,046	5,980,252	4,992,493	(15,846,476)	-	(15,846,476)	-
Business-Type Activities:								
Water supply	5,279,440	5,806,463	-	10,861	-	537,884	537,884	-
Sewage disposal	6,191,153	7,942,544	-	-	-	1,751,391	1,751,391	-
Stormwater utility	1,704,093	2,005,731	-	142,831	-	444,469	444,469	-
Public works	508,687	514,295	-	-	-	5,608	5,608	-
Community services	941,204	1,111,168	-	45,000	-	214,964	214,964	-
Total Business-Type Activities	14,624,577	17,380,201	-	198,692	-	2,954,316	2,954,316	-
TOTAL PRIMARY GOVERNMENT	\$ 48,235,844	\$ 24,172,247	\$ 5,980,252	\$ 5,191,185	(15,846,476)	2,954,316	(12,892,160)	-
Component Units:								
Board of Light and Power	\$ 37,713,188	\$ 46,122,241	\$ -	\$ 332,275	-	-	-	8,741,328
Brownfield Redevelopment Authority	9,070,215	-	32,500	-	-	-	-	(9,037,715)
Non-Major Component Units	3,814,757	639,503	940,625	-	-	-	-	(2,234,629)
TOTAL COMPONENT UNITS	\$ 50,598,160	\$ 46,761,744	\$ 973,125	\$ 332,275	-	-	-	(2,531,016)
General Revenues:								
Taxes:								
Taxes					11,729,719	-	11,729,719	12,960,609
Payment in lieu of taxes					3,920,049	-	3,920,049	-
Unrestricted State sources					3,498,022	-	3,498,022	-
Interest and investment earnings					(101,064)	12,916	(88,148)	620,042
Gain on sale of capital assets					2,740	-	2,740	(46,259)
Miscellaneous					322,233	252,259	574,492	169,558
Transfers					129,319	(129,319)	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					19,501,018	135,856	19,636,874	13,703,950
CHANGE IN NET POSITION					3,654,542	3,090,172	6,744,714	11,172,934
Net position, beginning of year, as restated					37,693,807	35,945,664	73,639,471	96,545,297
NET POSITION, END OF YEAR					\$ 41,348,349	\$ 39,035,836	\$ 80,384,185	\$ 107,718,231

CITY OF MARQUETTE, MICHIGAN

GOVERNMENTAL FUNDS

BALANCE SHEET

September 30, 2022

	General Fund	Major Street and Trunkline Fund	Local Street Fund	Construction Fund	Other Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 8,450,243	\$ 1,814,897	\$ 1,167,505	\$ 3,686,705	\$ 6,941,558	\$ 22,060,908
Investments	5,415,777	-	-	-	547,301	5,963,078
Taxes receivable, net	579,918	-	-	-	8,857	588,775
Accounts receivable	549,510	-	-	-	322,295	871,805
Due from other authorities	2,623,039	-	-	47,741	-	2,670,780
Due from other funds	137	-	-	-	-	137
Due from other governments	666,614	326,692	113,532	-	253,996	1,360,834
Inventories	116,148	-	-	-	-	116,148
Prepaid expenditures	180,380	-	-	-	22,557	202,937
TOTAL ASSETS	18,581,766	2,141,589	1,281,037	3,734,446	8,096,564	33,835,402
DEFERRED OUTFLOWS OR RESOURCES	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 18,581,766	\$ 2,141,589	\$ 1,281,037	\$ 3,734,446	\$ 8,096,564	\$ 33,835,402
LIABILITIES						
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	667,084	96,123	68,130	1,438,521	718,605	2,988,463
Accrued wages payable	204,454	4,667	3,845	377	14,325	227,668
Accrued compensated absences	670,558	-	-	-	3,726	674,284
Due to other funds	-	-	137	-	-	137
Due to other governments	372	-	-	-	-	372
Due to other authorities	7,645	-	-	-	-	7,645
Customer deposits payable	39,135	-	-	-	-	39,135
Unearned revenue	24,479	-	-	-	-	24,479
TOTAL LIABILITIES	1,613,727	100,790	72,112	1,438,898	736,656	3,962,183
DEFERRED INFLOWS OR RESOURCES						
Taxes levied for a subsequent period	8,725,353	-	-	-	1,482,093	10,207,446
Special assessments	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	8,725,353	-	-	-	1,482,093	10,207,446
FUND BALANCE						
Non-spendable	296,528	-	-	-	981,502	1,278,030
Restricted	57,500	2,040,799	1,208,925	-	3,711,047	7,018,271
Committed	-	-	-	-	28,759	28,759
Assigned	999,789	-	-	2,295,548	1,156,507	4,451,844
Unassigned	6,888,869	-	-	-	-	6,888,869
TOTAL FUND BALANCE	8,242,686	2,040,799	1,208,925	2,295,548	5,877,815	19,665,773
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 18,581,766	\$ 2,141,589	\$ 1,281,037	\$ 3,734,446	\$ 8,096,564	\$ 33,835,402

CITY OF MARQUETTE, MICHIGAN

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

September 30, 2022

Total Fund Balances for Governmental Funds

\$ 19,665,773

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities and investments in joint ventures are not financial resources and therefore are not reported in the funds (includes capital assets of internal service funds).

98,368,178

Internal service funds are used by management to charge the costs of certain activities, such as the purchase and maintenance of equipment and vehicles and the operation of the Municipal Service Center, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, net of capital assets.

Current assets	\$ 2,902,078	
Restricted assets	190,353	
Current liabilities	<u>(312,121)</u>	2,780,310

Net pension liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds (includes amounts related to internal service funds).

Net pension liability - MERS	18,527,672	
Net pension liability - Fire/Police Retirement System	17,667,564	
Deferred (outflows) of resources related to net pension liability	(11,664,174)	
Employer contributions subsequent to measurement date	-	
Deferred inflows of resources related to net pension liability	<u>6,723,123</u>	(31,254,185)

Net OPEB liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds (includes amounts related to internal service funds).

Other post-employment benefits	4,060,981	
Deferred (outflows) related to other post-employment benefits	(161,602)	
Deferred inflows related to other post-employment benefits	<u>1,211,321</u>	(5,110,700)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (includes amounts related to internal service funds).

Current portion of bonds payable	\$ 1,784,566	
Current portion of notes and contracts payable	587,413	
Accrued interest on bonds	422,965	
Compensated absences	1,097,267	
Bonds payable	15,506,360	
Long-term contracts and notes payable	<u>23,702,456</u>	(43,101,027)

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 41,348,349

CITY OF MARQUETTE, MICHIGAN

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

	General Fund	Major Street and Trunkline Fund	Local Street Fund	Construction Fund	Other Governmental Funds	Total
REVENUES:						
Taxes and penalties	\$ 10,240,008	\$ -	\$ -	\$ -	\$ 1,493,053	\$ 11,733,061
State sources	3,544,059	2,283,429	1,054,114	-	321,404	7,203,006
Federal sources	1,027,135	2,880	-	-	-	1,030,015
Charges for services	2,624,785	-	-	-	2,834,593	5,459,378
Sales	57,719	-	-	-	-	57,719
Use and admission fees	29,342	-	-	-	437,372	466,714
Rentals	72,519	-	-	-	67,587	140,106
Licenses and permits	99,892	-	-	-	-	99,892
Fines and forfeiture	104,220	-	-	-	162,762	266,982
Sales of assets	40,109	-	-	-	-	40,109
Reimbursements	209,776	8,878	1,065	2,291,797	3,498	2,515,014
Investment income	(121,604)	702	554	6,107	13,886	(100,355)
Payment in lieu of taxes	3,920,049	-	-	-	-	3,920,049
Private contribution	125,500	-	-	2,700,000	829,357	3,654,857
Intergovernmental revenues	10,000	-	-	-	409,060	419,060
Special assessments	-	-	-	-	-	-
Other revenues	92,465	-	-	-	14,065	106,530
TOTAL REVENUES	22,075,974	2,295,889	1,055,733	4,997,904	6,586,637	37,012,137
EXPENDITURES:						
Current operations:						
General government	5,095,263	-	-	-	1,280,339	6,375,602
Public health and safety	9,214,487	-	-	-	76,334	9,290,821
Public works	3,882,051	-	-	6,152	-	3,888,203
Highways and streets	-	1,742,767	1,623,950	-	-	3,366,717
Social services	-	-	-	-	859,689	859,689
Sanitation services	-	-	-	-	2,677,639	2,677,639
Community services	761,708	-	-	-	713,952	1,475,660
Capital outlay	-	164,918	334,644	3,714,179	394,480	4,608,221
Debt Service:						
Professional services	-	26,730	10,452	-	-	37,182
Principal payments	-	-	-	-	2,109,942	2,109,942
Interest and fiscal changes	-	-	-	-	581,602	581,602
TOTAL EXPENDITURES	18,953,509	1,934,415	1,969,046	3,720,331	8,693,977	35,271,278
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,122,465	361,474	(913,313)	1,277,573	(2,107,340)	1,740,859
OTHER FINANCING SOURCES (USES):						
Bond issuance	-	1,380,000	540,000	-	-	1,920,000
Refunding bonds	-	-	-	-	-	-
Premium on bond issuance	-	122,500	47,934	-	-	170,434
Premium on refunded bond issuance	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
Transfers in	709	606,597	2,050,776	-	3,213,629	5,871,711
Transfers (out)	(4,606,854)	(854,165)	(872,503)	-	(566,934)	(6,900,456)
TOTAL OTHER FINANCING SOURCES (USES)	(4,606,145)	1,254,932	1,766,207	-	2,646,695	1,061,689
CHANGES IN FUND BALANCE	(1,483,680)	1,616,406	852,894	1,277,573	539,355	2,802,548
Fund balance, beginning of year	9,726,366	424,393	356,031	1,017,975	5,338,460	16,863,225
FUND BALANCE, END OF YEAR	\$ 8,242,686	\$ 2,040,799	\$ 1,208,925	\$ 2,295,548	\$ 5,877,815	\$ 19,665,773

CITY OF MARQUETTE, MICHIGAN

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 2,802,548

*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, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. Includes Internal Service Funds depreciation expense of \$3,027,586

Capital outlays	\$ 5,310,096	
Contributed capital	-	
Basis of disposed asset	(37,369)	
Depreciation expense	<u>(5,972,345)</u>	
		(699,618)

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position. (1,920,000)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,109,942

Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt. 27,437

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditures is reported when due. 11,587

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Other post-employment benefits (OPEB)	\$ 1,047,280	
Pension liability expense	(222,796)	
Pension liability expense - Fire/Police Retirement	(877,469)	
Compensated absences	<u>28,129</u>	
		(24,856)

Internal service funds are used by management to charge costs of certain activities, such as the purchase and maintenance of equipment and vehicles and the operation of the Municipal Service Center, to individual funds. The net revenue of the Internal Service Funds is reported with governmental activities net of depreciation expense.

Change in net position	\$ (855,623)	
Capital outlays	(811,533)	
Capital contribution	-	
Basis of disposed asset	-	
Depreciation expense	3,027,586	
Other post-employment benefits (OPEB)	(25,515)	
Pension liability expense	28,004	
Compensated absences	<u>(15,417)</u>	
		<u>1,347,502</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 3,654,542

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY COMPARISON STATEMENT

For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	GAAP	Final Budget
			Basis	Positive
				(Negative)
REVENUES:				
Taxes	\$ 13,365,760	\$ 14,174,990	\$ 14,160,057	\$ (14,933)
Federal grants	1,071,100	1,071,100	1,027,135	(43,965)
State grants and shared revenue	3,275,370	3,530,370	3,544,059	13,689
Intergovernmental revenues	11,000	11,000	10,000	(1,000)
Licenses and permits	90,010	90,010	99,892	9,882
Charges for services	2,593,560	2,593,560	2,624,785	31,225
Fines and forfeits	115,800	115,800	104,220	(11,580)
Interest and rentals	82,680	82,680	(49,085)	(131,765)
Other revenues	354,930	474,650	554,911	80,261
TOTAL REVENUES	20,960,210	22,144,160	22,075,974	(68,186)
EXPENDITURES:				
General government	5,208,570	5,300,290	5,095,263	205,027
Public health and safety	9,333,860	9,333,860	9,214,487	119,373
Public works	4,205,990	4,238,390	3,882,051	356,339
Community services	748,400	794,100	761,708	32,392
TOTAL EXPENDITURES	19,496,820	19,666,640	18,953,509	713,131
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,463,390	2,477,520	3,122,465	644,945
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Refunding bonds	-	-	-	-
Premium on bond issuance	-	-	-	-
Premium on refunded bond issuance	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	709	709
Transfers (out)	(3,369,630)	(3,899,630)	(4,606,854)	(707,224)
TOTAL OTHER FINANCING SOURCES (USES)	(3,369,630)	(3,899,630)	(4,606,145)	(706,515)
CHANGES IN FUND BALANCE	(1,906,240)	(1,422,110)	(1,483,680)	(61,570)
Fund balance, beginning of year	9,726,366	9,726,366	9,726,366	-
FUND BALANCE, END OF YEAR	\$ 7,820,126	\$ 8,304,256	\$ 8,242,686	\$ (61,570)

CITY OF MARQUETTE, MICHIGAN

MAJOR SPECIAL REVENUE FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY COMPARISON STATEMENT

For the Fiscal Year Ended September 30, 2022

	MAJOR STREET AND TRUNKLINE FUND				LOCAL STREET FUND			
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
REVENUES:								
Federal sources	\$ -	\$ -	\$ 2,880	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	2,249,850	2,249,850	2,283,429	33,579	979,520	979,520	1,054,114	74,594
Reimbursements	24,790	24,790	8,878	(15,912)	-	-	1,065	1,065
Investment income	-	-	702	702	-	-	554	554
Other revenues	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,274,640	2,274,640	2,295,889	18,369	979,520	979,520	1,055,733	76,213
EXPENDITURES:								
Highways, Streets and Bridges	3,649,060	3,791,599	1,934,415	1,857,184	1,800,200	2,302,855	1,969,046	333,809
TOTAL EXPENDITURES	3,649,060	3,791,599	1,934,415	1,857,184	1,800,200	2,302,855	1,969,046	333,809
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,374,420)	(1,516,959)	361,474	1,875,553	(820,680)	(1,323,335)	(913,313)	410,022
OTHER FINANCING SOURCES (USES):								
Bond issuance	1,912,630	1,912,630	1,380,000	(532,630)	-	323,870	540,000	216,130
Refunding bonds	-	-	-	-	-	-	-	-
Premium on bond issuance	-	122,500	122,500	-	-	47,900	47,934	34
Premium on refunded bond issuance	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Transfers in	203,510	203,510	606,597	403,087	1,543,870	1,543,870	2,050,776	506,906
Transfers (out)	(741,720)	(837,470)	(854,165)	(16,695)	(723,190)	(760,590)	(872,503)	(111,913)
TOTAL OTHER FINANCING SOURCES (USES)	1,374,420	1,401,170	1,254,932	(146,238)	820,680	1,155,050	1,766,207	611,157
CHANGES IN FUND BALANCE	-	(115,789)	1,616,406	1,729,315	-	(168,285)	852,894	1,021,179
Fund balance, beginning of year	424,393	424,393	424,393	-	356,031	356,031	356,031	-
FUND BALANCE, END OF YEAR	\$ 424,393	\$ 308,604	\$ 2,040,799	\$ 1,729,315	\$ 356,031	\$ 187,746	\$ 1,208,925	\$ 1,021,179

CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

September 30, 2022

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds	
				Total	
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,601,814	\$ 3,397,668	\$ 3,764,911	\$ 1,350,228	\$ 10,114,621
Accounts receivable	641,886	835,764	76,518	158,725	1,712,893
Special assessments receivable	2,341	2,341	-	-	4,682
Due from other governments	5,410	-	133,902	-	139,312
Due from local units	-	-	-	486	486
Due from other authorities	-	-	-	-	-
Inventory	-	46,695	-	112,740	159,435
Prepaid expense	35,539	36,550	101	5,679	77,869
TOTAL CURRENT ASSETS	2,286,990	4,319,018	3,975,432	1,627,858	12,209,298
Non-current Assets:					
Restricted Assets:					
Replacement and maintenance fund	-	-	-	40,000	40,000
OPEB reserve	136,419	96,215	-	-	232,634
Compensated absences reserve	238,980	71,249	28,814	2,096	341,139
Total Restricted Assets	375,399	167,464	28,814	42,096	613,773
Investment in joint venture	-	4,049,985	-	-	4,049,985
Land and other non-depreciable assets	97,986	201,945	446,960	29,101	775,992
Other capital assets, net of depreciation	23,949,132	20,607,990	12,871,580	4,315,304	61,744,006
TOTAL NON-CURRENT ASSETS	24,422,517	25,027,384	13,347,354	4,386,501	67,183,756
TOTAL ASSETS	26,709,507	29,346,402	17,322,786	6,014,359	79,393,054
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	75,953	46,030	34,183	-	156,166
Deferred outflows related to pension	457,388	157,962	-	-	615,350
Deferred outflows related to OPEB	5,429	3,829	-	-	9,258
TOTAL DEFERRED OUTFLOWS OF RESOURCES	538,770	207,821	34,183	-	780,774
LIABILITIES					
Current Liabilities:					
Cash overdraft	-	-	-	-	199,626
Accounts payable	105,913	1,463,629	69,177	74,059	1,712,778
Accrued wages payable	24,807	10,901	4,253	4,692	44,653
Customer deposits payable	-	-	-	15,386	15,386
Accrued interest payable	113,814	128,307	108,997	20,522	371,640
Current portion of long-term debt	1,157,231	1,347,927	953,180	175,000	3,633,338
TOTAL CURRENT LIABILITIES	1,401,765	2,950,764	1,135,607	289,659	5,777,795
Non-current Liabilities:					
Compensated absences	238,980	71,249	28,814	2,096	341,139
Other post employment benefits (OPEB)	136,419	96,215	-	-	232,634
Net pension liability	2,801,112	1,769,113	-	-	4,570,225
Long term payable to other authorities	-	1,217,108	-	-	1,217,108
Bonds payable	7,306,473	8,207,226	10,139,784	1,234,338	26,887,821
Loan payable	629,840	812,484	-	-	1,442,324
Leases payable	-	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	11,112,824	12,173,395	10,168,598	1,236,434	34,691,251
TOTAL LIABILITIES	12,514,589	15,124,159	11,304,205	1,526,093	40,469,046
DEFERRED INFLOWS OF RESOURCES					
Special assessment	2,341	2,341	-	-	4,682
Deferred inflows related to pension	455,582	139,290	-	-	594,872
Deferred inflows related to OPEB	40,692	28,700	-	-	69,392
TOTAL DEFERRED INFLOWS OF RESOURCES	498,615	170,331	-	-	668,946
NET POSITION					
Net investment in capital assets	15,416,466	10,488,328	5,611,983	3,083,998	34,600,775
Restricted for:					
Debt service	-	-	-	-	-
Fuel system reserve	-	-	-	-	-
Capital outlay	386,939	-	3,352,224	148,931	3,888,094
Unrestricted	(1,568,332)	3,771,405	(2,911,443)	1,255,337	546,967
TOTAL NET POSITION	\$ 14,235,073	\$ 14,259,733	\$ 6,052,764	\$ 4,488,266	\$ 39,035,836

CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2022

	Business-Type Activities Enterprise Funds				Governmental Activities
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds	Internal Service Funds
				Total	
OPERATING REVENUES:					
Water sales	\$ 5,694,930	\$ -	\$ -	\$ -	\$ 5,694,930
Sewage disposal	-	7,915,225	-	-	7,915,225
Charges for services	11,545	7,744	2,002,422	46,234	2,067,945
Other operating revenue	99,988	19,575	3,309	1,579,229	1,702,101
TOTAL OPERATING REVENUES	5,806,463	7,942,544	2,005,731	1,625,463	17,380,201
OPERATING EXPENSES:					
Personnel services	1,650,263	670,822	229,748	205,532	2,756,365
Supplies and contractual	1,239,950	3,509,029	165,675	975,380	5,890,034
Capital outlay	-	-	-	-	-
Provision for depreciation / amortization	1,508,981	1,205,688	1,058,481	227,029	4,000,179
Other supplies and charges	637,488	537,576	-	-	1,175,064
TOTAL OPERATING EXPENSES	5,036,682	5,923,115	1,453,904	1,407,941	13,821,642
OPERATING INCOME (LOSS)	769,781	2,019,429	551,827	217,522	(2,349,093)
NON-OPERATING REVENUES (EXPENSES):					
Investment income	2,502	5,544	2,250	2,620	12,916
Interest expense	(235,790)	(257,586)	(188,640)	(41,950)	(723,966)
Gain (Loss) on sale of capital asset	-	-	-	-	-
Contributions from other authorities	-	-	-	-	-
Operating (loss) from Marquette Area Wastewater Treatment Facility	-	252,259	-	-	252,259
Lease - Interest	-	-	-	-	-
Bond issuance expense	(6,968)	(10,452)	(61,549)	-	(78,969)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(240,256)	(10,235)	(247,939)	(39,330)	(537,760)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	529,525	2,009,194	303,888	178,192	(2,842,768)
Federal grant - capital grant	9,938	-	142,831	-	152,769
State grant - capital grant	923	-	-	45,000	45,923
Contributed capital	-	-	-	-	-
Transfers in	-	-	-	191,551	191,551
Transfers (out)	(162,971)	(133,167)	-	(24,732)	(320,870)
CHANGE IN NET POSITION	377,415	1,876,027	446,719	390,011	(855,623)
Net position, beginning of year	13,857,658	12,383,706	5,606,045	4,098,255	35,945,664
NET POSITION, END OF YEAR	\$ 14,235,073	\$ 14,259,733	\$ 6,052,764	\$ 4,488,266	\$ 39,035,836
					\$ 19,708,495

CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2022

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds	
				Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from fees and charges for services	\$ 5,741,220	\$ 7,976,344	\$ 1,862,220	\$ (56,529)	\$ 15,523,255
Other operating revenues	95,196	19,575	3,309	1,552,115	1,670,195
Cash payments to employees for services	(1,690,052)	(694,907)	(234,265)	(210,257)	(2,829,481)
Cash payments to suppliers for goods and services	(1,886,721)	(3,642,029)	(311,270)	(1,054,597)	(6,894,617)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,259,643	3,658,983	1,319,994	230,732	7,469,352
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Increase (decrease) in cash overdraft	-	-	-	-	199,626
Transfers in	-	-	-	191,551	1,158,064
Transfers (out)	(162,971)	(133,167)	-	(24,732)	(320,870)
Contributions from other authorities	-	-	-	-	154,935
State and Federal grants	-	-	-	-	-
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	(162,971)	(133,167)	-	166,819	1,512,625
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal payments on long-term debt	(1,171,691)	(1,417,918)	(1,031,320)	(170,000)	(3,790,929)
Interest paid on long-term debt	(315,354)	(350,297)	(280,566)	(53,467)	(999,684)
Proceeds from issuance of bonds	360,000	540,000	3,180,000	-	4,080,000
Premium on issuance of bonds	31,956	47,934	282,281	-	362,171
Proceeds from capital lease	-	-	-	-	-
Cash payments for bond issuance expenses	(6,968)	(10,452)	(61,549)	-	(78,969)
Cash payments for capital assets	(533,346)	(840,106)	(846,534)	(263,524)	(2,483,510)
Proceeds from sale of capital assets	-	-	-	-	52,503
State and Federal grants	10,861	-	142,831	45,000	198,692
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,624,542)	(2,030,839)	1,385,143	(441,991)	(1,344,994)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	2,502	5,544	2,250	2,620	12,916
(Increase) decrease in restricted assets:					
Replacement maintenance reserve	-	-	-	-	-
OPEB reserve	32,303	22,783	-	-	55,086
Compensated absences reserve	10,178	904	529	(430)	11,181
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	44,983	29,231	2,779	2,190	79,183
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	517,113	1,524,208	2,707,916	(42,250)	4,706,987
Cash and cash equivalents, beginning of year	1,084,701	1,873,460	1,056,995	1,392,478	5,407,634
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,601,814	\$ 3,397,668	\$ 3,764,911	\$ 1,350,228	\$ 10,114,621
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Gain on investment from Marquette Wastewater Treatment Facility	\$ -	\$ 252,259	\$ -	\$ -	\$ 252,259
TOTAL NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ -	\$ 252,259	\$ -	\$ -	\$ 252,259
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 769,781	\$ 2,019,429	\$ 551,827	\$ 217,522	\$ 3,558,559
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation / amortization	1,508,981	1,205,688	1,058,481	227,029	4,000,179
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	35,363	53,375	(6,300)	(138,933)	(56,495)
(Increase) decrease in special assessments receivable	-	-	-	-	-
(Increase) decrease in due from other governments	(5,410)	-	(133,902)	8,985	(130,327)
(Increase) decrease in inventory	-	147,476	-	(41,868)	105,608
(Increase) decrease in prepaid expenses	8,901	9,639	56	587	19,183
Increase (decrease) in accounts payable	(18,184)	247,461	(145,651)	(37,936)	45,690
Increase (decrease) in accrued wages payable	(36,477)	(16,371)	(3,988)	(5,155)	(61,991)
Increase (decrease) in customer deposits payable	-	-	-	71	71
Increase (decrease) in compensated absences	(10,178)	(904)	(529)	430	(11,181)
Increase (decrease) in net pension liability	42,047	18,003	-	-	60,050
Increase (decrease) in other post-employment benefits (OPEB)	(35,181)	(24,813)	-	-	(59,994)
Increase (decrease) in deferred inflows - special assessments	-	-	-	-	-
NET ADJUSTMENTS	1,489,862	1,639,554	768,167	13,210	3,910,793
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,259,643	\$ 3,658,983	\$ 1,319,994	\$ 230,732	\$ 7,469,352

CITY OF MARQUETTE, MICHIGAN

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

September 30, 2022

	Pension Trust Fund Fund	Custodial Funds
	Fire-Police Pension Trust Fund	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ 1,061,455	\$ 9,118,054
Investments		
Domestic Corporation Bonds	3,356,782	-
Common, Pooled Fund	30,774,108	-
Taxes receivable	-	1,444,551
Accrued interest receivable	14,509	-
TOTAL ASSETS	35,206,854	10,562,605
DEFERRED OUTFLOWS OF RESOURCES	-	-
LIABILITIES		
Accounts payable	25,236	8,416,218
Accrued wages payable	-	434,940
Due to State	-	193,934
Due to other governments	-	745,093
Due to local units	-	524,180
Other liabilities	-	248,240
TOTAL LIABILITIES	25,236	10,562,605
DEFERRED INFLOWS OF RESOURCES	-	-
NET POSITION		
Restricted for:		
Pensions	35,181,618	-
Individuals, organizations, and other governments	-	-
TOTAL NET POSITION	\$ 35,181,618	\$ -

The accompanying notes are an integral part of these financial statements.

CITY OF MARQUETTE, MICHIGAN

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended September 30, 2022

	Pension Trust Fund	Custodial Funds
	Fire-Police Pension Trust Fund	Custodial Fund
ADDITIONS		
Contributions:		
Employer	\$ 1,748,700	\$ -
Employee	253,763	-
Total Contributions	<u>2,002,463</u>	<u>-</u>
Investment Income:		
Net appreciation (depreciation) in fair value of investments	(7,895,241)	-
Interest and dividends	23,229	-
Net Investment Income	<u>(7,872,012)</u>	<u>-</u>
Other Additions:		
Collections for individuals, organizations, and other governments	-	568,140
Property tax collections for other governments	-	24,496,061
Total Other Additions	<u>-</u>	<u>25,064,201</u>
TOTAL ADDITIONS	<u>(5,869,549)</u>	<u>25,064,201</u>
DEDUCTIONS		
Benefits and annuity withdrawals	3,068,761	-
Administrative expenses	20,693	-
Payments to individuals, organizations, and other governments	-	568,140
Payments of property tax collections for other governments	-	24,496,061
TOTAL DEDUCTIONS	<u>3,089,454</u>	<u>25,064,201</u>
CHANGE IN NET POSITION	<u>(8,959,003)</u>	<u>-</u>
Net position, beginning of year	<u>44,140,621</u>	<u>-</u>
NET POSITION, END OF YEAR	<u><u>\$ 35,181,618</u></u>	<u><u>\$ -</u></u>

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION

September 30, 2022

	Board of Light and Power	Brownfield Redevelopment Authority	Non-Major Component Units	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 26,853,426	\$ 10,551,210	\$ 2,930,857	\$ 40,335,493
Investments	28,866,300	-	-	28,866,300
Receivables (net)	4,935,693	124,057	254,616	5,314,366
Inventory	2,156,039	-	-	2,156,039
Prepaid expenses and other assets	630,329	1,115	19,083	650,527
TOTAL CURRENT ASSETS	63,441,787	10,676,382	3,204,556	77,322,725
Non-current Assets:				
Restricted assets - cash and equivalents	9,854,312	-	1,990,140	11,844,452
Accrued interest	18,695	-	-	18,695
Investment in UPPPA	5,794,916	-	-	5,794,916
Leases receivable	-	-	57,306	57,306
Capital assets:				
Land and construction in progress	291,276	-	114,704	405,980
Other capital assets, net of depreciation	92,056,258	722,747	10,043,718	102,822,723
Total Capital Assets	92,347,534	722,747	10,158,422	103,228,703
TOTAL NON-CURRENT ASSETS	108,015,457	722,747	12,205,868	120,944,072
TOTAL ASSETS	171,457,244	11,399,129	15,410,424	198,266,797
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	-	-	-	-
Deferred outflows related to pension	1,486,978	-	158,338	1,645,316
Deferred outflows related to OPEB	1,427,380	-	-	1,427,380
Employer contributions subsequent to measurement date	1,350,011	-	59,280	1,409,291
Receivables for developer obligations	-	78,890,204	-	78,890,204
TOTAL ASSET AND DEFERRED OUTFLOWS OF RESOURCES	4,264,369	78,890,204	217,618	83,372,191
LIABILITIES				
Current Liabilities:				
Accounts payable	2,384,637	7,838	51,248	2,443,723
Accrued liabilities	264,397	766	86,034	351,197
Compensated absences	1,277,442	-	11,933	1,289,375
Customer deposits payable	1,922,911	-	-	1,922,911
Due to primary government	-	-	10,894	10,894
Grants received in advance	-	-	3,000	3,000
Current portion of bonds payable	-	990,000	357,000	1,347,000
Current maturities on revenue bonds	2,895,000	-	-	2,895,000
Other current liabilities	1,052,311	663,513	4,111	1,719,935
TOTAL CURRENT LIABILITIES	9,796,698	1,662,117	524,220	11,983,035
Non-current Liabilities:				
Compensated absences	-	-	72,395	72,395
Net pension liability	6,469,609	-	732,768	7,202,377
Net OPEB liability	3,785,841	-	-	3,785,841
Bonds payable	59,071,777	36,967,364	3,667,582	99,706,723
Long-term contract and notes payable	-	40,269,327	-	40,269,327
Other	78,517	-	3,234	81,751
TOTAL NON-CURRENT LIABILITIES	69,405,744	77,236,691	4,475,979	151,118,414
TOTAL LIABILITIES	79,202,442	78,898,808	5,000,199	163,101,449
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leases	-	-	80,856	80,856
Deferred inflows related to OPEB	1,493,208	-	-	1,493,208
Deferred inflows related to pension	2,912,416	-	271,192	3,183,608
Taxes levied for subsequent period	-	4,393,309	1,668,327	6,061,636
TOTAL DEFERRED INFLOWS OF RESOURCES	4,405,624	4,393,309	2,020,375	10,819,308
NET POSITION				
Net investment in capital assets	30,380,757	97,747	6,126,495	36,604,999
Restricted for:				
Debt Services	-	-	-	-
Capital Assets	-	-	-	-
Perpetual Care	-	-	-	-
Other activities	9,873,007	-	1,829,620	11,702,627
Unrestricted	51,859,783	6,899,469	651,353	59,410,605
TOTAL NET POSITION	\$ 92,113,547	\$ 6,997,216	\$ 8,607,468	\$ 107,718,231

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

COMBINING STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Function / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of Light and Power	Brownfield Redevelopment Authority	Non-Major Component Units	Total
Component Units:								
Board of Light and Power	\$ 37,713,188	\$ 46,122,241	\$ -	\$ 332,275	\$ 8,741,328	\$ -	\$ -	\$ 8,741,328
Brownfield Redevelopment Authority	9,070,215	-	32,500	-	-	(9,037,715)	-	(9,037,715)
Non-Major Component Units	3,814,757	639,503	940,625	-	-	-	(2,234,629)	(2,234,629)
TOTAL COMPONENT UNITS	\$ 50,598,160	\$ 46,761,744	\$ 973,125	\$ 332,275	8,741,328	(9,037,715)	(2,234,629)	(2,531,016)
General Revenues:								
Property taxes					-	10,780,769	2,179,840	12,960,609
Interest and investment earnings					539,253	14,126	66,663	620,042
Gain on sale of capital assets					(46,261)	-	2	(46,259)
Amortization of bond premium					-	-	-	-
Miscellaneous					-	-	169,558	169,558
TOTAL GENERAL REVENUES					492,992	10,794,895	2,416,063	13,703,950
CHANGE IN NET POSITION					9,234,320	1,757,180	181,434	11,172,934
Net position, beginning of year, as restated					82,879,227	5,240,036	8,426,034	96,545,297
NET POSITION, END OF YEAR	\$ 92,113,547	\$ 6,997,216	\$ 8,607,468	\$ 107,718,231				

City of Marquette, Michigan

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Marquette, Michigan was incorporated February 27, 1871, under the provision of Act 279, PS 1909, as amended (Home Rule City Act). The City operates under a Commissioner – Manager form of government and the services provided to the citizens include: legislative, executive, elections, general services, public safety and fire protection, inspection, public works, sanitation, parking systems, social services, parks and recreation, cultural, conservation of natural resources, planning and other functions. In addition, the City operates five enterprise funds and three internal service funds, which provide water services, and sewer services, marina services, park and recreation services, stormwater management, technology services, transportation rental, and building rental.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant of these accounting policies established in GAAP and used by the City are described below.

(1) REPORTING ENTITY

The City's financial statements present the City (the primary government) and its component units. In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting units) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. In accordance with GASB Statement No. 14, the City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended component units, although legally separate entities, are, in substance, part of the government's operations, therefore data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Each blended and discretely presented component unit has a September 30 year-end.

Fire and Police Retirement System – The City of Marquette is the administrator of a single-employer public employee retirement system established and administered by the City to provide pension benefits for the Fire and Police Department employees. The Fire and Police Retirement System is considered part of the City of Marquette financial reporting entity and is included in the City's financial report as a pension trust fund.

Separately issued financial statements of the Fire and Police Retirement System can be obtained from the City's Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

BLENDED COMPONENT UNITS

City of Marquette Building Authority – The Building Authority’s governing body consists of the City Manager, Chief Financial Officer, and City Attorney which are appointed by the governing board of the reporting entity. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the City’s public buildings. The reporting entity has guaranteed the debt issues of the Authority.

DISCRETELY PRESENTED COMPONENT UNITS

Proprietary Fund Type

City of Marquette Board of Light and Power – The Board of Light and Power’s operating results are held accountable to the government’s governing body. The rates for user charges and debt issuance authorizations are approved by the government’s governing body. The reporting entity has the responsibility to fund deficits and operating deficiencies. Prior to fiscal year 1993-94, this entity had been blended with and included in the City’s reporting entity as an enterprise fund.

A complete financial statement of the component unit can be obtained directly from the administrative office.

City of Marquette Board of Light and Power
2200 Wright Street
Marquette, MI 49855

Governmental Fund Type

Peter White Public Library – The Peter White Public Library’s governing body is appointed by the City’s Mayor with the confirmation of the Commission. The reporting entity has the responsibility to fund deficits and operating deficiencies.

Separately issued financial statements of the Peter White Public Library component unit can be obtained from the City’s Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

Peter White Public Library Development Fund

The Peter White Public Library Development Fund (the Development Fund) is a legally separate, tax-exempt component unit of the Peter White Public Library (the Library). The Development Fund acts primarily as a fund-raising organization to supplement the resources that are available to the Library in support of its programs. The six-member board of the Development Fund consists of one (1) member from the Library’s Board of Trustees, one (1) member servicing as Treasurer of the Development Fund, three (3) community members appointed by the Library’s Board of Trustees, and one (1) member from the Friends of the PWPL Board. Although the Library does not control the timing or amount of receipts from the Development Fund, the majority of resources, or income thereon that the Development Fund holds and invests are restricted to the activities of the Library by the donors. Because these restricted resources held by the Development Fund can only be used by, or for the benefit of, the Library, the Development Fund is considered a component unit of the Library and is discretely presented in the Library’s financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The Development Fund is a private nonprofit organization and as such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. The Development Fund has a calendar year end and its most recent financial information is as of December 31, 2021. No modifications have been made to the Development Fund's financial information in the Library's financial reporting entity for these differences. Under GASB 80, the Development Fund is required to be presented as a blended component unit of the Library.

During the year ended September 30, 2022, the Development Fund distributed \$71,296 to the Library for both restricted and unrestricted purposes. Separate financial statements for the Development Fund are not developed; however, information can be obtained from the Peter White Public Library upon request, located at 217 North Front Street, Marquette, Michigan 49855.

City of Marquette Downtown Development Authority – The Downtown Development Authority's governing board is appointed by the City's Mayor with the confirmation of the Commission and includes the City Manager of the reporting entity. The reporting entity has the responsibility to fund deficits and operating deficiencies, as well as a guarantee for any debt the Authority issues.

Separate financial statements for the City of Marquette Downtown Development Authority are not developed; however, information can be obtained from the City's Finance Department upon request, located at 300 West Baraga Avenue, Marquette, Michigan 49855.

Brownfield Redevelopment Authority – The Brownfield Redevelopment Authority's governing board is appointed by the City Commission. They review and approve plans for business development within designated areas of the City where property was once contaminated. Property tax revenues from the "captured" portion of these properties are restricted to pay for site clean-up expenditures and future development depending on the development plan adopted for each project. The City has the ability to significantly influence the operations of the Brownfield Redevelopment Authority and has accountability for fiscal matters.

GASB Statement No. 14 requires reasonable separation between the Primary Government (including its blended component units) and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

JOINT VENTURES

As defined in GASB Statement No. 14, a joint venture is a legal entity or other organization that results from a contractual arrangement (or interlocal agreement) and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The City participates in the following joint ventures:

Marquette Area Wastewater Treatment Facility – The Marquette Area Wastewater Treatment Facility's governing board includes joint representation as appointed by the participating governments' governing bodies. As enumerated in Footnote D, the facility is being accounted for as an equity investment within the reporting entity.

Marquette County Solid Waste Management Authority – The Marquette County Solid Waste Management Authority's governing board includes joint representation as appointed by the participating governments' governing bodies. The reporting entity's representation consists of two of seven members and does not constitute enough representation to exert significant influence over the

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Authority’s operations. The Authority selects the management staff, sets user charges and budgets, and controls all aspects of its operations and developments. The reporting entity provided its proportionate share of the initial funding and has guaranteed its proportional share of the Authority’s outstanding debt.

RELATED ORGANIZATIONS

Marquette Housing Commission – The Marquette Housing Commission was created to provide low-income housing for the City residents. The Marquette Housing Commission’s governing board is appointed by the City Mayor with the confirmation of the Commission; however, the City does not provide any financial assistance to the Housing Commission. Management of the Housing Commission is not designated by the City nor does the City have the ability to significantly influence operations. The City does not subsidize the operations of the Housing Commission and does not guarantee its debt service. The Marquette Housing Commission has not been included as a component unit of the City’s reporting entity because there is no accountability for fiscal matters to the City.

Summary financial information as of and for the fiscal year ended September 30, 2021, the latest available report, is as follows:

Total Assets	\$ 2,474,592
Deferred Outflows of Resources	182,839
Total Liabilities	865,352
Deferred Inflows of Resources	140,966
Total Net Position	1,651,113
Total Operating Revenues	6,689,298
Total Operating Expenses	15,511,601
Total Non-Operating Revenues (Expenses)	6,343,737
Capital Grant Contributions	-
Net Increase (Decrease) in Net Position	(2,478,566)

(2) BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The City’s basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City’s major funds). Both the government-wide and fund financial statements categorized primary activities as either governmental or business-type. The City’s public health and safety, public works, highways and streets, sanitation, social services, recreation and culture, and general government services are classified as governmental activities. The City’s water, sewer, stormwater, Tourist Park, Lakeshore and Lighthouse Park, Fuel System, and marinas are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City’s net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City’s functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

The City allocates indirect costs through an administrative service fee that is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology, etc.)

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

(3) BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS:

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the City:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General Fund – The General Fund is the general operating fund and, accordingly, it is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects Fund – Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Component Units – Component Units are used to account for the discretely presented component units which follow governmental fund accounting guidelines.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds – Internal Service Funds are used to finance, administer and account for the financing of equipment and building purchases and maintenance services provided by one department or agency to other departments or agencies of the governmental unit or to other governmental units on a cost reimbursement basis.

Component Units – Component Units are used to account for the discretely presented component units which follow proprietary fund accounting guidelines.

Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Major Street and Trunkline Fund** accounts for the receipt of allocated state shared gas and weight taxes. The expenditure of these funds is restricted to Federal and State trunklines and certain "mile" roads designated as major under contractual agreement with the State of Michigan.

The **Local Street Fund** accounts for the allocated state shared gas and weight taxes for remaining City roads.

The **Construction Fund** accounts for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The City reports the following major proprietary funds:

The **Water Supply Fund** accounts for the activities related to water treatment and distribution, and billing for services.

The **Sewage Disposal Fund** accounts for the activities related to sanitary sewer operation and booster stations, and billing for services.

The **Stormwater Utility Fund** accounts for the management of stormwater related activities including billing, maintenance and construction.

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public works, etc.)

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and custodial fund). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements. The Fire-Police Retirement System Fund is used to account for the accumulation of resources to be used for the retirement annuity payments at appropriate amounts and times in the future. The Custodial Fund is used to record the collection and payment of property taxes billed and collected by the City on behalf of the County, the School Districts, and the Intermediate School District.

(4) BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting.

Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Property taxes and special assessments are being recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified basis of accounting, revenues are recorded when they are both measurable and available. "Available" means collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service expenditures, compensated absences, and claims and judgments are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income, and intergovernmental revenues. Sales taxes collected and held by the State at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

(5) FINANCIAL STATEMENT AMOUNTS

Budgets and Budgetary Accounting – The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On the third Monday in July, the City Manager submits to the City Commission a proposed operating budget for the ensuing fiscal year commencing October 1 in accordance with Section 8.2 of the City Charter. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to its adoption, a public hearing is conducted at City Hall to obtain taxpayer comments.
3. No later than the third Monday in August, the budget is adopted by the City Commission in accordance with the provision of Section 8.6 of the City Charter.
4. The City Commission adopts the budget by functional categories as presented in the basic financial statements. Any transfers of appropriation between functions must be approved by the City Commission. All unexpended appropriations lapse at fiscal year-end.
5. Formal budgetary integration is employed as a management control device for the General Fund, all Special Revenue Funds, Debt Service Funds, and Capital Project Funds. Informational budget summaries only are adopted for the Enterprise and Internal Service Funds. Such funds are not covered under the State of Michigan's Public Act 621 nor the City's General Appropriations Act.
6. The City Commission has the authority to amend the budget when it becomes apparent that deviations in the original budget will occur and the amount of the deviation can be determined. Once originally adopted, the budget was formally amended two times during the fiscal year.
7. The legally adopted budgets for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds and the informational summaries for the Enterprise and Internal Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Cash and Cash Equivalents – For the purposes of balance sheet classification and the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. The fair value measurements of investments is based on the hierarchy established by generally accepted accounting principles, which has three levels based on the valuation inputs used to measure an asset's fair value.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Restricted assets which contain cash equivalents are included in analyzing the effect on cash and cash equivalents in the Statement of Cash Flows.

Investments – Investments are reported at fair value, based on quoted market prices.

Inventory – Inventory is valued at cost using both the first-in, first-out (FIFO) method and the average cost method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Lease Receivable – In the government-wide financial statements, a lease receivable is reported for assets owned by the entity for which a right to use contract has been entered into with another entity. A receivable for the present value of the future lease payments is reported on the statement of net position along with a deferred inflow of resources for the amount of the unavailable revenue.

Capital Assets – Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streets, bridges, and sidewalks), are reported in the applicable governmental or business-type activities columns 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 two years.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated. The cost of construction in progress includes interest costs incurred during the construction period. The amount of capitalized interest is determined using the weighted average amount of accumulated expenditures multiplied by the interest rate for the obligation incurred specifically to finance the construction of the asset.

Depreciation on all exhaustible capital assets is charged as an expense against their operations in government-wide statements and proprietary financial statements. Accumulated depreciation is reported on government-wide and proprietary statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Land improvements	20 years
Building, structures and improvements	50 years
Furniture and Equipment	5 – 35 years
Water and Sewage System	25 – 75 years
Electric System – Component Unit	5 – 80 years
Stormwater System	25 years
Infrastructure	20 – 50 years

The cost of normal maintenance and repairs is charged to operations as incurred. Renewals and betterments are capitalized and depreciated over the remaining useful lives of the related properties.

A portion of the depreciation provision for the electric component unit is being charged to the cost of fuel for those vehicles which groom and work the coal pile.

Deferred Outflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The government reports the following in this category:

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

- 1) Deferred amount on refunding reported in the statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- 2) Receivables for developer obligations in the component unit statement of net position. This deferred receivable results from tax collections that will be levied and collected in future periods.
- 3) The government reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plan.
- 4) The City's Pension Plan has a plan year of January 1 to December 31 while the City has a fiscal year of October 1 to September 30. Under GASB 71, the contributions made to the plan subsequent to the measurement date are reported as deferred outflows of resources.
- 5) The government reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its OPEB plan.

Long-Term Liabilities – In the government-wide financial statements and 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 and business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using straight-line amortization. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt received, are reported as debt service.

Lease Payable – In the government-wide financial statements, a lease payable is reported as a liability in the statement of net position for lease transactions that are not deemed to be short term leases. Under GASB 87 a lease is defined as “a contract that conveys control of the right to use another entity's nonfinancial asset (underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction”. The entity records a liability for leases of equipment, which give the entity the right to use such assets. Conversely, an intangible right to use asset is also recorded on the statement of net position, which is amortized over the shorter of the lease term or the useful life of the underlying asset.

Compensated Absences – The City accrues accumulated unpaid vacation, sick leave and benefit days and associated employee-related costs when earned (or estimated to be earned) by the employee. A liability for these amounts is reported in the governmental funds based on historical estimates of the amount of compensated absences that will use current expendable resources, or if the liability has matured, for example, as a result of employee resignations and retirements. The non-current portion (the amount estimated to be used in subsequent fiscal year) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

Deferred Inflows of Resources – In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government reports the following in this category:

- 1) The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

- 2) The governmental statement of net position and the proprietary statement of net position report for the special assessments that were established for the year that were intended to finance future periods.
- 3) The government reports deferred inflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plan.
- 4) The government reports deferred inflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its OPEB plan.
- 5) The government reports deferred inflows of resources in the Statement of Net Position for amounts related to long-term lease receivables. In accordance with GASB 87, amounts related to lease revenue are required to be amortized in a systematic and rational manner over the term of the lease agreement.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting of certain assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures. Actual results may differ from estimated amounts.

Subsequent Events – Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying independent auditor's report, March 22, 2023, which is the date the financial statements were available to be issued.

Property Taxes – Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than the third Monday in May and payable on July 1. Taxes receivable are recorded when levied, as the legal right to receive exists. However, such revenues are not normally received until after the 60 day period following the fiscal year-end. Accordingly, deferred revenue is being recognized for such amounts.

The City bills and collects its own property taxes and also the taxes for the local school district, the Intermediate School District, and the County. Collections of local school taxes, Intermediate School District taxes, and County taxes, and their remittance are accounted for in the Custodial Fund.

Worker's Compensation – The City's policy is to pay worker's compensation premiums as incurred. Any additional premiums or refunds resulting from experience adjustments are recorded in the year made or received, respectively.

Comparative Data and Reclassifications – Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.

Interfund Activity – Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a result of the reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE B – DEPOSITS AND INVESTMENTS:Cash Equivalents

The following is a reconciliation of cash and investments for both the unrestricted and restricted assets for the primary government and its component units from the Statement of Net Position:

	Primary Government	Component Units	Fiduciary Funds	Totals
Unrestricted:				
Cash and cash equivalents	\$ 33,957,799	\$ 40,335,493	\$ 10,179,509	\$ 84,472,801
Investments	5,963,078	28,866,300	34,130,890	68,960,268
	<u>39,920,877</u>	<u>69,201,793</u>	<u>44,310,399</u>	<u>153,433,069</u>
Restricted:				
Cash and cash equivalents	804,126	11,844,452	-	12,648,578
Investments	-	-	-	-
	<u>804,126</u>	<u>11,844,452</u>	<u>-</u>	<u>12,648,578</u>
TOTALS	<u>\$ 40,725,003</u>	<u>\$ 81,046,245</u>	<u>\$ 44,310,399</u>	<u>\$ 166,081,647</u>

Custodial Credit Risk – 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. State law does not require, and the City does not have a deposit policy for custodial credit risk. The carrying amounts of the primary government, component unit, and fiduciary funds deposits with financial institutions was \$97,121,379 and the bank balance was \$103,006,248. The bank balance is categorized as follows:

Amount insured by the FDIC or uncollateralized with securities held by the City in its name	\$ 31,584,167
Amount collateralized with securities held by the pledging financial institutions trust department in the City's name:	
Collateralized and uninsured	<u>71,422,081</u>
	<u>\$ 103,006,248</u>

NOTE B – DEPOSITS AND INVESTMENTS (Continued):Investments

As of September 30, 2022, the City had the following investments:

	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
PRIMARY GOVERNMENT:				
Unrestricted Investments:				
Investment type 1*	\$ 343,531	\$ 343,531	\$ -	\$ -
Investment type 1**	700,000	700,000	-	-
Fixed income securities***	4,919,547	4,919,547	-	-
Restricted Investments:				
Investment type 1*	-	-	-	-
TOTAL INVESTMENTS	\$ 5,963,078	\$ 5,963,078	\$ -	\$ -
COMPONENT UNITS:				
Fixed income securities*	\$14,483,874	\$14,483,874	\$ -	\$ -
Fixed income securities**	14,382,426	14,382,426	-	-
Fixed income securities***	-	-	-	-
TOTAL INVESTMENTS	\$28,866,300	\$28,866,300	\$ -	\$ -
FIDUCIARY FUNDS:				
Investment type 1*	\$34,130,890	\$34,130,890	\$ -	\$ -
TOTAL INVESTMENTS	\$34,130,890	\$34,130,890	\$ -	\$ -

* Investment matures within one year

** Investment matures in 1-5 years

*** Investment matures in 6-10 years

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the City's investments. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Michigan statutes (Act 196, PA 1997) authorize the City to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposits, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC and authorized to operate in this state, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and matures within 270 days from date of purchase, bankers' acceptances of the United States banks, obligations of the State of Michigan and its political subdivision, external investment pools, and certain mutual funds. Michigan law prohibits security in the form of collateral, surety bond, or another form for the deposit of public money.

NOTE B – DEPOSITS AND INVESTMENTS (Continued):

Michigan statute (Act 314, PA 1965, as amended) authorizes the pension trust to invest in, with certain restrictions, stocks and mutual funds up to 60% of the system's assets; investments in the general or separate account of life insurance companies; fixed income securities; investments in leased property; direct investments in property; investments in real estate loans; investments in small business or venture capital firms in Michigan; surplus funds pooled accounts; and bank or trust company collective investment funds.

The City's investment policy would not further limit its investment choices. The City's investments in Mutual Bond Funds are rated from A1 to AAA by Moody's. Ratings are not required for the City's investment in U.S. Government Agencies or equity-type funds. The City's investments are in accordance with statutory authority.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer. There were no investments subject to concentration of credit risk disclosure.

NOTE C – RESTRICTED ASSETS – PROPRIETARY FUNDS AND COMPONENT UNIT:

The enterprise fund has certain cash investment balances classified as restricted assets since their use is limited by applicable bond indentures and ordinances. The major provisions of the ordinances covering the bond indentures of the component unit (Board of Light and Power), the Water Supply, and Sewage Disposal Funds are as follows:

1. **Rates** – The component unit fund only shall charge and collect rates necessary to provide net revenues sufficient to cover annual debt service not less than 1.3 times.
2. **Receiving Fund** – All system revenues will be paid into this fund, including interest income, to the extent interest income is not retained in the construction or bond reserve funds.
3. **Operation and Maintenance Fund** – Transfers must be made from the Receiving Fund, which is used for initial deposit of all receipts, to the Operation and Maintenance Fund (included under current assets) to cover payment of next month's estimated operating expenses.
4. **Bond Reserve Fund** – Transfers must be made to the Bond Reserve Fund in an amount equal to the maximum annual principal and interest on the revenue bonds.
5. **Replacement/Maintenance Fund** – Transfers are to be made, as necessary, up to required levels, to make major repairs and replacements to the systems.
6. **Bond and Interest Redemption** – Transfers will be made from the Receiving Fund in amounts sufficient to pay the current bond and interest maturities.
7. **Bond Escrow Fund** – Transfers were made to the Bond Escrow Fund to provide for the normal retirement, including interest, of the capitalized leases, and revenue bond issues. Transfers will be made to the Bond and Interest Redemption Fund as the obligations become due.
8. **OPEB Reserve** – Transfers will be made to the OPEB reserve to provide funding for the net OPEB liability.
9. **Vacation, Sick and Benefit Days Reserve** – Transfers will be made to the vacation and sick leave reserve to provide funding for accrued vacation, sick leave, and benefit day liabilities to be paid to employees upon retirement or termination.
10. **Tax Payment Fund** – Transfers will be made to the Tax Payment Fund in amounts sufficient to make payments in lieu of taxes to the City of Marquette. Transfers into this fund are subordinate to payments of the above listed funds.
11. **Plant Replacement - Risk Retention Fund** – Transfers will be made, as the Board determines necessary to the fund, to finance major system repairs or replacements and provide for potential claims not covered by existing insurance policies. Transfers to this fund are subordinate to transfers to the tax payment fund noted above.
12. **Plant Improvement Fund** – Transfers will be made to the Plant Improvement Fund as the Board deems necessary for improvements, enlargements and extension of the system. Transfers to this fund are subordinate to transfers to the Plant Replacement Fund.
13. Transfers from the Water Supply Fund and Sewage Disposal Fund may be made to the General Fund up to 40% of the surplus remaining at the end of the preceding fiscal year.
14. The balance of revenues remaining after the above requirements are met shall, at the option of the governing agency, be transferred to the Bond Reserve Fund for the purpose of calling bonds.

The City Charter allows the transfer to the General Fund of 50% of the preceding year's net income of public utilities. The amount of net income not transferred to the General Fund must be held in a reserve account for future capital outlay. Expenditures shall be charged to the reserve account.

The composition of restricted asset accounts for the respective primary government enterprise and internal service funds and the respective component units are as follows:

	Water Supply Fund	Sewage Disposal Fund	Stormwater Fund	Non-major Enterprise Funds	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Primary Government Total	Component Unit Total
Cash and cash equivalents	\$ 375,399	\$ 167,464	\$ 28,814	\$ 42,096	\$ 31,102	\$ 6,322	\$ 152,929	\$ 804,126	\$ 11,844,452
Investments	-	-	-	-	-	-	-	-	-
TOTALS	\$ 375,399	\$ 167,464	\$ 28,814	\$ 42,096	\$ 31,102	\$ 6,322	\$ 152,929	\$ 804,126	\$ 11,844,452

NOTE D – JOINT VENTURE – INVESTMENT IN WASTEWATER PLANT:

The City has entered into a contract with the adjacent townships of Chocolay and Marquette through the County of Marquette to construct and operate a wastewater plant known as the Marquette Area Wastewater Treatment Facility. Under the original agreement, the City owned 79.8% of the facility, the Township of Marquette owned 5.5%, and the Township of Chocolay owned 14.7%. The cost of construction amounted to approximately \$12,000,000 and was financed by Federal and State grants for 80% of the cost and \$2,500,000 general obligation bonds issued by Marquette County. The full faith and credit of the City and the two Townships have been pledged. The total investment in the Facility at September 30, 2022 by the City is \$4,049,985, including local contributions and its proportionate share of the net equity of the facility.

In the spring of 1993, the City of Marquette and Chocolay Township each sold 2.25% of capacity to Marquette Township. The new ownership percentages were the City of Marquette owns 77.55%, Chocolay Township owns 12.45%, and Marquette Township owns 10.00%.

On June 26, 2006, there was an amendment to the Marquette County Wastewater Disposal System contract to change the ownership of the three partners involved. The new ownership percentages for the City of Marquette, the Charter Township of Chocolay, and the Charter Township of Marquette are 85%, 5%, and 10%, respectively.

On September 24, 2018, a resolution was passed that effective October 1, 2018, the Marquette Area Wastewater Treatment Facility's contract was changed in regards to the ownership of the three partners involved. For a one-time payment, Chocolay Township purchased 1% each from the City of Marquette, and from Marquette Township. After the passage of this resolution and receipt of the one-time payment, the ownership allocation for the City of Marquette, Marquette Township, and Chocolay Township are 84%, 11%, and 7%, respectively.

The City utilizes the equity method of accounting for the activity in its investment in the Facility. Under the equity method, the investment is adjusted for any additional capital investments made and its proportionate share of the Facility's results of operations.

As required by Governmental Accounting Standards Board Statement No. 14, the City's equity interest is shown as an asset in the Water Supply and Sewage Disposal Fund. The separately issued audited financial statements can be obtained at the City's Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

A summary of condensed financial information as of and for the fiscal year ended September 30, 2022, of the Facility, in the aggregate, is as follows:

Assets	\$ 16,704,232
Deferred outflows of resources	234,691
Liabilities	8,814,760
Deferred inflows of resources	342,865
Equity	7,781,298
Operating Revenues	2,235,684
Operating Expenses	2,739,520
Non-operating Revenues	1,189,574
Non-operating Expenses	(341,179)
Increase in net position	344,559
City's share of net gain (loss)	289,430

NOTE E – LEASES:***Capital lease - Lessee***

The City has a capital lease for the various energy enhancement projects that have been undertaken by the City. The future minimum lease payments are as follows:

Year ending September 30,	
2023	\$ 1,197,386
2024	1,564,766
2025	1,626,790
2026	1,648,926
2027	1,810,984
2028 - 2032	10,163,547
2033 - 2037	12,638,374
Total minimum lease payment	30,650,773
Less amount representing interest	(6,590,540)
Present value of minimum lease payments	<u>\$ 24,060,233</u>
Asset	
Building improvements, net of depreciation	<u>\$ 24,242,686</u>

Equipment Leases – Lessee

The City is a lessee of various computer and network equipment under leases for periods through 2026. A summary of these agreements are as follows:

<u>Equipment Description</u>	<u>Starting Date</u>	<u>Monthly Payment Amount</u>	<u>Interest Rate</u>
Network Equipment	February 2017	\$ 929.00	4.50%
Network Equipment	September 2017	\$ 420.00	3.97%
Computer Equipment	July 2018	\$ 3,365.00	4.15%
Network Equipment	January 2019	\$ 261.00	4.99%
Plotter Equipment	January 2019	\$ 90.00	4.99%
Network Equipment	November 2021	\$ 1,248.00	5.73%
Computer Equipment	February 2022	\$ 3,140.00	5.50%
Phone Systems	July 2021	\$ 1,585.00	5.50%
Copier Equipment	November 2018	\$ 2,029.00	4.15%

Primary Government

	<u>Balance at 9/30/2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at 9/30/2022</u>
Leased Equipment (Right to Use)	\$ 348,562	\$ 247,366	\$ (149,104)	\$ 446,824
Less: Accumulated Amortization	263,153	105,671	(149,104)	219,720
Net Leased Equipment (Right to Use)	<u>\$ 85,409</u>	<u>\$ 141,695</u>	<u>\$ -</u>	<u>\$ 227,104</u>

NOTE E – LEASES (continued):

Future Lease Payment Maturity Schedule

	Principal	Interest	Total Payment
2023	\$ 73,337	\$ 10,569	\$ 83,906
2024	51,957	7,239	59,196
2025	52,265	4,435	56,700
2026	52,076	1,484	53,560
2027	-	-	-
	<u>\$ 229,635</u>	<u>\$ 23,727</u>	<u>\$ 253,362</u>

PWPL

Equipment Description	Starting Date	Term	Amount	Interest Rate
Xerox Copier	May 2019	60 months	\$ 186	4.45%
Sharp Copier	October 2019	60 months	\$ 157	4.45%

Component Unit - PWPL

	Principal	Interest	Total Payment
2023	\$ 4,111	\$ 3	\$ 4,114
2024	3,211	1	3,212
2025	23	-	23
	<u>\$ 7,345</u>	<u>\$ 4</u>	<u>\$ 7,349</u>

NOTE F – LONG-TERM DEBT:

The following is a summary of long-term debt transactions of the primary government and all component units for the year ended September 30, 2022:

	Balance September 30, 2021	Additions	Deductions	Balance September 30, 2022	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
2007 High Street Bonds	\$ 84,787	\$ -	\$ (11,479)	\$ 73,308	\$ 11,681
2011 Capital Improvement Bonds	74,000	-	(74,000)	-	-
2012 Capital Improvement Bonds	84,915	-	(84,915)	-	-
Add: deferred amounts on 2012 bonds	17,365	-	(17,365)	-	-
2013 Capital Improvement Bonds					
Street Bonds Portion	550,250	-	(71,300)	478,950	74,400
Refunding Portion - 2003 Founder's Landing Bonds	-	-	-	-	-
2014 Capital Improvement Bonds	853,200	-	(82,800)	770,400	84,600
Add: deferred amounts on 2014 bonds	54,206	-	(6,023)	48,183	
2015 Capital Improvement Bonds	371,130	-	(70,707)	300,423	72,307
Add: deferred amounts on 2015 bonds	12,335	-	(2,468)	9,867	
2016 Capital Improvement Bonds					
Street Bonds Portion	870,750	-	(70,950)	799,800	75,250
Add: deferred amount on 2016 bonds	98,258	-	(9,826)	88,432	
Refunding Portion - 2006 & 2008 Street Bonds	1,344,448	-	(360,352)	984,096	145,248
Add: deferred amount on 2006 & 2008 refundings	184,211	-	(26,316)	157,895	
2017 Capital Improvement Bonds					
Street Bonds Portion	3,440,000	-	(255,000)	3,185,000	265,000
Add: deferred amount on 2017 bonds	337,936	-	(30,721)	307,215	
Refunding Portion - 2009 Capital Imp. Bonds	871,430	-	(284,850)	586,580	286,960
Add: deferred amount on 2009 refunding	67,816	-	(22,605)	45,211	
2018 Capital Improvement Bonds	560,000	-	(70,000)	490,000	75,000
Add: deferred amounts on 2018 bonds	39,051	-	(5,579)	33,472	
2018 Michigan Transportation Fund Bonds	1,195,000	-	(155,000)	1,040,000	155,000
Add: deferred amounts on 2018 MTF bonds	77,179	-	(11,026)	66,153	
2019 Capital Improvement Bonds	940,000	-	(90,000)	850,000	90,000
Add: deferred amounts on 2019 bonds	104,236	-	(11,582)	92,654	
2020 Capital Improvement Bonds	400,000	-	(40,000)	360,000	40,000
Add: deferred amounts on 2020 bonds	61,699	-	(6,855)	54,844	
2020 Michigan Transportation Fund Bonds	1,710,000	-	(160,000)	1,550,000	170,000
Add: deferred amounts on 2020 MTF bonds	264,600	-	(29,400)	235,200	
2021 Capital Improvements Bonds					
Capital Improvement Portion	1,640,000	-	(80,000)	1,560,000	83,200
Add: deferred amount on 2021 bonds	277,954	-	(18,530)	259,424	
Refunding Portion					
2011 Street Improvement Bonds	394,000	-	(72,000)	322,000	76,000
Add: deferred amount on 2011 refunding	38,537	-	(7,707)	30,830	
2012 Capital Improvement Bonds	516,150	-	(76,590)	439,560	79,920
Add: deferred amount on 2012 refunding	60,131	-	(10,022)	50,109	
2022 Capital Improvement Bonds	-	1,920,000	-	1,920,000	113,600
Add: deferred amounts on 2022 bonds	-	170,433	-	170,433	
Capital lease [see footnote "Leases"]	24,658,920	-	(598,686)	24,060,234	514,076
Equipment lease	91,255	247,366	(108,986)	229,635	73,337
Accrued Compensated Absences	1,808,069	432,518	(472,762)	1,767,825	707,130
TOTAL GOVERNMENTAL ACTIVITIES	\$ 44,153,818	\$ 2,770,317	\$ (3,506,402)	\$ 43,417,733	\$ 3,192,709

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2021	Additions	Deductions	Balance September 30, 2022	Due Within One Year
BUSINESS-TYPE ACTIVITIES:					
<u>WATER SUPPLY FUND:</u>					
State Drinking Water Revolving Fund Loan - 2009	\$ 240,058	\$ -	\$ (25,000)	\$ 215,058	\$ 25,000
State Drinking Water Revolving Fund Loan - 2011	318,908	-	(25,000)	293,908	25,000
State Drinking Water Revolving Fund Loan - 2015	200,875	-	(15,000)	185,875	15,000
2007 High Street Bonds	132,479	-	(17,936)	114,543	18,251
2011 Capital Improvements Bonds	20,350	-	(20,350)	-	-
2012 Capital Improvements Bonds	47,685	-	(47,685)	-	-
Add: deferred amounts	-	-	-	-	-
2013 Capital Improvements Bonds	443,750	-	(57,500)	386,250	60,000
2014 Capital Improvements Bonds	402,900	-	(39,100)	363,800	39,950
Add: deferred amounts	24,009	-	(2,669)	21,340	-
2015 Capital Improvements Bonds	572,322	-	(109,075)	463,247	111,525
Add: deferred amounts	17,078	-	(3,415)	13,663	-
2016 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	344,250	-	(28,050)	316,200	29,750
Add: deferred amounts	38,845	-	(3,883)	34,962	-
Refunding Portion - 2008 Street Bonds	850,915	-	(106,210)	744,705	109,915
Add: deferred amounts - 2008 Refunding, net	48,545	-	(6,938)	41,607	-
2017 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	1,376,000	-	(102,000)	1,274,000	106,000
Add: deferred amounts	135,173	-	(12,287)	122,886	-
Refunding Portion - 2009 Capital Imp. Bonds	737,205	-	(240,975)	496,230	242,760
Add: deferred amounts - 2009 Refunding, net	6,854	-	(2,285)	4,569	-
2018 Capital Improvement Bonds	895,000	-	(115,000)	780,000	120,000
Add: deferred amounts	62,303	-	(8,902)	53,401	-
2019 Capital Improvements Bonds	565,000	-	(55,000)	510,000	55,000
Add: deferred amounts	62,627	-	(6,959)	55,668	-
2020 Capital Improvements Bonds	590,000	-	(55,000)	535,000	60,000
Add: deferred amounts	91,235	-	(10,138)	81,097	-
2021 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	1,025,000	-	(50,000)	975,000	52,000
Add: deferred amounts	173,722	-	(11,582)	162,140	-
Refunding Portion	-	-	-	-	-
2011 Street Improvement Bonds	108,350	-	(19,800)	88,550	20,900
Add: deferred amounts	10,584	-	(2,119)	8,465	-
2012 Capital Improvement Bonds	289,850	-	(43,010)	246,840	44,880
Add: deferred amounts	43,956	-	(7,325)	36,631	-
2022 Capital Improvements Bonds	-	360,000	-	360,000	21,300
Add: deferred amounts	-	31,956	-	31,956	-
Accrued Compensated Absences	249,158	81,861	(92,039)	238,980	95,592
TOTAL WATER SUPPLY FUND	10,124,986	473,817	(1,342,232)	9,256,571	1,252,823
<u>SEWAGE DISPOSAL FUND:</u>					
State Act 94 Clean Water Assistance Loan	615,000	-	(200,000)	415,000	205,000
State Revolving Fund Loan -2009	350,699	-	(35,000)	315,699	35,000
State Revolving Fund Loan -2011	391,785	-	(35,000)	356,785	35,000
2011 Capital Improvements Bonds	57,350	-	(57,350)	-	-
2012 Capital Improvements Bonds	82,875	-	(82,875)	-	-
Add: deferred amounts	-	-	-	-	-
2013 Capital Improvements Bonds	497,000	-	(64,400)	432,600	67,200
2014 Capital Improvements Bonds	1,113,900	-	(108,100)	1,005,800	110,450
Add: deferred amounts	66,375	-	(7,375)	59,000	-
2015 Capital Improvements Bonds	191,722	-	(36,585)	155,137	37,385
Add: deferred amounts	5,668	-	(1,134)	4,534	-
2016 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	344,250	-	(28,050)	316,200	29,750
Add: deferred amounts	38,845	-	(3,883)	34,962	-
Refunding Portion - 2008 Street Bonds	777,192	-	(97,008)	680,184	100,392
Add: deferred amounts - 2008 Refunding, net	55,493	-	(7,928)	47,565	-
2017 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	1,032,000	-	(76,500)	955,500	79,500
Add: deferred amounts	101,383	-	(9,218)	92,165	-
Refunding Portion - 2009 Capital Imp. Bonds	371,700	-	(121,500)	250,200	122,400
Add: deferred amounts - 2009 Refunding, net	3,456	-	(1,152)	2,304	-
2018 Capital Improvement Bonds	1,075,000	-	(135,000)	940,000	140,000
Add: deferred amounts	74,852	-	(10,694)	64,158	-
2019 Capital Improvements Bonds	1,095,000	-	(105,000)	990,000	110,000
Add: deferred amounts	121,185	-	(13,465)	107,720	-
2020 Capital Improvements Bonds	580,000	-	(55,000)	525,000	55,000
Add: deferred amounts	89,945	-	(9,994)	79,951	-
2021 Capital Improvement Bonds	-	-	-	-	-
Capital Improvement Portion	1,025,000	-	(50,000)	975,000	52,000
Add: deferred amounts	173,722	-	(11,582)	162,140	-
Refunding Portion	-	-	-	-	-
2011 Street Improvement Bonds	305,350	-	(55,800)	249,550	58,900
Add: deferred amounts	29,819	-	(5,964)	23,855	-
2012 Capital Improvement Bonds	503,750	-	(74,750)	429,000	78,000
Add: deferred amounts	76,393	-	(12,730)	63,663	-
2022 Capital Improvements Bonds	-	540,000	-	540,000	31,950
Add: deferred amounts	-	47,934	-	47,934	-
Accrued Compensated Absences	72,153	54,608	(55,512)	71,249	28,500
TOTAL SEWAGE DISPOSAL FUND	11,318,862	642,542	(1,568,549)	10,392,855	1,376,427

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2021	Additions	Deductions	Balance September 30, 2022	Due Within One Year
<u>STORMWATER UTILITY FUND:</u>					
2007 High Street Bonds	\$ 47,692	\$ -	\$ (6,457)	\$ 41,235	\$ 6,572
2011 Capital Improvements Bonds	33,300	-	(33,300)	-	-
2012 Capital Improvements Bonds	39,525	-	(39,525)	-	-
Add: deferred amounts	-	-	-	-	-
2013 Capital Improvements Bonds	284,000	-	(36,800)	247,200	38,400
2015 Capital Improvements Bonds	44,826	-	(8,633)	36,193	8,783
Add: deferred amounts	1,229	-	(246)	983	-
2016 Capital Improvement Bonds					
Capital Improvement Portion	465,750	-	(37,950)	427,800	40,250
Add: deferred amounts	52,555	-	(5,254)	47,301	-
Refunding Portion - 2006 & 2008 Street Bonds	912,445	-	(306,430)	606,015	89,445
Add: deferred amounts - 2006 & 2008 Refunding, net	99,160	-	(14,166)	84,994	-
2017 Capital Improvement Bonds					
Capital Improvement Portion	1,032,000	-	(76,500)	955,500	79,500
Add: deferred amounts	101,382	-	(9,216)	92,166	-
Refunding Portion - 2009 Capital Imp. Bonds	84,665	-	(27,675)	56,990	27,880
Add: deferred amounts - 2009 Refunding, net	790	-	(266)	524	-
2018 MTF Bonds	985,000	-	(125,000)	860,000	130,000
Add: deferred amounts	63,729	-	(9,104)	54,625	-
2019 Capital Improvements Bonds	825,000	-	(80,000)	745,000	80,000
Add: deferred amounts	91,617	-	(10,179)	81,438	-
2020 Capital Improvements Bonds	1,220,000	-	(115,000)	1,105,000	120,000
Add: deferred amounts	188,805	-	(20,978)	167,827	-
2021 Capital Improvement Bonds					
Capital Improvement Portion	1,435,000	-	(70,000)	1,365,000	72,800
Add: deferred amounts	243,210	-	(16,214)	226,996	-
Refunding Portion					
2011 Street Improvement Bonds	177,300	-	(32,400)	144,900	34,200
Add: deferred amounts	17,314	-	(3,463)	13,851	-
2012 Capital Improvement Bonds	240,250	-	(35,650)	204,600	37,200
Add: deferred amounts	36,434	-	(6,072)	30,362	-
2022 Capital Improvements Bonds	-	3,180,000	-	3,180,000	188,150
Add: deferred amounts	-	282,281	-	282,281	-
Accrued Compensated Absences	29,343	14,285	(14,814)	28,814	11,526
TOTAL STORMWATER UTILITY FUND	8,752,321	3,476,566	(1,141,292)	11,087,595	964,706
<u>TOURIST PARK FUND:</u>					
Accrued Compensated Absences	1,666	430	-	2,096	838
TOTAL TOURIST PARK FUND	1,666	430	-	2,096	838
<u>LAKESHORE AND LIGHTHOUSE PARK FUND:</u>					
2018 Building Authority Bonds	750,000	-	(95,000)	655,000	100,000
TOTAL LAKESHORE AND LIGHTHOUSE PARK FUND	750,000	-	(95,000)	655,000	100,000
<u>MARINAS FUND:</u>					
2019 Capital Improvement Bonds	755,000	-	(75,000)	680,000	75,000
Add: deferred amounts	83,631	-	(9,293)	74,338	-
TOTAL MARINAS FUND	838,631	-	(84,293)	754,338	75,000
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 31,786,466	\$ 4,593,355	\$ (4,231,366)	\$ 32,148,455	\$ 3,769,794

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2021	Additions	Deductions	Balance September 30, 2022	Due Within One Year
COMPONENT UNITS:					
Board of Light & Power:					
2016 Electric Utility Revenue Bonds	\$ 59,235,000	\$ -	\$ (2,760,000)	\$ 56,475,000	\$ 2,895,000
Add: deferred amounts	6,299,928	-	(808,151)	5,491,777	
Compensated Absences	1,257,846	19,596	-	1,277,442	1,277,442
Peter White Public Library:					
2017 Library Improvement Bonds	3,200,000	-	(220,000)	2,980,000	230,000
Add: deferred amounts	287,544	-	(23,962)	263,582	
Equipment Lease	11,455	-	(4,110)	7,345	4,111
Compensated Absences	64,624	7,771	-	72,395	-
Downtown Development Authority:					
2021 Refunding & TIF Bonds	905,000	-	(124,000)	781,000	127,000
Compensated Absences	33,656	-	(21,723)	11,933	
Brownfield Redevelopment Authority:					
2010 Capital Improvement Bonds	605,000	-	(50,000)	555,000	50,000
2010 Recovery Zone Facility Bonds	275,000	-	(20,000)	255,000	25,000
2013 Capital Improvement Bonds	105,000	-	(35,000)	70,000	35,000
2016 Tax Increment Bonds	17,145,000	-	(90,000)	17,055,000	105,000
Add: deferred amounts	1,636,783	-	(109,119)	1,527,664	
2017 Capital Improvement Bonds	645,000	-	(45,000)	600,000	50,000
Add: deferred amounts	63,343	-	(5,759)	57,584	
2017 Tax Increment Bonds	11,560,000	-	(635,000)	10,925,000	650,000
2018 Capital Improvement Bonds	535,000	-	(70,000)	465,000	70,000
Add: deferred amounts	37,224	-	(5,318)	31,906	
2021 Tax Increment Bonds	-	6,000,000	-	6,000,000	5,000
Add: deferred amounts	-	438,277	(23,067)	415,210	
TOTAL COMPONENT UNITS	\$ 103,902,403	\$ 6,465,644	\$ (5,050,209)	\$ 105,317,838	\$ 5,523,553

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$106,847 of internal service funds compensated absences is included in the above amounts. In the governmental activities, compensated absences are generally liquidated by the general fund.

The City's component units (Board of Light and Power, Brownfield Redevelopment Authority, Downtown Development Authority and Peter White Public Library), the Marinas, Water Supply, and Sewage Disposal Fund revenue bonds, general obligation bonds, and capital lease obligations outstanding are recorded in the respective Component Unit and Enterprise Funds. The Component Units' debt and the Enterprise Fund debt are expected to be repaid from proprietary revenues.

State Act 94 Clean Water Assistance Loan - On March 25, 2004, the City issued \$3,470,000 of State of Michigan Act 94 Clean Water Assistance Loan for the purpose of rehabilitation of the Hawley Street, Pine Street, Lake Street, and Baraga Avenue sewage pump stations. The loan will be paid off in annual principal and interest payments over 20 years with an interest rate of 2.125%.

2006 Street Improvement Bonds- On October 31, 2006, the City issued \$5,475,000 in Limited Tax General Obligation Bonds, Series 2006 at an interest rate of 4.0%. The Bonds were issued for the purpose of paying all or part of the cost of making major and local street improvements throughout the City. The Bonds are issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

During the fiscal year ending June 30, 2009, the construction of infrastructure assets funded with the Limited Tax General Obligation Bonds, Series 2006, as noted above, was completed. A portion of these constructed assets included stormwater infrastructure and thus these assets were removed from the Governmental Activities infrastructure assets and long term debt balance. A total of \$2,600,000 of these infrastructure assets were transferred to the Stormwater Fund and, correspondingly, the \$2,600,000 of debt relating to those assets was also transferred to the Stormwater Fund.

2007 High Street Bonds - On March 29, 2007, the Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2007, are approved for issue in the aggregate principal sum of not to exceed \$1,852,000 for the purpose of paying the costs for the High Street sewer replacement and related street reconstruction. The Series 2007 Bonds shall bear interest at a rate of 1.625%. Principal installments of the Series 2007 Bonds shall be payable on October 1 of the years 2009 to 2028. Interest on the Series 2007 Bonds shall be payable on April 1 and October 1 of each year, commencing on October 1, 2007.

The total liability of \$684,636 is the total of all draw downs received on this project.

During the fiscal year ending June 30, 2010, the construction of infrastructure assets funded with the Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, as noted above, was completed. A portion of these constructed assets included stormwater infrastructure and water distribution system infrastructure and thus these assets were removed from the Governmental Activities infrastructure assets and long term debt balance. A total of \$123,234 of these infrastructure assets were transferred to the Stormwater Fund and, correspondingly, the \$123,234 of debt relating to those assets was also transferred to the Stormwater Fund. A total of \$342,318 of these infrastructure assets were transferred to the Water Fund and, correspondingly, the \$342,318 of debt relating to those assets was also transferred to the Water Fund.

2008 Street Improvements Bonds - On June 26, 2008, the City issued \$8,375,000 in Limited Tax General Obligation Bonds, Series 2008 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the cost of certain capital improvements including major and local street improvements, construction and installation of water treatment and distribution lines, construction and installation of wastewater and storm water collection lines, and acquisition of other City equipment. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

2009 Capital Improvements Bonds - On May 5, 2009, the City issued \$10,800,000 in Limited Tax General Obligation and Refunding Bonds, Series 2009 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the cost of capital improvement items in the City including major and local street improvements, reconstruction of water and sewer lines, renovating and equipping Lakeview Arena, construction and installation of wastewater and storm water collection lines, and acquisition of other City equipment, and to refund the City of Marquette Building Authority's 1998 Building Authority Refunding Bonds, dated June 16, 1998, which mature in the years 2010 through 2021. The Bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a bond authorizing resolution adopted by the City Commission on March 30, 2009.

The refunding portion's net proceeds of \$2,468,606 (after payment of \$39,530 in underwriting fees, insurance, and other issuance costs, plus an additional \$83,136 reoffering premium) were used, together with other monies transferred by the City, to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service interest and principal payments on the 1998 issue refunded bonds. As a result, the 1998 issue bonds maturing in fiscal years 2010 through 2021 are considered to be defeased and the liability for those bonds has been removed from the Governmental Activities long-term debt balance.

NOTE F – LONG-TERM DEBT (Continued):

Also, the irrevocable trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2022, \$0 of bonds outstanding are considered defeased.

State Drinking Water Revolving Fund Loan – 2009 - On January 11, 2010, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$960,000 in funding from the State Drinking Water Revolving Fund for the purpose of constructing water mains and of purchasing a new sodium hypochlorite generator at the water filtration plant. Upon completion of this project, the agreement further states a loan forgiveness amount not to exceed \$384,000. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at the rate of 2.5% per annum, payable October 1, 2010 and semi-annually thereafter. The City has received a total of \$851,764 in draws from the State, and has received \$340,706 in loan forgiveness.

State Revolving Fund Loan – 2009 - On January 11, 2010, the City entered into an agreement with the State of Michigan to utilize funds from the State Revolving Fund to construct and replace sanitary sewer lines. The agreement set forth that the City is approved to receive \$800,000 in funding from the State Revolving Fund for the purpose of constructing sewer infrastructure. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at a rate of 2.5% per annum, payable October 1, 2010 and semi-annually thereafter. The City has received a total of \$695,699 in draws from the State.

State Drinking Water Revolving Fund Loan – 2011 – On June 24, 2011, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$1,600,000 in funding from the State Drinking Water Revolving Fund for the purpose of constructing water mains. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at the rate of 2.5% per annum, payable October 1, 2011 and semi-annually thereafter. The City received a total of \$882,511 in draws from the State, and has received \$353,004 in loan forgiveness.

State Revolving Fund Loan – 2011 – On June 24, 2011, the City entered into an agreement with the State of Michigan to utilize funds from the State Revolving Fund to construct and replace sanitary sewer lines. The agreement set forth that the City is approved to receive \$1,020,000 in funding from the State Revolving Fund for the purpose of constructing sewer infrastructure. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at a rate of 2.5% per annum, payable October 1, 2011 and semi-annually thereafter. The City received a total of \$706,785 in draws from the State.

2011 Capital Improvements Bonds – On September 22, 2011, the City issued \$2,690,000 in Limited Tax General Obligation Bonds, Series 2011 with interest rates ranging from 2.0% to 4.125% for the purpose of paying the cost of certain capital improvements including major street and/or local street improvements, construction of Lake Street bike path, and the construction and installation of sanitary sewer lateral replacements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

2012 Capital Improvements Bonds – On August 7, 2012, the City issued \$3,765,000 in Limited Tax General Obligation Bonds, Series 2012 with interest rates ranging from 2.0% to 3.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, construction improvements to the Mattson Park Lift Station, and the construction and installation of sanitary sewer lateral replacements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City.

The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

2013 Capital Improvement Bonds – On September 13, 2013, the City issued \$5,785,000 in General Obligation Limited Tax Bonds, Series 2013 with interest rates of 2.95% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, and the construction and installation of sanitary sewer lateral replacements, and the 2003 Founders Landing Bonds, dated December 23, 2003. The Bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a bond authorizing resolution adopted by the City.

The refunding portion of the 2003 Founders Landing Bonds net proceeds \$2,245,000 (after payment of \$70,000 in issuance expenses) were paid to the refund bond escrow agent. As a result, the 2003 issue bonds maturing 2015 through 2023 are considered defeased and the liability for those bonds has been removed from the Governmental Activities long-term debt balance.

The irrevocable trust accounts for the assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$295,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$130,000. This difference has been charged to operations as a component of interest expense in the Statement of Activities. The transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$108,160.

2014 Capital Improvement Bonds – On September 30, 2014, the City issued \$3,620,000 in General Obligation Capital Improvement Bonds, Series 2014 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, the Carp River sanitary sewer crossing, and improvements to marina and park systems.

The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

2015 Capital Improvement Bonds – On September 17, 2015, the City issued \$2,250,000 in General Obligation Capital Improvement Bonds, Series 2015 with interest rates ranging from 2.0% to 3.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, acquisition and construction of park, sewer lift station and marina improvements; acquisition and installation of water membranes for the water supply system; water main improvements; and construction and installation of sanitary sewer lateral replacements and sewer pipe.

The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

2016 Capital Improvement Bonds – On October 5, 2016, the City issued \$9,505,000, in General Obligation Capital Improvement Bonds, Series 2016 with interest rates ranging from 2.0% to 5.0% for the purpose of paying the costs of certain capital improvements including, but not limited to major street and/or local street improvements, and the construction and installation of sanitary sewer lateral replacements, and to refund the 2006 Street Improvement Bonds and to refund the 2008 Street Improvement Bonds.

The refunding portion of the 2006 Street Improvement Bonds net proceeds of \$2,202,790, were paid to the refund bond escrow agent. As a result, the 2006 issue bonds maturing 2018 through 2022 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$0 of the bonds outstanding are considered defeased.

The refunding portion of the 2008 Street Improvement Bonds net proceeds of \$5,246,413, were paid to the refund bond escrow agent. As a result, the 2008 issue bonds maturing 2019 through 2028 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$3,230,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$495,000. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$525,642.

2017 Capital Improvement Bonds – On August 23, 2017, the City issued \$12,185,000 in General Obligation Capital Improvement Bonds, Series 2017 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the costs of certain capital improvements including, but not limited to making major and/or local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; reconstruction of a pathway bridge; construction and installation of sanitary sewer lateral replacements and sewer pipe; acquisition and installation of boiler replacements at various City buildings, and to refund the 2009 Capital Improvement Bonds.

The refunding portion of the 2009 Capital Improvement Bonds net proceeds of \$3,655,840, were paid to the refund bond escrow agent. As a result, the 2009 issue bonds maturing 2020 through 2024 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$1,450,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$95,000. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$231,940.

NOTE F – LONG-TERM DEBT (Continued):

2018 Capital Improvement Bonds – On July 31, 2018, the City issued \$3,450,000, in General Obligation Capital Improvement Bonds, Series 2018 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, sidewalk extensions/improvements, Picnic Rocks parking lot and Shiras Park repairs, Presque Isle Band Shell gravel road upgrade and Eagle Drive paving.

2018 Michigan Transportation Fund Bonds – On July 31, 2018, the City issued \$2,990,000, in Michigan Transportation Fund Bonds, Series 2018 with interest rates ranging from 3.0% to 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements and the construction and installation of sanitary sewer lateral replacements.

2018 Building Authority Bonds – On July 31, 2018, the City issued \$1,035,000, in Building Authority Bonds, Series 2018 with interest rates ranging from 2.65% to 3.81% for the purpose of paying the cost of certain capital improvements including Light House Property Improvements.

2019 Capital Improvement Bonds – On November 12, 2019, the City issued \$4,565,000 in General Obligation Capital Improvement Bonds, Series 2019 with interest rates of 3.0% - 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, sidewalk extensions/improvements, and marina improvements.

2020 Capital Improvement Bonds – On June 23, 2020, the City issued \$3,060,000 in General Obligation Capital Improvement Bonds, Series 2020 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including Lakeshore Boulevard Relocation, and the construction and installation of sanitary sewer lateral replacements.

2020 Michigan Transportation Fund Bonds – On June 23, 2020, the City issued \$1,875,000 in Michigan Transportation Fund Bonds, Series 2020 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements.

2021 Capital Improvement Bonds – On September 1, 2021, the City issued \$7,660,000 in General Obligation Capital Improvement Bonds, Series 2021 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the costs of certain capital improvements including, but not limited to making major and/or local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; and Lakeshore Boulevard Relocation, and to refund the 2011 and 2012 Capital Improvement Bonds.

The refunding portion of the 2011 Capital Improvement Bonds net proceeds of \$1,081,344, were paid to the refund bond escrow agent. As a result, the 2011 issue bonds maturing 2023 through 2026 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$1,060,000 of the bonds outstanding are considered defeased.

The refunding portion of the 2012 Capital Improvement Bonds net proceeds of \$1,730,575, were paid to the refund bond escrow agent. As a result, the 2012 issue bonds maturing 2023 through 2027 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

NOTE F – LONG-TERM DEBT (Continued):

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$1,705,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$266,144. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$192,112.

2022 Capital Improvement Bonds – On August 24, 2022, the City issued \$6,000,000 in General Obligation Capital Improvement Bonds, Series 2022 with interest rates of 2.875% - 5.0% for the purpose of paying the cost of certain capital improvements including Lakeshore Boulevard Relocation, the construction and installation of sanitary sewer lateral replacements, and Hemlock Park Development.

State Drinking Water Revolving Fund Loan – 2015 – On March 1, 2014, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$330,000 in funding from the State Drinking Water Revolving Fund for the purpose of repairs and maintenance to the Mountain Tank. Funding is received and the liability is established based on the amount that the City "draws down" on this available funding. The City has received a total of \$290,875 in draws from the State.

2017 Peter White Public Library Bonds – On October 3, 2017, the Peter White Public Library issued \$3,845,000, in General Obligation Unlimited Tax Bonds, Series 2017 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the cost of acquiring, constructing, furnishing and equipping library improvements, including renovations to the existing Peter White Public Library building, and all related site improvements, appurtenances, and attachments. The Bonds sold at a premium of \$359,430.

2010 Capital Improvement Bonds – On December 16, 2010, the City and the Brownfield Redevelopment Authority issued \$995,000 in Limited Tax General Obligation Bonds, Series 2010 with interest rates ranging from 2.5% to 5.0% for the purpose of paying all or part of the cost of acquiring and constructing certain capital improvements in the City, consisting generally of new seawall, public boardwalk, and site improvements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

2010 Recovery Zone Facility Bonds – On December 16, 2010, the City and the Brownfield Redevelopment Authority issued \$445,000 in Tax Increment Limited Tax General Obligation Bonds, Series 2010 with interest rates ranging from 4.0% to 5.0% for the purpose of paying all or part of the cost of acquiring, constructing, and installing certain improvements in the Founders Landing site located on the shore of Lake Superior in the City. The bonds are issued pursuant to the provision of Act 381, Public Acts of Michigan, 1996, as amended, and a resolution adopted by the City. The City has made a limited tax pledge as additional security for payment of the principal and interest on the Bonds.

2013 Capital Improvement Bonds – On October 1, 2013, the City and the Brownfield Redevelopment Authority issued \$320,000 in Tax Increment Limited Tax General Obligation Bonds with an interest rate of 2.35% for the purpose of paying all or part of the cost of acquiring and constructing certain capital improvements in the City.

2016 Tax Increment Bonds – On September 21, 2016, the City and the Brownfield Redevelopment Authority issued \$17,195,000 in Tax Increment Limited Tax General Obligation Bonds with an interest rate of 4.00%-5.00% for the purpose of paying the costs of relocating the City's Municipal Service Center in conjunction with a concurrent Brownfield project.

NOTE F – LONG-TERM DEBT (Continued):

2017 Capital Improvement Bonds - Brownfield – On August 23, 2017, the City and the Brownfield Redevelopment Authority issued \$830,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.0% to 4.0% for the purpose of extending/improving Baraga Avenue.

2017 Tax Increment Bonds - Brownfield – On October 10, 2017, the City and the Brownfield Redevelopment Authority issued \$12,185,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.14% to 3.67% for the purpose of paying all or part of the cost of acquiring and constructing street improvements surrounding a Brownfield project.

2018 Capital Improvement Bonds - Brownfield – On July 31, 2018, the City and the Brownfield Redevelopment Authority issued \$730,000 in General Obligation Capital Improvement Bonds with an interest rate of 4.00% for the purpose of paying all or part of the cost of acquiring and constructing street improvements surrounding a Brownfield project.

2021 Capital Improvement Bonds - Brownfield – On November 23, 2021, the City and the Brownfield Redevelopment Authority issued \$6,000,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.375% to 4.0% for the purpose of redevelopment of the pier and reuse or removal of the existing piling structure.

2011 Tax Increment Bonds - DDA – On September 8, 2011, the Downtown Development Authority issued \$1,500,000 in Tax Increment Bonds with an interest rate of 4.35% for the purpose of restoration of the Bluff Street Parking ramp, installation of parking stations, streetscape improvements and curb improvements.

2021 Tax Increment and Tax Increment Refunding Bonds - DDA – On May 26, 2021, the Downtown Development Authority issued \$1,040,000 in Tax Increment and Tax Increment Refunding Bonds, Series 2021 with interest rate of 2.45% for the purpose of paying all or part of the costs of public improvements in the Downtown Development Area in the City as described in the Development Plan and Tax Increment Financing Plan #3, and to refund the 2011 Tax Increment Bonds.

The refunding portion of the 2011 Tax Increment Bonds net proceeds of \$774,016, were paid to the refund bond escrow agent. As a result, the 2011 issue bonds maturing 2021 through 2026 are considered defeased and the liability for those bonds has been removed from the Governmental Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2022, \$500,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$12,040. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$24,953.

2016 Electric Utility Revenue Bonds – During fiscal year 2016, the Marquette Board of Light and Power issued 2016A Electric Utility System Revenue and Refunding Bonds. The financing provided bond proceeds of \$67,435,000 and an unamortized net premium of \$10,499,829, which totaled \$77,934,829. As part of the 2016A bond issue, the Board advance refunded \$3,890,000 of the 2011A Electric Utility System Revenue Bonds to provide resources to purchase United States government securities that were placed in an escrow fund for the purpose of generating resources for all future debt service payments of the 2011A refunded debt. As a result, the 2011A bonds are considered defeased and the related liability has been removed from the statement of net position.

NOTE F – LONG-TERM DEBT (Continued):

The advance refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$79,907. This was recorded on the statement of financial position and amortized over a period of three years.

Annual maturities on the Governmental Activities debts are as follows:

Year Ending September 30,	2007 High Street Bonds	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Street Improvements Bonds	2016 Refunding Bonds	2017 Street Improvements Bonds	2017 Refunding Bonds	2018 Capital Improvements Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2020 MTF Bonds	2021 Capital Improvement Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvement Bonds
2023	\$ 11,681	\$ 74,400	\$ 84,600	\$ 72,307	\$ 75,250	\$ 145,248	\$ 265,000	\$ 286,960	\$ 75,000	\$ 155,000	\$ 90,000	\$ 40,000	\$ 170,000	\$ 83,200	\$ 155,920	\$ 113,600
2024	11,883	75,950	86,400	73,907	79,550	155,040	275,000	299,620	75,000	165,000	100,000	40,000	175,000	86,400	162,915	94,400
2025	12,086	79,050	90,000	75,507	81,700	159,936	287,500	-	80,000	170,000	100,000	40,000	180,000	89,600	170,245	99,200
2026	12,289	80,600	93,600	78,702	86,000	168,096	300,000	-	85,000	180,000	105,000	45,000	190,000	94,400	177,575	104,000
2027	12,491	83,700	97,200	-	88,150	172,992	310,000	-	85,000	185,000	105,000	45,000	195,000	97,600	94,905	108,800
2028	12,878	85,250	102,600	-	92,450	182,784	322,500	-	90,000	185,000	115,000	50,000	205,000	104,000	-	113,600
2029	-	-	106,200	-	94,600	-	335,000	-	-	-	115,000	50,000	215,000	108,800	-	120,000
2030	-	-	109,800	-	98,900	-	350,000	-	-	-	120,000	50,000	220,000	113,600	-	124,800
2031	-	-	-	-	103,200	-	362,500	-	-	-	-	-	-	120,000	-	131,200
2032	-	-	-	-	-	-	377,500	-	-	-	-	-	-	124,800	-	139,200
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	128,000	-	145,600
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	132,800	-	148,800
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	136,000	-	153,600
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	140,800	-	158,400
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	164,800
Principal	73,308	478,950	770,400	300,423	799,800	984,096	3,185,000	586,580	490,000	1,040,000	850,000	360,000	1,550,000	1,560,000	761,560	1,920,000
Interest	4,911	43,553	125,191	16,280	152,424	123,807	678,100	23,716	70,800	150,000	140,650	67,800	291,600	468,880	91,838	651,753
	<u>\$ 78,219</u>	<u>\$ 522,503</u>	<u>\$ 895,591</u>	<u>\$ 316,703</u>	<u>\$ 952,224</u>	<u>\$ 1,107,903</u>	<u>\$ 3,863,100</u>	<u>\$ 610,296</u>	<u>\$ 560,800</u>	<u>\$ 1,190,000</u>	<u>\$ 990,650</u>	<u>\$ 427,800</u>	<u>\$ 1,841,600</u>	<u>\$ 2,028,880</u>	<u>\$ 853,398</u>	<u>\$ 2,571,753</u>

Annual maturities on the Business-Type Activities are as follows:

WATER SUPPLY FUND																	
Year Ending September 30,	State Drinking Water Revolving Fund Loan	State DWRP 2011 Loan	State DWRP 2015 Loan	2007 High Street Bonds	2013 Capital Improvement Bonds	2014 Capital Improvement Bonds	2015 Capital Improvement Bonds	2016 Capital Improvement Bonds	2016 Refunding 2008 Bonds	2017 Capital Improvement Bonds	2017 Refunding 2009 Bonds	2018 Capital Improvement Bonds	2019 Capital Improvement Bonds	2020 Capital Improvement Bonds	2021 Capital Improvement Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvement Bonds
2023	\$ 25,000	\$ 25,000	\$ 15,000	\$ 18,251	\$ 60,000	\$ 39,950	\$ 111,525	\$ 29,750	\$ 109,915	\$ 106,000	\$ 242,760	\$ 120,000	\$ 55,000	\$ 60,000	\$ 52,000	\$ 65,780	\$ 21,300
2024	25,000	30,000	15,000	18,568	61,250	40,800	113,975	31,450	117,325	110,000	253,470	120,000	60,000	60,000	54,000	69,135	17,700
2025	30,000	30,000	15,000	18,885	63,750	42,500	116,425	32,300	121,030	115,000	-	125,000	60,000	60,000	56,000	72,105	18,600
2026	30,000	30,000	20,000	19,201	65,000	44,200	121,322	34,000	127,205	120,000	-	130,000	60,000	65,000	59,000	75,075	19,500
2027	30,000	30,000	20,000	19,518	67,500	45,900	-	34,850	130,910	124,000	-	140,000	65,000	70,000	61,000	53,295	20,400
2028	30,000	30,000	20,000	20,120	68,750	48,450	-	36,550	138,320	129,000	-	145,000	65,000	70,000	65,000	-	21,300
2029	30,000	30,000	20,000	-	-	50,150	-	37,400	-	134,000	-	-	70,000	75,000	68,000	-	22,500
2030	15,058	30,000	20,000	-	-	51,850	-	39,100	-	140,000	-	-	75,000	75,000	71,000	-	23,400
2031	-	30,000	20,000	-	-	-	-	40,800	-	145,000	-	-	-	-	75,000	-	24,600
2032	-	28,908	20,875	-	-	-	-	-	-	151,000	-	-	-	-	78,000	-	26,100
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	-	27,300
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,000	-	27,900
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000	-	28,800
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	88,000	-	29,700
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,900
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	215,058	293,908	185,875	114,543	386,250	363,800	463,247	316,200	744,705	1,274,000	496,230	780,000	510,000	535,000	975,000	335,390	360,000
Interest	27,634	38,748	14,180	7,671	35,123	47,447	27,994	66,734	109,138	296,720	29,988	113,000	84,625	100,600	293,050	42,150	122,199
	<u>\$ 242,692</u>	<u>\$ 332,656</u>	<u>\$ 200,055</u>	<u>\$ 122,214</u>	<u>\$ 421,373</u>	<u>\$ 411,247</u>	<u>\$ 491,241</u>	<u>\$ 382,934</u>	<u>\$ 853,843</u>	<u>\$ 1,570,720</u>	<u>\$ 526,218</u>	<u>\$ 893,000</u>	<u>\$ 594,625</u>	<u>\$ 635,600</u>	<u>\$ 1,268,050</u>	<u>\$ 377,540</u>	<u>\$ 482,199</u>

SEWAGE DISPOSAL FUND																
	State Act 94 Clean Water Assistance Loan	2009 State Revolving Loan	2011 State Revolving Loan	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2016 Refunding 2008 Bonds	2017 Capital Improvements Bonds	2017 Refunding 2009 Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvements Bonds
Year Ending September 30,																
2023	\$ 205,000	\$ 35,000	\$ 35,000	\$ 67,200	\$ 110,450	\$ 37,385	\$ 29,750	\$ 100,392	\$ 79,500	\$ 122,400	\$ 140,000	\$ 110,000	\$ 55,000	\$ 52,000	\$ 136,900	\$ 31,950
2024	210,000	40,000	35,000	68,600	112,800	38,185	31,450	107,160	82,500	127,800	145,000	115,000	60,000	54,000	143,325	26,550
2025	-	40,000	40,000	71,400	117,500	38,985	32,300	110,544	86,250	-	155,000	115,000	60,000	56,000	149,675	27,900
2026	-	40,000	40,000	72,800	122,200	40,582	34,000	116,184	90,000	-	160,000	120,000	65,000	59,000	156,025	29,250
2027	-	40,000	40,000	75,600	126,900	-	34,850	119,568	93,000	-	165,000	125,000	65,000	61,000	92,625	30,600
2028	-	40,000	40,000	77,000	133,950	-	36,550	126,336	96,750	-	175,000	130,000	70,000	65,000	-	31,950
2029	-	40,000	40,000	-	138,650	-	37,400	-	100,500	-	-	135,000	75,000	68,000	-	33,750
2030	-	40,699	40,000	-	143,350	-	39,100	-	105,000	-	-	140,000	75,000	71,000	-	35,100
2031	-	-	46,785	-	-	-	40,800	-	108,750	-	-	-	-	75,000	-	36,900
2032	-	-	-	-	-	-	-	-	113,250	-	-	-	-	78,000	-	39,150
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	-	40,950
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	83,000	-	41,850
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000	-	43,200
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	88,000	-	44,550
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,350
Principal	415,000	315,699	356,785	432,600	1,005,800	155,137	316,200	680,184	955,500	250,200	940,000	990,000	525,000	975,000	678,550	540,000
Interest	19,816	36,011	50,671	39,341	131,177	9,140	66,737	99,682	222,540	15,120	136,400	163,325	99,400	293,050	83,024	183,304
	\$ 434,816	\$ 351,710	\$ 407,456	\$ 471,941	\$ 1,136,977	\$ 164,277	\$ 382,937	\$ 779,866	\$ 1,178,040	\$ 265,320	\$ 1,076,400	\$ 1,153,325	\$ 624,400	\$ 1,268,050	\$ 761,574	\$ 723,304

NOTE F – LONG-TERM DEBT (Continued):

STORMWATER UTILITY FUND													
Year Ending September 30,	2007 High Street Improvements Bonds	2013 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2016 Refunding 2006 & 2008 Bonds	2017 Capital Improvements Bonds	2017 Refunding 2009 Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvements Bonds
2023	\$ 6,572	\$ 38,400	\$ 8,783	\$ 40,250	\$ 89,445	\$ 79,500	\$ 27,880	\$ 130,000	\$ 80,000	\$ 120,000	\$ 72,800	\$ 71,400	\$ 188,150
2024	6,684	39,200	8,933	42,550	95,475	82,500	29,110	135,000	85,000	125,000	75,600	74,625	156,350
2025	6,798	40,800	9,083	43,700	98,490	86,250	-	140,000	85,000	130,000	78,400	77,975	164,300
2026	6,912	41,600	9,394	46,000	103,515	90,000	-	145,000	90,000	135,000	82,600	81,325	172,250
2027	7,026	43,200	-	47,150	106,530	93,000	-	150,000	95,000	140,000	85,400	44,175	180,200
2028	7,243	44,000	-	49,450	112,560	96,750	-	160,000	100,000	145,000	91,000	-	188,150
2029	-	-	-	50,600	-	100,500	-	-	105,000	150,000	95,200	-	198,750
2030	-	-	-	52,900	-	105,000	-	-	105,000	160,000	99,400	-	206,700
2031	-	-	-	55,200	-	108,750	-	-	-	-	105,000	-	217,300
2032	-	-	-	-	-	113,250	-	-	-	-	109,200	-	230,550
2033	-	-	-	-	-	-	-	-	-	-	112,000	-	241,150
2034	-	-	-	-	-	-	-	-	-	-	116,200	-	246,450
2034	-	-	-	-	-	-	-	-	-	-	119,000	-	254,400
2035	-	-	-	-	-	-	-	-	-	-	123,200	-	262,350
2036	-	-	-	-	-	-	-	-	-	-	-	-	272,950
Principal	41,235	247,200	36,193	427,800	606,015	955,500	56,990	860,000	745,000	1,105,000	1,365,000	349,500	3,180,000
Interest	2,761	22,480	1,711	90,286	88,811	222,540	3,444	124,400	124,025	208,000	410,270	42,238	1,043,277
	<u>\$ 43,996</u>	<u>\$ 269,680</u>	<u>\$ 37,904</u>	<u>\$ 518,086</u>	<u>\$ 694,826</u>	<u>\$ 1,178,040</u>	<u>\$ 60,434</u>	<u>\$ 984,400</u>	<u>\$ 869,025</u>	<u>\$ 1,313,000</u>	<u>\$ 1,775,270</u>	<u>\$ 391,738</u>	<u>\$ 4,223,277</u>

Year Ending September 30,	LAKESHORE AND LIGHTHOUSE PARK FUND	MARINAS FUND
	2018 Building Authority Bonds	2019 Capital Improvements Bonds
2023	\$ 100,000	\$ 75,000
2024	105,000	75,000
2025	105,000	80,000
2026	110,000	85,000
2027	115,000	85,000
2028	120,000	90,000
2029	-	95,000
2030	-	95,000
2031	-	-
2032	-	-
2033	-	-
2034	-	-
2035	-	-
2036	-	-
2037	-	-
Principal	655,000	680,000
Interest	86,603	112,700
	<u>\$ 741,603</u>	<u>\$ 792,700</u>

Annual maturities on Component Unit debt are as follows:

Year Ending September 30,	2016 Electric Utility Revenue Bonds	2017 Library Improvement Bonds	2021 DDA Refunding & TIF Bonds	2010 Capital Improvement Bonds	2010 Recovery Zone Facility Bonds	2013 Capital Improvement Bonds	2016 MBRA Tax Increment Bonds	2017 MBRA Capital Improvement Bonds	2017 MBRA Tax Increment Bonds	2018 MBRA Capital Improvement Bonds	2021 MBRA Tax Increment Bonds
2023	\$ 2,895,000	\$ 230,000	\$ 127,000	\$ 50,000	\$ 25,000	\$ 35,000	\$ 105,000	\$ 50,000	\$ 650,000	\$ 70,000	\$ 5,000
2024	3,040,000	235,000	130,000	55,000	25,000	35,000	155,000	50,000	670,000	75,000	5,000
2025	3,195,000	250,000	133,000	55,000	25,000	-	100,000	55,000	685,000	75,000	5,000
2026	3,355,000	245,000	137,000	60,000	25,000	-	145,000	55,000	705,000	80,000	5,000
2027	3,520,000	255,000	125,000	60,000	30,000	-	200,000	60,000	725,000	80,000	55,000
2028	3,695,000	265,000	129,000	65,000	30,000	-	230,000	60,000	745,000	85,000	70,000
2029	3,880,000	275,000	-	65,000	30,000	-	290,000	65,000	770,000	-	95,000
2030	4,075,000	290,000	-	70,000	30,000	-	360,000	65,000	795,000	-	110,000
2031	4,280,000	300,000	-	75,000	35,000	-	2,055,000	70,000	825,000	-	135,000
2032	4,495,000	310,000	-	-	-	-	2,250,000	70,000	850,000	-	155,000
2033	4,720,000	325,000	-	-	-	-	2,390,000	-	880,000	-	385,000
2034	4,955,000	-	-	-	-	-	2,615,000	-	825,000	-	490,000
2035	5,105,000	-	-	-	-	-	2,990,000	-	700,000	-	525,000
2036	5,265,000	-	-	-	-	-	3,170,000	-	1,100,000	-	565,000
2037	-	-	-	-	-	-	-	-	-	-	600,000
2038	-	-	-	-	-	-	-	-	-	-	640,000
2039	-	-	-	-	-	-	-	-	-	-	1,055,000
2040	-	-	-	-	-	-	-	-	-	-	1,100,000
Principal	56,475,000	2,980,000	781,000	555,000	255,000	70,000	17,055,000	600,000	10,925,000	465,000	6,000,000
Interest	19,506,144	676,304	66,960	131,100	60,875	1,645	7,774,150	140,000	2,986,916	67,000	2,334,641
	<u>\$ 75,981,144</u>	<u>\$ 3,656,304</u>	<u>\$ 847,960</u>	<u>\$ 686,100</u>	<u>\$ 315,875</u>	<u>\$ 71,645</u>	<u>\$ 24,829,150</u>	<u>\$ 740,000</u>	<u>\$ 13,911,916</u>	<u>\$ 532,000</u>	<u>\$ 8,334,641</u>

NOTE F – LONG-TERM DEBT (Continued):

Annual principal and interest requirements on indebtedness are as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,898,166	\$ 576,419	\$ 3,633,338	\$ 1,052,439	\$ 4,242,000	\$ 3,977,864
2024	1,956,065	526,849	3,731,070	970,209	4,475,000	3,794,252
2025	1,714,824	455,385	3,222,945	830,743	4,578,000	3,600,857
2026	1,800,262	386,874	3,363,140	703,633	4,812,000	3,398,031
2027	1,680,838	316,427	3,173,197	575,737	5,110,000	3,179,503
2028-2032	5,351,162	715,461	9,286,404	1,325,202	32,544,000	12,087,156
2033-2037	1,308,800	125,888	2,781,200	231,322	37,605,000	3,595,575
2038-2042	-	-	-	-	2,795,000	112,497
	<u>\$ 15,710,117</u>	<u>\$ 3,103,303</u>	<u>\$ 29,191,294</u>	<u>\$ 5,689,285</u>	<u>\$ 96,161,000</u>	<u>\$ 33,745,735</u>

NOTE G – LETTERS OF CREDIT:

As of September 30, 2022, the City had the following letter of credit with Range Bank.

<u>Date Issued</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Expiration</u>
12/14/2011	\$ 157,430	n/a *	12/14/2022

* - Prime rate, as quoted by the Wall Street Journal, at time of loan

There are no outstanding balances on this letter of credit as of September 30, 2022.

NOTE H – INTERFUND TRANSFERS IN AND TRANSFERS OUT:

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The interfund transfers for the year are as follows:

Fund	Transfers In	Fund	Transfers Out
PRIMARY GOVERNMENT:			
Major Street	\$ 606,597	General Fund	\$ 4,606,854
Local Street	2,050,776		
Non-major Governmental	1,109,406		
Internal Service Funds	648,524		
Non-major Business-Type	191,551		
Subtotal	<u>4,606,854</u>	Subtotal	<u>4,606,854</u>
General Fund	709	Major Street	854,165
Non-major Governmental	2,104,223	Local Street	872,503
		Non-major Governmental	378,264
Subtotal	<u>2,104,932</u>	Subtotal	<u>2,104,932</u>
Internal Service Funds	509,540	Non-major Governmental	188,670
		Water Supply	162,971
		Sewage Disposal	133,167
		Non-major Business-Type	24,732
Subtotal	<u>509,540</u>	Subtotal	<u>509,540</u>
TOTAL REPORTING ENTITY	<u>\$ 7,221,326</u>	TOTAL REPORTING ENTITY	<u>\$ 7,221,326</u>

NOTE I – CAPITAL ASSETS:

A summary of changes in governmental activities capital assets including internal service funds capital assets is as follows:

	Balance at September 30, 2021	Additions	Disposals	Balance at September 30, 2022
GOVERNMENTAL ACTIVITIES:				
Capital Assets Not Being Depreciated				
Land	\$ 13,102,527	\$ -	\$ (37,369)	\$ 13,065,158
Construction in progress	4,593,708	4,044,782	(1,033,459)	7,605,031
Total Capital Assets, not being depreciated	17,696,235	4,044,782	(1,070,828)	20,670,189
Capital Assets Being Depreciated				
Land improvements	8,641,657	273,244	-	8,914,901
Buildings	23,586,525	-	-	23,586,525
Building improvements	7,256,872	27,500	-	7,284,372
Furniture and equipment	15,125,642	1,077,639	(471,300)	15,731,981
Infrastructure	103,341,449	985,773	-	104,327,222
Total Capital Assets, being depreciated	157,952,145	2,364,156	(471,300)	159,845,001
Less Accumulated Depreciation:				
Land improvements	(7,185,842)	(119,728)	-	(7,305,570)
Buildings	(8,799,224)	(1,040,170)	-	(9,839,394)
Building improvements	(6,102,790)	(134,415)	-	(6,237,205)
Furniture and equipment	(11,996,658)	(481,477)	471,300	(12,006,835)
Infrastructure	(46,037,157)	(4,196,555)	-	(50,233,712)
Total Accumulated Depreciation	(80,121,671)	(5,972,345)	471,300	(85,622,716)
Governmental Activities Capital Assets, net	\$ 95,526,709	\$ 436,593	\$ (1,070,828)	\$ 94,892,474

Depreciation expense for the governmental activities was charged to the following functions and activities of the primary government:

Governmental Activity:	
General Government	\$ 18,157
Public Health and Safety	21,394
Public Works	165,665
Social Services	-
Recreation and Culture	191,071
Depreciation - unallocated	2,548,472
Internal Service Funds charged to above activities	3,027,586
Total Depreciation Expense - Governmental Activities	<u>\$ 5,972,345</u>

NOTE I – CAPITAL ASSETS (Continued):

A summary of changes in business-type activities capital assets is as follows:

	Balance at September 30, 2021	Additions	Disposals	Balance at September 30, 2022
BUSINESS-TYPE ACTIVITIES:				
Capital Assets Not Subject to Depreciation:				
Land	\$ 38,319	\$ -	\$ -	\$ 38,319
Construction in progress	2,677,840	737,674	(2,677,841)	737,673
Total Capital Assets, not being depreciated	2,716,159	737,674	(2,677,841)	775,992
Capital Assets Subject to Depreciation:				
Land improvements	6,046,217	149,043	-	6,195,260
Building and building improvements	16,895,501	146,681	-	17,042,182
Furniture and equipment	6,248,198	51,442	-	6,299,640
Infrastructure	89,322,415	4,076,512	-	93,398,927
Total Capital Assets, being depreciated	118,512,331	4,423,678	-	122,936,009
Less Accumulated Depreciation:				
Land improvements	(3,389,892)	(147,941)	-	(3,537,833)
Building and building improvements	(9,503,177)	(374,180)	-	(9,877,357)
Furniture and equipment	(5,159,551)	(196,715)	-	(5,356,266)
Infrastructure	(39,139,204)	(3,281,343)	-	(42,420,547)
Total Accumulated Depreciation	(57,191,824)	(4,000,179)	-	(61,192,003)
Business-Type Activities				
Capital Assets, net	<u>\$ 64,036,666</u>	<u>\$ 1,161,173</u>	<u>\$ (2,677,841)</u>	<u>\$ 62,519,998</u>

Depreciation expense for the business-type activities was charged to the following functions and activities of the primary government:

Business-Type Activities:	
Water Supply	\$ 1,508,981
Sewage Disposal	1,205,688
Stormwater Utility	1,058,481
Public Works	15,434
Recreation and Culture	211,595
Total Depreciation Expense - Business-Type Activities	<u>\$ 4,000,179</u>

NOTE I – CAPITAL ASSETS (Continued):

A summary of Component Unit's capital assets as of September 30, 2022 is as follows:

	Board of Light and Power	Peter White Public Library	Downtown Development Authority	Brownfield Redevelopment Authority	Total Component Units
COMPONENT UNITS:					
Land	\$ 291,276	\$ 114,704	\$ -	\$ -	\$ 405,980
Construction in progress	3,074,006	-	-	-	3,074,006
Total Capital Assets, not being depreciated	3,365,282	114,704	-	-	3,479,986
Land improvements	-	117,250	5,502,963	1,285,857	6,906,070
Buildings and improvements	-	13,019,736	-	-	13,019,736
Furniture and equipment	138,138,336	1,033,886	612,745	-	139,784,967
Total Capital Assets, being depreciated	138,138,336	14,170,872	6,115,708	1,285,857	159,710,773
Less Accumulated Depreciation:					
Land improvements	-	(79,837)	(2,873,109)	(563,110)	(3,516,056)
Buildings and improvements	-	(6,090,002)	-	-	(6,090,002)
Furniture and equipment	-	(1,026,546)	(173,368)	-	(1,199,914)
Unallocated	(49,156,084)	-	-	-	(49,156,084)
Total Accumulated Depreciation	(49,156,084)	(7,196,385)	(3,046,477)	(563,110)	(59,962,056)
Component Units Capital Assets, net	\$ 92,347,534	\$ 7,089,191	\$ 3,069,231	\$ 722,747	\$ 103,228,703

Depreciation expense for the component units was charged to the following functions:

Component Units:	
Board of Light and Power	\$5,567,553
Peter White Public Library	206,368
Downtown Development Authority	211,178
Brownfield Redevelopment Authority	112,622
Total Depreciation Expense - Component Units	<u>\$6,097,721</u>

NOTE J – DEFERRED INFLOWS OF RESOURCES:

Deferred inflow of resources are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

1. The Governmental Funds has reported deferred inflows of \$10,207,446. This amount relates to the 2022 tax levy.
2. The Business-Type Funds have reported deferred inflows of \$4,682. This amount, represents the portion of special assessment receivables which are not available resources within the next year.
3. The Component Units have reported deferred inflows of \$6,061,636 which relates to their portion of the 2022 tax levy.

NOTE K – FUND BALANCES – GOVERNMENTAL FUNDS:

As of September 30, 2022, fund balances of the governmental funds are classified as follows:

- **Non-spendable** – amounts that cannot be spent either because they are in non-spendable form, or because they are legally or contractually required to be maintained intact.
- **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** – amounts that can be used only for specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Commission.
- **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted fund balance policy, the Commission or the Finance Director may assign amounts for specific purposes.
- **Unassigned** – all other spendable amounts. The General Fund is the only fund that can report a positive unassigned fund balance amount. However, in other governmental funds, other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

As of September 30, 2022, fund balances are composed of the following:

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Permanent Funds	Total Governmental Funds
Non-spendable:						
Corpus	\$ -	\$ -	\$ -	\$ -	\$ 959,604	\$ 959,604
Loan Receivable	-	-	-	-	-	-
Inventory	116,148	-	-	-	-	116,148
Prepays	180,380	21,898	-	-	-	202,278
Total Non-spendable	<u>\$ 296,528</u>	<u>\$ 21,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 959,604</u>	<u>\$ 1,278,030</u>
Restricted:						
Major Street	\$ -	\$ 2,040,799	\$ -	\$ -	\$ -	\$ 2,040,799
Local Street	-	1,208,925	-	-	-	1,208,925
Fire Dept. - Lifesaving Equipment	-	-	-	-	-	-
Drug Dog	-	-	-	-	-	-
Native American Heritage Fund	57,500	-	-	-	-	57,500
Local Development Finance Authority Fund	-	107,578	-	-	-	107,578
Public Education Government (PEG) Fund	-	17,070	-	-	-	17,070
Drug Forfeiture Fund	-	104,535	-	-	-	104,535
MSHDA Downtown Rental Fund	-	-	-	-	-	-
Road Maintenance Fund	-	1,701,419	-	-	-	1,701,419
Road Safety Improvement Fund	-	1,209,156	-	-	-	1,209,156
Criminal Justice Training Fund	-	4,029	-	-	-	4,029
Senior Services Fund	-	567,260	-	-	-	567,260
Lakeview Arena Fund	-	-	-	-	-	-
Total Restricted	<u>\$ 57,500</u>	<u>\$ 6,960,771</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,018,271</u>
Committed:	<u>\$ -</u>	<u>\$ 28,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,759</u>
Assigned:						
Park Improvements	\$ 21,099	\$ -	\$ -	\$ -	\$ -	\$ 21,099
Capital Outlay	978,690	-	-	2,295,548	-	3,274,238
Public Art Fund	-	120,063	-	-	-	120,063
Sanitation Fund	-	865,406	-	-	-	865,406
Lakeview Arena Fund	-	171,038	-	-	-	171,038
Total Assigned	<u>\$ 999,789</u>	<u>\$ 1,156,507</u>	<u>\$ -</u>	<u>\$ 2,295,548</u>	<u>\$ -</u>	<u>\$ 4,451,844</u>
Unassigned:	<u>\$ 6,888,869</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,888,869</u>

NOTE K – FUND BALANCES – GOVERNMENTAL FUNDS (Continued):

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Finance Director.

Under the adopted policy, the City established guidelines for maintaining adequate levels of unrestricted fund balance, the portion that reflects expendable available financial resources, in the General Fund. The policy stipulates that the unrestricted fund balance shall not be less than two months of regular general fund operating expenditures and transfers out (i.e. “60-day Benchmark”), and not more than six months of regular general fund operating expenditures and transfers out (i.e. “180-day Benchmark”). The policy further establishes that the unrestricted fund balance will be spent down in the following order; committed amounts, assigned amounts, and then unassigned amounts.

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN:

Summary of Significant Accounting Policies Pensions:

For purposes 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 Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. 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.

General Information about the Pension Plan:

Plan Description

The employer's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided:

2021 Valuation					
Primary Government		<u>01-Public Works - Closed</u>	<u>02-Police Clerical - Closed</u>	<u>10-Union - Closed</u>	<u>11-PW Supervisor - Closed</u>
	Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
	Normal Retirement Age	60	60	60	60
	Vesting	10 years	10 years	6 years	10 years
	Early Retirement (Unreduced)	55/25	50/25	55/25	55/25
	Early Retirement (Reduced)	50/25	55/15	50/25	50/25
		55/15		55/15	55/15
	Final Average Compensation	3 years	3 years	3 years	3 years
	COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)
	Employee Contributions	6%	6%	6%	6%
	DC Plan for New Hires	---	---	---	---
	Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)
		<u>15-Senior Mgmt - Closed</u>	<u>16-Middle Mgmt - Closed</u>	<u>91-PW &Union aft 10/1/12 - Open</u>	
Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.25% Multiplier (80% max)		
Normal Retirement Age	60	60	60		
Vesting	6 years	6 years	10 years		
Early Retirement (Unreduced)	55/25	55/25	55/25		
Early Retirement (Reduced)	50/25	50/25	50/25		
	55/15	55/15	55/15		
Final Average Compensation	3 years	3 years	3 years		
COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)		
Employee Contributions	0%	3% under \$4,200; 5% over \$4,200	6%		
DC Plan for New Hires	7/1/1998	7/1/1998	---		
Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)		
Component Unit - Peter White Public Library		<u>7-PW Lbry Snr - Closed</u>	<u>12-P White Lby - Closed</u>	<u>70-PW Lbry Adm - Closed</u>	
	Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	
	Normal Retirement Age	60	60	60	
	Vesting	10 years	10 years	10 years	
	Early Retirement (Unreduced)	55/25	55/25	55/25	
	Early Retirement (Reduced)	50/25	50/25	50/25	
		55/15	55/15	55/15	
	Final Average Compensation	5 years	5 years	5 years	
	COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)	
	Employee Contributions	0%	7%	6.70%	
	DC Plan for New Hires	6/1/2016	10/1/2019	10/1/2019	
	Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Employees covered by benefit terms:

At the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

	Primary Government	Component Unit PWPL
Inactive employees or beneficiaries currently receiving benefits	132	14
Inactive employees entitled to but not yet receiving benefits	12	1
Active employees	95	9
Total	239	24

Contributions:

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

Employer and employee contribution rates are as follows as of December 31, 2021:

Division	Employer ¹	Employee
Primary Government:		
01 - Public Works	\$88,623	6.00%
02 - Police Clerical	\$10,590	6.00%
10 - Union	\$44,121	6.00%
11 - PW Supervisor	\$39,105	6.00%
15 - Senior Mgmt	\$89,640	0.00%
16 - Middle Mgmt	\$20,074	5.00%
91 - PW & Union aft 10/1/12	7.66%	6.00%
Component Unit - Peter White		
Public Library:		
07 - PW Lbry Snr	\$1,746	0.00%
12 - Pwhite Lby	\$4,604	7.00%
70 - PW Lbry Admin	\$2,741	6.70%

¹ For open division, a percent of pay contribution is shown. For closed division, a monthly dollar contribution is shown.

Net Pension Liability:

The employer's Net Pension Liability was measured as of December 31, 2021, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions:

The total pension liability in the December 31, 2021 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: Inflation: 2.5% Salary Increases: 3.00% in the long-term. Investment rate of return: 7.00%, net of investment and administrative expense, including inflation.

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2014-2018.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate of Return
Global Equity	60.0%	7.00%	4.20%	2.50%	2.70%
Global Fixed Income	20.0%	4.50%	0.90%	2.50%	0.40%
Private Investments	20.0%	9.50%	1.90%	2.50%	1.40%
	<u>100.0%</u>		<u>7.00%</u>		<u>4.50%</u>

Discount rate:

The discount rate used to measure the total pension liability is 7.25% for 2021. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT
SYSTEM OF MICHIGAN (Continued):**

Changes in Net Pension Liability:

Calculating the Net Pension Liability - Primary Government			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Changes in Net Pension Liability			
Balances at 12/31/20	\$ 65,552,382	\$ 41,259,710	\$ 24,292,672
Changes for the Year:			
Service costs	658,809	-	658,809
Interest on total pension liability	4,826,506	-	4,826,506
Changes in benefits	-	-	-
Difference between expected and actual experience	(99,786)	-	(99,786)
Changes in assumption	2,517,350	-	2,517,350
Employer contributions	-	3,222,786	(3,222,786)
Employee contributions	-	274,489	(274,489)
Net investment income	-	5,664,899	(5,664,899)
Benefit payments, including employee refunds	(3,899,269)	(3,899,269)	-
Administrative expense	-	(64,826)	64,826
Other changes	(306)	-	(306)
Net Changes	4,003,304	5,198,079	(1,194,775)
Balances as of 12/31/21	\$ 69,555,686	\$ 46,457,789	\$ 23,097,897

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Changes in Net Pension Liability (Continued):

Calculating the Net Pension Liability - Component Unit - Peter White Public Library			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Changes in Net Pension Liability			
Balances at 12/31/20	\$ 3,734,765	\$ 2,825,867	\$ 908,898
Changes for the Year:			
Service costs	48,398	-	48,398
Interest on total pension liability	276,563	-	276,563
Changes in benefits	-	-	-
Difference between expected and actual experience	(95,831)	-	(95,831)
Changes in assumption	127,710	-	127,710
Employer contributions	-	117,462	(117,462)
Employee contributions	-	26,716	(26,716)
Net investment income	-	391,706	(391,706)
Benefit payments, including employee refunds	(281,444)	(281,444)	-
Administrative expense	-	(4,490)	4,490
Other changes	(1,577)	(1)	(1,576)
Net Changes	73,819	249,949	(176,130)
Balances as of 12/31/21	<u>\$ 3,808,584</u>	<u>\$ 3,075,816</u>	<u>\$ 732,768</u>
Net Pension Liability (NPL):			
MERS - Primary Government	\$ 23,097,897		
Fire-Police - Primary Government	17,667,564	(See Note M)	
NPL reported in statement of net position	<u>\$ 40,765,461</u>		
Net Pension Liability (NPL):			
MERS - Component Unit - PWPL	\$ 732,768		
MERS - Component Unit - BLP	6,469,609	(See Note N)	
NPL reported in statement of net position	<u>\$ 7,202,377</u>		

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Sensitivity of the Net Pension Liability to changes in the discount rate:

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1-percentage point lower (6.25%) or 1% higher (8.25%) than the current rate.

	Primary Government		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	6.25%	7.25%	8.25%
Net Pension Liability at 12/31/21	\$ 23,097,897	\$ 23,097,897	\$ 23,097,897
Change in Net Pension liability (NPL)	9,127,021	-	(7,637,821)
Calculated NPL	<u>\$ 32,224,918</u>	<u>\$ 23,097,897</u>	<u>\$ 15,460,076</u>

	Component Unit - Peter White Public Library		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	6.25%	7.25%	8.25%
Net Pension Liability at 12/31/21	\$ 732,768	\$ 732,768	\$ 732,768
Change in Net Pension liability (NPL)	409,804	-	(346,107)
Calculated NPL	<u>\$ 1,142,572</u>	<u>\$ 732,768</u>	<u>\$ 386,661</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

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

For the year ended September 30, 2021, the employer recognized pension expense/(benefit) of \$282,846 for the primary government and \$31,530 for the component unit – Peter White Public Library). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	MERS - Primary Government		MERS - Component Unit - Peter White Public Library	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 375,359	\$ (421,841)	\$ -	\$ (41,123)
Differences in assumptions	2,808,643	-	158,338	-
(Excess) Deficit Investment Returns	-	(3,142,442)	-	(230,069)
Subtotal	<u>3,184,002</u>	<u>(3,564,283)</u>	<u>158,338</u>	<u>(271,192)</u>
Contributions subsequent to the measurement date*	-	-	59,280	-
Total	<u>\$ 3,184,002</u>	<u>\$ (3,564,283)</u>	<u>\$ 217,618</u>	<u>\$ (271,192)</u>

* - The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending September 30, 2023.

Aggregate Pension expense/(benefit)

MERS - Primary Government	\$ 282,846
Fire-Police - Primary Government	988,993 (see Note M)
TOTAL	<u><u>\$ 1,271,839</u></u>

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

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

Deferred (Inflows) and Deferred Outflows of Resources by Year (To Be Recognized in Future Pension Expenses)		
Plan Year Ended December 31,	Primary Government Amount	Component Unit - Peter White Public Library Amount
2022	\$ 1,521,063	\$ 72,245
2023	(457,959)	(80,916)
2024	(905,288)	(65,789)
2025	(538,097)	(38,394)
2026	-	-
Thereafter	-	-
Total	<u>\$ (380,281)</u>	<u>\$ (112,854)</u>

Primary Government All Pension Plans		
	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Deferred amounts related to pension:		
Primary government - MERS	\$ 3,184,002	\$ (3,564,283)
Primary government - Fire-Police (See Note M)	9,095,522	(3,753,712)
Deferred amounts related to pension reported in Statement of Net Position	<u>\$ 12,279,524</u>	<u>\$ (7,317,995)</u>

Component Units All Pension Plans		
	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Deferred amounts related to pension:		
Component Unit - Peter White Public Library	\$ 158,338	\$ (271,192)
Component Unit - Board of Light and Power	1,486,978	(2,912,416)
Deferred amounts related to pension reported in Statement of Net Position	<u>\$ 1,645,316</u>	<u>\$ (3,183,608)</u>
Contributions subsequent to the measurement date		
Component Unit - Peter White Public Library	\$ 59,280	
Component Unit - Board of Light and Power	1,350,011	
Contributions subsequent to measurement date reported in Statement of Net Position	<u>\$ 1,409,291</u>	

Payable to Pension Plan:

At September 30, 2022, the City and component unit – Peter White Public Library reported a payable of \$0 and \$0, respectively, for the outstanding amount of the contributions to the pension plan required for the year ended September 30, 2022.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM:

Summary of Significant Accounting Policies

Basis of Accounting – The City of Marquette Fire - Police Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Plan Description

The City of Marquette is the administrator of a single-employer public employee retirement system ("System") established and administered by the City of Marquette to provide pension benefits for Fire Department and Police Department employees. The Fire - Police Retirement System is considered part of the City of Marquette's financial reporting entity and is included in the City's financial report as a pension trust fund. The Fire/Police Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by contacting the City Treasurer. The City's payroll for employees covered by the System for the year ended September 30, 2022 was \$4,130,349; the City's total payroll was \$13,037,553.

Management of the System is vested in Police/Fire Pension Board of the City of Marquette, Michigan Fire-Police Retirement System, which consist of five members: two that are elected (one each representing fire and police employees), two that are appointed by the City Commission of the City of Marquette, and one that is the Treasurer of the City of Marquette.

Current membership in the plan comprises the following as of December 31, 2021, the latest actuarial valuation date:

Group	
Retirees and beneficiaries currently receiving benefits	71
Vested terminated members	2
Active employees:	
Fire	27
Police	35
TOTAL	<u>135</u>

The qualifying full-time employees of the Fire Department and Police Department are eligible to participate in the System. Benefits vest after ten years of service. Employees who retire at or after the age of 50 with 25 or more years of credited service or age 60 with 10 or more years of service, are entitled to annual retirement benefits, payable monthly for life, in an amount equal to a minimum of \$600 a month, or 2.5% (3% for Fire members) of a three-year average final compensation times the first twenty-five years of service plus 1.5% (1% for Fire members) of average final compensation times years of service in excess of twenty-five years. The System also provides death and disability benefits.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

Non-duty disability benefits are payable upon the total and permanent disability of a member with 5 or more years of service. Benefits up to age 55 are paid equaling 1.5% of the average final compensation times the years of service. Benefits after the age of 55 are the same as benefits received from service retirement.

Disability benefits from the total or permanent disability of a member in the line of duty are payable, up to the age of 55, (age 50 for Fire members) at 50% of the average final compensation. Benefits after the age of 55 are the same as benefits from service retirement with service credit from date of disability to age 55, except for fire members whose full retirement is the equivalent of 25 years of service that the member would have had if not disabled.

If an active employee dies in the line of duty, the beneficiary will receive the same amount that was paid by worker's compensation.

If an active employee with 20 or more years of service (10 years required for fire members) dies not in the line of duty, the surviving spouse, if any, will receive an amount equal to the accrued straight life pension actuarially reduced in accordance with Option I election.

Contributions

Covered employees are required by statute to contribute 5% of their salary to the System. If an employee leaves covered employment or dies before being eligible for retirement, the total accumulated employee contributions plus related investment earnings may be refunded to the employee or designated beneficiary. Benefit and contribution provisions are established by State statute and City ordinance.

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment for the year ended September 30, 2022, were determined using an entry age actuarial funding method. Unfunded actuarial accrued liabilities were amortized as a level percent of payroll over an open period of 16 years for police and 16 years for fire.

During the year ended September 30, 2022, September 30, 2021, and September 30, 2020, contributions totaling \$1,748,700; \$1,742,470, and \$1,778,792, respectively, were made in accordance with contribution requirements determined by an actuarial valuation of the System.

The required contribution was determined using the entry age normal actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 6.75% per year, compounded annually, (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.00% to 3.50% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):***Concentrations of Investments***

Principal Pooled Funds:

AllSpring Core Bond CIT N	\$ 3,368,262
Principal/Dodge & Cox Intermediate Bond CIT N	\$ 3,353,748
Principal/Federated Total Return Bond CIT N	\$ 3,366,572
Principal/Blackrock S&P Midcap Index CIT N	\$ 2,875,419
Principal/Blackrock S&P 500 Index CIT N	\$ 4,360,169

Mutual Funds - Corporate Bonds:

Metropolitan West Total Return Bond Fund Class I #512	\$ 3,356,782
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Net Pension Liability of the City (Under GASB 67):

The components of the net pension liability of the City at December 31, 2021, the most recent actuarial, is as follows:

	2021
Total pension liability	\$52,849,182
Plan fiduciary net position	35,181,618
City's net pension liability	<u>\$ 17,667,564</u>
Plan fiduciary net position as a percentage of the total pension liability	66.6%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2021, with a measurement date of September 30, 2022, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	3.5 percent
Salary increases	3.5 – 7.0 percent, average, including inflation
Investment rate of return	6.75 percent, net of Plan investment expense, including inflation

The following mortality tables were used for the December 31, 2021 valuation. These tables were adjusted backwards to 2006 with the MP-2014 scale. A base year of 2006 with future mortality improvements using scale MP-2017 was used.

- Pre-Retirement: RP-2014 Employee Mortality Tables
- Healthy Post-Retirement: RP-2014 Health Annuitant Mortality Tables
- Disabled Retirement: RP-2014 Disable Mortality Tables

The long-term expected rate of return on the Systems investments is determined using a calculation of a Single Discount Rate. GASB 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the Fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required, as described in the following paragraph.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by Fidelity) as a measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

The long-term expected rate of return on pension plan investments is 6.75%; the municipal bond rate is 4.40%; and the resulting Single Discount Rate is 6.75%

Discount Rate. The single discount rate of 6.75% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Pension	Net Pension Liability
	(a)	(b)	(a)-(b)
Changes in Net Pension Liability			
Balances at 09/30/21	\$ 51,364,742	\$ 44,140,621	\$ 7,224,121
Changes for the Year:			
Service costs	1,101,426	-	1,101,426
Interest on total pension liability	3,400,723	-	3,400,723
Changes in benefits	-	-	-
Difference between expected and actual experience	51,052	-	51,052
Changes in assumption	-	-	-
Employer contributions	-	1,748,700	(1,748,700)
Employee contributions	-	253,763	(253,763)
Net investment income	-	(7,872,012)	7,872,012
Benefit payments, including employee refunds	(3,068,761)	(3,068,761)	-
Administrative expense	-	(20,693)	20,693
Other changes	-	-	-
Net Changes	1,484,440	(8,959,003)	10,443,443
Balances as of 09/30/22	\$ 52,849,182	\$ 35,181,618	\$ 17,667,564

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 223,253	\$ (402,913)
Differences in assumptions	57,173	-
(Excess) Deficit Investment Returns	8,815,096	(3,350,799)
Total	<u>\$ 9,095,522</u>	<u>\$ (3,753,712)</u>

Deferred (Inflows) and Deferred Outflows
of Resources by Year (To Be Recognized
in Future Pension Expenses)

Plan Year Ended September 30,	Amount
2023	\$ 1,080,126
2024	846,139
2025	1,236,302
2026	2,177,001
2027	2,242
Thereafter	-
Total	<u>\$ 5,341,810</u>

Sensitivity of the Net Pension Liability to changes in the discount rate. The following presents the Net Pension Liability, calculated using the discount rate of 6.75%, as well as what the Net Pension Liability would be using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability at 09/30/22	\$ 17,667,564	\$ 17,667,564	\$ 17,667,564
Change in Net Pension Liability (NPL)	6,963,031	-	(5,748,207)
Calculated NPL	<u>\$ 24,630,595</u>	<u>\$ 17,667,564</u>	<u>\$ 11,919,357</u>

NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT:

Plan Description

The Board's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The Board participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com, or writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

The Board's defined benefit pension plan includes a hybrid division. The hybrid division is effective as of January 1, 2015, covering all bargaining, non-bargaining, and management employees hired on or after January 1, 2015. The hybrid division includes a defined benefit portion as well as a defined contribution portion.

Benefits Provided

Benefits provided include plans with multipliers ranging from 2.0 percent to 2.5 percent.

Vesting periods for the plan range from eight years to ten years.

Normal retirement age is 60. The plan provides for early retirement benefits for all active employees at age 55 with 25 years of service without reduced benefits, at age 50 with 25 years of service at a reduced benefit, and at age 55 with 15 years of service at a reduced benefit.

Final average compensation is calculated based on five years, with the exception of the defined benefit division that is included within the Board's hybrid division which is calculated based on three years.

Employees Covered by Benefit Terms

At the December 31, 2021, measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	102
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>22</u>
Total inactive and active plan members	<u>128</u>

Contributions

The Board is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Board may establish contribution rates to be paid by its covered employees. Active plan members are required to contribute amounts ranging from 4.7 percent to 4.8 percent of their annual salary to the plan. For the year ended September 30, 2022, contributions made by the Board totaled \$1,800,024.

Net Pension Liability

The Board's Net Pension Liability was measured as of December 31, 2021, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

Actuarial Assumptions

The total pension liability in the December 31, 2021 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:

2.5 percent

Salary increases:

The pay increase assumption used in the actuarial valuation projects annual pay increases of 3.00 percent in the long term.

Investment rate of return:

7.00 percent, net of investment and administrative expense, including inflation

Although no specific price inflation assumptions are needed for the valuation, the 3.0 percent long-term wage inflation assumption would be consistent with a price inflation of 3 percent to 4 percent.

Current, active Board bargaining, non-bargaining, and management employees covered by the defined benefit plan hired prior to July 1, 1999, are entitled to an annual cost of living benefit upon retirement.

Mortality rates used were based on a version of Pub-2010 tables with future mortality improvements using MP-2019 scale applied fully generationally from Pub-2010 base year of 2010.

The actuarial assumptions used in the valuation were based on the results of the most recent actuarial experience study completed in 2020 covering the years 2014-2018.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Expected Money-Weighted Rate of Return</u>
Global Equity	60.00%	4.50%	2.70%
Global Fixed Income	20.00%	2.00%	0.40%
Private Investments	20.00%	7.00%	1.40%
Inflation			2.50%
Administrative fee			0.25%
	<u>100.00%</u>		<u>7.25%</u>

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

Discount Rate

The discount rate used to measure the total pension liability is 7.25 percent for 2021. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at December 31, 2020	\$43,145,054	\$34,937,886	\$ 8,207,168
Changes for the Year:			
Service Cost	181,213	-	181,213
Interest on Total Pension Liability	3,162,801	-	3,162,801
Changes in benefits	-	-	-
Difference between expected and actual experience	290,631	-	290,631
Changes in assumptions	1,457,474	-	1,457,474
Employer Contributions	-	1,922,323	(1,922,323)
Employee Contributions	-	99,455	(99,455)
Net investment income	-	4,863,699	(4,863,699)
Benefit payments, including employee refunds	(3,239,718)	(3,239,718)	-
Administrative expense	-	(55,802)	55,802
Other changes	-	-	-
Net changes	1,852,401	3,589,957	(1,737,556)
Balances as of December 31, 2021	<u>\$44,997,455</u>	<u>\$38,527,843</u>	<u>\$ 6,469,612</u>

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

The following presents the Net Pension Liability of the Board, calculated using the discount rate of 7.25 percent, as well as what the Board's Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability at December 31, 2021	\$ 11,126,085	\$ 6,469,612	\$ 2,510,968

The current discount rate shown for GASB No. 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

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

For the year ended September 30, 2022, the Board recognized pension expense of \$988,993. The employer reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 96,877	\$ (192,233)
Differences in assumptions	1,390,101	-
Excess/Deficit in investment returns	-	(2,720,183)
Subtotal	1,486,978	(2,912,416)
Contributions subsequent to the measurement date*	1,350,011	-
Total	<u>\$ 2,836,989</u>	<u>\$ (2,912,416)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending 9/30/23.

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

Deferred (Inflows) and Deferred Outflows of Resources by Year (To Be Recognized in Future Pension Expenses)	
Plan Year Ended December 31,	Amount
2022	\$ 315,556
2023	(511,728)
2024	(777,902)
2025	(451,364)
Thereafter	-
Total	<u>\$ (1,425,438)</u>

NOTE O – DEFINED CONTRIBUTION PENSION PLAN:

CITY OF MARQUETTE:

The City of Marquette provides pension benefits to Senior Management Division 15 and Middle Management Division 10 employees through a defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The City established the MERS Benefit Program DS in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust, as amended by and as authorized by Section 19A of the Municipal Employees' Retirement System of Michigan Plan Document. The ICMA Retirement Corporation is the Plan Administrator and the City has agreed to the commingled investment of assets of the Plan within the ICMA Retirement Trust.

At September 30, 2022 there were 15 plan members. Plan members are required to contribute 3% of covered earnings and the City is required to contribute 13% or 9% of covered earnings for the Senior Management Division and Middle Management Division, respectively. In accordance with these requirements, the City contributed \$189,907 during the current year and employees contributed \$54,683. The employees under the Plan are immediately vested.

BOARD OF LIGHT AND POWER – COMPONENT UNIT:

The Board adopted a defined contribution pension plan effective August 1, 1998, covering all salaried employees hired on or after July 1, 1998. All union employees hired after July 1, 2006, will be enrolled in the 401(a) Money Purchase Plan (Defined Contribution Plan). The Board is required to contribute 13.0 percent and covered employees are each required to contribute 5.0 percent of annual covered payroll. Employees may voluntarily contribute up to an additional 10.0 percent of their annual salary up to the maximum allowed under the Internal Revenue Code.

The Board adopted a hybrid pension division effective January 1, 2015, covering all bargaining, non-bargaining, and management employees hired on or after January 1, 2015, through May 31, 2018. Management employees hired on or after June 1, 2018, are covered by the defined contribution pension plan described above. The hybrid division includes a defined benefit portion as well as a defined contribution portion. For the defined contribution portion, employees will be enrolled in the 401(a) Money Purchase Plan (Defined Contribution Plan). The Board is required to contribute 5.0 percent and covered employees are each required to contribute 6.0 percent of annual covered payroll. See Note N for details on the defined benefit portion of the hybrid plan.

For the fiscal year ended September 30, 2022, combined contributions by the Board totaled \$528,226 and combined contributions by the employees totaled \$213,001.

PETER WHITE PUBLIC LIBRARY – COMPONENT UNIT:

The Library provides pension plan benefits to 110409 Division through a defined contribution pension plan. In a defined contribution pension plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. The Library established the MERS Benefit Program DS in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust, as amended by and authorized by Section 19A of the Municipal Employees' Retirement System of Michigan Plan Document. The ICMA Retirement Corporation is the Plan Administrator and the Library has agreed to the commingled investment of assets of the plan with the ICMA Retirement Trust.

Plan members are required to contribute 3% of covered earnings and the Library is required to contribute 13% of covered earnings. In accordance with these requirements, the Library contributed \$10,854 during the current year and employee contributed \$2,505. The employees under the plan are immediately vested. At September 30, 2022, there was 1 plan member.

NOTE O – DEFINED CONTRIBUTION PENSION PLAN (continued):

Full-time employees hired on or after October 1, 2019 are enrolled in a separate Defined contribution Plan. Plan members are required to contribute 5% of covered earnings and the Library is required to contribute 12% of covered earnings. In accordance with these requirements, the Library contributed \$28,777 during the current year and employee contributed \$11,990. The employees covered under this plan are vested after three years of service. At September 30, 2022, there were 8 plan members.

NOTE P – DEFERRED COMPENSATION PLAN:

The City, along with its component unit, the Downtown Development Authority, offers its employees deferred compensation plans created in accordance with the Internal Revenue Code, Section 457. The plans are available to all Board of Light and Power employees and to all other City employees and permit them to defer a portion of their current earnings until the employee's termination, retirement, death, or unforeseeable emergency.

Due to changes in the Internal Revenue Code, the Plan's assets are considered to be property of the Plan's participants and are no longer subject to the City's general creditors. Therefore, in accordance with the provisions of GASB Statement No. 32, Plan balances and activities are not reflected in these financial statements.

The Plan's participants have the right to designate how the funds will be invested. Accordingly, the City has no liability for losses under the Plan. The Plan's assets are held in trust for the exclusive benefit of the Plan's participants and their beneficiaries.

The City's plans are administered by the Nationwide Retirement Solutions (formally known as PEBSCO), the International City Manager's Association (ICMA), American Express Financial Advisors, Inc. and the Variable Annuity Life Insurance Company (VALIC). Nationwide and ICMA, as plan administrators, agree to hold harmless and indemnify the City, its appointed and elected officers and participating employees from any loss resulting from Nationwide or ICMA or their respective agent's failure to perform their duties and services pursuant to the ICMA and Nationwide programs.

The Component Unit's (Board of Light and Power's) plans are administered by the ICMA and Nationwide. ICMA and Nationwide, as plan administrators, agree to hold harmless and indemnify the Board, its appointed and elected officers and participating employees from any loss resulting from ICMA or nationwide or their agents' failure to perform their duties and services pursuant to the ICMA and Nationwide programs.

NOTE Q – ACCUMULATED COMPENSATED ABSENCES:

City of Marquette:

Sick Leave – Employees earn sick leave at the rate of one (1) day per month, not to exceed 12 days per year. Upon retirement or termination, employees in good standing after at least ten (10) years of service shall be paid one-half such sick leave accumulated at that time up to a maximum accrual of 1,800 hours at their current rate of pay. Certain bargaining unit employees who were hired before January 1, 1975, shall be paid one-half of all sick leave hours accumulated at the time of retirement or termination. Management employees whose accrued sick leave balances were greater than 1,800 hours for the pay period of June 9, 1997 through June 22, 1997 have their sick leave balance capped at the higher hours for payout purposes at the time of retirement or termination. Management employees hired after June 30, 1998, have their accrued sick leave balance capped at 1,000 hours for payout purpose at the time of retirement or termination.

Vacation Leave – Employees earn vacation leave at various schedules dependent upon their length of employment. Upon retirement or termination, employees are paid for such vacation accumulated at that time up to a maximum accrual of 400 hours. Certain supervisory employees are paid for such vacation accumulated at that time up to a maximum accrual of 408 hours. Management employees whose accrued vacation balances were greater than 400 hours for the pay period of June 9, 1997 through June 22, 1997 have their vacation balance capped at the higher hours for payout purposes at the time of retirement or termination. Management employees hired after June 30, 1998 have a maximum accrual of 200 vacation hours for payout purposes at the time of retirement or termination. Fire and Police employees are paid for all accrued vacation hours accumulated at the time of retirement or termination up to certain capped levels.

Benefit Day Leave – Effective December 11, 2000, all new hired Department Heads of Middle Managers earn benefit leave dependent upon their length of employment, Current Department Heads and Middle Managers at that time had the option of remaining under the regular Vacation and Sick Leave or electing the Benefit Leave. If the Benefit Leave was elected, their accumulated vacation and sick leave was converted to benefit leave. Vacation leave was converted on a one for one basis while sick leave was converted on a two for one basis. By December 31 of every year, these employees have the option of being paid for accumulated benefit leave not to exceed 5% of their annual base pay, provided they maintain a minimum of 232.5 benefit hours. These employees have their benefit leave capped at 1,100 hours for payout purposes at the time of retirement or termination.

The liabilities for accumulated, unpaid vacation, sick and benefit leave at September 30, 2022 are as follows:

	Benefit Leave and Vacation	Sick	Total
PRIMARY GOVERNMENT:			
Current portion	\$ 478,217	\$ 196,067	\$ 674,284
Long-term portion	1,144,305	294,101	1,438,406
TOTAL	<u>\$ 1,622,522</u>	<u>\$ 490,168</u>	<u>\$ 2,112,690</u>
COMPONENT UNITS:			
Current portion	\$ 773,063	\$ 516,312	\$ 1,289,375
Long-term portion	72,395	-	72,395
TOTAL	<u>\$ 845,458</u>	<u>\$ 516,312</u>	<u>\$ 1,361,770</u>

NOTE R – JOINT VENTURE – MARQUETTE COUNTY SOLID WASTE MANAGEMENT AUTHORITY:

In June of 1988, the City of Marquette joined with 19 other municipalities to create the Marquette County Solid Waste Management Authority ("Authority"). The Authority was created pursuant to Act 233 of 1955 to plan for, acquire, construct, finance, operate, maintain, repair and dispose of, whether by sale, lease, or otherwise, an Act 641 landfill, including all improvements, appurtenances, easements, accessory facilities and structures, equipment, and other property part of or incidental to the landfill sufficient to satisfy the requirements of, and function as, a solid waste disposal area under Act 641 and to establish and administer procedures providing for the separation, recycling, recovery, conversion of solid waste to energy and for the disposition of such energy output and disposal at the site of Non-toxic Type II and Type III Solid Waste, to fund all of the above activities, and to charge and collect fees in connection with the operation of the landfill and to provide for the reimbursement with receipt of bond proceeds to the City of Marquette and Sands Township of their respective costs and expenses incurred in connection with the establishment and administration of the Solid Waste Authority and the System Facility.

As required by Governmental Accounting Standards Board Statement No. 14, the City's investment in this joint venture is recorded as an asset. The audited financial statements for the Marquette County Solid Waste Management Authority can be obtained at P.O. Box 936, Marquette, Michigan 49855.

The Authority is governed by a Board of Trustees consisting of one (1) member (who shall be the chairperson of the Board of Trustees) designated by the Sands Township Supervisor on behalf of the Sands Township, two (2) members designated by the Marquette City Commission, three (3) members designated by the Marquette County Board of Commissioners, and one (1) resident of the City of Marquette appointed by the other six Authority Board members. All decisions of the Board are made by majority vote, consisting of at least four of its members.

The City's share of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund equity is approximately 30%. The total investment in the Authority at September 30, 2022, by the City is \$3,475,704.

Summary financial information as of and for the fiscal year ended June 30, 2022, the latest available report, is as follows:

Total Assets	\$ 22,225,129
Deferred Outflows of Resources	348,238
Total Liabilities	10,589,602
Deferred Inflows of Resources	398,085
Total Net Position	11,585,680
Total Operating Revenues	5,756,799
Total Operating Expenses	5,149,980
Total Nonoperating Revenues (Expenses)	(67,744)
Change in Net Position	539,075

NOTE S – RISK MANAGEMENT:

The City of Marquette is exposed to various risks of loss related to property, loss, torts, errors and omissions, and employee injuries (workmen's compensation). As of July 1, 1997, the City participates in the Michigan Municipal League Property and Liability Pool for claims relating to other liability and property claims and participates in the Michigan Municipal Workers Compensation Pool for employee injury claims.

The Michigan Municipal League risk pool programs operate as common risk-sharing/management programs for local units of government in Michigan. Member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. The City's maximum deductible for property and liability coverage is \$75,000 per occurrence, subject to \$250,000 aggregate per policy year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City purchases commercial health care insurance from Blue Cross/Blue Shield of Michigan for all employees, including retired employees.

NOTE T – OTHER POST EMPLOYMENT BENEFITS:

Plan Description

Effective October 1, 2017, the City adopted the provision of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The City of Marquette Retiree Medical Plan is a single employer plan established and administered by the City and can be amended at its discretion.

Benefits Provided:

	Valuation Period Ending September 30, 2022					
	Public Works	City Hall	Supervisory	Police	Fire	Department Heads
Eligibility Requirements						
Hired prior to:	Sept. 25, 2012	Sept. 25, 2012	July 12, 2013	Aug. 6, 2013	July 15, 2013	July 28, 2005
Age/Years of Service:	55 / 25	55 / 25	55 / 25	50 / 25	50 / 25	n/a / 15
Summary of Benefits						
Monthly payment toward medical and drug premiums:	\$225 (or actual if cost is less)	\$200 (or actual if cost is less)	\$225 (or actual if cost is less)		\$250 (or actual if cost is less)	
Police:						
Unit 1				\$250 (or actual if cost is less)		
Unit 2				\$310 (or actual if cost is less)		
Department Heads:						
Retired Prior to Jan. 28, 2006						100% mo. Premium
Retired on or after Jan. 28, 2006:						
15 - 19 Years of Service:						65% mo. Premium
20 - 24 Years of Service:						80% mo. Premium
25+ Years of Service:						100% mo. Premium
Spousal Coverage	Same as retiree*	Same as retiree*	Same as retiree*	Same as retiree*	Same as retiree*	
* if married prior to retirement						
Department Heads:						
Retired Prior to Jan. 28, 2006						Same as retiree*
Hired prior to Sep. 3, 2002						Same as retiree*
Hired on or after Sep. 3, 2002						None
Benefit End Date						
Retiree Attains the Age of	65	65	65	65	65	
Department Heads:						
Retired Prior to Jan. 28, 2006						Lifetime
Hired prior to Sep. 3, 2002						Lifetime
Hired on or after Sep. 3, 2002						65
Changes Since Prior Valuation	None	None	None	None	None	None

Summary of Plan Participants:

Membership of the plan consisted the following for the September 30, 2022 valuation:

	Public Works	City Hall	Supervisory	Police	Fire	Department Heads	Middle Management	Total
Retirees	5	5	2	8	5	21	13	59
Active Employees	16	10	6	19	13	1	4	69
Total	21	15	8	27	18	22	17	128

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

Funding Policy:

- 1.) The City has the authority to establish and amend the obligation of the City and plan members to contribute to the plan.
- 2.) Active plan members are currently not obligated to make contributions to the plan.
- 3.) The City will make contributions to an irrevocable investment fund, as able, using the actuarially calculated contribution as a guide. Benefit payments made directly to retirees or on behalf of retirees from general operating funds will be counted as plan contributions.

Summary of Significant Accounting Policies:

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to PEB, and OPEB expenses, information about the fiduciary net position of the City of Marquette OPEB Plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by the City. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Assumptions and Methods

The City's OPEB liability is measured as of September 30, 2022.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2021. The following actuarial assumptions were used in the measurement:

Annual wage increases:	3.00% (for purposes of allocating liability)
Inflation:	2.50%
Investment rate of return:	7.00%
20-year Aa Municipal bond rate:	4.77%
Mortality	2010 Headcount weighted Public General and Public Safety Employees and Healthy Retirees with MP-2021 mortality improvement scale.

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expect returns, net of 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. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global equity	60.0%	4.50%
Global fixed income	20.0%	2.00%
Private assets	20.0%	7.00%

The sum of each target allocation times its long-term expected rate is 7.00%.

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):**Discount Rate:**

The discount rate used to measure the total OPEB liability was 5.56%. The projection of cash flows used to determine the discount rate assumed that the City will make annual contributions to the OPEB trust in the amounts of \$336,518 for the fiscal year ending in 2023 and \$120,000 for each of the subsequent four years while continuing to pay benefits from general operating funds. At that point, the City will use assets to pay benefits. Based on those assumptions, the plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan participants until 2036 – the cross-over point. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. The discount rate used as of September 30, 2021 was 4.21%.

Changes in Net OPEB Liability

Calculating the Net OPEB Liability - Primary Government			
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at September 30, 2021	\$ 6,472,708	\$ 1,162,420	\$ 5,310,288
Changes during the year:			
Service cost (beginning of year)	47,631	-	47,631
Interest	266,569	-	266,569
Experience (gains)/losses	11,013	-	11,013
Change in actuarial assumptions	(757,706)	-	(757,706)
Contributions to OPEB trust	-	406,284	(406,284)
Contributions/benefit paid from general operating funds	-	377,070	(377,070)
Net investment income	-	(196,773)	196,773
Benefit payments	(377,070)	(377,070)	-
Administrative expenses	-	(2,401)	2,401
Other changes	-	-	-
Total changes	(809,563)	207,110	(1,016,673)
Balance at September 30, 2022	\$ 5,663,145	\$ 1,369,530	\$ 4,293,615

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):**Net OPEB Liability – Discount and Trend Rate Sensitivities**

The following presents the net OPEB liability (NOL) of the City, calculated using trend and discount rates 1% higher and lower than base assumptions:

	1% Decrease, 4.56%	Current Discount Rate, 5.56%	1% Increase, 6.56%
<u>Discount</u>			
Total OPEB Liability	\$ 6,193,303	\$ 5,663,145	\$ 5,209,428
Plan Fiduciary Net Position	1,369,530	1,369,530	1,369,530
Net OPEB Liability	<u>\$ 4,823,773</u>	<u>\$ 4,293,615</u>	<u>\$ 3,839,898</u>
	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
<u>Trend</u>			
Total OPEB Liability	\$ 5,336,409	\$ 5,663,145	\$ 6,033,996
Plan Fiduciary Net Position	1,369,530	1,369,530	1,369,530
Net OPEB Liability	<u>\$ 3,966,879</u>	<u>\$ 4,293,615</u>	<u>\$ 4,664,466</u>

Actuarially Determined Contribution

Actuarially Determined Contribution for the Fiscal Year Ending September 30, 2022 are as follows:

Service Cost (End of Year)	\$ 47,631
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,268,046
Amortization Factor, 30 Years	16.2810
Amortization of UAAL	\$ 323,570
Interest to End of Year	\$ 15,628

Actuarially Determined Contributions (ADC) \$ **386,829**
OPEB Expense – GASB 75

Below are the components of the Total OPEB Expense under GASB 75 for 2022.

OPEB Plan Fiduciary Net Position

The OPEB Plan Fiduciary Net Position as of September 30, 2022 is \$1,374,296.

Deferred Inflows and Outflows of Resources Related to OPEB Plan

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Experience (Gains)/Losses	\$ -	\$ (648,258)
Changes of Assumptions	-	(632,455)
Investment Earnings (Gains)/Losses	170,860	-
TOTAL	<u>\$ 170,860</u>	<u>\$ (1,280,713)</u>

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

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

<u>Year Ended September 30,</u>	<u>Amount Recognized</u>
2023	\$ (389,774)
2024	(581,754)
2025	(197,525)
2026	59,200
2027	-
Thereafter	-
	<u><u>\$ (1,109,853)</u></u>

**NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER –
COMPONENT UNIT:**

The Marquette Board of Light and Power provides post-employment health care benefits to eligible retirees and their dependents. The benefits are provided in accordance with a collective bargaining agreement. Retirees must be eligible to receive immediate benefits from the MERS System to be covered; therefore, deferred vested retirees are ineligible for retiree medical coverage. All employees hired on or after July 1, 1995, will upon retirement, receive full Board-paid health care premiums until they become eligible for reduced Social Security benefits. The Board will continue to pay the premiums at the existing premium rate and the retiree will pay 20 percent of the monthly premium rate during the remainder of their retirement. The annual premium rate will be based on actual premium costs provided by the carrier. Retired employees are required to be covered by existing or future federal or state programs such as Medicare, when eligible.

Effective October 1, 2017, the Board was required to adopt the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Funding Policy

The contribution requirements of plan members and the Board are established in accordance with a collective bargaining agreement. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board. For the years ended September 30, 2022 and 2021, the Board contributed \$730,363 and \$743,017, respectively, to the plan representing current premiums, and an additional \$100,000 and \$100,000, respectively, to the RHFV.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (October 1, 2021):

	Active Employees	Retirees & Spouses	Total
Covered participants	60	147	207

Net OPEB liability: The total OPEB liability as of October 1, 2019, valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Salary increases:	3.00%
Discount rate:	6.60%
Inflation:	2.50%
Investment rate of return, net of inflation:	4.10%
Municipal bond index:	4.77%
Healthcare cost trend rates:	4.50%

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

**NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER –
COMPONENT UNIT (Continued):**

The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return	Expected Money Weighted Rate of Return
Global Equity	60.00%	4.10%	2.46%
Global Fixed Income	20.00%	1.82%	0.36%
Private Investments	20.00%	6.38%	1.28%
Inflation			2.50%
Administrative Fee			
	<u>100.00%</u>		<u>6.60%</u>

The Board has chosen for the Plan an asset mix intended to meet or exceed a long-term rate of return of 6.60 percent, net of inflation. One hundred percent (100%) of the Plan's investments are invested in the MERS total market portfolio.

Rate of Return: For the year ended September 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 6.60 percent. The money-weighted rate of return expresses investment performance net of investment expense adjusted for the changing amounts actually invested.

Discount rate: The discount rate used to measure the total OPEB liability was 6.60 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarial determined rates for employers. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to pay 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 pension liability.

**NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER –
COMPONENT UNIT (Continued):**

Changes in the Net OPEB Liability during the measurement year were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2021	\$ 16,068,624	\$ 13,475,728	\$ 2,592,896
Changes for the year:			
Service cost	192,585	-	192,585
Interest on Total Pension Liability	990,384	-	990,384
Changes in benefits	(63,492)	-	(63,492)
Difference between expected and actual experience	(145,149)	-	(145,149)
Changes in assumptions	(779,141)	-	(779,141)
Employer contributions	-	830,363	(830,363)
Participant contributions	-	15,304	(15,304)
Projected investment income	-	891,919	(891,919)
Difference between expected and actual earnings	-	(2,711,735)	2,711,735
Benefit payments, including employee refunds	(745,667)	(745,667)	-
Administrative expense	-	(23,609)	23,609
Other changes	-	-	-
Net changes	(550,480)	(1,743,425)	1,192,945
Balances at September 30, 2022	\$ 15,518,144	\$ 11,732,303	\$ 3,785,841

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

The following presents the Net OPEB Liability of the Board, calculated using the discount rate of 6.60 percent, as well as what the Board's Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (5.60 percent) or one percentage point higher (7.60 percent) than the current rate:

	1% Decrease (5.60%)	Current Discount Rate (6.60%)	1% Increase (7.60%)
Total OPEB liability	\$ 17,447,677	\$ 15,518,144	\$ 13,924,148
Fiduciary net position	11,732,303	11,732,303	11,732,303
Net OPEB Liability	\$ 5,715,374	\$ 3,785,841	\$ 2,191,845
Plan fiduciary position as a percentage of the total OPEB liability	67.2%	75.6%	84.3%

**NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER –
COMPONENT UNIT (Continued):**

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Net OPEB Liability of the Board, calculated using the healthcare cost trend rate of 4.50 percent, as well as what the Board's Net Pension Liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (3.50 percent) or one percentage point higher (5.50 percent) than the current rate:

	1% Decrease (3.50%)	Current Healthcare Cost Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB liability	\$ 13,719,620	\$ 15,518,144	\$ 17,720,404
Fiduciary net position	11,732,303	11,732,303	11,732,303
Net OPEB Liability	<u>\$ 1,987,317</u>	<u>\$ 3,785,841</u>	<u>\$ 5,988,101</u>
Plan fiduciary position as a percentage of the total OPEB liability	<u>85.5%</u>	<u>75.6%</u>	<u>66.2%</u>

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2022, the Board recognized an OPEB gain/credit of \$74,628.

The Board reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ -	\$ (470,131)
Differences in assumptions	-	(1,023,077)
Excess/Deficit in investment returns	1,427,380	-
Total	<u>\$ 1,427,380</u>	<u>\$ (1,493,208)</u>

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

Year Ending September 30,	Difference in Experience	Difference in Assumptions	Excess/Deficit in Investment Returns	Total
2023	\$ (440,098)	\$ (264,715)	\$ 331,000	\$ (373,813)
2024	(351,639)	(149,537)	279,190	(221,986)
2025	(225,540)	(54,798)	274,843	(5,495)
2026	(5,800)	(1,081)	542,347	535,466
Total	<u>\$ (1,023,077)</u>	<u>\$ (470,131)</u>	<u>\$ 1,427,380</u>	<u>\$ (65,828)</u>

NOTE V – SINGLE AUDIT:

The City's audited financial statements report a total amount of federal expenditures that is more than the Single Audit threshold of \$750,000. The City, therefore, is required to have an audit in accordance with the Uniform Guidance for the fiscal year ended September 30, 2022.

NOTE W – LITIGATION AND CONTINGENCIES:

The City and its component units are parties to various legal proceedings, many of which normally occur in governmental operations. Such litigation can include, but is not limited to claims assessed the City for property damage, personal injury, alleged breaches of contracts, condemnation, pollution remediation and other alleged violations of State and Federal laws.

The City's management and Counsel have estimated the outcome of any potential claims against the City not covered by insurance resulting from such litigations would not materially affect the financial statements. The outcome of any of the other claims cannot be either reasonably determined or probable at this time and accordingly no loss has been accrued in the accompanying financial statements.

The City receives financial assistance from the Federal government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions and federal regulations. Substantially all grants are subject to review and audit by federal agencies. Any such disallowance as a result of these audits could result in a liability of the City.

NOTE X – CONSTRUCTION IN PROGRESS:

The City has active construction projects as of September 30, 2022. The projects include street and infrastructure improvements, sidewalk extension and improvements, and park/land improvements. At year end, the City's total construction in progress expenditures in the governmental and business-type funds totaled \$8,342,704.

NOTE Y – TAX ABATEMENTS:

For financial reporting purposes, GASB Statement No. 77, *Tax Abatement Disclosures*, defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The Statement requires disclosure of tax abatement information about a reporting government's own tax abatement agreements and about tax abatement agreements entered into by other governments that reduce the reporting governments tax revenues.

For purposes of disclosure under GASB 77, the City discloses tax abatements that are greater than \$25,000 in aggregate. Information relevant to tax abatements issued by the City for the year ended September 30, 2022, are as follows:

Brownfield Redevelopment Financing Act:

The City and its Brownfield Redevelopment Authority, a discretely presented component unit, use Brownfield Tax Increment Financing under PA 381 of 1996 to reimburse taxpayers that undertake eligible activities as defined by the Act. The City adopts Brownfield Plans that detail the eligible activities, estimate taxes to be captured and reimbursed, as well as establish the length of tax capture. Taxpayers are also required to enter into Brownfield Reimbursement Agreements to establish the terms of the reimbursements. As a result of these agreements, the City's tax revenue is reduced. For the fiscal year ended September 30, 2022, the City abated \$1,771,040 under this program.

NOTE Z – NEW GASB STANDARDS:

Management of the City has reviewed the following pronouncements released by the Governmental Accounting Standards Board (GASB) that are effective in the current fiscal year for applicability. Pronouncements deemed applicable to the City by management are described below in *Recently Issued and Adopted Accounting Pronouncements*; pronouncements not applicable are described in *Other Recently Issued Accounting Pronouncements*.

Recently Issued and Adopted Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement was originally effective for periods beginning after December 15, 2019. However, under GASB 95, the effective date was postponed by 18 months, to periods beginning after June 15, 2021. As enumerated upon in Note AB, net position at the beginning of the year has been restated to retroactively apply the requirements of this statement. For purposes of comparative financial statements the pronouncement has been applied retroactively for all periods presented in the individual fund financial statements, as necessary.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost incurred before the end of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement was originally effective for fiscal years beginning after December 15, 2019. However, under GASB 95, the effective date was posted to periods beginning after December 15, 2020. The City has adopted the provisions of this pronouncement.

Other Recently Issued Accounting Pronouncements

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. GASB 92 enhances comparability of accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports. This Statement also addresses reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan. The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits are also discussed along with the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements. Lastly, the Statement discusses measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, and terminology used to refer to derivative instruments. This Statement was originally effective for periods beginning after June 15, 2020. However,

NOTE Z – NEW GASB STANDARDS (Continued):

under GASB 95, the effective date was postponed by one year, to periods beginning after June 15, 2021. The City does have activities that meet the criteria for GASB 92; therefore, GASB 92 is applicable to the City.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. GASB 97 increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. This Statement also mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements. Lastly, this Statement enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This statement is effective for periods beginning after June 15, 2021. The City does not have activities that meet the criteria for GASB 97; therefore, GASB 97 is not applicable to the City.

NOTE AA – UPCOMING STANDARDS:

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the City in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the City.

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Authority in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Authority.

GASB 91: Conduit Debt Obligations

Originally effective for fiscal years beginning after December 15, 2020; postponed by GASB 95 to fiscal years beginning after December 15, 2021 (City's fiscal year 2023)

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for account and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having *all* of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.

NOTE AA – UPCOMING STANDARDS (Continued):

- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

GASB 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements *Effective for fiscal years beginning after June 15, 2022 (City's fiscal year 2023)*

The requirements of this Statement will improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

Under this Statement, a PPP is defined as an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial assets, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Under this Statement a PPP meets the definition of a service concession arrangement (SCA) if: (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

GASB 96: Subscription-Based Information Technology Arrangements *Effective for fiscal years beginning after June 15, 2022 (City's fiscal year 2023)*

The requirements of this Statement will improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) for government end users (governments) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

NOTE AA – UPCOMING STANDARDS (Continued):

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

GASB 99: Omnibus 2022

Effective for fiscal years beginning after June 15, 2022 (City's fiscal year 2023)

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)
- Disclosures related to nonmonetary transactions
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
- Terminology used in Statement 53 to refer to resource flows statements.

GASB 100: Accounting Changes and Error Corrections – An Amendment of GASB Stmt No. 62

Effective for fiscal years beginning after June 15, 2023 (City's fiscal year 2024)

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting

NOTE AA – UPCOMING STANDARDS (Continued):

estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB 101: Compensated Absences

Effective for fiscal years beginning after December 15, 2023 (City's fiscal year 2025)

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental

NOTE AA – UPCOMING STANDARDS (Continued):

leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

NOTE AB – RESTATED AMOUNTS – NET POSITION, BEGINNING OF YEAR:

The following net position restatements were made resulting from the adoption of GASB No. 87. The adjustments record the beginning balance of leased assets and of leases payable as of September 30, 2022.

Governmental Activities			
September 30, 2022			
	As Previously Reported	Adjustments	As Restated
GOVERNMENTAL ACTIVITIES:			
Technology Services Fund			
Net position, beginning of year	\$ 631,054		
Changes in Accounting Principle			
Lease Asset (Right of Use)		348,562	
Accumulated Depreciation - Lease Assets		(263,153)	
Leases Payable		(91,255)	
Net position, beginning of year, as restated			<u>\$ 625,208</u>

Component Units			
September 30, 2022			
	As Previously Reported	Adjustments	As Restated
NON-MAJOR COMPONENT UNITS:			
Peter White Public Library			
Net position, beginning of year	\$ 5,480,345		
Changes in Accounting Principle			
Lease Asset (Right of Use)		20,250	
Accumulated Depreciation - Lease Assets		(8,860)	
Leases Payable		(11,455)	
Lease receivable		109,741	
Deferred amounts related to leases		(107,808)	
Net position, beginning of year, as restated			<u>\$ 5,482,213</u>

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REQUIRED SUPPLEMENTARY INFORMATION

City of Marquette Michigan
Municipal Employees Retirement System of Michigan
Required Supplementary Information

Schedule of Changes in the Net Pension Liability
and Related Ratios
(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018	2017	2016	2015
Change in total pension liability								
Service cost	\$ 658,809	\$ 691,166	\$ 840,544	\$ 825,143	\$ 791,722	\$ 771,441	\$ 738,493	\$ 800,374
Interest	4,826,506	4,636,268	4,550,490	4,395,359	4,333,875	4,130,063	3,841,488	3,719,179
Change in benefit terms	-	-	(2,609)	-	9,569	(8,853)	-	-
Differences between expected and actual experience	(99,786)	(182,168)	323,056	(52,849)	(1,166,996)	408,568	(229,603)	-
Changes in assumptions	2,517,350	1,899,801	1,988,572	-	-	-	3,096,299	-
Benefit payments, including refunds of member contributions	(3,899,269)	(3,613,388)	(3,265,088)	(3,060,342)	(2,909,065)	(2,653,291)	(2,414,733)	(2,402,573)
Other	(306)	(1,191,444)	-	-	-	-	(1)	31,851
Net change in total pension liability	4,003,304	2,240,235	4,434,965	2,107,311	1,059,105	2,647,928	5,031,943	2,148,831
Total pension liability, beginning of year	65,552,382	63,312,147	58,877,182	56,769,871	55,710,766	53,062,838	48,030,895	45,882,064
Total pension liability, end of year (a)	69,555,686	65,552,382	63,312,147	58,877,182	56,769,871	55,710,766	53,062,838	48,030,895
Change in plan fiduciary net position								
Contributions – employer	3,222,786	2,741,566	2,667,614	2,453,865	2,455,778	3,272,268	1,796,218	1,685,684
Contributions – member	274,489	277,745	295,696	277,569	259,468	303,659	223,767	242,337
Net investment income	5,664,899	4,644,084	4,435,515	(1,360,225)	4,004,150	3,095,445	(420,230)	1,782,826
Benefit payments, including refunds of member contributions	(3,899,269)	(3,613,388)	(3,265,088)	(3,060,342)	(2,909,065)	(2,653,291)	(2,414,733)	(2,402,573)
Administrative expense	(64,826)	(73,172)	(75,740)	(66,152)	(63,420)	(61,304)	(61,269)	(65,367)
Other	-	(1)	-	-	(2)	4	(1,244,578)	(2,359)
Net change in plan fiduciary net position	5,198,079	3,976,834	4,057,997	(1,755,285)	3,746,909	3,956,781	(2,120,825)	1,240,548
Plan fiduciary net position, beginning of year	41,259,710	37,282,876	33,224,879	34,980,164	31,233,255	27,276,474	29,397,299	28,156,751
Plan fiduciary net position, end of year (b)	46,457,789	41,259,710	37,282,876	33,224,879	34,980,164	31,233,255	27,276,474	29,397,299
Net pension liability, end of year (a)-(b)	\$ 23,097,897	\$ 24,292,672	\$ 26,029,271	\$ 25,652,303	\$ 21,789,707	\$ 24,477,511	\$ 25,786,364	\$ 18,633,596
Plan fiduciary net position as a percentage of the total pension liability	66.79%	62.94%	58.89%	56.43%	61.62%	56.06%	51.40%	61.20%
Covered payroll	\$ 5,097,329	\$ 4,994,831	\$ 5,661,513	\$ 6,229,970	\$ 6,037,621	\$ 5,897,647	\$ 5,732,327	\$ 5,555,438
Net pension liability as a percentage of covered payroll	453.14%	486.36%	459.76%	411.76%	360.90%	415.04%	449.84%	335.41%

City of Marquette Michigan
Municipal Employees Retirement System of Michigan
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS
(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 1,685,684	\$ 1,685,684	\$ -	\$4,867,105	34.63%
9/30/2016	1,796,218	1,796,218	-	5,379,085	33.39%
9/30/2017	3,272,268	3,272,268	-	5,708,464	57.32%
9/30/2018	2,455,778	2,455,778	-	6,037,621	40.67%
9/30/2019	2,593,284	2,632,620	(39,336)	5,887,794	44.71%
9/30/2020	2,664,228	2,861,940	(197,712)	5,796,720	49.37%
9/30/2021	3,015,210	3,139,818	(124,608)	5,298,022	59.26%
9/30/2022	3,548,664	3,596,364	(47,700)	5,838,150	61.60%

**City of Marquette Michigan
Peter White Public Library
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios**
(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018	2017	2016	2015
Change in total pension liability								
Service cost	\$ 48,398	\$ 52,368	\$ 38,312	\$ 37,610	\$ 48,532	\$ 47,489	\$ 36,106	\$ 40,728
Interest	276,563	211,319	207,409	200,339	265,662	254,241	187,817	232,437
Change in benefit terms	-	-	(119)	-	587	(545)	-	-
Differences between expected and actual experience	(95,831)	57,246	14,725	(2,409)	(71,536)	25,151	(11,226)	-
Changes in assumptions	127,710	151,620	90,638	-	-	-	151,384	-
Benefit payments, including refunds of member contributions	(281,444)	(270,647)	(215,515)	(191,797)	(181,797)	(178,595)	(131,851)	(127,594)
Other	(1,577)	(93,938)	-	-	-	-	-	(236)
Net change in total pension liability	73,819	107,968	135,450	43,743	61,448	147,741	232,230	145,335
Total pension liability, beginning of year	3,734,765	3,626,797	3,491,347	3,447,604	3,386,156	3,238,415	3,006,185	2,860,850
Total pension liability, end of year (a)	3,808,584	3,734,765	3,626,797	3,491,347	3,447,604	3,386,156	3,238,415	3,006,185
Change in plan fiduciary net position								
Contributions – employer	117,462	175,399	173,752	111,800	105,420	114,790	91,549	86,041
Contributions – member	26,716	35,224	28,244	25,376	27,289	25,132	24,237	23,982
Net investment income	391,706	329,195	309,695	(94,393)	287,973	227,136	(31,166)	134,124
Benefit payments, including refunds of member contributions	(281,444)	(270,647)	(215,515)	(191,797)	(181,797)	(178,595)	(131,851)	(127,594)
Administrative expense	(4,490)	(5,141)	(5,317)	(4,700)	(4,562)	(4,489)	(4,534)	(4,565)
Other	(1)	-	-	-	-	-	-	(9,984)
Net change in plan fiduciary net position	249,949	264,030	290,859	(153,714)	234,323	183,974	(51,765)	102,004
Plan fiduciary net position, beginning of year	2,825,867	2,561,837	2,270,978	2,424,692	2,190,369	2,006,395	2,058,160	1,956,156
Plan fiduciary net position, end of year (b)	3,075,816	2,825,867	2,561,837	2,270,978	2,424,692	2,190,369	2,006,395	2,058,160
Net pension liability, end of year (a)-(b)	\$ 732,768	\$ 908,898	\$ 1,064,960	\$ 1,220,369	\$ 1,022,912	\$ 1,195,787	\$ 1,232,020	\$ 948,025
Plan fiduciary net position as a percentage of the total pension liability	80.76%	75.66%	70.64%	65.05%	70.33%	64.69%	61.96%	68.46%
Covered payroll	\$ 359,746	\$ 390,288	\$ 389,790	\$ 256,766	\$ 212,190	\$ 189,316	\$ 264,754	\$ 282,696
Net pension liability as a percentage of covered payroll	203.69%	232.88%	273.21%	475.28%	482.07%	631.64%	465.35%	335.35%

**City of Marquette Michigan
Peter White Public Library
Required Supplementary Information**

SCHEDULE OF CONTRIBUTIONS
(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 88,838	\$ 88,838	\$ -	\$ 347,771	25.54%
9/30/2016	87,853	87,853	-	355,683	24.70%
9/30/2017	101,040	114,790	(13,750)	365,685	31.39%
9/30/2018	87,630	105,420	(17,790)	345,981	30.47%
9/30/2019	98,424	163,800	(65,376)	562,930	29.10%
9/30/2020	126,120	183,704	(57,584)	519,592	35.36%
9/30/2021	112,572	116,729	(4,157)	445,199	26.22%
9/30/2022	118,560	118,560	-	359,746	32.96%

**City of Marquette Michigan
Fire/Police Retirement System
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios**

(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Change in total pension liability									
Service cost	\$ 1,101,426	\$ 1,038,593	\$ 1,042,143	\$ 980,498	\$ 922,981	\$ 902,641	\$ 935,088	\$ 1,363,210	\$ 1,205,537
Interest	3,400,723	3,288,149	3,243,320	3,117,532	3,041,225	2,858,357	2,766,379	3,048,549	2,803,875
Change in benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	51,052	218,662	(953,751)	230,811	(849,687)	1,606,199	(53,654)	-	-
Changes in assumptions	-	-	-	-	2,025,918	(426,851)	-	-	-
Benefit payments, including refunds of member contributions	(3,068,761)	(2,749,365)	(2,582,244)	(2,410,032)	(2,449,187)	(2,227,030)	(2,408,213)	(1,828,055)	(2,317,636)
Other	-	-	-	-	-	-	-	-	-
Net change in total pension liability	1,484,440	1,796,039	749,468	1,918,809	2,691,250	2,713,316	1,239,600	2,583,704	1,491,876
Total pension liability, beginning of year	51,364,742	49,568,703	48,819,235	46,900,426	44,209,176	41,495,860	40,256,260	37,672,556	36,180,680
Total pension liability, end of year (a)	52,849,182	51,364,742	49,568,703	48,819,235	46,900,426	44,209,176	41,495,860	40,256,260	37,672,556
Change in plan fiduciary net position									
Contributions - employer	1,748,700	1,742,470	1,778,792	1,626,480	1,560,811	1,489,696	1,465,489	1,347,814	1,586,190
Contributions - members	253,763	232,295	224,770	216,333	207,809	197,431	170,668	167,220	212,560
Net investment income	(7,872,012)	7,403,102	3,359,107	1,452,584	2,301,235	3,448,273	2,630,375	(272,058)	2,549,798
Benefit payments, including refunds of member contributions	(3,068,761)	(2,749,365)	(2,582,244)	(2,410,032)	(2,449,187)	(2,227,030)	(2,408,213)	(1,828,055)	(2,317,636)
Administrative expense	(20,693)	(20,029)	(19,306)	(19,179)	(20,179)	(19,482)	(14,327)	(9,084)	(22,430)
Other	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	(8,959,003)	6,608,473	2,761,119	866,186	1,600,489	2,888,888	1,843,992	(594,163)	2,008,482
Plan fiduciary net position, beginning of year	44,140,621	37,532,148	34,771,029	33,904,843	32,304,354	29,415,466	27,571,474	28,165,637	26,157,155
Plan fiduciary net position, end of year (b)	35,181,618	44,140,621	37,532,148	34,771,029	33,904,843	32,304,354	29,415,466	27,571,474	28,165,637
City's net pension liability, end of year (a)-(b)	\$ 17,667,564	\$ 7,224,121	\$ 12,036,555	\$ 14,048,206	\$ 12,995,583	\$ 11,904,822	\$ 12,080,394	\$ 12,684,786	\$ 9,506,919
Plan fiduciary net position as a percentage of the total pension liability	66.57%	85.94%	75.72%	71.22%	72.29%	73.07%	70.89%	68.49%	74.76%
Covered payroll	\$ 4,130,349	\$ 3,895,846	\$ 3,690,235	\$ 3,698,660	\$ 3,477,254	\$ 3,558,782	\$ 3,233,941	\$ 3,454,423	\$ 4,498,201
City's net pension liability as a percentage of covered payroll	427.75%	185.43%	326.17%	379.82%	373.73%	334.52%	373.55%	367.2%	211.35%

City of Marquette Michigan
Fire/Police Retirement System
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2014	\$ 1,586,190	\$ 1,586,190	\$ -	\$ 4,498,201	35.26%
9/30/2015	1,347,814	1,347,814	-	3,454,423	39.02%
9/30/2016	1,423,168	1,465,489	(42,321)	3,233,941	45.32%
9/30/2017	1,489,696	1,489,696	-	3,558,782	41.86%
9/30/2018	1,560,811	1,560,811	-	3,477,254	44.89%
9/30/2019	1,626,480	1,626,480	-	3,698,660	43.97%
9/30/2020	1,778,792	1,778,792	-	3,963,876	44.88%
9/30/2021	1,742,470	1,742,470	-	4,190,144	41.58%
9/30/2022	1,748,700	1,748,700	-	4,484,418	39.00%

**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios**
(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018	2017	2016	2015
Change in total pension liability								
Service cost	\$ 181,213	\$ 216,877	\$ 216,007	\$ 243,983	\$ 263,927	\$ 263,370	\$ 253,706	\$ 275,493
Interest	3,162,801	3,124,561	3,215,292	3,202,985	3,194,331	3,153,469	3,013,119	2,981,383
Change in benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	290,631	(867,330)	(642,954)	(27,628)	(147,591)	161,831	433,467	-
Changes in assumptions	1,457,474	1,255,356	1,344,399	-	-	-	2,151,921	-
Benefit payments, including refunds of member contributions	(3,239,718)	(3,177,232)	(3,246,137)	(3,256,943)	(3,128,036)	(3,008,305)	(2,914,389)	(2,808,219)
Other	-	-	-	-	-	-	1	1
Net change in total pension liability	1,852,401	552,232	886,607	162,397	182,631	570,365	2,937,825	448,658
Total pension liability, beginning of year	43,145,054	42,592,825	41,706,218	41,543,821	41,361,190	40,790,825	37,853,000	37,404,342
Total pension liability, end of year	44,997,455	43,145,057	42,592,825	41,706,218	41,543,821	41,361,190	40,790,825	37,853,000
Change in plan fiduciary net position								
Contributions – employer	1,922,323	1,915,918	3,152,985	4,366,887	4,605,575	2,874,280	2,541,239	2,071,376
Contributions – member	99,455	105,640	104,553	105,447	116,706	165,913	132,551	165,536
Net investment income	4,863,699	4,028,178	3,847,402	(1,175,116)	3,218,342	2,413,771	(324,962)	1,316,039
Benefit payments, including refunds of member contributions	(3,239,718)	(3,177,232)	(3,246,137)	(3,256,943)	(3,128,036)	(3,008,305)	(2,914,389)	(2,808,219)
Administrative expense	(55,802)	(64,061)	(66,316)	(56,324)	(50,670)	(47,663)	(47,681)	(48,283)
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	3,589,957	2,808,443	3,792,487	(16,049)	4,761,917	2,397,996	(613,242)	696,449
Plan fiduciary net position, beginning of year	34,937,886	32,129,446	28,336,959	28,353,008	23,591,091	21,193,095	21,806,337	21,109,888
Plan fiduciary net position, end of year	38,527,843	34,937,889	32,129,446	28,336,959	28,353,008	23,591,091	21,193,095	21,806,337
Net pension liability, end of year	\$ 6,469,612	\$ 8,207,168	\$ 10,463,379	\$ 13,369,259	\$ 13,190,813	\$ 17,770,099	\$ 19,597,730	\$ 16,046,663
Plan fiduciary net position as a percentage of the total pension liability	85.62%	80.98%	75.43%	67.94%	68.25%	57.04%	51.96%	57.61%
Covered payroll	\$ 2,109,620	\$ 2,426,996	\$ 2,453,014	\$ 3,191,125	\$ 3,351,949	\$ 3,140,861	\$ 3,096,739	\$ 2,861,350
Net pension liability as a percentage of covered payroll	306.67%	338.16%	426.55%	418.95%	393.53%	565.77%	632.85%	560.81%

City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 1,496,376	\$ 2,071,376	\$ (575,000)	\$ 2,861,350	72.39%
9/30/2016	1,791,239	2,541,239	(750,000)	3,096,739	82.06%
9/30/2017	1,764,280	2,874,280	(1,110,000)	3,140,861	91.51%
9/30/2018	1,141,234	4,605,575	(3,464,341)	3,351,949	137.40%
9/30/2019	1,226,628	4,366,887	(3,140,259)	3,191,125	136.84%
9/30/2020	1,696,824	3,152,985	(1,456,161)	2,453,014	128.54%
9/30/2021	1,757,328	1,915,918	(158,590)	2,426,996	78.94%
9/30/2022	1,708,272	1,922,323	(214,051)	2,109,620	91.12%

City of Marquette, Michigan

SCHEDULE OF INVESTMENT RETURNS
(Ultimately ten years will be displayed)

Annual Money-Weighted Rate of Return, Net of Investment Expense

Fiscal Year Ended	Defined Benefit Pension Plans		Defined Benefit OPEB Plans	
			City of	Board
	MERS	Police/Fire	Marquette Retiree Medical Plan	of Light and Power
9/30/2015	6.13%	5.80%	N/A	N/A
9/30/2016	(1.74%)	3.90%	N/A	N/A
9/30/2017	11.17%	5.70%	N/A	N/A
9/30/2018	13.07%	6.90%	0.77%	3.02%
9/30/2019	(4.12%)	4.00%	2.70%	3.95%
9/30/2020	13.41%	6.60%	8.31%	6.36%
9/30/2021	12.70%	9.80%	20.68%	18.39%
9/30/2022	13.97%	10.60%	(13.97%)	(13.48%)

City of Marquette Michigan
Required Supplementary Information

**Schedule of Changes in the Net OPEB Liability
and Related Ratios**
(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018
Change in total OPEB liability					
Service cost	\$ 47,631	\$ 81,352	\$ 71,444	\$ 62,583	\$ 102,520
Interest	266,569	263,486	336,366	316,299	266,247
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	11,013	(1,167,057)	(58,676)	(276,093)	(34,706)
Changes in assumptions	(757,706)	(854,124)	1,088,300	621,649	(1,080,597)
Benefit payments, including refunds of member contributions	(377,070)	(321,777)	(320,257)	(309,059)	(320,638)
Other	-	-	-	-	-
Net change in total OPEB liability	(809,563)	(1,998,120)	1,117,177	415,379	(1,067,174)
Total OPEB liability, beginning of year	6,472,708	8,470,828	7,353,651	6,938,272	8,005,446
Total OPEB liability, end of year (a)	5,663,145	6,472,708	8,470,828	7,353,651	6,938,272
Change in plan fiduciary net position					
Contributions to OPEB trust	406,284	248,955	180,473	118,098	363,761
Contributions/benefits paid from general operation fund	377,070	321,777	320,257	309,059	320,638
Net investment income	(196,773)	187,417	54,035	12,517	1,527
Benefit payments, including refunds of member contributions	(377,070)	(321,777)	(320,257)	(309,059)	(320,638)
Administrative expense	(2,401)	(1,861)	(1,335)	(862)	(305)
Other	-	-	-	-	-
Net change in plan fiduciary net position	207,110	434,511	233,173	129,753	364,983
Plan fiduciary net position, beginning of year	1,162,420	727,909	494,736	364,983	-
Plan fiduciary net position, end of year (b)	1,369,530	1,162,420	727,909	494,736	364,983
Net OPEB liability, end of year (a)-(b)	<u>\$ 4,293,615</u>	<u>\$ 5,310,288</u>	<u>\$ 7,742,919</u>	<u>\$ 6,858,915</u>	<u>\$ 6,573,289</u>
Plan fiduciary net position as a percentage of the total OPEB liability	24.18%	17.96%	8.59%	6.73%	5.26%
Covered payroll	\$ 5,778,509	\$ 6,050,892	\$ 5,796,720	\$ 5,887,794	\$ 6,037,621
Net OPEB liability as a percentage of covered payroll	74.30%	87.76%	133.57%	116.49%	108.87%

City of Marquette Michigan
Required Supplementary Information

SCHEDULE OF OPEB CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarially Determined Contribution [ADC]	Actual Contribution in Relation to the ADC	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2018	\$ 320,638	\$ 684,399	\$ (363,761)	\$ 6,037,621	11.34%
9/30/2019	309,059	427,157	(118,098)	5,887,794	7.25%
9/30/2020	320,257	500,730	(180,473)	5,796,720	8.64%
9/30/2021	510,419	759,374	(248,955)	6,050,892	12.55%
9/30/2022	377,070	783,354	(406,284)	5,778,509	13.56%

**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

**Schedule of Changes in the Net OPEB Liability
and Related Ratios**

(Ultimately ten years will be displayed)

	2022	2021	2020	2019	2018
Change in total OPEB liability					
Service cost	\$ 192,585	\$ 221,380	\$ 213,893	\$ 224,487	\$ 216,372
Interest	990,384	1,065,143	1,042,100	1,301,180	1,283,786
Change in benefit terms	(63,492)	-	(2,585,154)	-	-
Differences between expected and actual experience	(145,149)	(319,293)	(652,672)	-	-
Changes in assumptions	(779,141)	(547,473)	(501,268)	-	-
Benefit payments, including refunds of member contributions	(745,667)	(757,957)	(1,063,250)	(1,190,487)	(1,306,364)
Other	-	-	-	-	-
Net change in total OPEB liability	(550,480)	(338,200)	(3,546,351)	335,180	193,794
Total OPEB liability, beginning of year	16,068,624	16,406,824	19,953,175	19,617,995	19,424,201
Total OPEB liability, end of year (a)	15,518,144	16,068,624	16,406,824	19,953,175	19,617,995
Change in plan fiduciary net position					
Contributions – employer	830,363	843,017	1,347,539	3,290,487	4,306,364
Contributions – member	15,304	14,940	15,711	-	-
Net investment income	(1,819,816)	2,086,655	671,305	350,782	184,882
Benefit payments, including refunds of member contributions	(745,667)	(757,957)	(1,063,250)	(1,190,487)	(1,306,364)
Administrative expense	(23,609)	(23,035)	(19,423)	(17,378)	(15,234)
Other	-	-	-	-	-
Net change in plan fiduciary net position	(1,743,425)	2,163,620	951,882	2,433,404	3,169,648
Plan fiduciary net position, beginning of year	13,475,728	11,312,108	10,360,226	7,926,822	4,757,174
Plan fiduciary net position, end of year (b)	11,732,303	13,475,728	11,312,108	10,360,226	7,926,822
Net OPEB liability, end of year (a)-(b)	\$ 3,785,841	\$ 2,592,896	\$ 5,094,716	\$ 9,592,949	\$ 11,691,173
Plan fiduciary net position as a percentage of the total OPEB liability	75.60%	83.86%	68.95%	51.92%	40.41%
Covered payroll	\$ 5,927,350	\$ 5,901,711	\$ 6,055,138	\$ 5,512,678	\$ 5,313,424
Net OPEB liability as a percentage of covered payroll	63.87%	43.93%	84.14%	174.02%	220.03%

City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarially Determined Contribution [ADC]	Actual Contribution in Relation to the ADC	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2018	\$ 1,280,433	\$ 4,306,364	\$(3,025,931)	\$ 5,313,424	81.05%
9/30/2019	1,328,449	3,290,487	(1,962,038)	5,512,678	59.69%
9/30/2020	680,949	1,363,250	(682,301)	6,055,138	22.51%
9/30/2021	704,783	857,957	(153,174)	5,901,711	14.54%
9/30/2022	358,198	845,667	(487,469)	5,927,350	14.27%

CITY OF MARQUETTE, MICHIGAN

MAJOR GOVERNMENTAL FUNDS

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The function of the General Fund is to record all revenues and expenditures of the City which are not accounted for in other funds. The General Fund receives revenue from many sources which are used to finance a wide range of City Activities.

The major activities financed by the General Fund are Fire and Police Protections, Public Works, Community Services, City Administration and most public services.

The modified accrual basis of accounting is used in recording General Fund transactions.

SPECIAL REVENUE FUNDS

The function of the Special Revenue Funds is to record revenue and expenditures for specific functions or activities within restrictions imposed by City Charter, ordinances, resolutions and/or Federal and State statutes.

MAJOR STREET AND TRUNKLINE FUND AND LOCAL STREET FUND

Michigan's Act 51 of 1993, as amended, allocates gasoline and weight taxes to build and maintain road, roadsides and storm sewers and to remove snow from and to control traffic along roads. These tax monies may be transferred between funds only as permitted by law. Other revenues included general taxes transferred from the General Fund. Within the City, Federal and State trunklines and certain "mile" roads are maintained by the City under contractual agreement with the State of Michigan and are subject to reimbursement to the City. The remaining mile roads and certain other roads are designated as MAJOR STREETS, maintained on a priority basis by the City, and the remaining roads are designated as LOCAL STREETS.

CAPITAL PROJECTS FUNDS

The function of Capital Projects Funds is to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

The modified accrual basis of accounting is used in recording Capital Projects Fund transactions.

CONSTRUCTION FUND: This fund records the activities associated with the street improvements surrounding the new hospital construction. Reimbursement transfers from the bonds issued through the Brownfield Redevelopment Authority, a component unit, have been used to finance the current project.

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 8,450,243	\$ 8,968,326
Investments	5,415,777	5,497,936
Receivables:		
Taxes:		
Current	561,208	468,111
Delinquent, net	18,710	18,344
Accounts	549,510	536,761
Special assessment	-	-
Due from other authorities	2,623,039	2,123,292
Due from other funds	137	-
Due from other governments	666,614	689,031
Inventories	116,148	450,301
Prepaid expenditures	180,380	307,502
TOTAL ASSETS	18,581,766	19,059,604
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 18,581,766	\$ 19,059,604
LIABILITIES		
Accounts payable	\$ 667,084	\$ 318,422
Accrued wages payable	204,454	466,628
Accrued compensated absences	670,558	679,033
Due to other governmental units	372	312
Due to other authorities	7,645	36,000
Customer deposits payable	39,135	39,741
Unearned revenue	24,479	745,980
TOTAL LIABILITIES	1,613,727	2,286,116
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	8,725,353	7,047,122
Special assessments	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	8,725,353	7,047,122
FUND BALANCE		
Non-spendable	296,528	757,803
Restricted	57,500	2,315
Assigned	999,789	76,802
Unassigned	6,888,869	8,889,446
TOTAL FUND BALANCE	8,242,686	9,726,366
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 18,581,766	\$ 19,059,604

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022		Variance with Final Budget Positive (Negative)	2021
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Property Taxes:				
Real property taxes	\$ 9,030,000	\$ 9,024,076	\$ (5,924)	\$ 8,403,366
Personal property taxes	609,970	612,767	2,797	838,641
Interest and penalty	40,000	23,269	(16,731)	27,703
Administrative collection fees	350,550	350,741	191	342,550
Total Property Taxes	10,030,520	10,010,853	(19,667)	9,612,260
Industrial Facilities Tax Act	4,470	3,341	(1,129)	173,268
Marijuana Tax	225,000	225,814	814	28,001
Payments in Lieu of Taxes:				
MSHDA	34,490	35,078	588	31,942
Board of Light and Power	2,410,000	2,433,803	23,803	2,022,705
Public Housing Authority	35,300	59,000	23,700	29,522
Sault Tribe Housing Authority	1,500	-	(1,500)	-
Marquette Area Wastewater Treatment Facility	259,680	218,136	(41,544)	274,092
Grandview	-	-	-	13,120
Water Supply Fund	636,460	636,456	(4)	663,576
Sewage Disposal Fund	537,570	537,576	6	553,020
Total Payment in Lieu of Taxes	3,915,000	3,920,049	5,049	3,587,977
Federal and State Grants:				
UPSET	21,100	18,839	(2,261)	21,293
OJP - Bullet Proof Vests Program	-	296	296	12,114
USDT - SLFRF	1,050,000	1,000,000	(50,000)	-
USDT - FRHPPP Cares Act	-	-	-	96,714
USDT- CESF Program	-	-	-	2,949
DNR - Snowmobile Grant	-	2,000	2,000	2,000
PI Bandshell Benches	-	-	-	-
MDNR - Williams Park	-	-	-	112,000
MDNR - Father Marquette Park	-	-	-	-
MDEQ - SAW Grant	-	-	-	-
NOAA - Land Development Code	-	-	-	-
FEMA - Portable Radios	-	-	-	-
State Grant - Rec Authority	-	-	-	-
NEA - Promotof of the Arts Partnership	-	8,000	8,000	-
Council for Arts and Culture - State	19,000	7,600	(11,400)	12,190
Total Federal and State Grants	1,090,100	1,036,735	(53,365)	259,260
State-Shared Revenues:				
Fire protection - State facility	970,000	972,934	2,934	978,875
Sales and use tax	2,519,870	2,525,088	5,218	2,327,953
Liquor licenses	21,500	36,437	14,937	24,211
Total State-Shared Revenues	3,511,370	3,534,459	23,089	3,331,039

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
Intergovernmental Revenues:				
Tribal Revenue Sharing	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Shared Services	1,000	-	(1,000)	-
Total Intergovernmental Revenues	<u>11,000</u>	<u>10,000</u>	<u>(1,000)</u>	<u>10,000</u>
Licenses and Permits:				
Business licenses and permits	35,000	32,520	(2,480)	30,675
Non-business licenses and permits	55,010	67,372	12,362	72,225
Total Licenses and Permits	<u>90,010</u>	<u>99,892</u>	<u>9,882</u>	<u>102,900</u>
Charges for Services:				
Fees	306,060	356,976	50,916	334,410
Cemetery foundations and grave openings	48,540	57,450	8,910	47,905
Services to other funds	2,238,960	2,210,359	(28,601)	2,079,184
Total Charges for Services	<u>2,593,560</u>	<u>2,624,785</u>	<u>31,225</u>	<u>2,461,499</u>
Sales	<u>35,020</u>	<u>57,719</u>	<u>22,699</u>	<u>64,116</u>
Use and Admission Fees:				
Community Center use	25,000	19,092	(5,908)	1,505
Ballfields	16,100	10,250	(5,850)	10,570
Skiing use/passes	-	-	-	-
Parking fees	-	-	-	-
Art center and theater	-	-	-	-
Total use and Admission Fees	<u>41,100</u>	<u>29,342</u>	<u>(11,758)</u>	<u>12,075</u>
Fines and Forfeits	<u>115,800</u>	<u>104,220</u>	<u>(11,580)</u>	<u>144,836</u>
Rentals:				
Land and building rental	29,000	40,430	11,430	33,433
Parking rentals - lots	5,150	4,751	(399)	5,152
Equipment rent	46,530	27,338	(19,192)	31,015
Total Rentals	<u>80,680</u>	<u>72,519</u>	<u>(8,161)</u>	<u>69,600</u>

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
Special Assessments:				
Interest	\$ -	\$ -	\$ -	\$ -
Assessments levied	-	-	-	-
Total Special Assessments	-	-	-	-
Sale of Capital Assets	-	40,109	40,109	895,405
Contributions from Private Sources	247,500	125,500	(122,000)	176,491
Investment Income	2,000	(121,604)	(123,604)	17,595
Reimbursements	94,640	209,776	115,136	107,936
Other revenues	56,390	92,465	36,075	85,475
TOTAL REVENUES	22,144,160	22,075,974	(68,186)	21,139,733
EXPENDITURES:				
GENERAL GOVERNMENT:				
Central Administration:				
Personnel services	2,713,240	2,539,121	174,119	2,143,669
Supplies and contractual	598,140	605,496	(7,356)	751,250
Other services and charges	70,500	58,087	12,413	40,176
Capital outlay	-	-	-	-
Total Central Administration	3,381,880	3,202,704	179,176	2,935,095
Community Development:				
Personnel services	1,578,950	1,556,520	22,430	1,571,623
Supplies and contractual	243,640	240,688	2,952	234,103
Other services and charges	-	-	-	-
Capital outlay	-	-	-	-
Total Community Development	1,822,590	1,797,208	25,382	1,805,726
Other General Government:				
Insurance and Bonds:				
Bond issuance costs	-	-	-	31
Other services and charges	95,820	95,351	469	91,520
Total Other General Government	95,820	95,351	469	91,551
TOTAL GENERAL GOVERNMENT	5,300,290	5,095,263	205,027	4,832,372

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
PUBLIC HEALTH AND SAFETY:				
Police Department:				
Personnel services	\$ 4,687,510	\$ 4,601,900	\$ 85,610	\$ 4,565,990
Supplies and contractual	659,600	698,951	(39,351)	767,688
Other services and charges	15,000	13,997	1,003	10,940
Capital outlay	-	-	-	-
Total Police Department	5,362,110	5,314,848	47,262	5,344,618
Fire Department:				
Personnel services	3,160,100	3,257,024	(96,924)	3,149,383
Supplies and contractual	666,280	500,522	165,758	430,269
Other services and charges	15,450	23,200	(7,750)	13,528
Capital outlay	39,000	39,000	-	-
Total Fire Department	3,880,830	3,819,746	61,084	3,593,180
Waterfront Safety:				
Personnel services	69,950	63,753	6,197	79,957
Supplies and contractual	20,970	15,164	5,806	18,180
Other services and charges	-	-	-	-
Capital outlay	-	976	(976)	-
Total Waterfront Safety	90,920	79,893	11,027	98,137
TOTAL PUBLIC HEALTH AND SAFETY	9,333,860	9,214,487	119,373	9,035,935
PUBLIC WORKS:				
Public Works Maintenance:				
Personnel services	2,255,190	2,113,751	141,439	2,419,918
Supplies and contractual	1,386,410	1,275,377	111,033	1,189,714
Other services and charges	-	-	-	-
Capital outlay	-	11,250	(11,250)	9,521
Total Public Works Maintenance	3,641,600	3,400,378	241,222	3,619,153
City Hall and Grounds:				
Personnel services	52,260	29,325	22,935	27,297
Supplies and contractual	252,740	215,773	36,967	200,915
Other services and charges	-	-	-	-
Capital outlay	37,500	31,250	6,250	-
Total City Hall and Grounds	342,500	276,348	66,152	228,212
Cemetery:				
Personnel services	148,580	111,090	37,490	113,390
Supplies and contractual	105,710	94,235	11,475	95,080
Other services and charges	-	-	-	-
Capital outlay	-	-	-	-
Total Cemetery	254,290	205,325	48,965	208,470
TOTAL PUBLIC WORKS	4,238,390	3,882,051	356,339	4,055,835

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
COMMUNITY SERVICES:				
Promotional Services:				
Personnel services	\$ -	\$ -	\$ -	\$ -
Supplies and contractual	-	-	-	-
Other services and charges	22,000	22,000	-	22,000
Capital outlay	-	-	-	-
Total Promotional Services	<u>22,000</u>	<u>22,000</u>	<u>-</u>	<u>22,000</u>
Parks and Recreation Administration:				
Personnel services	422,600	418,821	3,779	313,766
Supplies and contractual	73,820	56,390	17,430	40,708
Other services and charges	-	-	-	-
Capital outlay	44,100	35,011	9,089	273,487
Total Parks and Recreation Administration	<u>540,520</u>	<u>510,222</u>	<u>30,298</u>	<u>627,961</u>
Arts and Cultural:				
Personnel services	160,810	153,470	7,340	147,857
Supplies and contractual	65,270	65,427	(157)	61,711
Other services and charges	5,500	10,589	(5,089)	16,037
Capital outlay	-	-	-	-
Total Arts and Cultural	<u>231,580</u>	<u>229,486</u>	<u>2,094</u>	<u>225,605</u>
TOTAL COMMUNITY SERVICES	<u>794,100</u>	<u>761,708</u>	<u>32,392</u>	<u>875,566</u>
TOTAL EXPENDITURES	<u>19,666,640</u>	<u>18,953,509</u>	<u>713,131</u>	<u>18,799,708</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,477,520</u>	<u>3,122,465</u>	<u>644,945</u>	<u>2,340,025</u>

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OTHER FINANCING SOURCES (USES):				
Proceeds from bond issuance	\$ -	\$ -	\$ -	\$ -
Proceeds from refunding bonds	-	-	-	4,650
Premium on bond issuance	-	-	-	-
Premium on refunded bond issuance	-	-	-	572
Payment to refunded bond escrow agent	-	-	-	(5,192)
Transfers in:				
Cemetery Trust Fund	-	709	709	2,588
MSHDA Downtown Rental Fund	-	-	-	-
Local Development Finance Authority Fund	-	-	-	49,000
Transfers (out):				
Major Street and Trunkline Fund	(741,720)	(606,597)	135,123	-
Local Street Fund	(1,575,650)	(2,050,776)	(475,126)	(149,619)
Public Art Fund	(30,420)	(30,420)	-	(31,960)
Water Supply Fund	-	-	-	-
Lakeshore and Lighthouse Park Fund	-	(191,551)	(191,551)	(24,702)
Lakeview Arena Fund	(316,670)	(491,665)	(174,995)	(815,196)
Motor Pool Fund	-	-	-	(98,500)
Energy Enhancements Fund	(648,520)	(648,524)	(4)	(586,032)
2003 Founders Landing Debt Service Fund	-	-	-	-
High Street Debt Service Fund	(400)	(401)	(1)	(401)
2012 Capital Improvements Debt Service Fund	(120)	(776)	(656)	(1,001)
2014 Capital Improvements Debt Service Fund	(38,010)	(38,004)	6	(37,614)
2016 Capital Improvements Debt Service Fund	(316,780)	(316,779)	1	(315,467)
2017 Capital Improvements Debt Service Fund	(50,150)	(50,142)	8	(50,039)
2018 Capital Improvements Debt Service Fund	(131,300)	(131,300)	-	(135,000)
2019 Capital Improvements Debt Service Fund	(14,500)	(14,500)	-	(14,800)
2020 Capital Improvements Debt Service Fund	(34,600)	(34,600)	-	(34,069)
2021 Capital Improvements Debt Service Fund	(790)	(819)	(29)	-
Cemetery Trust Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(3,899,630)	(4,606,145)	(706,515)	(2,242,782)
CHANGES IN FUND BALANCE	(1,422,110)	(1,483,680)	(61,570)	97,243
Fund balance, beginning of year	9,726,366	9,726,366	-	9,629,123
FUND BALANCE, END OF YEAR	\$ 8,304,256	\$ 8,242,686	\$ (61,570)	\$ 9,726,366

CITY OF MARQUETTE, MICHIGAN
MAJOR STREET AND TRUNKLINE FUND
COMPARATIVE BALANCE SHEET
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,814,897	\$ 180,885
Accounts receivable	-	-
Due from State	326,692	346,306
Prepaid expenditures	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>2,141,589</u>	<u>527,191</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 2,141,589</u></u>	<u><u>\$ 527,191</u></u>
LIABILITIES		
Accounts payable	\$ 96,123	\$ 91,177
Accrued wages payable	4,667	11,621
Due to other funds	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>100,790</u>	<u>102,798</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	-	-
Restricted	<u>2,040,799</u>	<u>424,393</u>
TOTAL FUND BALANCE	<u>2,040,799</u>	<u>424,393</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 2,141,589</u></u>	<u><u>\$ 527,191</u></u>

CITY OF MARQUETTE, MICHIGAN

MAJOR STREET AND TRUNKLINE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Federal sources	\$ -	\$ 2,880	\$ 2,880	\$ -
State sources	2,249,850	2,283,429	33,579	2,297,589
Charges for services	-	-	-	-
Reimbursements	24,790	8,878	(15,912)	3,205
Investment income	-	702	702	230
Other revenues	-	-	-	-
TOTAL REVENUES	2,274,640	2,295,889	21,249	2,301,024
EXPENDITURES:				
Highways, Streets and Bridges:				
Routine maintenance	758,670	777,619	(18,949)	621,644
Winter maintenance	782,040	789,421	(7,381)	285,920
State trunkline	53,520	45,731	7,789	22,627
Administration	130,000	129,996	4	129,996
Total Highways, Streets and Bridges	<u>1,724,230</u>	<u>1,742,767</u>	<u>(18,537)</u>	<u>1,060,187</u>
Capital Outlay:				
Construction	2,040,619	164,918	1,875,701	848,781
Total Capital Outlay	<u>2,040,619</u>	<u>164,918</u>	<u>1,875,701</u>	<u>848,781</u>
Debt Service:				
Bond issuance costs	26,750	26,730	20	18,603
TOTAL EXPENDITURES	3,791,599	1,934,415	1,857,184	1,927,571
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,516,959)	361,474	1,878,433	373,453
OTHER FINANCING SOURCES (USES):				
Bond issuance	1,912,630	1,380,000	(532,630)	820,000
Refunding bonds	-	-	-	332,200
Premium on bond issuance	122,500	122,500	-	138,978
Premium on refunded bond issuance	-	-	-	37,136
Payment to refunded bond escrow agent	-	-	-	(368,140)
Transfers in	203,510	606,597	403,087	-
Transfers (out)	(837,470)	(854,165)	(16,695)	(1,157,786)
TOTAL OTHER FINANCING SOURCES (USES)	1,401,170	1,254,932	(146,238)	(197,612)
CHANGES IN FUND BALANCE	(115,789)	1,616,406	1,732,195	175,841
Fund balance, beginning of year	424,393	424,393	-	248,552
FUND BALANCE, END OF YEAR	\$ 308,604	\$ 2,040,799	\$ 1,732,195	\$ 424,393

CITY OF MARQUETTE, MICHIGAN

LOCAL STREET FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,167,505	\$ 563,245
Accounts receivable	-	-
Due from State	113,532	119,943
Prepaid expenditures	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>1,281,037</u>	<u>683,188</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 1,281,037</u></u>	<u><u>\$ 683,188</u></u>
LIABILITIES		
Accounts payable	\$ 68,130	\$ 313,277
Accrued wages payable	3,845	13,880
Due to other funds	<u>137</u>	<u>-</u>
TOTAL LIABILITIES	<u>72,112</u>	<u>327,157</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	-	-
Restricted	<u>1,208,925</u>	<u>356,031</u>
TOTAL FUND BALANCE	<u>1,208,925</u>	<u>356,031</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,281,037</u></u>	<u><u>\$ 683,188</u></u>

CITY OF MARQUETTE, MICHIGAN

LOCAL STREET FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
State sources	\$ 979,520	\$ 1,054,114	\$ 74,594	\$ 1,020,751
Reimbursements	-	1,065	1,065	193,134
Investment income	-	554	554	139
TOTAL REVENUES	979,520	1,055,733	76,213	1,214,024
EXPENDITURES:				
Highways, Streets and Bridges:				
Routine maintenance	705,460	819,810	(114,350)	760,260
Winter maintenance	772,040	679,106	92,934	287,976
Sidewalks	88,930	83,034	5,896	59,964
Administration	42,000	42,000	-	42,000
Total Highways, Streets and Bridges	1,608,430	1,623,950	(15,520)	1,150,200
Capital Outlay:				
Construction	683,925	334,644	349,281	1,041,600
Total Capital Outlay	683,925	334,644	349,281	1,041,600
Debt Service:				
Bond issuance costs	10,500	10,452	48	19,520
TOTAL EXPENDITURES	2,302,855	1,969,046	333,809	2,211,320
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,323,335)	(913,313)	410,022	(997,296)
OTHER FINANCING SOURCES (USES):				
Bond issuance	323,870	540,000	216,130	820,000
Refunding bonds	-	-	-	573,300
Premium on bond issuance	47,900	47,934	34	138,977
Premium on refunding bond issue	-	-	-	64,310
Payment to refunded bond escrow agent	-	-	-	(635,487)
Transfers in	1,543,870	2,050,776	506,906	572,367
Transfers (out)	(760,590)	(872,503)	(111,913)	(737,379)
TOTAL OTHER FINANCING SOURCES (USES)	1,155,050	1,766,207	611,157	796,088
CHANGES IN FUND BALANCE	(168,285)	852,894	1,021,179	(201,208)
Fund balance, beginning of year	356,031	356,031	-	557,239
FUND BALANCE, END OF YEAR	\$ 187,746	\$ 1,208,925	\$ 1,021,179	\$ 356,031

CITY OF MARQUETTE, MICHIGAN

CONSTRUCTION FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 3,686,705	\$ -
Due from other authorities	47,741	2,276,581
Prepaid expenditures	-	-
TOTAL ASSETS	3,734,446	2,276,581
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,734,446	\$ 2,276,581
LIABILITIES		
Cash overdraft	\$ -	\$ 352,744
Accounts payable	1,438,521	905,862
Accrued wages payable	377	-
TOTAL LIABILITIES	1,438,898	1,258,606
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Non-spendable	-	-
Assigned	2,295,548	1,017,975
TOTAL FUND BALANCE	2,295,548	1,017,975
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 3,734,446	\$ 2,276,581

CITY OF MARQUETTE, MICHIGAN

CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 6,107	\$ 6,107	\$ 1,395
Sale of capital assets	-	-	-	-
Reimbursements	1,321,768	2,291,797	970,029	1,791,882
Private contributions	2,700,000	2,700,000	-	-
Other revenues	-	-	-	-
TOTAL REVENUES	4,021,768	4,997,904	976,136	1,793,277
EXPENDITURES:				
Capital Outlay:				
Construction	4,021,768	3,714,179	307,589	1,785,782
Public Works:				
Other supplies and charges	-	6,152	(6,152)	6,100
Total Capital Outlay	4,021,768	3,720,331	301,437	1,791,882
TOTAL EXPENDITURES	4,021,768	3,720,331	301,437	1,791,882
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	1,277,573	1,277,573	1,395
OTHER FINANCING SOURCES (USES):				
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	1,277,573	1,277,573	1,395
Fund balance, beginning of year	1,017,975	1,017,975	-	1,016,580
FUND BALANCE, END OF YEAR	\$ 1,017,975	\$ 2,295,548	\$ 1,277,573	\$ 1,017,975

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS

The function of the Special Revenue Funds is to record revenue and expenditures for specific functions or activities within restrictions imposed by City Charter, ordinances, resolutions and/or Federal and State statutes. The modified accrual basis of accounting is used in recording Special Revenue Fund transactions.

PUBLIC ART FUND: The City of Marquette accepts responsibility for developing a public art investment policy to expand the opportunity for its citizens to experience art in public places. The Public Art Fund (PAF) is a dedicated fund to support the inclusion of works of art in public spaces in the City. As a special revenue fund, public art funding is deposited, transferred and used for the acquisition, commissioning, performance, exhibition and cleaning, repair, and restoration of public art.

SANITATION FUND: To account for revenues and expenditures associated with recycling services, waste management services, and landfill usage.

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND: The Local Development Finance Authority is a public authority of the City of Marquette created pursuant to the provisions of the Local Development Financing Act, Public Act 281 of 1986. Act 281 as amended, allows LDFA's to capture tax increments to invest in activities which create and maintain jobs as well as promote growth in the tax base of the City.

PUBLIC EDUCATION GOVERNMENT (PEG) FUND: To account for funds received through cable television franchise agreement that facilitate the broadcasting of government information to the public.

DRUG FORFEITURE FUND: To account for assets seized from activities involved in the violation of controlled substances statutes, Act 135 PA 1985 (MCL 333.7521 through MCL 333.7524a). Authorized expenditures include expenses of seizure, forfeiture and sale of property. The balance remaining must be used to enhance law enforcement efforts.

MSHDA DOWNTOWN RENTAL FUND: To account for the expenditures and revenues associated with the Michigan State Housing Development Authority Downtown Rental grant.

ROAD MAINTENANCE FUND: Eagle Mine is the owner and developer of a metallic mineral mine facility in Michigamme Township, Marquette County, Michigan. Eagle Mine utilizes certain streets in the City for transportation of its ore. Mining, timber and other trucking in the City requires ongoing repairs, safety modifications and capital improvements to City streets along this route. The parties have reached an agreement whereby Eagle Mine will provide \$500,000 to the City of Marquette for the maintenance expenses incurred, or to be incurred, as a result of the maintenance operations described above as a public benefit, and the City shall allow and not impede access to the route by Eagle Mine trucks.

ROAD SAFETY IMPROVEMENT FUND: Development and maintenance of annual safety plan for the Lundin Trucking Corridor. Coordinate multiple stakeholder interest in planning effort. Ensure planning efforts are implemented along the corridor dependent on funding.

CRIMINAL JUSTICE TRAINING FUND: To account for the funds received from the State of Michigan for the purpose of ongoing training in the police department.

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)

SENIOR SERVICES FUND: A new fund that began July 1, 2009 subsequent to the passing of a millage designation. Activity was previously recorded as "Social Services" in the General fund. To record revenues and expenditures associated with providing social services and homemaker services to senior residents of the community.

LAKEVIEW ARENA FUND: To record revenues and expenditures associated with the operation of the Lakeview Arena facility.

DEBT SERVICE FUNDS

The function of the Debt Service Funds is to account for the accumulation of resources and payment of general obligation principal and interest from the governmental resources. The modified accrual basis of accounting is used in recording Debt Service Fund transactions.

HIGH STREET DEBT SERVICE FUND: This fund was established in 2007 to account for the annual payments on the funds received through the State Revolving Loan Fund.

2011 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2011 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2011. These bonds, totaling \$2,690,000 were issued for the purpose of paying the costs of capital improvement items in the City including major and local street improvements, construction of the Lake Street Bike Path and the construction and installation of sanitary sewer lateral replacements.

2012 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2012 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2012. These bonds, totaling \$3,765,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, construction improvements to the Mattson Park Lift Station, and the construction and installation of sanitary sewer lateral replacements.

2013 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established to account for the retirement of the Limited Tax General Obligation Bonds, Series 2013. These bonds, totaling \$3,470,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, construction and installation of sanitary sewer lateral replacements, and bridge repairs.

2014 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2014 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2014. These bonds, totaling \$3,620,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, the construction and installation of sanitary sewer lateral replacements, the Carp River sanitary sewer crossing, and improvements to the marina and park systems.

2015 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2015 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2015. These bonds, totaling \$2,250,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, acquisition and construction of park, sewer lift station and marina improvements; acquisition and installation of water membranes for the water supply system; water main improvements; and construction and installation of sanitary sewer lateral replacements and sewer pipe.

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)

2016 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2016 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2016. These bonds, totaling \$9,505,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the construction and installation of sanitary sewer lateral replacements.

2017 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2017 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2017. These bonds, totaling \$12,185,000 were issued for the purpose of paying the costs of certain capital improvements including major street and local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; reconstruction of a pathway bridge; construction and installation of sanitary sewer lateral replacements and sewer pipe; acquisition and installation of boiler replacements at various City buildings, and to refund the 2009 Capital Improvement Bonds.

2018 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2018 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2018. These bonds, totaling \$6,440,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, sidewalk extensions and improvements, Picnic Rocks parking lot & Shiras Park repairs, Presque Isle Band Shell gravel road upgrade and Eagle Drive paving.

2019 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2019 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2019. These bonds, totaling \$4,565,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and Presque Isle Marina dock improvements.

2020 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2020 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2020. These bonds, totaling \$4,935,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the Lakeshore Blvd Relocation Project.

2021 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2021 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2021. These bonds, totaling \$7,660,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the Lakeshore Blvd Relocation Project, and to refund the 2011 and 2012 Capital Improvement Bonds.

PERMANENT FUNDS

The function of Permanent Funds is to account for funds where only the interest earnings may be used. The principal cannot be spent. The accrual basis of accounting is used in recording Permanent Fund transactions.

CEMETERY FUND: this fund is used to account for monies received for care of cemetery lots. The principal amount must be maintained intact and invested. Interest earnings are used to offset the City's cost of the cemetery maintenance.

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2022

	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total
ASSETS				
Cash and cash equivalents	\$ 6,529,255	\$ -	\$ 412,303	\$ 6,941,558
Investments	-	-	547,301	547,301
Taxes receivable	8,857	-	-	8,857
Accounts receivable	322,295	-	-	322,295
Due from other authorities	-	-	-	-
Due from other funds	-	-	-	-
Due from State	253,996	-	-	253,996
Prepaid expenditures	22,557	-	-	22,557
TOTAL ASSETS	7,136,960	-	959,604	8,096,564
DEFERRED OUTFLOWS OR RESOURCES	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 7,136,960	\$ -	\$ 959,604	\$ 8,096,564
LIABILITIES				
Cash overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable	718,605	-	-	718,605
Accrued wages payable	14,325	-	-	14,325
Accrued compensated absences	3,726	-	-	3,726
TOTAL LIABILITIES	736,656	-	-	736,656
DEFERRED INFLOWS OR RESOURCES	1,482,093	-	-	1,482,093
FUND BALANCE				
Non-spendable	21,898	-	959,604	981,502
Restricted	3,711,047	-	-	3,711,047
Committed	28,759	-	-	28,759
Assigned	1,156,507	-	-	1,156,507
TOTAL FUND BALANCE	4,918,211	-	959,604	5,877,815
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 7,136,960	\$ -	\$ 959,604	\$ 8,096,564

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total
REVENUES:				
Taxes and penalties	\$ 1,493,053	\$ -	\$ -	\$ 1,493,053
State sources	321,404	-	-	321,404
Charge for services	2,812,093	-	22,500	2,834,593
Use and admission fees	437,372	-	-	437,372
Rentals	67,587	-	-	67,587
Licenses and permits	-	-	-	-
Fines and forfeiture	162,762	-	-	162,762
Sales of assets	-	-	-	-
Reimbursements	3,498	-	-	3,498
Investment income	13,177	-	709	13,886
Payment in lieu of taxes	-	-	-	-
Private contribution	829,357	-	-	829,357
Intergovernmental revenues	409,060	-	-	409,060
Special assessments	-	-	-	-
Other revenues	14,065	-	-	14,065
TOTAL REVENUES	6,563,428	-	23,209	6,586,637
EXPENDITURES:				
Current operations:				
General government	1,280,339	-	-	1,280,339
Public health and safety	76,334	-	-	76,334
Public works	-	-	-	-
Social services	859,689	-	-	859,689
Sanitation services	2,677,639	-	-	2,677,639
Community services	713,952	-	-	713,952
Capital outlay	394,480	-	-	394,480
Debt service:				
Professional services	-	-	-	-
Principal payments	-	2,109,942	-	2,109,942
Interest and fiscal charges	-	581,602	-	581,602
TOTAL EXPENDITURES	6,002,433	2,691,544	-	8,693,977
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	560,995	(2,691,544)	23,209	(2,107,340)
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers in	522,085	2,691,544	-	3,213,629
Transfers (out)	(566,225)	-	(709)	(566,934)
TOTAL OTHER FINANCING SOURCES (USES)	(44,140)	2,691,544	(709)	2,646,695
CHANGES IN FUND BALANCE	516,855	-	22,500	539,355
Fund balance, beginning of year	4,401,356	-	937,104	5,338,460
FUND BALANCE, END OF YEAR	\$ 4,918,211	\$ -	\$ 959,604	\$ 5,877,815

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

September 30, 2022

	Public Art Fund	Sanitation Fund	Local Development Finance Authority Fund	Public Education Government (PEG) Fund	Drug Forfeiture Fund	MSHDA Downtown Rental Fund	Road Maintenance Fund	Road Safety Improvement Fund	Criminal Justice Training Fund	Senior Services Fund	Lakeview Arena Fund	Total
ASSETS												
Cash and cash equivalents	\$ 138,133	\$ 917,779	\$ 1,315,384	\$ 11,574	\$ 104,535	\$ -	\$ 1,734,776	\$ 1,209,156	\$ 1,292	\$ 848,868	\$ 247,758	\$ 6,529,255
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-	8,857	-	8,857
Accounts receivable	-	311,660	-	5,496	-	-	-	-	-	2,079	3,060	322,295
Due from other authorities	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from State	-	247,499	-	-	-	-	-	-	2,078	4,419	-	253,996
Prepaid expenditures	-	-	-	-	-	-	-	-	659	1,231	20,667	22,557
TOTAL ASSETS	138,133	1,476,938	1,315,384	17,070	104,535	-	1,734,776	1,209,156	4,029	865,454	271,485	7,136,960
DEFERRED OUTFLOWS OR RESOURCES	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 138,133	\$ 1,476,938	\$ 1,315,384	\$ 17,070	\$ 104,535	\$ -	\$ 1,734,776	\$ 1,209,156	\$ 4,029	\$ 865,454	\$ 271,485	\$ 7,136,960
LIABILITIES												
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	18,070	609,746	-	-	-	-	33,357	-	-	12,824	44,608	718,605
Accrued wages payable	-	1,786	-	-	-	-	-	-	-	9,852	2,687	14,325
Accrued compensated absences	-	-	-	-	-	-	-	-	-	-	3,726	3,726
TOTAL LIABILITIES	18,070	611,532	-	-	-	-	33,357	-	-	22,676	51,021	736,656
DEFERRED INFLOWS OR RESOURCES												
Taxes levied for a subsequent period	-	-	1,207,806	-	-	-	-	-	-	274,287	-	1,482,093
FUND BALANCE												
Non-spendable	-	-	-	-	-	-	-	-	-	1,231	20,667	21,898
Restricted	-	-	107,578	17,070	104,535	-	1,701,419	1,209,156	4,029	567,260	-	3,711,047
Committed	-	-	-	-	-	-	-	-	-	-	28,759	28,759
Assigned	120,063	865,406	-	-	-	-	-	-	-	-	171,038	1,156,507
TOTAL FUND BALANCE	120,063	865,406	107,578	17,070	104,535	-	1,701,419	1,209,156	4,029	568,491	220,464	4,918,211
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 138,133	\$ 1,476,938	\$ 1,315,384	\$ 17,070	\$ 104,535	\$ -	\$ 1,734,776	\$ 1,209,156	\$ 4,029	\$ 865,454	\$ 271,485	\$ 7,136,960

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

	Public Art Fund	Sanitation Fund	Local Development Finance Authority Fund	Public Education Government (PEG) Fund	Drug Forfeiture Fund	MSHDA Downtown Rental Fund	Road Maintenance Fund	Road Safety Improvement Fund	Criminal Justice Training Fund	Senior Services Fund	Lakeview Arena Fund	Total
REVENUES:												
Taxes and penalties	\$ -	\$ -	\$ 1,271,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,621	\$ -	\$ 1,493,053
State sources	-	247,499	-	-	-	-	-	-	4,006	69,899	-	321,404
Charge for services	-	2,779,306	-	21,887	-	-	-	-	-	-	10,900	2,812,093
Use and admission fees	-	-	-	-	-	-	-	-	-	-	437,372	437,372
Rentals	-	-	-	-	-	-	-	-	-	-	67,587	67,587
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeiture	-	-	-	-	162,762	-	-	-	-	-	-	162,762
Sales of assets	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-	-	3,498	3,498
Investment income	348	2,067	1,416	36	193	-	4,099	2,857	3	1,846	312	13,177
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-	-	-
Private contribution	-	91,541	-	-	-	-	500,000	200,000	-	37,816	-	829,357
Intergovernmental revenues	-	-	-	-	-	-	-	-	-	409,060	-	409,060
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	-	2,019	-	-	-	-	-	-	-	12,038	8	14,065
TOTAL REVENUES	348	3,122,432	1,272,848	21,923	162,955	-	504,099	202,857	4,009	752,280	519,677	6,563,428
EXPENDITURES:												
Current operations:												
General government	-	-	1,277,187	3,152	-	-	-	-	-	-	-	1,280,339
Public health and safety	-	-	-	-	73,806	-	-	-	2,528	-	-	76,334
Public works	-	-	-	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-	859,689	-	859,689
Sanitation services	-	2,677,639	-	-	-	-	-	-	-	-	-	2,677,639
Community services	23,635	-	-	-	-	-	-	-	-	-	690,317	713,952
Capital outlay	-	342,546	-	-	-	-	51,934	-	-	-	-	394,480
Debt service:												
Professional services	-	-	-	-	-	-	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	23,635	3,020,185	1,277,187	3,152	73,806	-	51,934	-	2,528	859,689	690,317	6,002,433
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,287)	102,247	(4,339)	18,771	89,149	-	452,165	202,857	1,481	(107,409)	(170,640)	560,995
OTHER FINANCING SOURCES (USES):												
Bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	30,420	-	-	-	-	-	-	-	-	-	491,665	522,085
Transfers (out)	-	-	-	(14,000)	-	-	(212,004)	(23,556)	-	-	(316,665)	(566,225)
TOTAL OTHER FINANCING SOURCES (USES)	30,420	-	-	(14,000)	-	-	(212,004)	(23,556)	-	-	175,000	(44,140)
CHANGES IN FUND BALANCE	7,133	102,247	(4,339)	4,771	89,149	-	240,161	179,301	1,481	(107,409)	4,360	516,855
Fund balance, beginning of year	112,930	763,159	111,917	12,299	15,386	-	1,461,258	1,029,855	2,548	675,900	216,104	4,401,356
FUND BALANCE, END OF YEAR	\$ 120,063	\$ 865,406	\$ 107,578	\$ 17,070	\$ 104,535	\$ -	\$ 1,701,419	\$ 1,209,156	\$ 4,029	\$ 568,491	\$ 220,464	\$ 4,918,211

CITY OF MARQUETTE, MICHIGAN

PUBLIC ART FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 138,133	\$ 112,930
Accounts receivable	-	-
Due from other funds	-	-
TOTAL ASSETS	138,133	112,930
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 138,133	\$ 112,930
LIABILITIES		
Accounts payable	\$ 18,070	\$ -
Accrued wages payable	-	-
TOTAL LIABILITIES	18,070	-
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Assigned	120,063	112,930
TOTAL FUND BALANCE	120,063	112,930
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 138,133	\$ 112,930

CITY OF MARQUETTE, MICHIGAN

PUBLIC ART FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	348	348	201
Other revenues	-	-	-	-
TOTAL REVENUES	-	348	348	201
EXPENDITURES:				
Community Services:				
Personnel services	-	-	-	-
Supplies and contractual	30,420	23,635	6,785	700
Total Community Services	30,420	23,635	6,785	700
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	30,420	23,635	6,785	700
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,420)	(23,287)	7,133	(499)
OTHER FINANCING SOURCES (USES):				
Transfers in	30,420	30,420	-	31,960
TOTAL OTHER FINANCING SOURCES (USES)	30,420	30,420	-	31,960
CHANGES IN FUND BALANCE	-	7,133	7,133	31,461
Fund balance, beginning of year	112,930	112,930	-	81,469
FUND BALANCE, END OF YEAR	\$ 112,930	\$ 120,063	\$ 7,133	\$ 112,930

CITY OF MARQUETTE, MICHIGAN

SANITATION FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 917,779	\$ 715,952
Accounts receivable	311,660	234,152
Due from State	<u>247,499</u>	<u>-</u>
TOTAL ASSETS	<u>1,476,938</u>	<u>950,104</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 1,476,938</u></u>	<u><u>\$ 950,104</u></u>
LIABILITIES		
Accounts payable	\$ 609,746	\$ 184,282
Accrued wages payable	<u>1,786</u>	<u>2,663</u>
TOTAL LIABILITIES	<u>611,532</u>	<u>186,945</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Assigned	<u>865,406</u>	<u>763,159</u>
TOTAL FUND BALANCE	<u>865,406</u>	<u>763,159</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,476,938</u></u>	<u><u>\$ 950,104</u></u>

CITY OF MARQUETTE, MICHIGAN

SANITATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
State sources	\$ 251,000	\$ 247,499	\$ (3,501)	\$ -
Charges for services	2,781,980	2,779,306	(2,674)	2,467,997
Investment income	300	2,067	1,767	1,095
Private contribution	93,000	91,541	(1,459)	-
Other revenues	5,000	2,019	(2,981)	3,852
TOTAL REVENUES	3,131,280	3,122,432	(8,848)	2,472,944
EXPENDITURES:				
Sanitation Services:				
Personnel services	292,040	295,870	(3,830)	241,722
Supplies and contractual	2,495,240	2,381,769	113,471	2,101,231
Other supplies and charges	-	-	-	-
Total Sanitation Services	<u>2,787,280</u>	<u>2,677,639</u>	<u>109,641</u>	<u>2,342,953</u>
Capital outlay	344,000	342,546	1,454	-
TOTAL EXPENDITURES	3,131,280	3,020,185	111,095	2,342,953
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	102,247	102,247	129,991
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	102,247	102,247	129,991
Fund balance, beginning of year	763,159	763,159	-	633,168
FUND BALANCE, END OF YEAR	\$ 763,159	\$ 865,406	\$ 102,247	\$ 763,159

CITY OF MARQUETTE, MICHIGAN

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,315,384	\$ 1,019,418
Taxes receivable	-	23,079
Accounts receivable	-	-
	<u>1,315,384</u>	<u>1,042,497</u>
TOTAL ASSETS	<u>1,315,384</u>	<u>1,042,497</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 1,315,384</u></u>	<u><u>\$ 1,042,497</u></u>
LIABILITIES		
Accounts payable	\$ -	\$ -
Accrued wages payable	-	-
	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	<u>1,207,806</u>	<u>930,580</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,207,806</u>	<u>930,580</u>
FUND BALANCE		
Restricted	<u>107,578</u>	<u>111,917</u>
TOTAL FUND BALANCE	<u>107,578</u>	<u>111,917</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,315,384</u></u>	<u><u>\$ 1,042,497</u></u>

CITY OF MARQUETTE, MICHIGAN

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Taxes and penalties	\$ 1,277,190	\$ 1,271,432	\$ (5,758)	\$ 1,004,187
Investment income	-	1,416	1,416	358
Other revenues	-	-	-	198
TOTAL REVENUES	<u>1,277,190</u>	<u>1,272,848</u>	<u>(4,342)</u>	<u>1,004,743</u>
EXPENDITURES:				
General Government:				
Supplies and contractual	<u>1,277,190</u>	<u>1,277,187</u>	<u>3</u>	<u>1,001,780</u>
TOTAL EXPENDITURES	<u>1,277,190</u>	<u>1,277,187</u>	<u>3</u>	<u>1,001,780</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(4,339)</u>	<u>(4,339)</u>	<u>2,963</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,000)</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>(4,339)</u>	<u>(4,339)</u>	<u>(46,037)</u>
Fund balance, beginning of year	<u>111,917</u>	<u>111,917</u>	<u>-</u>	<u>157,954</u>
FUND BALANCE, END OF YEAR	<u>\$ 111,917</u>	<u>\$ 107,578</u>	<u>\$ (4,339)</u>	<u>\$ 111,917</u>

CITY OF MARQUETTE, MICHIGAN

PUBLIC EDUCATION GOVERNMENT (PEG) FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 11,574	\$ 6,635
Accounts receivable	5,496	5,664
Prepaid expenditures	-	-
TOTAL ASSETS	<u>17,070</u>	<u>12,299</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 17,070</u></u>	<u><u>\$ 12,299</u></u>
LIABILITIES		
Cash overdraft	\$ -	\$ -
Accounts payable	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	-	-
Restricted	<u>17,070</u>	<u>12,299</u>
TOTAL FUND BALANCE	<u>17,070</u>	<u>12,299</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 17,070</u></u>	<u><u>\$ 12,299</u></u>

CITY OF MARQUETTE, MICHIGAN

PUBLIC EDUCATION GOVERNMENT (PEG) FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Charges for services	\$ 21,000	\$ 21,887	\$ 887	\$ 22,277
Investment income	-	36	36	22
Other revenues	-	-	-	-
TOTAL REVENUES	21,000	21,923	923	22,299
EXPENDITURES:				
General Government:				
Supplies and contractual	7,000	3,152	3,848	3,779
Other supplies and charges	-	-	-	-
Total General Government	7,000	3,152	3,848	3,779
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	7,000	3,152	3,848	3,779
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14,000	18,771	4,771	18,520
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers (out)	(14,000)	(14,000)	-	(17,300)
TOTAL OTHER FINANCING SOURCES (USES)	(14,000)	(14,000)	-	(17,300)
CHANGES IN FUND BALANCE	-	4,771	4,771	1,220
Fund balance, beginning of year	12,299	12,299	-	11,079
FUND BALANCE, END OF YEAR	\$ 12,299	\$ 17,070	\$ 4,771	\$ 12,299

CITY OF MARQUETTE, MICHIGAN

DRUG FORFEITURE FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 104,535	\$ 15,386
Accounts receivable	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>104,535</u>	<u>15,386</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 104,535</u></u>	<u><u>\$ 15,386</u></u>
LIABILITIES		
Cash overdraft	\$ -	\$ -
Accounts payable	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>104,535</u>	<u>15,386</u>
TOTAL FUND BALANCE	<u>104,535</u>	<u>15,386</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 104,535</u></u>	<u><u>\$ 15,386</u></u>

CITY OF MARQUETTE, MICHIGAN

DRUG FORFEITURE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Fines and forfeiture	\$ 72,950	\$ 162,762	\$ 89,812	\$ -
Investment income	-	193	193	26
Other revenues	-	-	-	-
TOTAL REVENUES	72,950	162,955	90,005	26
EXPENDITURES:				
Public Health and Safety:				
Supplies and contractual	72,950	73,806	(856)	-
Other supplies and charges	-	-	-	-
Total Public Health and Safety	72,950	73,806	(856)	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	72,950	73,806	(856)	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	89,149	89,149	26
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	89,149	89,149	26
Fund balance, beginning of year	15,386	15,386	-	15,360
FUND BALANCE, END OF YEAR	\$ 15,386	\$ 104,535	\$ 89,149	\$ 15,386

CITY OF MARQUETTE, MICHIGAN

MSHDA DOWNTOWN RENTAL FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ -
Accounts receivable	-	-
Due from State	-	-
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>-</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
LIABILITIES		
Accounts payable	\$ -	\$ -
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	-	-
	<u> </u>	<u> </u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF MARQUETTE, MICHIGAN

MSHDA DOWNTOWN RENTAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Community Development:				
Other supplies and charges	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers (out)	-	-	-	(46,586)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(46,586)
CHANGES IN FUND BALANCE	-	-	-	(46,586)
Fund balance, beginning of year	-	-	-	46,586
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

ROAD MAINTENANCE FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,734,776	\$ 1,461,258
Accounts receivable	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>1,734,776</u>	<u>1,461,258</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 1,734,776</u></u>	<u><u>\$ 1,461,258</u></u>
LIABILITIES		
Accounts payable	<u>\$ 33,357</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>33,357</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>1,701,419</u>	<u>1,461,258</u>
TOTAL FUND BALANCE	<u>1,701,419</u>	<u>1,461,258</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,734,776</u></u>	<u><u>\$ 1,461,258</u></u>

CITY OF MARQUETTE, MICHIGAN

ROAD MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 4,099	\$ 4,099	\$ 2,446
Private contribution	500,000	500,000	-	500,000
Other revenues	-	-	-	-
TOTAL REVENUES	<u>500,000</u>	<u>504,099</u>	<u>4,099</u>	<u>502,446</u>
EXPENDITURES:				
Public Works:				
Personnel services	-	-	-	-
Supplies and contractual	287,990	-	287,990	-
Total Public Works	<u>287,990</u>	<u>-</u>	<u>287,990</u>	<u>-</u>
Capital outlay	-	51,934	(51,934)	-
TOTAL EXPENDITURES	<u>287,990</u>	<u>51,934</u>	<u>236,056</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>212,010</u>	<u>452,165</u>	<u>240,155</u>	<u>502,446</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(212,010)	(212,004)	6	(211,896)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(212,010)</u>	<u>(212,004)</u>	<u>6</u>	<u>(211,896)</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>240,161</u>	<u>240,161</u>	<u>290,550</u>
Fund balance, beginning of year	1,461,258	1,461,258	-	1,170,708
FUND BALANCE, END OF YEAR	<u>\$ 1,461,258</u>	<u>\$ 1,701,419</u>	<u>\$ 240,161</u>	<u>\$ 1,461,258</u>

CITY OF MARQUETTE, MICHIGAN
ROAD SAFETY IMPROVEMENT FUND
COMPARATIVE BALANCE SHEET
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,209,156	\$ 1,029,855
Accounts receivable	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>1,209,156</u>	<u>1,029,855</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 1,209,156</u></u>	<u><u>\$ 1,029,855</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>1,209,156</u>	<u>1,029,855</u>
TOTAL FUND BALANCE	<u>1,209,156</u>	<u>1,029,855</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,209,156</u></u>	<u><u>\$ 1,029,855</u></u>

CITY OF MARQUETTE, MICHIGAN

ROAD SAFETY IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 2,857	\$ 2,857	\$ 1,719
Private contribution	200,000	200,000	-	200,000
Other revenues	-	-	-	-
TOTAL REVENUES	200,000	202,857	2,857	201,719
EXPENDITURES:				
Public Works:				
Personnel services	-	-	-	-
Supplies and contractual	176,440	-	176,440	-
Total Public Works	176,440	-	176,440	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	176,440	-	176,440	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	23,560	202,857	179,297	201,719
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(23,560)	(23,556)	4	(23,544)
TOTAL OTHER FINANCING SOURCES (USES)	(23,560)	(23,556)	4	(23,544)
CHANGES IN FUND BALANCE	-	179,301	179,301	178,175
Fund balance, beginning of year	1,029,855	1,029,855	-	851,680
FUND BALANCE, END OF YEAR	\$ 1,029,855	\$ 1,209,156	\$ 179,301	\$ 1,029,855

CITY OF MARQUETTE, MICHIGAN

CRIMINAL JUSTICE TRAINING FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,292	\$ 257
Due from State	2,078	2,291
Prepaid expenditures	<u>659</u>	<u>-</u>
TOTAL ASSETS	<u>4,029</u>	<u>2,548</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 4,029</u></u>	<u><u>\$ 2,548</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>4,029</u>	<u>2,548</u>
TOTAL FUND BALANCE	<u>4,029</u>	<u>2,548</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 4,029</u></u>	<u><u>\$ 2,548</u></u>

CITY OF MARQUETTE, MICHIGAN

CRIMINAL JUSTICE TRAINING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
State sources	\$ 3,600	\$ 4,006	\$ 406	\$ 4,124
Investment income	-	3	3	-
Other revenues	-	-	-	-
TOTAL REVENUES	3,600	4,009	409	4,124
EXPENDITURES:				
Public Health and Safety:				
Supplies and contractual	3,600	2,528	1,072	4,134
Other supplies and charges	-	-	-	-
TOTAL EXPENDITURES	3,600	2,528	1,072	4,134
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	1,481	1,481	(10)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	1,481	1,481	(10)
Fund balance, beginning of year	2,548	2,548	-	2,558
FUND BALANCE, END OF YEAR	\$ 2,548	\$ 4,029	\$ 1,481	\$ 2,548

CITY OF MARQUETTE, MICHIGAN

SENIOR SERVICES FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 848,868	\$ 856,002
Taxes receivable	8,857	9,619
Accounts receivable	2,079	-
Due from State	4,419	-
Prepaid expenditures	<u>1,231</u>	<u>5,858</u>
TOTAL ASSETS	<u>865,454</u>	<u>871,479</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 865,454</u></u>	<u><u>\$ 871,479</u></u>
LIABILITIES		
Accounts payable	\$ 12,824	\$ 3,945
Accrued wages payable	<u>9,852</u>	<u>26,960</u>
TOTAL LIABILITIES	<u>22,676</u>	<u>30,905</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	<u>274,287</u>	<u>164,674</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>274,287</u>	<u>164,674</u>
FUND BALANCE		
Non-spendable	1,231	5,858
Restricted	<u>567,260</u>	<u>670,042</u>
TOTAL FUND BALANCE	<u>568,491</u>	<u>675,900</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 865,454</u></u>	<u><u>\$ 871,479</u></u>

CITY OF MARQUETTE, MICHIGAN

SENIOR SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Property Taxes:				
Real property tax	\$ 207,450	\$ 208,801	\$ 1,351	\$ 203,478
Personal property tax	22,400	12,349	(10,051)	7,259
Interest and penalty on taxes	200	394	194	496
Administrative collection fees	-	-	-	-
Total Property Taxes	230,050	221,544	(8,506)	211,233
Industrial Facilities Tax	100	77	(23)	4,035
State sources	74,780	69,899	(4,881)	76,715
Investment income	-	1,846	1,846	1,294
Private contribution	31,500	37,816	6,316	36,307
Intergovernmental revenues	410,790	409,060	(1,730)	398,331
Other revenues	500	12,038	11,538	12,038
TOTAL REVENUES	747,720	752,280	4,560	739,953
EXPENDITURES:				
Social Services:				
State Home Care Service:				
Personnel services	73,850	91,205	(17,355)	101,374
Supplies and contractual	12,040	12,592	(552)	15,015
Other supplies and charges	-	-	-	-
Total State Home Care Service	85,890	103,797	(17,907)	116,389
MCCOA - Allocation to Senior Services:				
Personnel services	683,590	638,943	44,647	537,148
Supplies and contractual	102,940	99,806	3,134	73,563
Other supplies and charges	42,000	17,143	24,857	11,771
Total MCCOA - allocation to Senior Services	828,530	755,892	72,638	622,482
TOTAL EXPENDITURES	914,420	859,689	54,731	738,871
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(166,700)	(107,409)	59,291	1,082
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	(166,700)	(107,409)	59,291	1,082
Fund balance, beginning of year	675,900	675,900	-	674,818
FUND BALANCE, END OF YEAR	\$ 509,200	\$ 568,491	\$ 59,291	\$ 675,900

CITY OF MARQUETTE, MICHIGAN

LAKEVIEW ARENA FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 247,758	\$ 239,878
Accounts receivable	3,060	2,511
Prepaid expenditures	<u>20,667</u>	<u>21,317</u>
TOTAL ASSETS	<u>271,485</u>	<u>263,706</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 271,485</u>	<u>\$ 263,706</u>
LIABILITIES		
Accounts payable	\$ 44,608	\$ 29,006
Accrued wages payable	2,687	14,956
Accrued compensated absences	<u>3,726</u>	<u>3,640</u>
TOTAL LIABILITIES	<u>51,021</u>	<u>47,602</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	20,667	21,317
Restricted	-	80,700
Committed	28,759	-
Assigned	<u>171,038</u>	<u>114,087</u>
TOTAL FUND BALANCE	<u>220,464</u>	<u>216,104</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 271,485</u>	<u>\$ 263,706</u>

CITY OF MARQUETTE, MICHIGAN

LAKEVIEW ARENA FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
State sources	\$ -	\$ -	\$ -	\$ -
Charges for services	11,600	10,900	(700)	5,897
Use and admission fees:				
Ice arena use	370,000	387,602	17,602	318,698
Arena events	54,000	49,770	(4,230)	7,430
Total use and admission fees	424,000	437,372	13,372	326,128
Rentals	58,860	67,587	8,727	40,627
Sale of assets	-	-	-	-
Reimbursements	-	3,498	3,498	3,459
Investment income	-	312	312	326
Other revenues	281,830	8	(281,822)	-
TOTAL REVENUES	776,290	519,677	(256,613)	376,437
EXPENDITURES:				
Community Services:				
Personnel services	246,820	174,978	71,842	155,409
Supplies and contractual	522,470	514,507	7,963	459,277
Other supplies and charges	7,000	832	6,168	-
Total Community Services	776,290	690,317	85,973	614,686
Capital outlay	-	-	-	120,072
TOTAL EXPENDITURES	776,290	690,317	85,973	734,758
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(170,640)	(170,640)	(358,321)
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Bond issuance expense	-	-	-	-
Transfers in	316,670	491,665	174,995	815,196
Transfers (out)	(316,670)	(316,665)	5	(296,321)
TOTAL OTHER FINANCING SOURCES (USES)	-	175,000	175,000	518,875
CHANGES IN FUND BALANCE	-	4,360	4,360	160,554
Fund balance, beginning of year	216,104	216,104	-	55,550
FUND BALANCE, END OF YEAR	\$ 216,104	\$ 220,464	\$ 4,360	\$ 216,104

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

September 30, 2022

	High Street Fund	2011 Capital Improve- ments Fund	2012 Capital Improve- ments Fund	2013 Capital Improve- ments Fund	2014 Capital Improve- ments Fund	2015 Capital Improve- ments Fund	2016 Capital Improve- ments Fund	2017 Capital Improve- ments Fund	2018 Capital Improve- ments Fund	2019 Capital Improve- ments Fund	2020 Capital Improve- ments Fund	2021 Capital Improve- ments Fund	Total
ASSETS													
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES													
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE													
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

	High Street Fund	2011 Capital Improve- ments Fund	2012 Capital Improve- ments Fund	2013 Capital Improve- ments Fund	2014 Capital Improve- ments Fund	2015 Capital Improve- ments Fund	2016 Capital Improve- ments Fund	2017 Capital Improve- ments Fund	2018 Capital Improve- ments Fund	2019 Capital Improve- ments Fund	2020 Capital Improve- ments Fund	2021 Capital Improve- ments Fund	Total
REVENUES:													
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-	-	-	-	-	-
EXPENDITURES:													
Debt Service:													
Professional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal payments	11,478	74,000	84,915	71,300	82,800	70,707	431,302	539,850	225,000	90,000	200,000	228,590	2,109,942
Interest and fiscal changes	1,376	1,480	1,273	15,180	31,212	9,152	95,126	172,457	68,650	33,450	84,400	67,846	581,602
TOTAL EXPENDITURES	12,854	75,480	86,188	86,480	114,012	79,859	526,428	712,307	293,650	123,450	284,400	296,436	2,691,544
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,854)	(75,480)	(86,188)	(86,480)	(114,012)	(79,859)	(526,428)	(712,307)	(293,650)	(123,450)	(284,400)	(296,436)	(2,691,544)
OTHER FINANCING SOURCES (USES):													
Transfers in	12,854	75,480	86,188	86,480	114,012	79,859	526,428	712,307	293,650	123,450	284,400	296,436	2,691,544
TOTAL OTHER FINANCING SOURCES (USES)	12,854	75,480	86,188	86,480	114,012	79,859	526,428	712,307	293,650	123,450	284,400	296,436	2,691,544
CHANGES IN FUND BALANCE	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

HIGH STREET - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	11,390	11,478	(88)	11,276
Interest and fiscal charges	1,470	1,376	94	1,559
TOTAL EXPENDITURES	12,860	12,854	6	12,835
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,860)	(12,854)	(6)	(12,835)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	400	401	1	401
Local Street Fund	12,460	12,453	(7)	12,434
TOTAL OTHER FINANCING SOURCES (USES)	12,860	12,854	(6)	12,835
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2011 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	74,000	74,000	-	72,000
Interest and fiscal charges	18,560	1,480	17,080	28,231
TOTAL EXPENDITURES	92,560	75,480	17,080	100,231
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(92,560)	(75,480)	(17,080)	(100,231)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	34,710	28,305	(6,405)	37,587
Local Street Fund	57,850	47,175	(10,675)	62,644
TOTAL OTHER FINANCING SOURCES (USES)	92,560	75,480	(17,080)	100,231
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2012 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	84,920	84,915	5	83,250
Interest and fiscal charges	18,310	1,273	17,037	27,926
TOTAL EXPENDITURES	103,230	86,188	17,042	111,176
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(103,230)	(86,188)	(17,042)	(111,176)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	930	776	(154)	1,001
Major Street and Trunkline Fund	36,890	30,800	(6,090)	39,730
Local Street Fund	65,410	54,612	(10,798)	70,445
TOTAL OTHER FINANCING SOURCES (USES)	103,230	86,188	(17,042)	111,176
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2013 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	71,300	71,300	-	69,750
Interest and fiscal charges	15,190	15,180	10	17,261
TOTAL EXPENDITURES	<u>86,490</u>	<u>86,480</u>	<u>10</u>	<u>87,011</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(86,490)</u>	<u>(86,480)</u>	<u>(10)</u>	<u>(87,011)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	53,010	53,004	(6)	53,329
Local Street Fund	33,480	33,476	(4)	33,682
TOTAL OTHER FINANCING SOURCES (USES)	<u>86,490</u>	<u>86,480</u>	<u>(10)</u>	<u>87,011</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2014 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	82,800	82,800	-	79,200
Interest and fiscal charges	31,220	31,212	8	33,642
TOTAL EXPENDITURES	114,020	114,012	8	112,842
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(114,020)	(114,012)	(8)	(112,842)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	38,000	38,004	4	37,614
Major Street and Trunkline Fund	25,340	25,336	(4)	25,076
Local Street Fund	47,510	47,505	(5)	47,017
Lakeview Arena Fund	3,170	3,167	(3)	3,135
TOTAL OTHER FINANCING SOURCES (USES)	114,020	114,012	(8)	112,842
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2015 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	70,710	70,707	3	69,107
Interest and fiscal charges	9,150	9,152	(2)	10,576
TOTAL EXPENDITURES	79,860	79,859	1	79,683
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(79,860)	(79,859)	(1)	(79,683)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	20,320	20,335	15	20,291
Local Street Fund	59,540	59,524	(16)	59,392
TOTAL OTHER FINANCING SOURCES (USES)	79,860	79,859	(1)	79,683
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2016 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	431,300	431,302	(2)	414,256
Interest and fiscal charges	95,130	95,126	4	111,696
TOTAL EXPENDITURES	526,430	526,428	2	525,952
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(526,430)	(526,428)	(2)	(525,952)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	316,780	316,779	(1)	315,467
Major Street and Trunkline Fund	70,760	70,759	(1)	70,991
Local Street Fund	138,890	138,890	-	139,494
TOTAL OTHER FINANCING SOURCES (USES)	526,430	526,428	(2)	525,952
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2017 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	539,850	539,850	-	510,860
Interest and fiscal charges	172,460	172,457	3	192,892
TOTAL EXPENDITURES	712,310	712,307	3	703,752
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(712,310)	(712,307)	(3)	(703,752)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	50,140	50,142	2	50,039
Major Street and Trunkline Fund	200,700	200,699	(1)	197,064
Local Street Fund	108,480	108,478	(2)	106,850
Road Maintenance Fund	212,000	212,004	4	211,896
Road Safety Fund	23,560	23,556	(4)	23,544
Lakeview Arena Fund	117,430	117,428	(2)	114,359
TOTAL OTHER FINANCING SOURCES (USES)	712,310	712,307	(3)	703,752
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2018 CAPITAL IMPROVEMENTS & MTF - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	225,000	225,000	-	220,000
Interest and fiscal charges	68,650	68,650	-	75,950
TOTAL EXPENDITURES	293,650	293,650	-	295,950
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(293,650)	(293,650)	-	(295,950)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	131,300	131,300	-	135,000
Major Street and Trunkline Fund	97,250	97,250	-	94,350
Local Street Fund	65,100	65,100	-	66,600
TOTAL OTHER FINANCING SOURCES (USES)	293,650	293,650	-	295,950
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2019 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	90,000	90,000	-	85,000
Interest and fiscal charges	33,450	33,450	-	36,075
TOTAL EXPENDITURES	123,450	123,450	-	121,075
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(123,450)	(123,450)	-	(121,075)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	14,500	14,500	-	14,800
Major Street and Trunkline Fund	67,550	67,550	-	63,975
Local Street Fund	41,400	41,400	-	42,300
TOTAL OTHER FINANCING SOURCES (USES)	123,450	123,450	-	121,075
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2020 CAPITAL IMPROVEMENTS & MTF - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	200,000	200,000	-	205,000
Interest and fiscal charges	84,400	84,400	-	79,224
TOTAL EXPENDITURES	284,400	284,400	-	284,224
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(284,400)	(284,400)	-	(284,224)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	34,600	34,600	-	34,069
Major Street and Trunkline Fund	135,200	135,200	-	132,644
Local Street Fund	93,200	93,200	-	96,522
Lakeview Arena Fund	21,400	21,400	-	20,989
TOTAL OTHER FINANCING SOURCES (USES)	284,400	284,400	-	284,224
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2021 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	228,590	228,590	-	-
Interest and fiscal charges	67,860	67,846	14	-
TOTAL EXPENDITURES	296,450	296,436	14	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(296,450)	(296,436)	(14)	-
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	790	819	29	-
Major Street and Trunkline Fund	124,960	124,927	(33)	-
Local Street Fund	170,700	170,690	(10)	-
TOTAL OTHER FINANCING SOURCES (USES)	296,450	296,436	(14)	-
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

CEMETERY FUND

COMPARATIVE BALANCE SHEET

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 412,303	\$ 389,513
Investments	547,301	547,591
Accounts receivable	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 959,604</u>	<u>\$ 937,104</u>
 FUND BALANCE		
Non-spendable	<u>\$ 959,604</u>	<u>\$ 937,104</u>

CITY OF MARQUETTE, MICHIGAN

CEMETERY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022	2021
REVENUES:		
Charges for services	\$ 22,500	\$ 51,100
Investment income	709	2,588
TOTAL REVENUES	23,209	53,688
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers (out)	(709)	(2,588)
TOTAL OTHER FINANCING SOURCES (USES)	(709)	(2,588)
CHANGES IN FUND BALANCE	22,500	51,100
Fund balance, beginning of year	937,104	886,004
FUND BALANCE, END OF YEAR	\$ 959,604	\$ 937,104

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CITY OF MARQUETTE, MICHIGAN
ENTERPRISE FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of the Enterprise Funds is to record the financing, acquisition, operation and maintenance of City activities that are predominantly self-supporting from user charges.

The accrual basis of accounting is used in recording Enterprise Fund transactions.

The Major Enterprise Funds of the City are the Water Supply Fund, the Sewage Disposal Fund, and the Stormwater Utility Fund. The Non-major Enterprise Funds of the City are the Tourist Park Fund, Lakeshore and Lighthouse Park Fund, Fuel System Fund, and the Marina Funds.

WATER SUPPLY FUND: To account for water treatment and distribution activities.

SEWAGE DISPOSAL FUND: To account for sewage disposal and sanitary sewer operations.

STORMWATER UTILITY FUND: To account for the management of stormwater related activities including billing, maintenance, and construction.

TOURIST PARK FUND: To account for the activity at the City operated camping and recreational park.

LAKESHORE and LIGHTHOUSE PARK FUND: To account for the revenue generated through rental of the Lakeshore property, the Captain's House, Barracks and revenue sharing with the Marquette Maritime Museum tours of the Lighthouse.

FUEL SYSTEM FUND: To account for the operation, maintenance and repair of the City fuel depot.

MARINA FUNDS: To account for activity at the City operated marinas.

CITY OF MARQUETTE, MICHIGAN

WATER SUPPLY FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,601,814	\$ 1,084,701
Accounts receivable	641,886	677,249
Special assessments receivable	2,341	2,341
Due from other governments	5,410	-
Inventory	-	-
Prepaid expense	35,539	44,440
TOTAL CURRENT ASSETS	2,286,990	1,808,731
Non-current Assets		
Restricted Assets:		
OPEB Reserve	136,419	168,722
Compensated absences reserve	238,980	249,158
Total Restricted Assets	375,399	417,880
Land and other non-depreciable assets	17,725	17,725
Construction in progress	80,261	929,225
Other capital assets, net of depreciation	23,949,132	24,075,803
TOTAL NON-CURRENT ASSETS	24,422,517	25,440,633
TOTAL ASSETS	26,709,507	27,249,364
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	75,953	99,837
Deferred outflows related to pension	457,388	386,854
Deferred outflows related to OPEB	5,429	25,111
TOTAL DEFERRED OUTFLOWS OF RESOURCES	538,770	511,802
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	105,913	124,097
Accrued wages payable	24,807	61,284
Customer deposits payable	-	-
Accrued interest payable	113,814	114,882
Current portion of long-term debt	1,157,231	1,171,690
TOTAL CURRENT LIABILITIES	1,401,765	1,471,953
Non-current Liabilities:		
Compensated absences	238,980	249,158
Other post-employment benefits (OPEB)	136,419	168,722
Net pension liability	2,801,112	2,978,724
Bonds payable	6,562,133	7,294,365
Loan payable	629,840	694,840
Unamortized bond premium	744,340	814,764
TOTAL NON-CURRENT LIABILITIES	11,112,824	12,200,573
TOTAL LIABILITIES	12,514,589	13,672,526
DEFERRED INFLOWS OF RESOURCES		
Special assessments	2,341	2,341
Deferred inflows related to pension	455,582	165,389
Deferred inflows related to OPEB	40,692	63,252
TOTAL DEFERRED INFLOWS OF RESOURCES	498,615	230,982
NET POSITION		
Net investment in capital assets	15,416,466	15,398,729
Restricted for:		
Capital outlay	386,939	251,798
Unrestricted	(1,568,332)	(1,792,869)
TOTAL NET POSITION	\$ 14,235,073	\$ 13,857,658

CITY OF MARQUETTE, MICHIGAN

WATER SUPPLY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 4,063,000	\$ 4,053,033	\$ (9,967)	\$ 3,795,031
Public authorities	109,000	109,081	81	111,272
Non-tax customers	1,400,000	1,374,928	(25,072)	1,215,330
City departments	76,000	157,888	81,888	154,956
Charges for services	25,000	11,545	(13,455)	8,477
Rentals	-	-	-	-
Reimbursements	-	4,792	4,792	5,214
Other revenues	33,000	95,196	62,196	82,347
TOTAL OPERATING REVENUES	5,706,000	5,806,463	100,463	5,372,627
OPERATING EXPENSES:				
Personnel services	1,823,830	1,650,263	173,567	1,423,927
Supplies and contractual	1,285,170	1,239,950	45,220	1,000,987
Capital outlay	-	-	-	-
Provision for depreciation	1,583,160	1,508,981	74,179	1,479,277
Other supplies and charges	636,460	637,488	(1,028)	663,576
TOTAL OPERATING EXPENSES	5,328,620	5,036,682	291,938	4,567,767
OPERATING INCOME (LOSS)	377,380	769,781	392,401	804,860
NON-OPERATING REVENUES (EXPENSES):				
Investment income	8,000	2,502	(5,498)	7,048
Interest expense	(227,400)	(235,790)	(8,390)	(257,975)
Bond issuance expense	-	(6,968)	(6,968)	(23,645)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(219,400)	(240,256)	(20,856)	(274,572)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	157,980	529,525	371,545	530,288
Federal grant - capital grant	-	9,938	9,938	5,373
State grant - capital grant	5,000	923	(4,077)	5,000
Transfers in	-	-	-	-
Transfers (out)	(162,980)	(162,971)	9	(147,267)
CHANGE IN NET POSITION	-	377,415	377,415	393,394
Net position, beginning of year	13,857,658	13,857,658	-	13,464,264
NET POSITION, END OF YEAR	\$ 13,857,658	\$ 14,235,073	\$ 377,415	\$ 13,857,658

CITY OF MARQUETTE, MICHIGAN

SEWAGE DISPOSAL FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,397,668	\$ 1,873,460
Accounts receivable	835,764	889,139
Special assessments receivable	2,341	2,341
Due from State	-	-
Inventory	46,695	194,171
Prepaid expense	36,550	46,189
TOTAL CURRENT ASSETS	4,319,018	3,005,300
Non-current Assets		
Restricted Assets:		
OPEB Reserve	96,215	118,998
Compensated absences reserve	71,249	72,153
Total Restricted Assets	<u>167,464</u>	<u>191,151</u>
Investment in Wastewater Facility	4,049,985	3,872,205
Land and other non-depreciable assets	20,594	20,594
Construction in progress	181,351	820,923
Other capital assets, net of depreciation	<u>20,607,990</u>	<u>20,333,999</u>
TOTAL NON-CURRENT ASSETS	25,027,384	25,238,872
TOTAL ASSETS	29,346,402	28,244,172
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	46,030	59,362
Deferred outflows related to pension	157,962	127,761
Deferred outflows related to OPEB	<u>3,829</u>	<u>17,711</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	207,821	204,834
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	1,463,629	1,216,168
Accrued wages payable	10,901	27,272
Customer deposits payable	-	-
Accrued interest payable	128,307	125,899
Current portion of long-term debt	<u>1,347,927</u>	<u>1,417,918</u>
TOTAL CURRENT LIABILITIES	2,950,764	2,787,257
Non-current Liabilities:		
Compensated absences	71,249	72,153
Other post-employment benefits (OPEB)	96,215	118,998
Net pension liability	1,769,113	1,845,161
Long term payable to other authorities	1,217,108	1,291,587
Bonds payable	7,371,244	7,904,171
Loan payable	812,484	1,087,484
Unamortized bond premium	<u>835,982</u>	<u>896,498</u>
TOTAL NON-CURRENT LIABILITIES	12,173,395	13,216,052
TOTAL LIABILITIES	15,124,159	16,003,309
DEFERRED INFLOWS OF RESOURCES		
Special assessments	2,341	2,341
Deferred inflows related to pension	139,290	15,038
Deferred inflows related to OPEB	<u>28,700</u>	<u>44,612</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	170,331	61,991
NET POSITION		
Net investment in capital assets	10,488,328	11,105,783
Restricted for:		
Capital outlay	-	1,176,976
Unrestricted	<u>3,771,405</u>	<u>100,947</u>
TOTAL NET POSITION	\$ 14,259,733	\$ 12,383,706

CITY OF MARQUETTE, MICHIGAN

SEWAGE DISPOSAL FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022		Variance with Final Budget Positive (Negative)	2021
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 5,910,000	\$ 5,851,415	\$ (58,585)	\$ 5,426,258
Public authorities	165,000	147,279	(17,721)	151,871
Non-tax customers	1,892,000	1,780,741	(111,259)	1,602,252
City departments	55,000	135,790	80,790	130,340
Charges for services	9,000	7,744	(1,256)	8,477
Rentals	1,000	1,000	-	1,000
Reimbursements	4,000	6,152	2,152	5,879
Other revenues	1,000	12,423	11,423	27,744
TOTAL OPERATING REVENUES	8,037,000	7,942,544	(94,456)	7,353,821
OPERATING EXPENSES:				
Personnel services	1,084,480	670,822	413,658	531,793
Supplies and contractual	4,756,510	3,509,029	1,247,481	3,421,610
Capital outlay	-	-	-	-
Provision for depreciation	1,268,420	1,205,688	62,732	1,159,148
Other supplies and charges	537,570	537,576	(6)	553,020
TOTAL OPERATING EXPENSES	7,646,980	5,923,115	1,723,865	5,665,571
OPERATING INCOME (LOSS)	390,020	2,019,429	1,629,409	1,688,250
NON-OPERATING REVENUES (EXPENSES):				
Investment income	3,000	5,544	2,544	3,430
Interest expense	(259,850)	(257,586)	2,264	(294,140)
Operating (loss) from Marquette Area				
Wastewater Treatment Facility	-	252,259	252,259	117,707
Bond issuance expense	-	(10,452)	(10,452)	(25,028)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(256,850)	(10,235)	246,615	(198,031)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	133,170	2,009,194	1,876,024	1,490,219
Federal grant - capital grant	-	-	-	-
State grant - capital grant	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(133,170)	(133,167)	3	(120,335)
CHANGE IN NET POSITION	-	1,876,027	1,876,027	1,369,884
Net position, beginning of year	12,383,706	12,383,706	-	11,013,822
NET POSITION, END OF YEAR	\$ 12,383,706	\$ 14,259,733	\$ 1,876,027	\$ 12,383,706

CITY OF MARQUETTE, MICHIGAN

STORMWATER UTILITY FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,764,911	\$ 1,056,995
Accounts receivable	76,518	70,218
Due from other governments	133,902	-
Inventory	-	-
Prepaid expense	101	157
TOTAL CURRENT ASSETS	<u>3,975,432</u>	<u>1,127,370</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	28,814	29,343
Total Restricted Assets	<u>28,814</u>	<u>29,343</u>
Construction in progress	446,960	900,774
Other capital assets, net of depreciation	<u>12,871,580</u>	<u>12,629,713</u>
TOTAL NON-CURRENT ASSETS	<u>13,347,354</u>	<u>13,559,830</u>
TOTAL ASSETS	<u>17,322,786</u>	<u>14,687,200</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	<u>34,183</u>	<u>41,169</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>34,183</u>	<u>41,169</u>
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	69,177	214,828
Accrued wages payable	4,253	8,241
Accrued interest payable	108,997	105,765
Current portion of long-term debt	<u>953,180</u>	<u>1,031,321</u>
TOTAL CURRENT LIABILITIES	<u>1,135,607</u>	<u>1,360,155</u>
Non-current Liabilities:		
Compensated absences	28,814	29,343
Bonds payable	9,022,253	6,795,432
Unamortized bond premium	<u>1,117,531</u>	<u>937,394</u>
TOTAL NON-CURRENT LIABILITIES	<u>10,168,598</u>	<u>7,762,169</u>
TOTAL LIABILITIES	<u>11,304,205</u>	<u>9,122,324</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	5,611,983	5,496,495
Restricted for:		
Capital outlay	3,352,224	688,986
Unrestricted	<u>(2,911,443)</u>	<u>(579,436)</u>
TOTAL NET POSITION	<u>\$ 6,052,764</u>	<u>\$ 5,606,045</u>

CITY OF MARQUETTE, MICHIGAN

STORMWATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 1,040,000	\$ 1,063,391	\$ 23,391	\$ 931,521
Public authorities	63,000	56,051	(6,949)	56,051
Non-tax customers	311,000	300,166	(10,834)	271,085
City departments	582,000	582,814	814	505,929
Reimbursements	-	775	775	719
Other revenues	-	2,534	2,534	1,800
TOTAL OPERATING REVENUES	1,996,000	2,005,731	9,731	1,767,105
OPERATING EXPENSES:				
Routine Maintenance and Administration:				
Personnel services	278,330	229,748	48,582	217,868
Supplies and contractual	468,940	165,675	303,265	192,714
Capital outlay	-	-	-	-
Provision for depreciation	1,067,450	1,058,481	8,969	984,185
Other supplies and charges	-	-	-	663
TOTAL OPERATING EXPENSES	1,814,720	1,453,904	360,816	1,395,430
OPERATING INCOME (LOSS)	181,280	551,827	370,547	371,675
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	2,250	2,250	1,189
Interest expense	(171,280)	(188,640)	(17,360)	(202,517)
Bond issuance expense	(10,000)	(61,549)	(51,549)	(32,004)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(181,280)	(247,939)	(66,659)	(233,332)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	-	303,888	303,888	138,343
Federal grant - capital grant	-	142,831	142,831	-
State grant - capital grant	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
CHANGE IN NET POSITION	-	446,719	446,719	138,343
Net position, beginning of year	5,606,045	5,606,045	-	5,467,702
NET POSITION, END OF YEAR	\$ 5,606,045	\$ 6,052,764	\$ 446,719	\$ 5,606,045

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
September 30, 2022

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 939,957	\$ 23,049	\$ 32,726	\$ 354,496	\$ 1,350,228
Due from State	-	-	-	-	-
Accounts receivable	-	8,897	22,980	126,848	158,725
Due from local units	-	-	486	-	486
Inventory	-	-	82,045	30,695	112,740
Prepaid expense	244	178	-	5,257	5,679
TOTAL CURRENT ASSETS	940,201	32,124	138,237	517,296	1,627,858
Non-current Assets:					
Restricted Assets:					
Replacement Maintenance Fund	-	-	-	40,000	40,000
Compensated absences reserve	2,096	-	-	-	2,096
Total Restricted Assets	2,096	-	-	40,000	42,096
Other capital assets, net of depreciation	295,112	1,103,114	216,080	2,700,998	4,315,304
Construction in progress	14,817	-	-	14,284	29,101
TOTAL NON-CURRENT ASSETS	312,025	1,103,114	216,080	2,755,282	4,386,501
TOTAL ASSETS	1,252,226	1,135,238	354,317	3,272,578	6,014,359
DEFERRED OUTFLOWS OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current Liabilities:					
Cash overdraft	-	-	-	-	-
Accounts payable	30,379	1,487	27,606	14,587	74,059
Accrued wages payable	3,060	68	-	1,564	4,692
Customer deposits payable	-	-	-	15,386	15,386
Accrued interest payable	-	9,814	-	10,708	20,522
Current portion of long-term debt	-	100,000	-	75,000	175,000
TOTAL CURRENT LIABILITIES	33,439	111,369	27,606	117,245	289,659
Non-current Liabilities:					
Compensated absences	2,096	-	-	-	2,096
Bonds payable	-	555,000	-	679,338	1,234,338
TOTAL NON-CURRENT LIABILITIES	2,096	555,000	-	679,338	1,236,434
TOTAL LIABILITIES	35,535	666,369	27,606	796,583	1,526,093
DEFERRED INFLOWS OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	309,929	597,045	216,080	1,960,944	3,083,998
Restricted for:					
Capital outlay	-	148,931	-	-	148,931
Unrestricted	906,762	(277,107)	110,631	515,051	1,255,337
TOTAL NET POSITION	\$ 1,216,691	\$ 468,869	\$ 326,711	\$ 2,475,995	\$ 4,488,266

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2022

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
OPERATING REVENUES:					
Charges for services	\$ 22,745	\$ 15,509	\$ -	\$ 7,980	\$ 46,234
Sales	26,202	-	482,198	121,847	630,247
Use and admission fees	443,981	20,700	-	46,205	510,886
Rentals	-	-	-	282,146	282,146
Fines and forfeiture	-	-	-	640	640
Reimbursements	687	-	-	118,916	119,603
Other revenues	371	-	32,097	3,239	35,707
TOTAL OPERATING REVENUES	493,986	36,209	514,295	580,973	1,625,463
OPERATING EXPENSES:					
Community Services:					
Personnel services	110,370	2,464	470	92,228	205,532
Supplies and contractual	241,211	48	492,783	241,338	975,380
Capital outlay	-	-	-	-	-
Provision for depreciation	14,846	46,196	15,434	150,553	227,029
Other supplies and charges	-	-	-	-	-
TOTAL OPERATING EXPENSES	366,427	48,708	508,687	484,119	1,407,941
OPERATING INCOME (LOSS)	127,559	(12,499)	5,608	96,854	217,522
NON-OPERATING REVENUES (EXPENSES):					
Investment income	2,190	208	204	18	2,620
Interest expense	-	(25,355)	-	(16,595)	(41,950)
Bond issuance expense	-	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,190	(25,147)	204	(16,577)	(39,330)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	129,749	(37,646)	5,812	80,277	178,192
Federal grant - capital grant	-	-	-	-	-
State grant - capital grant	45,000	-	-	-	45,000
Contributed capital	-	-	-	-	-
Transfers in	-	191,551	-	-	191,551
Transfers (out)	(9,749)	-	-	(14,983)	(24,732)
CHANGE IN NET POSITION	165,000	153,905	5,812	65,294	390,011
Net position, beginning of year	1,051,691	314,964	320,899	2,410,701	4,098,255
NET POSITION, END OF YEAR	\$ 1,216,691	\$ 468,869	\$ 326,711	\$ 2,475,995	\$ 4,488,266

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2022

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from fees and charges for services	\$ 22,745	\$ 27,312	\$ -	\$ (106,586)	\$ (56,529)
Other operating revenues	471,241	-	507,729	573,145	1,552,115
Cash payments to employees for services	(112,660)	(2,396)	(470)	(94,731)	(210,257)
Cash payments to suppliers for goods and services	(262,973)	(20,771)	(515,156)	(255,697)	(1,054,597)
NET CASH PROVIDED BY OPERATING ACTIVITIES	118,353	4,145	(7,897)	116,131	230,732
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Increase (decrease) in cash overdraft	-	-	-	-	-
Transfers in	-	191,551	-	-	191,551
Transfers (out)	(9,749)	-	-	(14,983)	(24,732)
State and Federal grants	-	-	-	-	-
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	(9,749)	191,551	-	(14,983)	166,819
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal payments on bonds	-	(95,000)	-	(75,000)	(170,000)
Interest paid on bonds	-	(26,641)	-	(26,826)	(53,467)
Proceeds from issuance of bonds	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Cash payments for bond issuance expenses	-	-	-	-	-
Cash payments for capital assets	(15,780)	(84,378)	-	(163,366)	(263,524)
State and Federal grants	45,000	-	-	-	45,000
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	29,220	(206,019)	-	(265,192)	(441,991)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	2,190	208	204	18	2,620
(Increase) decrease in restricted assets:					
Replacement maintenance reserve	-	-	-	-	-
Compensated absences reserve	(430)	-	-	-	(430)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,760	208	204	18	2,190
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	139,584	(10,115)	(7,693)	(164,026)	(42,250)
Cash and cash equivalents, beginning of year	800,373	33,164	40,419	518,522	1,392,478
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 939,957	\$ 23,049	\$ 32,726	\$ 354,496	\$ 1,350,228
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Capital distribution	\$ -	\$ -	\$ -	\$ -	\$ -
Capital contribution	-	-	-	-	-
TOTAL NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income	\$ 127,559	\$ (12,499)	\$ 5,608	\$ 96,854	\$ 217,522
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	14,846	46,196	15,434	150,553	227,029
Changes in assets and liabilities:					
(Increase) decrease in due from State	-	-	-	152	152
(Increase) decrease in accounts receivable	-	(8,897)	(15,399)	(114,637)	(138,933)
(Increase) decrease in due from local units	-	-	8,833	-	8,833
(Increase) decrease in inventory	-	-	(27,712)	(14,156)	(41,868)
(Increase) decrease in prepaid expenses	510	(178)	-	255	587
Increase (decrease) in accounts payable	(22,272)	(20,545)	5,339	(458)	(37,936)
Increase (decrease) in accrued wages payable	(2,720)	68	-	(2,503)	(5,155)
Increase (decrease) in customer deposits payable	-	-	-	71	71
Increase (decrease) in compensated absences	430	-	-	-	430
NET ADJUSTMENTS	(9,206)	16,644	(13,505)	19,277	13,210
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 118,353	\$ 4,145	\$ (7,897)	\$ 116,131	\$ 230,732

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - TOURIST PARK FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 939,957	\$ 800,373
Accounts receivable	-	-
Due from local units	-	-
Inventory	-	-
Prepaid expense	<u>244</u>	<u>754</u>
TOTAL CURRENT ASSETS	<u>940,201</u>	<u>801,127</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	<u>2,096</u>	<u>1,666</u>
Total Restricted Assets	<u>2,096</u>	<u>1,666</u>
Other capital assets, net of depreciation	295,112	282,077
Construction in progress	<u>14,817</u>	<u>26,918</u>
TOTAL NON-CURRENT ASSETS	<u>312,025</u>	<u>310,661</u>
TOTAL ASSETS	<u>1,252,226</u>	<u>1,111,788</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	30,379	52,651
Accrued wages payable	<u>3,060</u>	<u>5,780</u>
TOTAL CURRENT LIABILITIES	<u>33,439</u>	<u>58,431</u>
Non-current Liabilities:		
Compensated absences	<u>2,096</u>	<u>1,666</u>
TOTAL NON-CURRENT LIABILITIES	<u>2,096</u>	<u>1,666</u>
TOTAL LIABILITIES	<u>35,535</u>	<u>60,097</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	309,929	308,995
Restricted for:		
Capital outlay	-	-
Unrestricted	<u>906,762</u>	<u>742,696</u>
TOTAL NET POSITION	<u>\$ 1,216,691</u>	<u>\$ 1,051,691</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - TOURIST PARK FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 18,500	\$ 22,745	\$ 4,245	\$ 6,136
Sales	25,000	26,202	1,202	29,095
Use and admission fees	375,000	443,981	68,981	489,245
Reimbursements	-	687	687	-
Other revenues	-	371	371	-
TOTAL OPERATING REVENUES	418,500	493,986	75,486	524,476
OPERATING EXPENSES:				
Community Services:				
Personnel services	118,340	110,370	7,970	107,210
Supplies and contractual	187,240	241,211	(53,971)	265,880
Other supplies and charges	89,290	-	89,290	-
Capital outlay	-	-	-	-
Provision for depreciation	14,850	14,846	4	14,846
TOTAL OPERATING EXPENSES	409,720	366,427	43,293	387,936
OPERATING INCOME (LOSS)	8,780	127,559	118,779	136,540
NON-OPERATING REVENUES (EXPENSES):				
Investment income	970	2,190	1,220	1,283
TOTAL NON-OPERATING REVENUES (EXPENSES)	970	2,190	1,220	1,283
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	9,750	129,749	119,999	137,823
State grant - capital grant	-	45,000	45,000	-
Transfers in (out)	(9,750)	(9,749)	1	(8,809)
CHANGE IN NET POSITION	-	165,000	165,000	129,014
Net position, beginning of year	1,051,691	1,051,691	-	922,677
NET POSITION, END OF YEAR	\$ 1,051,691	\$ 1,216,691	\$ 165,000	\$ 1,051,691

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - LAKESHORE AND LIGHTHOUSE PARK FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 23,049	\$ 33,164
Accounts receivable	8,897	-
Due from local units	-	-
Inventory	-	-
Prepaid expense	178	-
	<u>32,124</u>	<u>33,164</u>
TOTAL CURRENT ASSETS	<u>32,124</u>	<u>33,164</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	<u>-</u>	<u>-</u>
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	1,103,114	1,064,932
Construction in progress	<u>-</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>1,103,114</u>	<u>1,064,932</u>
TOTAL ASSETS	<u>1,135,238</u>	<u>1,098,096</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	1,487	22,032
Accrued wages payable	68	-
Accrued interest payable	9,814	11,100
Current portion of long-term debt	<u>100,000</u>	<u>95,000</u>
TOTAL CURRENT LIABILITIES	<u>111,369</u>	<u>128,132</u>
Non-current Liabilities:		
Bonds payable	<u>555,000</u>	<u>655,000</u>
TOTAL NON-CURRENT LIABILITIES	<u>555,000</u>	<u>655,000</u>
TOTAL LIABILITIES	<u>666,369</u>	<u>783,132</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	597,045	546,867
Restricted for:		
Capital outlay	148,931	231,935
Unrestricted	<u>(277,107)</u>	<u>(463,838)</u>
TOTAL NET POSITION	<u>\$ 468,869</u>	<u>\$ 314,964</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - LAKESHORE AND LIGHTHOUSE PARK FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 81,860	\$ 15,509	\$ (66,351)	\$ 9,606
Use and admission fees	10,200	20,700	10,500	-
TOTAL OPERATING REVENUES	92,060	36,209	(55,851)	9,606
OPERATING EXPENSES:				
Community Services:				
Personnel services	2,720	2,464	256	-
Supplies and contractual	16,500	48	16,452	20,119
Capital outlay	-	-	-	-
Provision for depreciation	46,200	46,196	4	35,332
TOTAL OPERATING EXPENSES	65,420	48,708	16,712	55,451
OPERATING INCOME (LOSS)	26,640	(12,499)	(39,139)	(45,845)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	208	208	562
Interest expense	(26,640)	(25,355)	1,285	(28,386)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(26,640)	(25,147)	1,493	(27,824)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	-	(37,646)	(37,646)	(73,669)
Federal Grant - capital grant	-	-	-	352,778
Transfers in	-	191,551	191,551	24,702
CHANGE IN NET POSITION	-	153,905	153,905	303,811
Net position, beginning of year	314,964	314,964	-	11,153
NET POSITION, END OF YEAR	\$ 314,964	\$ 468,869	\$ 153,905	\$ 314,964

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - FUEL SYSTEM FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 32,726	\$ 40,419
Accounts receivable	22,980	7,581
Due from local units	486	9,319
Inventory	82,045	54,333
Prepaid expense	<u>-</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>138,237</u>	<u>111,652</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	<u>-</u>	<u>-</u>
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	<u>216,080</u>	<u>231,514</u>
TOTAL NON-CURRENT ASSETS	<u>216,080</u>	<u>231,514</u>
TOTAL ASSETS	<u>354,317</u>	<u>343,166</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Current Liabilities:		
Cash overdraft	<u>-</u>	<u>-</u>
Accounts payable	27,606	22,267
Accrued wages payable	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	<u>27,606</u>	<u>22,267</u>
Non-current Liabilities:		
Compensated absences	<u>-</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>27,606</u>	<u>22,267</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	216,080	231,514
Restricted for:		
Capital outlay	<u>-</u>	<u>-</u>
Unrestricted	<u>110,631</u>	<u>89,385</u>
TOTAL NET POSITION	<u><u>\$ 326,711</u></u>	<u><u>\$ 320,899</u></u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - FUEL SYSTEM FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	502,000	482,198	(19,802)	259,623
Use and admission fees	-	-	-	-
Reimbursements	-	-	-	-
Other revenues	38,120	32,097	(6,023)	27,987
TOTAL OPERATING REVENUES	540,120	514,295	(25,825)	287,610
OPERATING EXPENSES:				
Public Works:				
Personnel services	1,550	470	1,080	340
Supplies and contractual	514,500	492,783	21,717	269,480
Other supplies and charges	8,670	-	8,670	-
Capital outlay	-	-	-	-
Provision for depreciation	15,500	15,434	66	15,434
TOTAL OPERATING EXPENSES	540,220	508,687	31,533	285,254
OPERATING INCOME (LOSS)	(100)	5,608	5,708	2,356
NON-OPERATING REVENUES (EXPENSES):				
Contributed capital	-	-	-	-
Investment income	100	204	104	114
TOTAL NON-OPERATING REVENUES (EXPENSES)	100	204	104	114
CHANGE IN NET POSITION	-	5,812	5,812	2,470
Net position, beginning of year	320,899	320,899	-	318,429
NET POSITION, END OF YEAR	\$ 320,899	\$ 326,711	\$ 5,812	\$ 320,899

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - MARINAS FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 354,496	\$ 518,522
Due from State	-	152
Accounts receivable	126,848	12,211
Inventory	30,695	16,539
Prepaid expense	5,257	5,512
TOTAL CURRENT ASSETS	517,296	552,936
Non-current Assets		
Restricted Assets:		
Bond Reserve Fund	-	-
Bond and Interest Redemption Fund	-	-
Replacement Maintenance Fund	40,000	40,000
Total Restricted Assets	40,000	40,000
Other capital assets, net of depreciation	2,700,998	2,702,469
Construction in progress	14,284	-
TOTAL NON-CURRENT ASSETS	2,755,282	2,742,469
TOTAL ASSETS	3,272,578	3,295,405
DEFERRED OUTFLOWS OF RESOURCES	-	-
LIABILITIES		
Current Liabilities:		
Accounts payable	14,587	15,045
Accrued wages payable	1,564	4,067
Customer deposits payable	15,386	15,315
Accrued interest payable	10,708	11,646
Current portion of long-term debt	75,000	75,000
TOTAL CURRENT LIABILITIES	117,245	121,073
Non-current Liabilities:		
Bonds payable	605,000	680,000
Unamortized bond premium	74,338	83,631
TOTAL NON-CURRENT LIABILITIES	679,338	763,631
TOTAL LIABILITIES	796,583	884,704
DEFERRED INFLOWS OF RESOURCES	-	-
NET POSITION		
Net investment in capital assets	1,960,944	1,863,838
Restricted for:		
Capital outlay	-	-
Unrestricted	515,051	546,863
TOTAL NET POSITION	\$ 2,475,995	\$ 2,410,701

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - MARINAS FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 6,000	\$ 7,980	\$ 1,980	\$ 7,012
Sales	100,300	121,847	21,547	139,736
Use and admission fees	42,500	46,205	3,705	45,421
Rentals	278,000	282,146	4,146	290,464
Fines and forfeiture	500	640	140	1,240
Reimbursements	-	118,916	118,916	9,320
Other revenues	1,850	3,239	1,389	3,989
TOTAL OPERATING REVENUES	429,150	580,973	151,823	497,182
OPERATING EXPENSES:				
Community Services:				
Personnel services	121,310	92,228	29,082	84,720
Supplies and contractual	271,240	241,338	29,902	273,442
Capital outlay	-	-	-	-
Provision for depreciation	162,800	150,553	12,247	159,533
Other supplies and charges	98,210	-	98,210	-
TOTAL OPERATING EXPENSES	653,560	484,119	169,441	517,695
OPERATING INCOME (LOSS)	(224,410)	96,854	321,264	(20,513)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	18	18	986
Interest expense	(22,700)	(16,595)	6,105	(18,833)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(22,700)	(16,577)	6,123	(17,847)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(247,110)	80,277	327,387	(38,360)
Federal grant - capital grant	-	-	-	-
State grant - capital grant	262,100	-	(262,100)	-
Transfers in	-	-	-	-
Transfers (out)	(14,990)	(14,983)	7	(13,539)
CHANGE IN NET POSITION	-	65,294	65,294	(51,899)
Net position, beginning of year	2,410,701	2,410,701	-	2,462,600
NET POSITION, END OF YEAR	\$ 2,410,701	\$ 2,475,995	\$ 65,294	\$ 2,410,701

CITY OF MARQUETTE, MICHIGAN
INTERNAL SERVICE FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of the Internal Service Funds is to account for funds that are used to finance, administer and account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit or to other governmental units on a cost reimbursement basis.

TECHNOLOGY SERVICES FUND: To operate as a self-supporting fund, and will be responsible for evaluation, coordination, implementation, and support of technology services utilized in various departments of the City.

MUNICIPAL SERVICE CENTER FUND: To accumulate the expenses and revenues associated with the operation of the Municipal Service Center. Building space is rented to various funds based on a square foot occupancy rate.

MOTOR VEHICLE EQUIPMENT FUND: To operate as a self-supporting fund, and will be responsible for the maintenance and purchasing of vehicles and equipment utilized in various departments of the City.

ENERGY ENHANCEMENTS FUND: To accumulate the activity associated with the City's Energy Enhancement project. In FY'18, the City initiated an approximately \$28 million project that encompasses all City operations. The goal is that all costs will be recovered via savings in energy and other costs over the next 20 years.

CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

September 30, 2022

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,153,520	\$ 740,168	\$ 161	\$ 88,047	\$ 1,981,896
Due from State	-	-	-	-	-
Accounts receivable	1,791	1,450	2,697	-	5,938
Due from local units	-	-	-	-	-
Due from other authorities	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expense	6,941	16,253	891,050	-	914,244
TOTAL CURRENT ASSETS	1,162,252	757,871	893,908	88,047	2,902,078
Non-current Assets:					
Restricted Assets:					
Equipment reserve	-	-	-	-	-
OPEB reserve	12,648	6,322	79,953	-	98,923
Compensated absences reserve	18,454	-	72,976	-	91,430
Total Restricted Assets	31,102	6,322	152,929	-	190,353
Land and other non-depreciable assets	-	2,519,888	-	-	2,519,888
Other capital assets, net of depreciation / amortization	227,104	13,036,516	3,275,092	24,242,686	40,781,398
TOTAL NON-CURRENT ASSETS	258,206	15,562,726	3,428,021	24,242,686	43,491,639
TOTAL ASSETS	1,420,458	16,320,597	4,321,929	24,330,733	46,393,717
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	26,460	5,078	196,011	-	227,549
Deferred outflows related to OPEB	503	252	3,182	-	3,937
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,963	5,330	199,193	-	231,486
LIABILITIES					
Current Liabilities:					
Cash overdraft	-	-	199,626	-	199,626
Accounts payable	39,433	21,508	37,183	-	98,124
Accrued wages payable	4,103	284	9,984	-	14,371
Current portion of long-term debt	73,337	-	-	514,076	587,413
Accrued interest payable	-	-	-	-	-
TOTAL CURRENT LIABILITIES	116,873	21,792	246,793	514,076	899,534
Non-current Liabilities:					
Compensated absences	18,454	-	72,976	-	91,430
Other post employment benefits (OPEB)	12,648	6,322	79,953	-	98,923
Net pension liability	315,571	113,115	1,387,476	-	1,816,162
Lease payable	156,298	-	-	23,546,158	23,702,456
TOTAL NON-CURRENT LIABILITIES	502,971	119,437	1,540,405	23,546,158	25,708,971
TOTAL LIABILITIES	619,844	141,229	1,787,198	24,060,234	26,608,505
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	23,342	26,089	229,263	-	278,694
Deferred inflows related to OPEB	3,773	1,887	23,849	-	29,509
TOTAL DEFERRED INFLOWS OF RESOURCES	27,115	27,976	253,112	-	308,203
NET POSITION					
Net investment in capital assets	(2,531)	15,556,404	3,275,092	182,452	19,011,417
Restricted for:					
Capital outlay	-	-	-	-	-
Unrestricted	802,993	600,318	(794,280)	88,047	697,078
TOTAL NET POSITION	\$ 800,462	\$ 16,156,722	\$ 2,480,812	\$ 270,499	\$ 19,708,495

CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2022

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
OPERATING REVENUES:					
Charges for services	\$ 5,864	\$ -	\$ -	\$ -	\$ 5,864
Sales	-	-	-	-	-
Rentals	1,136,292	520,212	2,804,230	-	4,460,734
Reimbursements	213	2,090	67,993	-	70,296
Other revenues	1,833	14	28,360	-	30,207
TOTAL OPERATING REVENUES	1,144,202	522,316	2,900,583	-	4,567,101
OPERATING EXPENSES:					
Administrative and General:					
Personnel services	309,252	52,839	892,724	-	1,254,815
Supplies and contractual	563,684	425,514	1,530,339	-	2,519,537
Provision for depreciation / amortization	105,671	931,180	452,834	1,643,572	3,133,257
Other supplies and charges	-	-	-	-	-
Total Administrative and General	978,607	1,409,533	2,875,897	1,643,572	6,907,609
Capital outlay	-	-	8,585	-	8,585
TOTAL OPERATING EXPENSES	978,607	1,409,533	2,884,482	1,643,572	6,916,194
OPERATING INCOME (LOSS)	165,595	(887,217)	16,101	(1,643,572)	(2,349,093)
NON-OPERATING REVENUES (EXPENSES):					
Investment income	2,719	1,803	1,520	217	6,259
Interest expense	-	-	-	(700,313)	(700,313)
Gain (Loss) on sale of capital asset	-	-	52,504	-	52,504
Contributions from other authorities	-	-	-	154,935	154,935
Lease - interest	(7,060)	-	-	-	(7,060)
Bond issuance expense	-	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(4,341)	1,803	54,024	(545,161)	(493,675)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	161,254	(885,414)	70,125	(2,188,733)	(2,842,768)
Federal grant - capital grant	-	-	829,081	-	829,081
Transfers in	14,000	-	-	1,144,064	1,158,064
Transfers (out)	-	-	-	-	-
CHANGE IN NET POSITION	175,254	(885,414)	899,206	(1,044,669)	(855,623)
Net position, beginning of year, as restated	625,208	17,042,136	1,581,606	1,315,168	20,564,118
NET POSITION, END OF YEAR	\$ 800,462	\$ 16,156,722	\$ 2,480,812	\$ 270,499	\$ 19,708,495

CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2022

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from fees and charges for services	\$ 6,283	\$ -	\$ -	\$ -	\$ 6,283
Other operating revenues	1,138,338	520,866	2,898,363	-	4,557,567
Cash payments to employees for services	(313,629)	(53,409)	(927,191)	-	(1,294,229)
Cash payments to suppliers for goods and services	(526,331)	(420,763)	(2,376,474)	-	(3,323,568)
NET CASH PROVIDED BY OPERATING ACTIVITIES	304,661	46,694	(405,302)	-	(53,947)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Increase (decrease) in cash overdraft	-	-	199,626	-	199,626
Transfers in	14,000	-	-	1,144,064	1,158,064
Transfers (out)	-	-	-	-	-
Contributions from other authorities	-	-	-	154,935	154,935
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	14,000	-	199,626	1,298,999	1,512,625
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal payments on long-term debt	(108,986)	-	-	(598,686)	(707,672)
Interest paid on long-term debt	(7,060)	-	-	(700,313)	(707,373)
Proceeds from issuance of bonds	(247,366)	-	-	-	(247,366)
Premium on issuance of bonds	-	-	-	-	-
Cash payments for bond issuance expenses	-	-	-	-	-
Cash payments for capital assets	-	-	(811,533)	-	(811,533)
Proceeds from sale of capital assets	247,366	-	52,503	-	299,869
State and Federal grants	-	-	829,081	-	829,081
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(116,046)	-	70,051	(1,298,999)	(2,174,075)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	2,719	1,803	1,520	217	6,259
(Increase) decrease in restricted assets:					
Equipment reserve	-	-	-	-	-
OPEB reserve	2,995	1,497	18,933	-	23,425
Compensated absences reserve	(845)	-	16,262	-	15,417
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	4,869	3,300	36,715	217	45,101
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	207,484	49,994	(98,910)	217	158,785
Cash and cash equivalents, beginning of year	946,036	690,174	99,071	87,830	1,823,111
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,153,520	\$ 740,168	\$ 161	\$ 88,047	\$ 1,981,896
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income	\$ 165,595	\$ (887,217)	\$ 16,101	\$ (1,643,572)	\$ (2,349,093)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation / amortization	105,671	931,180	452,834	1,643,572	3,133,257
Changes in assets and liabilities:					
(Increase) decrease in due from State	-	-	-	-	-
(Increase) decrease in accounts receivable	419	(1,450)	(2,220)	-	(3,251)
(Increase) decrease in due from local units	-	-	-	-	-
(Increase) decrease in inventory	-	-	-	-	-
(Increase) decrease in prepaid expenses	16,655	3,440	(826,550)	-	(806,455)
Increase (decrease) in accounts payable	20,698	1,311	(11,000)	-	11,009
Increase (decrease) in accrued wages payable	(6,076)	(384)	(20,026)	-	(26,486)
Increase (decrease) in customer deposits payable	-	-	-	-	-
Increase (decrease) in compensated absences	845	-	(16,262)	-	(15,417)
Increase (decrease) in net pension liability	4,116	1,445	22,443	-	28,004
Increase (decrease) in other post-employment benefits (OPEB)	(3,262)	(1,631)	(20,622)	-	(25,515)
NET ADJUSTMENTS	139,066	933,911	(421,403)	1,643,572	2,295,146
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 304,661	\$ 46,694	\$ (405,302)	\$ -	\$ (53,947)

CITY OF MARQUETTE, MICHIGAN

TECHNOLOGY SERVICES FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,153,520	\$ 946,036
Accounts receivable	1,791	2,210
Due from local units	-	-
Inventory	-	-
Prepaid expense	6,941	23,596
TOTAL CURRENT ASSETS	1,162,252	971,842
Non-current Assets		
Restricted Assets:		
OPEB reserve	12,648	15,643
Compensated absences reserve	18,454	17,609
Total Restricted Assets	31,102	33,252
Other capital assets, net of depreciation	227,104	85,409
TOTAL NON-CURRENT ASSETS	258,206	118,661
TOTAL ASSETS	1,420,458	1,090,503
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	26,460	26,676
Deferred outflows related to OPEB	503	2,328
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,963	29,004
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	39,433	18,735
Accrued wages payable	4,103	10,179
Lease liability - Principal due in one year	73,337	79,131
TOTAL CURRENT LIABILITIES	116,873	108,045
Non-current Liabilities:		
Compensated absences	18,454	17,609
Lease liability - Principal	156,298	12,124
Other post employment benefits (OPEB)	12,648	15,643
Net pension liability	315,571	332,958
TOTAL NON-CURRENT LIABILITIES	502,971	378,334
TOTAL LIABILITIES	619,844	486,379
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	23,342	2,055
Deferred inflows related to OPEB	3,773	5,865
TOTAL DEFERRED INFLOWS OF RESOURCES	27,115	7,920
NET POSITION		
Net investment in capital assets	(2,531)	(5,846)
Restricted for:		
Capital outlay	-	-
Unrestricted	802,993	631,054
TOTAL NET POSITION	\$ 800,462	\$ 625,208

CITY OF MARQUETTE, MICHIGAN

TECHNOLOGY SERVICES FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 5,000	\$ 5,864	\$ 864	\$ 6,868
Rentals	1,128,850	1,136,292	7,442	1,021,824
Reimbursements	1,360	213	(1,147)	329
Other revenues	-	1,833	1,833	1,034
TOTAL OPERATING REVENUES	1,135,210	1,144,202	8,992	1,030,055
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	325,450	309,252	16,198	222,756
Supplies and contractual	854,470	563,684	290,786	500,757
Other supplies and charges	-	-	-	-
Provision for depreciation / amortization	-	105,671	(105,671)	77,695
Total Administrative and General	<u>1,179,920</u>	<u>978,607</u>	<u>201,313</u>	<u>801,208</u>
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	1,179,920	978,607	201,313	801,208
OPERATING INCOME (LOSS)	(44,710)	165,595	210,305	228,847
NON-OPERATING REVENUES (EXPENSES):				
Investment income	1,500	2,719	1,219	1,543
Lease - interest	-	(7,060)	(7,060)	(5,686)
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,500	(4,341)	(5,841)	(4,143)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(43,210)	161,254	204,464	224,704
Transfers in	14,000	14,000	-	17,300
CHANGE IN NET POSITION	(29,210)	175,254	204,464	242,004
Net position, beginning of year, prior to restatement	625,208	625,208	-	390,797
Net position, recognize GASB 87 implementation	-	-	-	(7,593)
Net position, beginning of year, as restated	<u>625,208</u>	<u>625,208</u>	<u>-</u>	<u>383,204</u>
NET POSITION, END OF YEAR	\$ 595,998	\$ 800,462	\$ 204,464	\$ 625,208

CITY OF MARQUETTE, MICHIGAN
MUNICIPAL SERVICE CENTER FUND
COMPARATIVE STATEMENT OF NET POSITION
September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 740,168	\$ 690,174
Accounts receivable	1,450	-
Due from other authorities	-	-
Inventory	-	-
Prepaid expense	16,253	19,693
TOTAL CURRENT ASSETS	757,871	709,867
Non-current Assets		
Restricted Assets:		
OPEB reserve	6,322	7,819
Compensated absences reserve	-	-
Total Restricted Assets	6,322	7,819
Land and other non-depreciable assets	2,519,888	2,519,888
Other capital assets, net of depreciation	13,036,516	13,967,696
TOTAL NON-CURRENT ASSETS	15,562,726	16,495,403
TOTAL ASSETS	16,320,597	17,205,270
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	5,078	2,655
Deferred outflows related to OPEB	252	1,164
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,330	3,819
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	21,508	20,197
Accrued wages payable	284	668
TOTAL CURRENT LIABILITIES	21,792	20,865
Non-current Liabilities:		
Compensated absences	-	-
Other post employment benefits (OPEB)	6,322	7,819
Net pension liability	113,115	119,217
TOTAL NON-CURRENT LIABILITIES	119,437	127,036
TOTAL LIABILITIES	141,229	147,901
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	26,089	16,119
Deferred inflows related to OPEB	1,887	2,933
TOTAL DEFERRED INFLOWS OF RESOURCES	27,976	19,052
NET POSITION		
Net investment in capital assets	15,556,404	16,487,584
Restricted for:		
Capital outlay	-	-
Unrestricted	600,318	554,552
TOTAL NET POSITION	\$ 16,156,722	\$ 17,042,136

CITY OF MARQUETTE, MICHIGAN

MUNICIPAL SERVICE CENTER FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Rentals	505,590	520,212	14,622	491,832
Reimbursements	4,500	2,090	(2,410)	46,273
Other revenues	-	14	14	-
TOTAL OPERATING REVENUES	510,090	522,316	12,226	538,105
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	59,640	52,839	6,801	46,903
Supplies and contractual	445,325	425,514	19,811	352,226
Provision for depreciation	931,180	931,180	-	931,179
Total Administrative and General	<u>1,436,145</u>	<u>1,409,533</u>	<u>26,612</u>	<u>1,330,308</u>
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	1,436,145	1,409,533	26,612	1,330,308
OPERATING INCOME (LOSS)	(926,055)	(887,217)	38,838	(792,203)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	1,803	1,803	1,156
Interest expense	-	-	-	-
Gain (loss) on sale of capital asset	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	1,803	1,803	1,156
INCOME (LOSS) BEFORE TRANSFERS	(926,055)	(885,414)	40,641	(791,047)
Transfers In	-	-	-	-
CHANGE IN NET POSITION	(926,055)	(885,414)	40,641	(791,047)
Net position, beginning of year	17,042,136	17,042,136	-	17,833,183
NET POSITION, END OF YEAR	\$ 16,116,081	\$ 16,156,722	\$ 40,641	\$ 17,042,136

CITY OF MARQUETTE, MICHIGAN
MOTOR VEHICLE EQUIPMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 161	\$ 99,071
Accounts receivable	2,697	477
Due from local units	-	-
Inventory	-	-
Prepaid expense	891,050	64,500
TOTAL CURRENT ASSETS	893,908	164,048
Non-current Assets		
Restricted Assets:		
Equipment reserve	-	-
OPEB reserve	79,953	98,886
Compensated absences reserve	72,976	89,238
Total Restricted Assets	152,929	188,124
Other capital assets, net of depreciation	3,275,092	2,916,392
TOTAL NON-CURRENT ASSETS	3,428,021	3,104,516
TOTAL ASSETS	4,321,929	3,268,564
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	196,011	158,364
Deferred outflows related to OPEB	3,182	14,717
TOTAL DEFERRED OUTFLOWS OF RESOURCES	199,193	173,081
LIABILITIES		
Current Liabilities:		
Cash overdraft	199,626	-
Accounts payable	37,183	48,183
Accrued wages payable	9,984	30,010
TOTAL CURRENT LIABILITIES	246,793	78,193
Non-current Liabilities:		
Compensated absences	72,976	89,238
Other post employment benefits (OPEB)	79,953	98,886
Net pension liability	1,387,476	1,482,279
TOTAL NON-CURRENT LIABILITIES	1,540,405	1,670,403
TOTAL LIABILITIES	1,787,198	1,748,596
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	229,263	74,370
Deferred inflows related to OPEB	23,849	37,073
TOTAL DEFERRED INFLOWS OF RESOURCES	253,112	111,443
NET POSITION		
Net investment in capital assets	3,275,092	2,916,392
Restricted for:		
Capital outlay	-	-
Unrestricted	(794,280)	(1,334,786)
TOTAL NET POSITION	\$ 2,480,812	\$ 1,581,606

CITY OF MARQUETTE, MICHIGAN

MOTOR VEHICLE EQUIPMENT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP 2697	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Rentals	3,199,530	2,804,230	(395,300)	2,353,569
Reimbursements	-	67,993	67,993	53,923
Other revenues	20,000	28,360	8,360	17,666
TOTAL OPERATING REVENUES	3,219,530	2,900,583	(318,947)	2,425,158
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	996,630	892,724	103,906	829,213
Supplies and contractual	1,735,673	1,530,339	205,334	1,371,557
Other supplies and charges	-	-	-	-
Provision for depreciation	486,500	452,834	33,666	375,977
Total Administrative and General	3,218,803	2,875,897	342,906	2,576,747
Capital outlay	5,727	8,585	(2,858)	-
TOTAL OPERATING EXPENSES	3,224,530	2,884,482	340,048	2,576,747
OPERATING INCOME (LOSS)	(5,000)	16,101	21,101	(151,589)
NON-OPERATING REVENUES (EXPENSES):				
Contributed capital	-	-	-	-
Investment income	-	1,520	1,520	2,271
Gain (loss) on sale of capital asset	5,000	52,504	47,504	18,650
		199,626		
TOTAL NON-OPERATING REVENUES (EXPENSES)	5,000	54,024	49,024	20,921
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	-	70,125	70,125	(130,668)
Federal grant - capital grant	-	829,081	829,081	-
Transfers In	-	-	-	98,500
CHANGE IN NET POSITION	-	899,206	899,206	(32,168)
Net position, beginning of year	1,581,606	1,581,606	-	1,613,774
NET POSITION, END OF YEAR	\$ 1,581,606	\$ 2,480,812	\$ 899,206	\$ 1,581,606

CITY OF MARQUETTE, MICHIGAN

ENERGY ENHANCEMENTS FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 88,047	\$ 87,830
Due from State	-	-
Accounts receivable	-	-
Inventory	-	-
Prepaid expense	-	-
TOTAL CURRENT ASSETS	<u>88,047</u>	<u>87,830</u>
Non-current Assets		
Restricted Assets:		
Bond Reserve Fund	-	-
Bond and Interest Redemption Fund	-	-
Replacement Maintenance Fund	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	24,242,686	25,886,258
Construction in progress	<u>-</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>24,242,686</u>	<u>25,886,258</u>
TOTAL ASSETS	<u>24,330,733</u>	<u>25,974,088</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	-	-
Accrued wages payable	-	-
Customer deposits payable	-	-
Current portion of long-term debt	514,076	598,686
Accrued interest payable	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	<u>514,076</u>	<u>598,686</u>
Non-current Liabilities:		
Lease payable	<u>23,546,158</u>	<u>24,060,234</u>
TOTAL NON-CURRENT LIABILITIES	<u>23,546,158</u>	<u>24,060,234</u>
TOTAL LIABILITIES	<u>24,060,234</u>	<u>24,658,920</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	182,452	1,227,338
Restricted for:		
Capital outlay	-	-
Unrestricted	<u>88,047</u>	<u>87,830</u>
TOTAL NET POSITION	<u><u>\$ 270,499</u></u>	<u><u>\$ 1,315,168</u></u>

CITY OF MARQUETTE, MICHIGAN

ENERGY ENHANCEMENT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2021

	2022			2021
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Use and admission fees	-	-	-	-
Rentals	-	-	-	-
Fines and forfeiture	-	-	-	-
Reimbursements	-	-	-	-
Other revenues	-	-	-	-
TOTAL OPERATING REVENUES	-	-	-	-
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	-	-	-	-
Supplies and contractual	-	-	-	-
Provision for depreciation	1,643,580	1,643,572	8	1,643,572
Other supplies and charges	-	-	-	-
Total Administrative and General	1,643,580	1,643,572	8	1,643,572
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	1,643,580	1,643,572	8	1,643,572
OPERATING INCOME (LOSS)	(1,643,580)	(1,643,572)	8	(1,643,572)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	217	217	156
Interest expense	(743,880)	(700,313)	43,567	(713,390)
Contributions from other authorities	154,940	154,935	(5)	140,005
TOTAL NON-OPERATING REVENUES (EXPENSES)	(588,940)	(545,161)	43,779	(573,229)
INCOME (LOSS) BEFORE TRANSFERS	(2,232,520)	(2,188,733)	43,787	(2,216,801)
Transfers in	2,232,520	1,144,064	(1,088,456)	1,033,820
CHANGE IN NET POSITION	-	(1,044,669)	(1,044,669)	(1,182,981)
Net position, beginning of year	1,315,168	1,315,168	-	2,498,149
NET POSITION, END OF YEAR	\$ 1,315,168	\$ 270,499	\$ (1,044,669)	\$ 1,315,168

CITY OF MARQUETTE, MICHIGAN
FIDUCIARY FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of Fiduciary Funds is to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. These included (a) private-purpose trust funds, (b) pension and OPEB trust funds, (c) custodial funds, and (d) investment trust funds.

PENSION TRUST FUND: The Fire-Police Retirement System Fund is used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at fixed rates and by the City at amounts determined by an annual actuarial valuation.

CUSTODIAL FUND: The Custodial Fund is used to record the collection and payment of property taxes billed and collected by the City on behalf of the County, the School Districts, and the Intermediate School District and other governmental units. It is also used as a payroll clearing account type for employee-related items, which receives reimbursing payments from other funds.

CITY OF MARQUETTE, MICHIGAN**FIRE-POLICE RETIREMENT SYSTEM PENSION TRUST FUND****COMPARATIVE STATEMENT OF PLAN NET POSITION**

September 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 1,061,455	\$ 1,213,489
Investments		
Domestic Corporation Bonds	3,356,782	4,126,746
Common, Pooled Fund	30,774,108	38,805,632
Accounts receivable	-	-
Accrued interest receivable	14,509	64
TOTAL ASSETS	35,206,854	44,145,931
DEFERRED OUTFLOWS OF RESOURCES	-	-
LIABILITIES		
Accounts payable	25,236	210
TOTAL LIABILITIES	25,236	210
DEFERRED INFLOWS OF RESOURCES	-	-
NET POSITION		
Net position restricted for pensions	35,181,618	44,140,621
TOTAL NET POSITION	\$ 35,181,618	\$ 44,140,621

CITY OF MARQUETTE, MICHIGAN

CUSTODIAL FUND

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION

September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 9,118,054	\$ 1,408,213
Accounts receivable	-	-
Taxes receivable - current	1,404,590	1,256,801
Taxes receivable - delinquent personal	<u>39,961</u>	<u>40,366</u>
TOTAL ASSETS	<u>10,562,605</u>	<u>2,705,380</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Accounts payable	8,416,218	478,291
Accrued wages payable	434,940	690,891
Due to State	193,934	185,281
Due to other governments	745,093	644,762
Due to local units	524,180	481,595
Other liabilities	<u>248,240</u>	<u>224,560</u>
TOTAL LIABILITIES	<u>10,562,605</u>	<u>2,705,380</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	<u>-</u>	<u>-</u>
TOTAL NET POSITION	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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CITY OF MARQUETTE, MICHIGAN
CAPITAL ASSET SCHEDULES

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY SOURCE**

September 30, 2022

	Land and Improvements	Buildings and Improvements	Furniture and Equipment	Other	Totals
Governmental Capital Assets:					
Land	\$ 12,577,746	\$ -	\$ -	\$ -	\$ 12,577,746
Land improvements	8,797,713	-	-	-	8,797,713
Buildings	-	5,838,183	-	-	5,838,183
Building improvements	-	7,295,143	-	-	7,295,143
Furniture and equipment	-	-	1,837,919	-	1,837,919
Infrastructure	-	-	-	74,793,335	74,793,335
Construction in progress	3,748,326	-	-	3,547,007	7,295,333
TOTAL	\$ 25,123,785	\$ 13,133,326	\$ 1,837,919	\$ 78,340,342	\$ 118,435,372
Investments in Governmental Capital Assets From:					
General fund	\$ 13,895,797	\$ 5,440,509	\$ 1,143,272	\$ 32,628,197	\$ 53,107,775
Federal grants	1,901,291	3,489,840	150,579	547,762	6,089,472
State grants	705,189	676,179	161,232	-	1,542,600
Private gifts	1,274,181	558,029	117,381	-	1,949,591
Authorities, Boards and Commissions	54,000	811,172	-	-	865,172
Other funds	7,293,327	2,157,597	265,455	45,164,383	54,880,762
TOTAL	\$ 25,123,785	\$ 13,133,326	\$ 1,837,919	\$ 78,340,342	\$ 118,435,372

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY**

For the Fiscal Year Ended September 30, 2022

Function and Activity	Balance September 30, 2021	Additions	Deductions	Transfers	Balance September 30, 2022
General Government					
City Commission	\$ 8,999	\$ -	\$ -	\$ -	\$ 8,999
Elections	5,001	-	-	-	5,001
Finance and Accounting	13,186	-	-	-	13,186
Treasurer	5,978	-	-	-	5,978
Information Systems	100,535	-	-	-	100,535
Cemetery	382,473	-	-	-	382,473
City Hall and Grounds	2,777,059	-	-	-	2,777,059
Other City Property	4,299,997	-	(37,369)	-	4,262,628
Total General Government	7,593,228	-	(37,369)	-	7,555,859
Public Health and Safety:					
Police Department	303,068	-	-	-	303,068
Fire Department	789,081	39,000	-	-	828,081
Total Public Health and Safety	1,092,149	39,000	-	-	1,131,149
Highways, Streets and Bridges:					
City Engineer	164,803	-	-	-	164,803
Public Works	10,932,998	38,750	-	-	10,971,748
Infrastructure	73,807,561	213,836	-	771,938	74,793,335
Parking System	2,475,516	-	-	-	2,475,516
Total Highways, Streets and Bridges	87,380,878	252,586	-	771,938	88,405,402
Other:					
Sanitation	14,932	-	-	-	14,932
Recreation	13,727,539	473	-	261,521	13,989,533
Other	43,164	-	-	-	43,164
Total Other	13,785,635	473	-	261,521	14,047,629
TOTAL GOVERNMENTAL CAPITAL ASSETS	109,851,890	292,059	(37,369)	1,033,459	111,140,039
Construction in progress	4,284,010	4,044,782	-	(1,033,459)	7,295,333
GRAND TOTAL	\$ 114,135,900	\$ 4,336,841	\$ (37,369)	\$ -	\$ 118,435,372

CITY OF MARQUETTE, MICHIGAN

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY

September 30, 2022

Function and Activity	Total	Land	Land Improvements	Buildings	Buildings Improvements	Furniture and Equipment	Infrastructure
General Government							
City Commission	\$ 8,999	\$ -	\$ -	\$ -	\$ -	\$ 8,999	\$ -
Elections	5,001	-	-	-	-	5,001	-
Finance and Accounting	13,186	-	-	-	-	13,186	-
Treasurer	5,978	-	-	-	-	5,978	-
Information Systems	100,535	-	-	-	-	100,535	-
Cemetery	382,473	98,002	233,218	9,048	42,205	-	-
City Hall and Grounds	2,777,059	100,008	128,596	1,395,545	1,075,052	77,858	-
Other City Property	4,262,628	4,197,653	19,817	45,158	-	-	-
Total General Government	7,555,859	4,395,663	381,631	1,449,751	1,117,257	211,557	-
Public Health and Safety:							
Police Department	303,068	-	-	-	-	303,068	-
Fire Department	828,081	32,296	14,663	164,005	221,194	395,923	-
Total Public Health and Safety	1,131,149	32,296	14,663	164,005	221,194	698,991	-
Highways, Streets and Bridges:							
City Engineer	164,803	-	-	-	-	164,803	-
Public Works	10,971,748	6,519,976	3,628,497	542,795	260,080	20,400	-
Infrastructure	74,793,335	-	-	-	-	-	74,793,335
Parking System	2,475,516	753,874	70,131	1,320,171	235,396	95,944	-
Total Highways, Streets and Bridges	88,405,402	7,273,850	3,698,628	1,862,966	495,476	281,147	74,793,335
Other:							
Sanitation	14,932	14,932	-	-	-	-	-
Recreation	13,989,533	861,005	4,702,791	2,361,461	5,443,300	620,976	-
Other	43,164	-	-	-	17,916	25,248	-
Total Other	14,047,629	875,937	4,702,791	2,361,461	5,461,216	646,224	-
TOTAL GOVERNMENTAL CAPITAL ASSETS ASSOCIATED TO FUNCTIONS	111,140,039	\$ 12,577,746	\$ 8,797,713	\$ 5,838,183	\$ 7,295,143	\$ 1,837,919	\$ 74,793,335
Construction in progress	7,295,333						
GRAND TOTAL	\$ 118,435,372						

CITY OF MARQUETTE, MICHIGAN
LONG-TERM DEBT SCHEDULES

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS**

For the Fiscal Year Ended September 30, 2022

	WATER SUPPLY FUND													
	State Drinking Water Revolving Fund Loan 2009	State Drinking Water Revolving Fund Loan 2011	State Drinking Water Revolving Fund Loan 2015	2007 High Street Bonds	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds
Maturities Year Ending September 30,														
2023	\$ 25,000	\$ 25,000	\$ 15,000	\$ 18,251	\$ 60,000	\$ 39,950	\$ 111,525	\$ 139,665	\$ 348,760	\$ 120,000	\$ 55,000	\$ 60,000	\$ 117,780	\$ 21,300
2024	25,000	30,000	15,000	18,568	61,250	40,800	113,975	148,775	363,470	120,000	60,000	60,000	123,135	17,700
2025	30,000	30,000	15,000	18,885	63,750	42,500	116,425	153,330	115,000	125,000	60,000	60,000	128,105	18,600
2026	30,000	30,000	20,000	19,201	65,000	44,200	121,322	161,205	120,000	130,000	60,000	65,000	134,075	19,500
2027	30,000	30,000	20,000	19,518	67,500	45,900	-	165,760	124,000	140,000	65,000	70,000	114,295	20,400
2028	30,000	30,000	20,000	20,120	68,750	48,450	-	174,870	129,000	145,000	65,000	70,000	65,000	21,300
2029	30,000	30,000	20,000	-	-	50,150	-	37,400	134,000	-	70,000	75,000	68,000	22,500
2030	15,058	30,000	20,000	-	-	51,850	-	39,100	140,000	-	75,000	75,000	71,000	23,400
2031	-	30,000	20,000	-	-	-	-	40,800	145,000	-	-	-	75,000	24,600
2032	-	28,908	20,875	-	-	-	-	-	151,000	-	-	-	78,000	26,100
2033	-	-	-	-	-	-	-	-	-	-	-	-	80,000	27,300
2034	-	-	-	-	-	-	-	-	-	-	-	-	83,000	27,900
2035	-	-	-	-	-	-	-	-	-	-	-	-	85,000	28,800
2036	-	-	-	-	-	-	-	-	-	-	-	-	88,000	29,700
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	30,900
	<u>\$ 215,058</u>	<u>\$ 293,908</u>	<u>\$ 185,875</u>	<u>\$ 114,543</u>	<u>\$ 386,250</u>	<u>\$ 363,800</u>	<u>\$ 463,247</u>	<u>\$ 1,060,905</u>	<u>\$ 1,770,230</u>	<u>\$ 780,000</u>	<u>\$ 510,000</u>	<u>\$ 535,000</u>	<u>\$ 1,310,390</u>	<u>\$ 360,000</u>
Interest Rates	3%	3%	3%	2%	2.95%	2.0 - 4.0%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	4.00%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%
Interest Dates	April and October	April and October	April and October	April and October	February and August	April and October	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November
Date of original issue	1/11/2010	6/24/2010	9/29/2014	3/29/2007	9/13/2013	9/30/2014	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022
Amount of original issue *	\$ 511,058	\$ 529,507	\$ 330,000	\$ 342,318	\$ 867,500	\$ 615,400	\$ 1,095,447	\$ 1,625,015	\$ 2,959,025	\$ 1,220,000	\$ 620,000	\$ 645,000	\$ 1,423,200	\$ 360,000

* Applicable to fund

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS**

For the Fiscal Year Ended September 30, 2022

Maturities Year Ending September 30,	SEWAGE DISPOSAL FUND												
	State Act 94 Clean Water Assistance Loan Payable	State Revolving Fund Loan 2009	State Revolving Fund Loan 2011	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds
2023	\$ 205,000	\$ 35,000	\$ 35,000	\$ 67,200	\$ 110,450	\$ 37,385	\$ 130,142	\$ 201,900	\$ 140,000	\$ 110,000	\$ 55,000	\$ 188,900	\$ 31,950
2024	210,000	40,000	35,000	68,600	112,800	38,185	138,610	210,300	145,000	115,000	60,000	197,325	26,550
2025	-	40,000	40,000	71,400	117,500	38,985	142,844	86,250	155,000	115,000	60,000	205,675	27,900
2026	-	40,000	40,000	72,800	122,200	40,582	150,184	90,000	160,000	120,000	65,000	215,025	29,250
2027	-	40,000	40,000	75,600	126,900	-	154,418	93,000	165,000	125,000	65,000	153,625	30,600
2028	-	40,000	40,000	77,000	133,950	-	162,886	96,750	175,000	130,000	70,000	65,000	31,950
2029	-	40,000	40,000	-	138,650	-	37,400	100,500	-	135,000	75,000	68,000	33,750
2030	-	40,699	40,000	-	143,350	-	39,100	105,000	-	140,000	75,000	71,000	35,100
2031	-	-	46,785	-	-	-	40,800	108,750	-	-	-	75,000	36,900
2032	-	-	-	-	-	-	-	113,250	-	-	-	78,000	39,150
2033	-	-	-	-	-	-	-	-	-	-	-	80,000	40,950
2034	-	-	-	-	-	-	-	-	-	-	-	83,000	41,850
2035	-	-	-	-	-	-	-	-	-	-	-	85,000	43,200
2036	-	-	-	-	-	-	-	-	-	-	-	88,000	44,550
2037	-	-	-	-	-	-	-	-	-	-	-	-	46,350
	<u>\$ 415,000</u>	<u>\$ 315,699</u>	<u>\$ 356,785</u>	<u>\$ 432,600</u>	<u>\$ 1,005,800</u>	<u>\$ 155,137</u>	<u>\$ 996,384</u>	<u>\$ 1,205,700</u>	<u>\$ 940,000</u>	<u>\$ 990,000</u>	<u>\$ 525,000</u>	<u>\$ 1,653,550</u>	<u>\$ 540,000</u>
Interest Rates	2%	3%	3%	2.95%	2.0 - 4.0%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	4.00%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%
Interest Dates	April and October	April and October	April and October	February and August	April and October	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November
Date of original	3/9/2004	1/11/2010	6/24/2010	9/13/2013	9/30/2014	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022
Amount of original issue *	\$ 3,470,000	\$ 695,699	\$ 706,785	\$ 971,600	\$ 1,701,400	\$ 363,507	\$ 1,525,612	\$ 1,927,500	\$ 1,465,000	\$ 1,200,000	\$ 635,000	\$ 1,834,100	\$ 540,000

* Applicable to fund

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS**

For the Fiscal Year Ended September 30, 2022

Maturities Year Ending September 30,	STORMWATER UTILITY FUND										LAKESHORE AND LIGHTHOUSE PARK FUND	MARINAS FUND
	2007 High Street Bonds	2013 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds	2018 Building Authority Bonds	2019 Capital Improvements Bonds
2023	\$ 6,572	\$ 38,400	\$ 8,783	\$ 129,695	\$ 107,380	\$ 130,000	\$ 80,000	\$ 120,000	\$ 144,200	\$ 188,150	\$ 100,000	\$ 75,000
2024	6,684	39,200	8,933	138,025	111,610	135,000	85,000	125,000	150,225	156,350	105,000	75,000
2025	6,798	40,800	9,083	142,190	86,250	140,000	85,000	130,000	156,375	164,300	105,000	80,000
2026	6,912	41,600	9,394	149,515	90,000	145,000	90,000	135,000	163,925	172,250	110,000	85,000
2027	7,026	43,200	-	153,680	93,000	150,000	95,000	140,000	129,575	180,200	115,000	85,000
2028	7,243	44,000	-	162,010	96,750	160,000	100,000	145,000	91,000	188,150	120,000	90,000
2029	-	-	-	50,600	100,500	-	105,000	150,000	95,200	198,750	-	95,000
2030	-	-	-	52,900	105,000	-	105,000	160,000	99,400	206,700	-	95,000
2031	-	-	-	55,200	108,750	-	-	-	105,000	217,300	-	-
2032	-	-	-	-	113,250	-	-	-	109,200	230,550	-	-
2033	-	-	-	-	-	-	-	-	112,000	241,150	-	-
2034	-	-	-	-	-	-	-	-	116,200	246,450	-	-
2035	-	-	-	-	-	-	-	-	119,000	254,400	-	-
2036	-	-	-	-	-	-	-	-	123,200	262,350	-	-
2037	-	-	-	-	-	-	-	-	-	272,950	-	-
	<u>\$ 41,235</u>	<u>\$ 247,200</u>	<u>\$ 36,193</u>	<u>\$ 1,033,815</u>	<u>\$ 1,012,490</u>	<u>\$ 860,000</u>	<u>\$ 745,000</u>	<u>\$ 1,105,000</u>	<u>\$ 1,714,500</u>	<u>\$ 3,180,000</u>	<u>\$ 655,000</u>	<u>\$ 680,000</u>
Interest Rates	2%	2.95%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	3.0 - 4.0%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%	2.65 - 3.81%	3.0 - 4.0%
Interest Dates	April and October	February and August	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November
Date of original issue	3/29/2007	9/13/2013	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022	7/31/2018	11/12/2019
Amount of original issue *	\$ 123,234	\$ 555,200	\$ 78,809	\$ 1,579,945	\$ 1,465,325	\$ 1,350,000	\$ 895,000	\$ 1,340,000	\$ 1,852,550	\$ 3,180,000	\$ 1,035,000	\$ 825,000

* Applicable to fund

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

BOARD OF LIGHT AND POWER: To account for the electric utility

BROWNFIELD REDEVELOPMENT AUTHORITY: To record the activities associated with the Brownfield Redevelopment Authority.

DOWNTOWN DEVELOPMENT AUTHORITY: To record the activities associated with the Downtown Development Authority.

PETER WHITE PUBLIC LIBRARY: To record revenues and expenditures of the Peter White Public Library. Financing is primarily provided through property taxes.

CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 7,719,813	\$ 6,478,240
Internally designated assets:		
Customer electric rate stabilization fund	1,500,000	1,500,000
Fuel imbursement fund	3,000,000	3,000,000
Capital projects fund cash and cash equivalents	-	-
Investments - capital projects fund	-	-
Turbine and major generating equipment overhaul fund	7,628,287	7,688,279
Debt service fund	5,400,000	5,400,000
Asset retirement obligation and environmental liability remediation fund	1,800,000	2,006,280
Replacement-risk retention fund	4,550,000	4,550,000
Improvement fund	24,121,626	24,923,078
Future generation fund	-	-
Accrued interest	86,946	8,089
Accounts receivable, net	4,935,693	3,737,898
Accrued interest receivable	-	-
Inventory	2,156,039	2,055,123
Prepaid expenses	543,383	499,545
TOTAL CURRENT ASSETS	63,441,787	61,846,532
Non-current Assets:		
Restricted Assets:		
Unspent 2016A bond proceeds	-	-
Bond and interest redemption fund	1,810,703	1,714,177
Bond reserve fund	5,461,865	5,481,188
Customer deposits	1,915,154	1,864,885
Retiree health funding vehicle fund (Net OPEB asset)	-	-
Pinehill landfill fund	-	-
Asset retirement fund	263,832	263,832
Energy optimization fund	402,758	502,866
Accrued interest	18,695	18,708
TOTAL RESTRICTED ASSETS	9,873,007	9,845,656
Investment in UPPPA	5,794,916	4,916,993
Property, plant, and equipment	141,503,618	143,288,327
Accumulated depreciation	(49,156,084)	(50,147,435)
TOTAL NON-CURRENT ASSETS	108,015,457	107,903,541
TOTAL ASSETS	171,457,244	169,750,073
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	1,486,978	1,339,914
Deferred outflows related to OPEB	1,427,380	164,675
Employer contributions subsequent to measurement	1,350,011	1,472,315
Deferred charge on refunding	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,264,369	2,976,904
LIABILITIES		
Current Liabilities:		
Accounts payable	2,384,637	2,417,859
Accrued liabilities	264,397	289,059
Compensated absences	1,277,442	1,257,846
Customer deposits payable	1,922,911	1,876,706
Other current liabilities	419,758	2,603,681
TOTAL CURRENT LIABILITIES	6,269,145	8,445,151
Current Liabilities (payable from restricted assets):		
Current maturities on bonds and capital lease	2,895,000	2,760,000
Revenue bond accrued interest payable	632,553	667,053
TOTAL CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)	3,527,553	3,427,053
Non-current Liabilities:		
Net pension liability	6,469,609	8,207,168
Net OPEB liability	3,785,841	2,592,896
Bonds payable	53,580,000	56,475,000
Unamortized bond premium	5,491,777	6,299,928
Reserve for equipment overhaul and landfill postclosure costs	78,517	95,684
TOTAL NON-CURRENT LIABILITIES	69,405,744	73,670,676
TOTAL LIABILITIES	79,202,442	85,542,880
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	1,493,208	2,343,743
Deferred inflows related to pension	2,912,416	1,961,127
TOTAL DEFERRED INFLOWS OF RESOURCES	4,405,624	4,304,870
NET POSITION		
Net investment in capital assets	30,380,757	27,605,964
Restricted for:		
Other activities	9,873,007	9,845,656
Unrestricted	51,859,783	45,427,607
TOTAL NET POSITION	\$ 92,113,547	\$ 82,879,227

CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022	2021
OPERATING REVENUES:		
Electricity Sales:		
Residential	\$ 17,181,626	\$ 14,696,570
Commercial	19,666,667	15,949,407
Public authorities	7,508,646	6,215,055
Sales to other utilities	461,027	503,248
Street lighting	527,058	468,268
Rent and other	777,217	1,006,397
TOTAL OPERATING REVENUES	46,122,241	38,838,945
OPERATING EXPENSES:		
Administrative and general	3,185,912	2,961,524
Production	14,111,510	8,938,667
Purchased power	7,440,727	4,598,495
Distribution and transmission	4,120,178	3,534,378
Customer accounting	895,595	872,024
Payment in lieu of property taxes - City of Marquette	2,450,980	2,015,023
Provision for depreciation	5,567,553	4,857,179
TOTAL OPERATING EXPENSES	37,772,455	27,777,290
INCOME/(LOSS) FROM OPERATIONS	8,349,786	11,061,655
NON-OPERATING REVENUES (EXPENSES):		
Investment income	539,253	755,863
Amortization of bond premium	-	-
Interest on long term debt	(1,825,562)	(1,925,604)
Bond issuance expense	-	-
Gain on sale of treasury note	-	-
Gain (Loss) on disposal of equipment	(46,261)	48,085
TOTAL NON-OPERATING REVENUES (EXPENSES)	(1,332,570)	(1,121,656)
CHANGE IN NET POSITION BEFORE SPECIAL ITEM	7,017,216	9,939,999
Special items	1,884,829	-
CHANGE IN NET POSITION AFTER SPECIAL ITEM	8,902,045	9,939,999
Capital contributions from customers	332,275	160,842
CHANGE IN NET POSITION	9,234,320	10,100,841
Net position, beginning of year	82,879,227	72,778,386
NET POSITION, END OF YEAR	\$ 92,113,547	\$ 82,879,227

CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2022

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 45,242,352	\$ 39,089,114
Cash paid to suppliers and employees	(36,592,060)	(30,808,536)
NET CASH PROVIDED BY OPERATING ACTIVITIES	8,650,292	8,280,578
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(4,918,352)	(4,782,152)
Proceeds from sale of equipment	97,896	79,316
Principal payment on revenue bonds, notes payable and capital lease obligations	(2,760,000)	(2,630,000)
Capital contributions	332,275	160,842
Proceeds from issuance of long term debt	-	-
Premium on bond issuance	-	-
Cash payments for bond issuance expense	-	-
Income from special items	1,884,828	-
Interest paid on revenue bonds and notes payable	(2,668,212)	(2,832,588)
NET CASH (USED) FOR CAPITAL AND FINANCING ACTIVITIES	(8,031,565)	(10,004,582)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	772,472	755,863
Proceeds from maturities and sales of investment securities	22,851,477	6,344,549
Purchase of investments	(23,001,103)	(6,018,796)
NET CASH (USED) BY INVESTING ACTIVITIES	622,846	1,081,616
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,241,573	(642,388)
Cash and cash equivalents, beginning of year	6,478,240	7,120,628
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 7,719,813	\$ 6,478,240
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	\$ 8,349,786	\$ 11,061,655
Operating income		
Adjustments to reconcile income to net cash provided by operating activities:		
Depreciation	5,567,553	4,857,179
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	(1,197,795)	187,162
(Increase)/Decrease in inventory	(100,916)	(471,652)
(Increase)/Decrease in prepaid expenses	(43,838)	(143,281)
Increase/(Decrease) in accounts payable	(33,222)	(1,604,173)
Increase/(Decrease) in accrued wages and related liabilities	(24,662)	43,731
Increase/(Decrease) in accrued sick and vacation	19,596	(38,731)
Increase in customer deposits, including accrued interest	46,205	102,907
(Decrease) in landfill site postclosure care cost liability	-	-
Increase/(Decrease) in other post-employment benefits (OPEB), and net pension liability	(1,731,325)	(1,988,940)
Increase in reserve for turbine overhaul and landfill postclosure costs	(17,167)	(4,316)
Increase/(Decrease) in other current liabilities	(2,183,923)	(3,720,963)
NET ADJUSTMENTS	300,506	(2,781,077)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 8,650,292	\$ 8,280,578

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
September 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 10,551,210
Taxes receivable, net	124,057
Accounts receivable, net	-
Due from primary government	-
Other assets	<u>1,115</u>
TOTAL CURRENT ASSETS	<u>10,676,382</u>
Non-current assets:	
Other capital assets, net of depreciation	<u>722,747</u>
TOTAL NON-CURRENT ASSETS	<u>722,747</u>
TOTAL ASSETS	<u>11,399,129</u>
DEFERRED OUTFLOWS OF RESOURCES	
Receivables for developer obligations	<u>78,890,204</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>78,890,204</u>
LIABILITIES	
Current liabilities:	
Accounts payable	7,838
Accrued liabilities	766
Accrued interest	663,513
Due to primary government	-
Bonds payable for capital assets- due in one year	85,000
Bonds payable for developer - due in one year	<u>905,000</u>
TOTAL CURRENT LIABILITIES	<u>1,662,117</u>
Non-current liabilities:	
Bonds payable for capital assets - due in more than one year	540,000
Bonds payable for developer - due in more than one year	36,427,364
Long term obligations to developers	<u>40,269,327</u>
TOTAL NON-CURRENT LIABILITIES	<u>77,236,691</u>
TOTAL LIABILITIES	<u>78,898,808</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes levied for a subsequent period	<u>4,393,309</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,393,309</u>
NET POSITION	
Net investment in capital assets	97,747
Restricted	<u>6,899,469</u>
TOTAL NET POSITION	<u><u>\$ 6,997,216</u></u>

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2022

Function / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General government	\$ 7,885,521	\$ -	\$ 32,500	\$ (7,853,021)
Interest on long-term debt	1,184,694	-	-	(1,184,694)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 9,070,215</u>	<u>\$ -</u>	<u>\$ 32,500</u>	<u>(9,037,715)</u>
	General revenues:			
	Property taxes			10,780,769
	Interest and investment earnings			14,126
	Miscellaneous			<u>-</u>
			Total General Revenues	<u>10,794,895</u>
			CHANGE IN NET POSITION	1,757,180
			Net position, beginning of year	<u>5,240,036</u>
			NET POSITION, END OF YEAR	<u>\$ 6,997,216</u>

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
COMPARATIVE BALANCE SHEET
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 10,551,210	\$ 8,250,548
Taxes receivable, net	124,057	38,058
Other assets	<u>1,115</u>	<u>87,179</u>
TOTAL ASSETS	<u>10,676,382</u>	<u>8,375,785</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 10,676,382</u></u>	<u><u>\$ 8,375,785</u></u>
LIABILITIES		
Accounts payable	\$ 7,838	\$ 77,921
Accrued salaries and wages	766	2,144
Due to primary government	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,604</u>	<u>80,065</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	<u>4,393,309</u>	<u>3,891,053</u>
FUND BALANCE		
Restricted	6,256,945	4,390,639
Unassigned	<u>17,524</u>	<u>14,028</u>
TOTAL FUND BALANCE	<u>6,274,469</u>	<u>4,404,667</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 10,676,382</u></u>	<u><u>\$ 8,375,785</u></u>

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2022

Total Fund Balances for Governmental Funds	\$ 6,274,469
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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 therefore are not reported in those funds

	1,285,857	
Cost of capital assets		
Accumulated depreciation	<u>(563,110)</u>	722,747

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Receivables for developer obligations	78,890,204
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds

	(85,000)	
Current portion of bonds payable for capital assets		
Current portion of bonds payable for developer	(905,000)	
Accrued interest on bonds	(663,513)	
Bonds payable for capital assets	(540,000)	
Bonds payable for developer	(36,427,364)	
Long term obligations to developers	<u>(40,269,327)</u>	<u>(78,890,204)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 6,997,216</u>
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CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2021

	2022	2021
REVENUES		
Property taxes	\$ 5,597,288	\$ 6,013,708
Private contribution	32,500	22,500
Investment income	14,126	8,465
TOTAL REVENUES	<u>5,643,914</u>	<u>6,044,673</u>
EXPENDITURES		
Current operations:		
General government	40,118	40,064
Economic development:		
Supplies and contractual	7,843,522	4,608,846
Capital outlay	-	-
Debt service		
Principal retirement	945,000	885,000
Interest and fiscal charges	1,383,749	1,202,649
TOTAL EXPENDITURES	<u>10,212,389</u>	<u>6,736,559</u>
NET REVENUES OVER EXPENDITURES	<u>(4,568,475)</u>	<u>(691,886)</u>
OTHER FINANCING SOURCES (USES)		
Bond issuance	6,000,000	-
Premium on bond issuance	438,277	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,438,277</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,869,802	(691,886)
Fund balance, beginning of year	<u>4,404,667</u>	<u>5,096,553</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 6,274,469</u></u>	<u><u>\$ 4,404,667</u></u>

CITY OF MARQUETTE, MICHIGAN

BROWNFIELD REDEVELOPMENT AUTHORITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 1,869,802
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Amounts reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$ -	
Depreciation expense	(112,622)	
Net book value of disposals	-	(112,622)

Proceeds from debt issues are an other financing source in the fund, but a debt issue increases long-term liabilities in the statement of net position	(6,438,277)
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Premiums on bonds are an other financing source in the fund when first issued, but these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt.	143,261
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Proceeds from debt issues are a receivable for developer obligations, a deferred outflow of resources, in the statement of net position.	6,438,277
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In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental fund, an interest expenditure is reported when due.	(72,932)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	945,000
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Payment of long-term obligations to developers is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	(843,117)
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Payments of bond principal, bond interest, and long-term obligations to developers decreases the deferred receivable for developer obligations at the statement of net position, but the revenue is already recognized as property taxes in the statement of activities.	(172,212)
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

	\$ 1,757,180
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CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
September 30, 2022

	Downtown Development Authority	Peter White Public Library	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,505,774	\$ 1,425,083	\$ 2,930,857
Taxes receivable, net	111,639	58,313	169,952
Accounts receivable, net	47,681	10,183	57,864
Due from Federal	-	-	-
Lease receivable	-	26,800	26,800
Other assets	-	19,083	19,083
TOTAL CURRENT ASSETS	1,665,094	1,539,462	3,204,556
Non-current assets:			
Restricted cash and cash equivalents	-	1,990,140	1,990,140
Land and construction in progress	-	114,704	114,704
Lease receivable	-	57,306	57,306
Other capital assets, net of depreciation	3,069,231	6,974,487	10,043,718
TOTAL NON-CURRENT ASSETS	3,069,231	9,136,637	12,205,868
TOTAL ASSETS	4,734,325	10,676,099	15,410,424
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	-	158,338	158,338
Employer contributions subsequent to measurement date	-	59,280	59,280
Receivables for developer obligations	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	217,618	217,618
LIABILITIES			
Current liabilities:			
Accounts payable	3,792	47,456	51,248
Accrued liabilities	10,266	74,173	84,439
Accrued interest	1,595	-	1,595
Due to others	-	10,894	10,894
Grants received in advance	3,000	-	3,000
Compensated absences	11,933	-	11,933
Bonds payable - due in one year	127,000	230,000	357,000
Lease payable - due in one year	-	4,111	4,111
TOTAL CURRENT LIABILITIES	157,586	366,634	524,220
Non-current liabilities:			
Compensated absences	-	72,395	72,395
Net pension liability	-	732,768	732,768
Bonds payable	654,000	3,013,582	3,667,582
Lease payable	-	3,234	3,234
TOTAL NON-CURRENT LIABILITIES	654,000	3,821,979	4,475,979
TOTAL LIABILITIES	811,586	4,188,613	5,000,199
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	-	80,856	80,856
Deferred inflows related to pension	-	271,192	271,192
Taxes levied for a subsequent period	742,518	925,809	1,668,327
TOTAL DEFERRED INFLOWS OF RESOURCES	742,518	1,277,857	2,020,375
NET POSITION			
Net investment in capital assets	2,288,231	3,838,264	6,126,495
Restricted	3,000	1,826,620	1,829,620
Unrestricted	888,990	(237,637)	651,353
TOTAL NET POSITION	\$ 3,180,221	\$ 5,427,247	\$ 8,607,468

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2022

Function / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Downtown Development Authority	Peter White Public Library	Total
Governmental Activities:						
Downtown Development Authority	\$ 1,271,216	\$ 491,582	\$ 45,000	\$ (734,634)	\$ -	\$ (734,634)
Peter White Public Library	2,543,541	147,921	895,625	-	(1,499,995)	(1,499,995)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 3,814,757	\$ 639,503	\$ 940,625	(734,634)	(1,499,995)	(2,234,629)
General revenues:						
Property taxes				904,314	1,275,526	2,179,840
Interest and investment earnings				565	66,098	66,663
Gain on the sale of capital assets				-	2	2
Miscellaneous				66,155	103,403	169,558
Total General Revenues				971,034	1,445,029	2,416,063
CHANGE IN NET POSITION				236,400	(54,966)	181,434
Net position, beginning of year, as restated				2,943,821	5,482,213	8,426,034
NET POSITION, END OF YEAR	\$ 3,180,221	\$ 5,427,247	\$ 8,607,468			

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

September 30, 2022

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,505,774
Taxes receivable, net	111,639
Accounts receivable, net	47,681
Due from Federal government	-
Due from primary government	-
Other assets	-
TOTAL CURRENT ASSETS	1,665,094
Non-current assets:	
Land and construction in progress	-
Other capital assets, net of depreciation	3,069,231
TOTAL NON-CURRENT ASSETS	3,069,231
TOTAL ASSETS	4,734,325
DEFERRED OUTFLOWS OF RESOURCES	-
LIABILITIES	
Current liabilities:	
Accounts payable	3,792
Accrued liabilities	10,266
Accrued interest	1,595
Grants received in advance	3,000
Compensated absences	11,933
Bonds payable - due in one year	127,000
TOTAL CURRENT LIABILITIES	157,586
Non-current liabilities:	
Bonds payable - due in more than one year	654,000
TOTAL NON-CURRENT LIABILITIES	654,000
TOTAL LIABILITIES	811,586
DEFERRED INFLOWS OF RESOURCES	
Taxes levied for a subsequent period	742,518
TOTAL DEFERRED INFLOWS OF RESOURCES	742,518
NET POSITION	
Net investment in capital assets	2,288,231
Restricted	3,000
Unrestricted	888,990
TOTAL NET POSITION	\$ 3,180,221

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Function / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General government	\$ 1,249,296	\$ 491,582	\$ 45,000	\$ (712,714)
Interest on long-term debt	21,920	-	-	(21,920)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,271,216	\$ 491,582	\$ 45,000	(734,634)
	General revenues:			
	Property taxes			904,314
	Interest and investment earnings			565
	Gain on the sale of capital assets			-
	Miscellaneous			66,155
				<u>971,034</u>
		Total General Revenues		<u>971,034</u>
		CHANGE IN NET POSITION		236,400
	Net position, beginning of year			<u>2,943,821</u>
		NET POSITION, END OF YEAR		<u>\$ 3,180,221</u>

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2022

	General Fund	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 1,505,774	\$ 1,505,774
Taxes receivable, net	111,639	111,639
Accounts receivable, net	47,681	47,681
Grants receivable, net	-	-
Other assets	-	-
	<hr/>	<hr/>
TOTAL ASSETS	1,665,094	1,665,094
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,665,094</u>	<u>\$ 1,665,094</u>
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	\$ 3,792	\$ 3,792
Accrued salaries and wages	10,266	10,266
Grants received in advance	3,000	3,000
	<hr/>	<hr/>
TOTAL LIABILITIES	17,058	17,058
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	742,518	742,518
	<hr/>	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	742,518	742,518
	<hr/>	<hr/>
FUND BALANCE		
Restricted	-	-
Unassigned	905,518	905,518
	<hr/>	<hr/>
TOTAL FUND BALANCE	905,518	905,518
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 1,665,094</u>	<u>\$ 1,665,094</u>
	<hr/>	<hr/>

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2022

Total Fund Balances for Governmental Funds	\$	905,518
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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 therefore are not reported in those funds

	6,115,708		
Cost of capital assets			
Accumulated depreciation	<u>(3,046,477)</u>		3,069,231

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds

		(127,000)	
Current portion of bonds payable			
Bonds payable		(654,000)	
Compensated absences		(11,933)	
Accrued interest on bonds		<u>(1,595)</u>	

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>3,180,221</u>
--	-----------	-------------------------

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2022

	General Fund	Total Governmental Funds
REVENUES		
Property taxes	\$ 904,314	\$ 904,314
Federal sources	20,000	20,000
State sources	25,000	25,000
Intergovernmental revenues	-	-
Charges for services	437,356	437,356
Rentals	54,226	54,226
Investment income	565	565
Other	66,155	66,155
	<hr/>	<hr/>
TOTAL REVENUES	1,507,616	1,507,616
	<hr/>	<hr/>
EXPENDITURES		
Current operations:		
General government	980,389	980,389
Capital outlay	488,179	488,179
Debt service		
Principal retirement	124,000	124,000
Interest and fiscal charges	22,173	22,173
	<hr/>	<hr/>
TOTAL EXPENDITURES	1,614,741	1,614,741
	<hr/>	<hr/>
NET REVENUES OVER EXPENDITURES	(107,125)	(107,125)
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers (out)	-	-
Bond issuance	-	-
Refunding bonds	-	-
Payment to refunded bond escrow agent	-	-
	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCES (USES)	-	-
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	(107,125)	(107,125)
	<hr/>	<hr/>
Fund balance, beginning of year	1,012,643	1,012,643
	<hr/>	<hr/>
FUND BALANCE, END OF YEAR	\$ 905,518	\$ 905,518
	<hr/>	<hr/>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ (107,125)

*Amounts reported for governmental activities in the statement of
activities is different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 442,498	
Depreciation expense	(244,949)	
Net book value of disposals	<u>-</u>	197,549

Proceeds from debt issues are an other financing resource in the funds, but a debt issue increases long-term liabilities in the statement of net position

-

Interest on long-term debt is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount of accrued interest recognized in the Statement of Activities.

253

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of net Position.

124,000

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated absences	<u>21,723</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 236,400

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

STATEMENT OF NET POSITION

September 30, 2022

	Primary Government
	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,425,083
Taxes receivable, net	58,313
Accounts receivable, net	10,183
Prepaid expenses	19,083
Lease receivable	26,800
Non-current assets:	
Restricted cash and cash equivalents	1,990,140
Lease receivable	57,306
Land and construction in progress	114,704
Other capital assets, net of depreciation	6,974,487
TOTAL ASSETS	10,676,099
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	158,338
Employer contributions subsequent to measurement date	59,280
TOTAL DEFERRED OUTFLOWS OF RESOURCES	217,618
LIABILITIES	
Current liabilities:	
Accounts payable	47,456
Accrued liabilities	74,173
Due to others	10,894
Non-current liabilities:	
Due or payable within one year	
Bonds payable	230,000
Lease payable	4,111
Due or payable after one year	
Bonds payable	3,013,582
Lease payable	3,234
Compensated absences	72,395
Net pension liability	732,768
TOTAL LIABILITIES	4,188,613
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	80,856
Deferred inflows related to pension	271,192
Taxes levied for a subsequent period	925,809
TOTAL DEFERRED INFLOWS OF RESOURCES	1,277,857
NET POSITION	
Net investment in capital assets	3,838,264
Restricted for:	
Debt services	267,923
Other activities	1,558,697
Unrestricted	(237,637)
TOTAL NET POSITION	\$ 5,427,247

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Function / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities:				
Recreation and culture	\$ 2,440,451	\$ 147,921	\$ 895,625	\$ (1,396,905)
Interest on long-term debt	103,090	-	-	(103,090)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,543,541	\$ 147,921	\$ 895,625	(1,499,995)
General revenues:				
Property taxes				1,275,526
Interest and investment earnings				66,098
Gain/(loss) on sale of fixed assets				2
Miscellaneous				103,403
			Total General Revenues	1,445,029
			CHANGE IN NET POSITION	(54,966)
			Net position, beginning of year, as restated	5,482,213
			NET POSITION, END OF YEAR	\$ 5,427,247

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

GOVERNMENTAL FUNDS

BALANCE SHEET

September 30, 2022

	General Fund	Carroll Paul Memorial Trust Fund	Library Improvement Debt Fund	Peter White Public Library Development Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,053,549	\$ 8,278	\$ 450,526	\$ 66,724	\$ 1,579,077
Investments	371,534	790,442	-	674,170	1,836,146
Taxes receivable, net	47,259	-	11,054	-	58,313
Accounts receivable, net	10,183	-	-	-	10,183
Prepaid expenditures	19,083	-	-	-	19,083
TOTAL ASSETS	1,501,608	798,720	461,580	740,894	3,502,802
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,501,608	\$ 798,720	\$ 461,580	\$ 740,894	\$ 3,502,802
LIABILITIES					
Accounts payable	\$ 47,456	\$ -	\$ -	\$ -	\$ 47,456
Accrued salaries and wages	20,573	-	-	-	20,573
Due to other funds	9,663	-	1,231	-	10,894
TOTAL LIABILITIES	77,692	-	1,231	-	78,923
DEFERRED INFLOWS OF RESOURCES					
Taxes levied for a subsequent period	733,383	-	192,426	-	925,809
TOTAL DEFERRED INFLOWS OF RESOURCES	733,383	-	192,426	-	925,809
FUND BALANCE					
Non-spendable	19,083	-	-	-	19,083
Restricted for:					
Capital outlay	-	-	-	-	-
Debt retirement	-	-	267,923	-	267,923
Endowments	-	798,720	-	740,894	1,539,614
Unassigned	671,450	-	-	-	671,450
TOTAL FUND BALANCE	690,533	798,720	267,923	740,894	2,498,070
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,501,608	\$ 798,720	\$ 461,580	\$ 740,894	\$ 3,502,802

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2022

Total Fund Balances for Governmental Funds	\$ 2,498,070
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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 therefore are not reported in those funds

	Cost of capital assets	14,285,576
	Accumulated depreciation	<u>(7,196,385)</u>
		7,089,191

Lease receivables and deferred inflows related to leases used in governmental activities relate to future periods and as such are not reported in the funds.

Lease receivable within one year	26,800	
Lease receivable greater than one year	57,306	
Deferred amounts related to leases	<u>(80,856)</u>	3,250

Net pension liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds.

Net pension liability	(732,768)	
Deferred (outflows) of resources related to net pension liability	158,338	
Employer contributions subsequent to measurement date	59,280	
Deferred inflows of resources related to net pension liability	<u>(271,192)</u>	(786,342)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds

Bonds payable - due in one year	(230,000)	
Bonds payable - due in more than one year	(2,750,000)	
Premium on bond	(263,582)	
Accrued interest on debt	(53,600)	
Lease payable - due in one year	(4,111)	
Lease payable - due in more than one year	(3,234)	
Compensated absences	<u>(72,395)</u>	<u>(3,376,922)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 5,427,247</u>
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CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2022

	General Fund	Carroll Paul Memorial Trust Fund	Library Improvement Debt Fund	Peter White Public Library Development Fund	Total Governmental Funds
REVENUES					
Property taxes	\$ 947,901	\$ -	\$ 327,625	\$ -	\$ 1,275,526
Federal sources	21,994	-	-	-	21,994
State sources	75,345	-	-	-	75,345
Local sources	628,960	-	-	-	628,960
Charges for services	33,420	-	-	-	33,420
Fine and forfeiture	76,090	-	-	-	76,090
Rentals	37,094	-	-	-	37,094
Contributions from private sources	169,326	-	-	-	169,326
Investment income	(70,595)	(153,469)	-	290,162	66,098
Other revenues	14,528	-	-	64,913	79,441
TOTAL REVENUES	<u>1,934,063</u>	<u>(153,469)</u>	<u>327,625</u>	<u>355,075</u>	<u>2,463,294</u>
EXPENDITURES					
Recreation and Culture:					
Personnel services	1,445,810	-	-	-	1,445,810
Supplies	423,983	-	-	-	423,983
Other services and charges	88,086	-	520	162,236	250,842
Capital outlay	74,147	-	-	-	74,147
Debt service:					
Principal retirement	-	-	220,000	-	220,000
Interest and fiscal charges	-	-	110,500	-	110,500
TOTAL EXPENDITURES	<u>2,032,026</u>	<u>-</u>	<u>331,020</u>	<u>162,236</u>	<u>2,525,282</u>
NET REVENUES OVER EXPENDITURES	<u>(97,963)</u>	<u>(153,469)</u>	<u>(3,395)</u>	<u>192,839</u>	<u>(61,988)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of fixed assets	2	-	-	-	2
Transfers in	36,000	-	-	-	36,000
Transfers (out)	-	(36,000)	-	-	(36,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>36,002</u>	<u>(36,000)</u>	<u>-</u>	<u>-</u>	<u>2</u>
NET CHANGE IN FUND BALANCE	<u>(61,961)</u>	<u>(189,469)</u>	<u>(3,395)</u>	<u>192,839</u>	<u>(61,986)</u>
Fund balance, beginning of year	<u>752,494</u>	<u>988,189</u>	<u>271,318</u>	<u>548,055</u>	<u>2,560,056</u>
FUND BALANCE, END OF YEAR	<u>\$ 690,533</u>	<u>\$ 798,720</u>	<u>\$ 267,923</u>	<u>\$ 740,894</u>	<u>\$ 2,498,070</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$	(61,986)
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Amounts reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$	-	
Depreciation expense		(206,368)	
Net book value of disposals		<u>-</u>	(206,368)

Issuance of bond principal is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.	-
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	220,000
--	---------

Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	4,110
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Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt.	23,962
---	--------

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	3,300
--	-------

Payments received related to leases is revenue in the fund financial statements, but on the statement of net position these amounts reduce the outstanding lease receivable and deferred amounts related to leases.

Lease principal received	(25,635)	
Amortization of deferred amounts related to leases	<u>26,952</u>	1,317

Some expenses such as accrued sick and vacation expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(7,771)
--	---------

Net pension liability reported in the statement of activities does not require the use of current resources, and therefore, is not reported in the fund statements until it is due for payment.

Pension expense	<u>(31,530)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(54,966)</u>
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CITY OF MARQUETTE, MICHIGAN

STATISTICAL SECTION

This part of the City of Marquette's 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.

CONTENTS

TABLE

Financial Trends

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

1 - 5

Revenue Capacity

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

6 - 10

Debt Capacity

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

11 - 15

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

16 - 18

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

19 - 20

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF MARQUETTE, MICHIGAN
Net Position / Net Assets by Component
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015 *	2014	2013
Governmental Activities										
Net investment in capital assets	\$ 53,311,680	\$ 53,359,482	\$ 54,164,067	\$ 55,333,265	\$ 49,600,732	\$ 48,649,613	\$ 30,048,214	\$ 23,971,445	\$ 24,635,549	\$ 26,385,560
Restricted	959,604	937,104	886,004	940,606	4,126,444	2,861,425	792,364	1,482,626	1,873,995	719,411
Unrestricted	(12,922,935)	(16,596,933)	(20,039,124)	(18,705,841)	(15,008,382)	(13,670,347)	(9,917,153)	(7,948,501)	15,046,757	15,245,254
Total Governmental Activities										
Net Position / Net Assets	<u>\$ 41,348,349</u>	<u>\$ 37,699,653</u>	<u>\$ 35,010,947</u>	<u>\$ 37,568,030</u>	<u>\$ 38,718,794</u>	<u>\$ 37,840,691</u>	<u>\$ 20,923,425</u>	<u>\$ 17,505,570</u>	<u>\$ 41,556,301</u>	<u>\$ 42,350,225</u>
Business-Type Activities										
Net investment in capital assets	\$ 34,600,775	\$ 34,952,221	\$ 32,535,469	\$ 32,475,063	\$ 31,369,945	\$ 31,098,570	\$ 32,644,974	\$ 33,683,601	\$ 33,852,800	\$ 33,351,560
Restricted	3,888,094	2,349,695	320,602	328,361	1,705,053	837,004	-	1,661,848	2,714,043	211,294
Unrestricted	546,967	(1,356,252)	804,576	(1,814,623)	(1,309,536)	(309,010)	(524,411)	(2,604,078)	474,848	4,387,928
Total Business-Type Activities										
Net Position / Net Assets	<u>\$ 39,035,836</u>	<u>\$ 35,945,664</u>	<u>\$ 33,660,647</u>	<u>\$ 30,988,801</u>	<u>\$ 31,765,462</u>	<u>\$ 31,626,564</u>	<u>\$ 32,120,563</u>	<u>\$ 32,741,371</u>	<u>\$ 37,041,691</u>	<u>\$ 37,950,782</u>
Primary Government										
Net investment in capital assets	\$ 87,912,455	\$ 88,311,703	\$ 86,699,536	\$ 87,808,328	\$ 80,970,677	\$ 79,748,183	\$ 62,693,188	\$ 57,655,046	\$ 58,488,349	\$ 59,737,120
Restricted	4,847,698	3,286,799	1,206,606	1,268,967	5,831,497	3,698,429	792,364	3,144,474	4,588,038	930,705
Unrestricted	(12,375,968)	(17,953,185)	(19,234,548)	(20,520,464)	(16,317,918)	(13,979,357)	(10,441,564)	(10,552,579)	15,521,605	19,633,182
Total Primary Government										
Net Position / Net Assets	<u>\$ 80,384,185</u>	<u>\$ 73,645,317</u>	<u>\$ 68,671,594</u>	<u>\$ 68,556,831</u>	<u>\$ 70,484,256</u>	<u>\$ 69,467,255</u>	<u>\$ 53,043,988</u>	<u>\$ 50,246,941</u>	<u>\$ 78,597,992</u>	<u>\$ 80,301,007</u>

* GASB 68 was implemented in fiscal year 2015 which required the City to record the unfunded liability for its pension plans.

CITY OF MARQUETTE, MICHIGAN
Changes in Net Position / Net Assets
Last Ten Fiscal Years

Table 2

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014 *	2013
Expenses										
Governmental Activities										
General government	\$ 5,986,476	\$ 5,202,213	\$ 6,076,249	\$ 6,104,823	\$ 5,524,941	\$ 5,963,346	\$ 6,592,257	\$ 5,324,952	\$ 5,581,640	\$ 4,309,681
Public health & Safety	10,239,684	8,490,968	8,910,951	8,880,337	7,984,991	8,373,965	10,154,891	8,058,601	8,866,452	7,287,784
Public works	4,462,348	4,242,062	4,785,208	5,554,637	4,450,990	4,810,726	3,425,157	3,457,197	4,302,325	3,615,570
Highway and streets	4,369,537	3,289,477	3,614,699	3,946,629	2,919,733	2,100,708	3,289,402	2,888,985	3,089,215	2,130,526
Social services	865,904	698,272	733,323	727,878	650,445	673,013	672,878	540,432	642,198	462,412
Sanitation	2,926,202	2,659,886	2,190,637	1,998,223	1,820,786	2,012,645	2,960,919	1,915,016	1,914,121	1,538,331
Community services / Recreation and culture	1,642,630	1,426,698	1,478,958	1,570,778	1,445,068	1,460,830	1,472,744	1,396,090	1,866,955	1,469,678
Interest on long-term debt	570,014	591,032	784,210	742,496	710,415	659,470	765,649	702,786	887,454	761,123
Depreciation - unallocated	2,548,472	2,426,961	2,466,539	2,374,557	1,777,715	1,815,600	1,814,190	1,912,453	2,502,444	2,044,577
Total Governmental Activities Expenses	33,611,267	29,027,569	31,040,774	31,900,558	27,285,084	27,870,303	31,147,087	25,996,512	29,652,804	23,619,682
Business-Type Activities										
Water supply	5,279,440	4,849,387	5,122,980	5,302,484	4,645,417	4,704,339	4,968,514	4,578,855	6,124,462	4,305,265
Sewage disposal	6,191,153	5,984,739	5,859,101	6,067,463	5,622,152	5,960,709	5,942,079	5,554,168	6,861,865	5,386,190
Storm water utility	1,704,093	1,629,951	1,731,442	1,562,628	1,535,566	1,348,498	1,245,744	1,242,712	1,511,338	1,336,185
Public works	508,687	285,254	323,404	-	-	-	-	-	-	-
Community services / Recreation and culture	941,204	1,008,301	914,792	1,212,776	1,084,168	710,244	591,369	586,703	1,075,127	565,480
Total Business-Type Activities Expenses	14,624,577	13,757,632	13,951,719	14,145,351	12,887,303	12,723,790	12,747,706	11,962,438	15,572,792	11,593,120
Total Primary Government Expenses	\$ 48,235,844	\$ 42,785,201	\$ 44,992,493	\$ 46,045,909	\$ 40,172,387	\$ 40,594,093	\$ 43,894,793	\$ 37,958,950	\$ 45,225,596	\$ 35,212,802
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 1,361,028	\$ 1,328,181	\$ 1,258,904	\$ 1,280,774	\$ 1,179,745	\$ 1,208,318	\$ 1,134,353	\$ 1,127,711	\$ 1,359,826	\$ 1,114,877
Public health	355,216	202,535	169,654	237,949	262,901	269,667	184,015	198,196	245,345	128,350
Public works	1,461,635	1,415,191	1,341,016	1,433,183	1,252,931	1,220,582	1,179,029	1,278,331	1,295,786	1,063,755
Sanitation	2,941,028	2,727,365	2,156,619	1,500,439	1,714,845	1,941,845	2,667,001	1,973,853	2,048,511	1,478,213
Community services / Recreation and culture	673,139	488,835	535,335	574,437	632,351	594,120	591,373	546,539	676,196	544,566
Operating grants and contributions	5,980,252	4,794,822	4,809,117	4,114,892	4,078,986	3,708,396	4,702,797	2,983,180	2,953,384	934,124
Capital grants and contributions	4,992,493	1,960,996	87,448	1,183,743	4,645,306	19,492,855	6,560,733	731,688	51,348	202,303
Total Governmental Activities Program Revenues	17,764,791	12,917,925	10,358,093	10,325,417	13,767,060	28,435,783	17,019,301	8,839,498	8,630,396	5,466,188
Business-Type Activities										
Charges for Services										
Water supply	5,806,463	5,372,627	5,346,110	5,112,320	4,397,111	4,310,181	4,341,749	4,190,347	5,061,909	4,281,048
Sewage disposal	7,942,544	7,353,821	7,412,178	7,074,400	5,421,289	5,515,000	5,195,249	4,144,417	6,609,593	5,163,824
Storm water utility	2,005,731	1,767,105	2,164,142	1,543,703	1,307,658	1,319,804	1,241,285	1,213,912	1,414,643	1,045,493
Public works	514,295	287,610	338,495	-	-	-	-	-	-	-
Community services / Recreation and culture	1,111,168	1,031,264	786,683	1,156,988	1,136,865	768,451	691,716	1,220,648	1,025,237	496,962
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	198,692	363,151	541,900	154,491	795,762	267,919	275,033	118,089	729,426	749,985
Total Business-Type Activities Program Revenues	17,578,893	16,175,578	16,589,508	15,041,902	13,058,685	12,181,355	11,745,032	10,887,413	14,840,808	11,737,312
Total Primary Government Program Revenues	\$ 35,343,684	\$ 29,093,503	\$ 26,947,601	\$ 25,367,319	\$ 26,825,745	\$ 40,617,138	\$ 28,764,333	\$ 19,726,911	\$ 23,471,204	\$ 17,203,500
Net (Expense) Revenue										
Governmental Activities	\$ (15,846,476)	\$ (16,109,644)	\$ (20,682,681)	\$ (21,575,141)	\$ (13,518,024)	\$ 565,480	\$ (14,127,786)	\$ (17,157,014)	\$ (21,022,408)	\$ (18,153,494)
Business-Type Activities	2,954,316	2,417,946	2,637,789	896,551	171,382	(542,435)	(1,002,674)	(1,075,025)	(731,984)	144,192
Total Primary Government Net Expense	\$ (12,892,160)	\$ (13,691,698)	\$ (18,044,892)	\$ (20,678,590)	\$ (13,346,642)	\$ 23,045	\$ (15,130,460)	\$ (18,232,039)	\$ (21,754,392)	\$ (18,009,302)
General Revenues and Other Changes in Net Position / Net Assets										
Governmental Activities										
Taxes										
Property taxes	\$ 11,729,719	\$ 10,859,716	\$ 10,631,256	\$ 10,309,858	\$ 10,520,313	\$ 10,327,997	\$ 10,940,124	\$ 10,319,719	\$ 13,128,364	\$ 9,393,501
Payments in lieu of taxes	3,920,049	3,587,977	3,706,246	4,021,184	4,346,184	3,450,621	3,436,353	3,452,171	4,225,666	3,367,177
Unrestricted state sources	3,498,022	3,306,827	3,016,816	2,561,563	2,221,895	2,250,026	2,063,647	2,089,213	2,544,745	3,372,989
Interest and investment earnings	(101,064)	26,851	172,771	409,911	11,095	3,197	252,962	219,202	134,258	(47,473)
Gain (loss) on sale of capital assets	2,740	260,426	13,620	1,376,313	-	-	854,166	7,384	9,539	1,262
Miscellaneous	322,233	491,305	418,908	129,076	155,429	319,945	358,389	154,165	352,322	154,680
Transfers	129,319	265,248	165,981	1,616,472	(18,720)	-	(360,000)	-	(166,410)	(50,247)
Total Governmental Activities	19,501,018	18,798,350	18,125,598	20,424,377	17,236,196	16,351,786	17,545,641	16,241,854	20,228,484	16,191,889
Business-Type Activities										
Interest and investment earnings	12,916	14,612	27,215	43,260	19,755	48,436	21,866	22,907	18,541	7,342
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	5,942
Miscellaneous	252,259	117,707	72,823	-	-	-	-	-	-	-
Extraordinary item - Winter Storm Damage	-	-	-	-	-	-	-	-	(362,058)	-
Transfers	(129,319)	(265,248)	(165,981)	(1,616,472)	18,720	-	360,000	-	166,410	50,247
Total Business-Type Activities	135,856	(132,929)	(65,943)	(1,573,212)	38,475	48,436	381,866	22,907	(177,107)	63,531
Total Primary Government	\$ 19,636,874	\$ 18,665,421	\$ 18,059,655	\$ 18,851,165	\$ 17,274,671	\$ 16,400,222	\$ 17,927,507	\$ 16,264,761	\$ 20,051,377	\$ 16,255,420
Change in Net Position / Net Assets										
Governmental activities	\$ 3,654,542	\$ 2,688,706	\$ (2,557,083)	\$ (1,150,764)	\$ 3,718,172	\$ 16,917,266	\$ 3,417,855	\$ (915,160)	\$ (793,924)	\$ (1,961,605)
Business-type activities	3,090,172	2,285,017	2,571,846	(676,661)	209,857	(493,999)	(620,808)	(1,052,118)	(909,091)	207,723
Total Primary Government	\$ 6,744,714	\$ 4,973,723	\$ 14,763	\$ (1,827,425)	\$ 3,928,029	\$ 16,423,267	\$ 2,797,047	\$ (1,967,278)	\$ (1,703,015)	\$ (1,753,882)

* 2014 is a 15-month fiscal year

CITY OF MARQUETTE, MICHIGAN
Fund Balances, Governmental Funds
Last Ten Fiscal Years

		Fiscal Year									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund											
Non-spendable	\$	296,528	\$ 757,803	\$ 813,799	\$ 723,433	\$ 464,596	\$ 470,349	\$ 447,303	\$ 414,088	\$ 529,534	\$ 329,423
Restricted		57,500	2,315	7,095	33,512	44,694	47,996	64,618	177,559	223,793	245,597
Assigned		999,789	76,802	63,781	1,012,771	2,505,814	3,108,348	4,466,772	3,863,930	2,888,016	1,503,235
Unassigned		6,888,869	8,889,446	8,744,448	9,701,277	11,209,897	10,505,094	8,374,197	8,455,195	9,008,005	8,726,900
Total General Fund	\$	8,242,686	\$ 9,726,366	\$ 9,629,123	\$ 11,470,993	\$ 14,225,001	\$ 14,131,787	\$ 13,352,890	\$ 12,910,772	\$ 12,649,348	\$ 10,805,155
All Other Governmental Funds											
Non-spendable	\$	981,502	\$ 964,279	\$ 912,788	\$ 1,709,080	\$ 846,152	\$ 823,102	\$ 787,786	\$ 761,387	\$ 744,640	\$ 693,924
Restricted		6,960,771	4,164,429	3,683,888	2,172,383	3,215,886	3,780,031	1,264,343	675,770	483,532	416,098
Committed		28,759	-	-	-	-	-	-	-	-	-
Assigned		3,452,055	2,008,151	1,766,043	1,671,205	4,900,651	3,064,309	2,441,230	2,674,404	1,914,986	1,696,230
Total All Other Governmental Funds	\$	11,423,087	\$ 7,136,859	\$ 6,362,719	\$ 5,552,668	\$ 8,962,689	\$ 7,667,442	\$ 4,493,359	\$ 4,111,561	\$ 3,143,158	\$ 2,806,252

CITY OF MARQUETTE, MICHIGAN
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014 *	2013
Revenues										
Taxes	\$ 15,653,110	\$ 14,620,961	\$ 14,404,842	\$ 14,343,664	\$ 14,893,186	\$ 13,809,799	\$ 14,410,979	\$ 13,808,189	\$ 17,400,992	\$ 12,760,678
Federal and state sources	8,233,021	6,989,478	6,646,994	5,478,353	5,196,314	4,815,572	4,481,616	4,435,086	4,996,865	4,008,066
Fines and penalties	266,982	144,836	136,438	117,468	200,056	190,549	70,643	118,012	136,239	113,071
Charges for services	5,459,378	5,008,770	4,502,351	4,346,650	3,978,758	4,165,062	4,868,257	4,265,660	4,565,487	3,542,272
Special assessments	-	-	-	-	-	-	-	14,114	14,114	(23,167)
Intergovernmental	419,060	408,331	399,971	394,032	384,429	366,022	343,530	332,069	383,980	291,264
Investment income	(100,355)	29,434	183,219	453,027	(17,797)	(7,068)	274,997	244,794	136,093	(46,464)
Other revenues	7,080,941	4,624,828	1,990,904	4,272,502	6,073,639	9,456,177	13,129,529	1,737,101	1,391,520	1,040,449
Total Revenues	<u>37,012,137</u>	<u>31,826,638</u>	<u>28,264,719</u>	<u>29,405,696</u>	<u>30,708,585</u>	<u>32,796,113</u>	<u>37,579,551</u>	<u>24,955,025</u>	<u>29,025,290</u>	<u>21,686,169</u>
Expenditures										
General government	6,375,602	5,837,931	5,736,676	5,282,008	5,142,497	4,962,649	5,584,909	4,417,297	5,318,165	4,095,556
Public health and safety	9,290,821	9,040,069	8,726,266	8,389,447	8,075,826	7,607,896	7,366,980	7,278,038	8,802,764	7,078,837
Public works	3,888,203	4,061,935	4,369,473	5,445,760	5,893,127	5,855,742	3,963,721	3,742,907	4,350,493	3,407,456
Highway and streets	3,366,717	2,210,387	2,806,970	3,142,470	2,662,169	2,163,482	2,248,698	2,587,576	3,206,071	2,136,893
Social services and community development	859,689	738,871	709,284	679,975	631,176	608,234	580,937	532,432	634,993	458,863
Sanitation	2,677,639	2,342,953	1,967,031	1,809,277	1,753,570	1,969,565	2,644,699	1,892,278	1,946,799	1,515,690
Community services / Recreation and culture	1,475,660	1,490,952	1,290,591	1,361,966	1,250,025	1,246,046	1,279,432	1,111,815	1,437,392	1,120,833
Capital outlay	4,608,221	3,796,235	3,775,058	2,064,038	3,894,513	8,822,488	8,819,107	1,126,282	1,629,475	1,333,372
Other expenditures	-	-	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Professional and contractual	37,182	38,123	81,096	3,580	14,234	79,538	320	17,127	31,950	36,242
Principal	2,109,942	1,819,699	1,737,981	5,287,438	1,898,635	1,572,463	2,745,388	1,459,316	1,427,363	1,205,973
Interest	581,602	615,032	558,281	804,410	656,674	597,847	789,199	710,837	795,144	780,142
Total Expenditures	<u>35,271,278</u>	<u>31,992,187</u>	<u>31,758,707</u>	<u>34,270,369</u>	<u>31,872,446</u>	<u>35,485,950</u>	<u>36,023,390</u>	<u>24,875,905</u>	<u>29,580,609</u>	<u>23,169,857</u>
Excess of revenues over (under) expenditures	1,740,859	(165,549)	(3,493,988)	(4,864,673)	(1,163,861)	(2,689,837)	1,556,161	79,120	(555,319)	(1,483,688)
Other Financing Sources (Uses)										
Proceeds from borrowing	1,920,000	2,550,150	3,340,000	-	2,405,000	9,582,578	-	712,237	4,512,900	1,253,745
Premium on bond issuance	170,434	379,973	478,372	-	166,042	1,082,241	-	24,675	78,578	65,117
Receipts from other governments	-	-	-	-	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	(1,008,819)	-	-	-	(4,356,589)	-	-	(2,315,000)	-
Transfers in	5,871,711	3,905,842	4,866,027	5,900,439	3,834,285	2,895,394	5,474,911	4,676,731	4,301,543	3,669,697
Transfers out	(6,900,456)	(4,790,214)	(6,222,230)	(7,199,795)	(3,853,005)	(3,250,445)	(5,517,518)	(4,262,936)	(3,841,603)	(3,321,749)
Total Other Financing Sources (Uses)	<u>1,061,689</u>	<u>1,036,932</u>	<u>2,462,169</u>	<u>(1,299,356)</u>	<u>2,552,322</u>	<u>5,953,179</u>	<u>(42,607)</u>	<u>1,150,707</u>	<u>2,736,418</u>	<u>1,666,810</u>
Net change in fund balances	<u>\$ 2,802,548</u>	<u>\$ 871,383</u>	<u>\$ (1,031,819)</u>	<u>\$ (6,164,029)</u>	<u>\$ 1,388,461</u>	<u>\$ 3,263,342</u>	<u>\$ 1,513,554</u>	<u>\$ 1,229,827</u>	<u>\$ 2,181,099</u>	<u>\$ 183,122</u>
Debt Service as a Percentage of Non-capital Expenditures	8.75%	8.81%	8.28%	19.25%	9.81%	8.78%	13.10%	9.42%	7.98%	9.15%

* 2014 is a 15-month fiscal year

CITY OF MARQUETTE, MICHIGAN

General Governmental Expenditures by Functions ^(A)

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014 *	2013
General Government	\$ 6,375,602	\$ 5,837,931	\$ 5,736,676	\$ 5,282,008	\$ 5,142,497	\$ 4,962,649	\$ 5,584,909	\$ 4,417,297	\$ 5,318,165	\$ 4,095,556
Public Health and Safety	9,290,821	9,040,069	8,726,266	8,389,447	8,075,826	7,607,896	7,366,980	7,278,038	8,802,764	7,078,837
Highways, Streets and Bridges	7,248,768	6,266,222	7,176,443	7,460,969	8,555,296	7,991,443	6,212,419	6,330,483	7,556,564	5,544,349
Sanitation	2,677,639	2,342,953	1,967,031	1,809,277	1,753,570	1,969,565	2,644,699	1,892,278	1,946,799	1,515,690
Social Services	859,689	738,871	709,284	679,975	631,176	608,234	580,937	532,432	634,993	458,863
Recreation and Culture	1,475,660	1,490,952	1,290,591	1,361,966	1,250,025	1,239,205	1,279,432	1,111,815	1,437,392	1,120,833
Capital Outlay	894,042	2,010,453	3,712,553	1,279,272	1,219,017	1,448,065	560,136	1,098,782	1,629,475	1,333,372
Debt Service	37,182	38,123	81,096	-	13,914	111,540	-	16,557	13,676	13,910
TOTALS	<u>\$ 28,859,403</u>	<u>\$ 27,765,574</u>	<u>\$ 29,399,940</u>	<u>\$ 26,262,914</u>	<u>\$ 26,641,321</u>	<u>\$ 25,938,597</u>	<u>\$ 24,229,512</u>	<u>\$ 22,677,682</u>	<u>\$ 27,339,828</u>	<u>\$ 21,161,410</u>

^(A) Includes General and Special
Revenue Funds

* 2014 is a 15-
month fiscal
year

CITY OF MARQUETTE, MICHIGAN

General Revenues by Sources ^(A)

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014 *	2013
Property Taxes	\$ 11,733,061	\$ 11,032,984	\$ 10,698,596	\$ 10,322,480	\$ 10,547,002	\$ 10,359,178	\$ 10,974,626	\$ 10,356,018	\$ 13,175,326	\$ 9,394,438
Payments in lieu of property taxes	3,920,049	3,587,977	3,706,246	4,021,184	4,346,184	3,450,621	3,436,353	3,452,171	4,225,666	3,366,240
State and Federal sources	8,233,021	6,989,478	6,646,994	5,478,353	5,196,314	4,815,572	4,481,616	4,435,086	4,996,865	4,008,066
Intergovernmental revenue	419,060	408,331	399,971	394,032	384,429	366,022	343,530	332,069	383,980	291,264
Licenses and permits	99,892	102,900	85,999	61,664	62,472	80,353	76,971	49,129	47,364	33,492
Charges for services	5,436,878	4,957,670	4,482,176	4,301,949	3,956,371	4,129,822	4,842,812	4,248,375	4,531,042	3,516,067
Sales	57,719	64,116	40,881	55,248	29,207	54,986	40,579	34,753	49,080	48,167
Use and admission fees	466,714	338,203	418,254	417,544	457,488	422,654	404,027	397,096	446,695	415,920
Fines and forfeits	266,982	144,836	136,438	117,468	200,056	190,549	70,643	118,012	136,239	113,071
Rentals	140,106	110,227	129,951	140,859	147,409	144,852	142,944	108,235	185,228	122,159
Special assessments	-	-	-	-	-	-	-	14,114	14,114	(23,167)
Sale of assets	40,109	895,405	13,620	895,523	-	-	8,800	-	9,540	1,262
Contribution from private sources	954,857	912,798	830,789	815,556	819,994	894,559	2,033,273	409,214	208,640	216,197
Reimbursements	223,217	307,734	350,267	393,830	127,856	232,822	168,869	142,552	303,668	148,441
Investment income	(107,171)	25,451	170,959	405,395	7,825	3,197	249,251	219,921	141,452	(1,313)
Other revenue	106,530	101,563	66,620	107,637	138,926	177,765	274,247	96,122	95,892	54,791
TOTAL	\$ 31,991,024	\$ 29,979,673	\$ 28,177,761	\$ 27,928,722	\$ 26,421,533	\$ 25,322,952	\$ 27,548,541	\$ 24,412,867	\$ 28,950,791	\$ 21,705,095

^(A) Includes General and Special
Revenue Funds

* 2014 is a 15-
month fiscal
year

Table 7

CITY OF MARQUETTE, MICHIGAN
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

<u>Fiscal Year Ended</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct</u>
June 30, 2013	\$ 875,868,800	\$ 1,018,676,400	\$ 207,203,800	\$ 675,331,400	\$ 1,426,417,600	17.243
September 30, 2014	883,211,800	1,113,465,600	220,136,800	675,331,400	1,541,482,800	17.143
September 30, 2015	902,211,400	1,136,314,200	215,601,400	675,331,400	1,578,795,600	17.153
September 30, 2016	939,829,600	1,152,263,200	230,026,000	675,331,400	1,646,787,400	17.153
September 30, 2017	936,191,000	1,141,539,800	180,297,400	675,331,400	1,582,696,800	17.193
September 30, 2018	970,918,200	1,137,214,800	139,636,800	675,331,400	1,572,438,400	17.103
September 30, 2019	1,039,826,900	1,258,027,800	48,865,000	675,331,400	1,671,388,300	17.323
September 30, 2020	1,072,760,700	1,210,003,200	32,777,400	675,331,400	1,640,209,900	17.273
September 30, 2021	1,114,532,900	1,200,518,800	16,331,600	675,331,400	1,656,051,900	17.273
September 30, 2022	1,196,415,824	1,230,132,000	16,069,484	675,331,400	1,767,285,908	17.214

Source: City of Marquette Assessor's Department.

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to 50% of true cash value. Tax rates are per \$1,000 of taxable value.

Table 8

CITY OF MARQUETTE, MICHIGAN
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended	City Direct Rates					(A)	(B)	Total
	General Fund	Senior Services Fund	Library Fund	Debt Service Funds	Total Direct	Overlapping Rates *		
						Marquette Area Public School District	County of Marquette	
June 30, 2013	14.923	0.350	1.370	0.600	17.243	6.900	9.945	34.088
September 30, 2014	14.923	0.350	1.370	0.500	17.143	6.550	9.844	33.537
September 30, 2015	14.923	0.350	1.370	0.510	17.153	7.500	9.940	34.593
September 30, 2016	14.923	0.350	1.370	0.510	17.153	7.530	9.940	34.623
September 30, 2017	14.923	0.350	1.370	0.550	17.193	7.520	10.023	34.736
September 30, 2018	14.923	0.350	1.370	0.460	17.103	7.450	7.693	32.246
September 30, 2019	14.923	0.350	1.370	0.680	17.323	7.440	7.693	32.456
September 30, 2020	14.923	0.350	1.500	0.500	17.273	7.440	7.694	32.407
September 30, 2021	14.923	0.348	1.491	0.511	17.273	7.443	7.612	32.328
September 30, 2022	14.923	0.346	1.474	0.471	17.214	7.434	7.645	32.293

Source: City of Marquette Treasurer's Department.

Note: Rates for debt service are set based on each year's requirements.

* Overlapping rates are those of local and county governments that apply to property owners within the City of Marquette.

(A) - Includes Debt Service

(B) - Includes Intermediate School District, Special Education, County Wide Transit, County Medical Facility, and Heritage Authority.

Table 9

CITY OF MARQUETTE, MICHIGAN
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DLP Marquette General Hospital	\$ 131,902,434	1	15.25%			
MIMG CL VIII Tourville Sub LLC	12,021,488	2	1.39%			
HJ Larson & Associates, Inc	7,502,000	3	0.87%	\$ 4,446,252	6	0.71%
Semco Energy Gas Co	7,112,464	4	0.82%			
Marquette Medical Dental Center	6,728,770	5	0.78%	11,685,662	2	1.86%
American Transmission Co. LLC	6,167,739	6	0.71%	4,852,600	4	0.77%
Veridea Group LLC	6,165,792	7	0.71%			
Liberty Way Hospitality LLC	5,514,472	8	0.64%			
The Landing Development Group II LLC	4,360,435	9	0.50%			
Marquette Opportunity LLC	4,289,500	10	0.50%			
Brookridge Marquette				2,798,786	9	0.44%
WE Energies				101,851,400	1	16.17%
O'Dovero Properties				4,456,565	5	0.71%
Tourville, Inc.				4,292,913	7	0.68%
Pioneer Laboratories, Inc.				5,222,995	3	0.83%
Shopko Properties Spe. Real Estate				2,688,800	10	0.43%
Mill Creek Community				3,067,578	8	0.49%
Total	<u>\$ 191,765,094</u>		<u>22.16%</u>	<u>\$ 145,363,551</u>		<u>23.09%</u>

Source: City of Marquette Assessor's Department.

Table 10

CITY OF MARQUETTE, MICHIGAN

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Personal Property Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
June 30, 2013	\$ 11,085,214	\$ 11,026,051	99.47%	\$ 15,856	\$ 11,041,907	99.61%
September 30, 2014	12,431,713	12,407,485	99.81%	20,697	12,428,182	99.97%
September 30, 2015	12,626,455	12,143,370	96.17%	16,908	12,160,278	96.31%
September 30, 2016	12,699,290	12,417,876	97.78%	35,365	12,453,241	98.06%
September 30, 2017	12,942,947	12,246,743	94.62%	37,827	12,284,570	94.91%
September 30, 2018	12,817,844	12,162,215	94.89%	24,192	12,186,407	95.07%
September 30, 2019	13,258,863	12,929,260	97.51%	17,055	12,946,315	97.64%
September 30, 2020	13,206,031	12,985,853	98.33%	10,240	12,996,093	98.41%
September 30, 2021	13,492,364	13,262,030	98.29%	399,098	13,661,128	101.25%
September 30, 2022	13,749,810	13,566,651	98.67%	15,546	13,582,197	98.78%

Source: Marquette City Treasurer's Department.

CITY OF MARQUETTE, MICHIGAN
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Business-Type Activities					Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Transportation Bonds	State Infrastructure Bank Note	State Revolving Loan	Capital Lease	Equipment Lease	Water Bonds	Sewer Bonds	Storm Water Bonds	Marina Bond	Lighthouse Park Bond			
2013	\$ 17,314,829	\$ -	\$ 497,242	\$ 180,328	\$ -	\$ -	\$ 8,363,149	\$ 8,289,707	\$ 4,616,954	\$ 85,000	\$ -	\$ 39,347,209	5.80%	\$ 1,843
2014	18,509,963	-	414,369	160,342	-	-	8,860,650	10,393,327	4,836,059	193,674	-	43,368,384	6.24%	2,031
2015	17,865,116	-	331,496	150,079	-	-	9,196,194	10,182,009	4,548,246	192,829	-	42,465,969	5.82%	1,986
2016	15,192,250	-	248,623	139,613	-	-	8,050,939	9,488,400	4,166,728	181,984	-	37,468,537	4.99%	1,754
2017	20,128,766	-	165,750	129,013	-	-	9,731,616	10,724,983	5,930,011	171,199	-	46,981,338	6.15%	2,192
2018	19,183,525	1,750,255	82,877	118,210	26,326,166	-	10,197,415	11,379,582	6,808,576	-	1,035,000	76,881,606	9.64%	3,738
2019	14,007,115	1,584,230	-	107,204	25,521,336	-	9,249,261	10,312,413	6,122,300	-	935,000	67,838,859	8.45%	3,218
2020	13,961,767	3,602,204	-	96,063	25,119,355	-	9,758,832	11,321,092	7,975,637	917,923	845,000	73,597,873	9.13%	3,559
2021	14,264,008	3,246,779	-	84,787	24,658,920	-	9,875,828	11,246,709	8,722,978	838,631	750,000	73,688,640	8.13%	3,510
2022	14,395,378	2,891,353	-	73,308	24,060,234	229,635	9,017,591	10,321,606	11,058,781	754,338	655,000	73,457,224	8.10%	3,561

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a See Table 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

CITY OF MARQUETTE, MICHIGAN
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding ^c		Percentage of Taxable Assessed Value ^a of Property	Per Capita ^b
	Debt Supported by General Resources			
2013	\$	17,992,399	1.26%	\$ 842.54
2014		19,084,674	1.24%	892.52
2015		18,346,691	1.16%	858.65
2016		15,580,486	0.95%	727.04
2017		20,423,529	1.29%	992.88
2018		21,134,867	1.34%	1,002.56
2019		15,698,549	0.94%	759.12
2020		17,660,034	1.08%	841.15
2021		17,595,574	1.06%	852.95
2022		17,589,674	1.00%	862.49

Note: Detail regarding the City's outstanding debt can be found in the notes to financial statements.

^a See Table 7 for property value data.

^b Population data can be found in Table 16.

^c Amounts include debt outstanding in Governmental Activities only.

CITY OF MARQUETTE, MICHIGAN
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022

Governmental Unit	Overlapping Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
DIRECT DEBT			
City of Marquette	\$ 41,649,908	100.00%	\$ 41,649,908
		TOTAL DIRECT DEBT	41,649,908
OVERLAPPING DEBT			
County School District	4,795,000	59.47%	2,851,587
Library Improvements	2,980,000	100.00%	2,980,000
Tax Increment Bonds - DDA	781,000	100.00%	781,000
2010 Capital Improvement - BRFA	555,000	100.00%	555,000
2010 Recovery Zone Facility - BRFA	255,000	100.00%	255,000
2013 Capital Improvement - BRFA	70,000	100.00%	70,000
2016 Tax Increment Bonds - BRFA	17,055,000	100.00%	17,055,000
2017 Tax Increment Bonds - BRFA	600,000	100.00%	600,000
2017 Tax Increment Bonds - BRFA	10,925,000	100.00%	10,925,000
2018 Tax Increment Bonds - BRFA	465,000	100.00%	465,000
2021 Tax Increment Bonds - BRFA	6,000,000	100.00%	6,000,000
		TOTAL OVERLAPPING DEBT	42,537,587
		TOTAL DIRECT AND OVERLAPPING DEBT	\$ 84,187,495

Sources: Assessed value data used to estimate applicable percentages provided by the Marquette County Board of Equalization and Assessment. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Marquette. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF MARQUETTE, MICHIGAN
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019 ^d	2018	2017	2016 ^a	2015	2014	2013
Debt Limit	\$ 111,644,701	\$ 111,240,218	\$ 104,218,090	\$ 102,967,138	\$ 86,530,260	\$ 87,023,820	\$ 83,770,539	\$ 83,141,190	\$ 77,218,149	\$ 71,320,880
Total net debt applicable to limit	81,137,411	75,887,283	76,582,521	73,617,336	81,774,607	61,179,053	52,299,914	18,346,691	19,084,674	17,992,399
Legal Debt Margin	\$ 30,507,290	\$ 35,352,935	\$ 27,635,569	\$ 29,349,802	\$ 4,755,653	\$ 25,844,767	\$ 31,470,625	\$ 64,794,499	\$ 58,133,475	\$ 53,328,481
Total net debt applicable to the limit as a percentage of debt limit	72.67%	68.22%	73.48%	71.50%	94.50%	70.30%	62.43%	22.07%	24.72%	25.23%

Legal Debt margin Calculation for Fiscal Year 2022:

State Equalized Assessed Value (SEV)	\$ 894,073,497
Add:	
Half of Act 198 Property	46,793,950
Revenue Sharing ^b	171,893,986
LCSA/PPT ^c	3,685,575
Total SEV	<u>\$ 1,116,447,008</u>
Debt limit (10% of total SEV)	111,644,701
Debt applicable to limit:	
Total debt included in	
Governmental Activities	41,649,908
Business-Type Activities	31,807,316
Component units	39,686,000
Less:	
Deferred amounts on bonds	
Governmental Activities	(1,649,922)
Business-Type Activities	(2,616,022)
Debt not subject to limit:	
Michigan transportation bonds	(3,450,000)
TELP capital lease	(24,060,234)
Equipment lease	(229,635)
Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>81,137,411</u>
Legal debt margin	<u>\$ 30,507,290</u>

Note: Under State finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

^a - At fiscal year 2016, calculation was changed to include all general obligation bonds balances outstanding. Prior to 2016, these calculations only included general obligation balances in the Governmental Activity funds.

^b - Constitutional and statutory revenue sharing divided by the City's millage rate of 14.9255 mills

^c - Local Community Stabilization Authority [LCSA] reimbursements less loss distribution divided by the City's millage rate of 14.9255 mills

^d - At fiscal year 2019, calculation was changed, in accordance with State legislation, to include PPT reimbursements, constitutional and state revenue sharing adjustments to the SEV calculation.

CITY OF MARQUETTE, MICHIGAN
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water Supply Bonds						Marina Bonds					
	Gross Revenue (1)	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage	Gross Revenue (2)	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2013	\$ 4,283,280	\$ 3,960,960	\$ 322,320	\$ 450,000	\$ 75,965	0.61	\$ 275,212	\$ 399,905	\$ (124,693)	\$ 80,000	\$ 4,900	(1.47)
2014 ^(A)	5,071,974	5,716,042	(644,068)	490,000	39,469	(1.22)	659,458	824,831	(165,373)	85,000	1,700	(1.91)
2015	4,202,649	4,265,003	(62,354)	495,000	12,500	(0.12)	921,244	403,951	517,293	-	-	-
2016	4,353,648	4,683,258	(329,610)	335,000	6,312	(0.97)	343,931	394,207	(50,276)	-	-	-
2017	4,353,898	4,371,618	(17,720)	170,000	-	(0.10)	367,883	468,192	(100,309)	-	-	-
2018	4,406,501	4,394,676	11,825	-	-	-	406,701	481,762	(75,061)	-	-	-
2019	5,133,369	5,049,915	83,454	-	-	-	375,508	475,096	(99,588)	-	-	-
2020	5,360,602	4,809,588	551,014	-	-	-	396,439	460,899	(64,460)	-	-	-
2021	5,379,675	4,567,767	811,908	-	-	-	498,168	517,695	(19,527)	-	-	-
2022	5,808,965	5,036,682	772,283	-	-	-	580,991	484,119	96,872	-	-	-

Fiscal Year	Electric Utility Bonds					
	Gross Revenue	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2013	\$ 31,827,224	\$ 34,351,855	\$ (2,524,631)	\$ 765,000	\$ 263,000	(2.46)
2014 ^(A)	41,876,891	42,182,318	(305,427)	795,000	232,400	(0.30)
2015	35,047,774	33,338,495	1,709,279	831,768	202,003	1.65
2016	36,963,835	32,419,638	4,544,197	3,890,000	94,842	1.14
2017	47,342,427	31,174,039	16,168,388	745,811	3,504,495	3.80
2018	49,072,107	37,210,120	11,861,987	1,194,741	3,048,416	2.80
2019	48,426,521	32,430,713	15,995,808	1,258,148	2,989,192	3.77
2020	41,543,423	28,797,330	12,746,093	2,663,101	2,926,974	2.28
2021	38,838,945	27,777,290	11,061,655	2,630,000	2,799,713	2.04
2022	45,904,822	37,772,455	8,132,367	2,760,000	2,668,212	1.50

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Total operating revenues including interest.

(2) Total operating revenues include interest and an operating grant.

(3) Total operating revenues including interest and excluding grants.

(A) Fiscal year 2014 is a 15-month fiscal period.

Table 16

CITY OF MARQUETTE, MICHIGAN
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level In Years of Schooling	School Enrollment	Unemployment Rate
2013	21,355	\$ 695,212,025	\$ 32,555	29.1	12.8	3,111	5.2%
2014	21,383	730,037,003	34,141	30.7	12.8	3,242	5.1%
2015	21,367	750,216,737	35,111	29.1	12.8	3,251	4.0%
2016	21,430	763,465,180	35,626	29.1	12.8	3,201	3.4%
2017	20,570	797,573,686	38,774	28.4	12.8	3,279	3.6%
2018	21,081	803,114,395	38,096	27.8	12.8	3,289	5.7%
2019	20,680	806,478,640	38,998	27.8	12.8	*	4.9%
2020	20,995	906,488,333	43,176	28.6	12.8	3,199	4.6%
2021	20,629	907,201,533	43,977	28.6	12.8	3,245	4.4%
2022	20,394	962,168,526	47,179	28.6	12.8	3,245	4.2%

Sources: Population, personal income, and per capital income provided by the U.S. Department of Commerce, Bureau of Economic Analysis.

Median age provided by the U.S. Bureau of Census.

Education and school enrollment provided by from Marquette-Alger Regional Education Service Agency.

Unemployment provided by the Lake Superior Community Partnership.

* Data not available.

Table 17

CITY OF MARQUETTE, MICHIGAN
Principal Employers
Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
UP Health System - Marquette	1,599	1	5.12%	2,619	1	7.62%
Cleveland-Cliffs, Inc	972	2	3.11%	1,800	2	5.23%
Northern Michigan University	914	3	2.93%	927	3	2.70%
Upper Peninsula Medical Center	603	4	1.93%	638	4	1.86%
Marquette Area Public Schools	410	5	1.31%	374	8	1.09%
Wal-Mart Stores, Inc	392	6	1.26%	380	7	1.11%
UP Health System - Bell	350	7	1.12%	370	9	1.08%
Michigan Department of Corrections	284	8	0.91%	425	6	1.24%
Meijer	270	9	0.86%			
Resolve Surgical Technologies (Formerly RTI)	250	10	0.80%			
Westwood Mall Merchants				500	5	1.45%
County of Marquette				300	10	0.87%
Total	<u>6,044</u>		<u>19.35%</u>	<u>8,333</u>		<u>24.25%</u>

Source: Michigan Department of Labor and Economic Growth, Office of Labor Marquette Information

CITY OF MARQUETTE, MICHIGAN
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

(Full-Time Equivalent Employees)

Function/Program	September 30,									June 30,
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Administration Services	29	27	26	28	23	27	27	27	27	28
Public Health and Safety										
Police Officers	39	39	39	38	39	38	37	39	38	39
Firefighters and Officers	28	27	24	26	26	26	26	26	26	26
Public Works	27	27	25	24	39	32	36	36	37	36
Highway and Streets	15	16	15	17	8	8	8	8	8	8
Social Services	4	4	4	2	4	4	4	4	4	4
Recreation and Culture	6	6	6	8	4	3	4	4	4	4
Storm Water	1	1	1	1	1	1	1	1	1	1
Motor Pool	8	8	8	8	8	7	7	7	7	7
Water	13	17	12	13	13	13	13	13	13	13
Wastewater	10	7	7	10	10	10	10	10	9	8
Library	15	12	10	12	13	13	12	13	13	12
Total	195	191	177	187	188	182	185	188	187	186

Source: City Human Resources Department

CITY OF MARQUETTE, MICHIGAN
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014 *	2013
Police										
Physical arrests	522	602	532	585	518	749	666	903	1,418	1,228
Parking violations	5,460	5,529	3,007	5,080	5,701	5,825	3,438	5,401	7,057	7,348
Traffic violations	1,495	2,005	1,775	2,873	3,802	3,802	4,354	4,299	4,916	2,666
Fire										
Emergency responses	2,539	2,223	2,255	2,258	2,213	1,635	1,323	923	1,030	842
Fires extinguished	28	39	28	18	18	22	21	22	31	34
Inspections	2,224	1,584	2,176	2,005	1,364	1,439	1,570	782	1,852	3,256
Refuse collection										
Refuse collected (tons per week)	57.7	49.6	46.0	50.4	50.4	47.2	49.0	47.6	54.8	51.9
Recycling (tons per week)	15.3	15.6	16.0	9.7	11.3	12.5	13.4	14.9	15.0	15.1
Other public works										
Street resurfacing (miles)	1.5	1.6	1.6	1.4	0.9	4.3	2.8	3.0	5.6	2.6
Potholes repaired	**	-	-	-	-	-	-	-	-	-
Parks and recreation										
Total Campers	**	15,000	10,938	**	**	27,880	26,715	22,867	18,744	17,014
Beach Attendance	**	22,220	14,000	19,213	26,261	20,829	19,285	32,952	16,943	28,687
Library										
Volumes in collection	175,148	191,639	196,588	193,160	214,069	204,467	237,013	243,147	248,447	250,022
Total volumes borrowed	187,613	220,115	188,096	263,621	212,017	237,063	254,758	274,698	353,038	311,041
Water										
Consumers	6,217	6,195	6,140	7,100	6,177	6,177	6,154	6,193	6,178	6,144
Water mains breaks	10	6	13	-	-	-	-	-	-	-
Average daily consumption (millions of gallons)	2.01	2.09	1.98	2.25	2.11	2.09	2.25	2.31	2.62	2.45
Wastewater										
Average daily sewage treatment (millions of gallons)	2.51	2.69	3.22	3.00	3.06	3.06	3.03	3.22	3.19	2.83

* 2014 is a 15-month fiscal year

Source: Various City Departments

** Data not available

CITY OF MARQUETTE, MICHIGAN
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public works										
Streets (miles)	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5
Streetlights	2,547	2,547	2,547	2,547	2,547	2,547	2,524	2,345	2,345	2,345
Parks and recreation										
Parks	24	24	20	20	20	20	20	19	19	19
Playfields	13	13	12	12	12	12	12	12	12	12
Marina	2	2	2	2	2	2	2	2	2	2
Camping Spaces	110	110	110	110	110	110	110	110	110	110
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	99.8	98.8	98.8	98.8	98.8	98.8	98.8	98.7	98.7	98.7
Wastewater										
Sanitary sewers (miles)	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.7	88.7	88.7
Storm sewers (miles)	53.5	53.2	53.2	53.2	53.2	52.9	52.8	52.6	52.6	52.6

Source: Various City Departments

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CITY OF MARQUETTE, MICHIGAN
COMPLIANCE SUPPLEMENT



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Marquette, Michigan (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated March 22, 2023. Our report includes a reference to other auditors who audited the financial statements of the Board of Light and Power, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 22, 2023



City of Marquette, Michigan
Report to Management
For the Year Ended September 30, 2022

Honorable Mayor, Members of the City
Commission, the City Manager and
Management of the
City of Marquette, Michigan

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marquette, Michigan (the City) as of and for the year ended September 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Marquette City Commission, and others within the City, and the Michigan Department of Treasury, and is not intended to be and should not be used by anyone other than these specified parties.

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 22, 2023



City of Marquette, Michigan
Communication with Those Charged with Governance
For the Year Ended September 30, 2022

March 22, 2023

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marquette, Michigan (the City) for the year ended September 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 4, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. Newly adopted GASB standards are disclosed in the notes to the financial statements. As described in Note AB to the financial statements, the City changed accounting policies related to recording lease transactions by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases* in fiscal year 2021-2022. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Net Position. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

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Management's estimates of the City's intangible right-to-use lease assets (and amortization thereof) and lease liabilities are based on amounts disclosed in the leasing documents. The City uses the straight-line method for amortizing the intangible right-to-use lease assets. We evaluated the key factors and assumptions used to record the leased assets, accumulated amortization of such assets and the amortization expense of said assets in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accumulated depreciation and depreciation expense is based on historical costs and useful lives of the assets. Depreciation is calculated using the straight-line method. We evaluated the key factors and assumptions used to develop the current years depreciation expense and accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of compensated absences is based on the amount of sick and vacation time outstanding at the end of the year and the various provisions of the appropriate union contracts. The current portion of compensated absences for financial statement purposes is based on the amount of actual sick and vacation time utilized in October and November of the subsequent fiscal year. We evaluated the key factors and assumptions used to develop the total and current portions compensated absences in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the City's portion of Net Pension Liability (under GASB 67) for the Fire – Police Retirement System is based on an actuarial performed for the City of Marquette Fire – Police Retirement System Defined Benefit Retirement Plan to determine the City's Net Pension Liability. We evaluated the key factors and assumptions used to develop the City's Net Pension Liability, based on information provided by the Gabriel Roeder Smith & Company, in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of Net Pension Liability (under GASB 68) is based on an actuarial performed for the Municipal Employees' Retirement System (MERS) of Michigan to determine its liability. We evaluated the key factors and assumptions used to develop the City's Net Pension Liability, based on information provided by Gabriel Roeder Smith & Company, in determining that it is reasonable in relation to the financial statements taken as a whole. We also evaluated the key factors and assumptions used by the City to allocate the various components of the MERS liability to the various governmental entities included with the City's MERS pension plan.

Management's estimate of Net Other Post Employment Benefit Liability is based on an actuarial performed for the City to determine its liability. We evaluated the key factors and assumptions used to develop the City's Net Other Post Employment Benefit Liability, based on information provided by Watkins Ross, in determining that it is reasonable in relation to the financial statements taken as a whole.

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Defined Benefit Retirement Plan – Municipal Employees Retirement System of Michigan in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Defined Benefit Retirement Plan – Fire-Police Retirement System in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Defined Benefit Retirement Plan – Board of Light and Power – Component Unit in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Other Post-Employment Benefits in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. The City hired Watkins Ross for the preparation of the bi-annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included in that report.

The disclosure of Other Post-Employment Benefits Board of Light and Power – Component Unit in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. The Board of Light and Power hired an outside firm for the preparation of the actuarial valuation. The disclosures made in the notes to the financial statements were based on information included in that report.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of

Honorable Mayor, Members of the City
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City of Marquette, Michigan

the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 22, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and Section 2 – Required Supplementary Information (as listed in the table of contents), which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the individual major fund individual fund financial statements, combining and individual non-major financial statements, individual fund budgetary schedules, capital assets schedules, and long-term debt schedules, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally

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accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompanies the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Commission and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Anderson, Tackman & Company, PLLC
Certified Public Accountants