

---

# City of Wyandotte, Michigan

---

**Financial Report  
with Supplemental Information  
September 30, 2022**

<b>Independent Auditor's Report</b>	1-3
<b>Management's Discussion and Analysis</b>	4-10
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position	11-12
Statement of Activities	13-14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	15-16
Reconciliation of the Balance Sheet to the Statement of Net Position	17
Statement of Revenue, Expenditures, and Changes in Fund Balances	18
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	19
Proprietary Funds:	
Statement of Net Position	20-21
Statement of Revenue, Expenses, and Changes in Net Position	22-23
Statement of Cash Flows	24-25
Fiduciary Funds:	
Statement of Fiduciary Net Position	26
Statement of Changes in Fiduciary Net Position	27
Component Units:	
Statement of Net Position	28-29
Statement of Activities	30-31
Notes to Financial Statements	32-67
<b>Required Supplemental Information</b>	68
Budgetary Comparison Schedule - General Fund	69
Schedule of Changes in the Net Pension Liability and Related Ratios	70
Schedule of Pension Contributions	71
Schedule of Pension Investment Returns	72
Schedule of Changes in the Net OPEB Liability and Related Ratios	73
Schedule of OPEB Contributions	74
Schedule of OPEB Investment Returns	75
Notes to Required Supplemental Information	76-77
<b>Other Supplemental Information</b>	78
Nonmajor Governmental Funds:	
Combining Balance Sheet	79-80
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	81-82
Nonmajor Enterprise Funds:	
Combining Statement of Net Position	83
Combining Statement of Revenue, Expenses, and Changes in Net Position	84
Combining Statement of Cash Flows	85
Fiduciary Funds:	
Statement of Fiduciary Net Position	86
Statement of Changes in Fiduciary Net Position	87

## Independent Auditor's Report

To the City Council  
City of Wyandotte, Michigan

### **Opinions**

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 Wyandotte, 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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 its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Emphasis of Matter**

As described in Note 1 to the financial statements, during the year ended September 30, 2022, the City implemented the provisions of GASB Statement No. 87, *Leases*, which establishes criteria for accounting for leases. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

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

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

To the City Council  
City of Wyandotte, Michigan

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

### ***Required Supplemental Information***

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

To the City Council  
City of Wyandotte, Michigan

***Other Supplemental Information***

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

*Plante & Moran, PLLC*

March 14, 2023

As management of the City of Wyandotte, Michigan (the "City"), we offer readers this narrative overview and analysis of the financial activities for the year ended September 30, 2022.

### **Financial Highlights**

As discussed in further detail in this discussion and analysis, the following represent the most significant financial highlights for the year ended September 30, 2022:

- Property tax revenue is the City's single largest source of revenue. The City's 2021 taxable value (levied for the 2022 fiscal year) was \$605,781,283 (a portion of which has been abated or resides in special tax districts), which represents an increase of 3.11 percent compared to the prior year and a cumulative increase of 5.87 percent over the past two years.
- State-shared revenue, our second largest revenue source, increased by approximately \$260,000 this year compared to an increase of \$410,000 in the prior year. This represents an increase of 7 percent in the current year and a cumulative increase of 19.7 percent over the past two years. However, the City is receiving approximately \$665,000 less per year since the year 2000.
- The City continued the sharing agreements with the Consolidated Tax Increment Finance Authority and Downtown Development Authority. The sharing agreement with the Consolidated Tax Increment Finance Authority returned approximately \$2,083,000 of general operating tax revenue to the General Fund in the current year and \$150,000 of debt levy tax revenue compared to \$2,018,000 of general operating tax revenue and \$150,000 of debt levy tax revenue in the prior year. The sharing agreement with the Downtown Development Authority returned approximately \$440,000 to the General Fund in the current year compared to \$407,000 in the prior year. Portions of these funds were used to defray annual operating costs and repay debt obligations. Remaining funds were contributed to the City's retirement system.
- In previous years, the expenditures for retiree health insurance were made from the Health and Life Insurance Reserve of the retirement system. Beginning in 2006, the City's General Fund paid for the annual cost of retiree health insurance due to a lack of funds in the reserve. The City paid \$2,938,020 in the current year compared to \$2,788,020 in the prior year for the gross cost of retiree health insurance.
- In May 2014, the electors of the City approved an additional operating millage for a five-year period, which began in the 2015 fiscal year. In May 2019, voters approved a new supplemental operating millage authorizing the additional 3.0 operating mills for five additional years. Without additional approvals by the electors, this supplemental operating millage will cease to be levied in 2024.

The General Fund ended the year with an overall net change in fund balance of approximately \$805,000. The amended budget of the City's General Fund indicated that an excess of expenses of approximately \$167,000 was to be expected. This positive variance is primarily attributed to lower than anticipated expenditures in virtually all departments, although the primary reasons for the positive variance are vacant full-time positions due to the difficulty in hiring qualified employees (\$275,000), savings in medical insurance due to position vacancies (\$169,000), and lower than anticipated expenditures for part-time employees in virtually all departments (\$233,000). Revenue from the 27th District Court (\$588,000) fell short of budgetary expectations. This revenue shortfall was offset by additional constitutional revenue sharing (\$357,000) and fire rescue service (\$222,000). The City also did not make a budgeted discretionary transfer (\$650,000) from the Self-insurance Fund this year.

The City remains cognizant of the difficult economic conditions that continue to negatively affect the operations of the City. As a result, we will continue to monitor operations to reduce expenditures and increase revenue where possible. In the recent past, the following actions have assisted in managing the City in light of the troubling environment:

- Reductions in expenditures were achieved through the elimination or delays in replacement of personnel positions when vacancies occurred. The number of full-time employees has been reduced from 174 employees to 133 employees over the past 23 years. In addition, numerous employees are now being shared between the City and the Department of Municipal Services and with neighboring communities through various collaborative initiatives.
- The City has also continued to reduce discretionary spending and has reduced certain elements of employer-paid health care coverage, including the implementation of an 80/20 health care premium cost-sharing provision with eligible employee groups.
- The City reached agreements with all five collective bargaining units to eliminate traditional retiree health care coverage for new hires. This change was also instituted for nonunion employee groups and represents an important step to contain future costs and liabilities for the City.
- The City has collaborated with neighboring communities to achieve efficiencies, cost savings, and improved service to our citizens in the areas of 911 dispatching, animal control services, and property valuation and assessing. The City will continue to identify areas where collaboration can achieve similar advantages that assist in managing the budget.

Although it has been a number of years, the City performed a review of the operational environment of the City. The purpose of the review was to identify areas of operation that could be improved to provide better customer service at a reduced cost. Numerous recommendations were identified that would yield positive financial results to the City. The City has been implementing many of these recommendations and continues to review these issues and prioritize their implementation.

#### ***Using This Annual Report***

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

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

# City of Wyandotte, Michigan

## Management's Discussion and Analysis (Continued)

### The City as a Whole

The following table shows, in a condensed format, the net position as of September 30, 2022 and 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets:						
Cash and investments -						
Cash and cash						
equivalents	\$ 44,210,275	\$ 40,680,873	\$ 33,035,413	\$ 35,785,821	\$ 77,245,688	\$ 76,466,694
Receivables	8,803,662	3,956,851	8,377,132	10,236,328	17,180,794	14,193,179
Other assets	2,828,849	3,052,277	11,913,355	14,195,847	14,742,204	17,248,124
Capital assets	65,664,246	64,311,695	88,140,098	84,277,388	153,804,344	148,589,083
Total assets	121,507,032	112,001,696	141,465,998	144,495,384	262,973,030	256,497,080
<b>Deferred Outflows of Resources</b>	8,877,551	2,517,817	2,922,598	1,569,176	11,800,149	4,086,993
<b>Liabilities</b>						
Current liabilities	6,975,759	5,762,271	7,323,910	7,549,283	14,299,669	13,311,554
Noncurrent liabilities	79,007,037	103,929,375	71,110,316	84,063,279	150,117,353	187,992,654
Total liabilities	85,982,796	109,691,646	78,434,226	91,612,562	164,417,022	201,304,208
<b>Deferred Inflows of Resources</b>	35,133,585	19,592,023	5,095,291	1,851,948	40,228,876	21,443,971
<b>Net Position (Deficit)</b>						
Net investment in capital assets	63,769,246	61,936,695	44,879,991	40,399,027	108,649,237	102,335,722
Restricted	13,857,704	12,479,055	6,398,367	5,382,137	20,256,071	17,861,192
Unrestricted	(68,358,748)	(89,179,906)	9,580,721	6,818,886	(58,778,027)	(82,361,020)
Total net position (deficit)	<u>\$ 9,268,202</u>	<u>\$ (14,764,156)</u>	<u>\$ 60,859,079</u>	<u>\$ 52,600,050</u>	<u>\$ 70,127,281</u>	<u>\$ 37,835,894</u>

The City of Wyandotte, Michigan has a combined net position of \$70.1 million in the current year, which is an increase of \$32.3 million from the prior year. The increase is primarily due to a decrease in the City's OPEB expenses. This reduction in expenses is due to an increase in the single discount rate, which reflects the long-term expected rate of return on OPEB plan investments and the municipal bond rate, used to calculate the total OPEB liability and a decrease in aggregate premiums paid by the City and used in the valuation of the net OPEB liability. Business-type activities comprise \$61.0 million and \$52.6 million of the total net position in 2022 and 2021, respectively.



# City of Wyandotte, Michigan

## Management's Discussion and Analysis (Continued)

### The City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenue</b>						
Program revenue:						
Charges for services	\$ 7,669,652	\$ 6,392,364	\$ 59,684,269	\$ 58,573,961	\$ 67,353,921	\$ 64,966,325
Operating grants	4,868,625	4,889,611	-	276,761	4,868,625	5,166,372
Capital grants	989,200	-	-	61,966	989,200	61,966
General revenue:						
Taxes - Property taxes	13,135,031	12,884,236	-	-	13,135,031	12,884,236
State-shared revenue	4,238,429	3,960,257	-	-	4,238,429	3,960,257
Investment earnings	92,408	155,031	66,853	12,081	159,261	167,112
Other revenue	378,541	635,683	-	-	378,541	635,683
Total revenue	31,371,886	28,917,182	59,751,122	58,924,769	91,123,008	87,841,951
<b>Expenses</b>						
General government	1,378,095	8,241,886	-	-	1,378,095	8,241,886
District court	1,101,067	969,619	-	-	1,101,067	969,619
Public safety	1,173,125	15,518,085	-	-	1,173,125	15,518,085
Public works	2,288,131	7,355,897	-	-	2,288,131	7,355,897
Community and economic development	159,063	41,732	-	-	159,063	41,732
Recreation and culture	1,025,613	1,098,407	-	-	1,025,613	1,098,407
Debt service	214,434	225,367	-	-	214,434	225,367
Business-type	-	-	51,492,093	52,323,503	51,492,093	52,323,503
Total expenses	7,339,528	33,450,993	51,492,093	52,323,503	58,831,621	85,774,496
<b>Change in Net Position</b>	24,032,358	(4,533,811)	8,259,029	6,601,266	32,291,387	2,067,455
<b>Net Position (Deficit) -</b>						
Beginning of year, as restated	(14,764,156)	(10,230,345)	52,600,050	45,998,784	37,835,894	35,768,439
<b>Net Position (Deficit) - End of year</b>	<b>\$ 9,268,202</b>	<b>\$ (14,764,156)</b>	<b>\$ 60,859,079</b>	<b>\$ 52,600,050</b>	<b>\$ 70,127,281</b>	<b>\$ 37,835,894</b>

### Governmental Activities

The City's total governmental revenue increased by approximately \$2,455,000, or 8.5 percent, in the current year compared to an increase of \$389,000, or 1.4 percent, in the prior year. Expenses decreased by approximately \$26,111,000, or 78 percent, in the current year compared to a decrease of \$826,000, or 2.4 percent, in the prior year.

### Business-type Activities

The City's business-type activities consist of the Electric Fund, Water Fund, Cable Television Fund, Sewage Disposal Fund, Golf Course Fund, and Building Rental Fund. We provide electric, water, and cable television service to residents from city-owned facilities. We provide sewage treatment via the Downriver Utility Wastewater Authority (DUWA), which is co-owned with 12 communities and operated by the DUWA. Wyandotte Shores golf course is owned and operated by the City and offers golfers a nine-hole links style course on the shores of the Detroit River. The Building Rental Fund accounts for the activity of the city-owned commercial building at 3200 Biddle Avenue.

The Electric Fund's operating revenue increased compared to the prior year by approximately 7.84 percent, while operating expenses increased by approximately 1.96 percent. The increase in revenue is primarily due to power supply market conditions that resulted in the department selling energy that it had purchased in advance at market prices in excess of fixed purchase costs. Revenue was also impacted by the sale of excess emission credits allocated to the Wyandotte Power Plant. The increase in operating expenses is associated with the increase in market-based power supply costs for energy due to global conflict, inflation issues influencing all costs, and the removal of the Wyandotte Power Plant from the capacity market on June 1, 2022 due to new MISO capacity rules. This increase in operating expenses was offset significantly by decreases in the liabilities for retiree pension and health care costs.

The Water Fund's operating revenue increased by approximately 0.80 percent, while operating expenses decreased by approximately 18.54 percent compared to the prior year. Operating revenue was flat and reflects the continued decrease in water usage offset by the fixed-charge adjustments necessary to maintain the overall system.

The Cable Television Fund realized operating income of \$2,387,749 in the current year, as compared to operating income of \$2,206,821 in the prior year, an increase which would have been greater had the department not benefited from the FCC C-band auction in the prior year. The department continues to experience growth in subscriber additions for the department's broadband/internet services.

The results of the Sewage Disposal Fund indicate operating loss of approximately \$1,181,000, attributed to a multiyear adjustment of revenue, in the current year compared to operating loss of approximately \$85,000 in the prior year. The results closely matched our expectations when preparing the budget and adopting the corresponding user fees when considering the one-time revenue adjustment.

The municipal golf course showed an operating gain of approximately \$58,000 in the current year, as compared to a gain of approximately \$74,000 in the prior year. Operating expenses increased by approximately 2.7 percent, while operating revenue decreased by approximately 0.8 percent. Although the golf course has shown financial improvements in its operations, there continue to be negative pressures associated with the financial results of the operations. These negative pressures are attributable to general macroeconomic conditions, the proliferation of golf courses in the area, and inherent limitations surrounding the operation of a nine-hole facility. As in past years, cash flow continued to be positive.

The city-owned commercial building realized an operating loss of approximately \$207,000 in the current year compared to a loss of approximately \$107,000 in the prior year. This increased loss is primarily attributable to loss of the remaining rental revenue from the fourth floor (\$75,000) offset by reductions in amounts spent on operating and maintaining the building (\$15,000).

#### ***Financial Analysis of Individual Funds***

Our analysis of the City's major funds begins on page 15, following the government-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. The City Council creates funds to help manage money for specific purposes, as well as to show accountability for certain activities. The City's major governmental fund for 2022 is the General Fund. Major enterprise funds are discussed in the preceding section.

The General Fund pays for most of the City's governmental services. The most significant is public safety, which incurred expenses of approximately \$12.2 million, or 61.3 percent of the total General Fund expenditures, in the current year, as compared to \$11.6 million, or 61.6 percent of the total General Fund expenditures, in the prior fiscal year. Additional noteworthy expenditures include public works (\$2.4 million, or 12.3 percent of total expenditures, in the current fiscal year, as compared to \$2.4 million, or 12.8 percent of total expenditures, in the prior fiscal year) and recreation and culture (\$900,000, or 4.6 percent of total expenditures, in the current fiscal year, as compared to \$800,000, or 4.5 percent of total expenditures, in the prior fiscal year).

#### ***General Fund Budgetary Highlights***

Over the course of the year, the City Council revised the City's budget several times. These budget amendments fall into three categories:

- Amendments and supplemental appropriations approved shortly after the beginning of the year to include projected expenditures that were not completed at the end of the prior fiscal year
- Changes made throughout the year to account for revised estimates based on new or better knowledge and new projects that the City Council desired to pursue
- Increases in appropriations to prevent budget overruns

Even with these adjustments, actual expenditures were less than anticipated. This is primarily attributable to a smaller increase in medical insurance premiums than anticipated, conservative discretionary spending, management of personnel costs when vacancies arose, and deferral of capital equipment purchases. The City also elected to forgo a discretionary transfer from the Self-insurance Fund that was budgeted for the fiscal year. In addition, savings were also derived from the City's continued decision to self-insure prescription drug coverage for active employees; increased contributions from employees for their health insurance premiums; continued closure of the defined benefit retirement system to most new entrants; elimination of retiree health care coverage for new employees; and savings from the consolidation of police and fire dispatching, animal control services, and property valuation and assessing with neighboring communities.

#### ***Capital Assets and Debt Administration***

The City sold \$9.495 million in bonds during 2006 to renovate the Yack Arena and construct a new district court and police facility. The renovation of the Yack Arena was completed in 2007, and the district court and police facility was completed in 2009. These bonds were refunded during the 2015 fiscal year and replaced with \$5.82 million of general obligation bonds. These bonds are scheduled to mature in 2026.

Also, during 2020, the Cable Television Fund issued revenue bonds to the rebuild of the cable and telecommunications system. This rebuild includes installation of fiberoptic cable expandable up to 10G download and upload speeds. Fiber internet service will be available for every home and business in Wyandotte. The bonds will also finance the migration of the department's headend; the equipment and facilities used to receive, process, and transmit the communication signals.

See Note 6 for a summary of the City's capital assets and Note 8 for a summary of the City's long-term debt.

***Economic Factors and Next Year's Budgets and Rates***

While the goal is to maintain the same historical level of service, the City's budget for next year will continue to be challenging to manage. This is the case even in light of the electors' approval of the five-year supplemental operating millage approved in May 2019. Failure to extend the supplemental operating millage beyond the 2024 fiscal year will result in a loss of revenue to the General Fund of approximately \$1.9 million. Negative factors causing these challenges include tepid increases in state-shared revenue projections and inflationary pressures on virtually all expenditure categories. Specifically, increased actuarial required contributions to the defined benefit retirement system, new required contributions for OPEB liabilities, and depletion of reserve funds previously relied upon by the City contribute heavily to the budgetary challenges. Thus, the City needs to continue to monitor the budget very closely.

***Requests for Further Information***

This financial report is intended to provide a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, please contact the clerk's office. This report, city budgets, and other financial information are available on the City's website at [www.wyandotte.net](http://www.wyandotte.net).

September 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments (Note 3)	\$ 44,210,275	\$ 33,035,413	\$ 77,245,688	\$ 12,216,754
Receivables:				
Property taxes receivable	1,534,867	-	1,534,867	-
Special assessments receivable	218,577	-	218,577	-
Customer receivables	-	8,216,445	8,216,445	-
Accrued interest receivable	6,405	808	7,213	892
Leases receivable	3,879,150	-	3,879,150	-
Other receivables	1,732,028	-	1,732,028	357,587
Due from other governments	1,324,136	-	1,324,136	-
Due from component units (Note 7)	268,378	-	268,378	-
Due from primary government (Note 7)	-	-	-	15,000
Internal balances	(159,879)	159,879	-	-
Inventory	-	1,283,770	1,283,770	-
Prepaid expenses and other assets	153,690	269,465	423,155	2,118
Due from fiduciary funds	215,398	-	215,398	-
Restricted assets (Note 11)	-	10,360,120	10,360,120	-
Investment in joint ventures (Note 5)	1,871,641	-	1,871,641	-
Land held for resale (Note 4)	163,078	-	163,078	1,561,400
Capital assets:				
Assets not subject to depreciation (Note 6)	18,229,021	15,063,417	33,292,438	-
Assets subject to depreciation - Net (Note 6)	47,435,225	73,076,681	120,511,906	-
Advance to component unit (Note 7)	425,042	-	425,042	-
<b>Total assets</b>	<b>121,507,032</b>	<b>141,465,998</b>	<b>262,973,030</b>	<b>14,153,751</b>
<b>Deferred Outflows of Resources</b>				
Deferred charges on bond refunding (Note 8)	-	779,658	779,658	-
Deferred pension costs (Note 13)	8,378,211	1,993,084	10,371,295	-
Deferred OPEB costs (Note 14)	499,340	149,856	649,196	-
<b>Total deferred outflows of resources</b>	<b>8,877,551</b>	<b>2,922,598</b>	<b>11,800,149</b>	<b>-</b>
<b>Liabilities</b>				
Accounts payable	1,365,315	3,776,174	5,141,489	588,226
Due to other governmental units	591,871	-	591,871	-
Due to component units (Note 7)	15,000	-	15,000	-
Due to primary government (Note 7)	-	-	-	268,378
Refundable deposits, bonds, etc.	1,515,427	1,190,047	2,705,474	-
Accrued liabilities and other	968,297	2,357,689	3,325,986	486,885
Unearned revenue	2,519,849	-	2,519,849	-
Noncurrent liabilities:				
Due within one year:				
Payable from restricted assets	-	43,459	43,459	-
Compensated absences	864,717	-	864,717	-
Provision for claims (Note 10)	451,851	48,573	500,424	-
Current portion of long-term debt (Note 8)	475,000	3,852,732	4,327,732	-
Due in more than one year:				
Compensated absences	642,709	-	642,709	-
Advances from primary government (Note 7)	-	-	-	425,042
Long-term debt - Net of current portion (Note 8)	1,420,000	45,296,942	46,716,942	-
Net pension liability (Note 13)	24,341,732	5,790,633	30,132,365	-
Net OPEB liability (Note 14)	50,811,028	16,077,977	66,889,005	-
<b>Total liabilities</b>	<b>85,982,796</b>	<b>78,434,226</b>	<b>164,417,022</b>	<b>1,768,531</b>
<b>Deferred Inflows of Resources</b>				
Property taxes levied for the following year	14,416,050	-	14,416,050	2,212,049
Deferred OPEB cost reductions (Note 14)	16,978,107	5,095,291	22,073,398	-
Leases	3,739,428	-	3,739,428	-
<b>Total deferred inflows of resources</b>	<b>35,133,585</b>	<b>5,095,291</b>	<b>40,228,876</b>	<b>2,212,049</b>

**Statement of Net Position (Continued)**

**September 30, 2022**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Net Position</b>				
Net investment in capital assets	\$ 63,769,246	\$ 44,879,991	\$ 108,649,237	\$ -
Restricted:				
Major and local street projects	4,249,995	-	4,249,995	-
Police	226,895	-	226,895	-
Debt service	-	935,763	935,763	-
Grants	2,761,293	-	2,761,293	33,912
Sidewalk and alley paving	908,028	-	908,028	-
Rubbish	824,503	-	824,503	-
Drains	4,886,990	-	4,886,990	-
Debt reserves	-	1,588,582	1,588,582	-
Working capital - MPPA	-	2,296,724	2,296,724	-
Grant reserves	-	385,683	385,683	-
Energy optimization surplus	-	1,191,615	1,191,615	-
Unrestricted	(68,358,748)	9,580,721	(58,778,027)	10,139,259
<b>Total net position</b>	<b>\$ 9,268,202</b>	<b>\$ 60,859,079</b>	<b>\$ 70,127,281</b>	<b>\$ 10,173,171</b>

# City of Wyandotte, Michigan

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 1,378,095	\$ 4,705,366	\$ 127,310	\$ -
District court	1,101,067	775,758	225,600	-
Public safety	1,173,125	622,722	521,978	989,200
Public works	2,288,131	1,043,578	3,913,267	-
Community and economic development	159,063	-	80,470	-
Recreation and culture	1,025,613	522,228	-	-
Interest on long-term debt	214,434	-	-	-
Total governmental activities	7,339,528	7,669,652	4,868,625	989,200
Business-type activities:				
Electric	34,213,083	40,333,752	-	-
Water	2,527,338	4,436,746	-	-
Cable Television	9,582,502	11,625,806	-	-
Sewage Disposal	4,450,722	2,718,834	-	-
Golf Course	451,450	509,094	-	-
Building Rental	266,998	60,037	-	-
Total business-type activities	51,492,093	59,684,269	-	-
Total primary government	<u>\$ 58,831,621</u>	<u>\$ 67,353,921</u>	<u>\$ 4,868,625</u>	<u>\$ 989,200</u>
<b>Component units:</b>				
Tax Increment Finance Authorities - Consolidated	\$ 2,455,434	\$ -	\$ 6,003	\$ -
Tax Increment Finance Authorities - Downtown	629,650	-	-	-
Brownfield Redevelopment Authority	127,901	-	-	-
Downriver Central Dispatch	872,581	872,581	-	-
Downriver Central Animal Control Agency	145,079	145,079	-	-
Downriver Consolidated Assessing	450,436	450,436	-	-
Total component units	<u>\$ 4,681,081</u>	<u>\$ 1,468,096</u>	<u>\$ 6,003</u>	<u>\$ -</u>
<b>General revenue:</b>				
Property taxes				
State-shared revenue:				
State-shared revenue				
Local community stabilization authority				
Investment income (loss)				
Other miscellaneous income				
Total general revenue				
<b>Change in Net Position</b>				
<b>Net Position (Deficit) - Beginning of year, as restated (Note 1)</b>				
<b>Net Position - End of year</b>				

## Statement of Activities

**Year Ended September 30, 2022**

Net Revenue (Expense) and Changes in Net Position				
Primary Government				
Governmental Activities	Business-type Activities	Total	Component Units	
\$ 3,454,581	\$ -	\$ 3,454,581	\$ -	
(99,709)	-	(99,709)	-	
960,775	-	960,775	-	
2,668,714	-	2,668,714	-	
(78,593)	-	(78,593)	-	
(503,385)	-	(503,385)	-	
(214,434)	-	(214,434)	-	
6,187,949	-	6,187,949	-	
-	6,120,669	6,120,669	-	
-	1,909,408	1,909,408	-	
-	2,043,304	2,043,304	-	
-	(1,731,888)	(1,731,888)	-	
-	57,644	57,644	-	
-	(206,961)	(206,961)	-	
-	8,192,176	8,192,176	-	
6,187,949	8,192,176	14,380,125	-	
-	-	-	(2,449,431)	
-	-	-	(629,650)	
-	-	-	(127,901)	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	(3,206,982)	
13,135,031	-	13,135,031	3,858,308	
3,720,767	-	3,720,767	-	
517,662	-	517,662	-	
92,408	66,853	159,261	(9,396)	
378,541	-	378,541	47,421	
17,844,409	66,853	17,911,262	3,896,333	
24,032,358	8,259,029	32,291,387	689,351	
(14,764,156)	52,600,050	37,835,894	9,483,820	
<b>\$ 9,268,202</b>	<b>\$ 60,859,079</b>	<b>\$ 70,127,281</b>	<b>\$ 10,173,171</b>	



Governmental Funds  
Balance Sheet

September 30, 2022

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>			
Cash and investments (Note 3)	\$ 24,695,751	\$ 19,084,509	\$ 43,780,260
Receivables:			
Property taxes receivable	1,223,254	311,613	1,534,867
Special assessments receivable	-	218,577	218,577
Accrued interest receivable	5,001	1,404	6,405
Leases receivable	3,879,150	-	3,879,150
Other receivables	1,439,703	292,325	1,732,028
Due from other governments	732,678	591,458	1,324,136
Due from component units (Note 7)	268,003	375	268,378
Due from other funds (Note 7)	140,526	136,226	276,752
Prepaid expenses and other assets	150,540	3,150	153,690
Due from fiduciary funds	215,398	-	215,398
Land held for resale (Note 4)	-	163,078	163,078
Advance to component unit (Note 7)	-	282,636	282,636
	<u>\$ 32,750,004</u>	<u>\$ 21,085,351</u>	<u>\$ 53,835,355</u>
Total assets			
<b>Liabilities</b>			
Accounts payable	\$ 757,533	\$ 607,782	\$ 1,365,315
Due to other governmental units	591,871	-	591,871
Due to component units (Note 7)	15,000	-	15,000
Due to other funds (Note 7)	108,527	153,436	261,963
Advances from other funds (Note 7)	3,800,000	2,961,016	6,761,016
Refundable deposits, bonds, etc.	1,515,427	-	1,515,427
Accrued liabilities and other	862,900	75,772	938,672
Unearned revenue	2,519,849	-	2,519,849
	<u>10,171,107</u>	<u>3,798,006</u>	<u>13,969,113</u>
Total liabilities			
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	313,492	466,506	779,998
Property taxes levied for the following year	11,453,526	2,962,524	14,416,050
Leases	3,739,428	-	3,739,428
	<u>15,506,446</u>	<u>3,429,030</u>	<u>18,935,476</u>
Total deferred inflows of resources			
Total liabilities and deferred inflows of resources	25,677,553	7,227,036	32,904,589

**Governmental Funds  
Balance Sheet (Continued)**

**September 30, 2022**

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Fund Balances</b>			
Nonspendable:			
Inventory/Assets held for sale	\$ -	\$ 163,078	\$ 163,078
Prepays	150,540	-	150,540
Long-term receivable	-	282,636	282,636
Restricted:			
Roads	-	4,249,995	4,249,995
Police	-	226,895	226,895
Grants	-	2,188,083	2,188,083
Rubbish	-	822,578	822,578
Sidewalk and alley paving	-	692,676	692,676
Drains	-	4,884,784	4,884,784
Committed - Special events	-	782,505	782,505
Assigned:			
Subsequent year's budget	104,200	-	104,200
Capital projects	-	1,401,943	1,401,943
Debt service	-	342,929	342,929
Unassigned	6,817,711	(2,179,787)	4,637,924
Total fund balances	7,072,451	13,858,315	20,930,766
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 32,750,004</b>	<b>\$ 21,085,351</b>	<b>\$ 53,835,355</b>

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

September 30, 2022

<b>Fund Balances Reported in Governmental Funds</b>	\$ 20,930,766
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	65,664,246
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	779,998
Investments in joint ventures are not financial resources and are not reported in the funds	1,871,641
Bonds payable and lease liabilities are not due and payable in the current period and are not reported in the funds	(1,895,000)
Accrued interest is not due and payable in the current period and is not reported in the funds	(29,625)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(1,507,426)
Pension benefits	(15,963,521)
Retiree health care benefits	(67,289,795)
Internal service funds are included as part of governmental activities	<u>6,706,918</u>
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 9,268,202</u></u></b>

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended September 30, 2022

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>			
Taxes	\$ 10,434,450	\$ 2,702,554	\$ 13,137,004
Special assessments	-	192,315	192,315
Intergovernmental:			
Federal grants	597,187	80,470	677,657
State sources	4,273,188	3,291,226	7,564,414
Charges for services	4,535,671	727,458	5,263,129
Fines and forfeitures	775,758	-	775,758
Licenses and permits	570,663	-	570,663
Investment income:			
Investment earnings	122,979	13,398	136,377
Lease revenue	459,072	-	459,072
Other revenue	132,490	1,331,316	1,463,806
Total revenue	21,901,458	8,338,737	30,240,195
<b>Expenditures</b>			
Current services:			
General government	3,388,866	73,640	3,462,506
District court	874,019	227,048	1,101,067
Public safety	12,202,590	38,633	12,241,223
Public works	2,438,931	6,508,133	8,947,064
Community and economic development	78,595	80,468	159,063
Recreation and culture	911,414	194,171	1,105,585
Debt service	-	702,434	702,434
Total expenditures	19,894,415	7,824,527	27,718,942
<b>Excess of Revenue Over Expenditures</b>	2,007,043	514,210	2,521,253
<b>Other Financing Sources (Uses)</b>			
Transfers in (Note 7)	-	2,435,656	2,435,656
Transfers out (Note 7)	(1,201,687)	(1,233,969)	(2,435,656)
Total other financing (uses) sources	(1,201,687)	1,201,687	-
<b>Net Change in Fund Balances</b>	805,356	1,715,897	2,521,253
<b>Fund Balances - Beginning of year</b>	6,267,095	12,142,418	18,409,513
<b>Fund Balances - End of year</b>	\$ 7,072,451	\$ 13,858,315	\$ 20,930,766

**Governmental Funds**

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

**Year Ended September 30, 2022**

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 2,521,253</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Depreciation expense	(3,473,527)
Capital outlay	4,826,078
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	54,600
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	480,000
Interest expense is recognized in the government-wide statements as it accrues	8,000
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	19,721,341
Internal service funds are included as part of governmental activities	<u>(105,387)</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ 24,032,358</u></u></b>

# City of Wyandotte, Michigan

	Enterprise Funds			
	Electric	Water	Cable Television	Sewage Disposal
<b>Assets</b>				
Current assets:				
Cash and investments (Note 3)	\$ 16,701,735	\$ 4,761,638	\$ 7,738,911	\$ 3,111,619
Receivables - Net	6,051,352	1,070,912	735,642	359,347
Due from other funds (Note 7)	4,397	-	10,544	254,755
Inventory	1,126,652	103,315	53,803	-
Prepaid expenses and other assets	247,734	12,040	9,691	-
<b>Total current assets</b>	<b>24,131,870</b>	<b>5,947,905</b>	<b>8,548,591</b>	<b>3,725,721</b>
Noncurrent assets:				
Restricted assets (Note 11)	2,682,407	-	6,089,131	1,588,582
Advances to other funds (Note 7)	-	-	-	174,668
Capital assets: (Note 6)				
Assets not subject to depreciation	5,436,200	706,658	8,868,651	-
Assets subject to depreciation - Net	32,054,292	12,415,105	1,409,896	24,842,387
Advance to component unit (Note 7)	-	-	-	-
<b>Total noncurrent assets</b>	<b>40,172,899</b>	<b>13,121,763</b>	<b>16,367,678</b>	<b>26,605,637</b>
<b>Total assets</b>	<b>64,304,769</b>	<b>19,069,668</b>	<b>24,916,269</b>	<b>30,331,358</b>
<b>Deferred Outflows of Resources</b>				
Deferred charges on bond refunding (Note 8)	779,658	-	-	-
Deferred pension costs (Note 13)	1,561,090	211,531	220,463	-
Deferred OPEB costs (Note 14)	103,626	24,297	21,933	-
<b>Total deferred outflows of resources</b>	<b>2,444,374</b>	<b>235,828</b>	<b>242,396</b>	<b>-</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	1,751,950	123,579	1,087,511	767,067
Due to other funds (Note 7)	28,686	255,135	664	-
Refundable deposits, bonds, etc.	1,005,122	-	184,925	-
Accrued liabilities and other	2,091,117	230,181	2,941	-
Provision for claims (Note 10)	35,483	10,823	2,267	-
Current portion of long-term debt (Note 8)	2,152,319	251	600,965	1,099,197
<b>Total current liabilities</b>	<b>7,064,677</b>	<b>619,969</b>	<b>1,879,273</b>	<b>1,866,264</b>
Noncurrent liabilities:				
Payable from restricted assets	-	-	43,459	-
Net pension liability (Note 13)	4,535,532	614,576	640,525	-
Net OPEB liability (Note 14)	11,117,791	2,606,908	2,353,278	-
Long-term debt - Net of current portion (Note 8)	21,808,946	286	9,090,647	14,397,063
<b>Total noncurrent liabilities</b>	<b>37,462,269</b>	<b>3,221,770</b>	<b>12,127,909</b>	<b>14,397,063</b>
<b>Total liabilities</b>	<b>44,526,946</b>	<b>3,841,739</b>	<b>14,007,182</b>	<b>16,263,327</b>
<b>Deferred Inflows of Resources - Deferred OPEB cost reductions (Note 14)</b>				
	<b>3,523,353</b>	<b>826,159</b>	<b>745,779</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	14,308,885	13,121,226	5,696,844	9,346,127
Restricted (Note 11)	3,874,022	-	935,763	1,588,582
Unrestricted	515,937	1,516,372	3,773,097	3,133,322
<b>Total net position</b>	<b>\$ 18,698,844</b>	<b>\$ 14,637,598</b>	<b>\$ 10,405,704</b>	<b>\$ 14,068,031</b>

Proprietary Funds  
Statement of Net Position

September 30, 2022

Enterprise Funds		Governmental Activities
Nonmajor Enterprise	Total	Internal Service
\$ 721,510	\$ 33,035,413	\$ 430,015
-	8,217,253	-
-	269,696	-
-	1,283,770	-
-	269,465	-
721,510	43,075,597	430,015
-	10,360,120	-
-	174,668	6,586,348
51,908	15,063,417	-
2,355,001	73,076,681	-
-	-	142,406
2,406,909	98,674,886	6,728,754
3,128,419	141,750,483	7,158,769
-	779,658	-
-	1,993,084	-
-	149,856	-
-	2,922,598	-
46,067	3,776,174	-
-	284,485	-
-	1,190,047	-
33,450	2,357,689	-
-	48,573	451,851
-	3,852,732	-
79,517	11,509,700	451,851
-	43,459	-
-	5,790,633	-
-	16,077,977	-
-	45,296,942	-
-	67,209,011	-
79,517	78,718,711	451,851
-	5,095,291	-
2,406,909	44,879,991	-
-	6,398,367	-
641,993	9,580,721	6,706,918
<b>\$ 3,048,902</b>	<b>\$ 60,859,079</b>	<b>\$ 6,706,918</b>

## City of Wyandotte, Michigan

	Enterprise Funds			
	Electric	Water	Cable Television	Sewage Disposal
<b>Operating Revenue</b>				
Sale of water	\$ -	\$ 4,425,270	\$ -	\$ -
Sewage disposal charges	-	-	-	2,718,834
Sale of electricity	39,642,070	-	-	-
Income from customers and rent from tenants	-	-	11,128,065	-
Other miscellaneous revenue	704,202	11,476	497,741	-
<b>Total operating revenue</b>	<b>40,346,272</b>	<b>4,436,746</b>	<b>11,625,806</b>	<b>2,718,834</b>
<b>Operating Expenses</b>				
Cost of water pumping and purification	-	925,316	-	-
Cost of sewage treatment	-	-	-	2,351,078
Cost of electrical production	29,649,641	-	-	-
Cost of insurance claims	-	-	-	-
Transportation	113,599	38,597	29,065	-
Other operation and maintenance	2,501,435	929,256	1,002,940	646,614
Distributions	(2,023,112)	110,857	2,637,271	-
Cable television royalties and retransmission fees	-	-	4,960,903	-
Depreciation	2,868,011	523,268	607,878	902,184
<b>Total operating expenses</b>	<b>33,109,574</b>	<b>2,527,294</b>	<b>9,238,057</b>	<b>3,899,876</b>
<b>Operating Income (Loss)</b>	<b>7,236,698</b>	<b>1,909,452</b>	<b>2,387,749</b>	<b>(1,181,042)</b>
<b>Nonoperating Revenue (Expense)</b>				
Investment income	7,307	2,964	14,812	12,221
Interest expense	(1,103,509)	(44)	(344,445)	(550,846)
Amortization related to long-term debt	(12,520)	-	-	-
<b>Total nonoperating (expense) revenue</b>	<b>(1,108,722)</b>	<b>2,920</b>	<b>(329,633)</b>	<b>(538,625)</b>
<b>Change in Net Position</b>	<b>6,127,976</b>	<b>1,912,372</b>	<b>2,058,116</b>	<b>(1,719,667)</b>
<b>Net Position - Beginning of year, as restated (Note 1)</b>	<b>12,570,868</b>	<b>12,725,226</b>	<b>8,347,588</b>	<b>15,787,698</b>
<b>Net Position - End of year</b>	<b>\$ 18,698,844</b>	<b>\$ 14,637,598</b>	<b>\$ 10,405,704</b>	<b>\$ 14,068,031</b>



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

Year Ended September 30, 2022

Enterprise Funds		Governmental Activities
Nonmajor Enterprise	Total	Internal Service
\$ -	\$ 4,425,270	\$ -
-	2,718,834	-
-	39,642,070	-
549,131	11,677,196	-
20,000	1,233,419	-
569,131	59,696,789	-
-	925,316	-
-	2,351,078	-
-	29,649,641	-
-	-	193,278
-	181,261	-
572,183	5,652,428	-
-	725,016	-
-	4,960,903	-
146,265	5,047,606	-
718,448	49,493,249	193,278
(149,317)	10,203,540	(193,278)
29,549	66,853	87,891
-	(1,998,844)	-
-	(12,520)	-
29,549	(1,944,511)	87,891
(119,768)	8,259,029	(105,387)
3,168,670	52,600,050	6,812,305
<b>\$ 3,048,902</b>	<b>\$ 60,859,079</b>	<b>\$ 6,706,918</b>

Proprietary Funds  
Statement of Cash Flows

Year Ended September 30, 2022

	Enterprise Funds					Governmental	
	Electric	Water	Cable Television	Sewage Disposal	Nonmajor Enterprise	Internal Service	
<b>Cash Flows from Operating Activities</b>							
Receipts from customers	\$ 40,548,464	\$ 4,426,549	\$ 11,960,548	\$ 3,883,644	\$ 549,131	\$ 61,368,336	\$ -
(Payments for) receipts from interfund services and reimbursements	-	-	-	(631,431)	20,000	(611,431)	-
Payments to suppliers	(29,589,649)	(1,847,494)	(8,129,776)	(2,620,102)	(541,548)	(42,728,569)	(2,671)
Payments to employees and fringes	(6,353,197)	(1,974,178)	(2,077,654)	-	(73,636)	(10,478,665)	-
Claims paid	-	-	-	-	-	-	(124,520)
Other receipts	-	1,263,622	-	-	-	1,263,622	-
Net cash provided by (used in) operating activities	4,605,618	1,868,499	1,753,118	632,111	(46,053)	8,813,293	(127,191)
<b>Cash Flows Provided by (Used in) Noncapital Financing Activities</b> - Interfund borrowings and repayments - Net	17,989	(20,075)	664	51,017	-	49,595	(75,133)
<b>Cash Flows from Capital and Related Financing Activities</b>							
Issuance of bonds	-	-	-	361,581	-	361,581	-
Purchase of capital assets	(3,305,209)	(1,216,494)	(4,388,613)	-	-	(8,910,316)	-
Principal and interest paid on capital debt	(3,121,853)	(357)	(925,384)	(1,395,669)	-	(5,443,263)	-
Net cash used in capital and related financing activities	(6,427,062)	(1,216,851)	(5,313,997)	(1,034,088)	-	(13,991,998)	-
<b>Cash Flows Provided by Investing Activities</b> - Interest received on investments	7,307	2,964	14,812	11,421	29,549	66,053	87,891
<b>Net (Decrease) Increase in Cash</b>	(1,796,148)	634,537	(3,545,403)	(339,539)	(16,504)	(5,063,057)	(114,433)
<b>Cash</b> - Beginning of year	21,180,290	4,127,101	17,373,445	3,451,158	738,014	46,870,008	544,448
<b>Cash</b> - End of year	<u>\$ 19,384,142</u>	<u>\$ 4,761,638</u>	<u>\$ 13,828,042</u>	<u>\$ 3,111,619</u>	<u>\$ 721,510</u>	<u>\$ 41,806,951</u>	<u>\$ 430,015</u>
<b>Classification of Cash</b>							
Cash and investments	\$ 16,701,735	\$ 4,761,638	\$ 7,738,911	\$ 3,111,619	\$ 721,510	\$ 33,035,413	\$ 430,015
Restricted cash	2,682,407	-	6,089,131	-	-	8,771,538	-
Total cash	<u>\$ 19,384,142</u>	<u>\$ 4,761,638</u>	<u>\$ 13,828,042</u>	<u>\$ 3,111,619</u>	<u>\$ 721,510</u>	<u>\$ 41,806,951</u>	<u>\$ 430,015</u>

Proprietary Funds  
Statement of Cash Flows (Continued)

Year Ended September 30, 2022

	Enterprise Funds					Total	Governmental
	Electric	Water	Cable Television	Sewage Disposal	Nonmajor Enterprise		Internal Service
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>							
Operating income (loss)	\$ 7,236,698	\$ 1,909,452	\$ 2,387,749	\$ (1,181,042)	\$ (149,317)	\$ 10,203,540	\$ (193,278)
Adjustments to reconcile operating income (loss) to net cash from operating activities:							
Depreciation	2,868,011	523,268	607,878	902,184	146,265	5,047,606	-
Changes in assets and liabilities:							
Receivables	202,037	621,614	334,742	1,164,810	-	2,323,203	-
Due to and from other funds	-	-	-	(631,431)	-	(631,431)	-
Inventories	(100,589)	14,017	486	-	-	(86,086)	-
Prepaid and other assets	(77,500)	5,617	10,634	41,647	-	(19,602)	-
Net pension or OPEB liability	(6,615,269)	(1,666,631)	(826,469)	-	-	(9,108,369)	-
Accounts payable	(12,410)	17,643	(1,063,831)	335,943	(43,001)	(765,656)	-
Estimated claims liability	-	-	-	-	-	-	66,087
Deferrals related to pension or OPEB	1,025,728	450,041	380,254	-	-	1,856,023	-
Accrued and other liabilities	78,912	(6,522)	(78,325)	-	-	(5,935)	-
Total adjustments	(2,631,080)	(40,953)	(634,631)	1,813,153	103,264	(1,390,247)	66,087
Net cash provided by (used in) operating activities	<u>\$ 4,605,618</u>	<u>\$ 1,868,499</u>	<u>\$ 1,753,118</u>	<u>\$ 632,111</u>	<u>\$ (46,053)</u>	<u>\$ 8,813,293</u>	<u>\$ (127,191)</u>

**Fiduciary Funds  
Statement of Fiduciary Net Position**

**September 30, 2022**

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
<b>Assets</b>		
Cash and investments	\$ 1,272,939	\$ 394,248
Investments:		
U.S. government securities	150,694	-
Common trust funds/Mutual funds	65,826,297	-
Global fixed income	90,556	-
Receivables:		
Accrued interest receivable	1,479	-
Due from other governments	-	21,874
Due from primary government	10,579	-
Total assets	67,352,544	416,122
<b>Liabilities</b>		
Due to other governmental units	-	59,474
Due to primary government	215,398	-
Accrued liabilities and other	34,198	197,054
Total liabilities	249,596	256,528
<b>Net Position - Restricted</b>		
Pension	64,340,286	-
Postemployment benefits other than pension	2,762,662	-
Individuals, organizations, and other governments	-	159,594
Total net position	\$ 67,102,948	\$ 159,594

Fiduciary Funds  
Statement of Changes in Fiduciary Net Position

Year Ended September 30, 2022

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
<b>Additions</b>		
Investment income (loss):		
Interest and dividends	\$ 1,597,906	\$ -
Net decrease in fair value of investments	(15,558,599)	-
Investment costs	(190,464)	-
Net investment loss	(14,151,157)	-
Contributions:		
Employer contributions	8,195,819	-
Employee contributions	100,160	-
Total contributions	8,295,979	-
Property tax collections for other governments	-	21,879,812
Total additions - Net	(5,855,178)	21,879,812
<b>Deductions</b>		
Pension benefit payments	7,555,804	-
Health benefits	3,748,254	-
Property tax distributions to other governments	-	21,879,812
Total deductions	11,304,058	21,879,812
<b>Net Decrease in Fiduciary Net Position</b>	(17,159,236)	-
<b>Net Position - Beginning of year</b>	84,262,184	159,594
<b>Net Position - End of year</b>	<b>\$ 67,102,948</b>	<b>\$ 159,594</b>

# City of Wyandotte, Michigan

	Tax Increment Finance Authorities - Consolidated	Tax Increment Finance Authorities - Downtown	Downtown Development Authority
<b>Assets</b>			
Cash and investments (Note 3)	\$ 10,239,064	\$ 1,474,890	\$ 1,601
Receivables - Net	91,480	-	-
Due from primary government (Note 7)	15,000	-	-
Prepaid expenses and other assets	-	2,118	-
Land held for resale (Note 4)	1,516,600	44,800	-
Total assets	11,862,144	1,521,808	1,601
<b>Liabilities</b>			
Accounts payable	510,679	77,547	-
Due to primary government (Note 7)	375	1,004	-
Accrued liabilities and other	72,500	1,475	-
Noncurrent liabilities - Due in more than one year - Advances from primary government (Note 7)	-	-	-
Total liabilities	583,554	80,026	-
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	1,739,423	472,626	-
<b>Net Position (Deficit)</b>			
Restricted - Grants	-	33,912	-
Unrestricted	9,539,167	935,244	1,601
Total net position (deficit)	<b>\$ 9,539,167</b>	<b>\$ 969,156</b>	<b>\$ 1,601</b>

Component Units  
Statement of Net Position

September 30, 2022

Brownfield Redevelopment Authority	Downriver Central Dispatch	Downriver Central Animal Control Agency	Downriver Consolidated Assessing	Total
\$ 501,199	\$ -	\$ -	\$ -	\$ 12,216,754
-	165,913	31,309	69,777	358,479
-	-	-	-	15,000
-	-	-	-	2,118
-	-	-	-	1,561,400
501,199	165,913	31,309	69,777	14,153,751
-	-	-	-	588,226
-	165,913	31,309	69,777	268,378
412,910	-	-	-	486,885
425,042	-	-	-	425,042
837,952	165,913	31,309	69,777	1,768,531
-	-	-	-	2,212,049
-	-	-	-	33,912
(336,753)	-	-	-	10,139,259
<b>\$ (336,753)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,173,171</b>

# City of Wyandotte, Michigan

	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>				
Tax Increment Finance Authorities - Consolidated - Community and economic development	\$ 2,455,434	\$ -	\$ 6,003	\$ -
Tax Increment Finance Authorities - Downtown - Community and economic development	629,650	-	-	-
Downtown Development Authority	-	-	-	-
Brownfield Redevelopment Authority:				
Community and economic development	60,746	-	-	-
Interest on long-term debt	67,155	-	-	-
Total Brownfield Redevelopment Authority	127,901	-	-	-
Downriver Central Dispatch - Governmental activities - Public safety	872,581	872,581	-	-
Downriver Central Animal Control Agency - Governmental activities - Public safety	145,079	145,079	-	-
Downriver Consolidated Assessing - Governmental activities - General government	450,436	450,436	-	-
Total component units	<b>\$ 4,681,081</b>	<b>\$ 1,468,096</b>	<b>\$ 6,003</b>	<b>\$ -</b>

General revenue:  
 Property taxes  
 Investment (loss) income  
 Other miscellaneous income  
 Total general revenue

**Change in Net Position**

**Net Position (Deficit) - Beginning of year**

**Net Position (Deficit) - End of year**



## Component Units Statement of Activities

**Year Ended September 30, 2022**

Net (Expense) Revenue and Changes in Net Position							
Tax Increment Finance Authorities - Consolidated	Tax Increment Finance Authorities - Downtown	Downtown Development Authority	Brownfield Redevelopment Authority	Downriver Central Dispatch	Downriver Central Animal Control Agency	Downriver Consolidated Assessing	Total
\$ (2,449,431)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,449,431)
-	(629,650)	-	-	-	-	-	(629,650)
-	-	-	(60,746)	-	-	-	(60,746)
-	-	-	(67,155)	-	-	-	(67,155)
-	-	-	(127,901)	-	-	-	(127,901)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(2,449,431)	(629,650)	-	(127,901)	-	-	-	(3,206,982)
3,005,128	634,344	-	218,836	-	-	-	3,858,308
(6,882)	(2,599)	-	85	-	-	-	(9,396)
-	47,421	-	-	-	-	-	47,421
2,998,246	679,166	-	218,921	-	-	-	3,896,333
548,815	49,516	-	91,020	-	-	-	689,351
8,990,352	919,640	1,601	(427,773)	-	-	-	9,483,820
<b>\$ 9,539,167</b>	<b>\$ 969,156</b>	<b>\$ 1,601</b>	<b>\$ (336,753)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,173,171</b>

**Note 1 - Significant Accounting Policies**

The following is a summary of the significant accounting policies used by the City of Wyandotte, Michigan (the "City"):

***Reporting Entity***

The City is governed by an elected six-member council and the mayor. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Although blended component units are legally separate entities, in substance, they are part of the City's operations. Discretely presented component units are aggregated in one column to the right of the total column in the government-wide statements to emphasize that they are legally separate from the City (see discussion below for description).

**Blended Component Units**

The Wyandotte Building Authority (the "Building Authority") is governed by a three-member board that is appointed by the mayor with City Council approval. Although it is legally separate from the City, the Building 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.

**Discretely Presented Component Units**

The following component units are reported within the component units column to emphasize that they are legally separate from the City:

The Downtown Development Authority was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and promote economic growth within the downtown district. The Downtown Development Authority's governing body, which consists of nine individuals, is selected by the mayor with approval by the City Council. In addition, the Downtown Development Authority's budget is subject to approval by the City Council.

The Brownfield Redevelopment Authority was created, pursuant to Public Act 381 of 1996, to promote revitalization of environmentally distressed areas within the six-square-mile boundary of the City. The Brownfield Redevelopment Authority is funded primarily by property tax revenue captures. The Brownfield Redevelopment Authority is governed by a nine-member board that is appointed by the mayor and confirmed by the City Council.

The tax increment finance authorities (TIFA) were created to preserve and continuously improve the areas within the TIFA districts. The Consolidated Development Area TIFA's governing body and Downtown Development Area TIFA's governing body each consist of nine individuals selected by the mayor with approval by the City Council. The TIFAs have reserved \$1,436,000 for a future DNR grant match.

The Economic Development Corporation (EDC) was created to alleviate and prevent conditions of unemployment and to assist and retain local industries and commercial enterprises in their efforts to operate within the City. The EDC's governing body consists of nine individuals selected by the mayor with approval by the City Council. There was no financial activity related to the EDC in the current year.

The Downriver Central Dispatch (DCD) was created to enhance public safety through the sharing of technology and information resources to support the centralized dispatching of public safety resources. The DCD's governing body consists of one representative appointed by each governmental unit that is a member of the DCD. The DCD's budget is subject to approval by the City Council.

The Downriver Central Animal Control Agency (DCACA) was created to enhance animal control services by sharing of costs and responsibilities. The DCACA's governing body consists of one representative appointed by each governmental unit that is a member of the DCACA. The DCACA's budget is subject to approval by the City Council.

**Note 1 - Significant Accounting Policies (Continued)**

The Downriver Consolidated Assessing Agency (DCAA) was created to enhance assessing services by sharing of costs and responsibilities. The DCAA's governing body consists of one representative appointed by each governmental unit that is a member of the DCAA. The DCAA's budget is subject to approval by the City Council.

Separate financial statements for the above discretely presented component units are not prepared.

**Fiduciary Component Units**

The City of Wyandotte Employees' Retirement System and the City of Wyandotte Retiree Health Care Plan provide retirement and postemployment benefits to plan members and their beneficiaries. The systems are administered through qualified trusts. Management of the City of Wyandotte Employees' Retirement System is vested in the seven-person pension board, with three being appointed by the City Council. The City of Wyandotte Employees' Retirement System does impose a financial burden on the City, and the City believes it would be misleading to exclude the plan from the financial statements. Management of the Retiree Health Care Plan is vested with the City Council. The Retiree Health Care Plan is included as a fiduciary component unit of the City because the City governs the plan and the plan imposes a financial burden on the City.

**Jointly Governed Organization**

Jointly governed organizations are discussed in Note 5.

**Accounting and Reporting Principles**

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

**Report Presentation**

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

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

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

**Note 1 - Significant Accounting Policies (Continued)**

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

***Fund Accounting***

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

**Governmental Funds**

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

- The General Fund is the City's primary operating fund and is used to provide for basic services, including the following functions: legislative, judicial, elections, tax collection, property assessment, administration, public safety, engineering, public works, recreation, cultural, and planning. This fund accounts for all financial resources of the general government other than those required to be accounted for in another fund.

**Proprietary Funds**

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

- Electric Fund - The Electric Fund accounts for the activities of providing electric services to the residents (and businesses) of the City.
- Water Fund - The Water Fund accounts for the activities of the water distribution system.
- Cable Television Fund - The Cable Television Fund accounts for the activities of providing cable services (and internet) to the residents (and businesses) of the City.
- Sewage Disposal Fund - The Sewage Disposal Fund accounts for the operations, maintenance, and improvements to the sewage disposal system in the City. Operations are primarily funded through user charges.

Internal Service Fund - The Internal Service Fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments. The City's Internal Service Fund has been established to account for insurance costs associated with workers' compensation and general liability, as well as the self-insured portion of workers' compensation and general liability. The Internal Service Fund is used to account for current coverage and to provide reserves for future catastrophic claims.

**Fiduciary Funds**

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

- Pension and Other Employee Benefit Trust Funds - The Pension and Other Employee Benefit Trust Funds account for the activities of the retirement system and the trust established to account for costs related to retiree health care.

**Note 1 - Significant Accounting Policies (Continued)**

- Custodial Funds - The Custodial Funds record tax collections for other units of government (the county, school district, etc.) and for activity held by the City as a fiduciary for certain activities.

**Interfund Activity**

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

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

**Basis of Accounting**

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

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

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, state gas and weight tax revenue, district court fines, and interest associated with the current fiscal period. Conversely, special assessments, federal grant reimbursements, and other revenue will be collected after the period of availability; receivables have been recorded for these, along with a deferred inflow.

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

**Note 1 - Significant Accounting Policies (Continued)**

***Specific Balances and Transactions***

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

**Investments**

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

**Inventories and Prepaid Items**

Land held for resale and real estate inventories in the special revenue funds, capital projects funds, and component units are valued at the lower of cost (specific identification, including demolition cost) or market. Inventories of the remaining governmental funds are recorded as expenditures when purchased rather than when consumed. Inventories of the enterprise funds are stated at the lower of cost, determined by the average cost method for general inventory, or market. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

**Restricted Assets**

Amounts have been set aside pursuant to contractual restrictions, grant reserves, and unspent bond proceeds. These amounts have been classified as restricted assets. In the Sewage Disposal Fund, restricted assets relate to reserves held at Downriver Utility Wastewater Authority (DUWA), a joint venture of the City. Refer to Note 5 for more information on DUWA. Refer to Note 11 for further discussion on the restricted assets of the Electric and Cable funds.

**Capital Assets**

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

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Roads and other infrastructure	20 to 25
Sidewalks	10 to 60
Distribution systems	10 to 15
Utility plant and treatment facilities	20 to 50
Buildings and building improvements	40 to 50
Land improvements	20 to 50
Vehicles	4 to 15
Machinery and equipment	3 to 35

**Note 1 - Significant Accounting Policies (Continued)**

**Long-term Obligations**

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

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the statement of net position. A deferred charge 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. In addition, the City reports deferred outflows of resources related to pension and postemployment benefits.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has three items that qualify for reporting in this category. The deferred inflows of resources related to unavailable revenue in the governmental funds are from special assessments, grants, and other revenue. Also, the government also has property taxes levied for the next fiscal year. This amount is shown as deferred inflows of resources on both the governmental funds balance sheet and the statement of net position. In addition, the City reports deferred inflows of resources related to postemployment benefits and leases.

**Net Position Flow Assumption**

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

**Fund Balance Flow Assumption**

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

**Note 1 - Significant Accounting Policies (Continued)**

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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

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

**Property Tax Revenue**

Properties are assessed as of December 31. The related property taxes are billed on August 1 of the following year, are due on September 30, become a lien on December 1, and have a final collection date of February 28 before they are added to the county tax rolls.

Property taxes billed on August 1 will be used to finance the following year's operations. As such, these taxes are recorded as deferred revenue in each respective fund at September 30.

The 2021 taxable valuation of the City totaled approximately \$606,000,000 (a portion of which has been abated or resides in special tax districts), on which taxes levied consisted of 14.7109 mills for operating purposes, 2.4564 mills for debt service, and 2.4564 mills for garbage and rubbish services. In addition, the City levied 3.1263 mills to support drain operation and maintenance, and the statutory or constitutional provisions that authorize the levy have not been identified. The above levies on a net basis resulted in approximately \$8,711,000 for operating purposes, \$1,199,000 for debt service, \$1,395,000 for garbage and rubbish services, and \$1,316,000 for drain operation and maintenance. These amounts are recognized in the respective General Fund and special revenue fund financial statements as tax revenue. The special tax districts record their portion of taxes in the respective component units' financial statements as tax revenue. Some amounts are also recognized in the debt service fund through a transfer of tax funds from the General Fund.

**Pension**

The City offers a defined benefit pension plan to certain employees. The plan is closed to all new hires, except certain police and command members. The City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position has been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability has historically been liquidated from the funds from which the individual salaries are paid.



**Note 1 - Significant Accounting Policies (Continued)**

**Other Postemployment Benefit Costs**

The City offers retiree health care benefits to retirees. The plan is closed to all new hires. The City records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position has been determined on the same basis as they are reported by the OPEB plan. For this purpose, health premium payments are recognized when due and payable. Investments are reported at fair value. The net OPEB liability has historically been liquidated from the funds from which the individual salaries are paid.

**Compensated Absences (Vacation and Sick Leave)**

It is the City's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Employees may receive payment of the accumulated sick leave and vacation balance at the rate determined by union contracts, which vary from unit to unit. A liability is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. The compensated absence liability has historically been liquidated from the funds from which the individual salaries are paid.

**Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relates to charges to customers for sales, rentals, and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

**Emissions Allowance**

The Environmental Protection Agency has granted emissions allowances to the City related to the emission of certain pollutants. No amounts are recorded at the date of the grant. The City estimates the allowances needed for future years. As appropriate, the City may purchase additional allowances or sell the estimated future excess allowances. The purchase and sale of allowances by emission type are accounted for separately and are not offset against transactions involving allowances of different emission types. Purchased allowances net of proceeds from the sale of related allowances are recorded as an asset and will be expensed during the applicable period. Proceeds from the sale of allowances are recognized as income at the time of sale. There were no emission allowances purchased during the year ended September 30, 2022. The City sold \$365,000 of allowances during the year ended September 30, 2022.

**Use of Estimates**

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

**Leases**

The City is a lessee for noncancelable leases of vehicles and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental or business-type activities column in the government-wide financial statements.

**Note 1 - Significant Accounting Policies (Continued)**

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The City is a lessor for noncancelable leases of real estate and radio communications towers. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

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

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

The City uses the actual rate charged to lessees as the discount rate for leases.

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

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

**Significant Customers**

The City's electric department has one significant customer, BASF Corporation, representing approximately 18 percent of the electric department's operating revenue for the year ended September 30, 2022.

The City's water department has one significant customer, BASF Corporation, representing approximately 14 percent of the water department's operating revenue for the year ended September 30, 2022.

**Note 1 - Significant Accounting Policies (Continued)**

***Upcoming Accounting Pronouncements***

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

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

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

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

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

***Adoption of New Accounting Pronouncement***

During the current year, the City adopted GASB Statement No. 87, *Leases*. As a result, the business-type activities and Electric Fund now include a liability for the present value of payments expected to be made and right-to-use assets. The governmental activities and general fund now include receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 9. The financial statements for the year ended September 30, 2021 have been restated in order to adopt GASB Statement No. 87.

The net position of the Electric Fund as of September 30, 2021 as previously reported was \$12,572,722. After the adjustment for GASB Statement No. 87, the net position as of September 30, 2021 as restated is \$12,570,868.

**Note 2 - Stewardship, Compliance, and Accountability**

***Excess of Expenditures Over Appropriations in Budgeted Funds***

During the year, the City incurred expenditures in the General Fund that were in excess of the amounts budgeted, as follows:

	Budget	Actual	Variance with Budget
Fire	\$ 3,907,733	\$ 4,141,180	\$ (233,447)

Fire exceeded the budget due to federal grant expenditures that were more than budgeted.

***Construction Code Fees***

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

Cumulative shortfall at October 1, 2021		\$ (258,427)
Current year permit revenue		699,477
Related expenses:		
Direct costs	\$ 160,191	
Estimated indirect costs	481,376	641,567
Current year surplus		57,910
Cumulative shortfall at September 30, 2022		\$ (200,517)

***Fund Deficits***

The City has an accumulated deficit in the Brownfield Redevelopment Authority, Grants, and Construction funds. Management expects the deficit in the Brownfield Redevelopment Authority to be eliminated through the receipt of future tax captures. The deficit in the Construction Fund will be eliminated through the receipt of future debt millage transferred to this fund. The Grants Fund deficit relates to a timing difference and will be eliminated in the next fiscal year once the grant revenue is received.

**Note 3 - Deposits and Investments**

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

The Pension and Other Postemployment Benefits Funds are also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

**Note 3 - Deposits and Investments (Continued)**

The City has designated three banks for the deposit of its funds. The investment policy adopted by the City Council and the mayor in accordance with Public Act 196 of 1997 has authorized investment in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; certificates of deposit; savings accounts, deposit accounts or depository receipts of a financial institution that has offices in Michigan; mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan; and interlocal agreements and investment pools but not the remainder of state statutory authority, as listed above. The City's deposits and investments are in accordance with statutory authority.

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

**Custodial Credit Risk of Bank Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At year end, the City had bank deposits of approximately \$74.5 million (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. In addition, the City's component units had bank deposits of approximately \$10.2 million (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The City believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

**Interest Rate Risk**

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity.

At year end, the City had the following investments:

Investment	Carrying Value	Weighted- average Maturity (Years)
<b>Primary Government</b>		
U.S. Treasury	\$ 3,439,378	0.47
Municipal bond	249,690	0.09
Investment	Carrying Value	Weighted- average Maturity (Years)
<b>Fiduciary Funds</b>		
U.S. government issues	\$ 150,694	4.13
Corporate bonds and notes	90,556	4.94
Total	\$ 241,250	

September 30, 2022

**Note 3 - Deposits and Investments (Continued)**

**Credit Risk**

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of September 30, 2022, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Moody's A3	Moody's A2	Moody's A1	Moody's Baa1	Moody's Baa2	Moody's Baa3
<b>Fiduciary Funds</b>						
Corporate bonds and notes	\$ 13,087	\$ 13,335	\$ 5,861	\$ 22,776	\$ 30,120	\$ 5,377

**Fair Value Measurements**

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

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

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

	Investments Measured at Fair Value on a Recurring Basis at September 30, 2022			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at September 30, 2022
Debt securities:				
U.S. Treasury securities and municipal bonds	\$ -	\$ 400,385	\$ -	\$ 400,385
Commercial paper	-	3,439,378	-	3,439,378
Corporate bonds	90,556	-	-	90,556
Total debt securities	90,556	3,839,763	-	3,930,319
Common trust/Mutual fund	65,826,297	-	-	65,826,297
Total	\$ 65,916,853	\$ 3,839,763	\$ -	\$ 69,756,616

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

The fair value of U.S. Treasury securities and municipal bonds at September 30, 2022 was determined primarily based on Level 2 inputs. The City estimates the fair value of these investments using other inputs, such as interest rates, yield curves, and matrix pricing models, that are observable at commonly quoted intervals.

**Note 4 - Land Held for Resale**

The inventory in the special revenue funds, capital projects funds, and component units consists of real property purchased for resale. The City purchases the property; demolishes or rehabilitates the structure, if any; and resells the property for commercial or residential development. Inventory costs include the costs of land, existing structures, rehabilitation, and demolition. Generally, the acquisition cost of inventory is substantially higher than its fair market value after demolition and site clearing. At September 30, 2022, inventory had a cost of \$568,987, \$318,666, and \$12,080,884 and an estimated fair market value of \$118,841, \$44,237, and \$1,561,400 in the special revenue funds, capital projects funds, and component units, respectively. Included in capital outlay and other expenses of the current year was a provision of \$26,052, \$0, and \$197,254 to record inventory at the lower of cost or market value in the special revenue funds, capital projects funds, and component units, respectively. In the current year, sales of properties held within the TIFA component units resulted in a loss on sale of \$151,287, which is included in expense.

**Note 5 - Joint Ventures**

***Southgate-Wyandotte Drainage District***

The City is a member of the Southgate-Wyandotte Drainage District, a joint venture with the City of Southgate, Michigan that provides drainage services to the residents of Southgate and Wyandotte under Chapter 20 of the Michigan Drain Code. The intercounty drain activity is administered by the Wayne County Drainage Board. The City incurred approximately \$734,368 to Wayne County, Michigan during the year for operations and maintenance.

The City of Wyandotte, Michigan has a participation interest of approximately 50.5 percent in the venture. The operations of the fund will be financed through assessments to the participating cities; Wayne County, Michigan; and the State of Michigan. The City is aware that, over the next several years, there are preliminary plans for significant system improvements to take place. The City's interest in the working capital of the venture in the amount of \$1,871,641 has been recorded in the government-wide statement of net position at September 30, 2022.

***Downriver Utility Wastewater Authority***

The City, along with 12 other communities, is a member of the Downriver Utility Wastewater Authority, which is a consortium formed under Public Act 233 of 1955 to acquire and operate the sewer system.

The City's share of capital assets, restricted assets (for debt service), and related debt is recorded in the Sewage Disposal Fund. During the year, the City accrued approximately \$2,351,000 for operations of the system and paid \$1,395,669 for debt service. The City is not aware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Financial statements for the joint venture can be obtained from the administrative offices at 25605 Northline Road, Taylor, MI 48180.

September 30, 2022

**Note 6 - Capital Assets**

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

**Governmental Activities**

	Balance October 1, 2021	Additions	Disposals and Adjustments	Balance September 30, 2022
Capital assets not being depreciated - Land	\$ 18,229,021	\$ -	\$ -	\$ 18,229,021
Capital assets being depreciated:				
Roads and other infrastructure	105,241,457	2,747,634	-	107,989,091
Sidewalks	37,420,912	329,071	-	37,749,983
Buildings and improvements	25,808,553	1,313,491	(608,658)	26,513,386
Machinery, equipment, and vehicle	13,063,745	435,882	-	13,499,627
Land improvements	5,491,203	-	-	5,491,203
Subtotal	187,025,870	4,826,078	(608,658)	191,243,290
Accumulated depreciation:				
Roads and other infrastructure	79,856,410	1,926,483	-	81,782,893
Sidewalks	35,998,088	488,854	-	36,486,942
Buildings and improvements	8,070,855	463,404	(608,658)	7,925,601
Machinery, equipment, and vehicle	11,817,381	428,940	-	12,246,321
Land improvements	5,200,462	165,846	-	5,366,308
Subtotal	140,943,196	3,473,527	(608,658)	143,808,065
Net capital assets being depreciated	46,082,674	1,352,551	-	47,435,225
Net governmental activities capital assets	\$ 64,311,695	\$ 1,352,551	\$ -	\$ 65,664,246



September 30, 2022

**Note 6 - Capital Assets (Continued)**

***Business-type Activities***

	Balance October 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance September 30, 2022
Capital assets not being depreciated:					
Land	\$ 51,908	\$ -	\$ -	\$ -	\$ 51,908
Construction in progress	10,969,213	(4,711,890)	8,754,186	-	15,011,509
Subtotal	11,021,121	(4,711,890)	8,754,186	-	15,063,417
Capital assets being depreciated:					
Utility plant	109,426,270	128,684	-	-	109,554,954
Transmission	5,911,181	-	-	-	5,911,181
Pumping	7,268,948	2,645,664	-	-	9,914,612
Purification	3,953,509	-	-	-	3,953,509
Distribution	75,857,976	1,716,266	-	-	77,574,242
Transportation	4,200,597	-	-	-	4,200,597
Stores	1,156,932	27,746	-	-	1,184,678
Cable equipment	4,626,672	176,280	55,785	-	4,858,737
Land improvements	2,937,427	-	-	-	2,937,427
Studio	738,686	8,921	-	-	747,607
General	4,080,501	8,329	-	-	4,088,830
Buildings	2,572,770	-	-	-	2,572,770
Equipment and fixtures	1,721,032	-	-	-	1,721,032
Sewer lines	43,390,496	-	-	(40,564)	43,349,932
Leases	202,115	-	100,345	-	302,460
Subtotal	268,045,112	4,711,890	156,130	(40,564)	272,872,568
Accumulated depreciation:					
Utility plant	94,588,487	-	1,086,157	-	95,674,644
Transmission	5,902,312	-	3,027	-	5,905,339
Pumping	3,153,163	-	161,660	-	3,314,823
Purification	3,779,725	-	7,676	-	3,787,401
Distribution	51,563,908	-	2,092,315	-	53,656,223
Transportation	3,715,121	-	231,765	-	3,946,886
Stores	976,751	-	17,147	-	993,898
Cable equipment	4,080,182	-	251,164	-	4,331,346
Land improvements	1,526,482	-	58,749	-	1,585,231
Studio	638,519	-	24,247	-	662,766
General	3,937,300	-	37,965	-	3,975,265
Buildings	1,526,203	-	75,895	-	1,602,098
Equipment and fixtures	1,585,194	-	13,355	-	1,598,549
Sewer lines	17,738,009	-	900,450	(40,564)	18,597,895
Leases	77,489	-	86,034	-	163,523
Subtotal	194,788,845	-	5,047,606	(40,564)	199,795,887
Net capital assets being depreciated	73,256,267	4,711,890	(4,891,476)	-	73,076,681
Net business-type activities capital assets	\$ 84,277,388	\$ -	\$ 3,862,710	\$ -	\$ 88,140,098

September 30, 2022

**Note 6 - Capital Assets (Continued)**

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

Governmental activities:	
General government	\$ 2,573,164
Public safety	490,788
Public works	145,454
Recreation and culture	264,121
	<hr/>
Total governmental activities	\$ 3,473,527
	<hr/> <hr/>
Business-type activities:	
Electric	\$ 2,868,011
Water	523,268
Cable Television	607,878
Sewage Disposal	902,184
Golf Course	101,033
Building Rental	45,232
	<hr/>
Total business-type activities	\$ 5,047,606
	<hr/> <hr/>

**Construction Commitments**

The City has active construction projects at year end. The City's commitments with contractors/suppliers as of September 30, 2022 are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
3665 11th Street - Building renovation	\$ 5,913,112	\$ 256,574
Fiber to the Home/Premises (FTTH/FTTP)	6,190,056	4,243,609
GIS, SCADA, OMS	189,253	810,747
AMI transponders - Water	594,042	567,308
	<hr/>	<hr/>
Total	\$ 12,886,463	\$ 5,878,238
	<hr/> <hr/>	<hr/> <hr/>

September 30, 2022

**Note 7 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 111,460
	Water Fund	380
	Electric Fund	28,686
	Total General Fund	140,526
Nonmajor governmental funds	General Fund	94,250
	Nonmajor governmental funds	41,976
	Total nonmajor governmental funds	136,226
Electric Fund	Cable Television Fund	664
	General Fund	3,733
	Total Electric Fund	4,397
Cable Television Fund	General Fund	10,544
Sewage Disposal Fund	Water Fund	254,755
	Total	<u>\$ 546,448</u>

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

Fund Borrowed From	Fund Loaned To	Amount
Internal Service Fund	General Fund	\$ 3,800,000
	Nonmajor governmental funds	2,786,348
	Total Internal Service Fund	6,586,348
Sewage Disposal Fund	Nonmajor governmental funds	174,668
	Total	<u>\$ 6,761,016</u>

The balance of amounts loaned to (borrowed from) discretely presented component units is as follows:

Receivable	Payable	Amount
General Fund	Tax Increment Finance Authorities - Downtown	\$ 1,004
	Downriver Central Dispatch	165,913
	Downriver Central Animal Control	31,309
	Downriver Consolidated Assessing	69,777
	Total General Fund	268,003
Nonmajor governmental funds	Tax Increment Finance Authorities - Consolidated	375
	Brownfield Redevelopment Authority	282,636
	Total nonmajor governmental funds	283,011
Tax Increment Finance Authorities - Consolidated	General Fund	15,000
Internal Service Fund	Brownfield Redevelopment Authority	142,406
	Total	<u>\$ 708,420</u>

September 30, 2022

**Note 7 - Interfund Receivables, Payables, and Transfers (Continued)**

These balances primarily result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. The Internal Service Fund advance to the General Fund is considered a long-term advance and relates to prefunding of liability and workers' compensation claims. The Internal Service Fund advance to nonmajor governmental funds relates to capital outlay. The Sewage Disposal Fund advance to a nonmajor governmental fund relates to an outstanding balance on an interest-bearing long-term loan. The nonmajor special revenue funds and Internal Service Fund advances to the Brownfield Redevelopment Authority are considered long-term advances. The nonmajor special revenue funds and Internal Service Fund advances relate to the outstanding balance of revolving loans. The original projects were paid for with grant funding. The Brownfield Redevelopment Authority is utilizing tax captures to pay back the outstanding advance to the nonmajor special revenue funds over time. After the advances are repaid, the City will be able to use the funds to make new revolving funds in accordance with grant requirements.

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Nonmajor governmental funds	\$ 1,201,687
Nonmajor governmental funds	Nonmajor governmental funds	<u>1,233,969</u>
	Total	<u><u>\$ 2,435,656</u></u>

The transfer to other governmental funds from the General Fund was primarily to pay the annual debt service for the 27th District Court and police department facility construction and Yack Arena renovation bonds. These funds are derived through tax levies. The transfer of \$1,233,969 between the nonmajor governmental funds consisted of a \$538,801 transfer between the City's two street funds to redistribute Act 51 revenue from the Major Streets Fund to the Local Streets Fund, where the funds were then spent. A total of \$695,168 was transferred from the debt service fund to the Construction Fund and Equipment and Replacement Fund for debt payments.

**Note 8 - Long-term Debt**

Long-term debt activity for the year ended September 30, 2022 can be summarized as follows:

**Governmental Activities**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable -					
General obligations - Other debt					
- 2014 Revenue bonds	\$ 2,375,000	\$ -	\$ (480,000)	\$ 1,895,000	\$ 475,000

September 30, 2022

**Note 8 - Long-term Debt (Continued)**

***Business-type Activities***

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:					
Direct borrowings and direct placements:					
Installment purchase agreements	\$ 309,663	\$ -	\$ (135,132)	\$ 174,531	\$ 140,190
Cable Revenue Bonds - Series 2020	10,270,000	-	(580,000)	9,690,000	600,000
Downriver Utility Wastewater Authority bonds (including judgment levy bonds with the County of Wayne, Michigan), 21 issues	15,979,502	361,581	(844,823)	15,496,260	1,099,197
Total direct borrowings and direct placements principal outstanding	26,559,165	361,581	(1,559,955)	25,360,791	1,839,387
Other debt:					
2015 Series A Electric System Revenue and Revenue Refunding Bonds	19,205,000	-	(1,040,000)	18,165,000	1,090,000
2015 Series B Electric System Revenue and Revenue Refunding Bonds	5,460,000	-	(800,000)	4,660,000	845,000
Total other debt principal outstanding	24,665,000	-	(1,840,000)	22,825,000	1,935,000
Unamortized bond premiums	854,676	-	(35,611)	819,065	-
Total bonds and contracts payable	52,078,841	361,581	(3,435,566)	49,004,856	3,774,387
Leases (Note 9)	129,365	100,347	(84,894)	144,818	78,345
Total business-type activities long-term debt	<u>\$ 52,208,206</u>	<u>\$ 461,928</u>	<u>\$ (3,520,460)</u>	<u>\$ 49,149,674</u>	<u>\$ 3,852,732</u>

The City had deferred outflows of \$779,658 related to deferred charges on bond refundings at September 30, 2022.

September 30, 2022

**Note 8 - Long-term Debt (Continued)**

**General Obligation Bonds and Contracts**

The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligations have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. County contractual agreements and installment purchase agreements are also general obligations of the City. General obligations outstanding at September 30, 2022 are as follows:

Purpose	Year Issued	Interest Rates	Maturing	Outstanding
<b>Governmental Activities</b>				
2014 Refunding Bonds	2014	2-4%	2026	\$ 1,895,000
<b>Business-type Activities</b>				
Downriver Utility Wastewater Authority bonds (including judgment levy bonds with the County of Wayne, Michigan), 21 issues	Various	2-5.7%	2023-2043	\$ 15,496,260

**Revenue Bonds**

Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service. The Electric Fund's 2015 Series A and B Revenue and Refunding Bonds and the 2020 Cable System Revenue Bonds are payable out of the net revenue before capital contributions of the Electric and Cable funds, respectively. During the year, net operating revenue, as defined, of the system was \$4,541,149 and \$2,574,224 for the Electric and Cable funds, respectively. Fiscal year 2023 debt service requirements total \$2,975,977 and \$933,900 for the Electric and Cable funds, respectively. The City has no liability for these bonds if the net revenue pledged should prove insufficient.

Purpose	Year Issued	Interest Rates	Maturing	Outstanding
<b>Business-type Activities</b>				
2015A Revenue Refunding Bonds	2015	3.50-5%	2044	\$ 18,165,000
2015B Revenue Refunding Bonds	2015	4.92%	2026	4,660,000
Cable Revenue Bonds - Series 2020	2020	3.50%	2035	9,690,000

**Debt Service Requirements to Maturity**

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

Years Ending September 30	Governmental Activities			Business-type Activities				
	Other Debt		Total	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest		Principal	Interest	Principal	Interest	
2023	\$ 475,000	\$ 71,100	\$ 546,100	\$ 1,839,387	\$ 802,307	\$ 1,935,000	\$ 1,040,977	\$ 5,617,671
2024	475,000	52,100	527,100	1,469,122	819,853	2,015,000	942,911	5,246,886
2025	475,000	33,100	508,100	1,485,834	771,260	2,095,000	840,878	5,192,972
2026	470,000	14,100	484,100	1,533,140	721,101	1,765,000	751,055	4,770,296
2027	-	-	-	1,611,132	669,221	1,850,000	671,520	4,801,873
2028-2032	-	-	-	7,740,047	2,544,444	3,435,000	2,768,950	16,488,441
Thereafter	-	-	-	9,682,129	2,019,080	9,730,000	3,389,750	24,820,959
<b>Total</b>	<b>\$ 1,895,000</b>	<b>\$ 170,400</b>	<b>\$ 2,065,400</b>	<b>\$ 25,360,791</b>	<b>\$ 8,347,266</b>	<b>\$ 22,825,000</b>	<b>\$ 10,406,041</b>	<b>\$ 66,939,098</b>

**Note 8 - Long-term Debt (Continued)**

**Interest**

Total interest costs for the year were approximately \$2,200,000.

**Bond Refunding**

In previous years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The old bonds are not callable. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the basic financial statements. As of September 30, 2022, \$2,000,000 of bonds outstanding is considered defeased.

Also, in 2015, the City defeased certain bonds of the Department of Municipal Services by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts' assets and liabilities for the defeased bonds are not included in the basic financial statements. At September 30, 2022, \$2,295,000 of bonds outstanding is considered defeased.

**Assets Pledged as Collateral**

**Direct Borrowings and Direct Placements**

The City's outstanding installment purchase agreements are secured by purchased equipment.

**Note 9 - Leases**

The City leases certain assets from various third parties. The assets leased include vehicles and equipment used in electric utility operations. Payments are fixed monthly.

Lease asset activity of the City is included in Note 6.

Future principal and interest payment requirements related to the City's lease liability at September 30, 2022 are as follows:

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 78,345	\$ 3,543	\$ 81,888
2024	22,257	1,813	24,070
2025	20,654	1,118	21,772
2026	21,335	436	21,771
2027	2,227	5	2,232
<b>Total</b>	<b>\$ 144,818</b>	<b>\$ 6,915</b>	<b>\$ 151,733</b>

The City leases certain assets to various third parties. The assets leased include real estate and radio communications towers. Payments are generally fixed monthly.

During the year ended September 30, 2022, the City recognized the following related to its lessor agreements:

Lease revenue	\$ 459,072
Interest income related to its leases	131,860

**Note 9 - Leases (Continued)**

**Regulated Leases**

The City is party to certain regulated leases, as defined by GASB Statement No. 87. The leased assets include electric poles and are regulated under Mich. Comp. Laws Service § 484.2361, which regulates attachment to the City’s electric utility poles.

During the year ended September 30, 2022, the City recognized \$20,299 in lease revenue from the regulated leases.

Future expected minimum payments related to the City’s regulated leases at September 30, 2022 are expected at \$20,354 in perpetuity.

**Note 10 - Risk Management**

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased commercial insurance for claims related to medical benefits. The City is partially uninsured for general liability and workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**General Liability**

The City currently keeps coverage that limits the maximum loss to \$20,000 per occurrence, except for law enforcement claims, which limit the maximum loss to \$25,000 per occurrence. Losses in excess of these limitations are insured up to a minimum of \$5,000,000 per occurrence depending on the nature of the claim. Losses in excess of the plan limitations are uninsured.

**Workers' Compensation**

The City (including the Department of Municipal Services) is partially uninsured for workers' compensation claims. The terms of the plan are subject to change each policy period. Subsequent to May 31, 1986, there is no aggregate insurance coverage limit. All claims are insured for the per occurrence exposure between the deductible of \$850,000 and the policy limits equal to state statutory requirements.

The City estimates the liability for general liability, which includes workers' compensation claims. The Department of Municipal Services estimates the liability for workers' compensation claims in the enterprise funds. These estimates include claims that have been incurred through the end of the fiscal year, including claims that have been reported and those that have not yet been reported. Changes in the estimated liability for the past two fiscal years were as follows:

	Self-insurance Fund		Department of Municipal Services	
	2022	2021	2022	2021
Estimated liability - Beginning of year	\$ 383,093	\$ 454,843	\$ 53,496	\$ 102,035
Estimated claims incurred, including changes in estimates	193,278	121,869	23,002	(44,834)
Claim payments	(124,520)	(193,619)	(27,925)	(3,705)
Estimated liability - End of year	<u>\$ 451,851</u>	<u>\$ 383,093</u>	<u>\$ 48,573</u>	<u>\$ 53,496</u>



**Note 11 - Restricted Assets and Restricted Net Position**

Restricted assets consist of the following:

	<u>Electric Fund</u>	<u>Cable Television Fund</u>	<u>Sewage Disposal Fund</u>
Restricted working capital - Michigan Public Power Agency (MPPA)	\$ 2,296,724	\$ -	\$ -
Restricted grant reserves	385,683	-	-
Unspent bond proceeds	-	5,153,368	-
Debt service	-	935,763	-
Downriver Utility Wastewater Authority - Assets held at DUWA for future debt service and capital projects	-	-	1,588,582
Total restricted assets	<u>2,682,407</u>	<u>6,089,131</u>	<u>1,588,582</u>
Less unspent bond proceeds	-	(5,153,368)	-
Plus energy optimization surplus	<u>1,191,615</u>	<u>-</u>	<u>-</u>
Total restricted net position	<u>\$ 3,874,022</u>	<u>\$ 935,763</u>	<u>\$ 1,588,582</u>

When an expense is incurred that allows the use of restricted assets, those assets are applied before utilizing any unrestricted assets.

The assets restricted for MPPA working capital are contractually restricted by way of an energy services agreement entered into with the MPPA by the department in October 2012.

The assets restricted for grant reserves in the Electric Fund represent the balances outstanding as of September 30, 2022 related to grant funds advanced to the department by the Department of Energy in 2011 to be used for loan loss reserves and interest rate buy-downs on approved energy-related projects for qualifying customers of the department.

The unspent bond proceeds in the Cable Television Fund relate to the Cable System Revenue Bonds, Series 2020. At September 30, 2022, there was \$43,459 of liabilities to be paid from the Cable Television Fund restricted bond proceeds.

The assets restricted for debt service in the Cable Television Fund are pursuant to the 2019 cable system revenue bond ordinance for revenue bond debt service. In conjunction with the bond ordinance, the Commission passed a resolution to restrict net position in the Cable Fund of \$935,763, which represents the maximum annual debt service requirement on the Cable Television Fund bonds. This amount has been reported as restricted net position in the Cable Television Fund at September 30, 2022.

In accordance with Michigan Public Act 295 of 2008, the Department of Municipal Services is required to establish energy optimization programs. The department charges energy optimization fees, for which the funds are required to be spent on energy optimization programs. The surplus from these energy optimization fees has been reported as restricted net position at September 30, 2022.

Restricted assets in the Sewage Disposal Fund relate to reserves held at Downriver Utility Wastewater Authority, a joint venture of the City.

**Note 12 - Pension and Other Employee Benefit Trust Funds**

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

	Pension Trust	Retiree Health Care	Total
<b>Statement of Net Position</b>			
Cash and investments	\$ 64,338,807	\$ 3,001,679	\$ 67,340,486
Other assets	1,479	10,579	12,058
Liabilities	-	249,596	249,596
Net position	<u>\$ 64,340,286</u>	<u>\$ 2,762,662</u>	<u>\$ 67,102,948</u>
<b>Statement of Changes in Net Position</b>			
Net investment loss	\$ (13,566,437)	\$ (584,720)	\$ (14,151,157)
Contributions	4,195,024	4,100,955	8,295,979
Benefit payments and deductions	<u>(7,555,804)</u>	<u>(3,748,254)</u>	<u>(11,304,058)</u>
Net change in net position	<u>\$ (16,927,217)</u>	<u>\$ (232,019)</u>	<u>\$ (17,159,236)</u>

**Note 13 - Pension Plan**

***Plan Description***

The City of Wyandotte Employees' Retirement System administers the City of Wyandotte Employees' Pension Plan - a single-employer defined benefit pension plan that provides pensions for employees of the City. The system covers substantially all full-time general employees hired prior to October 1, 1999; all union (AFSCME) general members hired prior to April 1, 2000; all union (IAFF) firefighters hired prior to October 1, 2000; all fire dispatchers and police hired prior to July 1, 2001; and all municipal services employees hired prior to October 1, 2006. The plan is closed to new hires; however, as of January 1, 2020, the plan reopened for police patrol and command members (DB-2). Those members hired between February 1, 1999 and December 31, 2019 who did not elect to join the plan effective January 1, 2020 are not eligible. Benefit terms have been established by contractual agreements between the City and the various employee union representation; amendments are subject to the same process.

Management of the plan is vested in the retirement commission, which consists of seven members - four elected by plan members (general, police, fire, and municipal services), one appointed by the City, one appointed by the municipal services commission, and the city treasurer, who serves as an ex officio member.

***Benefits Provided***

The pension plan provides retirement, disability, and death benefits. Retirement benefits for members are calculated for the various groups as follows:

**General Plan Members**

The benefit is calculated as total service times 1.4 percent of the member's final average compensation (FAC). The FAC is calculated as the three highest consecutive years out of the last five. For members hired prior to October 1, 1982, the minimum benefit is the greater of total service times 2 percent of FAC less the annuity equivalent of the members' hypothetical contribution balance or 1.4 percent of FAC. The maximum benefit is 70 percent of FAC.

**Police Patrol and Command Members**

The benefit is calculated as FAC times the sum of 2.5 percent of the first 25 years of service plus 1 percent for years of service in excess of 25 years, up to 75 percent of FAC. FAC is calculated as the highest 3 out of the last 10 consecutive years.

September 30, 2022

**Note 13 - Pension Plan (Continued)**

**Police and Command Members (DB-2)**

The benefit is calculated as FAC times 2.0 percent. Maximum benefit is 70 percent of FAC. FAC is calculated as the highest 60 consecutive months of base wages out of the last 10 consecutive years.

**Fire Members**

For all fire members, the benefit is calculated as FAC times the sum of 2.5 percent of the first 25 years of service plus 1 percent for years of service in excess of 25 years, up to 75 percent of FAC less the annuity equivalent of the member's hypothetical contribution balance. FAC for fire members is calculated as the highest 3 out of the last 10 consecutive years.

**Municipal Service Members**

The benefit is calculated as FAC times 1.65, 1.7, or 1.5 to 1.7 percent for nonexempt, exempt, and hourly members, respectively. FAC is calculated as the highest 3 consecutive years out of the last 10.

General, police, and fire plan members with 25 years of service or age 55 with 10 years of service are eligible to retire. Municipal service plan members with 30 years (25 years for municipal services hourly) of service or age 60 with 10 years of service are eligible to retire. General and municipal services members have a mandatory retirement age of 70 years, while police and fire is age 60. All plan members are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal the workers' compensation benefit.

**Employees Covered by Benefit Terms**

The following members were covered by the benefit terms:

Date of member count	September 30, 2021
Inactive plan members or beneficiaries currently receiving benefits	299
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	<u>61</u>
Total employees covered by the plan	<u><u>375</u></u>

**Contributions**

State law requires public employers to make pension contributions in accordance with an actuarial valuation. The City hires an independent actuary for this purpose and annually contributes the amount determined to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contribution requirements of plan members are established and may be amended by the retirement commission in accordance with the City Charter, union contracts, and plan provisions. The City's required contribution is determined after consideration of the required contribution rate of employees. For the year ended September 30, 2022, the police patrol and police command members contributed 5 percent of annual pay. For the year ended September 30, 2022, the City contributed the actuarial required contribution of \$5,036,681, which consisted of \$1,220,878 from municipal services and \$2,873,986 in transfers from other funds, as well as \$941,817 from supplemental reserves in the pension system, which are not considered for annual actuarially required contribution purposes.

**Note 13 - Pension Plan (Continued)**

**Net Pension Liability**

The City has chosen to use September 30, 2022 as its measurement date for the net pension liability. The September 30, 2022 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the September 30, 2022 measurement date. The September 30, 2022 total pension liability was determined by an actuarial valuation performed as of September 30, 2021, which used update procedures to roll forward the estimated liability to September 30, 2022.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at October 1, 2021</b>	\$ 94,636,597	\$ 81,267,503	\$ 13,369,094
Changes for the year:			
Service cost	583,785	-	583,785
Interest	6,381,383	-	6,381,383
Differences between expected and actual experience	402,642	-	402,642
Contributions - Employer	-	4,094,864	(4,094,864)
Contributions - Employee	-	100,160	(100,160)
Net investment loss	-	(13,566,437)	13,566,437
Benefit payments, including refunds	(7,531,756)	(7,531,756)	-
Miscellaneous other expense	-	(24,048)	24,048
Net changes	(163,946)	(16,927,217)	16,763,271
<b>Balance at September 30, 2022</b>	<u>\$ 94,472,651</u>	<u>\$ 64,340,286</u>	<u>\$ 30,132,365</u>

The City's fiduciary net position as a percentage of the total pension liability is 68.1 percent.

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

For the year ended September 30, 2022, the City recognized pension expense of \$3,742,820.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 133,298	\$ -
Net difference between projected and actual earnings on pension plan investments	10,237,997	-
Total	<u>\$ 10,371,295</u>	<u>\$ -</u>

**Note 13 - Pension Plan (Continued)**

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

Years Ending September 30	Amount
2023	\$ 2,447,419
2024	1,903,753
2025	2,192,615
2026	3,827,508
Total	<u>\$ 10,371,295</u>

**Actuarial Assumptions**

The total pension liability in the September 30, 2021 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.0 to 8.1 percent, an investment rate of return (net of investment expenses) of 7 percent, and the RP-2014 mortality table projected seven years with scale MP-2014.

**Discount Rate**

The discount rate used to measure the total pension liability was 7 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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

**Investment Rate of Return**

Best estimates of arithmetic real rates of return as of the September 30, 2022 measurement date for each major asset class included in the pension plan’s target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Long-term Expected Real Rate of Return
Domestic fixed income	2.98 %
Domestic equity	5.95
International equity	8.22
Hedged strategies	3.39
Cash or cash equivalents	(0.45)

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

The following presents the net pension liability of the City, calculated using the discount rate of 7 percent, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6%)	Current Discount Rate (7%)	1 Percentage Point Increase (8%)
Net pension liability of the City	\$ 38,951,473	\$ 30,132,365	\$ 22,556,553

September 30, 2022

**Note 13 - Pension Plan (Continued)**

**Investment Policy**

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the pension board by a majority vote of its members. It is the policy of the pension board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the pension board’s adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic fixed income	37.00 %
Domestic equity	36.00
International equity	15.00
Hedged strategies	10.00
Cash or cash equivalents	2.00
Total	<u>100.00 %</u>

**Rate of Return**

For the year ended September 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (17.06) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Pension Plan Reserves**

In accordance with plan documents, the following reserves are required to be set aside within the pension plan:

- The retiree reserve is to be computed annually by the actuary as the present value of estimated benefit payments for all current retirees. The amounts reserved may be used solely to pay monthly retiree benefit payments.
- The employee reserve is credited as employee contributions are received throughout the year; the plan maintains a record of the amount contributed by each employee and credits interest annually at a rate of 5 percent.
- The employer reserve account is used to account for the residual net position balance in the pension plan after funding the above two reserves.

The balances of the reserve accounts at September 30, 2022 are as follows:

	Required Reserve	Amount Funded
Retiree reserve	\$ 76,953,688	\$ 63,671,724
Employee reserve	668,562	668,562
Total	<u>\$ 77,622,250</u>	<u>\$ 64,340,286</u>

**Note 14 - Other Postemployment Benefit Plan**

***Plan Description***

The City provides retiree health care benefits to certain eligible employees and their spouses. The benefits are provided through the City of Wyandotte Retiree Health Care Plan, a single-employer defined benefit plan administered by the City. The City has eliminated retiree health care for all new hires.

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

Management of the plan is vested with the City Council.

***Benefits Provided***

The plan provides health care benefits for retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan.

***Employees Covered by Benefit Terms***

The following members were covered by the benefit terms:

Date of member count	September 30, 2021
Inactive plan members or beneficiaries currently receiving benefits	286
Inactive plan members entitled to but not yet receiving benefits	8
Active plan members	92
Total plan members	<u>386</u>

***Contributions***

Retiree health care costs are paid by the City on a pay-as-you-go basis. The City has no obligation to make contributions in advance of when the insurance premiums are due for payment. However, during the year ended September 30, 2022, the City contributed \$2,938,020 into the plan to advance fund these benefits, as determined by the City Council through annual budget resolutions. Plan members are not required to contribute to the plan.

***Net OPEB Liability***

The City has chosen to use the September 30, 2022 measurement date as its measurement date for the net OPEB liability. The September 30, 2022 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the September 30, 2022 measurement date. The September 30, 2022 total OPEB liability was determined by an actuarial valuation performed as of September 30, 2021, which used update procedures to roll forward the estimated liability to September 30, 2022.

September 30, 2022

**Note 14 - Other Postemployment Benefit Plan (Continued)**

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

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
<b>Balance at September 30, 2021</b>	\$ 120,153,635	\$ 2,994,681	\$ 117,158,954
Changes for the year:			
Service cost	1,600,644	-	1,600,644
Interest	2,607,848	-	2,607,848
Differences between expected and actual experience	(30,526,310)	-	(30,526,310)
Changes in assumptions	(20,435,896)	-	(20,435,896)
Contributions - Employer	-	4,100,955	(4,100,955)
Net investment loss	-	(569,469)	569,469
Benefit payments, including refunds	(3,748,254)	(3,748,254)	-
Miscellaneous other charges	-	(15,251)	15,251
<b>Net changes</b>	<b>(50,501,968)</b>	<b>(232,019)</b>	<b>(50,269,949)</b>
<b>Balance at September 30, 2022</b>	<b>\$ 69,651,667</b>	<b>\$ 2,762,662</b>	<b>\$ 66,889,005</b>

The plan's fiduciary net position represents 4.0 percent of the total OPEB liability.

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

For the year ended September 30, 2022, the City recognized OPEB recovery of \$22,410,559.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (13,231,679)
Changes in assumptions	254,828	(8,841,719)
Net difference between projected and actual earnings on OPEB plan investments	394,368	-
<b>Total</b>	<b>\$ 649,196</b>	<b>\$ (22,073,398)</b>

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

Years Ending September 30	Amount
2023	\$ (21,732,781)
2024	76,344
2025	80,383
2026	151,852
<b>Total</b>	<b>\$ (21,424,202)</b>



**Note 14 - Other Postemployment Benefit Plan (Continued)**

**Actuarial Assumptions**

The total OPEB liability in the actuarial valuation was determined using an inflation assumption of 2.75 percent; assumed salary increases (including inflation) of 3.0 to 8.1 percent; an investment rate of return (net of investment expenses) of 6 percent; a health care cost trend rate of 7.5 percent for 2022, decreasing 0.25 to 0.75 percent per year to an ultimate rate of 3.5 percent for 2033 and later years; and the RP-2014 mortality table projected seven years with scale MP-2014. These assumptions were applied to all periods included in the measurement.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 4.4 percent. The beginning of year total OPEB liability was based on a single discount rate of 2.19 percent.

The OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate was determined by blending the long-term expected rate of return on OPEB plan investments of 6 percent with the current yield for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, which currently stands at 4.4 percent (based on the Fidelity Index's 20-Year Municipal GO AA Index as of September 30, 2022).

**Investment Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of geometric real rates of return as of the September 30, 2022 measurement date for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Domestic equity	6.07 %
Global equity	5.51
Domestic fixed income	1.54
Real estate	5.34
Real assets	3.74
Cash or cash equivalents	0.74

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

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.40 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (3.40%)	Current Discount Rate (4.40%)	1 Percentage Point Increase (5.40%)
Net OPEB liability	\$ 75,826,167	\$ 66,889,005	\$ 59,492,426

**Note 14 - Other Postemployment Benefit Plan (Continued)**

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

The following presents the net OPEB liability of the City, calculated using the health care cost trend rate of 7.50 percent, as well as what the City's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.50%)	Current Health Care Cost Trend Rate (7.50%)	1 Percentage Point Increase (8.50%)
Net OPEB liability of the City of Wyandotte Retiree Health Care Plan	\$ 58,597,976	\$ 66,889,005	\$ 76,972,437

***Assumption Changes***

The beginning of year total OPEB liability was based on a single discount rate of 2.19 percent, and the end of year total OPEB liability was based on a single discount rate of 4.40 percent.

***Investment Policy***

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB board by a majority vote of its members. It is the policy of the OPEB board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the OPEB board's adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic equity	32.00 %
Global equity	32.50
Domestic fixed income	27.00
Global fixed income	-
Real estate and alternatives	7.50
Cash or cash equivalents	1.00

***Rate of Return***

For the year ended September 30, 2022, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was (17.07) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Note 15 - Defined Contribution Pension Plan**

The City established a defined contribution pension plan under Section 401(a) of the Internal Revenue Code for the following employees:

- Police patrol officers hired on or after February 1, 1999 and December 31, 2019 who did not elect to join the defined benefit plan (DB-2)
- Police command officers hired on or after February 1, 1999 and December 31, 2019 who did not elect to join the defined benefit plan (DB-2)
- Nonunion administrative employees hired on or after October 1, 1999
- Nonunion administrative employees hired prior to October 1, 1999 who elected to transfer their accrued benefits from the defined benefit plan
- AFSCME Local 894 members hired on or after April 1, 2000
- Wyandotte firefighters IAFF Local 356 members hired on or after October 1, 2000
- Police and fire dispatchers hired on or after July 1, 2001
- Police and fire dispatchers hired prior to July 1, 2002 who elected to transfer their accrued benefits from the defined benefit plan
- Department of Municipal Services employees hired on or after October 1, 2006
- Department of Municipal Services union employees hired prior to October 1, 2006 who elected to transfer their accrued benefits from the defined benefit plan
- Department of Municipal Services nonunion employees hired prior to January 1, 2008 who elected to transfer their accrued benefits from the defined benefit plan

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Investments are managed by a third party, and investment decisions are made by the individual employees. As established by the City of Wyandotte, Michigan through collective bargaining agreements, the City and the employees contribute a percentage of employees' qualified earnings in the amount of 10 and 5 percent, respectively.

The employee contribution percentages noted above represent the required contribution. Employees are not permitted to contribute additional amounts. The City withholds from employee earnings and remits to the plan each pay period. The City's contributions for each employee (plus interest allocated to the employee's account) are fully vested after five years of service.

In accordance with the above requirements, the City contributed approximately \$876,000 during the current year, and the employees contributed approximately \$438,000.

**Note 16 - Related Party Transactions**

City-owned facilities are users of the Wyandotte Department of Municipal Services (the "Department") electric and water services. Included in the Department's revenue are charges from the sale of such services. Pursuant to the revenue bond ordinance, the Department charges the City for street and public lighting services. In turn, the City has charged the Department an equal amount for services in lieu of property taxes. In 2006, the Department also began paying the City a fee for use of city services (i.e., police and fire protection, etc.) and infrastructure. The Department also provides billing and cash collection services for the City's sewer use charges, which are then remitted to the City upon collection. The Department earns a related collection fee for these services.

September 30, 2022

**Note 16 - Related Party Transactions (Continued)**

Included in the Department’s cable expenses is a franchise fee payable to the City equal to 5 percent of the gross revenue of the Cable Television Fund for the year ended September 30, 2022.

Beginning in 2009, the water department began paying the City a service fee based on an annual dollar amount agreed upon by the City and the Department.

A summary of these transactions for the year ended September 30, 2022 is as follows:

Revenue:	
In lieu of property taxes	\$ 653,831
Cable television franchise fees	538,978
Water (city services)	181,125
Electric (city services)	955,057
Expenses:	
Electric and water services	(632,593)
Street and public lighting	(653,831)
Collection fee	(36,051)
Remittances to the City for sewage use charge collections	3,350,000
Payable to Sewage Disposal Fund	255,135
Payable to Solid Waste Disposal Fund	28,483

**Note 17 - Contingent Liabilities**

The City has been named as a defendant in numerous claims and lawsuits requesting damages of various amounts, the majority of which do not state a specific maximum. The various proceedings have not yet progressed to a point where a legal opinion can be reached as to the ultimate liability, if any, after consideration of available insurance, where applicable, that may result from the resolution of these matters. The City has not recorded an estimate for any possible liability at September 30, 2022.

The Wyandotte Department of Municipal Services was listed as a potentially responsible party for the remedial sediment cleanup of the Upper Trenton Channel Sediment Site (the “Site”) on the Detroit River. As a result, the Department decided to participate in a voluntary and nonbinding allocation process. The Site is eligible to participate in a voluntary Great Lakes cleanup program targeting contaminated sediments known as the Great Lakes Legacy Act (the "Legacy Act"). The U.S. Environmental Protection Agency entered into a Legacy Act project agreement with three nonfederal sponsor partners for completion of the remedial design of the Site. The remedial design will guide the remedial action for the removal/cover of contaminated sediment from target areas at the Site to support successful construction of the remedy that meets the objectives and performance criteria. A third-party consultant has prepared a preliminary cost estimate for the remedial activities. At this time, the process to allocate the liability to the potentially responsible parties has commenced but has not been finalized.

The Wyandotte Department of Municipal Services continues to be involved in various contingent matters arising in the normal course of operations. While insurance coverage and other potential remedies are available in certain circumstances to varying degrees, no opinion can currently be given as to the ultimate outcome of these matters. No provision has been made for the ultimate liability, if any, that may result from the resolution of these matters.

The City has entered into various agreements to repay developers for brownfield remediation and cleanup. In addition, the City has an agreement with the Department for repayment of approximately \$3.5 million in costs related to a brownfield project. The repayments will be funded by incremental tax captures and are contingent upon increasing brownfield property tax values. The outstanding amount owed to developers is approximately \$544,000 as of September 30, 2022. Of the \$3.5 million potential reimbursement to the Department, the City expects that the Department will recover approximately \$300,000 under the brownfield tax capture process.

**Note 18 - Tax Abatements**

The City uses the industrial facilities tax exemption (PA 198 of 1974) to enter into agreements with local businesses to construct new industrial facilities or rehabilitate historical facilities. Under the program, the City grants reductions of 50 percent of the property tax bill for new property (or it can freeze taxable values for rehabilitation properties) for up to 12 years.

For the fiscal year ended September 30, 2022, the City did not abate any taxes under this program. There are no provisions to recapture taxes; however, the abatement may be eliminated if taxes are not paid timely.

Additionally, the Brownfield Redevelopment Authority, a discretely presented component unit, uses brownfield redevelopment agreements under PA 381 of 1996 to reimburse taxpayers that remediate environmental contamination on their properties. As a result of these agreements, the Brownfield Redevelopment Authority's tax revenue is reduced. For the fiscal year ended September 30, 2022, the Brownfield Redevelopment Authority abated \$218,836 of taxes under this program. There are no provisions to recapture taxes.

In addition, the City has abatements related to the Personal Property Tax (Act 328 of 1998, as amended by PA 20 of 1999), which reduce future taxes to the extent new purchases of eligible personal property will be 100 percent exempt from personal property tax. Taxes in the current year were reduced by \$7,377,831.

The City also has abatements related to the Commercial Facility Tax Exemption, Obsolete Property Rehabilitation Act, and Neighborhood Enterprise Zone exemption. These abatements totaled \$349,553 in the current year.

There are no significant abatements made by other governments that reduce the City's tax revenue.

---

## Required Supplemental Information

---

Required Supplemental Information  
Budgetary Comparison Schedule  
General Fund

Year Ended September 30, 2022

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Taxes	\$ 10,402,901	\$ 10,402,901	\$ 10,434,450	\$ 31,549
Transfers out	(1,187,267)	(1,187,267)	(1,201,687)	(14,420)
Intergovernmental	3,811,113	3,903,664	4,870,375	966,711
Charges for services	4,703,104	4,921,582	4,535,671	(385,911)
Fines and forfeitures	1,313,000	1,313,000	775,758	(537,242)
Licenses and permits	567,002	580,602	570,663	(9,939)
Investment income	30,000	30,000	582,051	552,051
Other revenue	3,351,378	3,351,378	2,283,840	(1,067,538)
<b>Total revenue</b>	<b>22,991,231</b>	<b>23,315,860</b>	<b>22,851,121</b>	<b>(464,739)</b>
<b>Expenditures</b>				
Current services:				
General government:				
Mayor and council	128,288	127,383	119,492	7,891
Financial services and administration	676,647	682,615	629,376	53,239
Information technology	208,865	210,522	206,012	4,510
Treasurer	138,416	139,704	118,042	21,662
Assessor	179,836	181,002	180,625	377
City commissions	27,761	27,761	15,103	12,658
City clerk	253,996	254,748	210,542	44,206
Elections	81,114	173,665	131,716	41,949
General government administration	1,517,600	1,513,700	1,428,725	84,975
District court	1,052,122	1,116,339	874,019	242,320
Public safety:				
Police and civil defense	5,068,041	5,067,567	4,873,525	194,042
Fire	3,922,654	3,907,733	4,141,180	(233,447)
Dispatch	295,456	300,434	190,451	109,983
Animal control	113,836	122,345	30,514	91,831
Public works:				
Engineering and building	1,120,036	1,163,570	982,905	180,665
DPS	2,698,074	2,895,768	2,506,231	389,537
Community and economic development	76,697	80,539	78,595	1,944
Recreation and culture:				
Recreation	594,077	596,066	498,421	97,645
Youth assistance	47,787	48,129	20,062	28,067
Historical/Marketing	109,367	110,660	95,552	15,108
Swimming pool	15,771	15,771	-	15,771
Yack arena	364,852	365,210	333,943	31,267
Other functions	4,382,212	4,381,833	4,380,734	1,099
<b>Total expenditures</b>	<b>23,073,505</b>	<b>23,483,064</b>	<b>22,045,765</b>	<b>1,437,299</b>
<b>Net Change in Fund Balance</b>	<b>(82,274)</b>	<b>(167,204)</b>	<b>805,356</b>	<b>972,560</b>
<b>Fund Balance - Beginning of year</b>	<b>6,267,095</b>	<b>6,267,095</b>	<b>6,267,095</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 6,184,821</b>	<b>\$ 6,099,891</b>	<b>\$ 7,072,451</b>	<b>\$ 972,560</b>

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

**Last Nine Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service cost	\$ 583,785	\$ 582,338	\$ 610,411	\$ 465,856	\$ 505,310	\$ 561,063	\$ 578,924	\$ 787,912	\$ 857,274
Interest	6,381,383	6,467,420	6,345,790	6,385,050	6,369,228	6,372,082	6,336,827	6,064,038	6,036,970
Changes in benefit terms	-	-	2,646,161	-	18,065	-	825,125	-	-
Differences between expected and actual experience	402,642	(821,329)	(547,546)	(204,983)	576,094	335,373	76,066	(669,257)	-
Changes in assumptions	-	-	-	-	-	-	-	10,489,220	-
Benefit payments, including refunds	(7,531,756)	(7,384,761)	(7,261,997)	(7,255,780)	(7,190,123)	(7,372,687)	(7,245,135)	(6,536,096)	(6,461,217)
<b>Net Change in Total Pension Liability</b>	<b>(163,946)</b>	<b>(1,156,332)</b>	<b>1,792,819</b>	<b>(609,857)</b>	<b>278,574</b>	<b>(104,169)</b>	<b>571,807</b>	<b>10,135,817</b>	<b>433,027</b>
<b>Total Pension Liability - Beginning of year</b>	<b>94,636,597</b>	<b>95,792,929</b>	<b>94,000,110</b>	<b>94,609,967</b>	<b>94,331,393</b>	<b>94,435,562</b>	<b>93,863,755</b>	<b>83,727,938</b>	<b>83,294,911</b>
<b>Total Pension Liability - End of year</b>	<b>\$ 94,472,651</b>	<b>\$ 94,636,597</b>	<b>\$ 95,792,929</b>	<b>\$ 94,000,110</b>	<b>\$ 94,609,967</b>	<b>\$ 94,331,393</b>	<b>\$ 94,435,562</b>	<b>\$ 93,863,755</b>	<b>\$ 83,727,938</b>
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 4,094,864	\$ 4,504,250	\$ 4,406,245	\$ 4,136,191	\$ 4,269,848	\$ 3,774,885	\$ 3,699,614	\$ 3,565,840	\$ 3,458,902
Contributions - Member	100,160	91,552	2,289,009	15,256	15,213	15,258	19,285	36,955	48,194
Net investment (loss) income	(13,566,437)	13,047,474	6,013,809	2,473,324	3,929,039	6,058,638	4,959,164	(2,316,546)	3,412,956
Benefit payments, including refunds	(7,531,756)	(7,384,761)	(7,261,997)	(7,255,780)	(7,190,123)	(7,372,687)	(7,245,135)	(6,536,096)	(6,461,217)
Other	(24,048)	-	-	(8,878)	21,626	(72)	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(16,927,217)</b>	<b>10,258,515</b>	<b>5,447,066</b>	<b>(639,887)</b>	<b>1,045,603</b>	<b>2,476,022</b>	<b>1,432,928</b>	<b>(5,249,847)</b>	<b>458,835</b>
<b>Plan Fiduciary Net Position - Beginning of year</b>	<b>81,267,503</b>	<b>71,008,988</b>	<b>65,561,922</b>	<b>66,201,809</b>	<b>65,156,206</b>	<b>62,680,184</b>	<b>61,247,256</b>	<b>66,497,103</b>	<b>66,038,268</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 64,340,286</b>	<b>\$ 81,267,503</b>	<b>\$ 71,008,988</b>	<b>\$ 65,561,922</b>	<b>\$ 66,201,809</b>	<b>\$ 65,156,206</b>	<b>\$ 62,680,184</b>	<b>\$ 61,247,256</b>	<b>\$ 66,497,103</b>
<b>City's Net Pension Liability - Ending</b>	<b>\$ 30,132,365</b>	<b>\$ 13,369,094</b>	<b>\$ 24,783,941</b>	<b>\$ 28,438,188</b>	<b>\$ 28,408,158</b>	<b>\$ 29,175,187</b>	<b>\$ 31,755,378</b>	<b>\$ 32,616,499</b>	<b>\$ 17,230,835</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	68.10 %	85.87 %	74.13 %	69.75 %	69.97 %	69.07 %	66.37 %	65.25 %	79.42 %
<b>Covered Payroll</b>	\$ 4,447,472	\$ 4,631,253	\$ 4,979,734	\$ 3,597,081	\$ 3,868,863	\$ 4,031,336	\$ 4,038,704	\$ 5,440,897	\$ 5,471,985
<b>City's Net Pension Liability as a Percentage of Covered Payroll</b>	677.52 %	288.67 %	497.70 %	790.59 %	734.28 %	723.71 %	786.28 %	599.47 %	314.89 %

\*GASB Statement No. 67 was implemented for the fiscal year ended September 30, 2014 and does not require retroactive implementation for this schedule. Data will be added as information is available until 10 years of such information is available.



Required Supplemental Information  
Schedule of Pension Contributions

Last Ten Fiscal Years  
Years Ended September 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 5,036,681	\$ 5,347,505	\$ 5,206,138	\$ 4,939,046	\$ 4,632,288	\$ 4,224,526	\$ 4,097,426	\$ 4,076,644	\$ 4,143,858	\$ 4,016,207
Contributions in relation to the actuarially determined contribution	4,094,864	4,504,250	4,406,245	4,136,191	4,269,848	3,774,885	3,699,614	3,565,840	3,458,902	3,755,609
<b>Contribution Deficiency</b>	<b>\$ (941,817)</b>	<b>\$ (843,255)</b>	<b>\$ (799,893)</b>	<b>\$ (802,855)</b>	<b>\$ (362,440)</b>	<b>\$ (449,641)</b>	<b>\$ (397,812)</b>	<b>\$ (510,804)</b>	<b>\$ (684,956)</b>	<b>\$ (260,598)</b>
<b>Covered Payroll</b>	<b>\$ 4,447,472</b>	<b>\$ 4,631,253</b>	<b>\$ 4,979,734</b>	<b>\$ 3,597,081</b>	<b>\$ 3,868,863</b>	<b>\$ 4,031,336</b>	<b>\$ 4,038,704</b>	<b>\$ 5,440,897</b>	<b>\$ 5,471,985</b>	<b>\$ 5,718,130</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>92.07 %</b>	<b>97.26 %</b>	<b>88.48 %</b>	<b>114.99 %</b>	<b>110.36 %</b>	<b>93.64 %</b>	<b>91.60 %</b>	<b>65.54 %</b>	<b>63.21 %</b>	<b>65.68 %</b>

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of September 30 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	9 years, level dollar for general 6 years, level dollar for police/fire 14 years, level dollar for municipal services 20 years, level percent of pay for DB-2 police
Asset valuation method	4-year smoothed market value
Inflation	2.50 percent
Salary increase	3.0 to 8.1 percent
Investment rate of return	7.0 percent
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The RP-2014 Mortality Table projected 7 years with scale MP-2014
Other information	The contribution deficiency noted above was supplemented by reserves in the pension system that have not been taken into consideration by the actuary when calculating the actuarially deemed contribution.

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

**Last Nine Fiscal Years  
Years Ended September 30**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return - Net of investment expense	(17.06)%	18.83 %	9.21 %	3.76 %	6.25 %	8.30 %	8.40 %	(2.50)%	5.30 %

\*GASB Statement No. 67 was implemented for the fiscal year ended September 30, 2014 and does not require retroactive implementation for this schedule. Data will be added as information is available until 10 years of such information is available.

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

	Last Six Fiscal Years					
	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>						
Service cost	\$ 1,600,644	\$ 2,076,147	\$ 1,721,361	\$ 1,509,960	\$ 1,681,851	\$ 2,831,180
Interest	2,607,848	2,768,053	2,800,057	3,343,120	2,802,849	4,615,318
Differences between expected and actual experience	(30,526,310)	(346,697)	(6,830,685)	49,069	4,137,166	(953,238)
Changes in assumptions	(20,435,896)	3,639,038	18,942,774	13,422,167	2,559,971	(8,964,413)
Benefit payments, including refunds	(3,748,254)	(3,603,642)	(3,944,708)	(3,850,264)	(3,928,849)	(4,044,307)
<b>Net Change in Total OPEB Liability</b>	(50,501,968)	4,532,899	12,688,799	14,474,052	7,252,988	(6,515,460)
<b>Total OPEB Liability - Beginning of year</b>	120,153,635	115,620,736	102,931,937	88,457,885	81,204,897	150,454,539
<b>Total OPEB Liability - End of year</b>	<b>\$ 69,651,667</b>	<b>\$ 120,153,635</b>	<b>\$ 115,620,736</b>	<b>\$ 102,931,937</b>	<b>\$ 88,457,885</b>	<b>\$ 143,939,079</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 4,100,955	\$ 3,904,109	\$ 3,887,143	\$ 3,689,633	\$ 3,679,182	\$ 3,985,588
Net investment (loss) income	(569,469)	492,791	129,697	66,198	115,383	175,533
Benefit payments, including refunds	(3,748,254)	(3,603,642)	(3,944,708)	(3,850,264)	(3,928,849)	(4,044,307)
Other	(15,251)	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	(232,019)	793,258	72,132	(94,433)	(134,284)	116,814
<b>Plan Fiduciary Net Position - Beginning of year</b>	2,994,681	2,201,423	2,129,291	2,223,724	2,358,008	2,241,194
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 2,762,662</b>	<b>\$ 2,994,681</b>	<b>\$ 2,201,423</b>	<b>\$ 2,129,291</b>	<b>\$ 2,223,724</b>	<b>\$ 2,358,008</b>
<b>Net OPEB Liability - Ending</b>	<b>\$ 66,889,005</b>	<b>\$ 117,158,954</b>	<b>\$ 113,419,313</b>	<b>\$ 100,802,646</b>	<b>\$ 86,234,161</b>	<b>\$ 141,581,071</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	3.97 %	2.49 %	1.90 %	2.07 %	2.51 %	1.64 %
<b>Covered-employee Payroll</b>	\$ 6,405,741	\$ 7,834,889	\$ 7,834,750	\$ 9,098,268	\$ 9,315,766	\$ 8,319,044
<b>Net OPEB Liability as a Percentage of Covered-employee Payroll</b>	1,044.20 %	1,495.35 %	1,447.64 %	1,107.93 %	925.68 %	1,701.89 %

\*GASB Statement No. 74 was implemented for the fiscal year ended September 30, 2017 and does not require retroactive implementation for this schedule. Data will be added as information is available until 10 years of such information is available.

In September 30, 2018, the beginning of year total OPEB liability was adjusted based on updated information related to the plan.

Required Supplemental Information  
Schedule of OPEB Contributions

Last Ten Fiscal Years  
Years Ended September 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 6,858,881	\$ 6,859,037	\$ 6,146,931	\$ 6,146,931	\$ 8,303,941	\$ 8,304,191	\$ 8,096,761	\$ 8,096,830	\$ 8,124,395	\$ 7,124,448
Contributions in relation to the actuarially determined contribution	4,100,955	3,904,110	3,887,143	3,689,633	3,679,182	3,985,588	3,802,670	3,924,476	3,601,657	3,262,725
<b>Contribution Deficiency</b>	<b>\$ (2,757,926)</b>	<b>\$ (2,954,927)</b>	<b>\$ (2,259,788)</b>	<b>\$ (2,457,298)</b>	<b>\$ (4,624,759)</b>	<b>\$ (4,318,603)</b>	<b>\$ (4,294,091)</b>	<b>\$ (4,172,354)</b>	<b>\$ (4,522,738)</b>	<b>\$ (3,861,723)</b>

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	19 years
Asset valuation method	Market value of assets
Inflation	2.75 percent
Health care cost trend rates	8.0 percent trend, gradually decreasing to 3.50 percent in year 12
Salary increase	3.0 percent to 8.1 percent, including inflation
Investment rate of return	6.0 percent, net of OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The RP-2014 Mortality Table projected 7 years with Scale MP-2014

Required Supplemental Information  
Schedule of OPEB Investment Returns

**Last Six Fiscal Years  
Years Ended September 30**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	(17.07)%	17.60 %	5.38 %	3.69 %	5.47 %	8.30 %

\*GASB Statement No. 74 was implemented for the fiscal year ended September 30, 2017 and does not require retroactive implementation for this schedule. Data will be added as information is available until 10 years of such information is available.

***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds, except that operating transfers and reimbursements have been included in the revenue and expenditures categories, rather than as other financing sources (uses). All annual appropriations lapse at fiscal year end. The annual budget is prepared by the City's management and adopted by the City Council; subsequent amendments are approved by the City Council.

The budget process is initiated in March when the departments are given information and guidelines to assist them in formulating their budget requests. The department heads summarize departmental appropriation requests and submit them to the mayor on or before June 1. During the month of June, the mayor reviews the appropriation requests, meets with the departments, and puts together the budget. The budget is submitted to the City Council in early July. During the next month, the City Council reviews the budget and considers any changes. After a public hearing, the final budget is adopted by resolution no later than September 30.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level.

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

A reconciliation of the budgetary comparison schedule to the fund-based statement of revenue, expenditures, and changes in fund balance is as follows:

	Total Revenue	Total Expenditures	Other Financing Uses
Amounts per operating statement	\$ 21,901,458	\$ 19,894,415	\$ (1,201,687)
Reimbursing transfers from other funds	2,151,350	2,151,350	-
Operating transfers	(1,201,687)	-	1,201,687
Amounts per budget statement	<u>\$ 22,851,121</u>	<u>\$ 22,045,765</u>	<u>\$ -</u>

***Pension Information***

**Benefit Changes**

In 2016, the Department of Municipal Services group offered an Early Retirement Incentive Program (ERIP) of five additional years of service in exchange for retiring immediately to 18 employees with more than 20 years of service. Of those, 11 retired under the provisions of the program.

In 2018, the benefit multiplier for Department of Municipal Services hourly employees was decreased from 1.70 percent to 1.50 percent for service after January 1, 2019.

In 2020, the City reopened the plan to certain police and command members.

**Changes in Assumptions**

In 2015, mortality rates were updated from the 1984 Group Annuity Mortality Table to the RP-2014 Mortality Table, investment return was lowered from 7.5 percent to 7.0 percent, and wage inflation was lowered from 4.5 percent to 3.0 percent.

***OPEB Information***

**Benefit Changes**

There were no changes of benefit terms in 2022.

**Changes in Assumptions**

In 2017, the beginning of year total OPEB liability was based on a single discount rate of 3.08 percent, and the end of year total OPEB liability was based on a single discount rate of 3.50 percent.

In 2018, the beginning of year total OPEB liability was based on a single discount rate of 3.50 percent, and the end of year total OPEB liability was based on a single discount rate of 3.83 percent.

In 2019, the beginning of year total OPEB liability was based on a single discount rate of 3.83 percent, and the end of year total OPEB liability was based on a single discount rate of 2.75 percent.

In 2020, the beginning of year total OPEB liability was based on a single discount rate of 2.75 percent, and the end of year total OPEB liability was based on a single discount rate of 2.41 percent. Also, the health care cost trend rate was changed to 8 percent for 2020, decreasing 0.50 to 0.75 percent per year to an ultimate rate of 3.5 percent for 2031 and later years.

In 2021, the beginning of year total OPEB liability was based on a single discount rate of 2.41 percent, and the end of year total OPEB liability was based on a single discount rate of 2.19 percent.

In 2022, the beginning of year total OPEB liability was based on a single discount rate of 2.19 percent, and the end of year total OPEB liability was based on a single discount rate of 4.40 percent

---

## Other Supplemental Information

---



# City of Wyandotte, Michigan

	Special Revenue Funds						
	Major Streets	Local Streets	Solid Waste Disposal	Drug Law Enforcement	Urban Development Action Grant	Michigan Indigent Defense Commission	Grants
<b>Assets</b>							
Cash and investments	\$ 2,960,383	\$ 1,191,038	\$ 2,161,833	\$ 228,611	\$ 851,764	\$ 20,678	\$ 82,858
Receivables:							
Property taxes receivable	-	-	129,669	-	-	-	-
Special assessments receivable	-	-	-	-	-	-	-
Accrued interest receivable	-	-	485	-	78	-	-
Other receivables	-	-	-	-	152,270	-	-
Due from other governments	360,239	133,212	-	-	-	-	98,007
Due from component units	375	-	-	-	-	-	-
Due from other funds	-	99,976	13,383	-	-	-	-
Prepaid expenses and other assets	-	-	-	-	-	3,150	-
Land held for resale	-	-	-	-	118,841	-	-
Advance to component unit	-	-	-	-	158,677	-	-
<b>Total assets</b>	<b>\$ 3,320,997</b>	<b>\$ 1,424,226</b>	<b>\$ 2,305,370</b>	<b>\$ 228,611</b>	<b>\$ 1,281,630</b>	<b>\$ 23,828</b>	<b>\$ 180,865</b>
<b>Liabilities</b>							
Accounts payable	\$ 315,729	\$ 46,523	\$ 31,347	\$ 1,716	\$ 351	\$ 12,500	\$ -
Due to other funds	132,976	-	-	-	-	5,710	14,750
Advances from other funds	-	-	-	-	-	-	-
Accrued liabilities and other	-	-	-	-	75,772	-	-
<b>Total liabilities</b>	<b>448,705</b>	<b>46,523</b>	<b>31,347</b>	<b>1,716</b>	<b>76,123</b>	<b>18,210</b>	<b>14,750</b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	-	-	1,925	-	-	5,618	239,480
Property taxes levied for the following year	-	-	1,449,520	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>1,451,445</b>	<b>-</b>	<b>-</b>	<b>5,618</b>	<b>239,480</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>448,705</b>	<b>46,523</b>	<b>1,482,792</b>	<b>1,716</b>	<b>76,123</b>	<b>23,828</b>	<b>254,230</b>
<b>Fund Balances (Deficit)</b>							
Nonspendable:							
Inventory/Assets held for resale	-	-	-	-	118,841	-	-
Long-term receivable	-	-	-	-	158,677	-	-
Restricted:							
Roads	2,872,292	1,377,703	-	-	-	-	-
Police	-	-	-	226,895	-	-	-
Grants	-	-	-	-	927,989	-	-
Rubbish	-	-	822,578	-	-	-	-
Sidewalk and alley paving	-	-	-	-	-	-	-
Drains	-	-	-	-	-	-	-
Committed - Special events	-	-	-	-	-	-	-
Assigned:							
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(73,365)
<b>Total fund balances (deficit)</b>	<b>2,872,292</b>	<b>1,377,703</b>	<b>822,578</b>	<b>226,895</b>	<b>1,205,507</b>	<b>-</b>	<b>(73,365)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 3,320,997</b>	<b>\$ 1,424,226</b>	<b>\$ 2,305,370</b>	<b>\$ 228,611</b>	<b>\$ 1,281,630</b>	<b>\$ 23,828</b>	<b>\$ 180,865</b>

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

September 30, 2022

Special Revenue Funds				Debt Service Fund	Capital Project Funds				Total
Southgate-Wyandotte Drain O&M	Sidewalk and Alley Paving	Special Events	EPA Cooperative Agreement	DPS Building Bonds and Police and Court Bonds	Construction	Equipment and Replacement	Public Improvement	Building Authority Improvement	
\$ 6,199,010	\$ 711,564	\$ 814,238	\$ 1,134,407	\$ 342,929	\$ 480,902	\$ 590,156	\$ 506,725	\$ 807,413	\$ 19,084,509
180,019	-	-	-	835	449	344	-	297	311,613
-	218,577	-	-	-	-	-	-	-	218,577
589	252	-	-	-	-	-	-	-	1,404
-	14,368	-	125,687	-	-	-	-	-	292,325
-	-	-	-	-	-	-	-	-	591,458
-	-	-	-	-	-	-	-	-	375
17,151	5,716	-	-	-	-	-	-	-	136,226
-	-	-	-	-	-	-	-	-	3,150
-	-	-	-	-	-	-	44,237	-	163,078
-	-	-	123,959	-	-	-	-	-	282,636
<b>\$ 6,396,769</b>	<b>\$ 950,477</b>	<b>\$ 814,238</b>	<b>\$ 1,384,053</b>	<b>\$ 343,764</b>	<b>\$ 481,351</b>	<b>\$ 590,500</b>	<b>\$ 550,962</b>	<b>\$ 807,710</b>	<b>\$ 21,085,351</b>
\$ -	\$ 39,224	\$ 31,733	\$ -	\$ -	\$ 56,574	\$ 72,085	\$ -	\$ -	\$ 607,782
-	-	-	-	-	-	-	-	-	153,436
-	-	-	-	-	2,530,750	430,266	-	-	2,961,016
-	-	-	-	-	-	-	-	-	75,772
-	39,224	31,733	-	-	2,587,324	502,351	-	-	3,798,006
2,206	215,352	-	-	835	449	344	-	297	466,506
1,509,779	3,225	-	-	-	-	-	-	-	2,962,524
1,511,985	218,577	-	-	835	449	344	-	297	3,429,030
1,511,985	257,801	31,733	-	835	2,587,773	502,695	-	297	7,227,036
-	-	-	-	-	-	-	44,237	-	163,078
-	-	-	123,959	-	-	-	-	-	282,636
-	-	-	-	-	-	-	-	-	4,249,995
-	-	-	-	-	-	-	-	-	226,895
-	-	-	1,260,094	-	-	-	-	-	2,188,083
-	-	-	-	-	-	-	-	-	822,578
-	692,676	-	-	-	-	-	-	-	692,676
4,884,784	-	-	-	-	-	-	-	-	4,884,784
-	-	782,505	-	-	-	-	-	-	782,505
-	-	-	-	-	-	87,805	506,725	807,413	1,401,943
-	-	-	-	342,929	-	-	-	-	342,929
-	-	-	-	-	(2,106,422)	-	-	-	(2,179,787)
4,884,784	692,676	782,505	1,384,053	342,929	(2,106,422)	87,805	550,962	807,413	13,858,315
<b>\$ 6,396,769</b>	<b>\$ 950,477</b>	<b>\$ 814,238</b>	<b>\$ 1,384,053</b>	<b>\$ 343,764</b>	<b>\$ 481,351</b>	<b>\$ 590,500</b>	<b>\$ 550,962</b>	<b>\$ 807,710</b>	<b>\$ 21,085,351</b>

# City of Wyandotte, Michigan

	Special Revenue Funds						
	Major Streets	Local Streets	Solid Waste Disposal	Drug Law Enforcement	Urban Development Action Grant	Michigan Indigent Defense Commission	Grants
<b>Revenue</b>							
Taxes	\$ -	\$ -	\$ 1,385,433	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental:							
Federal grants	-	-	-	-	-	-	80,470
State sources	2,251,336	796,948	-	17,342	-	225,600	-
Charges for services	-	-	727,458	-	-	-	-
Investment income	-	313	(2,163)	128	10,487	-	-
Other revenue	153,080	843,995	-	-	116,263	-	-
<b>Total revenue</b>	<b>2,404,416</b>	<b>1,641,256</b>	<b>2,110,728</b>	<b>17,470</b>	<b>126,750</b>	<b>225,600</b>	<b>80,470</b>
<b>Expenditures</b>							
Current services:							
General government	-	-	-	-	53,336	-	-
District court	-	-	-	-	-	227,048	-
Public safety	-	-	-	38,633	-	-	-
Public works	1,386,688	1,795,561	2,032,605	-	-	-	-
Community and economic development	-	-	-	-	-	-	80,468
Recreation and culture	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>1,386,688</b>	<b>1,795,561</b>	<b>2,032,605</b>	<b>38,633</b>	<b>53,336</b>	<b>227,048</b>	<b>80,468</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>1,017,728</b>	<b>(154,305)</b>	<b>78,123</b>	<b>(21,163)</b>	<b>73,414</b>	<b>(1,448)</b>	<b>2</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	538,801	-	-	-	1,448	-
Transfers out	(538,801)	-	-	-	-	-	-
<b>Total other financing (uses) sources</b>	<b>(538,801)</b>	<b>538,801</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,448</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>478,927</b>	<b>384,496</b>	<b>78,123</b>	<b>(21,163)</b>	<b>73,414</b>	<b>-</b>	<b>2</b>
<b>Fund Balances (Deficit) - Beginning of year</b>	<b>2,393,365</b>	<b>993,207</b>	<b>744,455</b>	<b>248,058</b>	<b>1,132,093</b>	<b>-</b>	<b>(73,367)</b>
<b>Fund Balances (Deficit) - End of year</b>	<b>\$ 2,872,292</b>	<b>\$ 1,377,703</b>	<b>\$ 822,578</b>	<b>\$ 226,895</b>	<b>\$ 1,205,507</b>	<b>\$ -</b>	<b>\$ (73,365)</b>

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

Year Ended September 30, 2022

Special Revenue Funds				Debt Service Fund	Capital Project Funds				Total
Southgate-Wyandotte Drain O&M	Sidewalk and Alley Paving	Special Events	EPA Cooperative Agreement	DPS Building Bonds and Police and Court Bonds	Construction	Equipment and Replacement	Public Improvement	Building Authority Improvement	
\$ 1,316,449	\$ -	\$ -	\$ -	\$ 316	\$ 156	\$ 141	\$ -	\$ 59	\$ 2,702,554
-	192,315	-	-	-	-	-	-	-	192,315
-	-	-	-	-	-	-	-	-	80,470
-	-	-	-	-	-	-	-	-	3,291,226
-	-	-	-	-	-	-	-	-	727,458
(150)	2,473	437	3,324	191	268	309	226	(2,445)	13,398
-	797	217,181	-	-	-	-	-	-	1,331,316
<u>1,316,299</u>	<u>195,585</u>	<u>217,618</u>	<u>3,324</u>	<u>507</u>	<u>424</u>	<u>450</u>	<u>226</u>	<u>(2,386)</u>	<u>8,338,737</u>
-	-	-	-	-	-	-	-	20,304	73,640
-	-	-	-	-	-	-	-	-	227,048
-	-	-	-	-	-	-	-	-	38,633
767,312	382,143	-	-	-	-	143,824	-	-	6,508,133
-	-	-	-	-	-	-	-	-	80,468
-	-	194,171	-	-	-	-	-	-	194,171
43,015	-	-	-	570,800	67,635	20,984	-	-	702,434
<u>810,327</u>	<u>382,143</u>	<u>194,171</u>	<u>-</u>	<u>570,800</u>	<u>67,635</u>	<u>164,808</u>	<u>-</u>	<u>20,304</u>	<u>7,824,527</u>
505,972	(186,558)	23,447	3,324	(570,293)	(67,211)	(164,358)	226	(22,690)	514,210
-	-	-	-	1,200,239	300,000	395,168	-	-	2,435,656
-	-	-	-	(695,168)	-	-	-	-	(1,233,969)
-	-	-	-	505,071	300,000	395,168	-	-	1,201,687
505,972	(186,558)	23,447	3,324	(65,222)	232,789	230,810	226	(22,690)	1,715,897
4,378,812	879,234	759,058	1,380,729	408,151	(2,339,211)	(143,005)	550,736	830,103	12,142,418
<u>\$ 4,884,784</u>	<u>\$ 692,676</u>	<u>\$ 782,505</u>	<u>\$ 1,384,053</u>	<u>\$ 342,929</u>	<u>\$ (2,106,422)</u>	<u>\$ 87,805</u>	<u>\$ 550,962</u>	<u>\$ 807,413</u>	<u>\$ 13,858,315</u>

Other Supplemental Information  
Combining Statement of Net Position  
Nonmajor Enterprise Funds

**September 30, 2022**

	Golf Course	Building Rental	Total Nonmajor Enterprise Funds
<b>Assets</b>			
Current assets - Cash and cash equivalents	\$ 507,168	\$ 214,342	\$ 721,510
Noncurrent assets - Capital assets - Net	1,885,564	521,345	2,406,909
Total assets	2,392,732	735,687	3,128,419
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	20,154	25,913	46,067
Accrued liabilities and other	1,878	31,572	33,450
Total liabilities	22,032	57,485	79,517
<b>Net Position</b>			
Net investment in capital assets	1,885,564	521,345	2,406,909
Unrestricted	485,136	156,857	641,993
Total net position	\$ 2,370,700	\$ 678,202	\$ 3,048,902

## City of Wyandotte, Michigan

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

**Year Ended September 30, 2022**

	Golf Course	Building Rental	Total Nonmajor Enterprise Funds
<b>Operating Revenue</b>			
Income from customers and rent from tenants	\$ 509,094	\$ 40,037	\$ 549,131
Other miscellaneous revenue	-	20,000	20,000
Total operating revenue	509,094	60,037	569,131
<b>Operating Expenses</b>			
Other operating and maintenance costs	350,417	221,766	572,183
Depreciation	101,033	45,232	146,265
Total operating expenses	451,450	266,998	718,448
<b>Operating Income (Loss)</b>	57,644	(206,961)	(149,317)
<b>Nonoperating Revenue</b> - Investment income	264	29,285	29,549
<b>Change in Net Position</b>	57,908	(177,676)	(119,768)
<b>Net Position</b> - Beginning of year	2,312,792	855,878	3,168,670
<b>Net Position</b> - End of year	<b>\$ 2,370,700</b>	<b>\$ 678,202</b>	<b>\$ 3,048,902</b>

Other Supplemental Information  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds

Year Ended September 30, 2022

	Golf Course	Building Rental	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 509,094	\$ 40,037	\$ 549,131
Receipts from interfund services and reimbursements	-	20,000	20,000
Payments to suppliers	(300,254)	(241,294)	(541,548)
Payments to employees and fringes	(73,636)	-	(73,636)
	<u>135,204</u>	<u>(181,257)</u>	<u>(46,053)</u>
Net cash and cash equivalents provided by (used in) operating activities			
<b>Cash Flows Provided by Investing Activities - Interest received on investments</b>	<u>264</u>	<u>29,285</u>	<u>29,549</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	135,468	(151,972)	(16,504)
<b>Cash and Cash Equivalents - Beginning of year</b>	<u>371,700</u>	<u>366,314</u>	<u>738,014</u>
<b>Cash and Cash Equivalents - End of year</b>	<u><b>\$ 507,168</b></u>	<u><b>\$ 214,342</b></u>	<u><b>\$ 721,510</b></u>
<b>Classification of Cash and Cash Equivalents - Cash and investments</b>	<u><b>\$ 507,168</b></u>	<u><b>\$ 214,342</b></u>	<u><b>\$ 721,510</b></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>			
Operating income (loss)	\$ 57,644	\$ (206,961)	\$ (149,317)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	101,033	45,232	146,265
Changes in assets and liabilities - Accounts payable and other liabilities	(23,473)	(19,528)	(43,001)
	<u>77,560</u>	<u>25,704</u>	<u>103,264</u>
Total adjustments			
Net cash and cash equivalents provided by (used in) operating activities	<u><b>\$ 135,204</b></u>	<u><b>\$ (181,257)</b></u>	<u><b>\$ (46,053)</b></u>

Other Supplemental Information  
Statement of Fiduciary Net Position  
Fiduciary Funds

September 30, 2022

	Pension and Other Employee Benefit Trust Funds			Custodial Funds		Total
	Pension Trust	Retiree Health Care	Total Pension and Other Employee Benefit Trust Funds	Tax Collection Fund	Other Custodial Fund	
<b>Assets</b>						
Cash and investments	\$ 1,002,594	\$ 270,345	\$ 1,272,939	\$ 256,528	\$ 137,720	\$ 394,248
Investments:						
U.S. government securities	-	150,694	150,694	-	-	-
Common trust funds/Mutual funds	63,336,213	2,490,084	65,826,297	-	-	-
Global fixed income	-	90,556	90,556	-	-	-
Receivables - Net:						
Accrued interest receivable	1,479	-	1,479	-	-	-
Due from other governments	-	-	-	-	21,874	21,874
Due from primary government	-	10,579	10,579	-	-	-
Total assets	64,340,286	3,012,258	67,352,544	256,528	159,594	416,122
<b>Liabilities</b>						
Due to other governmental units	-	-	-	59,474	-	59,474
Due to retiree health care fund	-	215,398	215,398	-	-	-
Accrued liabilities and other	-	34,198	34,198	197,054	-	197,054
Total liabilities	-	249,596	249,596	256,528	-	256,528
<b>Net Position</b>						
Restricted:						
Pension	64,340,286	-	64,340,286	-	-	-
Postemployment benefits other than pension	-	2,762,662	2,762,662	-	-	-
Individuals, organizations, and other governments	-	-	-	-	159,594	159,594
Total net position	\$ 64,340,286	\$ 2,762,662	\$ 67,102,948	\$ -	\$ 159,594	\$ 159,594



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

Year Ended September 30, 2022

	Pension and Other Employee Benefit Trust Funds			Custodial Funds		Total
	Pension Trust	Retiree Health Care	Total Pension and Other Employee Benefit Trust Funds	Tax Collection Fund	Other Custodial Fund	
<b>Additions</b>						
Investment income (loss):						
Interest and dividends	\$ 1,483,274	\$ 114,632	\$ 1,597,906	\$ -	\$ -	\$ -
Net decrease in fair value of investments	(14,894,684)	(663,915)	(15,558,599)	-	-	-
Investment costs	(155,027)	(35,437)	(190,464)	-	-	-
Net investment loss	(13,566,437)	(584,720)	(14,151,157)	-	-	-
Contributions:						
Employer contributions	4,094,864	4,100,955	8,195,819	-	-	-
Employee contributions	100,160	-	100,160	-	-	-
Total contributions	4,195,024	4,100,955	8,295,979	-	-	-
Property tax collections for other governments	-	-	-	21,879,812	-	21,879,812
Total additions	(9,371,413)	3,516,235	(5,855,178)	21,879,812	-	21,879,812
<b>Deductions</b>						
Pension benefit payments	7,555,804	-	7,555,804	-	-	-
Health benefits	-	3,748,254	3,748,254	-	-	-
Property tax distributions to other governments	-	-	-	21,879,812	-	21,879,812
Total deductions	7,555,804	3,748,254	11,304,058	21,879,812	-	21,879,812
<b>Net Decrease in Fiduciary Net Position</b>	(16,927,217)	(232,019)	(17,159,236)	-	-	-
<b>Net Position - Beginning of year</b>	81,267,503	2,994,681	84,262,184	-	159,594	159,594
<b>Net Position - End of year</b>	<b>\$ 64,340,286</b>	<b>\$ 2,762,662</b>	<b>\$ 67,102,948</b>	<b>\$ -</b>	<b>\$ 159,594</b>	<b>\$ 159,594</b>