

ANNUAL FINANCIAL REPORT
BOARD OF PUBLIC WORKS
CITY OF ZEELAND, MICHIGAN
For the Fiscal Year Ended June 30, 2022

BOARD

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**Zeeland Board of Public Works
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

December 19, 2022

Board of Directors
Zeeland Board of Public Works

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of the Zeeland Board of Public Works, (enterprise funds of the City of Zeeland, Michigan) as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Zeeland Board of Public Works as of June 30, 2022, and the changes in financial position and cash flows thereof for the years 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. 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 Zeeland Board of Public Works and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 Zeeland Board of Public Works' 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 evaluating the overall presentation of the financial statements.
- Conclude whether, in our professional judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Zeeland Board of Public Works' 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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Zeeland Board of Public Works Enterprise Funds, and do not purport to, and do not, present fairly the financial position of the City of Zeeland, Michigan, as of June 30, 2022, and the changes in financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

The prior year combined comparative information has been derived from the Zeeland Board of Public Works' 2021 financial statements and, in our report dated December 20, 2021, we expressed unmodified opinions on the respective financial statements of the business-type activities and each major fund.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Zeeland Board of Public Works' financial statements as a whole. The combining financial statements as of and for the year ended June 30, 2021 and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining financial statements as of and for the year ended June 30, 2021 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The management's discussion and analysis and the schedules for the pension and other postemployment benefit plan, as identified in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on the information.

Kiekover, Scholma & Shumaker, PC
Zeeland, Michigan

Management's Discussion and Analysis

The following discussion and analysis of the Zeeland Board of Public Work's financial performance provides an overview of its financial activities for the Fiscal Year ending June 30, 2022. Please read it in conjunction with the attached financial statements, which begin on page 1.

FINANCIAL HIGHLIGHTS

1. The electric utility's net position decreased by \$5,703,948 or 6.2%
2. The water utility's net position increased by \$954,368 or 3.2%.
3. The electric utility recorded an increase in annual electrical sales volume to 420,900 megawatt-hours, which was a 2.1% increase from Fiscal Year 2021. Electric operating revenues increased \$2,594,113, or 8.7%.
4. The water utility had annual water sales volume of 2.22 billion gallons, a increase of 8.9% from Fiscal Year 2021. Water operating revenues increased by \$145,915 or 2.8%.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. They are (1) The Statement of Net Position (page 1); (2) The Statement of Revenue, Expenses and Changes in Net Position (page 2); and (3) The Statement of Cash Flows (page 3). These statements provide general financial information about the self-supporting activities of the Board that are funded by the sale of electrical power and water and associated services.

OVERVIEW OF FINANCIAL STATEMENTS

Statement of Net Position

This statement provides information on assets, liabilities, and deferred outflows/inflows of resources as well as an indication about which assets can be utilized for general purposes and which are restricted to comply with bond covenants or other requirements. Over time, increases and decreases in net position can serve as an indicator of the financial strength of the organization. A trend of increasing net position is viewed as a sign of an improving financial position. The Statement of Net Position is similar to a balance sheet in private sector accounting.

Statement of Revenue, Expenses and Changes in Net Position

This statement reports all the revenues and expenses during the time periods indicated. It is similar to the statement of revenue, expenses and changes in retained earnings.

Statement of Cash Flows

This statement reports on the cash provided and used by the operating activities, as well as other cash sources such as investment income and cash payments for repayment of bonds and capital additions.

Notes to the Financial Statements

The notes, which are immediately after the basic financial statements, are an integral part of the Annual Financial Report. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

FINANCIAL ANALYSIS

Zeeland Board of Public Works Net Position (In thousand dollars)

	Electric Activities		Water Activities		Total BPW Activities	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 54,236	\$ 63,653	\$ 14,129	\$ 13,625	\$ 68,365	\$ 77,278
Net pension asset	13	103	3	31	16	134
Net OPEB asset	6	59	2	19	8	78
Capital assets	35,366	30,872	17,049	16,595	52,415	47,467
Total assets	89,621	94,687	31,183	30,270	120,804	124,957
Deferred outflows of resources	31	33	11	11	42	44
Long-term debt outstanding	-	-	-	-	-	-
Other liabilities	2,772	2,018	308	312	3,080	2,330
Total liabilities	2,772	2,018	308	312	3,080	2,330
Deferred inflows of resources	19	138	6	43	25	181
Net position:						
Net investment in						
capital assets	35,366	30,872	17,049	16,595	52,415	47,467
Restricted	-	-	-	-	-	-
Unrestricted	51,495	61,692	13,831	13,331	65,326	75,023
Total net position	\$ 86,861	\$ 92,564	\$ 30,880	\$ 29,926	\$ 117,741	\$ 122,490

The net position of the BPW's combined activities decreased by 3.9%, from \$112,489,853 in Fiscal Year 2021 to \$117,740,27. in Fiscal Year 2022. The unrestricted net position, the part of net position that can be used without constraints established by bond covenants or other legal requirements, decreased 12.9% from \$75,022,850 on June 30, 2021 to \$65,325,078 on June 30, 2022

Zeeland Board of Public Works Changes in Net Position (In thousand dollars)

	Electric Activities		Water Activities		Total BPW Activities	
	2022	2021	2022	2021	2022	2021
Operating revenue	\$ 32,476	\$ 29,882	\$ 5,294	\$ 5,148	\$ 37,770	\$ 35,030
Operating expense	(33,501)	(28,849)	(3,863)	(3,654)	(37,364)	(32,503)
Net Operating Income	(1,025)	1,033	1,431	1,494	406	2,527
Investment earnings	(4,277)	4,281	(596)	31	(4,873)	4,312
Interest expense	-	-	-	(3)	-	(3)
Other	25	50	42	91	67	141
Contributed capital	81	68	77	67	158	135
Transfers to/from						
the City of Zeeland	(508)	(544)	-	(13)	(508)	(557)
Change in Net Position	(5,704)	4,888	954	1,667	(4,750)	6,555

The Zeeland Board of Public Works experienced an increase in total operating revenues of 7.8%. Operating expenses increased by 15.0%. Electric operating revenue increased 8.6% and net operating income decreased 199.2% from FY 2021. Water operating revenue increased 2.8% and net operating income decreased 4.2% from FY 2021.

In Fiscal Year 2022, earnings on investments were -\$4,873,291. Investment earnings decreased 213.0% in FY 2022 from \$4,312,048 in the prior year.

GENERATION AND PURCHASED POWER RESOURCES

Zeeland's local diesel generating plant produced 1,747 megawatt-hours, or 0.40% of the system's requirements during Fiscal Year 2022, at an average variable cost of \$0.095 per kilowatt-hour. The BPW has entitlements in Detroit Edison's Belle River power plant and the AMP Fremont (AFEC) Gas Turbine plant through the Michigan Public Power Agency (MPPA). Belle River power in combination with electricity produced at Zeeland's diesel generating plant, and supplemented by purchases from the MPPA Power Contracts, provided the City with an average blended fuel and purchased power cost, including transmission purchases, of approximately \$0.070 per kilowatt-hour. However, continued economic dispatching of power purchases and optimum use of our own generation has allowed Zeeland to remain one of the lowest cost retail electrical providers in the State with an average retail rate of 6.36 cents per kilowatt-hour.

WATER OPERATIONS

The Zeeland Board of Public Works purchases the majority of its water at wholesale from the City of Holland. During Fiscal Year 2022, Zeeland purchased 2.27 billion gallons of water from Holland. Wholesale water charges totaled \$1,825,344. The Zeeland water utility provides for the operation and maintenance of a water distribution system including storage tanks, two pumping stations, distribution mains, services and related equipment. Five storage tanks provide a water storage capacity of 9.5 million gallons. The peak day water usage of the system for fiscal year 2022 was 11.3 million gallons.

CAPITAL ASSETS

The Zeeland Board of Public Works has \$52.4 million invested in capital assets net of depreciation. Capital assets include assets with costs exceeding \$5,000 and expected useful lives of at least three years. Such assets include land, land improvements, buildings, equipment, distribution system components, office furniture and equipment, and vehicles. In Fiscal Year 2022, the net value of capital assets increased by \$4,948,192.

Some of the major capital purchases during the year included:

1. Additional expansion and improvements of the electric distribution system for \$5,164,712.
2. Additional expansion and improvements of the water distribution system for \$1,974,088.

Each year the Board publishes a 6-year Capital Improvement Plan (CIP). The CIP lists and discusses major capital expenditures that the Board and staff envision over the next six years. Major projects anticipated over the next two years include:

1. Continued extension of the electric and water distribution system associated with new development.
2. Water and electric distribution improvements in conjunction with the City's street reconstruction program including continued electric undergrounding efforts. Streets scheduled for reconstruction are: Main, Maple, and Taft.
3. Substation modifications and improvements.
4. Generation and technology improvements.
5. Vehicle and facility upgrades.

More detailed information about changes in capital assets can be found in the notes to the financial statements.

SYSTEM EXPANSION AND IMPROVEMENTS

The expansion of the electric and water distribution systems into new residential areas have shown an increase in new services over the last several years consistent with the state and national housing recovery. The electric system increased in electrical services by 21 residential customers during Fiscal Year 2022 to bring our total residential services to 5,955, a 0.004% increase. 59.8% of Zeeland's 7,010 electrical services are located outside of the City in territory franchised in Holland and Zeeland Charter Townships.

During the last fifteen years, the electric utility has invested over \$44.8 million in system improvements, while the water utility has completed an additional \$12.9 million of improvements during the same time. The measures the Board has undertaken over these years display our organization's commitment to meeting the present and future utility needs of the Zeeland community and lay the foundation for continued expansion and reliability of the system in the future.

SUMMARY OF DEBT

The Zeeland Board of Public Works has \$0 of debt outstanding as of June 30, 2022. All outstanding debt was retired in October of 2020. More information on the revenue bonds can be found in the notes to the financial statements. The Electric Utility has a bond rating of A1 from Moody's Investor Service. The Water Utility Moody's Investor Service underlying bond rating is A1.

RENEWABLE ENERGY SOLUTIONS

Since 2008, the Zeeland Board of Public Works has entered into multiple purchase power agreements (PPA's) for renewable energy, both independently and through the Michigan Public Power Agency (MPPA). These include electricity generated from methane gas produced by the Autumn Hills landfill in Zeeland Township, Beebe and Pegasus Wind Farms in Gratiot and Tuscola Counties, Assembly Solar in Shiawassee County, and three additional utility scale solar projects currently under construction. Renewable energy purchased under these agreements is forecasted to satisfy nearly 23% of the BPW's requirements in 2023, and the Board continues to seek "green energy" projects that complement its long-term power supply portfolio.

ENERGY WASTE REDUCTION

The BPW is continuing its Energy Waste Reduction (EWR) plan to help our customers conserve electric energy. For 2022, the plan included a LED light bulb rebates for residential customers, appliance recycling, HVAC upgrades, weatherization projects for low income families and energy efficiency programs for schools and other public facilities. It will continue to include appliance recycling, HVAC upgrades and working with commercial and industrial customers on efficiency programs and education.

GENERAL ECONOMIC CONDITION

Given the current economic condition and as the industry continues to evolve, the Zeeland Board of Public Works believes it is well positioned to continue to provide our customers reliable, low cost electric and water service. We continue to evaluate the future structure of our service and are committed to providing value to our customers without compromising reliability. The accomplishments achieved during Fiscal Year 2022 are significant, and that success would not have been possible without the dedication and commitment of all the Board members, supervisory staff, and employees associated with our operation. This organization stands well prepared to meet the challenges expected by changes to the utility industry and as our area continues to grow.

It is with great satisfaction that the following financial reports are presented. The personnel at Zeeland Board of Public Works are proud of the positive results it reflects and continue to look forward with anticipation to greater achievements in the future.

This report is intended to provide our customers, bondholders, and other interested parties with a general overview of Zeeland Board of Public Work's financial position and to indicate accountability for the revenues the Board receives.

CONTACTING THE BOARD OF PUBLIC WORKS

Questions about this report or requests for additional financial information should be directed to Zeeland Board of Public Works at 616-772-6212 or emailed to: info@zeelandbpw.com or to our offices located at 350 E. Washington Ave., Zeeland, Michigan 49464-1334.

Basic Financial Statements

Zeeland Board of Public Works
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022

	Electric Utility	Water Utility	Combined	
			2022	2021
ASSETS				
Current Assets:				
Cash and investments				
Undesignated	\$ 1,592,669	\$ 557,516	\$ 2,150,185	\$ 1,382,077
Designated for plant replacement and improvements	19,628,911	12,881,255	32,510,166	40,007,186
Receivables:				
Accounts	3,248,928	532,216	3,781,144	3,783,426
Interest	98,628	66,312	164,940	179,101
Inventories	679,805	86,130	765,935	619,273
Prepaid items	49,745	6,281	56,026	32,427
Deposits with MPPA	7,226,381	-	7,226,381	6,883,494
Deposits with MPIA	21,711,015	-	21,711,015	24,391,391
Total Current Assets	<u>54,236,082</u>	<u>14,129,710</u>	<u>68,365,792</u>	<u>77,278,375</u>
Noncurrent Assets:				
Net pension asset	12,822	3,846	16,668	133,647
Net OPEB asset	5,560	1,798	7,358	78,786
Capital assets:				
Land	1,377,003	174,750	1,551,753	1,345,072
Construction in progress	4,471,259	488,944	4,960,203	4,055,632
Vehicles	1,317,476	163,771	1,481,247	1,449,519
Production plant	14,282,196	-	14,282,196	13,624,447
Transmission	8,962,010	6,101,517	15,063,527	13,621,924
Distribution	45,751,998	23,638,905	69,390,903	65,393,578
General	6,472,057	1,644,398	8,116,455	7,336,430
Less accumulated depreciation	<u>(47,267,993)</u>	<u>(15,163,096)</u>	<u>(62,431,089)</u>	<u>(59,359,599)</u>
Total Capital Assets	<u>35,366,006</u>	<u>17,049,189</u>	<u>52,415,195</u>	<u>47,467,003</u>
Total Noncurrent Assets	<u>35,384,388</u>	<u>17,054,833</u>	<u>52,439,221</u>	<u>47,679,436</u>
Total Assets	<u>89,620,470</u>	<u>31,184,543</u>	<u>120,805,013</u>	<u>124,957,811</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows-OPEB related	<u>30,771</u>	<u>9,949</u>	<u>40,720</u>	<u>43,512</u>
LIABILITIES				
Accounts payable	2,492,775	91,515	2,584,290	1,895,261
Accrued payroll	90,142	25,613	115,755	99,245
Due to other governments	53,261	174,349	227,610	183,031
Accrued interest payable	136,133	16,882	153,015	152,877
Total Liabilities	<u>2,772,311</u>	<u>308,359</u>	<u>3,080,670</u>	<u>2,330,414</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows-pension related	19,069	5,721	24,790	90,951
Deferred inflows- OPEB related	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,105</u>
Total Deferred Inflows of Resources	<u>19,069</u>	<u>5,721</u>	<u>24,790</u>	<u>181,056</u>
NET POSITION				
Net investment in capital assets	35,366,006	17,049,189	52,415,195	47,467,003
Unrestricted	<u>51,493,855</u>	<u>13,831,223</u>	<u>65,325,078</u>	<u>75,022,850</u>
Total Net Position	<u>\$ 86,859,861</u>	<u>\$ 30,880,412</u>	<u>117,740,273</u>	<u>\$ 122,489,853</u>

See Notes to Financial Statements

Zeeland Board of Public Works
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2022

	Electric Utility	Water Utility	Combined 2022	Combined 2021
Operating Revenues:				
Charges for services				
Residential sales	\$ 4,819,405	\$ 652,837	\$ 5,472,242	\$ 5,132,009
Commercial sales and industrial sales	27,601,506	4,471,072	32,072,578	29,804,135
Public street and highway lighting	133,901	-	133,901	131,401
Fire protection charges	-	155,383	155,383	153,315
Less sales tax	(362,029)	-	(362,029)	(470,921)
Other revenues	283,585	14,980	298,565	280,673
Total Operating Revenues	<u>32,476,368</u>	<u>5,294,272</u>	<u>37,770,640</u>	<u>35,030,612</u>
Operating Expenses:				
Production	24,671,798	1,857,089	26,528,887	22,596,421
Transmission and distribution	4,698,943	726,991	5,425,934	4,800,175
Customer accounts	410,380	192,556	602,936	570,285
General and administrative	1,357,300	354,189	1,711,489	1,526,781
Depreciation	2,363,231	731,948	3,095,179	3,009,732
Total Operating Expenses	<u>33,501,652</u>	<u>3,862,773</u>	<u>37,364,425</u>	<u>32,503,394</u>
Operating Income	<u>(1,025,284)</u>	<u>1,431,499</u>	<u>406,215</u>	<u>2,527,218</u>
Nonoperating Revenues (Expenses)				
Investment earnings	(882,713)	(596,173)	(1,478,886)	67,491
Investment earnings in MPIA & MPPA	(3,394,405)	-	(3,394,405)	4,244,557
Interest expense	-	-	-	(3,367)
Gain (loss) on sale of capital assets	5,221	13,700	18,921	27,500
Other	19,457	27,951	47,408	112,955
Total Nonoperating Revenues (Expenses)	<u>(4,252,440)</u>	<u>(554,522)</u>	<u>(4,806,962)</u>	<u>4,449,136</u>
Income Before Contributions and Transfers	<u>(5,277,724)</u>	<u>876,977</u>	<u>(4,400,747)</u>	<u>6,976,354</u>
Capital contributions	81,488	77,391	158,879	135,881
Transfers out	<u>(507,712)</u>	<u>-</u>	<u>(507,712)</u>	<u>(556,370)</u>
Change in Net Position	<u>(5,703,948)</u>	<u>954,368</u>	<u>(4,749,580)</u>	<u>6,555,865</u>
Net Position - July 1	<u>92,563,809</u>	<u>29,926,044</u>	<u>122,489,853</u>	<u>115,933,988</u>
Net Position - June 30	<u>\$ 86,859,861</u>	<u>\$ 30,880,412</u>	<u>\$ 117,740,273</u>	<u>\$ 122,489,853</u>

Zeeland Board of Public Works
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2022

	Electric Utility	Water Utility	Combined 2022	Combined 2021
Cash Flows From Operating Activities:				
Receipts from customers	\$ 32,328,697	\$ 5,444,363	\$ 37,773,060	\$ 34,426,450
Payments to suppliers	(29,046,100)	(2,430,102)	(31,476,202)	(27,014,847)
Payments to employees	(1,936,115)	(494,475)	(2,430,590)	(2,324,878)
Other receipts (payments)	19,457	27,951	47,408	112,955
Net Cash Provided By Operating Activities	1,365,939	2,547,737	3,913,676	5,199,680
Cash Flows From Noncapital Financing Activities:				
Transfers to other funds	(507,712)	-	(507,712)	(556,370)
Cash Flows From Capital and Related Financing Activities:				
Capital contributions	81,488	77,391	158,879	135,881
Acquisition and construction of capital assets	(6,405,276)	(1,385,759)	(7,791,035)	(5,814,194)
Principal paid on capital debt	-	-	-	(285,000)
Interest paid on capital debt	-	-	-	(6,609)
Proceeds from sale of capital assets	5,221	13,700	18,921	27,500
Net Cash Provided (Used) By Capital and Related Financing Activities	(6,318,567)	(1,294,668)	(7,613,235)	(5,942,422)
Cash Flows From Investing Activities:				
Investment earnings	(1,915,352)	(606,289)	(2,521,641)	(582,165)
Net Increase (Decrease) in Cash and Investments	(7,375,692)	646,780	(6,728,912)	(1,881,277)
Cash and Investments - July 1	28,597,272	12,791,991	41,389,263	43,270,540
Cash and Investments - June 30	\$ 21,221,580	\$ 13,438,771	\$ 34,660,351	\$ 41,389,263
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:				
Operating income	\$ (1,025,284)	\$ 1,431,499	\$ 406,215	\$ 2,527,218
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	2,363,231	731,948	3,095,179	3,009,732
Other nonoperating income	19,457	27,951	47,408	112,955
Change in assets/deferred outflows of resources and liabilities/deferred inflows of resources:				
Receivables	(147,064)	149,346	2,282	(757,039)
Inventories	(154,016)	7,354	(146,662)	(36,613)
Prepaid items and deposits	(19,298)	(4,301)	(23,599)	(24,694)
Accounts payable	291,686	189,586	481,272	107,291
Accrued and other liabilities	10,747	5,763	16,510	10,904
Customer deposits	(607)	745	138	152,877
Net pension liability and deferred amounts	39,090	11,728	50,818	12,119
Net OPEB asset and deferred amounts	(12,003)	(3,882)	(15,885)	84,930
Net Cash Provided By Operating Activities	\$ 1,365,939	\$ 2,547,737	\$ 3,913,676	\$ 5,199,680
Cash and investments:				
Undesignated	\$ 1,029,612	\$ 352,465	\$ 1,382,077	\$ 1,382,077
Designated for plant replacement and improvements	20,191,968	13,086,306	33,278,274	40,007,186
Revenue bond covenant accounts	-	-	-	-
	\$ 21,221,580	\$ 13,438,771	\$ 34,660,351	\$ 41,389,263
Noncash capital financing activities:				
Acquisition and construction of capital assets through increase (decrease) in accounts payable	\$ 451,896	\$ (199,560)	\$ 252,336	\$ 231,361

See Notes to Financial Statements

Zeeland Board of Public Works
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Zeeland Board of Public Works conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Zeeland Board of Public Works:

Reporting Entity

The Zeeland Board of Public Works (the “Board”) operates the Electric Utility and Water Utility enterprise funds of the City of Zeeland (the City). It operates under direction of the City Charter and is governed by a five-member board appointed by the City Council. The Board provides electric and water services to users in the City of Zeeland and the surrounding area. The rates for user charges, the Board’s budgets and any bond issuance authorizations are approved by the City Council of Zeeland and the legal liability for any debt remains with the City.

As provided by generally accepted accounting principles, the financial statements of the Zeeland Board of Public Works exclude the fund of the City of Zeeland and applicable component units of the City of Zeeland. The Board has no component units.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements are reported using the economic resources measurement focus and the 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Board reports the following major proprietary funds:

Electric Utility Fund - This fund is used to account for the electric utility sales and costs associated with the generation, purchase, transmission and distribution of electricity.

Water Utility Fund - This fund is used to account for the operation and maintenance of a water distribution system, including storage tanks, pumping stations, distribution mains and services and related equipment. Water is purchased from the City of Holland Board of Public Works for storage and distribution to Zeeland’s customers.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenue of the proprietary funds relate to charges to customers for sales and services. The water fund also recognizes the portion of tap fees intended to recover current costs (e.g., labor and materials to hook up new customers) as operating revenue. The portion intended to recover the cost of the infrastructure is recognized as non-operating revenue. 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 non-operating revenue and expenses.

Restricted assets are assets that are subject to restrictions beyond the government’s control. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

Deposits and Investments

The Board of Public Works and the City of Zeeland pool cash resources of its various funds to facilitate the management of cash. The balances in the pooled cash accounts are available to meet current operating requirements. Cash in excess of current requirements is invested in various interest bearing securities and disclosed as part of the Board's investments. The City's self-insurance funds, Pension and Retiree Benefit Health Benefits Trust Funds and the Board's bond covenant accounts are maintained in separate accounts.

For purposes of the statement of cash flows, all transactions within the City's pooled cash accounts are considered to be cash and cash equivalents.

Investments are recorded at fair value and amortized cost. Short-term investments are reported at cost, which approximates fair value. Interest is accrued and earnings in the pooled cash accounts are allocated to each fund based upon monthly balances of cash and investments.

Receivables and Payables

All receivables are shown net of an allowance for uncollectible amounts.

Inventories and Prepaid Items

Inventories consist of electric and water distribution system components and are valued at cost, on a first-in, first-out basis. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in the financial statements.

Deposits with MPLA and MPPA

These deposits consist primarily of balances on account which will be returned or utilized for future purposes.

Restricted Assets

Certain proceeds of the Board of Public Work's Electric and Water revenues bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "revenue bond covenant accounts" are used to segregate resources set aside to make up potential future deficiencies in the bond current debt service accounts.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the financial statements. Capital assets are defined by the Board as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at estimated acquisition cost at the date of donation.

Interest incurred during the construction of capital assets is expensed as incurred.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-40
Land improvements	5-10
Machinery and equipment	5-15
Office furniture and equipment	5-20
Vehicles	3-25
Roads and sidewalks	15-25
Electric, and water systems	10-50

Compensated Absences

It is the Board of Public Work's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for sick leave since the Board does not have a policy to pay amounts when the employees separate from service from the Board. If material, all vacation pay is accrued when incurred in the financial statements.

Long-Term Obligations

In the financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Issuance costs are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item that qualifies for reporting in this category: deferred inflows of resources of pension and OPEB related items (differences between expected and actual experience, changes of assumptions, and net difference between projected and actual plan investment earnings) as discussed in Notes 11 and 12. These items are reported in the Electric Utility Fund and Water Utility Fund.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one item that qualifies for reporting in this category: deferred inflows of resources of pension and OPEB related items (differences between expected and actual experience, changes of assumptions, and net difference between projected and actual plan investment earnings) as discussed in Notes 11 and 12. These items are reported in the Electric Utility Fund and Water Utility Fund.

Net Position Flow Assumption/Fund Balance Flow Assumptions

In order to calculate the amounts to be reported as restricted-net position and unrestricted-net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Board's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Other Postemployment Benefits (OPEB)

The City offers an other postemployment benefits plan to its employees. The Board records a net OPEB asset for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. Investments are reported at fair value based on quoted market prices. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Pension

The City offers a defined benefit pension plan to its employees. The Board 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 purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. Investments are reported at fair value based on quoted market prices. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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 revenues and expenses during the period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. 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; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The governing body has designated several banks for the deposit of city funds. The investment policy adopted by the City in accordance with Public Act 196 of 1997 has authorized investment in all of the State statutory authority as listed above.

The City's deposits and investment policy are in accordance with statutory authority.

At year-end, the Board's deposits and investments were reported in the basic financial statements in the following categories:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Cash and investments:		
Undesignated	\$ 2,150,185	\$ 1,382,077
Designated for plan replacements and improvements	<u>32,510,166</u>	<u>40,007,186</u>
	<u>\$ 34,660,351</u>	<u>\$ 41,389,263</u>

The breakdown between deposits and investments is as follows:

Bank deposits (checking and savings accounts, certificates of deposit)	<u>\$ 8,055,202</u>
Investments:	
Municipal Bonds	11,019,304
Federal Farm Credit Bank	16,001,797
Federal Home Loan Bank	11,881,759
Federal Home Loan Mortgage Corporation	3,656,399
Federal National Mortgage Association	6,367,347
Tennessee Valley Authority	1,464,510
US Treasury Notes	2,389,465
Michigan Class	1,292,469
Money market accounts	<u>1,251,081</u>
Total investments	<u>55,324,131</u>
 Total deposits and investments	63,379,333
Non BPW cash and investments	<u>(28,718,982)</u>
BPW cash and investments	<u>34,660,351</u>

Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. At year end the bank balance of the City's bank deposits was \$8,764,080 of which \$2,999,000 was covered by federal depository insurance and \$5,765,080 was exposed to custodial credit risk because it was 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 bank deposits. The City's investment policy provides that deposits are restricted to financial institutions that have been evaluated for creditworthiness and meet certain ratios.

The City's investment in US Government and Agency debt obligations at year end consists of:

Investments	Maturities	Fair Value	S&P Rating	Investments	Maturities	Fair Value	S&P Rating
U.S. Government Agency Obligations:							
Federal Farm Credit Bank	9/19/22	\$ 501,440	AA+	Federal Home Loan Bank	12/8/23	1,005,680	AA+
Federal Farm Credit Bank	10/11/22	499,460	AA+	Federal Home Loan Bank	3/8/24	1,005,020	AA+
Federal Farm Credit Bank	12/13/22	400,068	AA+	Federal Home Loan Bank	3/8/24	1,005,020	AA+
Federal Farm Credit Bank	4/17/23	497,710	AA+	Federal Home Loan Bank	6/4/24	477,850	AA+
Federal Farm Credit Bank	5/2/23	401,032	AA+	Federal Home Loan Bank	9/13/24	234,234	AA+
Federal Farm Credit Bank	10/2/23	1,000,670	AA+	Federal Home Loan Bank	1/20/26	456,770	AA+
Federal Farm Credit Bank	10/23/23	492,075	AA+	Federal Home Loan Bank	2/24/26	561,908	AA+
Federal Farm Credit Bank	11/1/23	1,967,020	AA+	Federal Home Loan Bank	2/26/26	552,222	AA+
Federal Farm Credit Bank	11/8/23	992,600	AA+	Federal Home Loan Bank	6/10/26	467,895	AA+
Federal Farm Credit Bank	11/30/23	481,630	AA+	Federal Home Loan Bank	9/15/26	919,760	AA+
Federal Farm Credit Bank	12/12/23	273,080	AA+	Federal Home Loan Mtg	8/5/24	712,020	AA+
Federal Farm Credit Bank	2/5/24	496,490	AA+	Federal Home Loan Mtg	2/12/25	865,854	AA+
Federal Farm Credit Bank	2/23/24	988,390	AA+	Federal Home Loan Mtg	5/13/25	930,450	AA+
Federal Farm Credit Bank	5/13/24	504,246	AA+	Federal Home Loan Mtg	9/16/25	459,255	AA+
Federal Farm Credit Bank	9/17/24	972,260	AA+	Federal Home Loan Mtg	9/23/25	458,975	AA+
Federal Farm Credit Bank	12/9/24	470,460	AA+	Federal Home Loan Mtg	10/27/25	229,845	AA+
Federal Farm Credit Bank	5/27/25	932,470	AA+	Federal Ntl Mortgage Assn	8/10/23	292,077	AA+
Federal Farm Credit Bank	7/22/25	464,895	AA+	Federal Ntl Mortgage Assn	2/5/24	496,780	AA+
Federal Farm Credit Bank	7/29/25	694,343	AA+	Federal Ntl Mortgage Assn	2/5/24	993,560	AA+
Federal Farm Credit Bank	7/29/25	233,782	AA+	Federal Ntl Mortgage Assn	8/12/24	284,670	AA+
Federal Farm Credit Bank	8/4/25	696,210	AA+	Federal Ntl Mortgage Assn	10/15/24	1,939,920	AA+
Federal Farm Credit Bank	8/12/25	369,388	AA+	Federal Ntl Mortgage Assn	1/7/25	966,370	AA+
Federal Farm Credit Bank	3/2/26	460,990	AA+	Federal Ntl Mortgage Assn	4/22/25	935,960	AA+
Federal Farm Credit Bank	4/29/26	989,890	AA+	Federal Ntl Mortgage Assn	12/30/25	458,010	AA+
Federal Farm Credit Bank	10/26/27	221,198	AA+	Tennessee Valley Authority	9/15/24	996,410	AA+
Federal Home Loan Bank	9/9/22	1,002,500	AA+	Tennessee Valley Authority	5/15/25	468,100	AA+
Federal Home Loan Bank	12/9/22	998,110	AA+	United States Treasury Notes	3/31/24	986,020	AA+
Federal Home Loan Bank	4/5/23	981,690	AA+	United States Treasury Notes	5/15/27	727,148	AA+
Federal Home Loan Bank	6/9/23	743,887	AA+	United States Treasury Notes	5/15/27	484,765	AA+
Federal Home Loan Bank	9/8/23	1,005,120	AA+	United States Treasury Notes	3/31/24	191,532	AA+
Federal Home Loan Bank	10/17/23	464,093	AA+			<u>\$ 41,761,277</u>	

The City's investments in municipal bonds and investment pools at year end consists of:

Investments	Maturities	Fair Value	S&P Rating	Investments	Maturities	Fair Value	S&P Rating
Municipal Bonds:							
Allendale Mich Pub Sch	5/1/25	\$ 506,845	AA	Michigan Fin Auth Rev	9/1/27	498,935	AA+
Allendale Mich Pub Sch	5/1/25	577,803	AA	Michigan Fin Auth Rev	12/1/27	472,825	AA-
Avondale Mich Sch Distr	5/1/25	477,400	AA	Muskegon Charter Twp	10/1/25	100,781	AA
Bendle Mich Pub Sch	4/22/25	292,469	AA	Muskegon Charter Twp	10/1/26	98,701	AA
Bloomfield Hills Mich	8/10/23	678,615	AAA	Muskegon Charter Twp	10/1/27	322,890	AA
Boyne City Mich Pub Sch	5/1/25	124,777	AA	Muskegon Charter Twp	10/1/28	322,621	AA
Boyne City Mich Pub Sch	5/1/26	215,092	AA	Otsego Mich Pub Sch Dist	5/1/28	370,931	AA
Boyne City Mich Pub Sch	5/1/27	185,031	AA	Pewamo-Westphalia Cmnty Sch	5/1/27	376,776	AA
Comstock Park Mich Pub	11/1/26	226,485	AA	Spring Lake Mich Pub Schs	11/1/25	510,406	AA
Forest Hills Mich Pub Sch	5/1/23	256,920	AA	Waldo & Brhs Internty Drain	6/1/25	221,789	AA-
Holland Mich Sch District	5/1/24	263,383	AA	West Ottawa Mich Pub Sch	5/1/24	144,051	AA-
Hopkins Mich Pub Sch	5/1/25	387,784	AA	West Ottawa Mich Pub Sch	11/1/25	162,552	AA-
Hudsonville Mich Pub Sch	5/1/25	711,011	AA	Western Mich Univ	11/15/26	385,390	A
Lansing Mich Sch District	5/1/23	677,176	AA	Ypsilanti Mich Sch Dist	5/1/25	478,240	AA
Mendon Mich Cmnty Sch	5/1/24	460,330	AA			\$ 11,019,304	
Michigan Fin Auth Rev	7/1/25	262,677	AA-	Michigan CLASS Investment Pool:			
Michigan Fin Auth Rev	9/1/26	248,618	AA+	Michigan CLASS	1 day	\$ 1,292,469	AAAm

Custodial Credit Risk-Investments. For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. The city has not adopted a policy for investment custodial credit risk. As of June 30, 2021, the City's investments were held by a third party in the City's name. The City's investments in money market accounts are not subject to risk categorization.

Interest rate risk. Except as limited by state law as listed in the above list of authorized investments the city does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity dates of the City's investments are identified above (maturity information is not available for the fixed income mutual funds).

Credit risk. The City has no investment policy that limits its investment choices beyond those required by state law. The ratings for each investment are identified above for investments held at year-end.

At year end the City had \$1,251,081 in permissible money market funds and the pension and benefit trust funds had \$315,018 in permissible money market funds and \$5,148,654 in fixed income mutual funds that are not separately rated.

Concentration of Credit Risk. State law does not limit and the City has not adopted a formal policy on the amount the city may invest in any one issuer. More than 5% of the city's investments are in the Federal Farm Credit Bank (28.9%), the Federal Home Loan Bank (21.5%), the Federal National Mortgage Association (11.5%), and the Federal Home Loan Mortgage Corporation (6.6%).

Foreign Currency Risk. The City is not authorized to invest in investments which have this type of risk.

3. FAIR VALUE MEASUREMENT

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; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby 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 judgement and considers factors specific to each asset or liability.

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

- United States Government Agency Obligations in the amount of \$41,761,277 are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2).
- Municipal Bonds in the amount of \$11,019,304 are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2). This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, those bonds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

The City has the following recurring fair value measurements for its beneficial interest in assets held by others as of June 30, 2022:

- Beneficial interest in assets held by others in the amount of \$1,190,817 are valued based on the City's allocable share of the Holland/Zeland Area Community Foundation (Foundation) pooled investment portfolio applied to the total fair value of the portfolio. Fair value measurements of underlying investments held by the Foundation are based upon quoted market prices unless the facts and circumstances indicate that the fair value would be different from the present value of estimated future distributions. The underlying assets cannot be liquidated or redeemed by the City. As such, no quoted prices or active markets are available for this asset (Level 3). As a practical expedient, the carrying value of this asset is equal to the fair value of the underlying assets held by the Foundation. The Foundation controls the investments and makes all management and investment decisions.

Michigan Class Investment Pool holdings in the amount of \$1,292,469 are measured on a recurring basis using net asset value (NAV) per share (or its equivalent) of the investment company as a practical expedient. These investments have no unfunded commitments or redemption rules.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

4. RESTRICTED ASSETS

The City has no restricted assets at June 30, 2022.

5. CAPITAL ASSETS

Capital asset activity for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 1,345,072	\$ 206,681	\$ -	\$ 1,551,753
Construction in progress	<u>4,055,632</u>	<u>6,668,337</u>	<u>(5,763,766)</u>	<u>4,960,203</u>
Subtotal	<u>5,400,704</u>	<u>6,875,018</u>	<u>(5,763,766)</u>	<u>6,511,956</u>
Capital Assets Being Depreciated				
Vehicles	1,449,519	55,417	(23,689)	1,481,247
Production plant	13,624,447	657,749	-	14,282,196
Transmission	13,621,924	1,441,603	-	15,063,527
Distribution system	65,393,579	4,056,383	(59,059)	69,390,903
General	<u>7,336,430</u>	<u>783,043</u>	<u>(3,018)</u>	<u>8,116,455</u>
Subtotal	<u>101,425,899</u>	<u>6,994,195</u>	<u>(85,766)</u>	<u>108,334,328</u>
Less Accumulated Depreciation for				
Vehicles	(1,074,939)	(135,173)	23,689	(1,186,423)
Production plant	(11,334,753)	(334,800)	-	(11,669,553)
Transmission	(8,297,009)	(284,271)	-	(8,581,280)
Distribution system	(33,430,234)	(2,039,070)	-	(35,469,304)
General	<u>(5,222,663)</u>	<u>(301,866)</u>	<u>-</u>	<u>(5,524,529)</u>
Subtotal	<u>(59,359,598)</u>	<u>(3,095,180)</u>	<u>23,689</u>	<u>(62,431,089)</u>
Net Capital Assets Being Depreciated	<u>42,066,301</u>	<u>3,899,015</u>	<u>(62,077)</u>	<u>45,903,239</u>

Depreciation expense was charged to programs of the Board of Public Works as follows:

Electric	\$ 2,363,231
Water	<u>731,948</u>
Total	<u>\$ 3,095,179</u>

Construction Commitments-The Board has active construction projects at year-end. At year-end the Board's commitments with contractors are as follows:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Electric		
Electric Utility	\$ 4,527,569	\$ 1,640,557
Water		
Water Projects	<u>488,944</u>	<u>11,449</u>
	<u>\$ 5,016,513</u>	<u>\$ 1,652,006</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The Board had no interfund balances as of June 30, 2022.

The Board had no interfund transfers for the year ended June 30, 2022.

7. LONG-TERM DEBT

The Board had no long term debt as of June 30, 2022.

Pledged Revenues-The Board has pledged future water customer revenues, net of specified operating expenses, to repay \$2,350,000 in water system refunding bonds issued in 2011. Proceeds from the bonds provided financing for refunding the City's water supply system revenue bonds. The bonds are payable solely for from the Net Revenues of the City's water supply system and are payable through 2020. The City has covenanted to charges rates which will produce annual Net Revenues sufficient to provide for 110% of annual debt service requirements on the bonds for each year and to provide for such other expenditures and funds for the water supply system as required by the Bond Resolution.

8. RISK MANAGEMENT, HEALTH-CARE INSURANCE AND LITIGATION

The Board is exposed to various risks related to liability, damage or loss of tangible and non-tangible assets for which it has participated in the formation of a self insurance program know as the Michigan Professional Insurance Authority ("MPIA"). The MPIA was established pursuant to the State of Michigan Act 35 of 1951; Intergovernmental Contracts between Municipal Corporations.

The MPIA administers an actuarially based risk management program and utilizes such funds contributed by the Board to defend and protect stated liability and property. The MPIA has purchased commercial insurance in the name of the Board of Public Works for loss in excess of commercial insurance deductibles or retentions and for all other risks of loss covered by the MPIA but not by commercial insurance. There are no open claims or pending litigation.

The insurance coverage purchased for the Board by the MPIA is underwritten by various property and liability insurers admitted or authorized in Michigan and rated "A-" or better by The A.M. Best Company. Coverage includes commercial general liability and automobile liability to \$40,000,000 each occurrence and policy year aggregate limits. Blanket real and personal property insurance in the amount of \$68 million is issued to the Board covering all risk of direct loss, including breakdown, earthquake and flood, to full replacement cost above a \$50,000 deductible.

The Board 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 medical benefit claims. The Board is insured under the Michigan Municipal League for workers' compensation claims. The Michigan Municipal League risk pool operates as a common risk-sharing program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

9. POWER SALES CONTRACT AND PROJECT CONTRACT

The City of Zeeland through its Board of Public Works (BPW) entered into an agreement with the Michigan Public Power Agency (MPPA), a public body political and corporate of the State of Michigan created in 1978. The MPPA was formed to undertake the planning, financing, development, acquisition, construction, improvement, operations, and maintenance of projects to supply electric power and energy for present or future needs of its members. Each of the MPPA's participating members is a municipal corporation organized under the laws of the State of Michigan and owns and operates a municipal electric system. As of June 30, 2022, the MPPA had 22 participating municipalities.

In January, 1983, the MPPA entered into a participation agreement with the Detroit Edison Company providing for the sale to the MPPA of an undivided ownership interest (37.22%) in the Belle River Unit No. 1 coal-fired electric generating facility, part of a two-unit 1,395 megawatt (MW) generating station located in St. Clair County, MI. Unit 1 of the facility was placed in commercial operation in 1984, followed by Unit 2 in 1985. Pursuant to the Reliability Exchange provisions of the Belle River Participation Agreement, MPPA is entitled to 18.61% of the electric capacity and energy produced from each of the Belle River Units No. 1 and 2. The MPPA initially financed the purchase of its portion of the Belle River plant by issuing \$590,000,000 of Project Revenue Bonds.

The BPW has entered into a Power Sales Contract and a Project Support Contract with the MPPA whereby the MPPA will sell and the BPW will purchase its entitlement share (11.3MW or 4.94% of the MPPA's interest) of energy and capacity from the Belle River plant. During fiscal year 2022, approximately 57.4 million kWh (or approximately 13.2% of the system's needs) were provided to Zeeland from the Belle River project. The BPW also has a Power Sales Contract through the MPPA where the BPW will purchase its entitlement share (7.5MW or 20.27% of the MPPA's interest) of energy and capacity from the AMP Fremont Energy Center (AFEC) located in Fremont, Ohio. During the fiscal year 2022 approximately 39.7 million kWh (or approximately 9.1% of the system's needs) were provided to Zeeland from the AFEC project.

The BPW has a Power Purchase Agreement (PPA) through MPPA where the BPW will purchase its entitlement share (2.281MW or 7.31% of the MPPA's interest) of energy and capacity from the Beebe Wind Farm, located in Gratiot County, MI, and will purchase its entitlement share (12.2MW or 19.37% of the MPPA's interest) of energy and capacity from the Pegasus Wind Farm, located in Tuscola County, MI. During the fiscal year 2022, approximately 42.1 million kWh (or approximately 9.6% of the system's needs) were provided to Zeeland from the Beebe and Pegasus Wind Farms. In 2018, the BPW entered into a PPA through MPPA committing to purchase its entitlement share (6.4MW or 16.0% of the MPPA's interest) of energy and capacity from Phase 1 of the Assembly Solar LLC facility, located in Shiawassee County, MI. In mid-2019, a PPA for Phase 2 of that facility was executed, resulting in an additional 7.8MW (19.37% of MPPA's interest). These facilities achieved commercial operation in December of 2020 and 2021 respectively, delivering approximately 20.9 million kWh, or approximately 4.8% of the BPW's requirements during fiscal year 2022.

Finally, in 2008, the BPW entered into a renewable Power Purchase Agreement with North American Natural Resources (NANR) for up to 4.0MW of nameplate capacity and the associated energy produced by its Autumn Hills Landfill Gas Generation facility located in Zeeland, MI. During fiscal year 2022, the facility produced 17.6 million kWh, or approximately 4.0% of the system's needs. The balance of the BPW's annual energy requirements are supplied through bilateral transactions executed with counterparties through the MPPA, and MISO market day-ahead and real-time purchases for balancing.

The contracts require the BPW to charge rates for electric power, sufficient to provide revenues adequate to meet its obligations under the agreements. Payments made under the Power Sales Contract are operating expenses of the electric system. Payments made under the Project Support Contract are made after payment of operation and maintenance expenses of the electric system and after debt service payments of the electric system.

Under the provisions of the MPPA bonding resolution, neither the State of Michigan nor any political subdivision thereof, other than the MPPA, nor any Participant or any other nonparticipating Member of MPPA is obligated to pay the principal of, premium, if any, or interest on the project revenue bonds and neither the full faith and credit or the taxing power of the State of Michigan or any such Participant or nonparticipating Member is pledged to the payment of the principal of, premium, if any, or interest on the project revenue bonds. The MPPA does not have any taxing powers.

10. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all city employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. All assets of the plan are held in trust for the employees thereby insulating the assets from the City's general creditors. As a result, the plan assets are not included in these financial statements.

11. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

The Board of Public Works participates with the City of Zeeland in maintaining two pension plans. The defined contribution plan was established July 1, 2000 and covers eligible employees hired after July 1, 2000 and employees hired prior to July 1, 2000 who elected to have their balances transferred from the City's defined benefit plan. Participation in the defined benefit plan was frozen effective July 1, 2000 and now covers only eligible employees hired prior to July 1, 2000 who elected to remain participants in the defined benefit plan and not participate in the defined contribution plan.

City of Zeeland Defined Contribution Plan

The Board participates with the City of Zeeland to provide pension benefits to all its employees meeting length of service requirements not participating in the defined benefit plan through the City of Zeeland Defined Contribution Plan administered by ICMA. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Board contributes 8% of covered compensation for employees for participants.

Employees are not permitted to contribute to the plan. Board contributions made to the plan were \$180,267 for the year ended June 30, 2022. Plan provisions and contribution requirements are established and may be amended by the City Council.

City of Zeeland Defined Benefit Pension Plan

Plan Description

The Board participates with the City of Zeeland in the City of Zeeland Defined Benefit Pension Plan. The City of Zeeland administers the City of Zeeland Pension Plan – a single-employer defined benefit pension plan that provides pensions for employees of the City who were hired before July 1, 2000 and those who are covered by a collective bargaining agreement that does not provide for participation in the defined contribution plan. Management of the Plan is the responsibility of the City of Zeeland Pension Plan Committee (Committee). The plan information for the Board is not always separately available from information provided for the City of Zeeland as a whole. The following information is for the City of Zeeland as whole unless otherwise noted.

The financial statements of the Plan are included in the City of Zeeland’s financial statements as a pension and other employee benefit trust fund (a fiduciary fund). This report may be obtained from the City of Zeeland. The plan does not issue a separate stand-alone report.

Summary of Significant Accounting Policies – For the purpose of measuring the net pension liability, deferred outflow of resources, and deferred inflows or resources related to pension and pension expense, information about the plan’s fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the City of Zeeland. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value based on quoted market prices. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Summary of Plan Participants - At June 30, 2022, Plan membership consisted of the following:

Inactive plan members receiving benefits	33
Inactive members entitled to, not yet receiving benefits	7
Active plan members	<u>3</u>
Total participants	<u><u>43</u></u>

The Plan is closed to new entrants.

Benefits - The Plan provides retirement and death benefits. Retirement benefits for plan participants are calculated as 2.25% of average monthly compensation multiplied by years of benefit service for police (with increase to 2.5% available with additional after tax contributions); and 2% of average monthly compensation multiplied by years of benefit service for all others. Average monthly compensation is based on the five highest paid consecutive plan years out of the last ten plan years. Benefits are payable at normal retirement age, with reduced benefits available at the early retirement date of age 55 with 10 years of credited service. The pre-retirement death benefit is equal to 50% of the benefit that would have been payable to the participant under the Joint and 50% Survivor form of payment, had the participant terminated employment the day before death occurred.

Contributions - Article 9, Section 24 of the Regulations of the State of Michigan constitution requires the financial benefits arising on account of service rendered each year be funded during that year. The City retains an actuary to determine the annual contribution. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Police Department members contribute 1.12% of their compensation to the plan to fund part of the contribution. The City is required to contribute the difference between the actuarially determined amount and the contribution of plan members. For the year ended June 30, 2022, the City’s recommended contribution was 0.0% of annual payroll and the City’s actual contribution was 31.3% of annual payroll.

Investments

Investment policy - The City of Zeeland Pension Plan Committee (Committee) has the responsibility of directing the investment of Plan assets. There is a written Investment Policy Statement (IPS) to assist the Committee in establishing guidelines for managing the Plan investments and to set forth a structure that includes an asset

allocation policy that is expected to produce a sufficient level of overall diversification and total investment return over the investment time horizon. The following was the City's adopted asset allocation policy as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	37.5%
International Equity	12.5%
Fixed Income	49.0%
Real Estate	0.0%
Cash	1.0%

Net Pension Liability of the City

The components of the net pension liability of the City at June 30, 2022, were as follows:

Total pension liability (TPL)	\$ 10,935,934
Plan fiduciary net position	<u>10,508,468</u>
Net pension liability (NPL)	<u>\$ 427,466</u>
Plan fiduciary net position as % of TPL	<u>96.1%</u>

The Boards share of the City's total net pension asset at year end was \$16,668.

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2021, and the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.30%
Salary increases	3.00%
Investment rate of return	4.51%

Post-retirement mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables for General Employees (annuitant and non-annuitant, sex-distinct) with modified Projection Scale MP-2021.

The long-term expected rate of return on retirement 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 retirement plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the retirement plan's target asset allocation as of June 30, 2022 (see the discussion of the retirement plan's investment policy) are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37.5%	4.95%
International Equity	12.5%	4.60%
Fixed Income	49.0%	-0.43%
Real Estate	0.0%	3.32%
Cash	1.0%	-0.83%

The sum of each target allocation times its long-term expected real rate is 2.21%. In addition, inflation of 2.30% is expected. The long-term expected rate of return is the sum of the long-term expected real rate of return plus inflation, or 4.51%.

Discount Rate – The discount rate used to measure the total pension liability was 4.51%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current

contribution rate and that City contributions will be made at rates equal to the most recent recommended contribution expressed as a percentage of covered payroll. Based on those assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits calculated. This discount rate is used to determine the Total Pension Liability. The discount rate was decreased from July 1, 2021 of 5.13% to July 1, 2022 at 4.51%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at June 30, 2021	\$ 10,407,493	\$ 12,727,977	\$ (2,320,484)
Changes for the Year			
Service cost	53,562	-	53,562
Interest on total pension liability	518,838	-	518,838
Changes in benefit terms	-	-	-
Difference between expected and actual experience	(23,991)	-	(23,991)
Changes in assumptions	674,552	-	674,552
Employer contributions	-	67,845	(67,845)
Employee contributions	-	3,404	(3,404)
Net investment income	-	(1,578,892)	1,578,892
Benefit payments, including employee refunds	(694,520)	(694,520)	-
Administrative expenses	-	(17,346)	17,346
Other changes	-	-	-
Net Changes	<u>528,441</u>	<u>(2,219,509)</u>	<u>2,747,950</u>
Balances at June 30, 2022	<u>\$ 10,935,934</u>	<u>\$ 10,508,468</u>	<u>\$ 427,466</u>

The Board's share of the City's total net pension asset at year end was \$16,668.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability (NPL) of the City, calculated using the discount rate of 4.51%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower (3.51%) or 1% higher (5.51%) than the current rate.

	1% decrease 3.51%	Current Discount Rate 4.51%	1% increase 5.51%
Total pension liability	\$ 12,150,195	\$ 10,935,934	\$ 9,918,576
Plan fiduciary net position	<u>10,508,468</u>	<u>10,508,468</u>	<u>10,508,468</u>
Net pension liability (asset)	<u>\$ 1,641,727</u>	<u>\$ 427,466</u>	<u>\$ (589,892)</u>

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

For the year ended June 30, 2022 the City recognized pension expense of \$600,865. 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
Differences in experience	\$ -	\$ -
Differences in assumptions	-	-
Excess (inflow) or deficit (outflow) investment returns	678,623	(42,855)
Contributions subsequent to the measurement date	-	-
Total	<u>\$ 678,623</u>	<u>\$ (42,855)</u>

The Boards share of the City's total deferred inflows of resources related to pensions at year end was \$24,790.

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

Year Ended June 30,	Amount
2023	\$ 27,082
2024	69,149
2025	96,456
2026	443,081
2027	-
Thereafter	-
Total	<u>\$ 635,768</u>

Assumption Changes

Significant assumption changes for the City of Zeeland Pension Plan are as follows:

The discount rate used in determination of the net pension liability changed from 5.13% to 4.51%. The mortality improvement scale used in determining the total pension liability was changed from MP-2020 to MP-2021.

Payable to the Pension Plan

At June 30, 2022, the Board reported a payable of \$0 for outstanding amount of legally required contributions to the pension plan required for the year ended June 30, 2022

12. OTHER POST EMPLOYMENT BENEFITS PLAN

City of Zeeland Retiree Health Benefits Plan

Plan Description

The Board participates with the City of Zeeland in the City of Zeeland Retiree Health Benefits Plan. The City of Zeeland Retiree Health Benefits Plan is a single employer defined benefit OPEB plan administered by the City of Zeeland. The plan provides healthcare benefits to certain eligible retirees employees and their spouses. The plan was established by the City and can be amended at its discretion.

The financial statements of the Plan are included in the City of Zeeland's financial statements as a retiree health benefits trust fund (a fiduciary fund). This report may be obtained from the City of Zeeland. The Plan does not issue a separate stand-alone report.

Summary of Significant Accounting Policies – For the purpose of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources, and deferred inflows or resources related to OPEB and OPEB expenses, information about the fiduciary net position of the City of Zeeland Post-Retirement Plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by the City of Zeeland. The Plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated a fair value based on quoted market prices. Benefit payments (including refunds of employee contributions) are recognized when paid in accordance with the benefit terms.

Summary of Plan Participants - At June 30, 2022, Plan membership consisted of the following:

Inactive plan members receiving benefits	29
Inactive members entitled to, not yet receiving benefits	-
Active plan members	15
Total participants	<u>44</u>

The plan is closed to new entrants.

Benefits - The City of Zeeland Post-Retirement Plan provides healthcare benefits to certain eligible retirees employees and their spouses. Benefits are provided to all employees hired prior to July 1, 2010 who are participants in either the City of Zeeland Defined Benefit Pension Plan or the City of Zeeland Defined Contribution Plan and have reached age 62 and worked at least 10 years for the City on or before June 30, 2010. For employees who did not obtain age 62 and complete at least 10 years of service before June 30, 2010 benefits are provided to employees who have become Medicare eligible (i.e. currently age 65) and worked at least 15 years for the City.

Employees hired on or after July 1, 2009, or were hired prior to July 1, 2009 but elected participation in the Retiree Health Savings Plan, are eligible for an employer contribution made on a bi-weekly basis to their Retiree Health Savings Plan. Complete details on the City's retiree healthcare benefits are available in the actuarial valuation or the plan document which may be obtained at the City's offices.

Contributions – The City of Zeeland Post-Retirement Plan was established as is being funded under the authority of the City Council. The plan's funding policy is that the employer will make contributions using the annual required contribution as a guide. There are no long term contracts for contributions to the plan. The plan has no legally required reserves.

Investments

Investment Policy – The City of Zeeland Post-Retirement Plan's policy in regard to the allocation of invested assets is established and may be amended by the City Council. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment process that the City Council deems appropriate.

The following was the City's adopted asset allocation policy as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	50.5%
Multi-Asset	5.5%
Fixed Income	44.0%

Net OPEB Asset of the City

The City's OPEB asset was measured as of June 30, 2022.

The components of the net OPEB asset of the City at June 30, 2022, were as follows:

Total OPEB liability (TOL)	\$ 2,203,174
Plan fiduciary net position	<u>2,223,687</u>
Net OPEB asset (NOA)	<u>\$ (20,513)</u>
Plan fiduciary net position as % of TOL	<u>100.9%</u>

The Boards share of the City's total net OPEB asset at year end was \$7,358.

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	Included in the investment rate of return
Salary increases	2.00%
Investment rate of return	5.01% (including inflation)
20-year Aa Municipal bond rate	4.09% (S&P Municipal Bond 20-Year High Grade Rate Index)

Mortality rates were based on the Public General and Public Safety 2010 Employee and Healthy Retiree, headcount weighted, with MP-2020 projection scale.

The long-term expected rate of return on retirement 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 retirement plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the retirement plan's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	50.5%	7.75%
Multi-Asset	5.5%	5.10%
Fixed income	44.0%	1.86%

The sum of each target allocation times its long-term expected real rate, plus inflation, is 5.01%.

Discount Rate – The discount rate used to measure the total OPEB liability was 5.01%. The projection of cash flows used to determine the discount rate assumed that City will make no further contributions to the trust. Based on those assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. The discount rate is used to determine the Total OPEB Liability. The discount rate was decreased from July 1, 2021 of 4.32% to July 1, 2022 at 5.01%.

Changes in Net OPEB Asset

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at June 30, 2021	\$ 2,361,423	\$ 2,581,075	\$ (219,652)
Changes for the Year			
Service cost	19,916	-	19,916
Interest on Total OPEB Liability	101,136	-	101,136
Changes in benefit terms	-	-	-
Difference between expected and actual experience	(39,339)	-	(39,339)
Changes in assumptions	(159,524)	-	(159,524)
Employer contributions	-	-	-
Employee contributions	-	-	-
Net investment income	-	(265,413)	265,413
Benefit payments, including employee refunds	(80,438)	(80,438)	-
Administrative expenses	-	(2,575)	2,575
Other changes	-	(8,962)	8,962
Net Changes	(158,249)	(357,388)	199,139
Balances at June 30, 2022	\$ 2,203,174	\$ 2,223,687	\$ (20,513)

The Boards share of the City's total net OPEB asset at year end was \$7,358.

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate – The following presents the net OPEB asset (NOA) of the City, calculated using a discount rate of 5.01%, as well as what the City's net OPEB asset would be if it were calculated using a discount rate that is 1% lower (4.01%) or 1% higher (6.01%) than the current rate.

	1% decrease 4.01%	Current Discount Rate 5.01%	1% increase 6.01%
Total OPEB liability	\$ 2,440,600	\$ 2,203,174	\$ 2,001,633
Plan fiduciary net position	2,223,687	2,223,687	2,223,687
Net OPEB liability (asset)	<u>\$ 216,913</u>	<u>\$ (20,513)</u>	<u>\$ (222,054)</u>

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates – The actual trend is expected to exceed the 3% cap by more than one percentage point. Therefore, the liability would be unaffected by a 1% change in trend.

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

For the year ended June 30, 2022 the City recognized OPEB benefit of \$44,284. 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
Differences in experience	\$ -	\$ -
Differences in assumptions	-	-
Excess (inflow) or deficit (outflow) investment returns	113,525	-
Contributions subsequent to the measurement date	-	-
Total	\$ 113,525	\$ -

The Boards share of the City's total deferred outflows of resources related to OPEB at year end was \$43,512. The Boards share of the City's total deferred inflows of resources related to OPEB at year end was \$90,105.

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

Year Ended June 30,	Amount
2023	\$ 16,108
2024	14,600
2025	7,833
2026	74,984
2027	-
Thereafter	-
Total	<u>\$ 113,525</u>

Assumption Changes

Significant assumption changes for the City of Zeeland Retiree Health Benefits Plan are as follows:

The discount rate used in determination of the net pension liability changed from 4.32% to 5.01%. Public mortality tables utilized for police employees and retirees.

Payable to the OPEB Plan

At June 30, 2022, the City reported a payable of \$0 for outstanding amount of legally required contributions to the OPEB plan required for the year ended June 30, 2022.

14. COVID-19

In 2020, the World Health Organization classified the outbreak of a novel coronavirus (COVID-19) as a pandemic based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's operational and financial performance. The extent of the impact of COVID-19 on the City's financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on services, employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak at this time.

Unaudited Supplemental Data

Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA

City of Zeeland
Defined Benefit Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Total Pension Liability									
Service cost	\$ 53,562	\$ 40,169	\$ 41,077	\$ 41,957	\$ 53,470	\$ 56,964	\$ 72,843	\$ 108,324	\$ 552,507
Interest	518,838	547,828	543,108	525,118	523,640	503,721	503,522	498,664	70,564
Differences between expected and actual experience	(23,991)	144,286	90,070	19,701	146,855	(86,353)	175,029	(57,109)	-
Changes in assumptions	674,552	542,297	85,692	(390,519)	-	1,064,896	122,919	-	-
Benefit payments, including refunds	<u>(694,520)</u>	<u>(675,647)</u>	<u>(678,563)</u>	<u>(707,427)</u>	<u>(661,647)</u>	<u>(634,676)</u>	<u>(604,295)</u>	<u>(471,909)</u>	<u>(458,795)</u>
Net Change in Total Pension Liability	528,441	598,933	81,384	(511,170)	62,318	904,552	270,018	77,970	164,276
Total Pension Liability - Beginning of Year	<u>10,407,493</u>	<u>9,808,560</u>	<u>9,727,176</u>	<u>10,238,346</u>	<u>10,176,028</u>	<u>9,271,476</u>	<u>9,001,458</u>	<u>8,923,488</u>	<u>8,759,212</u>
Total Pension Liability - End of Year	<u>\$ 10,935,934</u>	<u>\$ 10,407,493</u>	<u>\$ 9,808,560</u>	<u>\$ 9,727,176</u>	<u>\$ 10,238,346</u>	<u>\$ 10,176,028</u>	<u>\$ 9,271,476</u>	<u>\$ 9,001,458</u>	<u>\$ 8,923,488</u>
Plan Fiduciary Net Position									
Employer contributions	\$ 67,845	\$ 84,960	\$ 460,441	\$ 986,318	\$ 992,172	\$ 861,437	\$ 329,543	\$ 338,030	\$ 410,186
Member contributions	3,404	3,616	3,204	3,243	3,036	3,465	3,433	4,209	4,514
Net investment income	(1,578,892)	2,348,860	735,159	722,412	599,573	783,137	131,817	311,385	1,071,239
Administrative expenses	(17,346)	(34,123)	(40,538)	(46,392)	(45,656)	(50,764)	(35,568)	(43,131)	(62,100)
Benefit payments, including refunds	<u>(694,520)</u>	<u>(675,647)</u>	<u>(678,563)</u>	<u>(707,427)</u>	<u>(661,647)</u>	<u>(634,676)</u>	<u>(604,295)</u>	<u>(471,909)</u>	<u>(458,795)</u>
Net Change in Plan Fiduciary Net Position	(2,219,509)	1,727,666	479,703	958,154	887,478	962,599	(175,070)	138,584	965,044
Plan Fiduciary Net Position - Beginning of Year	<u>12,727,977</u>	<u>11,000,311</u>	<u>10,520,608</u>	<u>9,562,454</u>	<u>8,674,976</u>	<u>7,712,377</u>	<u>7,887,447</u>	<u>7,748,863</u>	<u>6,783,819</u>
Plan Fiduciary Net Position - End of Year	<u>\$ 10,508,468</u>	<u>\$ 12,727,977</u>	<u>\$ 11,000,311</u>	<u>\$ 10,520,608</u>	<u>\$ 9,562,454</u>	<u>\$ 8,674,976</u>	<u>\$ 7,712,377</u>	<u>\$ 7,887,447</u>	<u>\$ 7,748,863</u>
City's Net Pension Liability (Asset) - Ending	<u>\$ 427,466</u>	<u>\$ (2,320,484)</u>	<u>\$ (1,191,751)</u>	<u>\$ (793,432)</u>	<u>\$ 675,892</u>	<u>\$ 1,501,052</u>	<u>\$ 1,559,099</u>	<u>\$ 1,114,011</u>	<u>\$ 1,174,625</u>
City's Net Pension Liability (Asset) Reported by Zeeland Board of Public Works**	<u>\$ (16,668)</u>	<u>\$ (133,647)</u>	<u>\$ (78,355)</u>	<u>\$ (69,091)</u>	<u>\$ 13,847</u>	<u>\$ 9,278</u>	<u>\$ 246,573</u>	<u>\$ 197,778</u>	<u>\$ 208,539</u>
Plan Fiduciary Net Position as a Percent of Total Pension Liability	96.09%	122.30%	112.15%	108.16%	93.40%	85.25%	83.18%	87.62%	86.84%
Covered Payroll	\$ 216,487	\$ 381,567	\$ 346,002	\$ 347,544	\$ 328,416	\$ 394,851	\$ 526,928	\$ 792,685	\$ 797,194
City's Net Pension Liability as a Percent of Covered Payroll	197.46%	-608.15%	-344.43%	-228.30%	205.80%	380.16%	295.88%	140.54%	147.34%

**The above schedule provides information for the City of Zeeland plan as a whole with the exception of this item.

GASB 67 was implemented for the fiscal year ended June 30, 2014. Prospective implementation is permitted. Additional years' information will be added to this schedule until 10 years of information is reported.

Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA

City of Zeeland
Defined Benefit Pension Plan
Schedule of Contributions
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ 202,623	\$ 395,473	\$ 359,919	\$ 371,006	\$ 278,979	\$ 256,409	\$ 413,452
Contributions in relation to the actuarially determined contribution	<u>67,845</u>	<u>84,960</u>	<u>460,441</u>	<u>986,318</u>	<u>992,172</u>	<u>861,437</u>	<u>329,543</u>	<u>338,030</u>	<u>410,186</u>	<u>1,302,085</u>
Contribution Deficiency (Excess)	<u>\$ (67,845)</u>	<u>\$ (84,960)</u>	<u>\$ (460,441)</u>	<u>\$ (783,695)</u>	<u>\$ (596,699)</u>	<u>\$ (501,518)</u>	<u>\$ 41,463</u>	<u>\$ (59,051)</u>	<u>\$ (153,777)</u>	<u>\$ (888,633)</u>
Covered Employee Payroll	\$ 216,487	\$ 381,567	\$ 346,002	\$ 347,544	\$ 328,416	\$ 394,851	\$ 526,928	\$ 792,685	\$ 797,194	\$ 742,087
Contributions as a Percentage of Covered Employee Payroll	31.3%	22.3%	133.1%	283.8%	302.1%	218.2%	62.5%	42.6%	51.5%	175.5%

Notes to Schedule of City Contributions

Valuation date	July 1, 2021
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal (level percentage of compensation)
Asset valuation method	Equal to market value of assets
Amortization method	Spread gain/loss
Remaining amortization period:	
Asset gain/loss	5 years (as of valuation date)
Non-asset plan gain/loss	Future service of active employees
Inflation	2.30%
Salary increases	3.0% annual increases
Investment rate of return	5.13%
Retirement age	55 for police after June 30, 2004 (58 prior to that date); 62 for all other active participants (minimum 5 years participation)
Mortality	Pub-2010 Public Retirement Plans Mortality Tables for General Employees (annuitant and non-annitant, sex-distinct) with RP-2020 improvement scale
Marriage	100% of all activity participants are assumed to be married

Table presents information for the City of Zeeland as a whole

**Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA**

**City of Zeeland
Defined Benefit Pension Plan
Schedule of Investment Returns
Last 10 Fiscal Years**

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Fiscal Year Ended <u>June 30, 2020</u>	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>	Fiscal Year Ended <u>June 30, 2016</u>	Fiscal Year Ended <u>June 30, 2015</u>	Fiscal Year Ended <u>June 30, 2014</u>	Fiscal Year Ended <u>June 30, 2013</u>
Annual money-weighted rate of return, net of investment expense	-12.8%	22.0%	7.1%	7.6%	7.0%	10.4%	1.7%	4.1%	15.8%	10.8%

**Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA**

**Other Postemployment Benefits Plan
Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios**

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Total OPEB Liability						
Service cost	\$ 19,916	\$ 15,997	\$ 15,735	\$ 19,889	\$ 26,901	\$ 25,706
Interest	101,136	107,827	106,388	102,506	93,941	86,995
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(39,339)	44,657	(9,978)	(5,158)	(12,418)	-
Changes in assumptions	(159,524)	379,939	-	(18,800)	(196,791)	113,027
Benefit payments, including refunds	<u>(80,438)</u>	<u>(86,015)</u>	<u>(88,819)</u>	<u>(92,950)</u>	<u>(69,500)</u>	<u>(85,640)</u>
Net Change in Total OPEB Liability	(158,249)	462,405	23,326	5,487	(157,867)	140,088
Total OPEB Liability - Beginning of Year	<u>2,361,423</u>	<u>1,899,018</u>	<u>1,875,692</u>	<u>1,870,205</u>	<u>2,028,072</u>	<u>1,887,984</u>
Total OPEB Liability - End of Year	<u>\$ 2,203,174</u>	<u>\$ 2,361,423</u>	<u>\$ 1,899,018</u>	<u>\$ 1,875,692</u>	<u>\$ 1,870,205</u>	<u>\$ 2,028,072</u>
Plan Fiduciary Net Position						
Employer contributions	\$ -	\$ -	\$ 3,840	\$ 10,935	\$ 26,421	\$ 91,066
Member contributions	-	-	-	-	-	-
Net investment income	(265,413)	460,553	91,136	111,936	126,595	192,931
Administrative expenses	(2,575)	(2,327)	(2,208)	(2,171)	(2,181)	(1,723)
Benefit payments, including refunds	(80,438)	(86,015)	(88,819)	(92,950)	(69,500)	(85,640)
Other	<u>(8,962)</u>	<u>(3,385)</u>	<u>(10,165)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Net Change in Plan Fiduciary Net Position	(357,388)	368,826	(6,216)	27,750	81,335	196,633
Plan Fiduciary Net Position - Beginning of Year	<u>2,581,075</u>	<u>2,212,249</u>	<u>2,218,465</u>	<u>2,190,715</u>	<u>2,109,380</u>	<u>1,912,747</u>
Plan Fiduciary Net Position - End of Year	<u>\$ 2,223,687</u>	<u>\$ 2,581,075</u>	<u>\$ 2,212,249</u>	<u>\$ 2,218,465</u>	<u>\$ 2,190,715</u>	<u>\$ 2,109,380</u>
City's Net OPEB Liability (Asset) - Ending	<u>\$ (20,513)</u>	<u>\$ (219,652)</u>	<u>\$ (313,231)</u>	<u>\$ (342,773)</u>	<u>\$ (320,510)</u>	<u>\$ (81,308)</u>
City's Net OPEB Liability (Asset) Reported by Zeeland Board of Public Works**	<u>\$ (7,358)</u>	<u>\$ (78,786)</u>	<u>\$ (112,351)</u>	<u>\$ (122,947)</u>	<u>\$ (114,962)</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percent of Total OPEB Liability	100.93%	109.30%	116.49%	118.27%	117.14%	104.01%
Covered Payroll	\$ 870,330	\$ 1,033,597	\$ 1,065,340	\$ 1,070,573	\$ 1,377,623	\$ 1,422,733
City's Net OPEB Liability as a Percent of Covered Payroll	-2.36%	-21.25%	-29.40%	-32.02%	-23.27%	-5.71%

Table presents information for the City of Zeeland as a whole

GASB 74 was implemented for the fiscal year ended June 30, 2017. Prospective implementation is permitted.
Additional years' information will be added to this schedule until 10 years of information is reported.

Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA

Other Postemployment Benefits Plan
Schedule of Contributions
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ (40,337)	\$ (706)	\$ 14,373
Contributions in relation to the actuarially determined contribution	<u>-</u>	<u>-</u>	<u>3,840</u>	<u>10,935</u>	<u>26,421</u>	<u>91,066</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,840)</u>	<u>\$ (51,272)</u>	<u>\$ (27,127)</u>	<u>\$ (76,693)</u>
Covered Employee Payroll	\$ 870,030	\$ 1,033,597	\$ 1,065,340	\$ 1,070,573	\$ 1,377,623	\$ 1,422,733
Contributions as a Percentage of Covered Employee Payroll	0.0%	0.0%	0.4%	1.0%	1.9%	6.4%

Notes to Schedule of City Contributions

Valuation date	June 30, 2021
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal (level percentage of compensation)
Asset valuation method	Equal to market value of assets
Amortization method	Spread gain/loss
Remaining amortization period:	
Asset gain/loss	5 years (as of valuation date)
Inflation	2.30%
Salary increases	2.0% annual increases
Investment rate of return	5.01%
Retirement age	65
Mortality	Public General and Public Safety 2010 Employee and Healthy Retiree, headcount weighted, MP-2020 improvement scale

Table presents information for the City of Zeeland as a whole

GASB 74 was implemented for the fiscal year ended June 30, 2017. Prospective implementation is permitted. Additional years' information will be added to this schedule until 10 years of information is reported.

**Zeeland Board of Public Works
UNAUDITED SUPPLEMENTAL DATA**

**Other Postemployment Benefits Plan
Schedule of Investment Returns
Last 10 Fiscal Years**

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Fiscal Year Ended <u>June 30, 2020</u>	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	-10.6%	21.6%	5.7%	5.7%	6.0%	10.1%

Table presents information for the City of Zeeland as a whole

GASB 74 was implemented for the fiscal year ended June 30, 2017. Prospective implementation is permitted. Additional years' information will be added to this schedule until 10 years of information is reported.

Supplemental Data

Zealand Board of Public Works
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2021

	Electric Utility	Water Utility	Total
ASSETS			
Current Assets:			
Cash and investments			
Undesignated	\$ 1,029,612	\$ 352,465	\$ 1,382,077
Designated for plant replacement and improvements	27,567,660	12,439,526	40,007,186
Receivables:			
Accounts	3,101,864	681,562	3,783,426
Interest	122,905	56,196	179,101
Inventories	525,789	93,484	619,273
Prepaid items	30,447	1,980	32,427
Deposits with MPPA	6,883,494	-	6,883,494
Deposits with MPIA	24,391,391	-	24,391,391
Total Current Assets	<u>63,653,162</u>	<u>13,625,213</u>	<u>77,278,375</u>
Noncurrent Assets:			
Net pension asset	102,805	30,842	133,647
Net OPEB asset	59,537	19,249	78,786
Capital assets:			
Land	1,222,067	123,005	1,345,072
Construction in progress	2,778,800	1,276,832	4,055,632
Production plant	17,376,917	-	17,376,917
Transmission	10,810,329	6,101,517	16,911,846
Distribution	41,237,248	23,177,652	64,414,900
General	2,351,466	370,769	2,722,235
Less accumulated depreciation	<u>(44,904,762)</u>	<u>(14,454,837)</u>	<u>(59,359,599)</u>
Total Capital Assets	<u>30,872,065</u>	<u>16,594,938</u>	<u>47,467,003</u>
Total Noncurrent Assets	<u>31,034,407</u>	<u>16,645,029</u>	<u>47,679,436</u>
Total Assets	<u>94,687,569</u>	<u>30,270,242</u>	<u>124,957,811</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows-OPEB related	<u>32,882</u>	<u>10,630</u>	<u>43,512</u>
LIABILITIES			
Accounts payable	1,760,423	134,838	1,895,261
Accrued payroll	79,395	19,850	99,245
Due to other governments	42,031	141,000	183,031
Accrued interest payable	136,740	16,137	152,877
Current portion of long-term debt	-	-	-
Total Liabilities	<u>2,018,589</u>	<u>311,825</u>	<u>2,330,414</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows-pension related	69,962	20,989	90,951
Deferred inflows-OPEB related	<u>68,091</u>	<u>22,014</u>	<u>90,105</u>
Total Deferred Inflows of Resources	<u>138,053</u>	<u>43,003</u>	<u>181,056</u>
NET POSITION			
Net investment in capital assets	30,872,065	16,594,938	47,467,003
Restricted for debt service	-	-	-
Unrestricted	<u>61,691,744</u>	<u>13,331,106</u>	<u>75,022,850</u>
Total Net Position	<u>\$ 92,563,809</u>	<u>\$ 29,926,044</u>	<u>122,489,853</u>

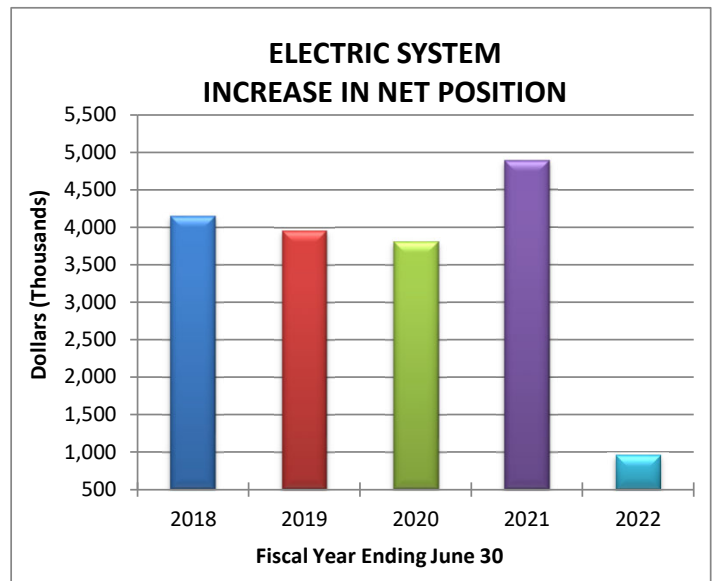
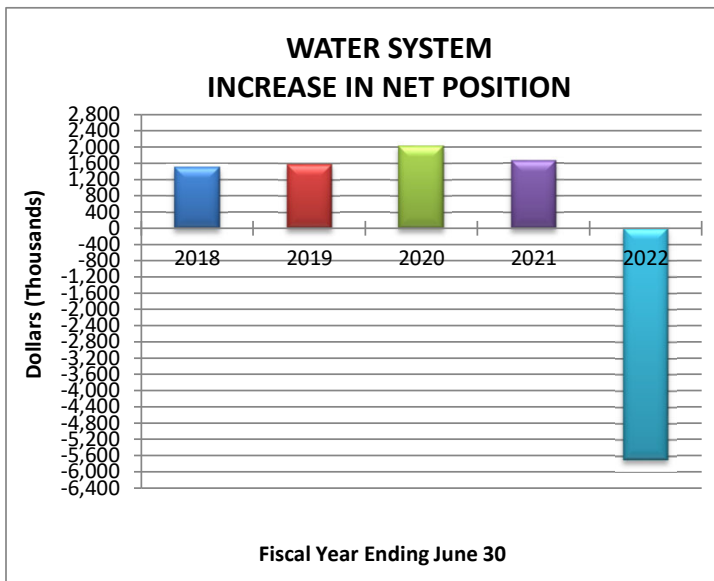
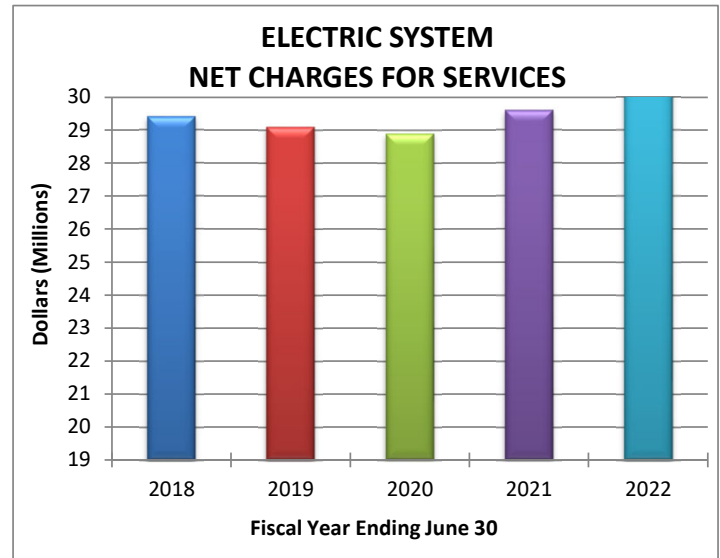
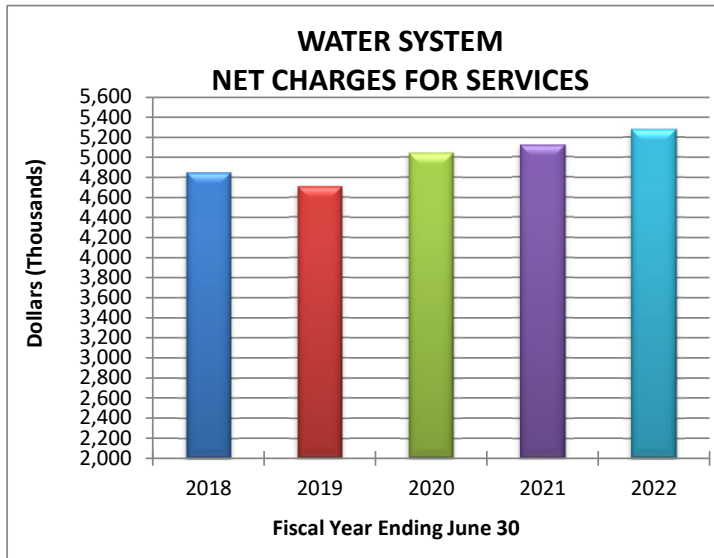
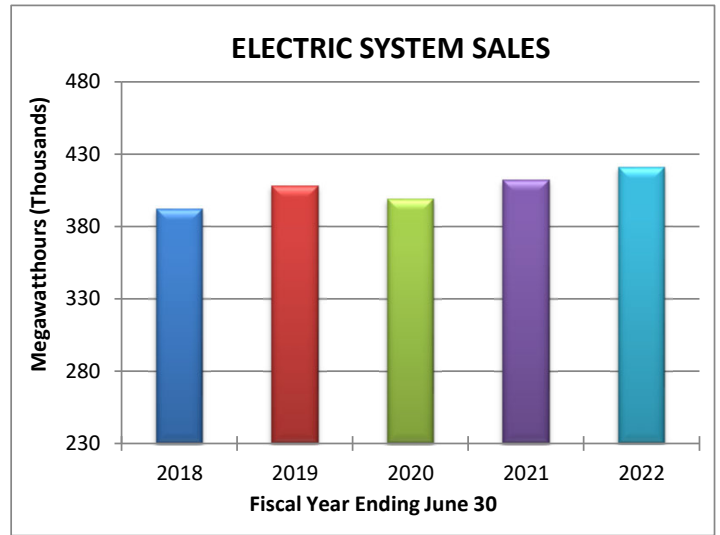
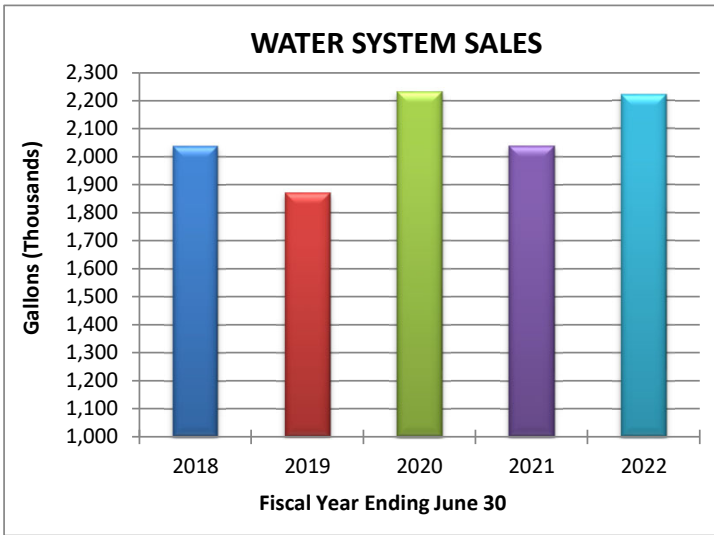
Zeeland Board of Public Works
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2021

	Electric Utility	Water Utility	Total
Operating Revenues:			
Charges for services			
Residential sales	\$ 4,475,005	\$ 657,004	\$ 5,132,009
Commercial sales and industrial sales	25,492,923	4,311,212	29,804,135
Public street and highway lighting	131,401	-	131,401
Fire protection charges	-	153,315	153,315
Less sales tax	(470,921)	-	(470,921)
Other revenues	253,847	26,826	280,673
Total Operating Revenues	<u>29,882,255</u>	<u>5,148,357</u>	<u>35,030,612</u>
Operating Expenses:			
Production	20,747,677	1,848,744	22,596,421
Transmission and distribution	4,126,121	674,054	4,800,175
Customer accounts	384,812	185,473	570,285
General and administrative	1,215,749	311,032	1,526,781
Depreciation	2,374,940	634,792	3,009,732
Total Operating Expenses	<u>28,849,299</u>	<u>3,654,095</u>	<u>32,503,394</u>
Operating Income	<u>1,032,956</u>	<u>1,494,262</u>	<u>2,527,218</u>
Nonoperating Revenues (Expenses)			
Investment earnings	36,632	30,859	67,491
Investment earnings in MPIA & MPPA	4,244,557	-	4,244,557
Interest expense	-	(3,367)	(3,367)
Gain (loss) on sale of capital assets	27,500	-	27,500
Other	22,385	90,570	112,955
Total Nonoperating Revenues (Expenses)	<u>4,331,074</u>	<u>118,062</u>	<u>4,449,136</u>
Income Before Contributions and Transfers	5,364,030	1,612,324	6,976,354
Capital contributions	68,241	67,640	135,881
Transfers out	<u>(543,870)</u>	<u>(12,500)</u>	<u>(556,370)</u>
Change in Net Position	4,888,401	1,667,464	6,555,865
Net Position - July 1	<u>87,675,408</u>	<u>28,258,580</u>	<u>115,933,988</u>
Net Position - June 30	<u>\$ 92,563,809</u>	<u>\$ 29,926,044</u>	<u>\$ 122,489,853</u>

Zeeland Board of Public Works
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2021

	Electric Utility	Water Utility	Total
Cash Flows From Operating Activities:			
Receipts from customers	\$ 29,507,469	\$ 4,918,981	\$ 34,426,450
Payments to suppliers	(24,388,364)	(2,626,483)	(27,014,847)
Payments to employees	(1,850,301)	(474,577)	(2,324,878)
Other receipts (payments)	22,385	90,570	112,955
Net Cash Provided By Operating Activities	<u>3,291,189</u>	<u>1,908,491</u>	<u>5,199,680</u>
Cash Flows From Noncapital Financing Activities:			
Transfers to other funds	<u>(543,870)</u>	<u>(12,500)</u>	<u>(556,370)</u>
Cash Flows From Capital and Related Financing Activities:			
Capital contributions	68,241	67,640	135,881
Acquisition and construction of capital assets	(4,221,115)	(1,593,079)	(5,814,194)
Principal paid on capital debt	-	(285,000)	(285,000)
Interest paid on capital debt	-	(6,609)	(6,609)
Proceeds from sale of capital assets	<u>27,500</u>	<u>-</u>	<u>27,500</u>
Net Cash Provided (Used) By Capital and Related Financing Activities	<u>(4,125,374)</u>	<u>(1,817,048)</u>	<u>(5,942,422)</u>
Cash Flows From Investing Activities:			
Investment earnings	<u>(612,010)</u>	<u>29,845</u>	<u>(582,165)</u>
Net Increase (Decrease) in Cash and Investments	(1,990,065)	108,788	(1,881,277)
Cash and Investments - July 1	<u>30,587,337</u>	<u>12,683,203</u>	<u>43,270,540</u>
Cash and Investments - June 30	<u>\$ 28,597,272</u>	<u>\$ 12,791,991</u>	<u>\$ 41,389,263</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating income	\$ 1,032,956	\$ 1,494,262	\$ 2,527,218
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,374,940	634,792	3,009,732
Other nonoperating income	22,385	90,570	112,955
Change in assets/deferred outflows of resources and liabilities/deferred inflows of resources:			
Receivables	(511,526)	(245,513)	(757,039)
Inventories	(36,021)	(592)	(36,613)
Prepaid items and deposits	(24,527)	(167)	(24,694)
Accounts payable	207,676	(100,385)	107,291
Accrued and other liabilities	8,615	2,289	10,904
Customer deposits	136,740	16,137	152,877
Net pension liability and deferred amounts	15,771	(3,652)	12,119
Net OPEB asset and deferred amounts	64,180	20,750	84,930
Net Cash Provided By Operating Activities	<u>\$ 3,291,189</u>	<u>\$ 1,908,491</u>	<u>\$ 5,046,803</u>
Cash and investments:			
Undesignated	\$ 1,029,612	\$ 352,465	\$ 1,382,077
Designated for plant replacement and improvements	27,567,660	12,439,526	40,007,186
Revenue bond covenant accounts	-	-	-
	<u>\$ 28,597,272</u>	<u>\$ 12,791,991</u>	<u>\$ 41,389,263</u>
Noncash capital financing activities:			
Acquisition and construction of capital assets through increase in accounts payable	<u>\$ 252,295</u>	<u>\$ (20,934)</u>	<u>\$ 231,361</u>
Capital contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION



Electric Utility
Number and Percent of Customer Accounts by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	5,955	5,899	5,825	5,815	5,738
Commercial/					
Industrial	965	940	900	841	831
Street Lights	<u>90</u>	<u>91</u>	<u>91</u>	<u>93</u>	<u>96</u>
Total	7,010	6,930	6,816	6,749	6,665

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	85.0%	85.1%	85.5%	86.2%	86.1%
Commercial/					
Industrial	13.8%	13.6%	13.2%	12.5%	12.5%
Street Lights	<u>1.2%</u>	<u>1.3%</u>	<u>1.3%</u>	<u>1.3%</u>	<u>1.4%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Electric Utility
Number and Percent of Customer Accounts by Location
Fiscal Years Ending June 30, 2018 through June 30, 2022
(Excluding Street Lighting Customers)

<u>Location</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City	2,817	2,834	2,780	2,775	2,787
Outside city	<u>4,193</u>	<u>3,997</u>	<u>3,937</u>	<u>3,881</u>	<u>3,782</u>
Total	7,010	6,831	6,717	6,656	6,569

<u>Location</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City	40.2%	41.5%	41.4%	41.7%	42.4%
Outside city	<u>59.8%</u>	<u>58.5%</u>	<u>58.6%</u>	<u>58.3%</u>	<u>57.6%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Water Utility
Number and Percent of Customer Accounts by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	2,381	2,338	2,336	2,310	2,314
Commercial/ Industrial	486	495	477	488	487
Contractual	2	2	2	2	2
Fire Protection	122	122	122	112	108
Total	2,991	2,957	2,937	2,912	2,911

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	79.6%	79.1%	79.5%	79.3%	79.5%
Commercial/ Industrial	16.1%	16.6%	16.1%	16.7%	16.6%
Contractual	0.1%	0.1%	0.1%	0.1%	0.1%
Fire Protection	4.2%	4.2%	4.3%	3.9%	3.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Water Utility
Number and Percent of Customer Accounts by Location
Fiscal Years Ending June 30, 2018 through June 30, 2022
(Excluding Fire Protection Customers)

<u>Location</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City	2,029	2,011	2,002	1,994	2,004
Outside city	838	824	813	806	799
Total	2,867	2,835	2,815	2,800	2,803

<u>Location</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City	70.8%	70.9%	71.1%	71.2%	71.5%
Outside city	29.2%	29.1%	28.9%	28.8%	28.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Electric Utility
Power Purchased, Sold, and System Losses
Fiscal Years Ending June 30, 2018 through June 30, 2022

	2022	2021	2020	2019	2018
MWH* Produced					
At Zeeland Diesel Plant	1,747	2,259	3,452	2,526	2,880
MWH Purchased					
NANR** and Wind***	41,587	67,994	37,216	22,390	19,626
Belle River and Backup	20,913	60,277	38,693	60,758	58,440
Power Contract Purchases	<u>371,762</u>	<u>299,917</u>	<u>338,112</u>	<u>332,556</u>	<u>335,236</u>
Net Energy for System	436,009	430,447	417,473	418,230	416,182
MWH Sold	<u>420,897</u>	<u>412,095</u>	<u>399,210</u>	<u>408,237</u>	<u>392,159</u>
Distribution Losses****	15,112	18,352	18,263	9,993	24,023
Losses as a Percent of Net Energy	3.47%	4.26%	4.37%	2.39%	5.77%

Electric Utility
Demand History
Fiscal Years Ending June 30, 2018 through June 30, 2022

	2022	2021	2020	2019	2018
Average System Demand (KW)	49,760	49,181	47,657	47,743	47,509
System Peak Demand (KW)	84,137	81,027	77,600	80,400	79,200
Annual Load Factor	59.1%	60.7%	61.4%	59.4%	60.0%

*Megawatt hours (1,000 kilowatt-hours (kWh))

**NANR - North American Natural Resources

***Beebe & Pegasus Windfarms

**** Includes unmetered sales (i.e. street lighting) and Zeeland Diesel Plant usage

Water Utility
Water Purchased, Sold, and System Losses
Fiscal Years Ending June 30, 2018 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
1,000 Gallons Purchased	2,260,062	2,043,771	2,173,340	1,973,087	2,105,786
1,000 Gallons Sold	<u>2,259,550</u>	<u>2,040,085</u>	<u>2,233,422</u>	<u>1,872,294</u>	<u>2,039,435</u>
Distribution Losses	512	3,686	(60,082)	100,793	66,351
Losses as a Percent of Purchased	0.02%	0.18%	-2.76%	5.11%	3.15%

Water Utility
Demand History
Fiscal Years Ending June 30, 2018 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Average Daily Purchase (MGD)*	6.19	5.60	5.95	5.41	5.77
Peak Daily Purchase (MGD)*	10.87	10.58	10.24	10.20	10.02
Annual Load Factor	57.0%	52.9%	58.1%	53.0%	57.6%

*Million gallons per day

Electric Utility
MWH Sold and Percent Sold by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	51,569	47,291	47,038	45,440	45,698
Commercial/					
Industrial	<u>369,328</u>	<u>351,919</u>	<u>361,199</u>	<u>346,719</u>	<u>340,104</u>
Total	420,897	399,210	408,237	392,159	385,802

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	12.3%	11.8%	11.5%	11.6%	11.8%
Commercial/					
Industrial	<u>87.7%</u>	<u>88.2%</u>	<u>88.5%</u>	<u>88.4%</u>	<u>88.2%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Electric Utility
Net Electric Sales Revenue and Percent of Revenue by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	\$ 4,780,262	\$ 4,250,105	\$ 4,175,222	\$ 4,091,076	\$ 4,048,407
Commercial/					
Industrial	27,449,385	24,941,899	25,300,348	25,718,046	24,804,316
Street Lights	<u>121,234</u>	<u>125,962</u>	<u>126,543</u>	<u>124,345</u>	<u>122,154</u>
Total	\$ 32,350,881	\$ 29,317,966	\$ 29,602,113	\$ 29,933,467	\$ 28,974,877

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	14.8%	14.5%	14.1%	13.7%	14.0%
Commercial/					
Industrial	84.8%	85.1%	85.5%	85.9%	85.6%
Street Lights	<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Water Utility
Water Sold (1,000 gallons) and Percent Sold by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	154,382	163,761	146,297	143,748	147,168
Commercial/					
Industrial	471,665	450,357	453,732	451,114	474,705
Contractual	<u>1,633,191</u>	<u>1,425,967</u>	<u>1,633,393</u>	<u>1,277,432</u>	<u>1,417,562</u>
Total	2,259,238	2,040,085	2,233,422	1,872,294	2,039,435

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	6.8%	8.0%	6.6%	7.7%	7.2%
Commercial/					
Industrial	20.9%	22.1%	20.3%	24.1%	23.3%
Contractual	<u>72.3%</u>	<u>69.9%</u>	<u>73.1%</u>	<u>68.2%</u>	<u>69.5%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Water Utility
Water Sales Revenue and Percent of Revenue by Classification
Fiscal Years Ending June 30, 2018 through June 30, 2022

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	\$ 650,816	\$ 581,635	\$ 551,048	\$ 568,362	\$ 561,393
Commercial/					
Industrial	1,251,341	1,226,963	1,256,892	1,310,785	1,327,607
Contractual	3,202,489	3,102,380	2,749,379	2,826,773	2,910,486
Fire Protection	<u>155,386</u>	<u>132,016</u>	<u>147,201</u>	<u>142,883</u>	<u>137,833</u>
Total	\$ 5,260,032	\$ 5,042,994	\$ 4,704,520	\$ 4,848,803	\$ 4,937,319

<u>Classification</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Residential	12.4%	11.5%	11.7%	11.7%	11.4%
Commercial/					
Industrial	23.8%	24.3%	26.7%	27.0%	26.9%
Contractual	60.9%	61.5%	58.4%	58.3%	58.9%
Fire Protection	<u>2.9%</u>	<u>2.7%</u>	<u>3.2%</u>	<u>3.0%</u>	<u>2.8%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Electric Utility
Historical Increase in Net Position and Cash Flow
Fiscal Years Ending June 30, 2018 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 32,476,368	\$ 29,882,255	\$ 28,960,939	\$ 29,169,314	\$ 29,571,839
Operating Expenses (Including Depreciation)	<u>33,501,652</u>	<u>28,849,299</u>	<u>27,327,505</u>	<u>27,359,497</u>	<u>26,849,011</u>
Operating Income	(1,025,284)	1,032,956	1,633,434	1,809,817	2,722,828
Non-Operating Revenues	(4,252,440)	4,331,074	2,827,202	2,479,564	1,226,144
Non-Operating Expenses	-	-	229,277	-	-
Contributed Capital	81,488	68,241	81,977	153,933	678,934
Transfers In	-	-	-	-	-
Transfers Out	<u>507,712</u>	<u>543,870</u>	<u>500,956</u>	<u>484,811</u>	<u>475,708</u>
Increase in Net Position	(5,703,948)	4,888,401	3,812,380	3,958,503	4,152,198
Plus Depreciation	2,363,231	2,374,940	2,437,535	2,379,436	2,212,300
Plus Interest Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue Available for Debt Service	<u>\$ (3,340,717)</u>	<u>\$ 7,263,341</u>	<u>\$ 6,249,915</u>	<u>\$ 6,337,939</u>	<u>\$ 6,364,498</u>
Annual Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service Coverage Ratio	N/A	N/A	N/A	N/A	N/A

Water Utility
Historical Increase in Net Position and Cash Flow
Fiscal Years Ending June 30, 2018 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 5,294,272	\$ 5,148,357	\$ 5,053,897	\$ 4,715,808	\$ 4,859,561
Operating Expenses (Including Depreciation)	<u>3,654,095</u>	<u>3,654,095</u>	<u>3,602,807</u>	<u>3,678,256</u>	<u>3,454,861</u>
Operating Income	1,640,177	1,494,262	1,451,090	1,037,552	1,404,700
Non-Operating Revenues	(554,522)	121,429	543,811	422,699	91,480
Non-Operating Expenses	-	(3,367)	16,346	28,687	40,404
Contributed Capital	77,391	67,640	56,536	149,040	48,039
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase in Net Position	1,163,046	1,686,698	2,035,091	1,580,604	1,503,815
Plus Depreciation	731,948	634,792	734,164	714,602	700,048
Plus Interest Expense	<u>-</u>	<u>3,367</u>	<u>16,346</u>	<u>28,687</u>	<u>40,404</u>
Revenue Available for Debt Service	<u>\$ 1,894,994</u>	<u>\$ 2,324,857</u>	<u>\$ 2,785,601</u>	<u>\$ 2,323,893</u>	<u>\$ 2,244,267</u>
Annual Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 291,484</u>	<u>\$ 294,224</u>	<u>\$ 291,395</u>
Debt Service Coverage Ratio	N/A	N/A	9.56	7.90	7.70

TEN LARGEST ELECTRIC CUSTOMERS
FISCAL YEAR
July, 2021 - June, 2022

NAME	DESCRIPTION	KWH	PERCENT OF TOTAL KWH	REVENUE	PERCENT OF TOTAL REVENUE
Gentex Corporation	Automotive and Glass Parts	171,636,539	40.8%	\$11,794,894	37.3%
RB - Reckitt-Benckiser*	Infant Formula	55,794,000	13.3%	\$3,688,620	11.7%
Herman Miller, Inc.	Institutional Furniture	27,545,664	6.5%	\$1,971,751	6.2%
Plascore Inc.	Structural Honeycomb Products	16,032,120	3.8%	\$1,170,904	3.7%
Zeeland Public Schools	Education	12,827,344	3.0%	\$1,029,385	3.3%
ITW Drawform	Stamping Operations	10,310,400	2.4%	\$803,525	2.5%
Vertellus Chemical	Chemicals	8,836,846	2.1%	\$583,423	1.8%
Stone Plastics	Plastic Thermoformers	7,651,800	1.8%	\$580,563	1.8%
Woodward FST	Fuel Systems Parts	7,192,700	1.7%	\$609,482	1.9%
ODL Inc	Glass and Skylights	6,557,360	1.6%	\$558,763	1.8%
		324,384,773	77.1%	\$22,791,310	72.0%
Total KWH		420,904,158			
Total Revenue		\$31,658,400			
		(includes sales tax)			

TEN LARGEST WATER CUSTOMERS
FISCAL YEAR
July, 2021 - June, 2022

NAME	DESCRIPTION	1,000 GALLONS	PERCENT OF TOTAL GALS.	REVENUE	PERCENT OF TOTAL REVENUE
Consumers Energy	Power Generation	665,577	30.0%	\$1,686,477	31.9%
RB - Reckitt-Benckiser*	Infant Formula	604,138	27.2%	\$1,513,147	28.7%
Gentex Corporation	Automotive and Glass Parts	225,759	10.2%	\$622,657	11.8%
Plascore Inc.	Structural Honeycomb Products	30,723	1.4%	\$93,217	1.8%
Herman Miller, Inc.	Institutional Furniture	28,785	1.3%	\$69,758	1.3%
Vertellus Chemical	Chemicals	21,531	1.0%	\$64,335	1.2%
City of Zeeland	Government	20,517	0.9%	\$72,479	1.4%
ITW Drawform	Stamping Operations	13,077	0.6%	\$25,074	0.5%
Royal Park	Condominiums	13,031	0.6%	\$57,505	1.1%
Zeeland Public Schools	Education	6,713	0.3%	\$35,506	0.7%
		1,629,851	73.3%	\$4,240,155	80.3%
	Total 1,000 Gallons	2,222,292			
	Total Revenue from Sales	\$5,279,292			

* formerly Mead Johnson

Electric Rate Summary

Effective July 1, 2021

Rate A: Residential

Service Charge:	\$12.50 per month
Energy Optimization Fee:	\$0.50 per month
Energy Charge:	6.36¢ per kwh

Rate B: General Secondary Service

Service Charge:	\$26.50 per month
Energy Optimization Fee:	\$3.50 per month
Energy Charge:	7.78¢ per kwh

Rate C: Secondary Rate – Energy & Demand

(Minimum kW: 60% of highest past 11 months or minimum of 5 kw = \$55.00)

Facilities Charge:	\$35.00 per month
Capacity Charge:	\$14.00 per kW of billing demand
Energy Optimization Fee:	\$32.50 per month
Energy Charge:	3.51¢ per kWh

Rate D: Primary Rate – Energy & Demand

(Minimum kW: 60% of highest past 11 months or minimum of 25 kw = \$250.00)

Facilities Charge:	\$75.00 per month
Capacity Charge:	\$11.50 per kW of billing demand
Energy Optimization Fee:	\$.00065 per kWh per month
Energy Charge:	3.68¢ per kWh

Rate E: Vehicle Charging Station Rate

Energy Charge:	.10¢ per kwh
----------------	--------------

Fuel and Purchased Power Cost Adjustment: The fuel and purchased power cost adjustment shall consist of an increase or decrease of 0.0106 mills per kWh for each full 0.01 mill per kWh that the previous 12-month average cost of fuel and purchased power is above or below 45.00 mills per kWh delivered to the distribution system.

The adjustment shall apply to the second billing month following the calendar month in which the fuel is burned and/or the energy is produced.

Power Factor: If the average power factor during the billing period is .900 or higher, the capacity charge will be reduced by 2%. The credit shall not be used to reduce the minimum charge or the capacity charge when based upon 60% of the highest billing demand of the preceding 11 months.

If the average power factor during the billing period is less than .800, the capacity charge will be increased by the ratio between .800 and the customer's average power factor during the billing period.

Energy Optimization Fee: This fee is designed to recover Energy Optimization Program costs, as required by 2008 PA 295.

Water Rate Summary

Effective July 1, 2022

Readiness to Serve Charges

Monthly readiness to serve charges are based on size of meter used and does not include the purchase of water.

<u>Meter Size (inches)</u>	<u>Readiness to Serve Charge</u>
5/8	\$10.15
3/4	14.50
1	25.00
1 ½	49.00
2	90.00
3	166.00
4	257.00
6	625.00
8	1,290.00
10	1,930.00

Commodity Charges

\$1.59/ccf

Note: *A ccf is one hundred cubic feet or approximately 748 gallons.*

Fire Protection Charges

Monthly charges for fire protection are based on size (diameter) of each service line. If the service is supplied with a fire booster pump, the rate is multiplied by 1.5.

<u>Service Line Size (inches)</u>	<u>Fire Protection Charge</u>
4	\$30.00
6	67.50
8	120.00
10	187.50
12	270.00

Meter Cost:

5/8"	\$384.00
3/4"	492.00
1"	557.00
1½"	1,710.00
2"	1,944.00
3"	2,578.00
4"	4,445.00
6"	6,008.00

APPENDIX A

City of Zeeland
General and Tax Information
For the Fiscal Year Ended June 30, 2022

City of Zeeland, Michigan
NET POSITION BY COMPONENT
2013 Through 2022
(Accrual Basis of Accounting)

Table 1

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 20,241,179	\$ 21,793,492	\$ 22,694,504	\$ 22,334,843	\$ 23,242,145	\$ 24,218,735	\$ 24,784,918	\$ 26,986,232	\$ 28,941,899	\$ 29,800,858
Restricted	1,177,876	1,502,232	1,546,618	1,426,314	1,580,631	1,967,961	2,006,294	2,139,349	2,437,706	2,191,505
Unrestricted	9,140,944	9,250,278	8,440,129	11,551,188	10,373,840	12,035,964	16,071,098	19,162,432	20,071,050	20,411,617
Total Governmental activities net position	<u>\$ 30,559,999</u>	<u>\$ 32,546,002</u>	<u>\$ 32,681,251</u>	<u>\$ 35,312,345</u>	<u>\$ 35,196,616</u>	<u>\$ 38,222,660</u>	<u>\$ 42,862,310</u>	<u>\$ 48,288,013</u>	<u>\$ 51,450,655</u>	<u>\$ 52,403,980</u>
Business-type activities										
Net investment in capital assets	\$ 49,993,626	\$ 50,399,270	\$ 51,055,653	\$ 56,171,397	\$ 64,526,732	\$ 66,745,472	\$ 67,376,918	\$ 67,781,191	\$ 70,808,114	\$ 76,295,569
Restricted	648,000	506,500	506,500	506,500	131,000	131,000	131,000	131,000	-	-
Unrestricted	46,139,064	50,440,046	55,545,473	59,066,855	62,622,354	67,537,879	72,809,502	78,533,454	82,733,164	72,615,030
Total Business-type activities net position	<u>\$ 96,780,690</u>	<u>\$ 101,345,816</u>	<u>\$ 107,107,626</u>	<u>\$ 115,744,752</u>	<u>\$ 127,280,086</u>	<u>\$ 134,414,351</u>	<u>\$ 140,317,420</u>	<u>\$ 146,445,645</u>	<u>\$ 153,541,278</u>	<u>\$ 148,910,599</u>
Primary government										
Net investment in capital assets	\$ 70,234,805	\$ 72,192,762	\$ 73,750,157	\$ 78,506,240	\$ 87,768,877	\$ 90,964,207	\$ 92,161,836	\$ 94,767,423	\$ 99,750,013	\$ 106,096,427
Restricted	1,825,876	2,008,732	2,053,118	1,932,814	1,711,631	2,098,961	2,137,294	2,270,349	2,437,706	2,191,505
Unrestricted	55,280,008	59,690,324	63,985,602	70,618,043	72,996,194	79,573,843	88,880,600	97,695,886	102,804,214	93,026,647
Total primary government net position	<u>\$ 127,340,689</u>	<u>\$ 133,891,818</u>	<u>\$ 139,788,877</u>	<u>\$ 151,057,097</u>	<u>\$ 162,476,702</u>	<u>\$ 172,637,011</u>	<u>\$ 183,179,730</u>	<u>\$ 194,733,658</u>	<u>\$ 204,991,933</u>	<u>\$ 201,314,579</u>

City of Zeeland, Michigan
CHANGES IN NET POSITION
2013 Through 2022
(Accrual Basis of Accounting)

Table 2

	2013	2014	2015	Fiscal 2016	Year 2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 1,330,427	\$ 1,204,672	\$ 1,451,134	\$ 1,677,112	\$ 4,639,608	\$ 1,238,888	\$ 941,045	\$ 1,319,815	\$ 1,403,656	\$ 1,561,617
Public safety	2,027,444	2,092,742	2,028,024	2,234,915	2,382,754	2,377,811	2,078,373	2,621,439	2,958,128	3,323,528
Public works	2,201,071	2,425,866	2,304,557	2,272,784	2,357,863	2,319,722	2,999,642	2,332,812	2,341,032	2,926,529
Community and economic development	201,912	231,602	232,060	202,196	636,877	1,235,525	286,634	352,185	426,869	366,480
Recreation and culture	1,284,291	1,281,575	1,209,681	1,404,354	1,310,376	1,670,460	1,440,473	1,715,592	1,777,227	1,940,139
Interest on long-term debt	91,576	80,111	69,159	72,706	29,450	25,803	16,648	19,265	16,704	14,140
Total governmental activities	<u>7,136,721</u>	<u>7,316,568</u>	<u>7,294,615</u>	<u>7,864,067</u>	<u>11,356,928</u>	<u>8,868,209</u>	<u>7,762,815</u>	<u>8,361,108</u>	<u>8,923,616</u>	<u>10,132,433</u>
Business-type activities										
Electric utility	24,427,538	25,732,709	25,784,687	25,357,602	26,635,660	26,848,289	27,351,441	27,532,952	28,839,463	33,534,330
Water utility	3,036,953	3,096,375	3,124,707	3,041,971	3,420,902	3,495,061	3,704,557	3,612,335	3,654,921	3,871,796
Clean water utility	1,570,803	1,612,431	1,592,292	1,719,527	1,665,260	1,904,560	2,422,720	2,628,607	2,448,054	2,592,182
Total business-type activities	<u>29,035,294</u>	<u>30,441,515</u>	<u>30,501,686</u>	<u>30,119,100</u>	<u>31,721,822</u>	<u>32,247,910</u>	<u>33,478,718</u>	<u>33,773,894</u>	<u>34,942,438</u>	<u>39,998,308</u>
Total primary government expenses	<u>\$ 36,172,015</u>	<u>\$ 37,758,083</u>	<u>\$ 37,796,301</u>	<u>\$ 37,983,167</u>	<u>\$ 43,078,750</u>	<u>\$ 41,116,119</u>	<u>\$ 41,241,533</u>	<u>\$ 42,135,002</u>	<u>\$ 43,866,054</u>	<u>\$ 50,130,741</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 84,337	\$ 130,410	\$ 114,856	\$ 117,892	\$ 77,459	\$ 73,933	\$ 79,807	\$ 82,229	\$ 69,515	\$ 102,997
Public safety	88,002	68,953	83,468	146,081	175,081	126,124	187,539	171,740	175,103	278,181
Public works	28,066	29,005	30,616	30,616	30,036	28,565	29,235	37,405	3,771	3,202
Community and economic development	16,200	16,970	19,535	13,025	10,450	11,250	7,925	7,750	3,000	12,800
Recreation and culture	63,806	64,219	65,712	58,226	57,476	56,374	56,654	30,820	7,294	30,242
Operating grants and contributions	869,391	997,585	976,554	1,019,656	1,457,266	1,248,416	1,274,670	1,232,862	1,562,592	1,437,409
Capital grants and contributions	206,360	1,200,919	386,433	76,044	515,017	1,242,803	403,206	1,694,603	53,380	12,225
Total governmental activities	<u>1,356,162</u>	<u>2,508,061</u>	<u>1,675,558</u>	<u>1,461,540</u>	<u>2,322,785</u>	<u>2,787,465</u>	<u>2,039,036</u>	<u>3,257,409</u>	<u>1,874,655</u>	<u>1,877,056</u>
Business-type activities										
Charges for services:										
Electric utility	26,499,960	27,695,141	28,756,581	28,472,474	28,585,328	29,571,839	29,169,314	28,960,939	29,882,255	32,476,368
Water utility	3,838,489	3,849,540	4,100,800	4,775,290	4,946,990	4,859,561	4,715,808	5,053,897	5,148,357	5,294,272
Clean water utility	1,821,018	1,821,983	1,977,052	2,269,045	2,373,458	2,652,379	2,850,437	2,910,240	3,114,195	3,009,343
Capital grants and contributions	2,955,063	86,489	1,958,200	3,238,095	6,412,924	1,873,927	341,292	161,314	210,834	398,226
Total business-type activities	<u>35,114,530</u>	<u>33,453,153</u>	<u>36,792,633</u>	<u>38,754,904</u>	<u>42,318,700</u>	<u>38,957,706</u>	<u>37,076,851</u>	<u>37,086,390</u>	<u>38,355,641</u>	<u>41,178,209</u>
Total primary government program revenues	<u>\$ 36,470,692</u>	<u>\$ 35,961,214</u>	<u>\$ 38,468,191</u>	<u>\$ 40,216,444</u>	<u>\$ 44,641,485</u>	<u>\$ 41,745,171</u>	<u>\$ 39,115,887</u>	<u>\$ 40,343,799</u>	<u>\$ 40,230,296</u>	<u>\$ 43,055,265</u>
Net (Expense) Revenue										
Governmental activities	\$ (5,780,559)	\$ (4,808,507)	\$ (5,619,057)	\$ (6,402,527)	\$ (9,034,143)	\$ (6,080,744)	\$ (5,723,779)	\$ (5,103,699)	\$ (7,048,961)	\$ (8,255,377)
Business-type activities	<u>6,079,236</u>	<u>3,011,638</u>	<u>6,290,947</u>	<u>8,635,804</u>	<u>10,596,878</u>	<u>6,709,796</u>	<u>3,598,133</u>	<u>3,312,496</u>	<u>3,413,203</u>	<u>1,179,901</u>
Total primary government net (expense) revenue	<u>\$ 298,677</u>	<u>\$ (1,796,869)</u>	<u>\$ 671,890</u>	<u>\$ 2,233,277</u>	<u>\$ 1,562,735</u>	<u>\$ 629,052</u>	<u>\$ (2,125,646)</u>	<u>\$ (1,791,203)</u>	<u>\$ (3,635,758)</u>	<u>\$ (7,075,476)</u>

(Continued)

City of Zeeland, Michigan
CHANGES IN NET POSITION
2013 Through 2022
(Accrual Basis of Accounting)

Table 2

	2013	2014	2015	Fiscal 2016	Year 2017	2018	2019	2020	2021	2022
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Property taxes	\$ 5,219,090	\$ 5,407,437	\$ 5,859,893	\$ 7,508,973	\$ 6,467,282	\$ 5,830,798	\$ 5,962,693	\$ 6,072,851	\$ 5,640,426	\$ 5,729,828
State shared revenue	478,910	486,782	497,656	497,290	1,041,680	2,507,846	3,259,489	2,660,944	3,040,816	3,057,340
Investment earnings	(52,662)	164,029	117,220	154,933	91,351	116,944	602,097	786,652	533,833	(709,572)
Gain on sale of capital assets	69,844	-	23,955	-	35,925	21,870	11,109	14,725	-	141,523
Other	113,770	116,387	131,555	215,412	780,227	158,685	151,045	139,392	113,858	138,054
Contributions to permanent funds	40,312	41,950	50,860	35,175	49,455	30,350	54,775	58,725	84,175	55,875
Transfers - internal activities	560,210	577,925	620,970	621,838	452,494	676,055	322,221	796,113	798,495	795,654
Total governmental activities	6,429,474	6,794,510	7,302,109	9,033,621	8,918,414	9,342,548	10,363,429	10,529,402	10,211,603	9,208,702
Business-type activities										
Investment earnings	513,713	2,020,729	786,015	542,351	1,278,877	1,226,418	2,975,607	3,452,551	4,340,470	(5,082,680)
Gain (loss) on sale of capital assets	(88)	-	20,000	3,204	14,239	37,500	30,250	15,025	27,500	20,346
Other	144,126	110,684	88,272	77,605	97,834	70,143	71,300	144,266	112,955	47,408
Transfers - internal activities	(560,210)	(577,925)	(620,970)	(621,838)	(452,494)	(676,055)	(772,221)	(796,113)	(798,495)	(795,654)
Total business-type activities	97,541	1,553,488	273,317	1,322	938,456	658,006	2,304,936	2,815,729	3,682,430	(5,810,580)
Total primary government	\$ 6,527,015	\$ 8,347,998	\$ 7,575,426	\$ 9,034,943	\$ 9,856,870	\$ 10,000,554	\$ 12,668,365	\$ 13,345,131	\$ 13,894,033	\$ 3,398,122
Changes in Net Position										
Governmental activities	\$ 648,915	\$ 1,986,003	\$ 1,683,052	\$ 2,631,094	\$ (115,729)	\$ 3,261,804	\$ 4,639,650	\$ 5,425,703	\$ 3,162,642	\$ 953,325
Business-type activities	6,176,777	4,565,126	6,564,264	8,637,126	11,535,334	7,367,802	5,903,069	6,128,225	7,095,633	(4,630,679)
Total Change in Net Position	\$ 6,825,692	\$ 6,551,129	\$ 8,247,316	\$ 11,268,220	\$ 11,419,605	\$ 10,629,606	\$ 10,542,719	\$ 11,553,928	\$ 10,258,275	\$ (3,677,354)

City of Zeeland, Michigan
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 3

Fiscal Year Ended June 30	General Property Tax	West Michigan Airport Authority	Municipal Streets	Brownfield Development Authority	Debt Service
2013	\$ 4,986,610	\$ 46,122	\$ -	\$ 24,867	\$ 161,491
2014	5,168,240	47,783	-	24,155	167,259
2015	5,625,795	52,003	-	-	182,095
2016	7,126,480	63,828	318,665 ¹	-	-
2017	6,048,578	60,639	358,065	-	-
2018	5,537,143	49,503	244,152	-	-
2019	5,582,429	49,974	330,290	-	-
2020	5,693,846	50,281	328,724	-	-
2021	5,251,067	50,919	338,440	-	-
2022	5,324,618	51,953	353,257	-	-

¹ First year of tax

City of Zeeland, Michigan
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 10,093	\$ 8,500	\$ 12,230	\$ 11,342	\$ 11,700	\$ 16,157
Committed	205,000	-	-	-	-	-	-	-	-	-
Assigned	36,027	30,141	32,738	30,389	2,093,600	540,874	561,593	554,885	524,778	524,514
Unassigned	<u>3,409,109</u>	<u>3,576,628</u>	<u>2,909,387</u>	<u>3,219,936</u>	<u>3,392,238</u>	<u>3,803,069</u>	<u>4,273,007</u>	<u>4,691,918</u>	<u>4,829,225</u>	<u>4,956,778</u>
Total General Fund	<u>\$ 3,650,136</u>	<u>\$ 3,606,769</u>	<u>\$ 2,942,125</u>	<u>\$ 3,250,325</u>	<u>\$ 5,495,931</u>	<u>\$ 4,352,443</u>	<u>\$ 4,846,830</u>	<u>\$ 5,258,145</u>	<u>\$ 5,365,703</u>	<u>\$ 5,497,449</u>
All Other Governmental Funds										
Nonspendable										
Permanent Fund	\$ 967,985	\$ 1,080,479	\$ 1,122,518	\$ 1,095,970	\$ 1,145,425	\$ 1,175,775	\$ 1,230,550	\$ 1,289,275	\$ 1,373,450	\$ 1,429,325
Special Revenue Funds	-	-	-	-	5,369	5,089	6,166	3,817	3,783	5,485
Restricted										
Special Revenue Funds	104,276	359,029	201,579	207,995	315,964	334,750	506,146	598,211	435,575	418,997
Debt Service Funds	7,187	6,246	4,753	2,402	-	-	-	-	-	-
Capital Projects Funds	-	-	146,359	-	-	-	-	-	-	-
Permanent Fund	98,428	56,478	76,162	122,348	119,242	457,436	269,598	251,863	628,681	343,183
Committed										
Special Revenue Funds	869,882	-	-	-	-	-	-	-	-	-
Capital Projects Funds	170,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Assigned										
Special Revenue Funds	1,106,883	1,272,527	2,284,255	4,248,658	2,117,329	3,084,749	3,534,868	3,816,912	3,868,754	3,389,131
Debt Service Funds	-	-	-	-	2,160	3,956	-	-	-	-
Capital Projects Funds	<u>99,846</u>	<u>661,608</u>	<u>817,294</u>	<u>1,433,960</u>	<u>1,177,929</u>	<u>2,669,188</u>	<u>3,683,675</u>	<u>5,955,474</u>	<u>6,495,001</u>	<u>8,311,242</u>
Total All Other Governmental Funds	<u>\$ 3,424,487</u>	<u>\$ 3,451,367</u>	<u>\$ 4,667,920</u>	<u>\$ 7,126,332</u>	<u>\$ 4,898,418</u>	<u>\$ 7,745,943</u>	<u>\$ 9,246,003</u>	<u>\$ 11,930,552</u>	<u>\$ 12,820,244</u>	<u>\$ 13,912,363</u>

City of Zeeland, Michigan
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 5

	2013	2014	2015	Fiscal 2016	Year 2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 5,219,090	\$ 5,407,437	\$ 5,859,893	\$ 7,508,973	\$ 6,467,282	\$ 5,830,798	\$ 5,962,693	\$ 6,072,851	\$ 5,640,426	\$ 5,729,828
Licenses and permits	140,592	125,346	147,211	206,881	239,148	187,646	243,056	231,779	230,494	333,149
Intergovernmental:										
Federal Grants	-	-	-	-	130,662	425,764	-	-	224,348	-
State Shared Revenue	909,955	962,932	967,782	988,614	1,599,391	3,233,286	3,945,070	3,403,039	3,798,760	3,896,080
State Grants	-	790,544	266,705	62,711	39,955	8,454	72,180	1,678,357	103,557	1,627
Local unit contributions	340,388	364,091	358,937	344,262	473,707	429,197	792,444	407,258	426,139	474,978
Charges for services	111,675	117,284	139,852	111,046	106,421	93,777	122,196	128,779	127,480	131,266
Fines and forfeitures	86,896	79,868	64,735	76,316	60,765	47,718	49,615	31,800	30,535	38,680
Investment earnings	(44,116)	137,118	100,845	139,908	87,601	104,634	493,560	641,108	528,191	(573,843)
Other	414,116	486,212	394,359	405,131	1,363,098	837,778	279,784	235,458	172,191	252,545
	<u>7,178,596</u>	<u>8,470,832</u>	<u>8,300,319</u>	<u>9,843,842</u>	<u>10,568,030</u>	<u>11,199,052</u>	<u>11,960,598</u>	<u>12,830,429</u>	<u>11,282,121</u>	<u>10,284,310</u>
Expenditures										
General government	1,230,499	1,238,800	1,408,903	1,546,082	1,929,137	1,434,888	1,278,864	1,355,661	1,392,205	1,279,226
Public safety	1,948,989	2,054,458	2,093,191	2,226,174	2,181,624	2,339,371	2,481,737	2,664,415	2,850,967	3,041,451
Public works	2,510,730	1,301,500	1,596,398	1,169,438	1,297,093	1,369,018	1,293,920	1,128,958	1,203,267	1,513,263
Community and economic development	201,693	235,278	235,253	214,825	637,869	1,236,383	287,854	353,760	424,811	365,810
Recreation and culture	1,114,772	1,146,686	1,263,103	1,235,822	1,181,903	1,226,199	1,518,491	1,456,238	1,533,432	1,552,542
Insurance and other	496,664	15,265	11,734	12,890	2,183,536	514,633	672,333	190,810	6,786	12,084
Capital outlay	38,646	2,625,421	1,403,717	1,122,870	1,836,320	1,793,859	2,732,600	3,805,930	3,484,554	1,951,942
Debt service:										
Principal	365,000	365,000	385,000	200,000	225,000	230,000	230,000	125,000	125,000	125,000
Interest	94,876	82,836	72,081	24,850	30,350	26,719	17,573	19,906	17,344	14,781
Bond issuance costs	-	-	-	29,720	-	-	-	-	-	-
	<u>8,001,869</u>	<u>9,065,244</u>	<u>8,469,380</u>	<u>7,782,671</u>	<u>11,502,832</u>	<u>10,171,070</u>	<u>10,513,372</u>	<u>11,100,678</u>	<u>11,038,366</u>	<u>9,856,099</u>
Excess of Revenues Over (Under) Expenditures	<u>(823,273)</u>	<u>(594,412)</u>	<u>(169,061)</u>	<u>2,061,171</u>	<u>(934,802)</u>	<u>1,027,982</u>	<u>1,447,226</u>	<u>1,729,751</u>	<u>243,755</u>	<u>428,211</u>
Other Financing Sources (Uses)										
Bonds issued	-	-	-	1,280,000	-	-	-	-	-	-
Payment to refunding escrow	-	-	-	(1,271,397)	-	-	-	-	-	-
Transfers in	2,985,022	3,071,103	3,988,875	4,463,338	6,540,550	5,860,397	6,029,065	6,436,865	6,265,383	5,755,191
Transfers out	(1,935,000)	(2,493,178)	(3,267,905)	(3,766,500)	(5,588,056)	(5,184,342)	(5,481,844)	(5,070,752)	(5,511,888)	(4,959,537)
Total Other Financing Sources (Uses)	<u>1,050,022</u>	<u>577,925</u>	<u>720,970</u>	<u>705,441</u>	<u>952,494</u>	<u>676,055</u>	<u>547,221</u>	<u>1,366,113</u>	<u>753,495</u>	<u>795,654</u>
Net Changes in Fund Balances	<u>\$ 226,749</u>	<u>\$ (16,487)</u>	<u>\$ 551,909</u>	<u>\$ 2,766,612</u>	<u>\$ 17,692</u>	<u>\$ 1,704,037</u>	<u>\$ 1,994,447</u>	<u>\$ 3,095,864</u>	<u>\$ 997,250</u>	<u>\$ 1,223,865</u>
Debt service as a percentage of noncapital expenditures	7.22%	7.34%	7.07%	3.89%	2.75%	3.23%	3.00%	2.02%	1.95%	1.79%

City of Zeeland, Michigan
STATE EQUALIZED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Ad Valorem Roll
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property			Personal Property		
	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value
2013	\$ 203,827,654	\$ 207,236,100	\$ 414,472,200	\$ 70,392,100	\$ 70,390,200	\$ 140,780,400
2014	204,606,102	208,069,700	416,139,400	75,437,900	75,435,800	150,871,600
2015	208,192,079	218,479,400	436,958,800	147,731,000	147,731,000	295,462,000
2016	225,789,218	245,494,500	490,989,000	329,845,400	329,837,500	659,675,000
2017	232,110,039	264,214,600	528,429,200	305,666,500	305,662,600	611,325,200
2018	227,644,358	276,169,000	552,338,000	282,861,800	282,857,600	565,715,200
2019	233,327,002	283,047,100	566,094,200	232,913,400	232,913,400	465,826,800
2020	246,389,208	317,960,800	635,921,600	228,897,100	228,896,700	457,793,400
2021	260,093,249	354,390,850	708,781,700	227,505,300	227,599,500	455,199,000
2022	273,689,013	387,876,800	775,753,600	225,379,700	225,528,100	451,056,200

Source: City of Zeeland

The City is authorized by Charter to levy 15 mills for operations. The maximum allowable millage rate after Headlee Rollback reduction is 14.0672 for 2022.

The City is authorized by vote to levy unlimited tax for debt.

Valuations are stated as of the March Board of Review.

Taxable property is assessed initially by the city assessing officials, then equalized by Ottawa County and finally by the State. In accordance with Act 409, P.A. 1965, and Article IX, Section 3 of the Michigan Constitution, State Equalized Value ("SEV") represents 50% of true cash value.

On March 15, 1994, the people of the State of Michigan approved an amendment to the Michigan Constitution. The Amendment and implementing legislation limit the growth in assessments ("capped value") for each parcel of property to the percentage change in State Equalized Value, the rate of inflation, or 5%, whichever is less. When ownership of the parcel of property is transferred as defined by law, the parcel shall be assessed at the applicable proportion of current true cash value. The lower of the "capped value" or SEV is the Taxable Value of each parcel.

State Equalized Value and Taxable Value do not include any value of tax exempt property or property granted abatement under either Act 198, Michigan Public Acts of 1974, as amended ("Act 198") or Act 255, Michigan Public Acts of 1978, as amended ("Act 255"). Such an abatement entitles a facility to exemption from ad valorem property taxes for a period of up to 12 years. In lieu of the property tax, the facility pays a reduced tax.

Table 6

Total Ad Valorem Taxable Property			Tax Rate Mills	Taxable Value as a Percentage of Actual Value
Taxable Value	State Equalized Value	Estimated Actual Value		
\$ 274,219,754	\$ 277,626,300	\$ 555,252,600	11.2354	49.39%
280,044,002	283,505,500	567,011,000	11.2354	49.39%
355,923,079	366,210,400	732,420,800	11.2354	48.60%
555,634,618	575,332,000	1,150,664,000	11.2354	48.29%
537,776,539	569,877,200	1,139,754,400	11.2354	47.18%
510,506,158	559,026,600	1,118,053,200	11.2354	45.66%
466,240,402	515,960,500	1,031,921,000	11.2354	45.18%
475,286,308	546,857,500	1,093,715,000	11.2354	43.46%
487,598,549	581,990,350	1,163,980,700	10.2354	41.89%
499,068,713	613,404,900	1,226,809,800	10.2347	40.68%

City of Zeeland, Michigan
STATE EQUALIZED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Industrial Facilities Tax Roll
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property - IFT Roll			Personal Property - IFT Roll		
	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value
2013	\$ 259,049,200	\$ 259,049,200	\$ 518,098,400	\$ 115,856,300	\$ 115,856,300	\$ 231,712,600
2014	270,407,787	270,414,700	540,829,400	124,789,300	124,789,300	249,578,600
2015	41,546,215	42,066,800	84,133,600	286,822,100	286,822,100	573,644,200
2016	41,708,547	42,725,700	85,451,400	124,410,500	124,410,500	248,821,000
2017	37,609,725	38,618,700	77,237,400	102,981,300	102,981,300	205,962,600
2018	45,391,345	45,546,600	91,093,200	46,953,900	46,953,900	93,907,800
2019	28,669,865	29,075,200	58,150,400	38,229,200	38,229,200	76,458,400
2020	29,163,504	31,688,100	63,376,200	26,649,900	26,649,900	53,299,800
2021	28,826,756	31,605,400	63,210,800	20,594,900	20,594,900	41,189,800
2022	33,387,557	36,742,200	73,484,400	15,639,200	15,639,200	31,278,400

The city is authorized by Charter to levy 15 mills for operations. The maximum allowable millage rate after Headlee Rollback reduction is 14.0672 for 2022.

The City is authorized by vote to levy unlimited tax for debt.

Valuations are stated as of the March Board of Review.

Taxable property is assessed initially by the city assessing officials, then equalized by Ottawa County and finally by the State. In accordance with Act 409, P.A. 1965, and Article IX, Section 3 of the Michigan Constitution, State Equalized Value ("SEV") represents 50% of true cash value.

On March 15, 1994, the people of the State of Michigan approved an amendment to the Michigan Constitution. The Amendment and implementing legislation limit the growth in assessments ("capped value") for each parcel of property to the percentage change in State Equalized Value, the rate of inflation, or 5%, whichever is less. When ownership of the parcel of property is transferred as defined by law, the parcel shall be assessed at the applicable proportion of current true cash value. The lower of the "capped value" or SEV is the Taxable Value of each parcel.

State Equalized Value and Taxable Value includes only the value of property granted abatement under either Act 198, Michigan Public Acts of 1974, as amended ("Act 198") or Act 255, Michigan Public Acts of 1978, as amended ("Act 255"). Such an abatement entitles a facility to exemption from ad valorem property taxes for a period of up to 12 years. In lieu of the property tax, the facility pays a reduced tax.

The State of Michigan is in the process of phasing out eligible manufacturing personal property and small businesses from tax rolls. 2020 marks the fifth year of this phase out.

Table 7

Total Taxable Property - IFT Roll			Tax Rate Mills	Taxable Value as a Percentage of Actual Value
Taxable Value	State Equalized Value	Estimated Actual Value		
\$ 374,905,500	\$ 374,905,500	\$ 749,811,000	5.6177	50.00%
395,197,087	395,204,000	790,408,000	5.6177	50.00%
328,368,315	328,888,900	657,777,800	5.6177	49.92%
166,119,047	167,136,200	334,272,400	5.6177	49.70%
140,591,025	141,600,000	283,200,000	5.6177	49.64%
92,345,245	92,500,500	185,001,000	5.6177	49.92%
66,899,065	67,304,400	134,608,800	5.6177	49.70%
55,813,404	58,338,000	116,676,000	5.6177	47.84%
49,421,656	52,200,300	104,400,600	5.1177	47.34%
49,026,757	52,381,400	104,762,800	5.1174	46.80%

City of Zeeland, Michigan
TAXABLE VALUE COMPONENTS BY CLASS
Ad Valorem Roll
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property - Ad Valorem Roll					Real Property Total
	Agriculture	Commercial	Industrial	Residential		
2013	\$ 49,516	\$ 32,099,665	\$ 70,578,452	\$ 101,100,021	\$ 203,827,654	
2014	50,704	30,978,221	72,098,092	101,479,085	204,606,102	
2015	51,515	31,379,638	74,167,945	102,592,981	208,192,079	
2016	52,339	32,231,927	88,186,931	105,318,021	225,789,218	
2017	52,496	31,193,047	93,019,745	107,844,751	232,110,039	
2018	52,968	31,311,385	84,812,757	111,467,248	227,644,358	
2019	54,080	32,760,551	84,043,898	116,468,473	233,327,002	
2020	55,377	35,482,296	87,323,380	123,528,155	246,389,208	
2021	213,129	36,336,143	94,068,478	129,475,499	260,093,249	
2022	198,719	37,935,846	98,851,674	136,702,774	273,689,013	

Source: City of Zeeland

Table 8

Personal Property - Ad Valorem Roll				Total	
Commercial	Industrial	Utility	Personal Property Total	Ad Valorem Roll Total	
\$ 5,823,000	\$ 62,538,000	\$ 2,031,100	\$ 70,392,100	\$ 274,219,754	
5,674,400	67,729,100	2,032,300	75,435,800	280,041,902	
3,980,700	141,712,600	2,037,700	147,731,000	355,923,079	
5,248,500	322,840,000	1,756,900	329,845,400	555,634,618	
5,847,000	298,092,000	1,727,500	305,666,500	537,776,539	
5,558,400	275,327,400	1,976,000	282,861,800	510,506,158	
5,522,400	225,397,700	1,993,300	232,913,400	466,240,402	
5,942,700	220,933,400	2,021,000	228,897,100	475,286,308	
6,785,100	217,295,700	3,424,500	227,505,300	487,598,549	
6,712,600	212,587,300	6,079,800	225,379,700	499,068,713	

City of Zeeland, Michigan
TAXABLE VALUE COMPONENTS BY CLASS
Industrial Facilities Tax Roll (Act 198 of 1974)
Last Ten Fiscal Years

Table 9

Fiscal Year Ended June 30	Industrial Facility Tax Roll			
	Real Property Industrial	Personal Property Industrial	Real Property Commercial	IFT Roll Total
2013	\$ 259,049,200	\$ 115,856,300	\$ -	\$ 374,905,500
2014	270,407,787	124,789,300	-	395,197,087
2015	41,546,215	286,822,100	-	328,368,315
2016	41,708,547	124,410,500	-	166,119,047
2017	37,609,725	102,981,300	-	140,591,025
2018	44,462,822	46,953,900	928,523	92,345,245
2019	27,459,163	38,229,200	1,210,702	66,899,065
2020	28,026,985	26,649,900	1,136,519	55,813,404
2021	27,678,161	20,594,900	1,148,595	49,421,656
2022	32,180,913	15,639,200	1,206,644	49,026,757

Source: City of Zeeland

City of Zeeland, Michigan
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Table 10

Fiscal Year Ended June 30 ¹		City				School			
		Operating	Debt	Airport	Total	Operating	Debt	State	Total
				Authority				Education Tax	
2013	H	10.7854	0.3500	0.1000	11.2354	1.4000	6.8300	6.0000	14.2300
2013	NH	10.7854	0.3500	0.1000	11.2354	19.4000	6.8300	6.0000	32.2300
2014	H	10.7854	0.3500	0.1000	11.2354	1.4000	6.8300	6.0000	14.2300
2014	NH	10.7854	0.3500	0.1000	11.2354	19.4000	6.8300	6.0000	32.2300
2015	H	10.7854	0.3500	0.1000	11.2354	1.4000	6.6300	6.0000	14.0300
2015	NH	10.7854	0.3500	0.1000	11.2354	19.4000	6.6300	6.0000	32.0300
2016	H	11.1354	-	0.1000	11.2354	1.4000	6.9500	6.0000	14.3500
2016	NH	11.1354	-	0.1000	11.2354	19.4000	6.9500	6.0000	32.3500
2017	H	11.1354	-	0.1000	11.2354	1.4000	7.3500	6.0000	14.7500
2017	NH	11.1354	-	0.1000	11.2354	19.4000	7.3500	6.0000	32.7500
2018	H	11.1354	-	0.1000	11.2354	1.4000	7.3500	6.0000	14.7500
2018	NH	11.1354	-	0.1000	11.2354	19.4000	7.3500	6.0000	32.7500
2019	H	11.1354	-	0.1000	11.2354	1.4000	7.4500	6.0000	14.8500
2019	NH	11.1354	-	0.1000	11.2354	19.4000	7.4500	6.0000	32.8500
2020	H	11.1354	-	0.1000	11.2354	1.3977	7.4500	6.0000	14.8477
2020	NH	11.1354	-	0.1000	11.2354	19.3977	7.4500	6.0000	32.8477
2021	H	10.1354	-	0.1000	10.2354	1.3908	7.4500	6.0000	14.8408
2021	NH	10.1354	-	0.1000	10.2354	19.3908	7.4500	6.0000	32.8408
2022	H	10.1354	-	0.0993	10.2347	1.3779	7.4500	6.0000	14.8279
2022	NH	10.1354	-	0.0993	10.2347	19.3779	7.4500	6.0000	32.8279

Fiscal Year Ended June 30 ¹		County	Intermediate School District					Grand Total	
			Ottawa County	Intermediate School	Special Education	Vocational Education	Reigonal		Total
							Enhancement		
2013	H	4.3565	0.1061	4.3750	1.0423	-	5.5234	35.3453	
2013	NH	4.3565	0.1061	4.3750	1.0423	-	5.5234	53.3453	
2014	H	4.3565	0.1061	4.3750	1.0423	-	5.5234	35.3453	
2014	NH	4.3565	0.1061	4.3750	1.0423	-	5.5234	53.3453	
2015	H	4.3565	0.1061	4.3750	1.0423	-	5.5234	35.1453	
2015	NH	4.3565	0.1061	4.3750	1.0423	-	5.5234	53.1453	
2016	H	4.8565	0.1061	4.3750	1.0423	-	5.5234	35.9653	
2016	NH	4.8565	0.1061	4.3750	1.0423	-	5.5234	53.9653	
2017	H	5.1525	0.1047	4.3233	1.0297	-	5.4577	36.5956	
2017	NH	5.1525	0.1047	4.3233	1.0297	-	5.4577	54.5956	
2018	H	5.1525	0.1047	4.3233	1.0297	-	5.4577	36.5956	
2018	NH	5.1525	0.1047	4.3233	1.0297	-	5.4577	54.5956	
2019	H	5.1525	0.1047	4.3233	1.0297	-	5.4577	36.6956	
2019	NH	5.1525	0.1047	4.3233	1.0297	-	5.4577	54.6956	
2020	H	5.4449	0.1213	4.3233	1.0242	0.8726	6.3414	37.8694	
2020	NH	5.4449	0.1213	4.3233	1.0242	0.8726	6.3414	55.8694	
2021	H	5.4317	0.1203	4.2656	1.0160	0.8887	6.2906	36.7985	
2021	NH	5.4317	0.1203	4.2656	1.0160	0.8887	6.2906	54.7985	
2022	H	5.4156	0.1190	4.2206	1.0053	0.8796	6.2245	36.7027	
2022	NH	5.4156	0.1190	4.2206	1.0053	0.8796	6.2245	54.7027	

Source: City of Zeeland

¹ Fiscal year for Ottawa County begins October 1

² H = Homestead Properties NH = Non-Homestead Properties

The City's millage rate is currently limited to 15 mills for operations.

The maximum allowable millage rate after Headlee Rollback Reduction is 14.0672.

City of Zeeland, Michigan
PROFILE OF TEN LARGEST PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Table 11

Taxpayer	Principal Product or Type of Business	2022			2013		
		Taxable Valuation	Rank	% of Total Taxable Valuation	Taxable Valuation	Rank	% of Total Taxable Valuation
Consumers Energy	Power Generation	\$ 207,675,250	1	37.89%	\$ 253,284,903	1	39.02%
Gentex Corporation	Automotive and Glass Parts	54,531,654	2	9.95%	111,815,700	2	17.23%
Mead Johnson	Infant Formula	19,977,804	3	3.64%	54,149,996	3	8.34%
Plascore	Structural Honeycomb Products	11,249,477	4	2.05%	4,656,500	9	0.72%
Herman Miller, Inc.	Institutional Furniture	8,557,459	5	1.56%	16,242,900	4	2.50%
Innotec Corp	Automotive and Furniture Parts	7,183,215	6	1.31%	8,184,922	6	1.26%
ITW Drawform	Stamping Operations	5,406,796	7	0.99%	11,673,100	5	1.80%
ODL	Glass & Skylights	4,885,991	8	0.89%	5,464,400	7	0.84%
Zeeland Lumber	Lumber Sales	3,175,000	9	0.58%	-		-
New-Indy Holland LLC	Holding Company	3,153,300	10	0.58%	-		-
Woodward FST	Aerospace Parts	-		-	4,677,000	8	0.72%
Howard Miller Clock Co.	Grandfather and Wall Clocks	-		-	4,514,592	10	0.70%
Ten Largest Taxpayers		325,795,946		59.44%	474,664,013		73.12%
Other Taxpayers		222,299,524		40.56%	174,461,241		26.88%
Total Taxable Value		<u>\$ 548,095,470</u>		<u>100.00%</u>	<u>\$ 649,125,254</u>		<u>100.00%</u>

Source: City of Zeeland

Note: Includes ad valorem taxable value and the value of IFT's granted under Act 198.
An Act 198 abatement entitles a facility to a reduced tax for a period up to 12 years.

City of Zeeland, Michigan
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Table 12

Tax Year	Fiscal Year Ended June 30	Tax Levy	Collected within the Fiscal Year		Collected Subsequent Year	Total Collections to Date	
			Amount	% of Levy		Amount	% of Levy
2012	2013	\$ 5,187,709	\$ 5,181,704	99.88%	\$ 166	\$ 5,181,870	99.89%
2013	2014	5,369,325	5,368,152	99.98%	697	5,368,849	99.99%
2014	2015	5,844,281	5,843,904	99.99%	666	5,844,570	100.00%
2015	2016	7,175,395	7,172,569	99.96%	-	7,172,569	99.96%
2016	2017	6,566,037	6,563,640	99.96%	-	6,563,640	99.96%
2017	2018	5,514,087	5,513,385	99.99%	405	5,513,790	99.99%
2018	2019	5,568,836	5,564,763	99.93%	235	5,564,998	99.93%
2019	2020	5,609,720	5,602,009	99.86%	389	5,602,398	99.87%
2020	2021	5,193,574	5,190,631	99.94%	17	5,190,648	99.94%
2021	2022	5,290,204	5,279,531	99.80%	239	5,279,770	99.80%

Source: City of Zeeland

City of Zeeland, Michigan
SPECIAL ASSESSMENT COLLECTIONS
Last Ten Fiscal Years

Table 13

Fiscal Year Ended June 30	Current Assessments Due	Current and Deferred Collections	Percent Collected	Total Outstanding Assessments
2012	\$ 25,535	\$ 25,535	100.00%	\$ 52,227
2013	25,918	25,918	100.00%	26,309
2014	26,309	26,309	100.00%	-
2015	25,525	10,542	41.30%	119,547
2016	25,857	40,840	157.95%	78,707
2017	26,045	26,045	100.00%	52,662
2018	26,230	26,230	100.00%	26,432
2019	26,432	26,432	100.00%	-
2020	34,588	34,587	100.00%	113,569
2021 ¹	-	-	-	76,453
2022 ¹	-	-	-	40,558

¹ 2021 & 2022 Special Assessments were waived due to the COVID-19 pandemic

Source: City of Zeeland

City of Zeeland, Michigan
PROFILE OF TEN LARGEST ELECTRIC CUSTOMERS
Current Year and Nine Years Ago

Table 14

Customer	Principal Product or Type of Business	2022			2013		
		KWH	Rank	Percent of Total KWH	KWH	Rank	Percent of Total KWH
Gentex Corporation	Automotive and Glass Parts	171,636,539	1	40.78%	83,095,187	1	24.59%
RB - Reckitt-Benckiser*	Infant Formula	55,794,000	2	13.26%	48,263,167	2	14.28%
Herman Miller, Inc.	Institutional Furniture	27,545,664	3	6.54%	25,398,378	3	7.52%
Plascore Inc.	Structural Honeycomb Products	16,032,120	4	3.81%	8,030,680	8	2.38%
Zeeland Public Schools	Education	12,827,344	5	3.05%	9,708,144	6	2.87%
ITW Drawform	Stamping Operations	10,310,400	6	2.45%	12,175,200	4	3.60%
Vertellus Chemical	Chemicals	8,836,846	7	2.10%	9,989,884	5	2.96%
Stone Plastics	Plastic Thermoformers	7,651,800	8	1.82%	9,664,200	7	2.86%
Woodward FST	Fuel Systems Parts	7,192,700	9	1.71%	5,898,420	10	1.75%
ODL Inc	Glass and Skylights	6,557,360	10	1.56%	7,486,620	9	2.22%
Ten Largest Customers		324,384,773		77.07%	219,709,880		65.01%
Other Customers		96,519,385		22.93%	118,228,999		34.99%
Total KWH		420,904,158		100.00%	337,938,879		100.00%

* Formerly Mead Johnson

Source: City of Zeeland

City of Zeeland, Michigan
ELECTRIC REVENUE AND COLLECTIONS
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 15

<u>Fiscal Year Ended June 30</u>	<u>Total Billed</u>	<u>Collections to June 30</u>	<u>Percent Collected</u>	<u>Delinquent Collections</u>	<u>Percent of Total Billed Collected</u>
2013	\$ 26,432,803	\$ 26,431,913	99.997%	\$ 890	100.000%
2014	27,613,542	27,613,198	99.999%	345	100.000%
2015	28,682,498	28,681,162	99.995%	1,336	100.000%
2016	28,392,120	28,392,044	100.000%	76	100.000%
2017	28,490,811	28,489,606	99.996%	1,205	100.000%
2018	29,445,339	29,443,819	99.995%	1,520	100.000%
2019	29,126,402	29,125,448	99.997%	954	100.000%
2020	28,856,543	28,856,192	99.999%	351	100.000%
2021	29,555,685	29,555,531	99.999%	154	100.000%
2022	31,658,400	31,657,860	99.998%	540	100.000%

Source: City of Zeeland

City of Zeeland, Michigan
PROFILE OF TEN LARGEST WATER CUSTOMERS
Current Year and Nine Years Ago

Table 16

Customer	Principal Product or Type of Business	2022			2013		
		1,000 Gallons	Rank	Percent of Total Gallons	1,000 Gallons	Rank	Percent of Total Gallons
Consumers Energy	Power Generation	665,577	1	29.95%	362,617	2	25.55%
RB - Reckitt-Benckiser*	Infant Formula	604,138	2	27.19%	525,528	1	37.03%
Gentex Corporation	Automotive and Glass Parts	225,759	3	10.16%	126,239	3	8.90%
Plascore Inc.	Structural Honeycomb Products	30,723	4	1.38%	38,390	4	2.71%
Herman Miller, Inc.	Institutional Furniture	28,785	5	1.30%	33,045	5	2.33%
Vertellus Chemical	Chemicals	21,531	6	0.97%	29,159	6	2.05%
City of Zeeland	Government	20,517	7	0.92%	22,789	7	1.61%
ITW Drawform	Stamping Operations	13,077	8	0.59%	18,420	8	1.30%
Royal Park	Condominiums	13,031	9	0.59%	17,223	9	1.21%
Zeeland Public Schools	Education	6,713	10	0.30%	-		-
ODL Inc	Glass and Skylights	-		-	11,034	10	0.78%
Ten Largest Customers		1,629,851		73.34%	1,184,444		83.46%
Other Customers		592,441		26.66%	234,701		16.54%
Total Gallons		2,222,292		100.00%	1,419,145		100.00%

* Formerly Mead Johnson

Source: City of Zeeland

City of Zeeland, Michigan
PROFILE OF TEN LARGEST CLEAN WATER CUSTOMERS
Current Year and Nine Years Ago

Table 17

Customer	Principal Product or Type of Business	2022			2013		
		CCF ¹	Rank	Percent of CCF ¹	CCF ¹	Rank	Percent of CCF ¹
Gentex Corporation	Automotive and Glass Parts	236,918	1	40.93%	155,692	1	32.16%
Plascore Inc.	Structural Honeycomb Products	33,869	2	5.85%	47,279	2	9.77%
Consumers Energy	Power Generation	15,165	3	2.62%	10,330	6	2.13%
Herman Miller, Inc.	Institutional Furniture	13,053	4	2.26%	13,925	3	2.88%
Witness Inspection	Manufactured Parts Finishing	9,672	5	1.67%	-	-	-
ITW Drawform	Stamping Operations	8,137	6	1.41%	10,581	5	2.19%
Royal Park Condos	Condominiums	7,261	7	1.25%	7,931	7	1.64%
Woodward FST	Airline/Aerospace Fuel Systems	4,443	8	0.77%	-	-	-
Zeeland Public Schools	Education	3,190	9	0.55%	-	-	-
Vertellus Chemical	Chemicals	2,903	10	0.50%	-	-	-
ODL Inc	Glass and Skylights	-	-	-	11,613	4	2.40%
Primera Plastics	Molded Plastics & Metals	-	-	-	5,317	8	1.10%
Providence Health Care	Health Care	-	-	-	5,290	9	1.09%
Crestwood Village	Condominiums	-	-	-	4,805	10	0.99%
Ten Largest Customers		334,611		57.81%	272,763		56.35%
Other Customers		244,185		42.19%	211,316		43.65%
Total CCF (includes IPP usage and surcharges)		578,796		100.00%	484,079		100.00%

¹ CCF: Thousands of cubic feet

Source: City of Zeeland

City of Zeeland, Michigan
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities	Business-Type Activities			Total Primary Government
	General Obligation Bonds	Electric System Bonds	Water System Bonds	Clean Water System Bonds ¹	
2013	\$ 2,515,000	\$ 490,000	\$ 3,680,000	\$ 1,795,000	\$ 8,480,000
2014	2,150,000	-	2,930,000	1,725,000	6,805,000
2015	1,765,000	-	2,140,000	1,650,000	5,555,000
2016	1,600,000	-	1,310,000	1,570,000	4,480,000
2017	1,375,000	-	1,070,000	2,655,000	5,100,000
2018	1,145,000	-	820,000	2,525,000	4,490,000
2019	915,000	-	560,000	2,390,000	3,865,000
2020	790,000	-	285,000	2,305,000	3,380,000
2021	665,000	-	-	2,145,000	2,810,000
2022	540,000	-	-	1,980,000	2,520,000

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹2019 Clean Water Bonds are General Obligation Bonds paid from revenue from the Clean Water Fund

²See the Demographic Statistics at Table 26 for personal income and population data

³See the Operating Indicators by Function at Table 30 for number of utility customers

Table 18

Per Capita ²		Percentage of Personal Income ²		Business-Type Activities Debt Per Customer ³
Governmental Activities	Total Primary Government	Governmental Activities	Total Primary Government	
\$ 457	\$ 1,541	1.37%	4.62%	\$ 523
391	1,236	1.19%	3.77%	404
321	1,009	0.86%	2.71%	327
291	814	0.67%	1.89%	235
250	927	0.62%	2.29%	302
208	816	0.46%	1.81%	267
166	702	0.36%	1.53%	239
144	614	0.29%	1.23%	207
116	491	0.22%	0.92%	174
94	441	N/A	N/A	158

City of Zeeland, Michigan
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Table 19

Fiscal Year Ended June 30	General Obligation Bonds ¹	Less: Amounts Available in Debt Service	Total	Percentage of Estimated Actual Value of Property ²	Per Capita ³
2013	\$ 4,310,000	\$ 7,187	\$ 4,302,813	0.33%	\$ 782
2014	3,875,000	6,246	3,868,754	0.29%	703
2015	3,415,000	4,753	3,410,247	0.25%	620
2016	3,170,000	2,402	3,167,598	0.21%	576
2017	4,030,000	2,160	4,027,840	0.28%	732
2018	3,670,000	3,956	3,666,044	0.28%	666
2019	3,305,000	-	3,305,000	0.28%	600
2020	3,095,000	-	3,095,000	0.26%	562
2021	2,810,000	-	2,810,000	0.22%	491
2022	2,520,000	-	2,520,000	0.19%	441

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹Includes \$1,055,000 2019 GO Clean Water Bonds to be repaid from revenue from the Clean Water Fund, and \$925,000 2015 GO Clean Water Bonds to be repaid from the revenue from the Clean Water Fund

²See the Schedules of State Equalized Value and Estimated Actual Value of Taxable Property in Tables 6 & 7 for property value data.

³ Population data can be found in the Demographic Statistics in Table 26.

City of Zeeland, Michigan
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2022

Table 20

Jurisdiction	Bonds Outstanding	Percentage Applicable to City	City's Share of Debt
Direct Debt: City of Zeeland			
General obligation bonds ¹	\$ 540,000	100.00%	<u>\$ 540,000</u>
Overlapping Debt:			
Ottawa County	\$ 61,604,913	3.63%	2,236,258
Ottawa Intermediate School District	-	3.20%	-
Zeeland Public School District	104,435,000	28.61%	<u>29,878,852</u>
Total Overlapping Debt			<u>32,115,112</u>
Total Direct and Overlapping Debt			<u><u>\$ 32,655,112</u></u>

¹Excludes \$1,980,000 GO Clean Water Bonds to be repaid from revenue from the Clean Water Fund

Sources: Direct Debt provided by the City of Zeeland; Overlapping Debt provided by the Municipal Advisory Council of Michigan.

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Zeeland. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

City of Zeeland, Michigan
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	2013	2014	2015	Fiscal 2016
Debt Limit	\$ 65,253,180	\$ 67,870,950	\$ 69,509,930	\$ 74,246,820
Net General Obligation Debt Subject to Limitation	<u>4,302,813</u>	<u>3,868,754</u>	<u>3,410,247</u>	<u>3,167,598</u>
Legal Debt Margin	<u>\$ 60,950,367</u>	<u>\$ 64,002,196</u>	<u>\$ 66,099,683</u>	<u>\$ 71,079,222</u>
Total net debt applicable to the limit as a percentage of the debt limit	6.59%	5.70%	4.91%	4.27%

Legal Debt Margin Calculation for Fiscal Year 2022

State Equalized Valuation	
Ad Valorem	\$ 613,404,900
Public Act 198 Industrial Facility Taxed Property	52,381,400
Total State Equalized Valuation	<u>\$ 665,786,300</u>
Debt Limit - 10% of State Equalized Value	\$ 66,578,630
Debt Outstanding	\$ 2,520,000
Less: Exempt Debt	-
Less: Amount set aside for repayment of General Obligation Debt	<u>-</u>
Net General Obligation Debt Subject to Limitation	<u>2,520,000</u>
Legal Debt Margin	<u>\$ 64,058,630</u>
Percentage of Legal Debt Margin Available	96.22%
Percentage of Debt Contracting Power Exhausted	3.78%

Note: State law limits the amount of city general obligation debt to 10% of state equalized value.
State Equalized Valuation of property granted tax abatement under Act 198 is included.

Table 21

Year					
2017	2018	2019	2020	2021	2022
\$ 71,147,720	\$ 65,152,710	\$ 58,326,490	\$ 60,519,550	\$ 63,419,065	\$ 66,578,630
<u>4,027,840</u>	<u>3,666,044</u>	<u>3,305,000</u>	<u>3,095,000</u>	<u>2,810,000</u>	<u>2,520,000</u>
<u>\$ 67,119,880</u>	<u>\$ 61,486,666</u>	<u>\$ 55,021,490</u>	<u>\$ 57,424,550</u>	<u>\$ 60,609,065</u>	<u>\$ 64,058,630</u>
5.66%	5.63%	5.63%	5.67%	4.43%	3.78%

City of Zeeland, Michigan
PLEDGED REVENUE COVERAGE - ELECTRIC UTILITY
Last Ten Fiscal Years

Table 22

Fiscal Year Ended June 30	Electric Utility Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 29,145,446	\$ 22,877,822	\$ 6,267,624	\$ 470,000	\$ 22,000	12.74
2014	29,655,886	24,113,813	5,542,073	490,000	3,675	11.23
2015	30,151,036	24,194,127	5,956,909	-	-	N/A
2016	28,980,752	23,753,636	5,227,116	-	-	N/A
2017	30,193,477	24,937,143	5,256,334	-	-	N/A
2018	31,476,917	25,112,419	6,364,498	-	-	N/A
2019	31,772,561	25,464,872	6,307,689	-	-	N/A
2020	31,870,118	25,390,926	6,479,192	-	-	N/A
2021	34,281,570	27,018,229	7,263,341	-	-	N/A
2022	28,305,416	31,646,133	(3,340,717)	-	-	N/A

¹ Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

² Total expenses include operating expenses and transfers out, exclusive of depreciation and interest.

City of Zeeland, Michigan
PLEDGED REVENUE COVERAGE - WATER UTILITY
Last Ten Fiscal Years

Table 23

Fiscal Year Ended June 30	WaterUtility Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 4,542,410	\$ 2,253,931	\$ 2,288,479	\$ 710,000	\$ 172,505	2.59
2014	3,999,380	2,320,986	1,678,394	750,000	142,146	1.88
2015	4,266,829	2,385,460	1,881,369	790,000	110,475	2.09
2016	5,187,873	2,310,923	2,877,286	830,000	76,838	3.17
2017	5,129,979	2,686,972	2,443,007	240,000	64,944	8.01
2018	4,999,080	2,754,813	2,244,267	250,000	43,248	7.65
2019	5,287,547	2,963,654	2,323,893	260,000	31,644	7.97
2020	5,654,244	2,868,643	2,785,601	275,000	19,474	9.46
2021	5,337,426	3,031,803	2,305,623	285,000	6,484	7.91
2022	4,817,141	3,130,825	1,686,316	-	-	N/A

¹ Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

² Total expenses include operating expenses and transfers out, exclusive of depreciation and interest.

City of Zeeland, Michigan
PLEDGED REVENUE COVERAGE - CLEAN WATER UTILITY
Last Ten Fiscal Years

Table 24

Fiscal Year Ended June 30	Sewer Utility Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 2,494,613	\$ 1,173,657	\$ 1,320,956	\$ 70,000	\$ 80,138	8.80
2014	1,953,000	1,235,962	717,038	70,000	77,938	4.85
2015	3,269,055	1,227,313	2,041,742	75,000	75,763	13.54
2016 ³	5,209,775	1,346,516	3,863,259	80,000	73,438	25.18
2017 ⁴	8,566,194	1,264,495	7,301,699	80,000	72,838	47.77
2018 ⁵	3,815,770	1,461,334	2,354,436	130,000	97,902	10.33
2019	3,063,650	1,565,305	1,498,345	135,000	93,537	6.56
2020	3,158,845	1,783,529	1,375,316	140,000	51,019	7.20
2021	3,217,570	1,616,323	1,601,247	160,000	59,356	7.30
2022	3,040,726	1,730,703	1,310,023	165,000	54,397	5.97

¹ Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

² Total expenses include operating expenses and transfers out, exclusive of depreciation and interest.

³ Total Revenues for 2016 include \$1,935,371 in contributions from Holland and Zeeland Townships for the Clean Water Plant Expansion Project

⁴ Total Revenues for 2017 includes \$4,442,025 in capital contributions from Holland and Zeeland Townships, \$1,210,912 in Federal Grant Revenue, and \$540,000 in State of Michigan Grant Revenue for the Clean Water Plant Expansion Project

⁵ Total Revenues for 2018 includes \$896,677 in capital contributions from Holland and Zeeland Townships, and \$250,277 in Grant Revenue for the Clean Water Plant Expansion Project

City of Zeeland, Michigan
STATE REVENUE SHARING
Last Ten Fiscal Years

	Fiscal			
	2013	2014	2015	2016
<u>State Sales Tax: PA 140 of 1971</u>				
Constitutional	\$ 405,175	\$ 412,883	\$ 419,368	\$ 418,964
Statutory	-	-	-	-
Economic Vitality Incentive Program (EVIP)	70,503	73,899	76,157	76,157
Liquor License Fees and Other	4,984	-	5,121	4,306
TOTAL	<u>\$ 480,662</u>	<u>\$ 486,782</u>	<u>\$ 500,646</u>	<u>\$ 499,427</u>
 <u>Michigan Transportation Fund: PA 51 of 1951</u>				
Major Streets	\$ 279,028	\$ 287,525	\$ 293,475	\$ 309,133
Local Streets	98,304	101,412	103,552	109,135
Special Act 252 Distribution	-	-	34,945	62,711
Special Act 82 of 2018 Distribution	-	-	-	-
Special Act 207 of 2018 Distribution	-	-	-	-
Winter Maintenance (Snow)	23,753	48,507	41,050	35,889
	<u>\$ 401,085</u>	<u>\$ 437,445</u>	<u>\$ 473,022</u>	<u>\$ 516,868</u>
 <u>Metro Authority: PA 48 of 2002</u>				
Public Right-of-Way	<u>\$ 18,333</u>	<u>\$ 17,344</u>	<u>\$ 15,456</u>	<u>\$ 20,851</u>
 <u>Local Commity Stabilization: PA 86 of 2014</u>				
Personal Property Tax Reimbursement	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Table 25

Year					
2017	2018	2019	2020	2021	2022
\$ 443,112	\$ 458,540	\$ 480,005	\$ 475,095	\$ 538,707	\$ 616,180
-	-	-	-	-	-
76,157	76,901	76,157	68,715	82,458	84,107
4,308	2,267	2,534	2,607	2,635	3,527
<u>\$ 523,577</u>	<u>\$ 537,708</u>	<u>\$ 558,696</u>	<u>\$ 546,417</u>	<u>\$ 623,800</u>	<u>\$ 703,814</u>
\$ 355,464	\$ 425,918	\$ 454,428	\$ 474,759	\$ 522,293	\$ 562,421
125,346	150,201	160,147	166,902	183,606	197,393
-	-	-	-	-	-
-	42,106	-	-	-	-
-	-	72,180	-	-	-
35,043	29,881	33,908	43,342	8,940	29,984
<u>\$ 515,853</u>	<u>\$ 648,106</u>	<u>\$ 720,663</u>	<u>\$ 685,003</u>	<u>\$ 714,839</u>	<u>\$ 789,798</u>
<u>\$ 20,348</u>	<u>\$ 20,502</u>	<u>\$ 20,547</u>	<u>\$ 22,690</u>	<u>\$ 23,608</u>	<u>\$ 24,829</u>
<u>\$ 524,886</u>	<u>\$ 1,970,138</u>	<u>\$ 2,700,793</u>	<u>\$ 2,114,527</u>	<u>\$ 2,417,016</u>	<u>\$ 2,353,526</u>

City of Zeeland, Michigan
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Table 26

Fiscal Year Ended June 30	City of Zeeland Population ¹	MSA Personal Income ²	City of Zeeland Estimated Personal Income	Per Capita Personal Income ²	Unemployment Rate ³	State of Michigan Unemployment Rate
2013	5,504	\$ 38,950,342,000	\$ 210,880,256	\$ 38,314	6.8%	9.0%
2014	5,504	44,317,379,000	237,348,992	43,123	5.3%	7.7%
2015	5,504	4,569,805,000	219,361,920	39,855	4.2%	5.5%
2016	5,504	4,666,812,000	222,301,056	40,389	3.3%	4.5%
2017	5,504	4,981,900,000	235,499,648	42,787	3.4%	4.3%
2018	5,504	5,301,000,000	248,681,728	45,182	3.7%	4.0%
2019	5,504	5,424,323,000	252,837,245	45,937	3.0%	4.2%
2020	5,504	5,957,225,000	275,700,864	50,091	6.3%	8.7%
2021	5,719	6,455,677,000	305,251,625	53,375	4.3%	5.0%
2022	5,719	N/A	N/A	N/A	3.6%	4.3%

¹ Source: U.S. Census Bureau

² Pre 2012: U.S. Department of Commerce, Bureau of Economic Analysis, Holland Metropolitan Statistical Area; Beginning in 2012 Ottawa County was merged into the Grand Rapids Wyoming Metropolitan Statistical Area, 2015 and 2016 Data Derived using a neighboring Micropolitan Community

³ U.S. Department of Labor, Bureau of Labor Statistics, Holland-Grand Haven Metropolitan Statistical Area

City of Zeeland, Michigan
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Table 27

Employer	Principal Product/Service	2022			2013	
		Employees	Rank	% of Total	Employees	Rank
Gentex Corporation	Automotive and Glass Parts	3,157	1	27.2%	3,618	1
Herman Miller, Inc.	Institutional Furniture	1,605	2	13.8%	1,370	2
Zeeland Public Schools	Elementary/Secondary Education	931	3	8.0%	753	3
Mead Johnson	Infant Formula	509	4	4.4%	420	4
Plascore, Inc.	Structural Honeycomb Products	415	5	3.6%	251	7
ODL Inc	Glass and Skylights	364	6	3.1%	336	5
Woodward FST	Airline/Aerospace Fuel Systems	296	7	2.6%	232	8
ITW Drawform	Stamping Operations	221	8	1.9%	285	6
Ventura Manufacturing	Automotive and Furniture Parts	179	9	1.5%	-	
Howard Miller Clock Co.	Grandfather and Wall Clocks	174	10	1.5%	229	9
Innotec Corp.	Automotive and Furniture Parts	-		-	221	10
Total Employees Ten Largest Employers		7,851		67.7%	7,715	
Other Employers		3,738		32.3%		
Total Employees		11,589		100.0%		

Source: City of Zeeland

City of Zeeland, Michigan
FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Table 28

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General Government										
Administration	1.75	1.58	1.58	1.58	2.08	1.58	1.58	1.58	1.58	1.58
Clerk	1.50	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47
Finance/Treasury	2.10	1.77	1.77	1.77	1.70	1.70	1.70	1.70	1.80	1.41
Assessing	1.55	1.55	1.55	1.20	1.20	1.39	1.39	1.39	1.39	1.39
Cemetery	1.10	1.03	1.01	1.01	1.70	1.70	1.64	1.64	2.34	2.24
Custodial	4.20	4.55	4.55	4.55	3.04	3.04	3.19	3.19	2.10	2.12
Economic Development	1.00	1.25	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Information Technology	-	-	-	-	-	-	-	-	2.00	3.00
Public Safety										
Police	11.78	12.12	11.80	12.44	12.49	12.49	12.49	12.49	12.49	12.49
Fire/Rescue	0.50	0.50	0.50	1.06	2.00	2.00	3.00	3.00	3.00	3.00
Building and Zoning	2.45	2.45	2.45	1.80	1.83	2.11	1.61	1.61	1.61	1.61
Culture and Recreation										
Library	8.22	9.12	9.12	9.45	10.64	10.80	10.96	10.96	10.94	10.97
Community Center	0.80	0.68	0.68	0.68	2.00	2.00	2.05	2.05	2.54	3.17
Parks	1.83	1.82	1.81	1.81	1.97	1.97	1.91	1.91	2.60	3.35
Public Works										
Streets & Motor Pool	7.66	6.48	6.48	6.48	5.74	5.74	5.72	5.72	7.21	7.11
Electric Utility	18.67	20.96	20.92	20.92	21.86	22.25	22.17	22.17	23.47	23.24
Water Utility	5.35	5.41	5.39	5.39	5.46	5.30	5.92	5.92	5.78	8.10
Clean Water Utility	6.27	6.27	7.02	7.30	7.44	7.27	7.27	7.27	7.29	7.20
Total	<u>76.73</u>	<u>79.01</u>	<u>79.30</u>	<u>80.11</u>	<u>83.82</u>	<u>84.01</u>	<u>85.27</u>	<u>85.27</u>	<u>90.81</u>	<u>94.65</u>

Source: City of Zeeland

City of Zeeland, Michigan
LABOR CONTRACTS
Current Fiscal Year

Table 29

The City has 76 full-time employees, of which 34% are represented by labor organizations. Following is a list of the organizations, number of the members, and contract extension dates.

Name of Organization	Number of Members	Contract Expiration Date
Fraternal Order of Police	8	June 30, 2025
Utility Workers Union of America, AFL-CIO (Electric and Water Utility Employees)	18	June 30, 2025
Non-Affiliated Employees	50	N/A
Total Full-time Employees	76	

Source: City of Zeeland

City of Zeeland, Michigan
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Table 30

	Fiscal									
	Year		Year		Year		Year		Year	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General government										
Area - square miles	3	3	3	3	3	3	3	3	3	3
Population	5,504	5,504	5,504	5,504	5,504	5,504	5,504	5,504	5,719	5,719
Number of registered voters	4,052	4,092	3,965	4,073	4,075	4,111	4,099	4,413	4,134	4,414
Number of tax bills ¹	6,354	3,294	3,020	3,267	3,221	3,221	3,188	3,198	3,814	3,871
Public safety ²										
Police										
Number of incidents	2,913	2,818	N/A	2,946	2,760	3,132	2,850	2,627	2,944	2,285
Physical arrests	521	458	N/A	517	510	313	263	318	327	84
Traffic violations	1,428	1,479	N/A	1,444	1,463	919	853	1,173	1,105	2,757
Fire/Rescue										
Number of incidents	519	556	N/A	588	570	549	589	691	669	804
Mutual aid agreements ³	15	15	15	15	15	15	15	15	15	15
Building and zoning										
Number of construction permits	148	129	162	155	175	171	182	162	199	177
Value of permits	\$ 5,838,705	\$ 8,767,790	\$ 15,441,514	\$ 32,894,351	\$ 14,793,962	\$ 13,825,958	\$ 17,953,755	\$ 16,922,720	\$ 15,385,818	\$ 32,095,783
Streets and highways										
Miles reconstructed	1.00	1.20	0.50	1.10	1.00	0.83	0.37	0.57	0.68	0.67
Miles resurfaced	0.20	0.30	1.40	1.15	0.90	0.10	-	-	0.12	-
Recreation and culture										
Library circulation	259,768	236,648	234,496	245,853	234,966	243,044	277,170	258,175	278,328	668,554
Patron visits	189,203	188,791	187,597	189,723	101,000	97,503	103,904	75,399	55,594	80,558
Community center rentals	1,198	1,148	661	661	673	618	712	481	220	563
Community center attendance	28,601	23,230	38,447	21,716	21,283	19,286	21,239	11,176	1,583	10,749
Public works										
Parking lots	6	6	6	6	6	6	6	6	6	6
Cemetery - acres	17	17	17	17	17	17	26	26	26	26
Electric Utility										
Connections - residential	5,341	5,385	5,432	5,514	5,573	5,738	5,815	5,825	5,902	5,892
Connections - commercial/industrial	758	786	793	904	923	927	934	991	1,070	959
M.W.H. generated and purchased	351,417	360,828	366,749	388,066	403,586	416,182	418,230	417,473	430,922	436,009
M.W.H. sold	337,939	359,939	352,781	365,809	385,802	392,159	408,237	399,210	412,327	420,904
Revenues from sales	\$ 26,432,803	\$ 27,613,542	\$ 28,682,498	\$ 28,392,120	\$ 28,490,811	\$ 29,445,339	\$ 29,126,402	\$ 28,856,543	\$ 29,628,408	\$ 32,192,783
Water Utility										
Connections - residential	2,280	2,292	2,294	2,308	2,315	2,314	2,310	2,336	2,338	2,265
Connections - commercial/industrial	463	462	469	573	593	597	602	601	619	576
Pumped - million gallons	1,445	1,462	1,599	2,098	2,047	2,106	1,973	2,135	2,044	2,279
Sold - million gallons	1,419	1,394	1,586	2,000	2,005	2,039	1,872	2,233	2,040	2,222
Revenues from sales	\$ 3,817,930	\$ 3,816,635	\$ 4,088,322	\$ 4,766,945	\$ 4,937,320	\$ 4,848,803	\$ 4,704,521	\$ 5,042,994	\$ 5,121,531	\$ 5,279,292
Clean Water Utility										
Connections - residential	2,220	2,228	2,230	2,256	2,258	2,247	2,251	2,259	2,265	2,301
Connections - commercial/industrial	344	361	364	362	365	329	335	326	331	369
Average daily sewage treatment	1.40	1.34	1.42	1.40	1.45	1.90	2.10	2.28	1.84	2.01
Treated effluent - million gallons	510.4	489.8	508.0	510.6	528.0	730.0	766.5	798.0	673.0	733.8
Residuals - million gallons	1.94	2.01	2.07	1.50	1.83	2.16	2.37	2.18	2.19	1.90
Revenues from sales	\$ 1,814,363	\$ 1,814,032	\$ 1,939,294	\$ 2,195,503	\$ 2,314,815	\$ 2,549,177	\$ 2,717,829	\$ 2,854,216	\$ 3,050,719	\$ 2,973,266

Source: City of Zeeland

¹ Legislation was passed to accelerate winter tax collection to the summer levy if the tax and other amounts billed total \$100 or less. This legislation reduced by almost half the number of tax bills sent.

²Public Safety Statistics are calendar year

³ Mutual Aid Agreements are formalized for the Counties of Ottawa, Allegan, and Kent; Michigan Emergency Management Assistance Compact (MEMAC) and the Mutual Aid Box Alarm System (MABAS).

City of Zeeland, Michigan
CAPITAL ASSETS STATISTICS BY FUNCTION
Last Ten Fiscal Years

Table 31

Function	2013	2014	2015	Fiscal 2016	Year 2017	2018	2019	2020	2021	2022
Public Safety										
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol vehicles	5	5	5	5	5	5	5	5	5	5
Fire										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of Fire Fighting Apparatus	5	5	5	5	5	5	5	5	4	4
Number of K9 Teams	-	-	-	-	-	-	-	-	-	-
Emergency Medical/Rescue										
Number of Rescue Vehicles	2	2	2	2	2	2	2	2	4	4
Culture and Recreation										
Library	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Number of parks	8	8	9	9	10	10	10	10	10	10
Number of acres in parks	30.5	30.5	32.2	32.2	32.3	32.3	32.3	32.3	32.3	32.7
Park pavillions	8	8	8	8	8	8	8	8	8	8
Playgrounds	4	4	4	4	4	4	4	4	4	4
Tennis courts	3	3	3	3	3	3	7	7	7	6
Bike trails - miles	9.6	10.7	10.7	10.7	11.7	11.7	11.7	11.7	11.7	11.8
Streets										
Miles of Major streets	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77
Miles of Local streets	18.79	18.69	18.69	18.69	18.69	18.69	18.69	18.69	18.69	18.63
Miles of sidewalks	26.40	26.40	26.40	26.40	26.40	26.40	27.12	27.12	28.24	29.58
Traffic signals	8	8	8	8	8	8	8	8	8	8
Street Light accounts	103	103	105	107	107	107	101	101	98	105
Street garage buildings leased or owned	3	3	3	3	3	3	3	3	3	3
Storm sewers - miles	15.8	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.9
Parking Lots										
Owned - square feet	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700
Leased - square feet	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500
Electric Utility										
Number of distribution stations	4	4	4	4	4	4	4	4	4	4
Miles of service lines										
Overhead	44	43	43	43	41	40	39	39	38	38
Underground	95	99	103	105	108	112	116	116	119	125
Water Utility										
Number of storage tanks	5	5	5	5	5	5	5	5	5	5
Miles of distribution mains	49	49	56	54	55	55	55	55	56	56
Number of fire hydrants	596	596	603	611	654	634	638	638	648	651
Clean Water Utility										
Miles of sanitary sewer	37	37	37	37	37	37	37	37	37	37
Major lift stations	7	7	7	7	7	7	7	7	7	7

Source: City of Zeeland