



City of Whitehall, Michigan

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022



Vredeveld Haefner LLC
CPAs and Consultants

CITY OF WHITEHALL

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INDEPENDENT AUDITORS' REPORT

December 7, 2022

Honorable Mayor and Members of the City Council
City of Whitehall, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Whitehall, Michigan, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9, and the budgetary comparison information and benefit plan schedules on pages 45 through 51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the operating statistics but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Uredexeld Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the City of Whitehall, we offer readers of the City of Whitehall's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- Cost of living increase was implemented for all employees.
- Engineering completed for Lakeview, Lewis, and Wilshire Streets.
- Building continues in Tannery Bay.
- A due care reimbursement of \$390,000 was made to Eastbrook Homes.
- North Mears parking lot improvements were completed.
- The Splash Pad was completed.
- Changed City's financial institution, which resulted in elimination of bank charges and \$9,302.84 interest earned.
- Water and sewer rates were increased by 5% in January 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Whitehall's financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences, net pension liability, accrued interest, etc.).

Both of the government-wide financial statements distinguish functions of the City of Whitehall that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works including major and local street construction and maintenance, health and sanitation, community and economic development, culture and recreation, and debt service activities. The business-type activities of the City include sewer system, water supply and distribution, marina and the playhouse.

The government-wide financial statements include the City of Whitehall (the *primary government*) as well as the legally separate Tax Increment Finance Authority (TIFA), a legally separate Local Development Finance Authority (LDFA), and a legally separate Brownfield Redevelopment Authority (BRA) for which the City is financially accountable. Financial information for these component units is reported separately from the financial information for the primary government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Whitehall, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, major streets, and street improvement funds which are considered to be major funds.

Data is combined into a single aggregated presentation for the other governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements and schedules*.

The City adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules for the major funds have been provided herein to demonstrate compliance with those budgets.

Proprietary funds. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer, water, marina, and playhouse operations. An *Internal service fund* is used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service fund, the Motor Pool, to charge the costs of equipment used to the individual funds. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer, water, and playhouse operations, each of which is considered to be a major fund of the City. The City's internal service fund is presented in the proprietary fund financial statements in the Internal Service column.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This includes this management discussion and analysis, budget and actual comparisons for the major funds, and the pension and OPEB schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Whitehall, assets exceeded liabilities by \$24,377,274 at the close of the most recent fiscal year.

A portion of the City's net position reflects unrestricted net position which is available for future operations while a significant portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Net Position

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$4,315,948	\$3,453,166	\$3,588,109	\$ 2,840,092	\$7,904,057	\$ 6,293,258
Capital assets	7,164,942	6,985,915	12,804,893	12,301,980	19,969,835	19,287,895
Total assets	11,480,890	10,439,081	16,393,002	15,142,072	27,873,892	25,581,153
Deferred outflows	492,462	343,635	191,515	133,637	683,977	477,272
Current liabilities	716,235	221,116	501,316	483,827	1,217,551	704,943
Long-term liabilities	1,585,958	1,941,787	752,917	1,107,952	2,338,875	3,049,739
Total liabilities	2,302,193	2,162,903	1,254,233	1,591,779	3,556,426	3,754,682
Deferred inflows	449,886	313,634	174,283	121,295	624,169	434,929
Net position						
Net investment in						
capital assets	7,084,511	6,816,731	11,920,893	11,059,980	19,005,404	17,876,711
Restricted	1,445,697	1,209,741	-	-	1,445,697	1,209,741
Unrestricted	691,065	279,707	3,235,108	2,502,655	3,926,173	2,782,362
Total net position	\$9,221,273	\$8,306,179	\$15,156,001	\$13,562,635	\$24,377,274	\$21,868,814

Net position of the City increased by \$2,510,331. The business-type activities increased its net position by \$1,595,237, which was primarily the result of capital contributions received for water and sewer projects and playhouse construction. The governmental activities increased its net position by \$915,094.

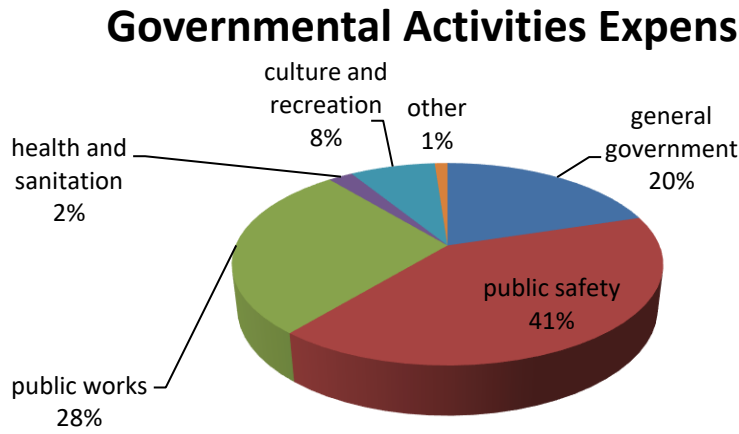
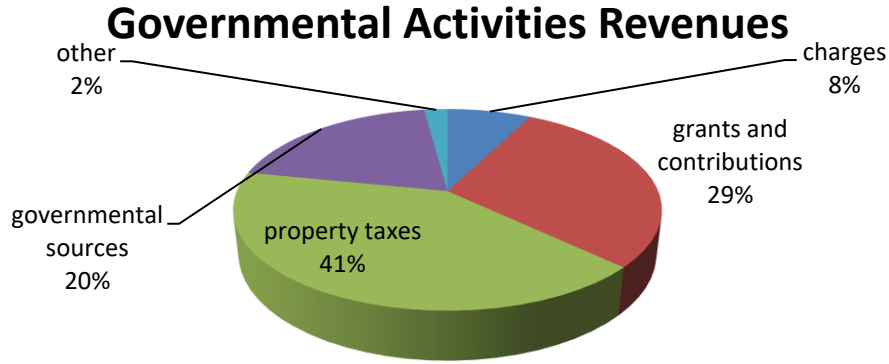
Summary of Activities

	Governmental Activities		Business-type Activities		Totals	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue						
Program revenue						
Charges for services	\$296,008	\$ 272,414	\$2,740,063	\$2,052,888	\$3,036,071	\$2,325,302
Operating grants and contributions	524,847	493,258	228,036	205,693	752,883	698,951
Capital grants and contributions	859,396	879,029	1,213,768	326,943	2,073,164	1,205,972
General revenue						
Property taxes	1,609,106	1,560,397	-	-	1,609,106	1,560,397
Other governmental sources	772,375	719,302	-	-	772,375	719,302
Other	82,595	51,893	-	-	82,595	51,893
Total revenue	4,144,327	3,976,293	4,181,867	2,585,524	8,326,194	6,561,817
Expenses						
General government	652,214	656,293	-	-	652,214	656,293
Public safety	1,317,997	1,167,965	-	-	1,317,997	1,167,965
Public works	904,033	687,427	-	-	904,033	687,427
Health and sanitation	70,994	59,757	-	-	70,994	59,757
Community and economic development	30,751	28,516	-	-	30,751	28,516
Culture and recreation	247,090	152,673	-	-	247,090	152,673
Interest	6,154	9,413	-	-	6,154	9,413
Sewer	-	-	1,281,604	1,180,889	1,281,604	1,180,889
Water	-	-	733,881	704,432	733,881	704,432
Marina	-	-	179,605	148,658	179,605	148,658
Playhouse	-	-	391,540	335,600	391,540	335,600
Total expenses	3,229,233	2,762,044	2,586,630	2,369,579	5,815,863	5,131,623
Transfers	-	19,145	-	(19,145)	-	-
Increase in net position	915,094	1,233,394	1,595,237	196,800	2,510,331	1,430,194
Net position-beginning of year	8,306,179	7,072,785	13,560,764	13,365,835	21,866,943	20,438,620
Net position-end of year	\$9,221,273	\$8,306,179	\$15,156,001	\$13,562,635	\$24,377,274	\$21,868,814

Beginning net position of business-type activities was decreased as described in note 13.

Governmental Activities. During the year the City invested \$1,317,997 or 41% of governmental activities expenses in public safety. Public works was \$904,033 or 28% of governmental activities expenses while general government, health and sanitation, culture and recreation, and community and economic development and interest on long-term debt made up the remaining 31% of governmental activities expenses.

Business-type Activities. Business-type activities increased the City's net position by \$1,595,237 for the current year. By comparison, business-type activities reported an increase in net position the previous fiscal year of \$196,800.



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,926,507, an increase of \$295,118 in comparison with the prior year. Of the \$2,926,507, \$894,404 is reported in the general fund. The remaining amount of fund balance is reported in various funds as assigned or restricted for certain uses such as street construction and maintenance, cemetery operations, building inspections, and various capital projects.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$763,654. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 28.7% of total general fund expenditures and transfers out.

The fund balance of the City's general fund decreased by \$73,404 during the current fiscal year.

The fund balance of the major streets fund increased \$128,712 primarily due to delays of some projects and accumulation of funds for futures projects.

The fund balance of the street improvements fund increased \$214,030 primarily due to limited improvements paid by the fund this year.

Proprietary Funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the sewer and water funds at the end of the year amounted to \$1,211,488 and \$1,547,226, respectively. The sewer fund had an increase in net position for the year of \$744,272 while the water fund had an increase of \$639,622. The playhouse fund ended the year with unrestricted net position of \$354,768. Overall, the fund net position increased \$193,594, however the increase consisted of grants and donations. Other factors concerning the finances of these funds have already been addressed in the discussion of the City’s business-type activities.

Capital Asset and Debt Administration

Capital assets. The City’s investment in capital assets for its governmental and business type activities as of June 30, 2022, amounted to \$19,969,835 (net of accumulated depreciation).

The City’s Capital Assets (net of depreciation) are summarized as follows:

Capital Assets			
	Governmental Activities	Business-type Activities	Total
Land	\$1,059,728	\$ 453,097	\$ 1,512,825
Construction in Progress	322,788	-	322,788
Buildings, Equipment and Infrastructure	5,782,426	12,351,796	18,134,222
Total	\$7,164,942	\$12,804,893	\$19,969,835

Additional information on the City of Whitehall capital assets can be found in Note 5 of these financial statements.

Debt. At the end of the current fiscal year, the City had total bonds and notes payable outstanding of \$964,431. Long-term liabilities, including accrued employee benefits and the net pension and OPEB liabilities, are as follows:

	Governmental Activities	Business-type Activities	Total
Accrued employee benefits	\$ 290,960	\$ 60,097	\$ 351,057
Net pension liability	781,651	70,820	852,471
Net OPEB obligation	513,347	-	513,347
Bonds, leases and notes payable	80,431	884,000	964,431
Total	\$1,666,389	\$1,014,917	\$2,681,306

Additional information on the City’s long-term debt can be found in Note 7 of these financial statements.

Budgetary Highlights

- Transfer to Capital Projects for \$100,000, from Major Streets, was approved for the Lakeview, Lewis, and Wilshire project.
- TIFA approved a \$15,000 increase for the Hanson Street sewer lift stations.
- As a result of new construction and rental inspections, budgeted revenues and expenses for contracted inspectors were increased. Revenues by \$50,000 and Expenses by \$40,000.

- Grant revenues, for the Playhouse, were increased due to the receipt of \$49,400.
- Sewer Fund expenses increased by \$28,000 due to underestimation of wastewater bonds.
- Due to increased gasoline sales, the Marina Fund expenses for cost of sales were increased by \$45,000.
- General fund expenditures were increased by \$273,580 due to Goodrich Park Splash Pad, Police wages, land purchase, and other minor items.
- Major Street equipment rental was increased by \$4,000. Due to a change in projects, \$10,000 was reduced in Local Street expenditures and \$1,000 increased in contractual services due to tree removal.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the City's budget for the 2022-2023 fiscal year:

General Fund

- The General Fund is projected to have a small loss but will meet the new target fund balance of \$751,000. Conference expenses have been reinstated. We anticipate receiving a distribution from the Marijuana Regulation Fund now that we have a licensed adult use facility. Funding for a new sign and road upgrades at the cemetery has been budgeted using cash reserves from the perpetual care fund. A new Cemetery Fund has been established to reflect this. \$25,000 has been allocated for a DNR grant application. No specific project has been identified as yet.

Major Streets, Local Streets, and Capital Improvements

- \$200,000 from Major Streets will be transferred to the Capital Fund for the Mears Avenue reconstruction project. Excess fund balance will be set aside for future street projects. The Local Street fund balance will exceed the target fund balance. Historically this fund has been dependent upon significant transfers from Major Streets.
- The Capital Projects Fund is heavily dependent on grant funding. We have secured \$395,000 for Mears Avenue. We will resume patch work repairs on Lift Station #2. Future road projects include Warner Street from White Lake Drive to Colby Street; Livingston Street from Market to Colby; Muskegon Avenue from Mears to Warner; and the south end of Lake Street.

Marijuana Fund

- Medical and recreational marijuana are both approved. Currently, two facilities are in operation.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Whitehall, 405 East Colby St., Whitehall, Michigan, 49461.

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BASIC FINANCIAL STATEMENTS

CITY OF WHITEHALL
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and pooled investments	\$ 3,905,155	\$ 2,875,460	\$ 6,780,615	\$ 1,480,935
Accounts receivable	16,717	680,934	697,651	280
Prepaid items	142,043	4,030	146,073	-
Due from other governments	178,074	4,293	182,367	-
Inventory	43,338	40,656	83,994	-
Internal balances:	30,621	(30,621)	-	-
Access rights, net	-	13,357	13,357	-
Capital assets				
Land	1,059,728	453,097	1,512,825	680,425
Construction in progress	322,788	-	322,788	-
Depreciable capital assets, net	<u>5,782,426</u>	<u>12,351,796</u>	<u>18,134,222</u>	<u>-</u>
Total assets	<u>11,480,890</u>	<u>16,393,002</u>	<u>27,873,892</u>	<u>2,161,640</u>
Deferred outflows of resources				
Deferred outflow for pension plan	<u>492,462</u>	<u>191,515</u>	<u>683,977</u>	<u>-</u>
Liabilities				
Accounts payable	255,520	119,660	375,180	20,135
Accrued liabilities	80,473	31,063	111,536	5,296
Customer deposits	-	3,850	3,850	-
Unearned revenue	299,811	84,743	384,554	-
Due within one year	80,431	262,000	342,431	-
Noncurrent liabilities				
Accrued compensated absences	290,960	60,097	351,057	-
Net other post-employment benefits obligation	513,347	-	513,347	-
Net pension liability	781,651	70,820	852,471	-
Due in more than one year	<u>-</u>	<u>622,000</u>	<u>622,000</u>	<u>-</u>
Total liabilities	<u>2,302,193</u>	<u>1,254,233</u>	<u>3,556,426</u>	<u>25,431</u>
Deferred inflows of resources				
Deferred inflow for pension plan	<u>449,886</u>	<u>174,283</u>	<u>624,169</u>	<u>-</u>
Net position				
Net investment in capital assets	7,084,511	11,920,893	19,005,404	680,425
Restricted for				
Streets	214,881	-	214,881	-
Garbage and refuse	133,514	-	133,514	-
Capital projects	555,728	-	555,728	-
Permanent trust				
Cemetery - nonexpendable portion	352,646	-	352,646	-
Cemetery - expendable	188,928	-	188,928	-
Unrestricted	<u>691,065</u>	<u>3,235,108</u>	<u>3,926,173</u>	<u>1,455,784</u>
Total net position	<u>\$ 9,221,273</u>	<u>\$ 15,156,001</u>	<u>\$ 24,377,274</u>	<u>\$ 2,136,209</u>

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

CITY OF WHITEHALL

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 652,214	\$ 94,415	\$ 2,142	\$ -	\$ (555,657)
Public safety	1,317,997	180,063	4,079	-	(1,133,855)
Public works	904,033	21,530	518,626	859,396	495,519
Health and sanitation	70,994	-	-	-	(70,994)
Community and economic development	30,751	-	-	-	(30,751)
Culture and recreation	247,090	-	-	-	(247,090)
Interest on long-term debt	6,154	-	-	-	(6,154)
Total governmental activities	3,229,233	296,008	524,847	859,396	(1,548,982)
Business-type activities					
Sewer	1,281,604	1,551,078	1,448	498,350	769,272
Water	733,881	897,752	988	449,763	614,622
Marina	179,605	197,128	226	-	17,749
Playhouse	391,540	94,105	225,374	265,655	193,594
Total business-type activities	2,586,630	2,740,063	228,036	1,213,768	1,595,237
Total primary government	\$ 5,815,863	\$ 3,036,071	\$ 752,883	\$ 2,073,164	\$ 46,255
Component units					
Tax Increment Finance Authority	1,043,382	-	929,755	-	(113,627)
Local Development Finance Authority	344,726	-	239,308	-	(105,418)
Brownfield Redevelopment Authority	420,235	-	-	-	(420,235)
Total component units	\$ 1,808,343	\$ -	\$ 1,169,063	\$ -	\$ (639,280)

(Continued)

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

CITY OF WHITEHALL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Changes in net assets				
Net (expense) revenue	\$ (1,548,982)	\$ 1,595,237	\$ 46,255	\$ (639,280)
General revenues				
Property taxes	1,609,106	-	1,609,106	840,453
State shared revenues	386,935	-	386,935	-
Other unrestricted grants	385,440	-	385,440	-
Unrestricted investment earnings	5,368	-	5,368	3,512
Other general revenues	77,227	-	77,227	7
Transfers - internal activities	-	-	-	-
Total general revenues and transfers	<u>2,464,076</u>	<u>-</u>	<u>2,464,076</u>	<u>843,972</u>
Change in net position	915,094	1,595,237	2,510,331	204,692
Net position, beginning of year, as restated	<u>8,306,179</u>	<u>13,560,764</u>	<u>21,866,943</u>	<u>1,931,517</u>
Net position, end of year	<u>\$ 9,221,273</u>	<u>\$ 15,156,001</u>	<u>\$ 24,377,274</u>	<u>\$ 2,136,209</u>

(Concluded)

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

CITY OF WHITEHALL

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2022

	<u>General</u>	<u>Major Streets</u>	<u>Street Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets					
Cash and pooled investments	\$ 1,099,105	\$ 526,548	\$ 726,376	\$ 879,541	\$ 3,231,570
Accounts receivable	105	27	15	77	224
Prepaid items	85,650	-	-	-	85,650
Due from other funds	30,837	28	-	41	30,906
Due from other governments	<u>82,224</u>	<u>58,153</u>	<u>-</u>	<u>36,116</u>	<u>176,493</u>
Total assets	<u>\$ 1,297,921</u>	<u>\$ 584,756</u>	<u>\$ 726,391</u>	<u>\$ 915,775</u>	<u>\$ 3,524,843</u>
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 36,625	\$ 2,560	\$ 170,663	\$ 9,268	\$ 219,116
Accrued liabilities	68,979	5,219	-	4,909	79,107
Due to other funds	302	-	-	-	302
Unearned revenue	<u>297,611</u>	<u>-</u>	<u>-</u>	<u>2,200</u>	<u>299,811</u>
Total liabilities	<u>403,517</u>	<u>7,779</u>	<u>170,663</u>	<u>16,377</u>	<u>598,336</u>
Fund balances					
Non-spendable					
Prepaid items	85,650	-	-	-	85,650
Permanent fund corpus	-	-	-	352,646	352,646
Restricted					
Streets	-	576,977	-	214,881	791,858
Public safety	-	-	-	9,429	9,429
Permanent fund spendable portion	-	-	-	188,928	188,928
Assigned					
Building inspections	-	-	-	133,514	133,514
Capital projects	-	-	555,728	-	555,728
Subsequent year expenditures	45,100	-	-	-	45,100
Unassigned	<u>763,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>763,654</u>
Total fund balances	<u>894,404</u>	<u>576,977</u>	<u>555,728</u>	<u>899,398</u>	<u>2,926,507</u>
Total liabilities and fund balances	<u>\$ 1,297,921</u>	<u>\$ 584,756</u>	<u>\$ 726,391</u>	<u>\$ 915,775</u>	<u>\$ 3,524,843</u>

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

CITY OF WHITEHALL

RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

JUNE 30, 2022

Fund balances - total governmental funds	\$ 2,926,507
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Amounts reported for *governmental activities* in the statement of net position are different because

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Add - land	1,059,728
Add - construction in progress	322,788
Add - capital assets (net of accumulated depreciation)	5,225,518

Internal service funds are used by management to charge the costs of centralized services, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.

Add - net position of governmental activities accounted for in the internal service funds	1,230,114
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Certain items are not due and payable in the current period and therefore are not reported in the funds.

Deduct - compensated absences payable	(290,960)
Deduct - other post-employment benefits	(513,347)
Add - deferred outflows related to pensions	492,462
Deduct - net pension liability	(781,651)
Deduct - deferred inflows related to pensions	(449,886)

Net position of governmental activities	<u>\$ 9,221,273</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF WHITEHALL

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED JUNE 30, 2022

	<u>General</u>	<u>Major Streets</u>	<u>Street Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues					
Taxes	\$ 1,609,106	\$ -	\$ -	\$ -	\$ 1,609,106
Intergovernmental revenues					
Federal	4,250	-	-	-	4,250
State	387,490	373,774	-	143,221	904,485
Local	398,624	553	233,490	-	632,667
Licenses and permits	59,595	-	-	7,400	66,995
Charges for services	38,435	-	-	184,013	222,448
Fines	7,387	-	-	-	7,387
Investment earnings	16,302	837	642	(11,543)	6,238
Miscellaneous	64,405	-	-	-	64,405
Total revenues	<u>2,585,594</u>	<u>375,164</u>	<u>234,132</u>	<u>323,091</u>	<u>3,517,981</u>
Expenditures					
Current					
General government	707,239	-	-	-	707,239
Public safety	1,195,014	-	-	166,941	1,361,955
Public works	78,498	201,452	310,529	181,188	771,667
Health and sanitation	66,306	-	-	-	66,306
Community and economic development	30,751	-	-	-	30,751
Culture and recreation	270,981	-	-	-	270,981
Other	2,252	-	-	-	2,252
Debt service					
Principal	10,993	-	-	-	10,993
Interest	719	-	-	-	719
Total expenditures	<u>2,362,753</u>	<u>201,452</u>	<u>310,529</u>	<u>348,129</u>	<u>3,222,863</u>
Revenues over (under) expenditures	<u>222,841</u>	<u>173,712</u>	<u>(76,397)</u>	<u>(25,038)</u>	<u>295,118</u>
Other financing sources (uses)					
Transfers in	-	-	296,245	50,818	347,063
Transfers out	(296,245)	(45,000)	(5,818)	-	(347,063)
Total other financing sources (uses)	<u>(296,245)</u>	<u>(45,000)</u>	<u>290,427</u>	<u>50,818</u>	<u>-</u>
Net changes in fund balances	(73,404)	128,712	214,030	25,780	295,118
Fund balances, beginning of year	<u>967,808</u>	<u>448,265</u>	<u>341,698</u>	<u>873,618</u>	<u>2,631,389</u>
Fund balances, end of year	<u>\$ 894,404</u>	<u>\$ 576,977</u>	<u>\$ 555,728</u>	<u>\$ 899,398</u>	<u>\$ 2,926,507</u>

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

CITY OF WHITEHALL

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

FOR THE YEAR ENDED JUNE 30, 2022

Net changes in fund balances - total governmental funds	\$ 295,118
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.</p>	
Add - capital outlay	829,070
Deduct - depreciation expense	(562,191)
<p>Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
Add - principal payments on debt	10,993
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.</p>	
Add - decrease in compensated absences	11,752
Add - decrease in net pension liability	235,768
Add - increase in deferred outflows related to pensions	148,827
Deduct - increase in deferred inflows related to pensions	(136,252)
Deduct - increase in net OPEB liability	27,877
<p>Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.</p>	
Add - increase in net position from the internal service funds	<u>54,132</u>
Change in net position of governmental activities	<u>\$ 915,094</u>

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

CITY OF WHITEHALL
PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2022

	Enterprise Funds				Enterprise Fund Total	Governmental Activities
	Sewer	Water	Playhouse	(Nonmajor Enterprise Fund) Marina		Internal Service Fund
Assets						
Current assets						
Cash and pooled investments	\$ 885,830	\$ 1,407,577	\$ 444,680	\$ 137,373	\$ 2,875,460	\$ 673,585
Accounts receivable	432,172	243,969	3	4,790	680,934	16,493
Prepaid items	-	-	4,030	-	4,030	56,393
Due from other funds	2,818	108	-	-	2,926	17
Due from other governments	-	-	-	4,293	4,293	1,581
Inventory	-	11,161	-	29,495	40,656	43,338
Total current assets	<u>1,320,820</u>	<u>1,662,815</u>	<u>448,713</u>	<u>175,951</u>	<u>3,608,299</u>	<u>791,407</u>
Non-current assets						
Capital assets						
Land	-	4,223	103,454	345,420	453,097	-
Construction in progress	-	-	-	-	-	-
Plant and systems	5,148,649	8,935,713	-	-	14,084,362	-
Buildings and improvements	-	341,148	3,893,657	474,835	4,709,640	410,121
Land improvements	-	-	-	957,568	957,568	-
Equipment	-	-	30,193	-	30,193	1,710,184
Less accumulated depreciation	<u>(2,200,162)</u>	<u>(3,838,435)</u>	<u>(381,100)</u>	<u>(1,010,270)</u>	<u>(7,429,967)</u>	<u>(1,563,397)</u>
Total capital assets, net	2,948,487	5,442,649	3,646,204	767,553	12,804,893	556,908
Access rights, net	13,357	-	-	-	13,357	-
Total non-current assets	<u>2,961,844</u>	<u>5,442,649</u>	<u>3,646,204</u>	<u>767,553</u>	<u>12,818,250</u>	<u>556,908</u>
Total assets	<u>4,282,664</u>	<u>7,105,464</u>	<u>4,094,917</u>	<u>943,504</u>	<u>16,426,549</u>	<u>1,348,315</u>
Deferred outflows of resources						
Deferred outflow for pension plan	70,108	115,456	5,951	-	191,515	-
Liabilities						
Current liabilities						
Accounts payable	78,887	36,693	2,791	1,289	119,660	36,404
Accrued liabilities	6,968	11,977	8,740	3,378	31,063	1,366
Due to other funds	-	2,710	30,837	-	33,547	-
Unearned revenue	-	-	35,085	49,658	84,743	-
Customer deposits	-	3,850	-	-	3,850	-
Current portion of long-term debt	-	-	262,000	-	262,000	80,431
Total current liabilities	<u>85,855</u>	<u>55,230</u>	<u>339,453</u>	<u>54,325</u>	<u>534,863</u>	<u>118,201</u>
Long-term liabilities						
Accrued compensated absences	19,844	31,183	9,070	-	60,097	-
Net pension liability	23,298	39,564	7,958	-	70,820	-
Long-term debt payable, net of current portion	-	-	622,000	-	622,000	-
Total long-term liabilities	<u>43,142</u>	<u>70,747</u>	<u>639,028</u>	<u>-</u>	<u>752,917</u>	<u>-</u>
Total liabilities	<u>128,997</u>	<u>125,977</u>	<u>978,481</u>	<u>54,325</u>	<u>1,287,780</u>	<u>118,201</u>
Deferred inflows of resources						
Deferred inflow for pension plan	63,800	105,068	5,415	-	174,283	-
Net position						
Net investment in capital assets	2,948,487	5,442,649	2,762,204	767,553	11,920,893	476,477
Unrestricted	1,211,488	1,547,226	354,768	121,626	3,235,108	753,637
Total net position	<u>\$ 4,159,975</u>	<u>\$ 6,989,875</u>	<u>\$ 3,116,972</u>	<u>\$ 889,179</u>	<u>\$ 15,156,001</u>	<u>\$ 1,230,114</u>

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

CITY OF WHITEHALL
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Funds				Enterprise Fund Total	Governmental Activities
	Sewer	Water	Playhouse	(Nonmajor Enterprise Fund) Marina		Internal Service Fund
Operating revenue						
Charges for services	\$ 1,664,428	\$ 920,515	\$ 93,685	\$ 197,128	\$ 2,875,756	\$ 270,204
Program sponsorships	-	-	51,050	-	51,050	-
Total operating revenue	<u>1,664,428</u>	<u>920,515</u>	<u>144,735</u>	<u>197,128</u>	<u>2,926,806</u>	<u>270,204</u>
Operating expense						
Operating costs and expenses	1,176,423	523,212	280,873	133,603	2,114,111	102,849
Depreciation	98,869	210,669	81,698	46,002	437,238	108,870
Amortization	6,312	-	-	-	6,312	-
Total operating expense	<u>1,281,604</u>	<u>733,881</u>	<u>362,571</u>	<u>179,605</u>	<u>2,557,661</u>	<u>211,719</u>
Operating income (loss)	<u>382,824</u>	<u>186,634</u>	<u>(217,836)</u>	<u>17,523</u>	<u>369,145</u>	<u>58,485</u>
Non-operating revenue (expense)						
Grant revenue	-	-	77,268	-	77,268	-
Other revenue	-	-	96,880	-	96,880	-
Investment earnings	1,448	988	596	226	3,258	1,082
Interest expense	-	-	(28,969)	-	(28,969)	(5,435)
Total non-operating revenue (expense)	<u>1,448</u>	<u>988</u>	<u>145,775</u>	<u>226</u>	<u>148,437</u>	<u>(4,353)</u>
Income (loss) before other items	<u>384,272</u>	<u>187,622</u>	<u>(72,061)</u>	<u>17,749</u>	<u>517,582</u>	<u>54,132</u>
Transfers and other items						
Transfers in	-	25,000	-	-	25,000	-
Transfers out	(25,000)	-	-	-	(25,000)	-
Total transfers and other items	<u>(25,000)</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital contributions	<u>385,000</u>	<u>427,000</u>	<u>265,655</u>	<u>-</u>	<u>1,077,655</u>	<u>-</u>
Changes in net position	744,272	639,622	193,594	17,749	1,595,237	54,132
Net position, beginning of year, as restated	<u>3,415,703</u>	<u>6,350,253</u>	<u>2,923,378</u>	<u>871,430</u>	<u>13,560,764</u>	<u>1,175,982</u>
Net position, end of year	<u>\$ 4,159,975</u>	<u>\$ 6,989,875</u>	<u>\$ 3,116,972</u>	<u>\$ 889,179</u>	<u>\$ 15,156,001</u>	<u>\$ 1,230,114</u>

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

CITY OF WHITEHALL
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Funds					Governmental
	Sewer	Water	Playhouse	(Nonmajor Enterprise Fund) Marina	Enterprise Fund Total	Internal Service Fund
Cash flows from operating activities						
Receipts from internal services provided	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,176
Receipts from customers and users	1,587,241	885,830	146,445	193,260	2,812,776	-
Grants and donations	-	-	122,699	-	122,699	-
Payments to employees	(251,942)	(331,232)	(177,507)	(26,315)	(786,996)	(51,043)
Payments to suppliers	(948,209)	(222,841)	(107,909)	(123,718)	(1,402,677)	(93,288)
Net cash provided by (used in) operating activities	<u>387,090</u>	<u>331,757</u>	<u>(16,272)</u>	<u>43,227</u>	<u>745,802</u>	<u>109,845</u>
Cash flows from non-capital financing activities						
Due to other funds	(427)	(6,638)	-	-	(7,065)	-
Due from other funds	6,530	319	-	-	6,849	(17)
Transfers in	-	25,000	-	-	25,000	-
Transfers out	(25,000)	-	-	-	(25,000)	-
Net cash provided by (used in) non-capital financing activities	<u>(18,897)</u>	<u>18,681</u>	<u>-</u>	<u>-</u>	<u>(216)</u>	<u>(17)</u>
Cash flows from capital and related financing activities						
Interest paid	-	-	(30,671)	-	(30,671)	(5,435)
Capital contributions	385,000	427,000	265,655	-	1,077,655	-
Principal paid on bonds and notes	-	-	(358,000)	-	(358,000)	(77,760)
Acquisitions of capital assets	(395,026)	(488,807)	(11,399)	-	(895,232)	(21,018)
Net cash provided by (used in) capital and related financing activities	<u>(10,026)</u>	<u>(61,807)</u>	<u>(57,147)</u>	<u>-</u>	<u>(128,980)</u>	<u>(104,213)</u>
Cash flows from investing activities						
Interest income	1,448	988	596	226	3,258	1,082
Net increase (decrease) in cash and pooled investments	359,615	289,619	(72,823)	43,453	619,864	6,697
Cash and pooled investments, beginning of year	<u>526,215</u>	<u>1,117,958</u>	<u>517,503</u>	<u>93,920</u>	<u>2,255,596</u>	<u>666,888</u>
Cash and pooled investments, end of year	<u>\$ 885,830</u>	<u>\$ 1,407,577</u>	<u>\$ 444,680</u>	<u>\$ 137,373</u>	<u>\$ 2,875,460</u>	<u>\$ 673,585</u>
Cash flows from operating activities						
Operating income (loss)	\$ 382,824	\$ 186,634	\$ (217,836)	\$ 17,523	\$ 369,145	\$ 58,485
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	98,869	210,669	81,698	46,002	437,238	108,870
Amortization of access rights	6,311	-	-	-	6,311	-
Deferred outflows of resources	(21,187)	(34,892)	(1,799)	-	(57,878)	-
Deferred inflows of resources	19,397	31,944	1,647	-	52,988	-
Grants and donations	-	-	96,880	-	96,880	-
Changes in operating assets and liabilities which provided (used) cash						
Receivables	(77,187)	(34,795)	1,710	(4,785)	(115,057)	(16,443)
Due from other governmental units	-	-	-	(1,950)	(1,950)	415
Prepaid items	-	-	(825)	-	(825)	(56,393)
Inventory	-	(430)	-	(15,985)	(16,415)	(19,793)
Accounts payable	11,420	24,410	1,222	(945)	36,107	34,627
Accrued liabilities	405	3,694	(1,102)	500	3,497	77
Customer deposits	-	110	-	-	110	-
Compensated absences	(197)	(311)	(837)	-	(1,345)	-
Net pension liability	(33,565)	(55,276)	(2,849)	-	(91,690)	-
Unearned revenue	-	-	25,819	2,867	28,686	-
Net cash provided by (used in) operating activities	<u>\$ 387,090</u>	<u>\$ 331,757</u>	<u>\$ (16,272)</u>	<u>\$ 43,227</u>	<u>\$ 745,802</u>	<u>\$ 109,845</u>

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

CITY OF WHITEHALL
FIDUCIARY FUND
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Custodial Fund
Assets	
Cash and pooled investments	\$ _____ -
Total assets	_____ -
Liabilities	
Due to other governmental units	_____ -
Total liabilities	_____ -
Net position	
Restricted	\$ _____ -

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

CITY OF WHITEHALL
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Custodial Fund
Additions	
Property taxes collected for other governments	\$ <u>5,912,966</u>
Total additions	<u>5,912,966</u>
Deductions	
Property taxes distributed to other governments	<u>5,912,966</u>
Total deductions	<u>5,912,966</u>
Net increase	-
Net position, beginning of year	<u>-</u>
Net position, end of year	<u><u>\$ -</u></u>

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

CITY OF WHITEHALL
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	Tax Increment Finance Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Assets				
Cash and pooled investments	\$ 1,366,791	\$ 79,829	\$ 34,315	\$ 1,480,935
Accounts receivable	205	40	35	280
Capital assets not being depreciated	<u>145,568</u>	<u>534,857</u>	<u>-</u>	<u>680,425</u>
Total assets	<u>1,512,564</u>	<u>614,726</u>	<u>34,350</u>	<u>2,161,640</u>
Liabilities				
Accounts payable	20,019	116	-	20,135
Accrued liabilities	<u>3,929</u>	<u>820</u>	<u>547</u>	<u>5,296</u>
Total liabilities	<u>23,948</u>	<u>936</u>	<u>547</u>	<u>25,431</u>
Net position				
Investment in capital assets	145,568	534,857	-	680,425
Unrestricted	<u>1,343,048</u>	<u>78,933</u>	<u>33,803</u>	<u>1,455,784</u>
Total net position	<u>\$ 1,488,616</u>	<u>\$ 613,790</u>	<u>\$ 33,803</u>	<u>\$ 2,136,209</u>

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

CITY OF WHITEHALL
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Tax Increment Finance Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Expenses				
Community development	<u>\$ 1,043,382</u>	<u>\$ 344,726</u>	<u>\$ 420,235</u>	<u>\$ 1,808,343</u>
Revenues				
Program revenues				
Operating grants and contributions	929,755	239,308	-	1,169,063
General revenues				
Property taxes	344,381	102,132	393,940	840,453
Unrestricted investment earnings	2,915	262	335	3,512
Miscellaneous	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
Total revenues	<u>1,277,058</u>	<u>341,702</u>	<u>394,275</u>	<u>2,013,035</u>
Change in net position	233,676	(3,024)	(25,960)	204,692
Net position, beginning of year	<u>1,254,940</u>	<u>616,814</u>	<u>59,763</u>	<u>1,931,517</u>
Net position, end of year	<u>\$ 1,488,616</u>	<u>\$ 613,790</u>	<u>\$ 33,803</u>	<u>\$ 2,136,209</u>

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

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Whitehall, Michigan (the "City") was incorporated in 1942, under the provisions of Act 279, P.A.1909, as amended (the Home Rule City Act). The City operates under a Council-Manager form of government and provides police, major and local streets, culture and recreation, public improvements, planning and zoning, and general and administrative services as authorized by its charter.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations, so data from these units are combined with data of the primary government. The City has no blended component units. Discretely presented component units are reported in a separate column in the financial statements to emphasize they are legally separate from the City. A separate section of the financial statements provides detailed financial information on the discretely presented component units.

Discretely Presented Component Units

The component unit columns in the basic financial statements include the financial data of the Tax Increment Financing Authority, the Local Development Finance Authority, and the Brownfield Redevelopment Authority. These entities are reported in separate columns and rows to emphasize that they are legally separate from the City. The members of the governing boards of these organizations are appointed by the City Council. The budgets of these organizations must be approved by the City Council, and the City has the ability to significantly influence their operations. Financial statements are not separately issued for the component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except grant revenues which are recognized when grant requirements are met, state shared revenue is recognized in the month in which taxes are collected, and interest revenue which is recorded when earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension expense, and claims and judgments, are recorded only when payment is due. Property taxes, state revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues 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 revenues of the enterprise funds are charges for services. Operating expenses for the enterprise funds include depreciation on capital assets, labor, supplies and contracted services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Major Streets Fund* accounts for funds specifically intended for the maintenance and construction of major streets. Financing is provided from Public Act 51 state shared gas and weight tax and miscellaneous service revenues.

The *Street Improvement Capital Projects Fund* is used for the accumulation and disbursement of resources for the construction of various streets within the City.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The City reports the following major proprietary funds:

The *Sewer Enterprise Fund* is used to account for the operations of the City's sewer department that provides sewer services to most residents of the City on a user charge basis.

The *Water Enterprise Fund* is used to account for the operations of the City's water department that provides water services to most residents of the City on a user charge basis.

The *Playhouse Enterprise Fund* is used to account for the operations of the City's fine arts center.

Additionally, the City reports the following fund types:

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

The *Debt Service Fund* is used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs.

The *Permanent Fund* is used to record the activity and balance of the Cemetery Trust which provides funds for perpetual care of cemetery lots.

The *Marina Enterprise Fund* is used to account for the operations of the City's marina.

The *Internal Service Fund* is used to account for financing of goods or services provided by the City to other departments or funds on a cost reimbursement basis.

The *Custodial Fund* is used to account for assets held in a trustee capacity on behalf of outside parties, including other governments.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Budgets and Budgetary Accounting

Comparisons to budget are presented for General and major Special Revenue Funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for all funds except Fiduciary Funds.
5. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

6. Adoption and amendments of all budgets used by the City are governed by Public Act 621. The appropriations ordinances are based on the projected expenditures budget of the department heads of the City. Any amendment to the original budget must meet the requirements of Public Act 621. The City did amend its budget for the current year. Any revisions that alter the total expenditures of any activity must be approved by the City Council.

Budgets for expenditures are adopted on an activity basis. Budgeted amounts are as originally adopted and amended by the City Council.

Cash and Pooled Investments

The City's cash and pooled investments are considered to be cash and cash equivalents because the balances are readily available similar to demand deposits. All investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Statutory Authority

City policy and state statutes authorize the City to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

Due to and Due from Other Funds

Interfund receivables and payables are short term borrowings that arise from interfund transactions which are recorded by all funds affected in the period in which transactions are executed.

Receivables/Due from Other Governments

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible balances are immaterial to the financial statements.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements following the consumption method of accounting.

Inventory

All inventories are valued at original cost using the first-in/first-out (FIFO) following the consumption method of accounting. Inventory represents parts and fuel utilized in the various City operations.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental and business-type activities column in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction) on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

No interest expense has been capitalized on capital assets reported in proprietary funds.

Depreciation on capital assets (including infrastructure), is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land Improvements	10-20
Buildings and Improvements	25-40
Equipment	5-10
Vehicles	3-10
System Infrastructure	5-100

Compensated Absences

City employees are granted earned time off in varying amounts based on length of service and can be paid for time off work for vacation, illness, injury, family needs or other approved reasons. Upon termination, employees are paid for unused earned time off at their current rates. Employees hired before July 1, 2013 may accumulate earned time off not to exceed 95 days (760 hours). Employees hired after July 1, 2013 may accumulate earned time off not to exceed 40 days (320 hours). All earned time off is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, the long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Where applicable, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums, discounts and issuance costs in the year of issuance. The face amount of debt issued and any premiums received are reported as other financing sources. Discounts on debt issuances are reported as an other financing use. Issuance costs are reported as expenditures or expenses regardless of fund or activity.

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 statement 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 City has items that qualify for reporting in this category related to the net pension liability which is discussed in note 6.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement 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 City has items that qualify for reporting in this category related to the net pension liability which is discussed in note 6.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted – the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed – the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned – the related assets can only be spent for a specific purpose but do not meet the criteria to be classified as committed.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The City Council has delegated the authority to assign fund balance to the City Manager.

The City's policy requires the general fund to maintain a fund balance of 35% of budgeted expenditures.

Net Position and Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Property Taxes

City property taxes are attached as an enforceable lien on property as of July 1. Taxes are levied July 1 and are due without penalty on or before July 31. Real property taxes not collected as of March 1 are turned over to Muskegon County for collection, which advances the City 100% for the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the City Treasurer.

Property taxes levied in July of each year are recognized as revenue in that year.

Grants and Other Intergovernmental Revenues

Grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenue when entitlement occurs. Reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditure/expenses are incurred.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Transfers are used to contribute budgeted amounts to the capital improvements and other funds or to move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2022, the City carried commercial insurance to cover risks of losses. The City has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

2. STATUTORY COMPLIANCE

Excess of expenditures over appropriations

PA. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the City's actual expenditures and budgeted expenditures for the budgetary funds have been shown at the functional level. The approved budgets of the City for these budgetary funds were adopted at the activity level.

During the year ended June 30, 2022, the City incurred expenditures in excess of the amounts appropriated as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund			
Health and sanitation			
Sanitation	\$1,000	\$1,790	\$790

3. DEPOSITS AND INVESTMENTS

The captions on the financial statements relating to cash and pooled investments are as follows:

Governmental activities	\$3,905,155
Business-type activities	2,875,460
Component units	<u>1,480,935</u>
	<u>\$8,261,550</u>

Cash and pooled investments consist of the following at June 30, 2022:

Petty cash	\$ 725
Deposits	
Demand deposit accounts	5,537,602
Certificates of deposit	1,395,719
Investments	<u>1,327,504</u>
	<u>\$8,261,550</u>

Deposits

The deposits are in financial institutions located in Michigan. State policy limits the Treasurer's investing options to financial institutions located in Michigan. All accounts are in the name of the City and a specific fund or common account. They are recorded in City records at fair value.

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. As of year-end, \$5,797,957 of the City's bank balance of \$7,112,135 was exposed to custodial credit risk because it was uninsured and uncollateralized.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Investments

The City chooses to disclose its investments by type. As of year-end, the City had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Fixed Income Securities			
United States Treasury Notes	8/31/25	\$ 9,156	Moody's Aaa
United States Treasury Notes	11/30/25	9,134	Aaa
United States Treasury Notes	10/15/24	23,687	Aaa
United States Treasury Notes	1/15/25	14,305	Aaa
United States Treasury Notes	2/15/24	49,824	Aaa
United States Treasury Notes	8/31/24	39,058	Aaa
United States Treasury Notes	10/31/22	49,978	Aaa
United States Treasury Notes	2/28/23	54,970	Aaa
United States Treasury Notes	5/31/23	54,927	Aaa
United States Treasury Notes	9/30/23	44,956	Aaa
Mutual Funds			
IAM OCIO IAM Bank Sweep		15,624	N/A
IAM OCIO IAM Bank Sweep		33,674	N/A
Comerica Gov't. Cash Investment fund	N/A	557,133	S&P AAAM
Money Market	N/A	371,078	Not rated
		\$1,327,504	

The City categorizes its fair value measurements of investments 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.

The City has the following recurring fair value measurements as of year-end:

- The City's treasury note investments are valued using quoted market prices (Level 1 inputs).
- Money market and mutual fund accounts are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determine the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The City does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The City's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each investment is identified above for investments held at year-end.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year end.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the 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 an outside party. State law does not require and the City does not have a policy for investment custodial credit risk. The City has custodial credit risk of \$399,293 because the treasury notes listed above are uninsured, unregistered and held by the government's brokerage firm which is also the counterparty for these particular securities. Of the above money market and mutual fund investments, the City's custodial credit risk exposure cannot be determined because the City's participation in the funds does not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The City's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

4. INTERFUND TRANSACTIONS

Amounts due to and from other funds at June 30, 2022 are as follows:

<u>Due to</u>	<u>Due from</u>					<u>Total</u>
	<u>General fund</u>	<u>Major Streets fund</u>	<u>Sewer fund</u>	<u>Water fund</u>	<u>Nonmajor funds</u>	
General fund	\$ -	\$28	\$ 108	\$108	\$58	\$ 302
Water fund	-	-	2,710	-	-	2,710
Playhouse fund	30,837	-	-	-	-	30,837
General fund	<u>\$30,837</u>	<u>\$28</u>	<u>\$2,818</u>	<u>\$108</u>	<u>\$58</u>	<u>\$33,849</u>

Transfers in and out for the year ended June 30, 2022 are as follows:

<u>Transfers out</u>	<u>Transfers in</u>			
	<u>Street Improvement fund</u>	<u>Water fund</u>	<u>Nonmajor funds</u>	<u>Total</u>
General fund	\$296,245	\$ -	\$ -	\$296,245
Major Street fund	-	-	45,000	45,000
Street Improvement fund	-	-	5,818	5,818
Sewer fund	-	25,000	-	25,000
Total	<u>\$296,245</u>	<u>\$25,000</u>	<u>\$50,818</u>	<u>\$372,063</u>

Transfers are used to (1) move unrestricted revenues collected in the General Fund to finance capital and other various programs accounted for in other funds in accordance with budgetary authorizations and (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

5. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities				
Capital assets, not being depreciated				
Land	\$1,059,728	\$ -	\$ -	\$1,059,728
Construction in Progress	891,141	310,529	878,882	322,788
	<u>1,950,869</u>	<u>310,529</u>	<u>878,882</u>	<u>1,382,516</u>
Capital assets, being depreciated				
Building and improvements	1,695,322	-	-	1,695,322
Land improvements	1,128,186	1,097,440	-	2,225,626
Vehicles and equipment	2,010,306	27,001	-	2,037,307
Infrastructure	13,486,709	294,000	-	13,780,709
Total capital assets, being depreciated	<u>18,320,523</u>	<u>1,418,441</u>	<u>-</u>	<u>19,738,964</u>
Less accumulated depreciation				
Building and improvements	1,303,361	33,117	-	1,336,478
Land improvements	1,035,435	122,930	-	1,158,365
Vehicles and equipment	1,318,463	124,352	-	1,442,815
Infrastructure	9,628,218	390,662	-	10,018,880
Total accumulated depreciation	<u>13,285,477</u>	<u>671,061</u>	<u>-</u>	<u>13,956,538</u>
Net capital assets, being depreciated	<u>5,035,046</u>	<u>747,380</u>	<u>-</u>	<u>5,782,426</u>
Governmental Activities capital assets, net	<u>\$6,985,915</u>	<u>\$1,057,909</u>	<u>\$878,882</u>	<u>\$7,164,942</u>
	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 453,097	\$ -	\$ -	\$ 453,097
Construction in progress	5,598	-	5,598	-
Total capital assets, not being depreciated	<u>458,695</u>	<u>-</u>	<u>5,598</u>	<u>453,097</u>
Capital assets, being depreciated				
Plants and system	13,194,932	889,430	-	14,084,362
Buildings and improvements	4,709,640	-	-	4,709,640
Land improvements	912,648	44,920	-	957,568
Equipment	18,795	11,399	-	30,194
Total capital assets, being depreciated	<u>18,836,015</u>	<u>945,749</u>	<u>-</u>	<u>19,781,764</u>
Less accumulated depreciation				
Plants and system	5,390,195	307,255	-	5,697,450
Buildings and improvements	967,228	95,733	-	1,062,961
Land improvements	620,271	31,230	-	651,501
Equipment	15,036	3,020	-	18,056
Total accumulated depreciation	<u>6,992,730</u>	<u>437,238</u>	<u>-</u>	<u>7,429,968</u>
Net capital assets, being depreciated	<u>11,843,285</u>	<u>508,511</u>	<u>-</u>	<u>12,351,796</u>
Business-type Activities capital assets, net	<u>\$12,301,980</u>	<u>\$508,511</u>	<u>\$5,598</u>	<u>\$12,804,893</u>

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Component Units

Tax Increment Financing Authority

Land	\$145,568	\$	-	\$	-	\$145,568
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Local Development Finance Authority

Land	534,857	-	-	-	-	534,857
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Component unit capital assets, net

	\$680,425	\$	-	\$	-	\$680,425
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

General government	\$ 43,421
Public safety	87,030
Highways	424,878
Culture and recreation	2,174
Health and sanitation	4,688
Depreciation charged to internal service fund	108,870

Total depreciation expense - governmental activities	\$671,061
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Business-type Activities

Sewer	\$ 98,869
Water	210,669
Playhouse	81,698
Marina	46,002

Total depreciation expense - business- type activities	\$437,238
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6. DEFINED BENEFIT PENSION PLAN

Defined Benefit Traditional and Hybrid Plan

Plan Description

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

Benefits Provided

Benefits provided include a multiplier of 1.0 to 2.0 times final average compensation. Vesting period from 6 to 10 years. Normal retirement age is 60 with early retirement at 55 with 15 years of service. Final average compensation is calculated based on 3 to 5 years depending on division.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2021):

Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled but not yet receiving benefits	3
Active plan members	<u>20</u>
Total	<u>47</u>

Contributions

The City is required to contribute at an actuarially determined rate, which for the current year was a monthly amount of \$32,837 for the traditional and hybrid Plans. The contribution requirements of the City are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

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

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

- Inflation: 2.5%
- Salary Increases: base wage inflation of 3.00% in the long-term (plus merit and longevity from 0 to 11% based on age)
- Investment rate of return: 7.35%, net of investment expense, including inflation
- Mortality rates used for non-disabled plan member were based on a weighted blend of RP-2014 mortality tables of a 50% Male and 50% Female blend. Mortality rates used for disabled plan member were based on a blend of RP-2014 disabled retiree mortality tables of a 50% Male and 50% Female blend of disabled retirees

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

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

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	60.0%	4.50%	2.70%
Global Fixed Income	20.0%	2.00%	0.40%
Private investments	20.0%	7.00%	1.40%
Inflation			2.50%
Administrative fee			0.25%
			<hr/>
Investment rate of return			<u>7.25%</u>

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

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u> <u>(a)</u>	<u>Plan Fiduciary Net Position</u> <u>(b)</u>	<u>Net Pension Liability</u> <u>(a)-(b)</u>
Balance at December 31, 2020	\$6,919,094	\$5,739,165	\$1,179,929
Changes for the Year:			
Service cost	108,753	-	108,753
Interest	491,751	-	491,751
Change in benefits	-	-	-
Differences between expected and actual experience	1,637	-	1,637
Change in assumptions	265,232	-	265,232
Contributions: employer	-	411,498	(411,498)
Contributions: employee	-	-	-
Net investment income	-	816,752	(816,752)
Benefit payments, including refunds	(373,291)	(373,291)	-
Administrative expense	-	(9,371)	9,371
Other changes	24,048	-	24,048
Net changes	<u>518,130</u>	<u>845,588</u>	<u>(327,458)</u>
Balance at December 31, 2021	<u>\$7,437,224</u>	<u>\$6,584,753</u>	<u>\$ 852,471</u>

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

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

	1% Decrease	Current Discount rate	1% Increase
Total pension liability	\$8,285,620	\$7,437,224	\$6,717,436
Fiduciary net position	6,584,753	6,584,753	6,584,753
Net pension liability	<u>\$1,700,867</u>	<u>\$ 852,471</u>	<u>\$ 132,683</u>

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

For the year ended June 30, 2022, the employer recognized pension expense of \$184,030. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows Of <u>Resources</u>	Deferred Inflows Of <u>Resources</u>
Excess investment returns	\$ -	\$489,075
Differences in experience	-	135,094
Differences in assumptions	369,501	-
Contributions subsequent to the measurement date*	<u>314,476</u>	<u>-</u>
Total	<u>\$683,977</u>	<u>\$624,169</u>

* The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending June 30, 2022.

Amounts reported as deferred outflows and inflows of resources related to pensions (excluding contributions subsequent to the measurement date) will be recognized in pension expense as follows:

2023	\$16,164
2024	(122,218)
2023	(68,631)
2024	(79,982)
2025	-
Thereafter	<u>-</u>
Total	<u>\$(254,668)</u>

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Defined Contribution Plan

The City of Whitehall provides pension benefits to its non-union full-time employees hired after July 1, 2012 through a defined contribution plan administered by MERS. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The City contributes 8% of eligible earnings as defined in the plan document which may be amended by the City Council. In accordance with these requirements, the City contributed \$16,078 during the year ended June 30, 2022.

7. LONG-TERM DEBT

The following is a summary of the debt transactions of the City for the year ended June 30, 2022:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Governmental Activities					
2019 Act 99 installment note payable in annual installments of \$83,1955 through April 2023, including interest at 3.436%	\$158,191	\$ -	\$77,759	\$80,432	\$80,432
2020 Police interceptor contract payable in annual installments of \$11,712 through March 2022, including interest at 6.55%	10,993	-	10,993	-	-
Total bonds/capital leases	169,184	-	88,752	80,432	80,432
Accrued employee benefits	302,712	-	11,752	290,960	-
Total Governmental Activities	\$471,896	\$ -	\$100,504	\$371,392	\$80,432
Business-type Activities					
2018 General Obligation, Limited Tax Bonds, payable in annual installments ranging from \$102,000 to \$383,000 through October 2027, including interest from 2.25% to 3.4%	\$1,242,000	\$ -	\$358,000	\$884,000	\$262,000
Accrued employee benefits	61,442	-	1,345	60,097	-
Total Business-type Activities	\$1,303,442	\$ -	\$359,345	\$944,097	\$262,000

Compensated absences of governmental activities are generally liquidated with general fund resources.

All outstanding debt of the City is direct placement or direct borrowing debt. The debt documents contain various provisions that in the event of default, the City shall be required to use money from its general fund or levy an ad valorem tax sufficient to pay the obligation, subject to applicable constitutional, statutory, and charter limitations.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The annual requirements to amortize all debt outstanding (excluding accrued employee benefits) as of June 30, 2022 are as follows:

Year Ended <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 80,432	\$2,764	\$ 262,000	22,380
2024	-	-	179,000	16,558
2025	-	-	120,000	12,341
2026	-	-	110,000	8,836
2027	-	-	111,000	5,300
Thereafter	-	-	102,000	1,734
Total	\$80,432	\$2,764	\$884,000	\$67,149

8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City maintains a single-employer defined benefit healthcare plan (the "Plan"). In addition to the retirement benefits described in Note 6, the Plan provides health insurance benefits to certain retirees and their beneficiaries, which are funded on a pay as you go basis.

Benefits provided

In accordance with the union and non-union agreements, retirees receive an employer-paid benefit toward health insurance premiums for the retiree. The retiree benefit amount is between 60 and 100% of the premium depending on years of service and union or non-union. The employer's contributions cease when the employee becomes eligible for Medicare benefits.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (June 30, 2022):

Retirees and beneficiaries receiving benefits	3
Active plan members	11
Total	14

The plan is closed to new participants.

Contributions

The contribution requirements of Plan members and the City are established and may be amended by the City Council. The City's contributions are based on pay-as-you-go financing requirements.

There are no long-term contracts for contributions to the Plan. The plan has no legally required reserves.

Net OPEB Liability

The employer's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

The total OPEB liability in the June 30, 2022 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.16%

Salary Increases: 3.0% including inflation

Investment rate of return: 2.2%, net of investment expense, including inflation

Healthcare cost trend rates: The expected rate of increase in healthcare insurance premiums was 7.25% initially decreasing .25% per year to a final 4.5% long term rate.

Mortality rates were based on the IRS 2017 annuitant/non-annuitant tables.

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

Discount rate. The discount rate used to measure the total OPEB liability is 2.16%; the rate used in 2021 was 2.2%. Because the plan does not have a dedicated OPEB trust, there are not assets projected to be sufficient to make projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long term expected rate would be used to discount the projected benefits. From the year projected benefits are not projected to be covered by the projected assets (the "depletion date"), projected benefits would be 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. This discount rate is used to determine the Total OPEB Liability. A discount rate is used of determine the Total OPEB Liability.

Changes in the Net OPEB Liability

	Total OPEB Liability (a)
Balance at 6/30/20	\$541,224
Changes for the Year:	
Service cost	25,361
Interest	11,964
Differences between expected and actual experience	(65,825)
Change in assumptions	623
Net changes	(27,877)
Balance at 6/30/21	\$513,347

Sensitivity of the Net OPEB Liability to changes in the discount rate.

The following presents the net OPEB liability of the employer, calculated using the discount rate of 2.16%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (1.16%) or higher (3.16%) than the current rate.

	1% Decrease	Current Discount rate	1% increase
Total OPEB liability	\$521,912	\$513,347	\$495,271

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the employer, calculated using the healthcare cost trend rate, as well as what the employer's net OPEB liability would be using a healthcare cost trend rate that is 1 percentage point lower or higher than the current rate.

	1% Decrease	Current healthcare cost trend rate	1% increase
Total OPEB liability	\$468,799	\$513,347	\$563,705

OPEB Expense

For the year ended June 30, 2022 the employer recognized OPEB expense of \$27,877.

9. TAX ABATEMENTS

The City entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Tax Exemption) PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An Industrial Facilities Tax Exemption (IFTE) certificate entitles the facility to a partial exemption from ad valorem real and/or personal property taxes for a term of 12 years for real property and 6 years for personal property as determined by the local unit of government. The IFTE is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%. The agreements entered into by the City include claw back provisions should the recipient of the tax abatement cease operations and no successor employer is providing employment during the term of the abatement. For the year ended June 30, 2022 the City abated property tax revenues of approximately \$67,900.

Public Act 381 of 1996, the Brownfield Redevelopment Financing Act, was adopted in the State of Michigan as a means to authorize municipalities to create a brownfield redevelopment authority to facilitate the implementation of brownfield plans; to create brownfield redevelopment zones; to promote the revitalization, redevelopment, and reuse of certain property, including, but not limited to, tax reverted, blighted, or functionally obsolete property; to prescribe the powers and duties of brownfield redevelopment authorities; to permit the issuance of bonds and other evidences of indebtedness by an authority; to authorize the acquisition and disposal of certain property; to authorize certain funds; to prescribe certain powers and duties of certain state officers and agencies; and to authorize and permit the use of certain tax increment financing. For the year ended June 30, 2022 the City abated property tax revenues of approximately \$141,500.

The City entered into a property tax abatement agreement with a local organization to provide housing for Low Income Persons and Families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCL 125.1401, et seq, MSA 116.11-4(1), et seq). Under the agreement the organization pays 12% of annual shelter rent in lieu of taxes or the ad valorem property taxes whichever is smaller. The agreement is approved for a term dependent on the status of outstanding loans, participation in Low income housing tax credits, and rehabilitation of the property. For the year ended June 30, 2022 the City abated an insignificant amount of property tax revenues.

CITY OF WHITEHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

10. JOINTLY GOVERNED ORGANIZATIONS

The City, in conjunction with other governmental entities, created the White Lake Solid Waste Authority (WLSWA) to operate a solid waste transfer station, the White Lake Fire Authority (WLFA) to provide fire protection and rescue services, and the White Lake Community Library (WLCL) to provide an area library.

The boards of the entities are comprised of one or two members from each participating entity. The WLSWA board annually assesses participating entities in projected amounts required to subsidize the Authorities' annual operations. There were no assessments for WLSWA for the year ended June 30, 2022. WLFA and WLCL are funded through a property tax levy. Audited financial statements are available from the entities.

11. ECONOMIC DEPENDENCY

The City has significant economic dependence on a local corporation that is a major employer, taxpayer, and user of water services. The following is the percentage of taxes and utilities paid by the corporation:

Real and personal property taxes	15%
Water accounts receivable	71%
Water billings	71%

12. CONTINGENCIES

In the normal course of its activities, the City has become a party in various legal actions. Management of the City is of the opinion that the outcome of such actions will not have a material effect on the financial position of the City and, therefore, has not reflected loss reserves in the financial statements.

13. PRIOR YEAR RESTATEMENT

Beginning net position of the marina fund was adjusted to reflect seasonal slip rentals in the year they are earned and to properly capitalize electrical work on the docks. The net affect was a decrease in net position of \$1,871 at June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WHITEHALL
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Property taxes	\$ 1,622,260	\$ 1,622,260	\$ 1,609,106	\$ (13,154)
Intergovernmental revenues				
Federal	1,000	1,000	4,250	3,250
State	304,000	304,000	387,490	83,490
Local	398,440	398,440	398,624	184
Licenses and permits	56,500	56,500	59,595	3,095
Charges for services	35,060	70,060	38,435	(31,625)
Fines	6,700	6,700	7,387	687
Investment earnings	11,200	11,200	16,302	5,102
Miscellaneous	4,370	55,370	64,405	9,035
Total revenues	<u>2,439,530</u>	<u>2,525,530</u>	<u>2,585,594</u>	<u>60,064</u>
Expenditures				
Current				
General government				
Council	29,325	30,825	30,229	596
Clerk	83,935	83,935	73,310	10,625
District Court	18,000	18,000	16,529	1,471
Administration	231,615	232,515	232,254	261
Election department	35,565	35,565	27,171	8,394
Attorney	15,000	15,000	13,644	1,356
Assessor	33,800	33,800	33,797	3
Board of review	2,615	2,615	2,325	290
Treasurer	85,465	86,665	81,790	4,875
City hall and grounds	63,075	63,075	49,176	13,899
Cemetery	129,560	150,910	147,014	3,896
Total general government	<u>727,955</u>	<u>752,905</u>	<u>707,239</u>	<u>45,666</u>
Public safety				
Police	1,186,865	1,260,190	1,195,014	65,176
Public works				
Sidewalks	12,700	12,700	9,676	3,024
Streets and highways	800	800	523	277
Street lighting	69,000	74,000	68,299	5,701
Total public works	<u>82,500</u>	<u>87,500</u>	<u>78,498</u>	<u>9,002</u>
Health and sanitation				
Sanitation	1,000	1,000	1,790	(790)
Leaf disposal	57,650	65,200	64,516	684
Total health and sanitation	<u>58,650</u>	<u>66,200</u>	<u>66,306</u>	<u>(106)</u>
Community and economic development				
Planning	31,870	31,870	30,751	1,119

(Continued)

CITY OF WHITEHALL

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

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Culture and recreation				
Parks	\$ 161,855	\$ 324,510	\$ 256,195	\$ 68,315
Pathway maintenance	11,850	11,850	11,325	525
119 S Baldwin	<u>4,370</u>	<u>4,370</u>	<u>3,461</u>	<u>909</u>
Total culture and recreation	<u>178,075</u>	<u>340,730</u>	<u>270,981</u>	<u>69,749</u>
Other	<u>7,900</u>	<u>7,900</u>	<u>2,252</u>	<u>5,648</u>
Debt service				
Principal	11,715	11,096	10,993	103
Interest and fiscal charges	<u>-</u>	<u>719</u>	<u>719</u>	<u>-</u>
Total debt service	<u>11,715</u>	<u>11,815</u>	<u>11,712</u>	<u>103</u>
Total expenditures	<u>2,285,530</u>	<u>2,559,110</u>	<u>2,362,753</u>	<u>196,357</u>
Revenues over (under) expenditures	154,000	(33,580)	222,841	256,421
Other financing sources (uses)				
Transfers out	<u>(296,245)</u>	<u>(296,245)</u>	<u>(296,245)</u>	<u>-</u>
Net changes in fund balance	(142,245)	(329,825)	(73,404)	256,421
Fund balance, beginning of year	<u>967,808</u>	<u>967,808</u>	<u>967,808</u>	<u>-</u>
Fund balance, end of year	<u>\$ 825,563</u>	<u>\$ 637,983</u>	<u>\$ 894,404</u>	<u>\$ 256,421</u>

(Concluded)

CITY OF WHITEHALL

**MAJOR STREETS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues				
State	\$ 362,400	\$ 362,400	\$ 373,774	11,374
Local	-	-	553	553
Investment earnings	325	325	837	512
Total revenues	362,725	362,725	375,164	12,439
Expenditures				
Current				
Public works	240,705	250,205	201,452	48,753
Revenues over (under) expenditures	122,020	112,520	173,712	61,192
Other financing sources				
Transfers out	(45,000)	(45,000)	(45,000)	-
Net changes in fund balance	77,020	67,520	128,712	61,192
Fund balance, beginning of year	448,265	448,265	448,265	-
Fund balance, end of year	<u>\$ 525,285</u>	<u>\$ 515,785</u>	<u>\$ 576,977</u>	<u>\$ 61,192</u>

CITY OF WHITEHALL

**DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED JUNE 30, 2022

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 108,753	\$ 97,385	\$ 94,223	\$ 89,798	\$ 90,702	\$ 89,147	\$ 93,541	\$ 95,926
Interest	491,751	498,228	498,106	485,179	468,793	453,759	435,126	416,708
Changes in benefit terms		-	-	-	-	-	-	-
Difference between expected and actual experience	1,637	(236,369)	(72,542)	(21,599)	35,605	9,867	(57,556)	-
Changes in assumptions	265,232	243,605	195,094	-	-	-	251,246	-
Benefit payments including employee refunds	(373,291)	(381,397)	(392,916)	(395,085)	(384,544)	(346,728)	(298,111)	(278,280)
Other	24,048	-	-	-	-	-	-	-
Net change in total pension liability	518,130	221,452	321,965	158,293	210,556	206,045	424,246	234,354
Total pension liability, beginning of year	6,919,094	6,697,642	6,375,677	6,217,384	6,006,828	5,800,783	5,376,537	5,142,183
Total pension liability, end of year	\$ 7,437,224	\$ 6,919,094	\$ 6,697,642	\$ 6,375,677	\$ 6,217,384	\$ 6,006,828	\$ 5,800,783	\$ 5,376,537
Plan Fiduciary Net Position								
Contributions-employer	\$ 411,498	\$ 471,538	\$ 528,836	\$ 299,127	\$ 204,349	\$ 158,000	\$ 149,144	\$ 150,863
Net investment income	816,752	659,825	596,007	(178,066)	547,665	444,151	(61,643)	255,074
Benefit payments including employee refunds	(373,291)	(381,397)	(392,916)	(395,085)	(384,544)	(346,728)	(298,111)	(278,280)
Administrative expense	(9,371)	(10,169)	(10,277)	(8,822)	(8,684)	(8,773)	(9,071)	(9,354)
Net change in plan fiduciary net position	845,588	739,797	721,650	(282,846)	358,786	246,650	(219,681)	118,303
Plan fiduciary net position, beginning of year	5,739,165	4,999,368	4,277,718	4,560,564	4,201,778	3,955,128	4,174,809	4,056,506
Plan fiduciary net position, end of year	\$ 6,584,753	\$ 5,739,165	\$ 4,999,368	\$ 4,277,718	\$ 4,560,564	\$ 4,201,778	\$ 3,955,128	\$ 4,174,809
Employer net pension liability	\$ 852,471	\$ 1,179,929	\$ 1,698,274	\$ 2,097,959	\$ 1,656,820	\$ 1,805,050	\$ 1,845,655	\$ 1,201,728
Plan fiduciary net position as a percentage of the total pension liability	89%	83%	75%	67%	73%	70%	68%	78%
Covered employee payroll	\$ 1,545,884	\$ 1,457,243	\$ 1,410,406	\$ 1,330,267	\$ 1,343,413	\$ 1,267,316	\$ 1,286,631	\$ 1,310,926
Employer's net pension liability as a percentage of covered employee payroll	55%	81%	120%	158%	123%	142%	143%	92%

Notes to schedule:

Above data is based on a December 31 measurement date.

The above schedule is being accumulated prospectively until 10 years of information is presented.

CITY OF WHITEHALL
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contributions	\$ 411,498	\$ 394,044	\$ 349,032	\$ 306,652	\$ 265,672	\$ 168,861	\$ 148,143	\$ 150,709
Contributions in relation to the actuarially determined contribution	<u>411,498</u>	<u>394,044</u>	<u>449,032</u>	<u>406,652</u>	<u>265,672</u>	<u>168,861</u>	<u>148,143</u>	<u>150,709</u>
Contribution excess (deficiency)	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 1,545,884	\$ 1,462,309	\$ 1,428,684	\$ 1,364,874	\$ 1,400,065	\$ 1,329,541	\$ 1,331,381	\$ 1,329,873
Contributions as a percentage of covered employee payroll	26.6%	26.9%	31.4%	29.8%	19.0%	12.7%	11.1%	11.3%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	25 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary increases	3.00% (3.75% for 2015 through 2019)
Investment rate of return	7.0% (7.35% for 2020 and 2021; 7.75% for 2015 through 2019)
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male RP-2014 mortality table

CITY OF WHITEHALL

**OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET OPEB
LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 25,361	\$ 29,511	\$ 25,129	\$ 32,425	\$ 22,961
Interest	11,964	12,202	18,232	16,409	15,540
Changes in benefit terms	-	-	-	-	-
Difference between expected and actual experience	(65,825)	(51,394)	(9,244)	(71,249)	(71,814)
Changes in assumptions	623	11,039	(2,604)	-	-
Benefit payments including employee refunds	-	-	-	-	-
Other	-	-	-	-	-
Net change in total OPEB liability	(27,877)	1,358	31,513	(22,415)	(33,313)
Total OPEB liability, beginning of year	541,224	539,866	508,353	530,768	564,081
Total OPEB liability, end of year	\$ 513,347	\$ 541,224	\$ 539,866	\$ 508,353	\$ 530,768
Plan Fiduciary Net Position					
Contributions-employer	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions-employee	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments including employee refunds	-	-	-	-	-
Administrative expense	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position, beginning of year	-	-	-	-	-
Plan fiduciary net position, end of year	\$ -	\$ -	\$ -	\$ -	\$ -
Employer net OPEB liability	\$ 513,347	\$ 541,224	\$ 539,866	\$ 508,353	\$ 530,768
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%
Covered employee payroll	\$ 909,375	\$ 883,676	\$ 870,758	\$ 855,688	\$ 834,656
Employer's net OPEB liability as a percentage of covered employee payroll	56%	61%	62%	59%	64%

CITY OF WHITEHALL

**OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

FOR THE YEAR ENDED JUNE 30, 2022

Fiscal Year end	Actuarially determined contributions	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
6/30/2018	\$ 41,204	\$ -	\$ 41,204	\$ 834,656	0.00%
6/30/2019	49,624	-	49,624	855,688	0.00%
6/30/2020	44,397	-	44,397	870,758	0.00%
6/30/2021	49,265	-	49,265	883,676	0.00%
6/30/2022	44,785	-	44,785	909,375	0.00%

Notes to schedule

Actuarial cost method	Entry Age Normal (level percent)
Amortization method	Level dollar, closed
Remaining amortization period	15 years (average future service)
Asset valuation method	n/a
Salary increases	3.0% including inflation (3.5% 2020)
Discount rate	2.16% (2.2% 2021, 3.5% 2020, 3.0% 2019)
20-year Aa Municipal bond yield	3.00%
Healthcare cost trend rates	7.25% down to 4.5% (trending down .25 yearly) (7.5 in 2921, 8.25 in 20
Retirement age	58-62
Mortality	IRS 2017 annuitant/non-annuitant mortality

The actuarially determined contribution for fiscal year 2020 is based on assumptions required by Michigan Public Act 202. There were no normal costs of contribution requirements for employees hired after June 30, 2018.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Basis of Accounting

The City adopts an annual budget for the general and each special revenue fund following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.

Pension and OPEB data

The data presented on the schedule of changes in employers net pension liability schedule is based on a December 31 measurement date.

The data presented on the schedule of changes in employers net OPEB liability schedule is based on a June 30 measurement date.

The pension and OPEB schedules are being accumulated prospectively until 10 years of information is presented.

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF WHITEHALL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2022

	Special Revenue			Permanent	Total
	Local Streets	Building Inspection	Marijuana Permits	Cemetery Care	
Assets					
Cash and pooled investments	\$ 184,336	\$ 144,212	\$ 9,429	\$ 541,564	\$ 879,541
Accounts receivable	16	51	-	10	77
Due from other funds	28	13	-	-	41
Due from other governments	36,116	-	-	-	36,116
Total assets	\$ 220,496	\$ 144,276	\$ 9,429	\$ 541,574	\$ 915,775
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 1,301	\$ 7,967	\$ -	\$ -	\$ 9,268
Accrued liabilities	4,314	595	-	-	4,909
Unearned revenue	-	2,200	-	-	2,200
Total liabilities	5,615	10,762	-	-	16,377
Fund balances					
Non-spendable					
Permanent fund corpus	-	-	-	352,646	352,646
Restricted					
Streets	214,881	-	-	-	214,881
Public safety	-	-	9,429	-	9,429
Permanent fund spendable portion	-	-	-	188,928	188,928
Assigned					
Building inspections	-	133,514	-	-	133,514
Total fund balances	214,881	133,514	9,429	541,574	899,398
Total liabilities and fund balances	\$ 220,496	\$ 144,276	\$ 9,429	\$ 541,574	\$ 915,775

CITY OF WHITEHALL
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue			Permanent	Total
	Local Streets	Building Inspection	Marijuana Permits	Cemetery Care	
Revenues					
Intergovernmental revenues					
State	\$ 143,221	\$ -	\$ -	\$ -	\$ 143,221
Licenses and permits	-	-	7,400	-	7,400
Charges for services	-	172,663	-	11,350	184,013
Investment earnings (loss)	241	232	14	(12,030)	(11,543)
Total revenues	<u>143,462</u>	<u>172,895</u>	<u>7,414</u>	<u>(680)</u>	<u>323,091</u>
Expenditures					
Current					
Public safety	-	163,381	3,560	-	166,941
Public works	181,188	-	-	-	181,188
Total expenditures	<u>181,188</u>	<u>163,381</u>	<u>3,560</u>	<u>-</u>	<u>348,129</u>
Revenues over (under) expenditure	(37,726)	9,514	3,854	(680)	(25,038)
Other financing sources (uses)					
Transfers in	50,818	-	-	-	50,818
Net changes in fund balances	13,092	9,514	3,854	(680)	25,780
Fund balances, beginning of year	<u>201,789</u>	<u>124,000</u>	<u>5,575</u>	<u>542,254</u>	<u>873,618</u>
Fund balances, end of year	<u>\$ 214,881</u>	<u>\$ 133,514</u>	<u>\$ 9,429</u>	<u>\$ 541,574</u>	<u>\$ 899,398</u>

CITY OF WHITEHALL

**TAX INCREMENT FINANCE AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION**

JUNE 30, 2022

	General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 1,366,791	\$ -	\$ 1,366,791
Accounts receivable	205	-	205
Capital assets not being depreciated	<u>-</u>	<u>145,568</u>	<u>145,568</u>
Total assets	<u>\$ 1,366,996</u>	<u>145,568</u>	<u>1,512,564</u>
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ 20,019	-	20,019
Accrued liabilities	<u>3,929</u>	<u>-</u>	<u>3,929</u>
Total liabilities	23,948	<u>-</u>	<u>23,948</u>
Fund balances			
Unassigned	<u>1,343,048</u>	<u>(1,343,048)</u>	
Total liabilities and fund balances	<u>\$ 1,366,996</u>		
Net position			
Investment in capital assets		145,568	145,568
Unrestricted		<u>1,343,048</u>	<u>1,343,048</u>
Total net position		<u>\$ 1,488,616</u>	<u>\$ 1,488,616</u>

CITY OF WHITEHALL

**TAX INCREMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE/STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 344,381	\$ -	\$ 344,381
Grants and contributions	929,755	-	929,755
Investment earnings	2,915	-	2,915
Miscellaneous	<u>7</u>	<u>-</u>	<u>7</u>
Total revenues	<u>1,277,058</u>	<u>-</u>	<u>1,277,058</u>
Expenditures/expenses			
Current			
General government	65,165	-	65,165
Public works	478,217	-	478,217
Other	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total expenditures/expenses	<u>1,043,382</u>	<u>-</u>	<u>1,043,382</u>
Net changes in fund balances	233,676	<u>(233,676)</u>	
Change in net position		233,676	233,676
Fund balances/net position, beginning of year	<u>1,109,372</u>		<u>1,254,940</u>
Fund balances/net position, end of year	<u>\$ 1,343,048</u>		<u>\$ 1,488,616</u>

CITY OF WHITEHALL

**LOCAL DEVELOPMENT FINANCE AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION**

JUNE 30, 2022

	General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 79,829	\$ -	\$ 79,829
Accounts receivable	40	-	40
Prepaid items	-	-	-
Due from other governments	-	-	-
Capital assets not being depreciated	-	534,857	534,857
Total assets	\$ 79,869	534,857	614,726
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ 116	-	116
Accrued liabilities	820	-	820
Total liabilities	936	-	936
Fund balances			
Unassigned	78,933	(78,933)	
Total liabilities and fund balances	\$ 79,869		
Net position			
Investment in capital assets		534,857	534,857
Unrestricted		78,933	78,933
Total net position		\$ 613,790	\$ 613,790

CITY OF WHITEHALL

**LOCAL DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE/STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 102,132	\$ -	\$ 102,132
Grants and contributions	239,308	-	239,308
Investment earnings	<u>262</u>	-	<u>262</u>
Total revenues	<u>341,702</u>	<u>-</u>	<u>341,702</u>
Expenditures/expenses			
Current			
General government	32,905	-	32,905
Public works	111,821	-	111,821
Other	<u>200,000</u>	-	<u>200,000</u>
Total expenditures/expenses	<u>344,726</u>	<u>-</u>	<u>344,726</u>
Net changes in fund balances	(3,024)	3,024	
Change in net position		(3,024)	(3,024)
Fund balances/net position, beginning of year	<u>81,957</u>		<u>616,814</u>
Fund balances/net position, end of year	<u>\$ 78,933</u>		<u>\$ 613,790</u>

CITY OF WHITEHALL

**BROWNFIELD REDEVELOPMENT AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION**

JUNE 30, 2022

	General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 34,315	\$ -	\$ 34,315
Accounts receivable	<u>35</u>	<u>-</u>	<u>35</u>
Total assets	<u><u>\$ 34,350</u></u>	<u>-</u>	<u>34,350</u>
Liabilities and fund balances			
Liabilities			
Accrued liabilities	\$ 547	\$ -	<u>\$ 547</u>
Fund balances			
Unassigned	<u>33,803</u>	<u>(33,803)</u>	
Total liabilities and fund balances	<u><u>\$ 34,350</u></u>		
Net position			
Unrestricted		<u>\$ 33,803</u>	<u>\$ 33,803</u>

CITY OF WHITEHALL

**BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE/STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 393,940	\$ -	\$ 393,940
Investment earnings	<u>335</u>	<u>-</u>	<u>335</u>
Total revenues	<u>394,275</u>	<u>-</u>	<u>394,275</u>
Expenditures/expenses			
Current			
General government	29,999	-	29,999
Public works	<u>390,236</u>	<u>-</u>	<u>390,236</u>
Total expenditures/expenses	<u>420,235</u>	<u>-</u>	<u>420,235</u>
Net changes in fund balances	(25,960)	25,960	
Change in net position		(25,960)	(25,960)
Fund balances/net position, beginning of year	<u>59,763</u>		<u>59,763</u>
Fund balances/net position, end of year	<u>\$ 33,803</u>		<u>\$ 33,803</u>

STATISTICAL SECTION

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CITY OF WHITEHALL
SCHEDULE OF OPERATING STATISTICS
(UNAUDITED)

FOR THE YEARS ENDED JUNE 30,

	2022	2021	2020	2019	2018
Tax levy and millages					
Estimated population	2,909	2,706	2,706	2,706	2,706
State taxable value					
City total	\$ 126,810,600	\$ 114,578,940	\$ 109,214,254	\$ 104,246,719	\$ 104,127,141
Per resident	43,593	42,343	40,360	38,524	38,480
Tax levy (mills)					
General fund	15.7700	15.7700	15.7700	15.7700	15.7700
Tax levy - amounts					
Total levy	\$ 1,609,107	\$ 1,560,397	\$ 1,493,155	\$ 1,416,769	\$ 1,318,030
Per resident	553.15	576.64	551.79	523.57	487.08
State shared revenues					
Total amount	\$ 904,486	\$ 811,092	\$ 733,453	\$ 797,481	\$ 760,431
Per resident	310.93	299.74	271.05	294.71	281.02
Federal shared revenues					
Total amount	\$ 4,250	\$ 12,000	\$ 19,096	\$ 2,192	\$ 4,621
Per resident	1.46	4.43	7.06	0.81	1.71
Total revenue and other financing sources - General fund					
Amount	\$ 2,585,591	\$ 2,448,142	\$ 2,408,021	\$ 2,225,050	\$ 2,226,911
Per resident	888.82	904.71	889.88	822.27	822.95
Total expenditures and transfers - General fund					
Amount	\$ 2,658,995	\$ 2,454,130	\$ 2,437,660	\$ 2,378,568	\$ 2,106,746
Per resident	914.06	906.92	900.84	879.00	778.55

Current real and personal property taxes assessed and collected for the year ended December 31, 2021 are as follows:

Unit	Levy	Collected	Delinquent	Percent Collected
City	15.7700	\$ 1,838,019	\$ 21,351	98.9%
Schools	38.2975	3,206,820	66,545	98.0%
County	6.5511	762,900	10,076	98.7%
Library	0.9228	106,435	2,500	97.7%
Fire Authority	3.0767	353,222	8,335	97.7%
Central Dispatch	0.2979	34,346	807	97.7%

2017	2016	2015	2014	2013
2,706	2,706	2,706	2,706	2,706
\$ 103,248,488 38,155	\$ 133,489,659 49,331	\$ 130,863,654 48,361	\$ 128,468,094 47,475	\$ 126,504,623 46,750
15.7700	15.7700	12.7760	12.7760	12.7760
\$ 1,301,008 480.79	\$ 2,102,323 776.91	\$ 2,061,801 761.94	\$ 1,641,352 606.56	\$ 1,616,274 597.29
\$ 1,082,370 399.99	\$ 585,757 216.47	\$ 573,672 212.00	\$ 658,367 243.30	\$ 557,865 206.16
\$ 4,409 1.63	\$ 6,659 2.46	\$ 5,398 1.99	\$ 2,654 0.98	\$ 1,102 0.41
\$ 1,981,365 732.21	\$ 2,257,036 834.09	\$ 2,260,370 835.32	\$ 1,769,627 653.96	\$ 1,768,481 653.54
\$ 2,014,838 744.58	\$ 2,105,455 778.07	\$ 2,112,599 780.71	\$ 1,745,018 644.87	\$ 1,828,463 675.71

CITY OF WHITEHALL
COMPARATIVE OPERATING STATISTICS
WATER & SEWER SYSTEM
(UNAUDITED)

FOR THE YEARS ENDED JUNE 30,

	2022	2021	2020	2019	2018
Population served	2,909	2,706	2,706	2,706	2,706
Average number of meters in service	1,608	1,587	1,551	1,541	1,506
M. gallons pumped to main	344,978	302,640	337,869	317,822	309,904
M. gallons sold	317,680	283,630	298,351	291,012	299,669
M. gallons water line loss	27,298	19,010	39,518	26,810	10,235
Loss percent to total pumpage	7.9%	6.3%	11.7%	8.4%	3.3%
Revenues from services:					
Water	\$ 854,148	\$ 737,170	\$ 686,281	\$ 636,314	\$ 639,822
Sewer	\$ 1,545,012	\$ 1,193,341	\$ 1,242,917	\$ 1,207,998	\$ 1,145,107
Average number of customers	1,632	1,568	1,557	1,530	1,431

2017	2016	2015	2014	2013
2,706	2,706	2,706	2,706	2,706
1,504	1,493	1,482	1,479	1,471
306,892	303,469	301,334	327,381	322,779
302,269	282,211	289,945	301,729	292,718
4,623	21,258	14,389	25,652	30,061
1.5%	7.0%	4.8%	7.8%	9.3%
\$ 586,612	\$ 150,473	\$ 563,236	\$ 627,652	\$ 611,388
\$ 1,069,016	\$ 586,612	\$ 953,357	\$ 900,637	\$ 830,060
1,481	1,304	1,293	1,291	1,283