

City of Plainwell



Brad Keeler, Mayor
Lori Steele, Mayor Pro-Tem
Todd Overhuel, Council Member
Roger Keeney, Council Member
Randy Wisnaski, Council Member

Department of Administration Services
211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821 Fax: 269-685-7282
Web Page Address: www.plainwell.org

"The Island City"

AGENDA

Plainwell City Council

Monday, January 10, 2022 - 7:00PM

Plainwell City Hall Council Chambers

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Approval of Minutes – 12/27/2021 Regular Meeting
6. General Public Comments
7. County Commissioner Report
8. Agenda Amendments
9. Mayor's Report
10. Recommendations and Reports:
 - A. Annual Financial Statement Audit Presentation
Dan Veldhuizen from Siegfried Crandall will present the audited financial statement audit.
 - B. Mill Demolition Project – GHD Change Order 04
Council will consider approving Change Order #04 from GHD for additional project oversight in the amount of \$38,255.00.
 - C. DPW – Water Meter Purchase and Sole Source Designation
Council will consider approving the purchase of thirteen (13) replacement water meters at a total cost of \$23,030.00 and designating Etna Supply as a sole source provider of city water meters.
11. Communications: The draft minutes from the 12/27/2021 Zoning Board of Appeals Meeting and the December 2021 Investment and Fund Balance Reports.
12. Accounts Payable - \$848,550.14
13. Public Comments
14. Staff Comments
15. Council Comments
16. Adjournment

Note: All public comment limited to two minutes, when recognized please rise and give your name and address

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MINUTES
Plainwell City Council
December 27, 2021

1. Mayor Keeler called the regular meeting to order at 7:22 PM in City Hall Council Chambers.
2. Austin Marsman gave the invocation.
3. Pledge of Allegiance was given by all present.
4. Roll Call: Present: Mayor Keeler, Mayor Pro Tem Steele, Councilmember Overhuel, Councilmember Keeney and Councilmember Wisnaski. Absent: None.
5. Approval of Minutes/Summary:
A motion by Steele, seconded by Overhuel, to accept and place on file the Council Minutes of the 12/13/2021 regular meeting and closed session. On a voice vote, all voted in favor. Motion passed.
6. Public Comment:
Martin resident Austin Marsman introduced himself as a candidate for Allegan County Commissioner in 2022. He gave an update on the County's conversion from seven (7) commissioners to five (5) and gave a brief history on his career.
7. County Commissioner Report: None.
8. Agenda Amendments: None.
9. Mayor's Report:
Mayor Keeler reported on behalf of City Manager Wilson that an issue with the fire suppression system at Crispe House was being worked on, and that the lease agreement was near completion. He also reported that an extension has been requested for the Mill Demolition Grant.
10. Recommendations and Reports:
 - A. Clerk Kelley reported several seats on various boards & commissions were up for renewal as of December 31, 2021. He reported reaching out to everyone and most expressed interest in serving for another term. Only Gina Berry chose not to re-apply for the Parks & Trees Commission. The Mayor's reappointment of Shirley DeYoung and Marsha Keeler to the Parks & Trees Commission and Rachel Collingsworth to the Planning Commission is subject to confirmation by Council as ordered by City Charter.
A motion by Overhuel, seconded by Keeney, to confirm the Mayor's re-appointments as presented. On a voice vote, all voted in favor. Motion passed.
 - B. Personnel Manager Lamorandier reminded Council of earlier actions to amend the city's Section 125 employee benefit plan. The document has been updated and needs Council's approval by Resolution.
A motion by Steele, seconded by Overhuel, to adopt Resolution 2021-21 approving changes to the Section 125 Plan Document. On a voice vote, all voted in favor. Motion passed.
 - C. Treasurer Kelley reminded Council for the annual chemical purchase of Calcium Nitrate, which is necessary to reduce odors at the Wastewater Treatment Plant. The upcoming year price is \$3.26 per gallon, which equates to approximately \$33,347 per year.

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A motion by Wisnaski, seconded by Keeney, to approve the contract with Evoqua Water Technologies for chemical purchases for the water revenue process estimated at \$33,347.00. On a roll call vote, all in favor. Motion passed.

- D. Treasurer Kelley reported a Pay Application from Melching, Inc. for \$403,720.65. He reported for City Manager Wilson that some of the costs included may be reduced for payment per engineering recommendations still being worked through.

A motion by Steele, seconded by Overhuel, to approve Pay Request Application #7 for Melching, Inc. in an amount not exceed \$403,720.65, authorizing the City Manager to finalize the actual amount to be paid. On a roll call vote, all voted in favor. Motion passed.

- E. Treasurer Kelley reported a housekeeping budget amendment for prior fiscal year purchase orders that were approved, but finalized in the current fiscal year. These encumbrances are rolled into the current fiscal year to create a budget amendment to reflect their approval from the prior year.

A motion by Keeney, seconded by Wisnaski, to approve the budget amendment for the 2020/2021 purchase orders rolled over into the 2021/2022 budget. On a voice vote, all in favor. Motion passed.

- F. Clerk Kelley outlined five (5) annual resolutions for 2022 – the first lists the Ordinance Enforcement Officers of the city which was reviewed by the Department of Public Safety; the second lists the Council meeting dates for 2022; the third lists the employee holiday dates (when City offices are closed); the fourth is a listing of the dates on which the flags are flown on city streets, and; the fifth is a resolution authorizing the Director of Public Safety to liaison with the State of Michigan for temporary closures of the state highway.

A motion by Steele, seconded by Overhuel, to adopt Resolutions 2022-01 through 2022-05 for Ordinance Enforcement Officers, 2022 Council Meeting Dates, 2022 Employee Holiday Dates, 2022 Street Flag Dates and 2022 Street Closures. On a voice vote, all in favor. Motion passed.

11. Communications:

- A. **A motion by Steele, seconded by Overhuel, to accept and place of file the November 2021 Water Renewal Report. On a voice vote, all in favor. Motion passed.**

12. Accounts Payable:

A motion by Wisnaski, seconded by Keeney, that the bills be allowed and orders drawn in the amount of \$356,139.42 for payment of same. On a roll call vote, all in favor. Motion passed.

13. Public Comments: None

14. Staff Comments:

Personnel Manager Lamorandier reported that all the part-time positions in Public Safety and Public Works have been filled.

Deputy City Clerk Fenger reported ongoing training.

Superintendent Nieuwenhuis reported a recent water main break on First Avenue has been repairs and that the Department is running short on cold patch for pothole repairs due to supply chain issues.

Public Safety Director Bomar gave a report on recent car breaking-and-entering calls.

Clerk/Treasurer Kelley is glad to be back to full staff to allow working on the budget, bonding and chart of account projects.

15. Council Comments:

Mayor Pro Tem Steele thanked all city staff for a job well done in 2021.

16. Adjournment:

A motion by Steele, seconded by Overhuel, to adjourn the meeting at 7:57 PM. On voice vote, all voted in favor. Motion passed.

Minutes respectfully
Submitted by,
Brian Kelley
City Clerk/Treasurer

MINUTES APPROVED BY CITY COUNCIL
January 10, 2022

Brian Kelley, City Clerk

DRAFT

City of Plainwell
Allegan County, Michigan

FINANCIAL STATEMENTS

Year ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Plainwell, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plainwell, Michigan, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plainwell, Michigan, as of June 30, 2021, 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.

Other Matters

Required supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and OPEB schedules be presented to supplement the basic financial statements. Such information, 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 of Plainwell, Michigan's basic financial statements. The combining nonmajor governmental funds financial statements, the component unit fund financial statements and budgetary comparison schedules, and the schedules of bond retirement and annual interest requirements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor governmental funds financial statements, the component unit fund financial statements and budgetary comparison schedules, and the schedules of bond retirement and annual interest requirements (supplementary information) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Plainwell, Michigan's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards 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. Such 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the City of Plainwell, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Plainwell, Michigan's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Siegfried Crandall P.C.". The signature is written in a cursive style with a large initial 'S'.

December 17, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Plainwell's (the City) financial performance provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$413,507 as a result of this year's activities. The net position of the governmental activities increased by \$351,826 and the net position of the business-type activities increased by \$61,681.
- Of the \$12,978,687 total net position reported, \$762,295 (5.87 percent) is unrestricted, or available to be used at the Council's discretion, without constraints established by debt covenants, enabling legislation, or other legal requirements.
- The General Fund's unassigned fund balance at the end of the fiscal year was \$321,699, which represents 13.22 percent of the actual total General Fund expenditures for the current fiscal year.

Overview of the financial statements

The City's annual report is comprised of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents additional information. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.
 - Governmental fund statements explain how government services, like general government and public safety were financed in the short-term, as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the government operates like a business, such as the sewer and water systems.
 - Fiduciary funds statements provide information about the financial relationships in which the City acts solely as a custodian for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by sections of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

A comparative analysis of the basic financial statements for 2021 and 2020 is also presented.

Government-wide financial statements

The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position (the difference between the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources) is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall financial health of the City, you need to consider additional nonfinancial factors, such as changes in the City's property tax base and the condition of the City's capital assets.

The government-wide financial statements are divided into three categories:

- *Governmental activities* - Most of the City's basic services are included here, such as public safety services and general government. Property taxes and state grants finance most of these activities.
- *Business-type activities* - The City charges fees to customers to help it cover the costs of certain services it provides. The City's sewer and water systems and airport operations are reported here.
- *Component units* - The City includes other entities in its report - the Plainwell Tax Increment Finance Authority, the Plainwell Brownfield Redevelopment Authority, and the Plainwell Downtown Development Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

Fund financial statements

The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and bond agreements.
- The City Council establishes other funds to control and manage money for particular purposes (like the Fire Reserve and Capital Improvement funds) or to show that it is properly using certain taxes and other revenues (like property taxes collected for solid waste and motor fuel taxes collected for the street funds).

The City has three types of funds:

- *Governmental funds.* Most of the City's basic services are included in its governmental funds, which focus on (1) how cash, and other financial assets that can be readily converted to cash, flows in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information that explains the relationship between them.
- *Proprietary funds.* Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds statements, like the government-wide statements, provide both long-term and short-term financial information.
 - The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.
 - The City uses an internal service fund (the other type of proprietary fund) to report activities that provide services for the City's other programs and activities. The City's internal service fund is its Equipment Fund that manages the City's fleet of vehicles and equipment.
- *Fiduciary funds.* These funds are used to account for the collection and disbursement of resources, primarily taxes, for the benefit of parties outside the City. The City is responsible for ensuring that the assets reported in the fiduciary funds are used for their intended purposes. The City's fiduciary balances and activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position

Total net position at the end of the fiscal year was \$12,978,687 compared to \$12,565,180 at the end of the prior year. Of this total, \$11,778,079 represents a net investment in capital assets and \$438,313 is restricted for various purposes. Consequently, unrestricted net position was \$762,295, or 5.87 percent of the total.

Condensed financial information
Net position

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 1,296,848	\$ 1,116,249	\$ 1,473,941	\$ 1,195,561	\$ 2,770,789	\$ 2,311,810
Capital assets	<u>6,043,100</u>	<u>6,001,828</u>	<u>8,733,727</u>	<u>9,153,123</u>	<u>14,776,827</u>	<u>15,154,951</u>
Total assets	<u>7,339,948</u>	<u>7,118,077</u>	<u>10,207,668</u>	<u>10,348,684</u>	<u>17,547,616</u>	<u>17,466,761</u>
Deferred outflows of resources	<u>66,567</u>	<u>72,512</u>	<u>15,614</u>	<u>17,009</u>	<u>82,181</u>	<u>89,521</u>
Current and other liabilities	<u>1,150,749</u>	<u>1,256,920</u>	<u>320,789</u>	<u>401,091</u>	<u>1,471,538</u>	<u>1,658,011</u>
Long-term debt	<u>1,113,748</u>	<u>1,127,315</u>	<u>1,885,000</u>	<u>2,005,000</u>	<u>2,998,748</u>	<u>3,132,315</u>
Total liabilities	<u>2,264,497</u>	<u>2,384,235</u>	<u>2,205,789</u>	<u>2,406,091</u>	<u>4,470,286</u>	<u>4,790,326</u>
Deferred inflows of resources	<u>146,467</u>	<u>162,629</u>	<u>34,357</u>	<u>38,147</u>	<u>180,824</u>	<u>200,776</u>
Net position:						
Net investment in capital assets	<u>4,929,352</u>	<u>4,874,513</u>	<u>6,848,727</u>	<u>7,148,123</u>	<u>11,778,079</u>	<u>12,022,636</u>
Restricted	<u>438,313</u>	<u>188,565</u>	<u>-</u>	<u>-</u>	<u>438,313</u>	<u>188,565</u>
Unrestricted (deficit)	<u>(372,114)</u>	<u>(419,353)</u>	<u>1,134,409</u>	<u>773,332</u>	<u>762,295</u>	<u>353,979</u>
Total net position	<u>\$ 4,995,551</u>	<u>\$ 4,643,725</u>	<u>\$ 7,983,136</u>	<u>\$ 7,921,455</u>	<u>\$ 12,978,687</u>	<u>\$ 12,565,180</u>

Changes in net position

The total cost of the City's programs, covering a wide range of services, totaled \$4,789,463. Approximately 35 percent of the City's costs relates to the provision of utility services. Public safety and public works costs account for 26 and 18 percent of the City's total expenses, respectively.

*Condensed financial information
Changes in net position*

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Program revenues:						
Charges for services	\$ 148,792	\$ 192,623	\$ 1,953,925	\$ 1,937,796	\$ 2,102,717	\$ 2,130,419
Grants and contributions:						
Operating	753,478	623,913	200,016	354,001	953,494	977,914
Capital	-	229,914	-	144,669	-	374,583
General revenues:						
Property taxes	1,406,785	1,374,058	-	-	1,406,785	1,374,058
State shared revenue	445,924	401,960	-	-	445,924	401,960
Franchise fees	46,806	48,308	-	-	46,806	48,308
Unrestricted interest income	11,502	27,446	5,023	16,606	16,525	44,052
Other	14,161	30,383	-	-	14,161	30,383
Total revenues	<u>2,827,448</u>	<u>2,928,605</u>	<u>2,158,964</u>	<u>2,453,072</u>	<u>4,986,412</u>	<u>5,381,677</u>
Expenses:						
General government	652,262	699,975	-	-	652,262	699,975
Public safety	1,253,505	1,280,122	-	-	1,253,505	1,280,122
Public works	882,477	798,064	-	-	882,477	798,064
Community and economic development	45,204	72,093	-	-	45,204	72,093
Health and welfare	4,306	8,611	-	-	4,306	8,611
Recreation and culture	199,679	211,388	-	-	199,679	211,388
Interest on long-term debt	42,061	42,787	-	-	42,061	42,787
Sewer	-	-	1,317,410	1,459,262	1,317,410	1,459,262
Water	-	-	344,136	388,507	344,136	388,507
Airport	-	-	48,423	40,823	48,423	40,823
Total expenses	<u>3,079,494</u>	<u>3,113,040</u>	<u>1,709,969</u>	<u>1,888,592</u>	<u>4,789,463</u>	<u>5,001,632</u>
Transfers	<u>387,314</u>	<u>389,302</u>	<u>(387,314)</u>	<u>(389,302)</u>	<u>-</u>	<u>-</u>
Insurance recoveries	<u>216,558</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,558</u>	<u>-</u>
Changes in net position	<u>\$ 351,826</u>	<u>\$ 204,867</u>	<u>\$ 61,681</u>	<u>\$ 175,178</u>	<u>\$ 413,507</u>	<u>\$ 380,045</u>
Net position, end of year	<u>\$ 4,995,551</u>	<u>\$ 4,643,725</u>	<u>\$ 7,983,136</u>	<u>\$ 7,921,455</u>	<u>\$ 12,978,687</u>	<u>\$ 12,565,180</u>

Governmental activities

Governmental activities increased the City's net position by \$351,826 in the current year compared to a \$204,867 increase in the prior year. The increase in net position was larger in the current year primarily due to the recognition of insurance recoveries in the amount of \$216,558. Revenues were \$101,157 lower and expenses were reduced by \$33,546. The reduction in revenues was due to the recognition of a \$229,914 capital grant, related to a street improvement project, in the prior year. The decrease in expenses was primarily due to reduced costs of recreation and cultural activities due to the pandemic.

The total cost of governmental activities this year was \$3,079,494. After subtracting the direct charges to those who directly benefited from the programs (\$148,792) and operating grants and contributions (\$753,478), the "public benefit" portion covered by property taxes, state revenue sharing, and other general revenues was \$2,177,224.

Business-type activities

Business-type activities increased the City's net position by \$61,681 in the current fiscal year compared to an increase of \$175,178 in the prior year. Net position increased in both years due to a reduction in debt service costs.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$963,595, an increase of \$336,472 in comparison with the prior year. Of the total fund balances, \$438,313 is restricted for various purposes, and \$203,583 is assigned. The remaining fund balance, in the amount of \$321,699, is unassigned, meaning that it is available for spending at the Council's discretion.

The General Fund is the primary operating fund of the City. At the end of the fiscal year, its fund balance was \$408,848, an increase of \$60,870 during the fiscal year. Fund balance increased because of restricted spending due to anticipated pandemic-related revenue restrictions.

The Major Street Fund experienced an increase in fund balance of \$225,070, because the fund's revenues exceeded expenditures in the current year, as no major construction project costs were incurred. The fund balance at the end of the fiscal year was \$274,809 and is restricted for future street preservation costs of the City's major streets.

Proprietary funds

The Sewer Fund experienced a decrease in net position of \$30,060. The Sewer Fund typically experiences a decrease because customer charges do not cover all operating expenses, including depreciation, which amounted to \$332,110 in the current year. Total net position is \$5,019,666 at year end of which \$949,439 is unrestricted.

The Water Fund experienced an increase in net position of \$90,445. The Water Fund experienced an increase because customer charges have been set to cover all operating expenses, including depreciation, which amounted to \$102,280 in the current year. Total net position is \$2,844,176 at year end of which \$141,658 is unrestricted.

General Fund budgetary highlights

The City amended both the revenue and expenditure portions of the budget to reflect anticipated changes in the nature and extent of revenues and expenditures. Total revenues were increased by \$185,405 to reflect unanticipated revenue sources which included \$125,000 for federal grants related to the COVID pandemic. Total expenditures were increased by \$374,572, primarily for storm-related roof repairs and cost overruns for the Mill Demolition Project.

Total revenues were \$76,201 higher than the final budgeted amounts, primarily due to higher-than-expected revenue sharing receipts. Total expenditures were \$20,518 more than the final appropriated amount, primarily due to storm-related repair costs. These variances, along with an \$8,165 positive variance related to net other financing sources, resulted in a \$63,848 positive budget variance due to a \$60,870 increase in fund balance compared to a budgeted decrease of \$2,978.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$14,776,827, net of accumulated depreciation. This investment includes a broad range of assets, including land, buildings, equipment, and sewer and water facilities.

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Totals</u>
Land	\$ 344,680	\$ 48,196	\$ 392,876
Infrastructure	3,243,522	8,685,531	11,929,053
Buildings and improvements	1,858,057	-	1,858,057
Equipment and vehicles	596,841	-	596,841
	<u>\$ 6,043,100</u>	<u>\$ 8,733,727</u>	<u>\$ 14,776,827</u>

Major capital asset events during the current fiscal year included the following:

- Sewer Fund overhauled and added equipment totaling \$18,620.
- The Motor Pool added equipment totaling \$137,865.

More detailed information about the City's capital assets is presented in Note 6 of the notes to the basic financial statements.

Debt

At the end of the fiscal year, the City had long-term debt outstanding in the amount of \$2,998,748, as follows:

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Totals</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
General obligation bonds (backed by the City)	\$ 1,106,760	\$ 1,126,760	\$ -	\$ -	\$ 1,106,760	\$ 1,126,760
Note payable (backed by the City)	6,988	555	-	-	6,988	555
Revenue bonds (backed by the City)	<u>-</u>	<u>-</u>	<u>1,885,000</u>	<u>2,005,000</u>	<u>1,885,000</u>	<u>2,005,000</u>
Totals	<u>\$ 1,113,748</u>	<u>\$ 1,127,315</u>	<u>\$ 1,885,000</u>	<u>\$ 2,005,000</u>	<u>\$ 2,998,748</u>	<u>\$ 3,132,315</u>

The net reduction in debt amounted to \$133,567, resulting from the timely payments of principal for all obligations, in the amount of \$274,122, and the issuance of new debt, in the amount of \$8,165. Other long-term obligations represent accrued compensated absences and the net OPEB liability in the amounts of \$121,648 and \$1,152,071, respectively.

More detailed information about the City's long-term liabilities is presented in Note 9 of the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Property taxes continue to be the main source of revenue for the City. Over the past several years, Plainwell has grappled with a loss in revenue due to changes to Personal Property Tax (PPT) collection and declining property values. Since 2017, much of the uncertainty regarding the elimination of business personal property tax revenue has subsided, and the City's taxable values have begun to increase. The City's personal property tax revenue historically approximated 12 percent of the City's General Fund revenue. The replacement Statewide Essential Services Assessment has reduced revenues to the General Fund, requiring minor adjustments to certain services in the General Fund. Looking forward, the revenue reductions should continue to be minor. The City Administration reviews the properties to make sure values are appropriately assessed and taxed.

In regards to our overall property values, from 2010 to 2015 the City experienced a negative trend relative to taxable value (see table below). Additionally, the gap between Assessed Value and Taxable Value decreased every year from 2006 to 2013. This is an important fiscal indicator because if the assessed value of the City "sets" to what the taxable value is, any loss in property valuations will result in a loss of tax revenue. The larger the gap, the less susceptible we are to dramatic property fluctuations.

REAL PROPERTY VALUATION 2010-2021						
Year	2010	2011	2012	2013	2014	2015
Assessed value	\$ 90,622,900	\$ 82,639,050	\$ 76,687,800	\$ 72,845,900	\$ 75,050,100	\$ 79,871,200
Taxable value	\$ 79,451,659	\$ 78,320,323	\$ 74,222,870	\$ 71,113,548	\$ 71,751,138	\$ 71,774,722
Difference	\$ 11,171,241	\$ 4,318,727	\$ 2,464,930	\$ 1,732,352	\$ 3,298,962	\$ 8,096,478
Percent difference	12.33%	5.23%	3.21%	2.38%	4.40%	10.14%
Inflation rate multiplier	-0.3%	1.7%	2.7%	2.4%	1.6%	1.6%
Year	2016	2017	2018	2019	2020	2021*
Assessed value	\$ 89,124,700	\$ 92,829,700	\$ 95,227,900	\$ 99,136,700	\$ 103,887,100	\$ 111,510,600
Taxable value	\$ 73,638,624	\$ 75,248,381	\$ 77,379,288	\$ 80,239,366	\$ 82,998,976	\$ 85,450,744
Difference	\$ 15,486,076	\$ 17,581,319	\$ 17,848,612	\$ 18,897,334	\$ 20,888,124	\$ 26,059,856
Percent difference	17.38%	18.94%	18.74%	19.06%	20.11%	23.37%
Inflation rate multiplier	0.3%	0.9%	2.1%	2.4%	1.9%	1.4%

* Original values as of May 1, 2021 - no adjustments for Board of Review entered yet

In a positive development, the City's gap between assessed and taxable value has increased steadily since 2013 from a low of 2.38 percent to a 2021 estimate of 23.37 percent. We anticipate this gap to be in excess of 24% in 2022, based on preliminary estimates.

The City continues to counter stagnant growth with cost cutting measures, when possible. The City adopted a policy that all employees pay a 20 percent match on health care premium costs. Additionally, cost-cutting measures have been instituted, including contribution caps from the City regarding retirement, privatization of some services, as well as reductions in labor costs through attrition. The City continues to evaluate labor needs as more employees become eligible for retirement.

Additionally, the City continues to closely monitor its health care insurance providers to ensure affordability. Each year, the available plans are reviewed to minimize increased costs to the city and to the employees. The City most recently changed providers in 2016 and holds as a priority to maintain quality coverage for the staff and their families.

In recent years, it has been the City Council's decision that property taxes will not be raised to deal with fluctuations in revenues or expenditures; we do not foresee a change in this position. Due to the Headlee Rollback, the City's total millage rate has been slightly reduced beginning in 2017.

Millage	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund Operating	12.5995	12.5250	12.5250	12.5162	12.5162
Capital Improvement	1.0000	1.0000	1.0000	1.0000	1.0000
Fire Reserve	1.0000	1.0000	1.0000	1.0000	1.0000
Solid Waste	<u>1.3000</u>	<u>1.3000</u>	<u>1.3000</u>	<u>1.3000</u>	<u>1.3000</u>
	<u>15.8995</u>	<u>15.8250</u>	<u>15.8250</u>	<u>15.8162</u>	<u>15.8162</u>

The City Council instituted a yearly cost of living increase to be applied to both water and sewer utility charges. This change has provided adequate funding for both utility funds and it is the intention of the City Council to ensure both funds keep up with inflation and avoid large step increases to "catch up." Additionally, in 2019, the City's water bonds expired freeing up over \$90,000 that had been used for debt service. The City has partnered with engineers to plan additional upgrades to the water system which will require new bonding. The upgrades include replacement water meters which will allow more frequent actual readings and provide better overall services to our customers.

A large part of the City's economic plan revolves on the redevelopment of the former Plainwell Paper Mill. In 2018, the EPA and the responsible party began clean-up of contaminated soil on the property, which has been largely completed as of June 30, 2021. Additionally, the City sold a portion of the property to Sweetwater's Donut Mill, on which their corporate headquarters and training facility was constructed, representing the first ground-up development on the mill site in over 40 years. In 2020, the City obtained a \$5.1 million-dollar Community Development Block Grant to substantially advance the redevelopment efforts moving forward. The project includes the demolition of buildings and final clean up, allowing potential developers to implement the community's concept plan for the site. The demolition has taken longer than expected due to COVID-related shutdowns, but the near-completion of the project offers the opportunity to continue to the next chapter of the greater redevelopment project.

The City's Downtown area continues to thrive with ongoing business activity throughout the COVID-related pandemic, including opening new businesses throughout 2020 and 2021. Currently our downtown is virtually free from vacancies.

For budget year 2020/2021, the City minimized capital projects to cover contingencies related to the effects of COVID-19. The City continues to devote substantial time to streamline processes to increase efficiencies in workloads, thereby minimizing cost increases.

Moving forward, a large part of the City's redevelopment efforts will continue to center around the former Plainwell Paper Mill. This parcel remains the single largest non-residential property in the City. Because the bulk of the City is already developed, marketing this property will be essential to grow our economy and help fulfill service expectations set forth by our community. It is the City's hope that once remediation efforts are concluded, securing a development partner will spur significant investment into our community.

The City recognizes the challenges it faces including road funding, solid waste management, staff turnovers, and health care costs. Of additional financial concern that every municipality is grappling with is the effects COVID-19 will have on our budget. However, the business community (both industrial and commercial) is thriving, and several industrial expansions are underway.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

Erik Wilson, City Manager
211 North Main Street
Plainwell, MI 49080

Phone: (269) 685-6821

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

June 30, 2021

	<i>Primary government</i>		
	<i>Governmental activities</i>	<i>Business-type activities</i>	<i>Totals</i>
ASSETS			
Current assets:			
Cash	\$ 1,095,041	\$ 1,258,678	\$ 2,353,719
Investments	7,300	-	7,300
Receivables	227,945	168,900	396,845
Prepays	-	136	136
Inventory	-	2,364	2,364
Internal balances	(43,863)	43,863	-
Total current assets	<u>1,286,423</u>	<u>1,473,941</u>	<u>2,760,364</u>
Noncurrent assets:			
Receivables	10,425	-	10,425
Assets held for resale - redevelopment property	-	-	-
Capital assets not being depreciated	344,680	48,196	392,876
Capital assets, net of depreciation	<u>5,698,420</u>	<u>8,685,531</u>	<u>14,383,951</u>
Total noncurrent assets	<u>6,053,525</u>	<u>8,733,727</u>	<u>14,787,252</u>
Total assets	<u>7,339,948</u>	<u>10,207,668</u>	<u>17,547,616</u>
DEFERRED OUTFLOWS OF RESOURCES - OPEB	<u>66,567</u>	<u>15,614</u>	<u>82,181</u>
LIABILITIES			
Current liabilities:			
Payables	159,444	38,375	197,819
Unearned revenue	-	-	-
Bonds and notes payable - current portion	<u>22,596</u>	<u>125,000</u>	<u>147,596</u>
Total current liabilities	<u>182,040</u>	<u>163,375</u>	<u>345,415</u>
Noncurrent liabilities:			
Compensated absences	92,148	29,500	121,648
Net other postemployment benefits liability	899,157	252,914	1,152,071
Bonds and notes payable - due in more than one year	<u>1,091,152</u>	<u>1,760,000</u>	<u>2,851,152</u>
Total noncurrent liabilities	<u>2,082,457</u>	<u>2,042,414</u>	<u>4,124,871</u>
Total liabilities	<u>2,264,497</u>	<u>2,205,789</u>	<u>4,470,286</u>
DEFERRED INFLOWS OF RESOURCES - OPEB	<u>146,467</u>	<u>34,357</u>	<u>180,824</u>
NET POSITION			
Net investment in capital assets	4,929,352	6,848,727	11,778,079
Restricted for:			
Public safety	7,244	-	7,244
Public works	368,571	-	368,571
Community and economic development	61,024	-	61,024
Recreation and culture	1,474	-	1,474
Unrestricted (deficit)	<u>(372,114)</u>	<u>1,134,409</u>	<u>762,295</u>
Total net position	<u>\$ 4,995,551</u>	<u>\$ 7,983,136</u>	<u>\$ 12,978,687</u>

<i>Component units</i>		
<i>Tax Increment Finance Authority</i>	<i>Brownfield Redevelopment Authority</i>	<i>Downtown Development Authority</i>
\$ 103,923	\$ 23,033	\$ 72,621
-	-	-
-	941,330	-
-	-	-
-	-	-
-	-	-
<u>103,923</u>	<u>964,363</u>	<u>72,621</u>
-	-	-
-	656,666	-
-	-	-
-	-	-
-	656,666	-
<u>103,923</u>	<u>1,621,029</u>	<u>72,621</u>
-	-	-
2,378	822,269	671
-	-	3,270
-	-	-
<u>2,378</u>	<u>822,269</u>	<u>3,941</u>
2,000	3,400	700
-	-	-
-	-	-
<u>2,000</u>	<u>3,400</u>	<u>700</u>
<u>4,378</u>	<u>825,669</u>	<u>4,641</u>
-	-	-
-	656,666	-
-	-	-
-	-	-
-	-	-
<u>99,545</u>	<u>138,694</u>	<u>67,980</u>
<u>\$ 99,545</u>	<u>\$ 795,360</u>	<u>\$ 67,980</u>

See notes to financial statements

STATEMENT OF ACTIVITIES

Year ended June 30, 2021

Functions/Programs	Expenses	Program revenues		
		Charges for services	Operating grants and contributions	Capital grants and contributions
Primary government				
Governmental activities:				
General government	\$ 652,262	\$ 56,085	\$ 11,768	\$ -
Public safety	1,253,505	34,001	129,994	-
Public works	882,477	58,706	599,011	-
Community and economic development	45,204	-	-	-
Health and welfare	4,306	-	-	-
Recreation and culture	199,679	-	12,705	-
Interest on long-term debt	42,061	-	-	-
Total governmental activities	<u>3,079,494</u>	<u>148,792</u>	<u>753,478</u>	<u>-</u>
Business-type activities:				
Sewer	1,317,410	1,333,358	200,016	-
Water	344,136	565,472	-	-
Airport	48,423	55,095	-	-
Total business-type activities	<u>1,709,969</u>	<u>1,953,925</u>	<u>200,016</u>	<u>-</u>
Total primary government	<u>\$ 4,789,463</u>	<u>\$ 2,102,717</u>	<u>\$ 953,494</u>	<u>\$ -</u>
Component units				
Tax Increment Finance Authority	\$ 67,056	\$ -	\$ -	\$ -
Brownfield Redevelopment Authority	4,103,702	-	4,218,513	-
Downtown Development Authority	40,849	-	-	-
Total component units	<u>\$ 4,211,607</u>	<u>\$ -</u>	<u>\$ 4,218,513</u>	<u>\$ -</u>

General revenues:

Property taxes
State shared revenue
Cable television franchise fees
Unrestricted interest income
Miscellaneous
Insurance recoveries
Transfers

Total general revenues, insurance recoveries,
and transfers

Changes in net position

Net position - beginning

Net position - ending

Net (expenses) revenues and changes in net position

Primary government			Component units		
Governmental activities	Business-type activities	Totals	Tax Increment Finance Authority	Brownfield Redevelopment Authority	Downtown Development Authority
\$ (584,409)		\$ (584,409)			
(1,089,510)		(1,089,510)			
(224,760)		(224,760)			
(45,204)		(45,204)			
(4,306)		(4,306)			
(186,974)		(186,974)			
(42,061)		(42,061)			
<u>(2,177,224)</u>		<u>(2,177,224)</u>			
	\$ 215,964	215,964			
	221,336	221,336			
	<u>6,672</u>	<u>6,672</u>			
	<u>443,972</u>	<u>443,972</u>			
<u>(2,177,224)</u>	<u>443,972</u>	<u>(1,733,252)</u>			
			\$ (67,056)	\$ -	\$ -
			-	114,811	-
			<u>-</u>	<u>-</u>	<u>(40,849)</u>
			<u>(67,056)</u>	<u>114,811</u>	<u>(40,849)</u>
1,406,785	-	1,406,785	-	25,508	54,812
445,924	-	445,924	-	-	-
46,806	-	46,806	-	-	-
11,502	5,023	16,525	456	-	438
14,161	-	14,161	-	-	3,243
216,558	-	216,558	-	-	-
<u>387,314</u>	<u>(387,314)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,529,050</u>	<u>(382,291)</u>	<u>2,146,759</u>	<u>80,368</u>	<u>25,508</u>	<u>65,321</u>
351,826	61,681	413,507	13,312	140,319	24,472
<u>4,643,725</u>	<u>7,921,455</u>	<u>12,565,180</u>	<u>86,233</u>	<u>655,041</u>	<u>43,508</u>
<u>\$ 4,995,551</u>	<u>\$ 7,983,136</u>	<u>\$ 12,978,687</u>	<u>\$ 99,545</u>	<u>\$ 795,360</u>	<u>\$ 67,980</u>

See notes to financial statements

BALANCE SHEET - governmental funds

June 30, 2021

	General	Special revenue fund		Total governmental funds
		Major Streets	Nonmajor funds	
ASSETS				
Cash	\$ 415,873	\$ 234,209	\$ 274,521	\$ 924,603
Investments	7,300	-	-	7,300
Receivables	133,049	58,882	40,229	232,160
Total assets	<u>\$ 556,222</u>	<u>\$ 293,091</u>	<u>\$ 314,750</u>	<u>\$ 1,164,063</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Payables	\$ 117,380	\$ 5,015	\$ 4,216	\$ 126,611
Due to other funds	-	13,267	30,596	43,863
Total liabilities	<u>117,380</u>	<u>18,282</u>	<u>34,812</u>	<u>170,474</u>
Deferred inflows - unavailable insurance recoveries	29,994	-	-	29,994
Fund balances:				
Restricted for:				
Public safety - drug forfeitures	7,244	-	-	7,244
Public works - street improvements and maintenance	-	274,809	93,762	368,571
Community and economic development - revolving loans	-	-	61,024	61,024
Recreation and culture - pickleball courts	1,474	-	-	1,474
Assigned for:				
Employee benefits	78,431	-	-	78,431
Capital acquisitions	-	-	125,152	125,152
Unassigned	321,699	-	-	321,699
Total fund balances	<u>408,848</u>	<u>274,809</u>	<u>279,938</u>	<u>963,595</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 556,222</u>	<u>\$ 293,091</u>	<u>\$ 314,750</u>	<u>\$ 1,164,063</u>

Reconciliation of the balance sheet to the statement of net position:

Total fund balance - total governmental funds	\$ 963,595
Amounts reported for <i>governmental activities</i> in the statement of net position (page 15) are different because:	
Capital assets used in <i>governmental activities</i> are not financial resources and, therefore, are not reported in the funds.	5,668,998
Certain receivables are not available to pay for the current period's expenditures, and therefore, are presented as deferred inflows in the funds.	29,994
Deferred outflows of resources, related to the OPEB plan, relate to future years, and are not reported in the funds.	66,567
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(89,748)
Other postemployment benefit obligation, net	(899,157)
Interest payable	(17,293)
Long-term debt, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(1,113,748)
Deferred inflows of resources, related to the OPEB plan, relate to future years, and are not reported in the funds.	(146,467)
The assets and liabilities of the internal service fund are included in the <i>governmental activities</i> in the statement of net position.	532,810
Net position of <i>governmental activities</i>	<u>\$ 4,995,551</u>

See notes to financial statements

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - governmental funds**

Year ended June 30, 2021

	<u>General</u>	<u>Special revenue fund Major Streets</u>	<u>Nonmajor funds</u>	<u>Total governmental funds</u>
REVENUES				
Property taxes	\$ 1,169,476	\$ -	\$ 293,394	\$ 1,462,870
Licenses and permits	72,503	-	-	72,503
Federal grants	125,488	-	-	125,488
State grants	456,266	358,437	134,314	949,017
Intergovernmental	-	50,462	29,868	80,330
Charges for services	945	-	-	945
Fines and forfeitures	7,359	-	-	7,359
Interest and rentals	10,544	311	2,065	12,920
Other	47,188	2,797	58,706	108,691
	<u>1,889,769</u>	<u>412,007</u>	<u>518,347</u>	<u>2,820,123</u>
Total revenues				
EXPENDITURES				
Current:				
General government	805,686	-	194	805,880
Public safety	1,166,220	-	-	1,166,220
Public works	192,097	186,937	402,689	781,723
Community and economic development	45,215	-	-	45,215
Health and welfare	4,306	-	-	4,306
Recreation and culture	208,990	-	-	208,990
Capital outlay	8,165	-	5,679	13,844
Debt service:				
Principal	1,732	-	20,000	21,732
Interest	121	-	42,253	42,374
	<u>2,432,532</u>	<u>186,937</u>	<u>470,815</u>	<u>3,090,284</u>
Total expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(542,763)</u>	<u>225,070</u>	<u>47,532</u>	<u>(270,161)</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	186,564	-	-	186,564
Loan proceeds - installment purchase agreement	8,165	-	-	8,165
Transfers in	426,904	-	18,000	444,904
Transfers out	(18,000)	-	(15,000)	(33,000)
	<u>603,633</u>	<u>-</u>	<u>3,000</u>	<u>606,633</u>
Net other financing sources (uses)				
NET CHANGES IN FUND BALANCES	60,870	225,070	50,532	336,472
FUND BALANCES - BEGINNING	<u>347,978</u>	<u>49,739</u>	<u>229,406</u>	<u>627,123</u>
FUND BALANCES - ENDING	<u>\$ 408,848</u>	<u>\$ 274,809</u>	<u>\$ 279,938</u>	<u>\$ 963,595</u>

See notes to financial statements

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - governmental funds (Continued)**

Year ended June 30, 2021

Reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities:

Net change in fund balance - total governmental funds (page 18) \$ 336,472

Amounts reported for *governmental activities* in the statement of activities (page 16) are different because:

Capital assets:

Assets acquired 223,360
Provision for depreciation (261,398)

Long-term debt:

Capital lease (8,165)
Retirements 21,732

Changes in other assets/liabilities:

Net increase in compensated absences (9,665)
Net increase in other postemployment benefit obligation, net (5,854)
Net decrease in interest payable 313

Increase in deferred inflows - insurance recoveries 29,994

Changes in deferred outflows of resources and deferred inflows of resources related to OPEB obligation:

Net decrease in deferred outflows of resources (5,945)
Net decrease in deferred inflows of resources 16,162

The net revenues of the internal service fund are reported with *governmental activities*. 14,820

Change in net position of *governmental activities* \$ 351,826

STATEMENT OF NET POSITION - proprietary funds

June 30, 2021

	<i>Business-type activities</i>				<i>Governmental activities</i>
	<i>Enterprise funds</i>				<i>Internal service</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	
ASSETS					
Current assets:					
Cash	\$ 1,021,220	\$ 199,743	\$ 37,715	\$ 1,258,678	\$ 170,438
Receivables	112,703	51,040	5,157	168,900	6,210
Prepays	-	-	136	136	-
Inventory	-	-	2,364	2,364	-
Total current assets	<u>1,133,923</u>	<u>250,783</u>	<u>45,372</u>	<u>1,430,078</u>	<u>176,648</u>
Noncurrent assets:					
Advances to other funds	30,596	13,267	-	43,863	-
Capital assets not being depreciated - land	400	17,346	30,450	48,196	-
Capital assets, net of depreciation	<u>5,954,827</u>	<u>2,685,172</u>	<u>45,532</u>	<u>8,685,531</u>	<u>374,102</u>
Total noncurrent assets	<u>5,985,823</u>	<u>2,715,785</u>	<u>75,982</u>	<u>8,777,590</u>	<u>374,102</u>
Total assets	<u>7,119,746</u>	<u>2,966,568</u>	<u>121,354</u>	<u>10,207,668</u>	<u>550,750</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred OPEB amounts	<u>9,040</u>	<u>6,574</u>	<u>-</u>	<u>15,614</u>	<u>-</u>
LIABILITIES					
Current liabilities:					
Payables	33,146	3,369	1,860	38,375	15,540
Bonds payable - current portion	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>-</u>
Total current liabilities	<u>158,146</u>	<u>3,369</u>	<u>1,860</u>	<u>163,375</u>	<u>15,540</u>
Noncurrent liabilities:					
Compensated absences	21,500	7,800	200	29,500	2,400
Net other postemployment benefits liability	149,583	103,331	-	252,914	-
Bonds payable - due in more than one year	<u>1,760,000</u>	<u>-</u>	<u>-</u>	<u>1,760,000</u>	<u>-</u>
Total noncurrent liabilities	<u>1,931,083</u>	<u>111,131</u>	<u>200</u>	<u>2,042,414</u>	<u>2,400</u>
Total liabilities	<u>2,089,229</u>	<u>114,500</u>	<u>2,060</u>	<u>2,205,789</u>	<u>17,940</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB amounts	<u>19,891</u>	<u>14,466</u>	<u>-</u>	<u>34,357</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	4,070,227	2,702,518	75,982	6,848,727	374,102
Unrestricted	<u>949,439</u>	<u>141,658</u>	<u>43,312</u>	<u>1,134,409</u>	<u>158,708</u>
Total net position	<u>\$ 5,019,666</u>	<u>\$ 2,844,176</u>	<u>\$ 119,294</u>	<u>\$ 7,983,136</u>	<u>\$ 532,810</u>

See notes to financial statements

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - proprietary funds

Year ended June 30, 2021

	<i>Business-type activities</i>				<i>Governmental activities</i>
	<i>Enterprise funds</i>				<i>Internal service</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	
OPERATING REVENUES					
Charges for services	\$ 1,320,368	\$ 521,401	\$ 48,716	\$ 1,890,485	\$ 256,800
Other	12,990	44,071	6,379	63,440	1,388
Total operating revenues	<u>1,333,358</u>	<u>565,472</u>	<u>55,095</u>	<u>1,953,925</u>	<u>258,188</u>
OPERATING EXPENSES					
Administration	145,033	37,597	44,797	227,427	-
Treatment	615,584	122,271	-	737,855	-
Collection	176,815	81,988	-	258,803	-
Costs of interfund services	-	-	-	-	167,548
Depreciation	332,110	102,280	3,626	438,016	58,555
Total operating expenses	<u>1,269,542</u>	<u>344,136</u>	<u>48,423</u>	<u>1,662,101</u>	<u>226,103</u>
OPERATING INCOME (LOSS)	<u>63,816</u>	<u>221,336</u>	<u>6,672</u>	<u>291,824</u>	<u>32,085</u>
NONOPERATING REVENUE (EXPENSES)					
Gain on sales of capital assets	-	-	-	-	6,330
State grant	200,016	-	-	200,016	-
Interest revenue	4,408	484	131	5,023	995
Interest expense	(47,868)	-	-	(47,868)	-
Net nonoperating revenue (expenses)	<u>156,556</u>	<u>484</u>	<u>131</u>	<u>157,171</u>	<u>7,325</u>
INCOME (LOSS) BEFORE TRANSFERS	220,372	221,820	6,803	448,995	39,410
TRANSFERS OUT	<u>(250,432)</u>	<u>(131,375)</u>	<u>(5,507)</u>	<u>(387,314)</u>	<u>(24,590)</u>
CHANGES IN NET POSITION	(30,060)	90,445	1,296	61,681	14,820
NET POSITION - BEGINNING	<u>5,049,726</u>	<u>2,753,731</u>	<u>117,998</u>	<u>7,921,455</u>	<u>517,990</u>
NET POSITION - ENDING	<u>\$ 5,019,666</u>	<u>\$ 2,844,176</u>	<u>\$ 119,294</u>	<u>\$ 7,983,136</u>	<u>\$ 532,810</u>

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds

Year ended June 30, 2021

	<i>Business-type activities</i>				<i>Governmental</i>
	<i>Enterprise funds</i>				<i>activities</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	<i>Internal</i>
				<i>service</i>	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,329,686	\$ 556,657	\$ 60,284	\$ 1,946,627	\$ -
Receipts from interfund services provided	-	-	-	-	254,083
Payments to suppliers	(764,419)	(133,563)	(37,017)	(934,999)	(116,954)
Payments to employees	(221,243)	(84,182)	(3,215)	(308,640)	(43,629)
Internal activity - payments to other funds	(40,887)	(16,480)	(2,061)	(59,428)	-
Net cash provided by (used in) operating activities	<u>303,137</u>	<u>322,432</u>	<u>17,991</u>	<u>643,560</u>	<u>93,500</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State grants	295,732	-	-	295,732	-
Collections on advances to other funds	3,656	2,575	-	6,231	-
Transfers out	(250,432)	(131,375)	(5,507)	(387,314)	(24,590)
Net cash used in noncapital financing activities	<u>48,956</u>	<u>(128,800)</u>	<u>(5,507)</u>	<u>(85,351)</u>	<u>(24,590)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of capital assets	-	-	-	-	6,330
Acquisition of capital assets	(18,620)	-	-	(18,620)	(137,865)
Principal paid on capital debt	(120,000)	-	-	(120,000)	-
Interest paid on capital debt	(48,618)	-	-	(48,618)	-
Net cash provided by (used in) capital and related financing activities	<u>(187,238)</u>	<u>-</u>	<u>-</u>	<u>(187,238)</u>	<u>(131,535)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	<u>4,408</u>	<u>484</u>	<u>131</u>	<u>5,023</u>	<u>995</u>
NET CHANGE IN CASH	<u>169,263</u>	<u>194,116</u>	<u>12,615</u>	<u>375,994</u>	<u>(61,630)</u>
CASH - BEGINNING	<u>851,957</u>	<u>5,627</u>	<u>25,100</u>	<u>882,684</u>	<u>232,068</u>
CASH - ENDING	<u>\$ 1,021,220</u>	<u>\$ 199,743</u>	<u>\$ 37,715</u>	<u>\$ 1,258,678</u>	<u>\$ 170,438</u>

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds (Continued)

Year ended June 30, 2021

	<i>Business-type activities</i>				<i>Governmental</i>
	<i>Enterprise funds</i>				<i>activities</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	<i>Internal</i>
					<i>service</i>
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income	\$ 63,816	\$ 221,336	\$ 6,672	\$ 291,824	\$ 32,085
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation expense	332,110	102,280	3,626	438,016	58,555
Changes in assets and liabilities:					
Receivables	(3,672)	(8,815)	5,189	(7,298)	(4,105)
Prepays	858	858	-	1,716	-
Inventory	-	-	1,249	1,249	-
Payables	(109,518)	(4,581)	1,255	(112,844)	6,965
Compensated absences	2,600	(300)	-	2,300	-
Other postemployment obligation, net	18,330	12,662	-	30,992	-
Decrease in deferred outflows	808	588	-	1,396	-
Decrease in deferred inflows	(2,195)	(1,596)	-	(3,791)	-
Net cash provided by (used in) operating activities	<u>\$ 303,137</u>	<u>\$ 322,432</u>	<u>\$ 17,991</u>	<u>\$ 643,560</u>	<u>\$ 93,500</u>

See notes to financial statements

STATEMENT OF FIDUCIARY NET POSITION - *custodial funds*

June 30, 2021

	<u>Tax Collection</u>	<u>General Custodial</u>
ASSETS		
Cash	\$ -	\$ 30,706
LIABILITIES		
Due to others	-	30,706
NET POSITION		
Restricted for individuals and other governments	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

STATEMENT OF CHANGES IN FIDUCIARY NET POSTION - *custodial funds*

Year ended June 30, 2021

	<u>Tax Collection</u>	<u>General Custodial</u>
ADDITIONS		
Property taxes collected for other governments	\$ 3,322,942	\$ -
DEDUCTIONS		
Property taxes distributed to other governments	<u>3,322,942</u>	<u>-</u>
NET CHANGE IN FIDUCIARY NET POSITION	-	-
NET POSITION - BEGINNING	<u>-</u>	<u>-</u>
NET POSTION - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Plainwell, Michigan (the City), conform to accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles) as applicable to governmental units. The following is a summary of the more significant accounting policies.

Reporting entity:

As required by generally accepted accounting principles, these financial statements present the City (the primary government) located in Allegan County, and its component units described below, for which the City is financially accountable. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government. Separate financial statements for the component units have not been issued, as management believes that these financial statements, including disclosures, contain complete information so as to constitute a fair presentation of the component units.

Discretely presented component units:

Tax Increment Financing Authority - The Authority was established pursuant to Public Act 450 of 1980, as amended, to finance infrastructure improvements within the City's industrial park.

Brownfield Redevelopment Authority - The Authority was established pursuant to Public Act 381 of 1996, as amended, to promote the revitalization of environmentally distressed areas within the City.

Downtown Development Authority - The Authority was established pursuant to Public Act 197 of 1975, as amended, to correct and prevent deterioration and promote economic growth within the downtown district.

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 City. The effect of interfund activity has been removed from these statements. Governmental activities, normally 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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 funds 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (continued):

Governmental funds 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 if they are collected within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the City generally considers revenues to be available if they are expected to be collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, claims and judgments, and other postemployment benefits are recorded only when payment is due.

State grants, licenses and permits, charges for services, 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 only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

The Major Street Fund, a special revenue fund, accounts for state gas and weight tax revenues that are restricted for expenditures related to maintaining and improving the City's major streets.

The City reports the following major enterprise funds:

The Sewer Fund accounts for activities of the City's sewage collection systems and treatment plant.

The Water Fund accounts for activities of the City's water distribution system.

Additionally, the City reports the following nonmajor governmental funds:

The special revenue funds are used to account for the specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The capital projects funds are used to account for the accumulation and disbursement of resources for the construction of governmental fund capital assets.

The nonmajor enterprise fund is used to account for certain operations of the City that are financed by charges for the services provided.

The internal service fund, a proprietary fund, is used to account for vehicle and equipment management services provided to other departments of the City on a cost-reimbursement basis.

The City also reports custodial funds which account for assets held by the City in a fiduciary capacity for other governments and organizations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (continued):

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

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 proprietary funds relate to charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity:

Cash and investments - Cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value, with changes in value recognized in the operating statement of each fund which holds investments. Realized and unrealized gains and losses are included in investment income. Pooled investment income is allocated proportionately to all funds and component units.

Receivables - In general, outstanding balances between funds are reported as “advances from/to other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

Prepays - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in the government-wide financial statements and the fund financial statements.

Inventories - The costs of inventories are recorded as assets when purchased and charged to expenses when used. Inventories, reported in the proprietary funds, are valued at the lower of cost or market. Cost is determined under the first-in, first-out method.

Capital assets - Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g., streets and sewer and water systems), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. The City has elected to use the prospective method of accounting for infrastructure assets, whereby it will capitalize its infrastructure assets beginning July 1, 2003.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 - 50 years
Equipment	3 - 25 years
Vehicles	4 - 20 years
Sewer and water systems	50 years
Streets	20 - 40 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity (continued):

Deferred outflows of resources - The statement of net position and the proprietary funds statement of net position include a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The related expense will not be recognized until a future event occurs. The City has an item that is included in this category relating to the OPEB liability that is discussed in Note 11. No deferred outflows of resources affect the governmental funds financial statements.

Compensated absences (vacation and sick leave) - It is the City's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. A liability for unpaid accumulated vacation and sick leave has been recorded for the portion due to employees upon separation from service with the City. Vested compensated absences are accrued when earned in the government-wide and proprietary funds financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

Deferred inflows of resources - The statement of net position and the proprietary funds statement of net position include a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The related revenues will not be recognized until a future event occurs. The City has an item that is included in this category relating to the OPEB liability that is discussed in Note 11. The governmental funds financial statements include a deferred inflow related to unavailable insurance recoveries.

Net position - Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. The City reports three categories of net position, as follows: (1) *Net investment in capital assets* consists of net capital assets reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets; (2) *Restricted net position* is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations, such as federal or state laws or buyers of the City's debt. Restricted net position is reduced by liabilities related to the restricted assets; (3) *Unrestricted net position* consists of all other net position that does not meet the definition of the above components and is available for general use by the City.

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

Fund equity - In the fund financial statements, governmental funds report restricted fund balance when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws and regulations of other governments. The City Council has delegated the authority to assign fund balance to the City Manager. Unassigned fund balance is the residual classification for the General Fund. When the City incurs an expenditure for purposes for which various fund balance classifications can be used, it is the City's policy to use the restricted fund balance first, followed by assigned fund balance, and, finally, unassigned fund balance.

Property tax revenue recognition - Property taxes are levied as of July 1 on property values assessed as of December 31 of the prior year. The billings are due on or before August 15, at which time the bill becomes delinquent and penalties and interest may be assessed by the City. Property tax revenue is recognized in the year for which taxes have been levied and become available. The City levy date is July 1, and, accordingly, the total levy is recognized as revenue in the current year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity (continued):

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

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for governmental funds. The budget document presents information by fund, function, department, and line-item. The legal level of budgetary control adopted by the governing body is the function level. All annual appropriations lapse at the end of the fiscal year.

Excess of expenditures over appropriations - The following schedule sets forth reportable budget variances:

<u>Fund</u>	<u>Function</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Primary government:				
General	General government	\$ 775,252	\$ 805,686	\$ 30,434
	Recreation and culture	202,218	208,990	6,772
	Capital outlay	-	8,165	8,165
Component unit:				
Tax Increment Finance Authority	Public works	61,156	66,756	5,600

NOTE 3 - CASH AND INVESTMENTS

Cash and investments, as of June 30, 2021, are classified in the accompanying financial statements as follows:

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total primary government</u>	<u>Custodial funds</u>	<u>Total component units</u>	<u>Totals</u>
Cash	\$ 1,095,041	\$ 1,258,678	\$ 2,353,719	\$ 30,706	\$ 199,577	\$ 2,584,002
Investments	7,300	-	7,300	-	-	7,300
Totals	<u>\$ 1,102,341</u>	<u>\$ 1,258,678</u>	<u>\$ 2,361,019</u>	<u>\$ 30,706</u>	<u>\$ 199,577</u>	<u>\$ 2,591,302</u>

Cash and investments as of June 30, 2021, consist of the following:

Cash on hand	\$ 1,353
Deposits with financial institutions	2,582,649
Investments	7,300
Total	<u>\$ 2,591,302</u>

NOTE 3 - CASH AND INVESTMENTS (Continued)

Deposits - Michigan Compiled Laws, Section 129.91 (Public Act 20 of 1943, as amended) and the City’s investment policy authorize the City to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations that have an office in Michigan. The City’s deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the City will not be able to recover its deposits. The City’s investment policy does not specifically address custodial credit risk for deposits. As of June 30, 2021, \$1,486,240 of the City’s bank balances of \$2,842,330 including those of the component units, was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the use of pooled accounts, it is not practicable to allocate custodial credit risk between the primary government and its component units.

Investments - State statutes and the City’s investment policy authorize the City to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper rated within the two highest rate classifications, which mature not more than 270 days after the date of purchase; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds composed of otherwise legal investments, and f) investment pools organized under the local government investment pool act.

Investments in entities that calculate net asset value per share - The City holds shares in an investment pool where the fair value of the investment is measured on a recurring basis using net asset value per share of the investment pool as a practical expedient. At June 30, 2021, the fair value, unfunded commitments, and redemption rules of that investment are as follows:

	<u>Michigan CLASS Pool</u>
Fair value at June 30, 2021	\$ 7,300
Unfunded commitments	none
Redemption frequency	n/a
Notice period	none

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better), collateralized bank deposits, repurchase agreements (collateralized at 102% by treasury agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. The pool purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

NOTE 4 - RECEIVABLES

Receivables as of June 30, 2021, for the City’s individual major funds and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Inter- governmental</u>	<u>Loans</u>	<u>Totals</u>
Primary government:				
Governmental:				
General	\$ 48,673	\$ 84,376	\$ -	\$ 133,049
Major Street	-	58,882	-	58,882
Nonmajor	-	21,608	18,621	40,229
Total governmental	<u>\$ 48,673</u>	<u>\$ 164,866</u>	<u>\$ 18,621</u>	<u>\$ 232,160</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,425</u>	<u>\$ 10,425</u>
Proprietary:				
Sewer	\$ 112,703	\$ -	\$ -	\$ 112,703
Water	51,040	-	-	51,040
Nonmajor	5,157	-	-	5,157
Total proprietary	<u>\$ 168,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 168,900</u>
Internal service	<u>\$ 6,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,210</u>

The General Fund accounts receivable balance includes an allowance for uncollectible accounts of \$12,446 due to the aging of invoices that have not been collected.

NOTE 5 - ASSETS HELD FOR RESALE - REDEVELOPMENT PROPERTY

The Brownfield Redevelopment Authority, a component unit of the City, has acquired property for the purpose of economic development. The assets are reported at historic cost. The Authority intends to resell the property to private-sector developers. The proceeds of the potential sale of the property will be transferred to the City’s General Fund, which principally financed the acquisition.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Governmental activities:				
Capital assets not being depreciated - land	\$ 344,680	\$ -	\$ -	\$ 344,680
Capital assets being depreciated:				
Streets and sidewalks	3,071,535	-	-	3,071,535
Land improvements	2,292,636	11,800	-	2,304,436
Buildings and improvements	2,435,215	211,560	-	2,646,775
Equipment and vehicles	2,553,225	137,865	(12,348)	2,678,742
Subtotal	<u>10,352,611</u>	<u>361,225</u>	<u>(12,348)</u>	<u>10,701,488</u>
Less accumulated depreciation for:				
Streets and sidewalks	(708,921)	(92,721)	-	(801,642)
Land improvements	(1,268,212)	(62,595)	-	(1,330,807)
Buildings and improvements	(731,901)	(56,817)	-	(788,718)
Equipment and vehicles	(1,986,429)	(107,820)	12,348	(2,081,901)
Subtotal	<u>(4,695,463)</u>	<u>(319,953)</u>	<u>12,348</u>	<u>(5,003,068)</u>
Total capital assets being depreciated, net	<u>5,657,148</u>	<u>41,272</u>	<u>-</u>	<u>5,698,420</u>
Governmental activities capital assets, net	<u>\$ 6,001,828</u>	<u>\$ 41,272</u>	<u>\$ -</u>	<u>\$ 6,043,100</u>

Depreciation expense was charged to the City's governmental activities as follows:

Governmental activities:	
General government	\$ 44,840
Public safety	90,159
Public works	118,595
Recreation and culture	7,804
Depreciation on internal service fund assets	<u>58,555</u>
Total governmental activities	<u>\$ 319,953</u>

NOTE 6 - CAPITAL ASSETS (Continued)

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Business-type activities:				
Capital assets not being depreciated - land	\$ 48,196	\$ -	\$ -	\$ 48,196
Capital assets being depreciated:				
Sewer system	14,617,442	18,620	-	14,636,062
Water system	6,200,516	-	-	6,200,516
Airport	208,886	-	-	208,886
Subtotal	<u>21,026,844</u>	<u>18,620</u>	<u>-</u>	<u>21,045,464</u>
Less accumulated depreciation for:				
Sewer system	(8,349,125)	(332,110)	-	(8,681,235)
Water system	(3,413,064)	(102,280)	-	(3,515,344)
Airport	(159,728)	(3,626)	-	(163,354)
Subtotal	<u>(11,921,917)</u>	<u>(438,016)</u>	<u>-</u>	<u>(12,359,933)</u>
Total capital assets being depreciated	<u>9,104,927</u>	<u>(419,396)</u>	<u>-</u>	<u>8,685,531</u>
Business-type activities capital assets, net	<u>\$ 9,153,123</u>	<u>\$ (419,396)</u>	<u>\$ -</u>	<u>\$ 8,733,727</u>

NOTE 7 - PAYABLES

Payables as of June 30, 2021, for the City’s individual major funds and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Payroll and fringes</u>	<u>Interest</u>	<u>Totals</u>
Primary government:				
Governmental:				
General	\$ 75,550	\$ 41,830	\$ -	\$ 117,380
Major Streets	3,179	1,836	-	5,015
Nonmajor	<u>173</u>	<u>4,043</u>	<u>-</u>	<u>4,216</u>
Total governmental	<u>\$ 78,902</u>	<u>\$ 47,709</u>	<u>\$ -</u>	<u>\$ 126,611</u>
Proprietary:				
Sewer	\$ 12,330	\$ 9,036	\$ 11,780	\$ 33,146
Water	698	2,671	-	3,369
Nonmajor	<u>1,407</u>	<u>453</u>	<u>-</u>	<u>1,860</u>
Total proprietary	<u>\$ 14,435</u>	<u>\$ 12,160</u>	<u>\$ 11,780</u>	<u>\$ 38,375</u>
Internal service	<u>\$ 14,222</u>	<u>\$ 1,318</u>	<u>\$ -</u>	<u>\$ 15,540</u>
Component units:				
Tax Increment Finance Authority	<u>\$ 840</u>	<u>\$ 1,538</u>	<u>\$ -</u>	<u>\$ 2,378</u>
Brownfield Redevelopment Authority	<u>\$ 820,911</u>	<u>\$ 1,358</u>	<u>\$ -</u>	<u>\$ 822,269</u>
Downtown Development Authority	<u>\$ 107</u>	<u>\$ 564</u>	<u>\$ -</u>	<u>\$ 671</u>

NOTE 8 - INTERFUND BALANCES AND TRANSFERS

At June 30, 2021, the composition of interfund balances was as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Fund</u>	<u>Payable</u>
Sewer	\$ 30,596	Nonmajor governmental	\$ 30,596
Water	<u>13,267</u>	Major Street	<u>13,267</u>
	<u>\$ 43,863</u>		<u>\$ 43,863</u>

The Sewer and Water funds provided advances to the street funds (governmental funds) to finance a portion of street preservation costs in prior years. The advances are expected to be repaid over time, with interest, at 1%.

NOTE 8 - INTERFUND BALANCES AND TRANSFERS (Continued)

A summary of interfund transfers for the year ended June 30, 2021, is as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Fund</u>	<u>Transfers out</u>
		Sewer	\$ 250,432
		Water	131,375
		Airport	5,507
		Equipment	<u>24,590</u>
General	\$ 411,904		411,904
General	15,000	Nonmajor governmental	15,000
Nonmajor governmental	<u>18,000</u>	General	<u>18,000</u>
Total	<u>\$ 444,904</u>	Total	<u>\$ 444,904</u>

The proprietary funds transferred \$411,904 to the General Fund as part of the City’s payment in lieu of taxes (PILOT) program. The payments are classified as transfers as the transaction does not involve an exchange for services.

The Fire Reserve Fund, a nonmajor governmental fund, transferred \$15,000 to the General Fund to fund fire equipment purchases recorded in the General Fund.

The General Fund transferred \$18,000 to provide additional support for the Solid Waste Fund.

NOTE 9 - LONG-TERM LIABILITIES

Long-term liabilities at June 30, 2021, are comprised of the following:

Governmental activities:

Bonds payable:

\$1,350,000 2012 Public Safety Capital Improvement bonds - payable in annual installments ranging from \$16,000 to \$64,000, plus interest at 3.75%; final payment due February 2051 \$ 1,106,760

Note payable:

\$8,165 2020 installment purchase agreement - payable in monthly installments of \$143, including interest at 1.94%; final payment due September 2025 6,988

Total bonds and notes payable 1,113,748

Compensated absences 92,148

Total governmental activities \$ 1,205,896

Business-type activities:

Bonds payable:

\$3,865,000 2012 Sewer Supply System Revenue bonds (SRF) - payable in annual installments ranging from \$100,000 to \$170,000, plus interest at 2.50%; final payment due October 2033 \$ 1,885,000

Compensated absences 29,500

Total business-type activities \$ 1,914,500

Component units:

Compensated absences:

Tax Increment Finance Authority \$ 2,000

Brownfield Redevelopment Authority 3,400

Downtown Development Authority 700

Total component units \$ 6,100

All outstanding debt of the City is direct borrowing or direct placement debt.

NOTE 9 - LONG-TERM LIABILITIES (Continued)

Long-term liability activity for the year ended June 30, 2021, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
Primary government:					
Governmental activities:					
2012 Capital improvement bonds	\$ 1,126,760	\$ -	\$ (20,000)	\$ 1,106,760	\$ 21,000
2016 Installment purchase agreement	555	-	(555)	-	-
2020 Installment purchase agreement	<u>-</u>	<u>8,165</u>	<u>(1,177)</u>	<u>6,988</u>	<u>1,596</u>
Total bonds and notes	1,127,315	8,165	(21,732)	1,113,748	22,596
Compensated absences	<u>82,483</u>	<u>94,178</u>	<u>(84,513)</u>	<u>92,148</u>	<u>-</u>
	<u>\$ 1,209,798</u>	<u>\$ 102,343</u>	<u>\$ (106,245)</u>	<u>\$ 1,205,896</u>	<u>\$ 22,596</u>
Business-type activities:					
2012 Sewer revenue bonds	\$ 2,005,000	\$ -	\$ (120,000)	\$ 1,885,000	\$ 125,000
Compensated absences	<u>27,000</u>	<u>29,139</u>	<u>(26,639)</u>	<u>29,500</u>	<u>-</u>
	<u>\$ 2,032,000</u>	<u>\$ 29,139</u>	<u>\$ (146,639)</u>	<u>\$ 1,914,500</u>	<u>\$ 125,000</u>
Component units:					
Compensated absences:					
Tax Increment Finance Authority	<u>\$ 1,700</u>	<u>\$ 2,787</u>	<u>\$ (2,487)</u>	<u>\$ 2,000</u>	<u>\$ -</u>
Brownfield Redevelopment Authority	<u>\$ 2,100</u>	<u>\$ 5,528</u>	<u>\$ (4,228)</u>	<u>\$ 3,400</u>	<u>\$ -</u>
Downtown Development Authority	<u>\$ 600</u>	<u>\$ 971</u>	<u>\$ (871)</u>	<u>\$ 700</u>	<u>\$ -</u>

NOTE 9 - LONG-TERM LIABILITIES (Continued)

Debt service requirements at June 30, 2021, with the exception of compensated absences and other postemployment benefits, are as follows:

	<i>Governmental activities</i>		<i>Business-type activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
Year ended June 30:				
2022	\$ 22,596	\$ 41,625	\$ 125,000	\$ 45,414
2023	23,627	40,806	125,000	42,289
2024	24,659	39,949	130,000	39,101
2025	24,692	39,055	135,000	35,789
2026	24,414	38,167	135,000	32,414
2027 - 2031	135,000	176,582	740,000	108,258
2032 - 2036	163,000	149,280	495,000	18,441
2037 - 2041	196,000	116,320	-	-
2042 - 2046	236,000	76,684	-	-
2047 - 2051	263,760	28,834	-	-
Totals	<u>\$ 1,113,748</u>	<u>\$ 747,302</u>	<u>\$ 1,885,000</u>	<u>\$ 321,706</u>

NOTE 10 - DEFINED CONTRIBUTION PENSION PLAN

The City contributes to the City of Plainwell Group Pension Plan (the Plan), a defined contribution pension plan, for all its full-time employees. The Plan is administered by a third-party administrator.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council. For each employee in the pension plan, the City is required to contribute 8% to 11% of covered payroll to an individual employee's account. Employees are not required to make contributions to the pension plan. For the year ended June 30, 2021, the City recognized pension expense of \$154,583

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in City contributions and earnings on City contributions immediately. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended June 30, 2021, there were no forfeitures.

As of June 30, 2021, the City reported a \$4,350 accrued liability as part of the contributions to the Plan.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS*Plan description:*

The City of Plainwell Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by the City, which provides medical insurance benefits to eligible retirees. Eligible recipients include retirees with union affiliation who have reached age 55 or 60, depending on their union affiliation, and have worked at least 25 years for the City upon their retirement. The Plan was established by the City and can be amended at its discretion. The plan does not issue a separate stand-alone financial statement.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits provided:

Police employees:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,450); Medicare eligible: Support of supplemental insurance cost up to \$500 per month

SEIU members:

Retired prior to 7/1/2007:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,450); Medicare eligible - single medical coverage

Retired after 7/1/2007:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,450); Medicare eligible: None

Retiree contributions:

Police - 20% of medical premium

SEIU member retired prior to 7/1/2007 - None

SEIU member retired after to 7/1/2007 - 20% of medical premium

As of June 30, 2021, Plan membership Plan consisted of the following:

Active participants	14
Retirees and beneficiaries receiving benefits	<u>5</u>
Total participants	<u>19</u>

Contributions:

Net OPEB liability:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	Not applicable
Payroll increases	2.00%
Investment rate of return	7.00%
20-year Aa Municipal bond rate	2.18%
Mortality	Public Safety and General 2010 Employee and and Healthy Retiree, headcount weighted with MP-2020

The discount rate used to measure the total OPEB liability was 2.40%. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted as 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. The discount rate used for the June 30, 2021 liability was 2.66%.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the net OPEB liability:

	<i>Increase (decrease)</i>		
	<i>Total OPEB liability (a)</i>	<i>Plan fiduciary net position (b)</i>	<i>Net OPEB liability (asset) (a) - (b)</i>
Balances at June 30, 2020	\$ 1,117,187	\$ 1,962	\$ 1,115,225
Changes for the year:			
Service cost	35,750	-	35,750
Interest	30,453	-	30,453
Experience (Gains)/Losses	(19,311)	-	(19,311)
Change in assumptions	10,413	-	10,413
Contributions to OPEB trust	-	3,578	(3,578)
Contributions - employer	-	16,170	(16,170)
Net investment income	-	734	(734)
Benefit payments	(16,170)	(16,170)	-
Administrative expenses	-	(23)	23
Net changes	41,135	4,289	36,846
Balances at June 30, 2021	\$ 1,158,322	\$ 6,251	\$ 1,152,071

Plan fiduciary net position as a percentage of total OPEB liability 0.5%

Sensitivity of the net OPEB liability to changes in the discount rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability	\$ 1,276,476	\$ 1,152,071	\$ 1,045,383

Sensitivity of the net OPEB liability to changes in the trend rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability	\$ 1,103,169	\$ 1,152,071	\$ 1,207,381

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB Plan:

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$43,982. At June 30, 2021, the City reported the following deferred outflows of resources and deferred inflows of resources related to OPEB:

	<u>Outflows</u>	<u>Inflows</u>
Experience (gains)/losses	\$ -	\$ 180,392
Investment earnings (gains)/losses	-	432
Change in assumptions	<u>82,181</u>	<u>-</u>
Total	<u>\$ 82,181</u>	<u>\$ 180,824</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u> <u>recognized</u>
2022	\$ (22,046)
2023	(22,046)
2024	(16,319)
2025	(12,733)
2026	(12,625)
Thereafter	(12,874)

Net OPEB liability by participant status:

	<u>Police</u>	<u>SEIU</u>	<u>Total OPEB</u> <u>Liability</u>
Active participants	\$ 631,482	\$ 194,719	\$ 826,201
Inactive participants receiving benefits	<u>227,645</u>	<u>104,476</u>	<u>332,121</u>
Total	<u>\$ 859,127</u>	<u>\$ 299,195</u>	<u>\$ 1,158,322</u>

NOTE 12 - PROPERTY TAX REVENUE

The 2020 taxable valuation of the City was \$89,547,736 on which ad valorem taxes levied consisted of 14.5162 mills for operating purposes and 1.3000 mills for solid waste removal, raising \$1,295,956 for operating purposes and \$116,055 for solid waste removal. These amounts are recognized in the fund financial statements as property tax revenue.

NOTE 13 - CONSTRUCTION CODE ACT

A summary of construction code enforcement transactions for the year ended June 30, 2021, is as follows:

Cumulative excess of revenues, beginning of year	<u>\$ -</u>
Revenues	\$ 25,072
Expenses	<u>25,072</u>
Excess of revenues over expenses	<u>\$ -</u>
Cumulative excess of revenues, end of year	<u>\$ -</u>

NOTE 14 - RESTRICTED NET POSITION

In the government-wide statement of net position, the governmental activities report restricted net position in the amount of \$438,313. Of this amount, \$7,244 is restricted by enabling legislation for public safety expenditures and \$368,571 is restricted by enabling legislation for public works expenditures.

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss to general liability, property and casualty, workers’ compensation, and employee health and medical claims. The risks of loss arising from general liability, building contents, workers’ compensation, employee medical, and casualty are managed through purchased commercial insurance. For all risks of loss, there have been no significant reductions in insurance coverage from coverage provided in prior years. Also, in the past three years, settlements did not exceed insurance coverage.

The Tax Increment Finance Authority, a component unit of the City, has adopted a tax increment financing plan (the Plan) that allows the Authority (the Authority) to expend tax increment revenues for purposes of furthering the development program contemplated in the Plan. At June 30, 2021, the Authority’s fund balance was \$101,545. The Authority intends to use the available equity to complete the development program. However, any funds remaining after completion of the development program shall revert proportionately to the respective taxing entities, including the City, from which the tax increment revenues were derived.

NOTE 16 - CONTINGENT LIABILITY

The City has a reimbursement agreement with a developer associated with the City’s Plainwell Paper Mill redevelopment project. In accordance with the agreement, the City must make annual payments to the developer amounting to 75% of the current year’s tax capture for the brownfield redevelopment district. At June 30, 2021, the City is contingently liable for payments to the developer in the amount of \$190,863.

NOTE 17 - CONSTRUCTION COMMITMENTS

At June 30, 2021, the City had the following contractual construction commitments:

	<i>Project authorization</i>	<i>Expended through June 30, 2021</i>	<i>Committed</i>
Mill demolition - Phase II	\$ 4,896,898	\$ 4,164,770	\$ 732,128
Roof repairs	<u>264,450</u>	<u>211,560</u>	<u>52,890</u>
Total	<u>\$ 5,161,348</u>	<u>\$ 4,376,330</u>	<u>\$ 785,018</u>

The mill demolition project is principally funded by a federal grant and the roof repairs are being funded by insurance recoveries

NOTE 18 - PENDING ACCOUNTING PRONOUNCEMENT

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, was issued by the GASB in June 2017 and will be effective for periods beginning after June 15, 2021. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE - General Fund

Year ended June 30, 2021

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 1,167,180	\$ 1,167,180	\$ 1,169,476	\$ 2,296
Licenses and permits	67,800	71,800	72,503	703
Federal grant	325	125,325	125,488	163
State grants	342,442	391,747	456,266	64,519
Charges for services	800	800	945	145
Fines and forfeitures	9,530	9,530	7,359	(2,171)
Interest and rents	7,024	8,524	10,544	2,020
Other:				
Contributions	3,000	8,600	15,292	6,692
Miscellaneous	30,062	30,062	31,896	1,834
Total revenues	<u>1,628,163</u>	<u>1,813,568</u>	<u>1,889,769</u>	<u>76,201</u>
EXPENDITURES				
General government:				
Legislative - City Council	10,119	10,119	10,119	-
Elections	29,985	30,985	29,757	1,228
Administration	345,506	357,211	356,385	826
Assessor	22,486	22,486	22,235	251
Building and grounds	167,287	353,851	386,058	(32,207)
Community promotion	600	600	1,132	(532)
Total general government	<u>575,983</u>	<u>775,252</u>	<u>805,686</u>	<u>(30,434)</u>
Public safety:				
Department of Public Safety:				
Police protection	1,022,848	1,042,848	1,036,048	6,800
Fire protection	165,783	148,386	130,172	18,214
Total public safety	<u>1,188,631</u>	<u>1,191,234</u>	<u>1,166,220</u>	<u>25,014</u>
Public works:				
Street lighting	42,000	42,000	42,097	(97)
Mill demolition	-	150,000	150,000	-
Total public works	<u>42,000</u>	<u>192,000</u>	<u>192,097</u>	<u>(97)</u>
Community and economic development - planning	<u>38,540</u>	<u>44,540</u>	<u>45,215</u>	<u>(675)</u>
Health and welfare - ambulance	<u>8,818</u>	<u>4,318</u>	<u>4,306</u>	<u>12</u>

BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)

Year ended June 30, 2021

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
EXPENDITURES (Continued)				
Recreation and culture:				
Parks	\$ 127,397	\$ 157,197	\$ 165,223	\$ (8,026)
Flowers and beautification	41,752	35,752	33,103	2,649
Special events	9,790	6,790	5,198	1,592
Forestry	4,079	2,479	5,466	(2,987)
Total recreation and culture	<u>183,018</u>	<u>202,218</u>	<u>208,990</u>	<u>(6,772)</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>8,165</u>	<u>(8,165)</u>
Debt service - principal	<u>447</u>	<u>2,447</u>	<u>1,732</u>	<u>715</u>
Debt service - interest	<u>5</u>	<u>5</u>	<u>121</u>	<u>(116)</u>
Total expenditures	<u>2,037,442</u>	<u>2,412,014</u>	<u>2,432,532</u>	<u>(20,518)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(409,279)</u>	<u>(598,446)</u>	<u>(542,763)</u>	<u>55,683</u>
OTHER FINANCING SOURCES				
Transfers in:				
Sewer Fund	250,432	250,432	250,432	-
Water Fund	131,375	131,375	131,375	-
Airport Fund	5,507	5,507	5,507	-
Equipment Fund	24,590	24,590	24,590	-
Fire Reserve Fund	15,000	15,000	15,000	-
Total transfers in	<u>426,904</u>	<u>426,904</u>	<u>426,904</u>	<u>-</u>
Insurance recoveries	-	186,564	186,564	-
Loan proceeds - installment purchase agreement	<u>-</u>	<u>-</u>	<u>8,165</u>	<u>8,165</u>
Total other financing sources	<u>426,904</u>	<u>613,468</u>	<u>621,633</u>	<u>8,165</u>
Transfers out:				
Solid Waste Fund	<u>(18,000)</u>	<u>(18,000)</u>	<u>(18,000)</u>	<u>-</u>
Net other financing sources	<u>408,904</u>	<u>595,468</u>	<u>603,633</u>	<u>8,165</u>

BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)

Year ended June 30, 2021

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
NET CHANGES IN FUND BALANCES	(375)	(2,978)	60,870	63,848
FUND BALANCES - BEGINNING	<u>347,978</u>	<u>347,978</u>	<u>347,978</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 347,603</u>	<u>\$ 345,000</u>	<u>\$ 408,848</u>	<u>\$ 63,848</u>

BUDGETARY COMPARISON SCHEDULE - Major Street Fund

Year ended June 30, 2021

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
State grants	\$ 310,072	\$ 310,072	\$ 358,437	\$ 48,365
Intergovernmental	13,000	13,000	50,462	37,462
Interest	50	50	311	261
Other	-	-	2,797	2,797
	<u>323,122</u>	<u>323,122</u>	<u>412,007</u>	<u>88,885</u>
Total revenues				
EXPENDITURES				
Public works:				
Preservation	152,671	152,671	138,942	13,729
Traffic services	13,580	13,580	5,531	8,049
Winter maintenance	42,512	42,012	34,708	7,304
Administration	7,525	8,025	7,756	269
	<u>216,288</u>	<u>216,288</u>	<u>186,937</u>	<u>29,351</u>
Total expenditures				
DEFICIENCY OF REVENUES OVER EXPENDITURES	106,834	106,834	225,070	118,236
FUND BALANCES - BEGINNING	<u>49,739</u>	<u>49,739</u>	<u>49,739</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 156,573</u>	<u>\$ 156,573</u>	<u>\$ 274,809</u>	<u>\$ 118,236</u>

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS

June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service cost	\$ 35,750	\$ 33,085	\$ 32,504	\$ 30,001
Interest	30,453	35,371	34,974	33,311
Difference between expected and actual experience	(19,311)	(169,289)	(45,916)	(45,878)
Changes in assumptions	10,413	78,141	-	40,834
Benefit payments, including refunds	<u>(16,170)</u>	<u>(12,116)</u>	<u>(5,730)</u>	<u>(4,957)</u>
Net change in total OPEB liability	41,135	(34,808)	15,832	53,311
Total OPEB liability, beginning of year	<u>1,117,187</u>	<u>1,151,995</u>	<u>1,136,163</u>	<u>1,082,852</u>
Total OPEB liability, end of year	<u>\$ 1,158,322</u>	<u>\$ 1,117,187</u>	<u>\$ 1,151,995</u>	<u>\$ 1,136,163</u>
Plan fiduciary net position:				
Contributions to OPEB trust	\$ 3,578	\$ 1,959	\$ -	\$ -
Contributions - employer	16,170	12,116	5,730	4,957
Net investment income	734	5	-	-
Benefit payments, including refunds	(16,170)	(12,116)	(5,730)	(4,957)
Administrative expenses	<u>(23)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	4,289	1,962	-	-
Plan fiduciary net position, beginning of year	<u>1,962</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position, end of year	<u>\$ 6,251</u>	<u>\$ 1,962</u>	<u>\$ -</u>	<u>\$ -</u>
City's net OPEB liability, end of year	<u>\$ 1,152,071</u>	<u>\$ 1,115,225</u>	<u>\$ 1,151,995</u>	<u>\$ 1,136,163</u>
Plan fiduciary net position as a percent of total OPEB liability	0.54%	0.18%	0.00%	0.00%
Covered payroll	\$ 878,555	\$ 915,725	\$ 961,353	\$ 939,692
City's net OPEB liability as a percentage of covered payroll	131%	122%	120%	121%

Note: This schedule is being built prospectively after the implementation of GASB 75 in fiscal year 2018.

Ultimately, ten years of data will be presented.

SCHEDULE OF CITY OPEB CONTRIBUTIONS

Year Ended June 30, 2021 (schedule is built prospectively upon implementation of GASB 75)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined employer contributions:				
Service cost (with interest)	\$ 40,083	\$ 37,688	\$ 33,479	\$ 30,901
Amortization of unfunded liability	<u>127,135</u>	<u>120,322</u>	<u>151,325</u>	<u>128,817</u>
Actuarially determined employer contribution	167,218	158,010	184,804	159,718
Employer contributions	<u>16,170</u>	<u>14,075</u>	<u>5,730</u>	<u>4,957</u>
Contribution deficiency	<u>\$ 151,048</u>	<u>\$ 143,935</u>	<u>\$ 179,074</u>	<u>\$ 154,761</u>
Covered payroll	<u>\$ 878,555</u>	<u>\$ 915,725</u>	<u>\$ 961,353</u>	<u>\$ 939,692</u>
Contributions as a percentage of covered payroll	1.8%	1.5%	0.6%	0.5%

Methods and assumptions used to determine actuarial determined contribution:

Valuation update date June 30, 2021

Actuarial methods:

Cost method Entry age normal (level percent of compensation)
 Asset valuation method Market value

Actuarial assumptions:

Discount rate 2.66% for 2021 contribution; 2.40% for June 30, 2021 disclosure and 2022 contribution
 Payroll inflation 2.00%
 Return on plan assets 7.00%
 Mortality rates 2010 Public Safety and General Employees and healthy retirees, headcount weighted;
 MP-2019 for 2021 contribution, MP-2020 for 2021 liability and 2022 contribution
 Termination rates None
 Retirement rates Employees are assumed to retire when first eligible for plan benefits
 Marital assumption Not applicable
 Monthly Post-65 Medical Cost \$215.49 supplemental premium with \$30.20 prescription plan rationale
 Medical trend rates 7.5% in 2021 graded down to 4.5% by 0.25% per year pre-65 costs; 5.75% graded down
 by 4.5% for post-65 costs
 Monthly per-capita costs valued See rates in table below:

<u>Age</u>	<u>Rate</u>
55	687.29
56	719.03
57	751.08
58	785.29
59	802.24
60	836.45
61	866.04
62	885.46
63	909.81
64	924.60

Assumption changes since prior valuation:

Mortality improvement scale updated from MP-2019 to MP-2020
 Medical trend tables to that prescribed by Public Act 202 for 2021
 Discount rate updated from 2.66% to 2.40%

Note: This schedule is being built prospectively after the implementation of GASB 75 in fiscal year 2018.

Ultimately, ten years of data will be presented.

SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET - nonmajor governmental funds

June 30, 2021

	<i>Special revenue funds</i>			<i>Capital projects funds</i>		<i>Totals</i>
	<i>Local Street</i>	<i>Solid Waste</i>	<i>Revolving Loan</i>	<i>Fire Reserve</i>	<i>Capital Improvements</i>	
ASSETS						
Cash and investments	\$ 75,875	\$ 31,091	\$ 42,403	\$ 86,918	\$ 38,234	\$ 274,521
Receivables	21,608	-	18,621	-	-	40,229
Total assets	<u>\$ 97,483</u>	<u>\$ 31,091</u>	<u>\$ 61,024</u>	<u>\$ 86,918</u>	<u>\$ 38,234</u>	<u>\$ 314,750</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Payables	\$ 2,812	\$ 1,404	\$ -	\$ -	\$ -	\$ 4,216
Due to other funds	30,596	-	-	-	-	30,596
Total liabilities	<u>33,408</u>	<u>1,404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,812</u>
Fund balances:						
Restricted for:						
Public works	64,075	29,687	-	-	-	93,762
Community and economic development	-	-	61,024	-	-	61,024
Assigned for capital acquisitions	-	-	-	86,918	38,234	125,152
Total fund balances	<u>64,075</u>	<u>29,687</u>	<u>61,024</u>	<u>86,918</u>	<u>38,234</u>	<u>279,938</u>
Total liabilities and fund balances	<u>\$ 97,483</u>	<u>\$ 31,091</u>	<u>\$ 61,024</u>	<u>\$ 86,918</u>	<u>\$ 38,234</u>	<u>\$ 314,750</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - nonmajor governmental funds**

Year ended June 30, 2021

	<i>Special revenue funds</i>			<i>Capital projects funds</i>		<i>Totals</i>
	<i>Local Street</i>	<i>Solid Waste</i>	<i>Revolving Loan</i>	<i>Fire Reserve</i>	<i>Capital Improvements</i>	
REVENUES						
Property taxes	\$ -	\$ 115,580	\$ -	\$ 88,907	\$ 88,907	\$ 293,394
State grants	132,776	606	-	466	466	134,314
Intergovernmental	29,868	-	-	-	-	29,868
Interest	359	357	391	634	324	2,065
Other - assessments	-	58,706	-	-	-	58,706
Total revenues	163,003	175,249	391	90,007	89,697	518,347
EXPENDITURES						
Current:						
General government	-	-	-	97	97	194
Public works	142,681	180,008	-	-	80,000	402,689
Capital outlay	-	-	-	-	5,679	5,679
Debt service:						
Principal	-	-	-	20,000	-	20,000
Interest	-	-	-	42,253	-	42,253
Total expenditures	142,681	180,008	-	62,350	85,776	470,815
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,322	(4,759)	391	27,657	3,921	47,532
OTHER FINANCING SOURCES (USES)						
Transfers in	-	18,000	-	-	-	18,000
Transfers out	-	-	-	(15,000)	-	(15,000)
Total other financing sources (uses)	-	18,000	-	(15,000)	-	3,000
NET CHANGES IN FUND BALANCES	20,322	13,241	391	12,657	3,921	50,532
FUND BALANCES - BEGINNING	43,753	16,446	60,633	74,261	34,313	229,406
FUND BALANCES - ENDING	\$ 64,075	\$ 29,687	\$ 61,024	\$ 86,918	\$ 38,234	\$ 279,938

BALANCE SHEET - component units

June 30, 2021

	<u>Tax Increment Finance Authority</u>	<u>Brownfield Redevelopment Authority</u>	<u>Downtown Development Authority</u>
ASSETS			
Cash	\$ 103,923	\$ 23,033	\$ 72,621
Receivables	<u>-</u>	<u>941,330</u>	<u>-</u>
Total assets	<u>\$ 103,923</u>	<u>\$ 964,363</u>	<u>\$ 72,621</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Payables	\$ 2,378	\$ 822,269	\$ 671
Unearned revenue	<u>-</u>	<u>-</u>	<u>3,270</u>
Total liabilities	2,378	822,269	3,941
Deferred inflows - unavailable grant revenue	-	941,330	-
Fund balances - unassigned (deficit)	<u>101,545</u>	<u>(799,236)</u>	<u>68,680</u>
Total liabilities and fund balances	<u>\$ 103,923</u>	<u>\$ 964,363</u>	<u>\$ 72,621</u>
Reconciliation of the balance sheet to the statement of net position:			
Total fund balances	\$ 101,545	\$ (799,236)	\$ 68,680
Amounts reported for the <i>component units</i> in the statement of net position (page 15) are different because:			
Certain receivables are not available to pay for the current period's expenditures and, therefore, are presented as deferred inflows in the funds.			
	-	941,330	-
Certain assets of the <i>component units</i> are not current financial resources and, therefore, are not reported in the funds.			
	-	656,666	-
Some liabilities (compensated absences) are not due and payable in the current period and, therefore, are not reported in the funds.			
	<u>(2,000)</u>	<u>(3,400)</u>	<u>(700)</u>
Net position of the <i>component units</i>	<u>\$ 99,545</u>	<u>\$ 795,360</u>	<u>\$ 67,980</u>

City of Plainwell

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCES - component units

Year ended June 30, 2021

	<i>Tax Increment Finance Authority</i>	<i>Brownfield Redevelopment Authority</i>	<i>Downtown Development Authority</i>
REVENUES			
Property taxes	\$ -	\$ 25,508	\$ 54,812
Federal grant	-	3,047,183	-
State grant	79,912	-	6,828
Intergovernmental	-	230,000	-
Interest	456	-	438
Other	-	-	3,243
Total revenues	<u>80,368</u>	<u>3,302,691</u>	<u>65,321</u>
EXPENDITURES			
Current - Public works	66,756	4,085,777	40,749
Capital contributions to City	-	16,625	-
Total expenditures	<u>66,756</u>	<u>4,102,402</u>	<u>40,749</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,612	(799,711)	24,572
FUND BALANCES - BEGINNING	<u>87,933</u>	<u>475</u>	<u>44,108</u>
FUND BALANCES - ENDING (DEFICIT)	<u>\$ 101,545</u>	<u>\$ (799,236)</u>	<u>\$ 68,680</u>
Net change in fund balance	\$ 13,612	\$ (799,711)	\$ 24,572
Amounts reported for <i>component units</i> in the statement of activities (page 16) are different because:			
Increase in deferred inflows - grant revenue	-	941,330	-
Net (increase) decrease in compensated absences	<u>(300)</u>	<u>(1,300)</u>	<u>(100)</u>
Change in net position of <i>component units</i>	<u>\$ 13,312</u>	<u>\$ 140,319</u>	<u>\$ 24,472</u>

BUDGETARY COMPARISON SCHEDULE - Tax Increment Finance Authority

Year ended June 30, 2021

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
State grant	\$ 80,583	\$ 80,583	\$ 79,912	\$ (671)
Interest	-	-	456	456
Total revenues	80,583	80,583	80,368	(215)
EXPENDITURES				
Public works	61,156	61,156	66,756	(5,600)
NET CHANGES IN FUND BALANCES				
	19,427	19,427	13,612	(5,815)
FUND BALANCES - BEGINNING				
	87,933	87,933	87,933	-
FUND BALANCES - ENDING				
	<u>\$ 107,360</u>	<u>\$ 107,360</u>	<u>\$ 101,545</u>	<u>\$ (5,815)</u>

BUDGETARY COMPARISON SCHEDULE - Brownfield Redevelopment Authority

Year ended June 30, 2021

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
Property taxes	\$ 25,396	\$ 25,396	\$ 25,508	\$ 112
Federal grant	5,100,000	5,100,000	3,047,183	(2,052,817)
Intergovernmental	80,000	230,000	230,000	-
Total revenues	<u>5,205,396</u>	<u>5,355,396</u>	<u>3,302,691</u>	<u>(2,052,705)</u>
EXPENDITURES				
Public works	5,697,282	5,705,564	4,085,777	1,619,787
Capital contributions to City	16,625	16,625	16,625	-
Total expenditures	<u>5,713,907</u>	<u>5,722,189</u>	<u>4,102,402</u>	<u>1,619,787</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(508,511)	(366,793)	(799,711)	(432,918)
OTHER FINANCING SOURCE				
Loan proceeds	510,000	510,000	-	(510,000)
NET CHANGES IN FUND BALANCES	1,489	143,207	(799,711)	(942,918)
FUND BALANCES - BEGINNING	<u>475</u>	<u>475</u>	<u>475</u>	<u>-</u>
FUND BALANCES - ENDING (DEFICIT)	<u>\$ 1,964</u>	<u>\$ 143,682</u>	<u>\$ (799,236)</u>	<u>\$ (942,918)</u>

BUDGETARY COMPARISON SCHEDULE - Downtown Development Authority

Year ended June 30, 2021

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
Property taxes	\$ 54,340	\$ 54,340	\$ 54,812	\$ 472
State grant	5,305	5,305	6,828	1,523
Interest	-	-	438	438
Other	<u>1,750</u>	<u>1,750</u>	<u>3,243</u>	<u>1,493</u>
Total revenues	<u>61,395</u>	<u>61,395</u>	<u>65,321</u>	<u>3,926</u>
EXPENDITURES				
Public works	<u>49,570</u>	<u>49,570</u>	<u>40,749</u>	<u>8,821</u>
NET CHANGES IN FUND BALANCES	11,825	11,825	24,572	12,747
FUND BALANCES - BEGINNING	<u>44,108</u>	<u>44,108</u>	<u>44,108</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 55,933</u>	<u>\$ 55,933</u>	<u>\$ 68,680</u>	<u>\$ 12,747</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
\$1,350,000 2012 CAPITAL IMPROVEMENT BONDS (PUBLIC SAFETY BUILDING)**

June 30, 2021

<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>August 1</i>	<i>February 1</i>			
2022	\$ 20,752	\$ 20,752	2/01/22	\$ 21,000	\$ 62,504
2023	20,358	20,358	2/01/23	22,000	62,716
2024	19,946	19,946	2/01/24	23,000	62,892
2025	19,514	19,514	2/01/25	23,000	62,028
2026	19,083	19,083	2/01/26	24,000	62,166
2027	18,633	18,633	2/01/27	25,000	62,266
2028	18,164	18,164	2/01/28	26,000	62,328
2029	17,677	17,677	2/01/29	27,000	62,354
2030	17,171	17,171	2/01/30	28,000	62,342
2031	16,646	16,646	2/01/31	29,000	62,292
2032	16,102	16,102	2/01/32	30,000	62,204
2033	15,539	15,539	2/01/33	31,000	62,078
2034	14,958	14,958	2/01/34	33,000	62,916
2035	14,339	14,339	2/01/35	34,000	62,678
2036	13,701	13,701	2/01/36	35,000	62,402
2037	13,046	13,046	2/01/37	36,000	62,092
2038	12,371	12,371	2/01/38	38,000	62,742
2039	11,658	11,658	2/01/39	39,000	62,316
2040	10,927	10,927	2/01/40	41,000	62,854
2041	10,158	10,158	2/01/41	42,000	62,316
2042	9,371	9,371	2/01/42	44,000	62,742
2043	8,546	8,546	2/01/43	45,000	62,092
2044	7,702	7,702	2/01/44	47,000	62,404
2045	6,821	6,821	2/01/45	49,000	62,642
2046	5,902	5,902	2/01/46	51,000	62,804
2047	4,946	4,946	2/01/47	53,000	62,892
2048	3,952	3,952	2/01/48	55,000	62,904
2049	2,921	2,921	2/01/49	57,000	62,842
2050	1,852	1,852	2/01/50	59,000	62,704
2051	745	745	2/01/51	39,760	41,250
	<u>\$ 373,501</u>	<u>\$ 373,501</u>		<u>\$ 1,106,760</u>	<u>\$ 1,853,762</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
\$3,865,000 2012 SEWER SUPPLY SYSTEM REVENUE BONDS**

June 30, 2021

<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>October 1</i>	<i>April 1</i>			
2022	\$ 23,488	\$ 21,926	10/01/21	\$ 125,000	\$ 170,414
2023	21,926	20,363	10/01/22	125,000	167,289
2024	20,363	18,738	10/01/23	130,000	169,101
2025	18,738	17,051	10/01/24	135,000	170,789
2026	17,051	15,363	10/01/25	135,000	167,414
2027	15,363	13,613	10/01/26	140,000	168,976
2028	13,613	11,801	10/01/27	145,000	170,414
2029	11,801	9,926	10/01/28	150,000	171,727
2030	9,926	8,051	10/01/29	150,000	167,977
2031	8,051	6,113	10/01/30	155,000	169,164
2032	6,113	4,113	10/01/31	160,000	170,226
2033	4,113	2,051	10/01/32	165,000	171,164
2034	2,051	-	10/01/33	170,000	172,051
	<u>\$ 172,597</u>	<u>\$ 149,109</u>		<u>\$ 1,885,000</u>	<u>\$ 2,206,706</u>

SINGLE AUDIT SCHEDULES AND REPORTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2021

Federal grantor/pass-through grantor/ program title	Assistance Listing Number	Pass-Through Grantor's Number	Federal expenditures
U.S. Department of Housing and Urban Development Passed through Michigan Strategic Fund Community Development Block Grant	14.228	MSC 218017-ESB	\$ <u>3,716,082</u>
U.S. Department of Treasury Passed through Michigan Department of Treasury COVID-19 - Coronavirus Relief Local Government Grant	21.019	N/A	22,884
COVID-19 - Public Safety Public Health Payroll Reimbursement	21.019	N/A	<u>102,604</u>
Total U.S. Department of Treasury			<u>125,488</u>
Total federal awards			<u>\$ 3,841,570</u>

See notes to the Schedule of Expenditures of Federal Awards

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Plainwell (the City) under programs of the federal government for the year ended June 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

For purposes of charging indirect costs to federal awards, the City elected not to use the 10 percent *de minimus* cost rate as permitted under the Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

City Council
City of Plainwell, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plainwell, Michigan, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 17, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Siegfried Crandall P.C.

December 17, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City Council
City of Plainwell, Michigan

Report on Compliance for Each Major Federal Program

We have audited the City of Plainwell, Michigan's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2021. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Plainwell, Michigan complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City of Plainwell, Michigan is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



December 17, 2021

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2021

A. SUMMARY OF AUDIT RESULTS

1. The auditor’s report expresses an unmodified opinion on the financial statements of the City of Plainwell, Michigan.
2. No deficiencies in internal control were disclosed during the audit of the financial statements as reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Plainwell, Michigan, which would be required to be disclosed in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No deficiencies in internal control over the major federal award program were disclosed during the audit of the major federal award program.
5. The auditor’s report on compliance for the major federal award program for the City of Plainwell, Michigan expresses an unmodified opinion.
6. There are no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).
7. The program tested as a major program follows:

Federal agency	Program name	CFDA #
Department of Housing and Urban Development	Community Development Block Grant	14.228

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The City of Plainwell, Michigan was not determined to be a low-risk auditee.

None noted

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

None noted

D. SUMMARY OF PRIOR AUDIT FINDINGS

Not applicable

Our ref: 11216161-PRO-5

January 06, 2022

Erik Wilson
City Manager
City of Plainwell
211 North Main Street
Plainwell, Michigan 49080

Change Order 04 – Additional Project Oversight and Support

Dear Mr. Wilson:

GHD has prepared this Change Order (CO) to the City of Plainwell (City) for additional project management and oversight related to the Phase III Decommissioning and Demolition Project at the Former Plainwell, Inc., Mill Property in Plainwell, Michigan (Site).

1. Overview

The City of Plainwell has received a Unique/Innovative Community Development Blight Grant (CDBG) from the Michigan Economic Development Corporation (MEDC). The grant funds will be used to remove blighted buildings from the west and central portions of the Mill building complex at the Site.

Melching, Inc. (Melching) provided the lowest responsive bid for the project and was awarded the project. The schedule provided as part of the Melching bid allowed for up to 29 weeks to complete the entire project. The project began on July 20, 2020 with the 29 weeks elapsing on February 12, 2021 (allowing for a 1-week hiatus between December 28, 2020 and January 3, 2021). On February 12, 2021, the buildings were approximately 30 percent demolished with restoration efforts at less than 20 percent complete. GHD managed field oversight during slow periods of the project by having our oversight staff conduct other work so as not to burden the project with standby costs. This management and reallocation of budget deemed unnecessary for other work tasks allowed for the project to remain within the overall budget through the end of March 2021.

GHD prepared an interim CO to cover the costs of additional field oversight and project support by GHD through April 26, 2021. The City has approved that interim CO. Continued oversight and additional project management were required to support the project and ensure that Melching, and their subcontractors, complete the project per the bid specifications, as amended. A second CO was prepared to cover a limited scope of oversight from May 3rd through July 16th, 2021 (see CO 2). However, due to Site concerns related to safety, the City requested GHD oversight personnel spend additional on Site time. The City also requested that Damian Dovin (Superintendent) remain on Site instead of switching oversight to a staff Project Engineer as stated in the accepted CO 2. GHD complied and in an effort to assist the City with costs, reduced Damian's hourly labor rate to that of a Project Engineer starting on June 7, 2021, furthermore GHD oversight personnel only charged 4 hours per day to the project for a two week period of time (June 14th through June 25th), even though the oversight staff was on site and available 10 to 11 hours per day. The week of June 28th through July 2nd GHD was asked to staff the project for 8 hours per day. It should be known that staff remained on Site

for 10 -11 hours per day, however the project was charged the agreed upon 8 hours per day. Again, the Melching, Inc. schedule of completion by July 16th, 2021, was not met and GHD was asked to continue to provide daily oversight services on a limited basis for the project until backfill activities were completed. Backfill activities were substantially completed on July 20th, 2021. GHD was also required to re-prepare the waste profiles previously completed for the containerized waste staged in Building 10, as Melching provided an obsolete template.

Melching and their subcontractors continued to complete tasks associated with the project between the end of July 21st, 2021, and December 18th, 2021. During this time the following tasks were conducted:

- Transport and disposal of the TSCA PCB waste from the basement of Building 9
- As-built sketch provided showing drainage holes created in Buildings 9 floor
- Decommissioning of one of the two oil containing pieces of equipment in Building 10 first floor, addition of oil pads to collect remaining residuals from overhead equipment not removed, minor additional clean up and decommissioning activities in Building 10
- Removal of solid waste from open top “tank” near the north end of Building 10
- Roofing work on Buildings 2, 3 and 10 (some of this was not associated with the Grant) was completed
- Completion of the repairs to the NW corner of Building 2 (base bid and change order work)
- Completed the removal of the TSCA PCB painted brick from the south side of Building 2 plus transportation and disposal of the waste
- Encapsulation of TSCA PBC paint below grade on the south side of Building 2 and cover with waterproofing materials
- Completion of the installation of the waterproofing materials
- Minor backfill along the south side of Building 2
- Minor restoration work (infilling of holes) along the south side of Building 3
- Demobilization of the Melching field trailer and the majority of their equipment
- Initiation of the lead paint removal from the south side of Building 3
- Encapsulation of the lead paint on the concrete and concrete block surfaces on the south side of Building 3
- Placement of topsoil and seeding
- Replacement of window coverings that had been previously installed but were removed from Buildings 2 and 3 during asbestos abatement

As of December 18th, 2021, there continued to be outstanding tasks related to the base bid as well as change order tasks to be completed by Melching. A list of outstanding task items follows:

Building 2

- Cage ladder installation
- Exterior paint removal
- Brick work related to area where TSCA PCB skim coat was removed
- Disposal of containerized paint and mortar (staged in Building 10) – 7 drums profiled to Republic Services.
- Change Order work related to structural repairs to the south wall of Building 2 (understanding this has not been executed yet).

Building 3

- South wall enclosure (understanding this work is still being discussed).
- Final sweep of Building 3 1st floor
- Cover floor openings as previously discussed

- Couple of small infills above the man-door in the south wall
- Parapet/upper portion of the wall above the man-door at east end of the south wall
- Exterior paint removal
- Disposal of containerized waste (staged in Building 10)

Building 10

- Removal of drive shaft and proper disposal of waste
- Transport and disposal of all staged waste (misc. Buildings – 1, 2, 3, 4, 4A, 5, 6, 7 and 9)
- Numerous small infills along the south half of the west wall.
- Paint application to the exposed metal beams.
- Infills where the 2 columns were observed within the historical window infill areas, basement west wall of Building 10
- Final sweep/clean-up of the first floor (south end) of Building 10 once the staged waste is removed.
- Parapet repairs

Overall Site

- Remove perimeter fence along gravel lot (once Building 3 has been enclosed).
- Disconnect electricity from BRI trailer
- Demobilization

Per our discussion this week, you have asked that GHD complete the following through the end of the Project:

- Prepare an agenda and run bi-weekly Progress Meetings beginning in January 2022
- General project management support
- Conduct periodic Site visits, no less than once weekly when work is occurring, to observe field conditions
- Review Melching, Inc. pay applications for work completed
- Sign manifests for the containerized waste staged in Building 10

2. Cost Estimate

The CO was prepared per our discussions over the couple of weeks. This CO assumes a completion date of April 8th, 2022. GHD understands that it would be in the best interest of the City to have HopkinsBurns Design Studio and/or Robert Darvas Associates personnel provide oversight during the remaining restoration related tasks therefore this CO does not assume regular inspections of the restoration work in progress. A report documenting the project will be prepared per our original contract with the City, following the completion of the project.

Therefore, this CO has been prepared to cover the following:

- Time spent assisting the City with the project beyond the expected end date of the last approved change order/once the Change Order 3 funds were exhausted. Costs include time to redo the waste profile for the paint and mortar from Building 2
- An allowance for time to generate 3 new waste profiles for drums 56, and 62 as well as tote 97
- An allowance for the electrical costs associated with Building Restoration Inc. field trailer. October, November's invoices have already been processed and were minimal given the fact that no work was completed by BRI during that time frame.

- Weekly field visits by GHD, to document and confirm Melching's performance in regard to the project specifications from January 10th to April 8th, 2022. Site visit duration will vary, an allowance of up to 5 hours per week has been included.
- Time to assist the City with the project coordination estimated at 8 hours per week from January 4th through April 15th, 2022.

Tables attached provide supporting information for this CO. Table 1 provides the breakdown of labor and expenses included in the CO. The CO amount is \$38,255.00. Table 2 includes a breakdown of the budget, costs to date and costs included in the CO.

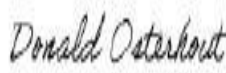
Per the original contract, GHD has included a 10% discount on all standard GHD labor rates as well as waving standard Associated Project Charges (APC) charges that are typically applied to each labor hour for the project.

Please contact the undersigned if you have any questions regarding this CO.

Regards,



Jodie Dembowske
Science Leader
+1 269 685-2733
jodie.dembowske@ghd.com



Donald Osterhout
Project Director
+1 269 685-2710
donald.osterhout@ghd.com

Copy to: Katie Kamm, GHD

Table 1
GHD Services Inc. Change Order 04 Cost Estimate
Former Plainwell Inc. Phase III Decommissioning and Demolition Project
Plainwell, Michigan

	<i>Quantity</i>	<i>Unit</i>	<i>Rate</i>	<i>Budget Estimate</i>
<i>Details below are for the periods of time detailed below. Costs will vary based on actual work duration and contractor schedule ⁽¹⁾.</i>				
Restoration and Decommissioning Oversight				
Effort expended throughout December 2021	3	hours	\$175.50	\$ 526.50
Restoration and Project Close Out Oversight (Field)				
January 10th through April 8th, 2022				
Assumes up to 5 hours per week for 14 weeks				
Project Manager	10	hours	\$175.50	\$ 1,755.00
Field Oversight Staff	60	hours	\$95.00	\$ 5,700.00
			Subtotal	\$ 7,981.50
Expenses				
Allowance for Electricity for Field Trailer - November 2021 - March 2022	5	months	\$500.00	\$ 2,500.00
			Subtotal	\$ 2,500.00
			Total Field Related Tasks	\$ 10,481.50
Assistance with Project Management / Project Support				
Effort expended throughout December 2021	30	hours	\$175.50	\$ 5,265.00
			Subtotal	\$ 5,265.00
Assistance with Project Management/Project Support				
January 4 through April 15, 2022				
Project Director	2	hours	\$256.50	\$ 513.00
Project Manager ⁽²⁾	120	hours	\$175.50	\$ 21,063.75
Administration Support	4	hours	\$100.00	\$ 403.75
			Subtotal	\$ 21,980.50
Revise Waste Profiles ⁽²⁾				
Drums 56, 62 and Tote 97				
Project Manager / GHD Waste Service Group professional	3	hours	\$175.50	\$ 526.50
			Subtotal	\$ 526.50
			Total Project Support Tasks	\$ 27,773.50
			Total Change Order	\$ 38,255.00

Notes:

⁽¹⁾ Costs assume work week is Monday through Friday.

⁽²⁾ Allowance of 8 hours per week for 15 weeks

Table 2
Cost Summary
Former Plainwell Inc. Phase III Decommissioning and Demolition Project
Plainwell, Michigan

Task	Original Estimated Cost	Budget Reallocations as of 12/18/2021	Costs included in Change Order 01	Costs Included in Change Order 02	Change Order 03 Costs	Costs Invoiced Through November 27, 2021 ⁽¹⁾⁽²⁾⁽³⁾	Current Budget	Amount to be billed through December 16, 2021	Estimated Amount Remaining in Budget as of December 16, 2021	Change Order 04 Costs	Estimate At Completion - Assuming an End Date March 31, 2022
Mobilization, Oversight During Asbestos Abatement and Decommissioning Activities ⁽¹⁾	\$149,875.00	\$0.00	\$0.00	\$0.00	\$0.00	\$149,482.33	\$149,875.00	\$0.00	\$392.67	\$0.00	\$149,482.33
Oversight During Demolition and Restoration Activities and Demobilization	\$127,700.00	\$0.00	\$9,143.00	\$42,250.00	\$9,753.00	\$185,022.43	\$186,688.00	\$1,654.97	\$10.60	\$10,481.50	\$197,169.50
30 Project Management and Support ⁽²⁾	\$149,245.00	\$18,690.00	\$10,660.75	\$36,060.00	\$25,099.50	\$244,461.30	\$242,266.20	\$2,018.25	-\$4,213.35	\$27,773.50	\$270,039.70
40 Geotechnical Engineering	\$5,445.00	-\$2,800.00	\$0.00	\$0.00	\$0.00	\$2,160.00	\$2,645.00	\$0.00	\$485.00	\$0.00	\$2,160.00
Waste Characterization and Assistance Profiling Waste	\$50,890.00	-\$15,390.00	\$0.00	\$0.00	\$1,053.00	\$35,352.32	\$35,500.00	\$0.00	\$147.68	\$0.00	\$35,352.32
60 Reporting	\$22,625.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,107.88	\$22,625.00	\$0.00	\$18,517.12	\$0.00	\$22,625.00
Total	\$505,780.00	\$500.00	\$19,803.75	\$78,310.00	\$35,905.50	\$620,586.26	\$639,599.20	\$3,673.22	\$15,339.72	\$38,255.00	\$676,828.65

⁽¹⁾Pre-Demolition Project Support Contract costs included in Phase 10/considered part of original budget
⁽²⁾Pre-Demolition Project Support Contract costs included in Phase 30/considered part of original budget
⁽³⁾Electrical costs from 2020 billed under Phase 10. Electrical costs in 2021 billed under Phase 20.

City of Plainwell



“The Island City”

Brad Keeler, Mayor
Lori Steele, Mayor Pro-Tem
Todd Overhuel, Council Member
Roger Keeney, Council Member
Randy Wisnaski, Council Member

211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821
Fax: 269-685-7282
Web Address: www.plainwell.org

To: Erik Wilson, Brian Kelley
From: Robert Nieuwenhuis
Subject: Water Meters
Date: 01/07/2022

The city has installed Sensus water meters for many years and consider them reliable and consistent with industry standards. Over the past few years, the city has invested in newer Sensus meters, called “I-Perl” which offer increased technology, to replace meters as they reach the end of their useful lives.

We have identified thirteen (13) larger meters, installed at various apartment complexes, the mobile home park, the school, city parks and one business in the Industrial Park, which need to be replaced as the registers which gauge the usage have become unreliable. The total cost of replacing these 13 meters is \$23,030.00.

Additionally, the devices used to read the meters have also reached the end of their useful lives and will need to be replaced soon. These devices were purchased most probably in the 1990s and are no longer serviceable. The estimated replacement cost of one of these reading devices is \$4,300.00, and the city currently uses two such devices.

The Sensus meters and reading devices are provided only by Etna Supply in Grand Rapids. This is the only source for these meters in this area. Many other municipalities use Etna Supply, including Otsego. Etna has provided consistent service over the years and updates pricing annually within industry standards. Other meters are available on the market, but would not be able to be read with the current reading devices and may have different maintenance requirements than what the Sensus meters provide.

The recommendation is to identify Etna Supply as a sole source provider of water meters for the City of Plainwell and authorize the purchase of thirteen (13) meters at a cost of \$23,030.00 to replace known broken meters.

DPW Superintendent
Robert Nieuwenhuis

www.plainwell.org.

The City of Plainwell is an equal opportunity provider, and employer



ETNA SUPPLY - GRAND RAPIDS
 4901 CLAY AVENUE SW
 GRAND RAPIDS, MI 49548-3038
 616 241 5414
 Fax 616 241 4786



Quotation

QUOTE DATE	QUOTE NUMBER
01/07/2022	S104373994
ETNA SUPPLY PO Box 772107 DETROIT, MI 48277-2107 P-616 248 9182 F-616 245 9940	PAGE NO.
	1 of 1

QUOTE TO:

SHIP TO:

CITY OF PLAINWELL
 211 N MAIN ST
 VENDER #164
 PLAINWELL, MI 49080-1397

CITY OF PLAINWELL
 126 FAIRLANE ST
 PLAINWELL, MI 49080-1272

CUSTOMER NUMBER	JOB NAME / PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
12661	OMNI C2 2022		Kevin Dieleman	
WRITER	SHIP VIA	TERMS	EXPIRE DATE	FREIGHT EXEMPT
Kevin Dieleman		NET 25TH	01/21/2022	No
ORDER QTY	DESCRIPTION	UNIT PRICE	EXT PRICE	
	SHIPPING INSTRUCTIONS DELIVERY DATE: ANY DELIVERY TIME: ANY CONTACT NAME: CONTACT #: ADD'L INSTR:			
1ea	MTR 1-1/2" OMNI+ C2 - 1,000 GAL; 1000 GAL TRPL 20FT CABLE TURBO DRS LAY LENGTH (13") ***C1X1XX2GXT0XXSD*** Pn: 121366	1325.000/ea	1325.00	
1ea	MTR 2" OMNI+ C2 - 1,000 GAL (17") 1000 GALLON TRPL 20FT CABLE TURBO DRS LAY LENGTH (17") ***C2X1XX2GXT0XXSD*** Pn: 152471	1580.000/ea	1580.00	
1ea	MTR 4" OMNI+ C2 - 1,000 GAL (20"); 1000 GALLON TRPL 20FT CABLE COMPOUND LAY LENGTH (20") ***C4X3XX2GXT0XXSD*** Pn: 186611	3335.000/ea	3335.00	

This Quotation is controlled by ETNA's standard terms and conditions ("ETNA's Standard Terms") found at <https://www.etnasupply.com/TermsandConditionsofQuotation>. Any other terms are expressly rejected. To the extent there is a conflict between any of the terms appearing on the face of this Quotation and ETNA's Standard Terms, the terms appearing on the face of the Quotation control. TAXES ARE NOT INCLUDED ON THIS QUOTE!

Subtotal	6240.00
S&H Charges	0.00
Amount Due	6240.00

Prices are firm for 14 days. Price subject to change after 14 days.

Meters giving partial reads/missing digits

Verify lay length

Address	Name	Meter ID	Meter Size	Omni T2 Pricing	Omni C2 Pricing
928 Industrial Pkwy	FBN Sales	68818230	1.5"		1,325.00
101 Allegan St	City of Plainwell	70513758	2"		1,580.00
250 N Anderson	City of Plainwell	10702568	1.5"		1,325.00
119 Island Ave	City of Plainwell	70513759	2"		1,580.00
119 Island Ave	City of Plainwell	70513725	2"		1,580.00
126 Fairlane	City of Plainwell	68818222	1.5"		1,325.00
331 12th St	Country Knoll	70513769	2"		1,580.00
343 12th St	12th St Apts	70513757	2"		1,580.00
349 12th St	12th St Apts	70513768	2"		1,580.00
347 12th St	12th St Apts	70513755	2"		1,580.00
715 Benhoy St	West Town Apts	68818218	1.5"		1,325.00
1168 W Bridge St	Pine Crest	68818207	4"		3,335.00
684 Starr Rd	Plainwell Schools	68837601	4"		3,335.00
					23,030.00



ETNA SUPPLY - GRAND RAPIDS
 4901 CLAY AVENUE SW
 GRAND RAPIDS, MI 49548-3038
 616 241 5414
 Fax 616 241 4786



Quotation

QUOTE DATE	QUOTE NUMBER
12/20/2021	S104353323
ETNA SUPPLY PO Box 772107 DETROIT, MI 48277-2107 P-616 248 9182 F-616 245 9940	PAGE NO.
	1 of 1

QUOTE TO:

SHIP TO:

CITY OF PLAINWELL
 211 N MAIN ST
 VENDER #164
 PLAINWELL, MI 49080-1397

CITY OF PLAINWELL
 126 FAIRLANE ST
 PLAINWELL, MI 49080-1272

CUSTOMER NUMBER	JOB NAME / PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
12661	5381		Kevin Dieleman	
WRITER	SHIP VIA	TERMS	EXPIRE DATE	FREIGHT EXEMPT
Chad Hart		NET 25TH	01/03/2022	No
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
	<div style="border: 1px solid black; padding: 5px;"> <p align="center">SHIPPING INSTRUCTIONS</p> DELIVERY DATE: ANY DELIVERY TIME: ANY CONTACT NAME: CONTACT #: ADD'L INSTR: </div>			
1ea	TRIMBLE TDC600 TW-117057 Pn: 609574		2500.000/ea	2500.00
1ea	SENSUS AG6590 AUTOGUN *Nonstock - Restock Policy Applies* Pn: 441993		1800.000/ea	1800.00

This Quotation is controlled by ETNA's standard terms and conditions ("ETNA's Standard Terms") found at <https://www.etnasupply.com/TermsandConditionsofQuotation>. Any other terms are expressly rejected. To the extent there is a conflict between any of the terms appearing on the face of this Quotation and ETNA's Standard Terms, the terms appearing on the face of the Quotation control. TAXES ARE NOT INCLUDED ON THIS QUOTE!

Prices are firm for 14 days. Price subject to change after 14 days.

Subtotal	4300.00
S&H Charges	0.00
Amount Due	4300.00

**City Council Acting as
Zoning Board of Appeals
Minutes
December 27, 2021**

1. Regular meeting was call to order by Chairman Steele at 7:00PM.

2. Present: Steele, Keeler, Overhuel, Keeney, Wisnaski
Absent: None

3. Approval of 11/12/2018 Minutes:

A motion by Overhuel, supported by Wisnaski to approve the 11/12/2021 Minutes. On a voice vote, all in favor. Motion carried.

4. New Business:

A. **A motion by Keeler, seconded by Keeney, to open the Public Hearing at 7:01pm. On a voice vote, all in favor. Motion Carried.**

Clerk Kelley introduced Planner Nathan Mehmed from Williams & Works who discussed an application for Zoning Variance from Jae Guetschow for setbacks at 627 West Bridge Street. He gave a background of the property, the zoning requirements and the practical difficulties with the subject property. The applicant gave a report on the history of the property and confirmed he's asking for a 10' setback variance only on the west side of the property to allow for construction. Planner Mehmed confirmed that "practical difficulties" as required for zoning variances have been met.

Public comments

- *Resident at 628 W. Bridge asked questions of applicant regarding back yard and planned façade*
- *Councilmember Wisnaski asked the applicant where the driveway would be located.*
- *Jeannie Killick at 628 W. Bridge wanted to confirm the house would not be modular.*
- *Resident Sandy Lamorandier asked the application when he would be building.*

A motion by Keeney, seconded by Wisnaski, to close the Public Hearing at 7:20pm. On a voice vote, all in favor. Motion Carried.

A motion by Keeney, seconded by Wisnaski, to approve the setback variance for 627 West Bridge Street as requested to allow for the construction of an approximately 2,048 square foot single family home on the site as presented. On a voice vote, all in favor. Motion carried.

5. Unfinished Business: None

6. Public Comment: None

7. Board Comments: None

8. Adjournment:

The meeting was adjourned at 7:22PM by Chairman Steele.

Respectfully submitted by
Brian Kelley
City Clerk

Investment Activity Report



“The Island City”

City of Plainwell

Investment Portfolio Detail - Unaudited

at: 12/31/2021

Brian Kelley, City Treasurer

I verify that this investment portfolio is in conformity with Michigan laws and the City's Investment Policy as approved by City Council.

Insert Signature:

Brian Kelley

Digitally signed by Brian Kelley
Date: 2022.01.03 14:25:58 -05'00'

	Investment Type	CUSIP	Principal Purchase	Institution or Bank	Contact Name and Number	Purchase Date	Maturity Date	Yield	Remaining Days to Maturity
1	Pooled Investment*	N/A	\$7,302	Michigan Class	Rich Garay - 734.604.1494	03/28/2016		0.03%	
2	365-Day CD	N/A	\$247,295	Grand River Bank	Christy Vierzen - 616.259.1322	06/10/2021	06/10/2022	0.30%	161
3	365-Day CD	N/A	\$84,148	First National Bank	Doug Johnson - 616.538.6040	11/16/2021	11/16/2022	0.65%	320
4	435-Day CD	N/A	\$62,943	First National Bank	Doug Johnson - 616.538.6040	11/16/2020	01/25/2022	0.70%	25
5	365-Day CD	N/A	\$197,987	First National Bank	Doug Johnson - 616.538.6040	09/27/2021	09/27/2022	0.65%	270
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									

Total Investments: \$599,673.68

Average Yield: 0.47%

Cash Activity for the Month

Cash, beginning of month: \$2,571,399.10

Cash, end of month: \$2,836,068.61

Erik J. Wilson, City Manager

I verify that this investment portfolio is in conformity with Michigan laws and the City's Investment Policy as approved by City Council.

Insert Signature:

Erik Wilson

Digitally signed by Erik Wilson
Date: 2022.01.06 17:07:36 -05'00'

** Funds 701 and 703 not included - Trust & Agency

CITY OF PLAINWELL

ESTIMATED CASH BALANCE/FUND BALANCE REPORT

MONTH ENDED: **12/31/2021**

% OF FISCAL YEAR: **50.41%**

FUND	AUDITED FIGURES AS OF MOST RECENT AUDIT *		CURRENT YEAR PERFORMANCE - UNAUDITED ***		ESTIMATED FUND BALANCE (AUDIT FB + ACT REV - ACT EXP)	TOTAL RECONCILED CASH AND INVESTED FUNDS	CURRENT YEAR AMENDED BUDGET EXP	EXPENSE BUDGET USED
	CASH AND INVESTED FUNDS BALANCE	FUND BALANCE	ACTUAL REVENUE YTD - CASH BASIS	ACTUAL EXPENSE YTD - CASH BASIS				
	General	337,667	330,417	1,691,002				
Major Streets	234,209	274,809	125,196	226,220	173,784	187,846	1,181,612	19.15%
Local Streets	75,875	64,075	169,389	92,405	141,058	171,654	431,574	21.41%
Solid Waste	31,091	29,687	174,175	107,387	96,475	96,425	203,174	52.85%
Fire Reserve	86,918	86,918	88,146	28,326	146,737	146,737	87,601	32.34%
Stimulus Fund ARPA	-	-	197,990	-	197,990	197,990	0	0.00%
Airport	37,715	43,312	32,003	34,318	40,997	32,811	48,160	71.26%
Revolving Loan	42,403	61,024	3,373	-	64,397	45,776	10,000	0.00%
Capital Improvement	38,234	38,234	87,937	40,075	86,097	86,096	80,097	50.03%
Brownfield BRA	23,033	(799,236)	831,167	253,253	(221,322)	253,468	1,219,725	20.76%
Tax Increment TIFA	103,923	101,545	85,702	35,712	151,536	151,536	68,722	51.97%
Downtown DDA	72,621	68,680	67,540	33,477	102,743	107,685	64,170	52.17%
Sewer	1,021,220	949,439	686,436	654,360	981,515	1,040,410	1,502,158	43.56%
Water	199,743	141,658	288,715	204,636	225,736	293,368	404,967	50.53%
Motor Pool / Equipment	170,438	158,708	171,823	272,159	58,372	60,931	383,287	71.01%
OPEB**	78,206	78,431	17,257	13,002	82,686	82,450	35,795	36.32%
	2,553,296	1,627,701	4,717,851	3,588,199	2,757,353	3,435,742	8,073,199	44.45%

* - Amounts taken from audited financial statements as of June 30, 2021

** - OPEB listing on this worksheet is included in the General Fund for financial statement purposes

*** - These amounts are taken directly from the End of Month Financial Statement provided to Council

Erik J. Wilson, City Manager	Brian Kelley, City Treasurer
I verify that I have reviewed the revenue and expenditure financial summary attributed to my department and to the best of my knowledge the report is accurate.	I verify that I have reviewed the revenue and expenditure financial summary attributed to my department and to the best of my knowledge the report is accurate.
Insert Signature: Erik Wilson <small>Digitally signed by Erik Wilson Date: 2022.01.06 17:07:54 -05'00'</small>	Insert Signature: Brian Kelley <small>Digitally signed by Brian Kelley Date: 2022.01.03 14:23:16 -05'00'</small>

01/06/2022

INVOICE APPROVAL BY INVOICE REPORT FOR CITY OF PLAINWELL
 EXP CHECK RUN DATES 01/10/2022 - 01/10/2022
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
 BANK CODE: UBAP

Vendor Code	Vendor Name	Description	Amount
000004	PLAINWELL AUTO SUPPLY INC		
	2021.12	DECEMBER 2021 PARTS/SUPPLIES	268.99
TOTAL FOR: PLAINWELL AUTO SUPPLY INC			268.99
000010	RIDDERMAN & SONS OIL CO INC		
	148463	DPW - DIESEL FUEL DELIVERED 01/04/2022	961.57
	148464	DPW - GASOLINE DELIVERED 01/04/2022	507.55
	63492	DPW - GREASE FOR EQUIPMENT	77.90
TOTAL FOR: RIDDERMAN & SONS OIL CO INC			1,547.02
000011	SHOPPERS GUIDE INC		
	2021.12	DECEMBER 2021 ADS - INDOOR MARKET & GOLDEN	64.99
TOTAL FOR: SHOPPERS GUIDE INC			64.99
000077	MCMASTER-CARR SUPPLY		
	70419225	WR - IMPACT RESISTANT POLYCARB ROUND TUBE	47.56
TOTAL FOR: MCMASTER-CARR SUPPLY			47.56
000096	NYE UNIFORM CO INC		
	794790	UNIFORM SHIRTS ,PANTS, EMBLEM & EMBROIDERY	288.50
TOTAL FOR: NYE UNIFORM CO INC			288.50
000164	ETNA SUPPLY CO INC		
	S104356950.001	DPW - WATER COPPERHORN / NO LEAD FORD PART	327.00
	S104367120.001	WATER PARTS - REPAIR CLAMP	276.00
TOTAL FOR: ETNA SUPPLY CO INC			603.00
000381	LAPHAM HEATING INC		
	991393	WELL #7 - HEAT SEQUENCER REPLACEMENT	127.05
TOTAL FOR: LAPHAM HEATING INC			127.05
000714	WEBB CHEMICAL SERVICE CORP		
	532459	WR - FERRIC CHLORIDE	4,863.79
TOTAL FOR: WEBB CHEMICAL SERVICE CORP			4,863.79
000720	TRANSCENDIA		
	1533191	DPW - GARBAGE BAGS	1,190.34
TOTAL FOR: TRANSCENDIA			1,190.34

000910	GRAINGER		
	9161345450	WELL #4 - CEILING HEATER	664.56
TOTAL FOR: GRAINGER			664.56
<hr/>			
000962	STATE OF MICHIGAN		
	761-10670497	BIOSOLIDS LAND APP FEE & DRY TONS REPORTED FY	1,437.04
TOTAL FOR: STATE OF MICHIGAN			1,437.04
<hr/>			
000991	SAFETY SERVICES INC		
	91843	SAFETY SUPPLIES - GLOVES, HARD CAP, WINTER SWI	358.64
TOTAL FOR: SAFETY SERVICES INC			358.64
<hr/>			
001448	PROFESSIONAL CODE INSPECTIONS		
	210012	PERMITS DECEMBER 2021	720.00
TOTAL FOR: PROFESSIONAL CODE INSPECTIONS			720.00
<hr/>			
001645	ALEXANDER CHEMICAL CORPORATION		
	48871	DPW - RENTAL CHARGE FOR CONTAINER HELD PAST	30.00
	48872	WR - RENTAL CHARGE FOR CONTAINER HELD PAST C	15.00
	48936	CREDIT MEMO - RENTAL CHARGES ON INVOICE 4887	(8.50)
TOTAL FOR: ALEXANDER CHEMICAL CORPORATION			36.50
<hr/>			
001829	PERCEPTIVE CONTROLS INC		
	15265	WR - DIGESTER PLC UPGRADE DUE ON RECEIPT OF C	4,440.00
TOTAL FOR: PERCEPTIVE CONTROLS INC			4,440.00
<hr/>			
002030	DRUG SCREEN PLUS INC		
	AF 221339	2022 ANNUAL ADMIN FEES	159.00
TOTAL FOR: DRUG SCREEN PLUS INC			159.00
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002116	CHARTER COMMUNICATIONS		
	0005188010122	DPW/WR INTERNET THROUGH 01/31/2022	114.98
TOTAL FOR: CHARTER COMMUNICATIONS			114.98
<hr/>			
002201	VOSS LIGHTING		
	20189415-00	STREET LIGHT BULBS - DOWNTOWN	485.00
TOTAL FOR: VOSS LIGHTING			485.00
<hr/>			
002219	CLARK TECHNICAL SERVICES		
	3.0	CITY WIDE IT SERVICES DECEMBER 2021	1,917.50
TOTAL FOR: CLARK TECHNICAL SERVICES			1,917.50
<hr/>			
002323	BELLE TIRE		
	38222288	CAR #1 WINTER TIRES (4)	975.96
TOTAL FOR: BELLE TIRE			975.96
<hr/>			
002325	SEVERANCE ELECTRIC CO INC		

	10899	POLICE DEPT SPEED RADAR SERVICE REPAIR	542.50
	11081	STARR RD TRAFFIC LIGHT SERVICE REPAIR	125.00
TOTAL FOR: SEVERANCE ELECTRIC CO INC			667.50

002650	FUEL MANAGEMENT SYSTEM/PACIFIC PRID		
	148388	DPS FUEL 12/16/2021 -12/31/2021	660.97
TOTAL FOR: FUEL MANAGEMENT SYSTEM/PACIFIC PRID			660.97

002787	ESPER ELECTRIC		
	24893	REPAIR PEDESTRIAN BRIDGE LIGHTS - REPLACED SO(1,253.34
	24979	DOWNTOWN LIGHTS	220.11
	24992	DOWNTOWN LIGHTS	243.11
TOTAL FOR: ESPER ELECTRIC			1,716.56

003036	ALLSHRED SERVICES		
	0505492	CH - QUARTERLY SHREDDING PICKUP SERVICE	61.60
TOTAL FOR: ALLSHRED SERVICES			61.60

004190	WATERSOLVE LLC		
	9208	WR - ONE DRUM SOLD 137 465#	1,095.00
TOTAL FOR: WATERSOLVE LLC			1,095.00

004200	WIGHTMAN & ASSOCIATES INC		
	73632	TRAFFIC STUDY FINAL BILL	750.00
TOTAL FOR: WIGHTMAN & ASSOCIATES INC			750.00

004221	R.W.LAPINE INC MECHANICAL CONTRACTO		
	36178	CRISPE HOUSE - INSTALL NEW PIPE & SHUT OFF VAL	336.18
TOTAL FOR: R.W.LAPINE INC MECHANICAL CONTRACTO			336.18

004241	GHD SERVICES INC		
	340-0015093	MILL DEMO PHASE III - SERVICES THROUGH 12/02/2	3,410.16
TOTAL FOR: GHD SERVICES INC			3,410.16

004837	MUNIWEB		
	54509	WEBSITE CMS HOSTING DECEMBER 2021	200.00
TOTAL FOR: MUNIWEB			200.00

004852	PACE ANALYTICAL SERVICES LLC		
	2150182416	WR LAB SAMPLES	250.00
TOTAL FOR: PACE ANALYTICAL SERVICES LLC			250.00

004855	PLAINWELL ACE HARDWARE		
	9260	WR - BATTERIES & AIR FRESHENER	23.77
	9262	DPW - SHORT FLAG PLUG - CHRISTMAS - BH	1.99
	9268	DPW - STREET LIGHT SUPPLIES - DR	44.97
	9294	WILLIAM CRISPE FIRE PROTECTION	18.98

	9296	WILLIAM CRISPE FIRE PROTECTION	14.58
	9320	PELL PARK - SOAP, AIR FRESHENER	7.18
	9342	WELL #4 - THERMOSTAT	25.99
	9353	DPS - TRAINING GLOVES	9.54
TOTAL FOR: PLAINWELL ACE HARDWARE			147.00

004858	FERGUSON WATERWORKS		
	0146153	DPW - WATER PARTS 3/4 CTS X CTS QJ BALL CURB S	375.72
	0146157	DPW - WATER PARTS	37.60
TOTAL FOR: FERGUSON WATERWORKS			413.32

004907	F&V OPERATIONS AND RESOURCE MGMT		
	4280	SERVICE CALLS FOR LIFT STATIONS 10/31/21 - 11/27	2,583.10
TOTAL FOR: F&V OPERATIONS AND RESOURCE MGMT			2,583.10

005040	US INTERNET		
	3069512	SECURENCE EMAIL FILTERING SERVICE 01/14/22 - 01/14/22	70.00
TOTAL FOR: US INTERNET			70.00

005041	EVOQUA WATER TECHNOLOGIES		
	905183110	NOVEMBER 2021 ODOR CONTROL	300.00
TOTAL FOR: EVOQUA WATER TECHNOLOGIES			300.00

005047	STAPLES, INC.		
	3495084488	DPW OFFICE SUPPLIES	13.49
	3495324913	CITY HALL OFFICE SUPPLIES	53.15
TOTAL FOR: STAPLES, INC.			66.64

005064	R & R ASSESSING INC		
	2022.01	JANUARY 2022 ASSESSING SERVICES	1,525.00
TOTAL FOR: R & R ASSESSING INC			1,525.00

005069	LEXIS NEXIS		
	808479-20211130	E-CITATION SUPPORT & MAINT 11/01/2021 - 11/01/2021	2,814.30
TOTAL FOR: LEXIS NEXIS			2,814.30

005084	MARTIN TRANSMISSION		
	3071	TRUCK #17 - TRANSMISSION	3,334.80
TOTAL FOR: MARTIN TRANSMISSION			3,334.80

005088	DOG WASTE DEPOT		
	447311	DOG WASTE BAG ROLLS - 2 CASES	130.61
TOTAL FOR: DOG WASTE DEPOT			130.61

TOTAL - ALL VENDORS			40,843.16

INVOICE AUTHORIZATION

Person Compiling Report

I verify that to the best of my knowledge the attached invoice listing is accurate and the procedures in place to compile this invoice listing has been followed.

Insert Signature:

**Amanda
Kersten**

Digitally signed by Amanda Kersten
DN: cn=Amanda Kersten, o=City of
Plainwell, ou=City Hall,
email=akersten@plainwell.org, c=US
Date: 2022.01.06 13:59:02 -05'00'

Brian Kelley, City Clerk/Treasurer

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Brian Kelley

Digitally signed by Brian
Kelley
Date: 2022.01.06
17:27:27 -05'00'

Bryan Pond, Water Renewal Plant Supt.

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Bryan Pond

Digitally signed by Bryan
Pond
Date: 2022.01.07
11:13:59 -05'00'

Bill Bomar, Public Safety Director

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Bill Bomar

Digitally signed by Bill
Bomar
Date: 2022.01.06
15:01:00 -05'00'

Bob Nieuwenhuis, Public Works Supt.

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature:

**Robert
Nieuwenhuis**

Digitally signed by Robert
Nieuwenhuis
Date: 2022.01.06
14:10:36 -05'00'

Erik J. Wilson, City Manager

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Erik Wilson

Digitally signed by Erik
Wilson
Date: 2022.01.06
17:07:15 -05'00'

01/06/2022

CHECK REGISTER FOR CITY OF PLAINWELL
CHECK DATE FROM 12/27/2021 - 01/17/2022

Check Date	Check	Vendor Name	Description	Amount
Bank CBGEN Huntington Bank - formerly Chemical Bank				
Check Type: EFT Transfer - Automatic Payments				
01/05/2022	1883(E)	UNITED HEALTHCARE INSURANCE COMPANY	RETIREE HEALTH INSURANCE JANUARY 2022 -	241.47
01/05/2022	1884(E)	UNITED HEALTHCARE INSURANCE COMPANY	RETIREE HEALTH INSURANCE JANUARY 2022 -	233.94
Total EFT Transfer:				475.41
Bank UBAP United Bank - General Checking				
Check Type: ACH Transaction - Property Tax Distributions/Employee Reimbursements/Other ACH Manual Payments				
12/30/2021	512(A)	ALLEGAN AREA EDUCATION SVC AGENCY	2021 TAX COLLECTIONS THROUGH W/E 12/25/2	116,387.33
12/30/2021	513(A)	ALLEGAN COUNTY TREASURER	2021 TAX COLLECTIONS THROUGH W/E 12/25/2	45,035.35
12/30/2021	514(A)	PLAINWELL COMMUNITY SCHOOLS	2021 TAX COLLECTIONS THROUGH W/E 12/25/2	314,985.34
12/30/2021	515(A)	RANSOM DISTRICT LIBRARY	2021 TAX COLLECTIONS THROUGH W/E 12/25/2	18,293.64
01/03/2022	518(A)	KEVIN CHRISTENSEN	JANUARY 2022 - MEDICARE, DENTAL & VISION	193.10
01/03/2022	519(A)	DAVID RANTZ	21/22 SHOE ALLOWANCE	149.99
01/03/2022	520(A)	MIKE BRUCE	TRAINING - LUNCH REIMBURSEMENT	25.69
01/03/2022	521(A)	VAIRKKO TECHNOLOGIES, LLC	EMPLOYEE TRAINING SOFTWARE DECEMBER 2021	165.60
01/03/2022	522(A)	ALLEGAN COUNTY TREASURER	SEPT/DEC 2021 TRAILER TAX COLLECTIONS	537.50
01/07/2022	526(A)	ALLEGAN AREA EDUCATION SVC AGENCY	2021 TAX COLLECTIONS W/E 01/01/2022	56,176.31
01/07/2022	527(A)	ALLEGAN COUNTY TREASURER	2021 TAX COLLECTIONS W/E 01/01/2022	21,401.27
01/07/2022	528(A)	PLAINWELL COMMUNITY SCHOOLS	2021 TAX COLLECTIONS W/E 01/01/2022	174,463.28
01/07/2022	529(A)	RANSOM DISTRICT LIBRARY	2021 TAX COLLECTIONS W/E 01/01/2022	8,784.84
Total ACH Transaction:				756,599.24
Check Type: EFT Transfer - Automatic Payments				
12/27/2021	511(E)	FIRST NATIONAL BANK (CREDIT CARD)	DECEMBER 23 2021 CREDIT CARD STATEMENT	6,708.61
12/27/2021	516(E)	UNITED BANK	ACH FEE - TAX DISTRIBUTION	7.00
12/28/2021	517(E)	UNITED BANK	WIRE TRANSFER FEE - LERETA WINTER 2021 T	12.00
12/29/2021	523(E)	UNITED BANK	ACH FEE - JANUARY 1 2022 PAYABLES	7.00
01/17/2022	524(E)	CITY OF PLAINWELL	JANUARY 2022 CITY UTILITY BILLS	450.32
01/04/2022	525(E)	STATE OF MICHIGAN	DECEMBER 2021 SALES TAX RETURN	45.87
01/03/2022	530(E)	UNITED BANK	ACH FEE - TAX DISTRIBUTION UPLOAD	7.00
01/06/2022	531(E)	CENTURYLINK	DPS - LONG DISTANCE DECEMBER 2021	0.76
Total EFT Transfer:				7,238.56

Check Type: Paper Check - Manual Checks

01/01/2022	18174	CONSUMERS ENERGY	612 ALLEGAN ST - ELECTRIC THROUGH 12/14/	6,956.28
01/01/2022	18175	VERIZON	DPW/WR ONE TALK SERVICE 11/18/2021 - 12/	1,370.43
01/01/2022	18176	FLEIS & VANDENBRINK INC	PRELIMINARY DESIGN WORK FOR CITY BRIDGES	1,820.00
01/01/2022	18177	NCL OF WISCONSIN	WR - LAB SUPPLIES	169.41
01/01/2022	18178	COPS HEALTH TRUST	JANUARY 2022 DENTAL & VISION	1,684.98
01/01/2022	18179	MADISON NATIONAL LIFE INSURANCE CO	JANUARY 2022 LIFE INSURANCE COVERAGE	101.08
01/01/2022	18180	PRIORITY HEALTH	JANUARY 2022 HEALTH INSURANCE	26,259.81
01/01/2022	18181	QUADIENT FINANCE USA	POSTAGE ADDED TO METER 11/30/2021	2,000.00
01/05/2022	18182	CONSUMERS ENERGY	225 CUSHMAN ELECTRIC DECEMBER 2021	483.38
01/05/2022	18183	CUMMINS SALES AND SERVICE	DPS GENERATOR SERVICE & BATTERY REPLACEM	1,522.85
01/05/2022	18184	REPUBLIC SERVICES #249	DPW/CITY GARBAGE/RECYCLE JANUARY 2022	480.80
01/05/2022	18185	CHARTER COMMUNICATIONS	DPS PHONES/TV/INTERNET 12/19/2021 - 01/1	449.75
01/05/2022	18186	PRO WATER TREATMENT LLC	CH - RO UNIT INSTALL & RENTAL	95.00

Total Paper Check: 43,393.77

REPORT TOTALS:

Total of 36 Checks: 807,706.98

Less 0 Void Checks: 0.00

Total of 36 Disbursements: **807,706.98**

Off Cycle Payment Authorization

Brian Kelley, City Clerk/Treasurer

I verify that I have reviewed the off-cycle payments listed above and to the best of my knowledge the listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Brian Kelley
Digitally signed by Brian Kelley
Date: 2022.01.06 14:15:36 -05'00'

Erik J. Wilson, City Manager

I verify that I have reviewed the off-cycle payments listed above and to the best of my knowledge the listing is accurate and complies with the City's purchasing policy.

Insert Signature:

Erik Wilson
Digitally signed by Erik Wilson
Date: 2022.01.06 17:06:53 -05'00'

Reports & Communications:

A. Annual Financial Statement Audit Presentation:

Dan Veldhuizen from Siegfried Crandall PC will present the city's audited financial statements as of June 30, 2021 to Council.

Recommended action: Consider accepting and placing on file the audited financial statements as of and for the year ended June 30, 2021.

B. Mill Demolition Project – GHD Change Order 04:

Due to the extended project duration and recently approved modifications to Buildings 2 and 3, additional GHD oversight is needed. GHD's quoted price is \$38,255.00 for services through April 15, 2022.

Recommended action: Consider approving Change Order #04 from GHD for additional project oversight in the amount of \$38,255.00.

C. DPW – Water Meters and Sole Source Designation:

The city has a large investment with Sensus meters, provided by Etna Supply. Thirteen (13) meters have reached the end of their useful life and need replacement. The quoted cost of replacing these meters is \$23,030.00. Etna Supply is the only source for Sensus meters in the area and should be designated as a sole source provider for the city's water meter needs.

Recommended action: Consider approving the purchase of thirteen (13) water meters at a total cost of \$23,030.00 and designate Etna Supply as a sole source provider for city water meters.

Reminder of Upcoming Meetings

- January 11, 2022 – Plainwell DDA/BRA/TIFA Board– 7:30am
- January 13, 2022 – Plainwell Parks & Trees Commission – 5:00pm
- January 19, 2022 – Plainwell Planning Commission – 7.00pm
- **January 24, 2022 – Plainwell City Council – 7:00pm**

Non-Agenda Items / Materials Transmitted

- None