

City of Coopersville
Ottawa County, Michigan

REPORT ON FINANCIAL STATEMENTS
(with required supplementary information)

June 30, 2023



City of Coopersville

TABLE OF CONTENTS

Independent Auditor’s Report..... 1

Management’s Discussion and Analysis..... 4

Basic Financial Statements

 Government-wide Financial Statements

 Statement of Net Position..... 14

 Statement of Activities 15

 Fund Financial Statements

 Governmental Funds

 Balance Sheet..... 16

 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position 17

 Statement of Revenues, Expenditures and Changes
 in Fund Balances..... 18

 Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures and Changes in Fund Balances to the Statement of
 Activities 19

 Proprietary Funds

 Statement of Net Position..... 20

 Statement of Revenues, Expenses and Changes in Net Position 21

 Statement of Cash Flows..... 22

 Fiduciary Funds

 Statement of Net Position..... 23

 Statement of Changes in Net Position..... 24

 Notes to Financial Statements 25

Required Supplementary Information

 Budgetary Comparison Schedule—General Fund..... 47

 Budgetary Comparison Schedule—Local Streets Funds 48

 Schedule of Changes in Net Pension Liability and Related Ratios 49

 Pension System Schedule of Contributions 50

Other Supplementary Information

 Other Governmental Funds

 Combining Balance Sheet 52

 Combining Statement of Revenues, Expenditures and Changes in
 in Fund Balances 53

INDEPENDENT AUDITOR'S REPORT

City Council
City of Coopersville
Coopersville, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Coopersville, Michigan, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Coopersville, Michigan as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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



Muskegon, Michigan
October 9, 2023

As management of the City of Coopersville, we present to the readers of the City's financial statements this overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage you to consider the information presented in these financial statements along with the additional information that has been furnished in this letter.

FINANCIAL HIGHLIGHTS

- At the close of the fiscal year, the City had total assets/deferred outflows of resources of \$46,512,244 and total liabilities/deferred inflows of resources of \$5,335,577, leaving net position of \$41,176,667.
- Of the total \$41,176,667 in net position, the City has unrestricted net position of \$12,963,754. This amount may be used to meet the City's ongoing obligations to citizens and creditors.
- Total revenues, including all program and general revenues, were \$15,164,511. Of that total, the governmental activities revenues were \$5,382,603 and business-type revenues were \$9,781,908.
- Total expenses for all of the City's programs were \$9,383,596. Of that total, the governmental activities expenses were \$4,510,168 and the business-type expenses were \$4,873,428.
- The City's General Fund reported a total fund balance of \$3,402,317 at year-end, an increase of \$295,909 over the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances. These statements are similar to those of a private sector business.

The Statement of Net Position presents information on all of the City's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

Both of the government-wide financial statements mentioned above distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are designed to recover all or a significant part of their costs through user fees and charges for services (business type activities). The governmental activities of the City include general government, public safety, public works, community and economic development, and culture and recreation activities. The business-type activities of the City include water distribution and sewer services.

The government-wide financial statements include not only the City (the primary government) but also the legally separate discretely presented component unit (Downtown Development Authority). The board of this organization is appointed by the City and given the interrelation of the two; there is some potential liability for the City due to the City's pledge of its full faith and credit for debt obligations. The financial information of this component unit is reported in a separate column from the financial information of the primary government itself.

Fund Financial Statements

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

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Local Streets Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds. The City has two enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water distribution and sewer operations.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds financial statements provided separate information for Water and Sewer funds, both of which are major funds.

The City also has an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for the rental of machinery, equipment, and vehicles to other departments, and related costs. Because these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of the internal service fund have been included within governmental activities in the government-wide statement of net position.

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

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The reader is encouraged to include the reading of this section in any attempt to analyze and understand these statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary information as it relates to the actual expenditures for the General Fund and Local Streets Fund.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

The first table presented on the next page is a summary of the government-wide statement of net position for the City. As stated earlier, the net position may be used as an indicator of a government's financial health. As of June 30, 2023, the City's net position from governmental activities totaled \$8,261,362 (20%) and \$32,915,305 (80%) from business-type activities, creating a total government-wide net position total of \$41,176,667.

In examining the composition of net position, the reader should note that governmental activities include net position that is invested in capital assets (i.e., streets, buildings, land, vehicles, equipment, etc.) These assets are used to provide services to the City's residents, and they are not available to pay salaries, operational expenses or fund capital projects. Certain other governmental net position is shown as restricted, meaning that it is subject to external restrictions on how it may be used. The unrestricted net position for government-type activities totals \$2,427,019. This represents the amount of discretionary resources that can be used for general governmental operations.

The business-type activities show a total of \$32,915,305 in net position and \$10,536,735 in unrestricted net position. The Sewer Fund and Water Fund unrestricted net position are \$7,771,210 and \$2,498,303, respectively.

Governmental activities current assets increased due to only a few capital purchases other than some road improvements. Capital assets increased due to the aforementioned road improvements. Noncurrent liabilities increased due to an increase in the net pension liability due to investment losses.

Business-type current assets increased due to continued growth in the City's Sewer Fund. Capital assets increased due to various water and sewer improvement projects. Noncurrent liabilities decreased due to scheduled debt service.

Fluctuation in deferred inflows and outflows of resources are due to differences in experience, assumptions, and investment return related to the pension and other post-employment benefits plans, which are being amortized over the average expected remaining service lives of all employees.

Beginning net position was restated to record compensated absences. See Note K, in the notes to the financial statements, for more detail.

Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022 (as restated)	2023	2022 (as restated)	2023	2022 (as restated)
Current assets and other assets	\$ 5,118,690	\$ 4,695,457	\$ 11,492,963	\$ 10,281,715	\$ 16,611,653	\$ 14,977,172
Capital assets	4,103,855	3,593,086	25,254,570	24,100,381	29,358,425	27,693,467
Total assets	9,222,545	8,288,543	36,747,533	34,382,096	45,970,078	42,670,639
Deferred outflows of resources	422,890	278,769	119,276	79,537	542,166	358,306
Total assets and deferred outflows of resources	9,645,435	8,567,312	36,866,809	34,461,633	46,512,244	43,028,945
Current liabilities	144,550	175,169	992,760	2,444,803	1,137,310	2,619,972
Noncurrent liabilities	1,236,697	835,952	2,957,946	3,962,283	4,194,643	4,798,235
Total liabilities	1,381,247	1,011,121	3,950,706	6,407,086	5,331,953	7,418,207
Deferred inflows of resources	2,826	167,264	798	47,722	3,624	214,986
Total liabilities and deferred inflows of resources	1,384,073	1,178,385	3,951,504	6,454,808	5,335,577	7,633,193
Net position						
Net investment in capital assets	4,103,855	3,593,086	22,378,570	19,529,050	26,482,425	23,122,136
Restricted	1,730,488	276,260	-	-	1,730,488	276,260
Unrestricted	2,427,019	3,519,581	10,536,735	8,477,775	12,963,754	11,997,356
Total net position	\$ 8,261,362	\$ 7,388,927	\$ 32,915,305	\$ 28,006,825	\$ 41,176,667	\$ 35,395,752

The results of this year’s operations for the City as a whole are reported in the statement of activities, which shows changes in net position.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues						
Charges for services	\$ 1,142,707	\$ 575,108	\$ 9,243,878	\$ 6,029,335	\$ 10,386,585	\$ 6,604,443
Operating grants	843,609	809,769	-	-	843,609	809,769
Capital grants and contributions	9,545	245,050	81,294	383,499	90,839	628,549
General revenues						
Property taxes	2,001,278	1,899,941	-	625	2,001,278	1,900,566
Grants and contributions not restricted	1,175,142	1,043,114	-	-	1,175,142	1,043,114
Unrestricted investment earnings	191,021	6,827	312,382	14,072	503,403	20,899
Miscellaneous	17,301	43,373	144,354	73,236	161,655	116,609
Gain on disposal of capital assets	2,000	-	-	-	2,000	-
Total revenues	5,382,603	4,623,182	9,781,908	6,500,767	15,164,511	11,123,949
Expenses:						
General government	766,007	706,570	-	-	766,007	706,570
Public safety	1,835,563	1,349,603	-	-	1,835,563	1,349,603
Public works	1,207,395	1,216,921	-	-	1,207,395	1,216,921
Community and economic development	171,177	117,772	-	-	171,177	117,772
Culture and recreation	530,026	474,888	-	-	530,026	474,888
Sewer	-	-	2,773,733	3,171,991	2,773,733	3,171,991
Water	-	-	2,099,695	1,813,528	2,099,695	1,813,528
Total expenses	4,510,168	3,865,754	4,873,428	4,985,519	9,383,596	8,851,273
Change in net position	872,435	757,428	4,908,480	1,515,248	5,780,915	2,272,676
Net position - Beginning, as restated	7,388,927	6,681,148	28,006,825	26,502,515	35,395,752	33,183,663
Net position - Ending	\$ 8,261,362	\$ 7,438,576	\$ 32,915,305	\$ 28,017,763	\$ 41,176,667	\$ 35,456,339

For the year ended June 30, 2023, net position increased by \$872,435 in governmental activities and increased by \$4,908,480 in business-type activities, respectively. This resulted in an overall net increase of \$5,780,915 in government-wide net position.

Governmental Activities

Governmental activities charges for services revenues increased significantly due to inspection fees generated by major projects underway in the City. Grants and contributions not restricted increased due to additional personal property tax replacement funding by the State. Unrestricted investment earnings increased due to significantly higher rates of return.

Expenses for all governmental functions increased by a total of \$644,414. Public safety expenses increased significantly due to rising payment to the Fire Authority with the hiring of a full-time chief and additional inspection costs as noted above.

Business-type activities

Business-type activities revenues charges for services increased due to significant fines from a sewer customer. Unrestricted investment earnings increased due to significantly higher rates of return.

Expenses for all business-type functions decreased by a total of \$112,091. Sewer expenses decreased due to sludge removal in the prior year. Water expense increased due to lead line replacements and fire hydrant repairs.

Financial Analysis of the Government's Funds

As stated earlier in this discussion and analysis, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City governmental funds is to provide information on near-term inflows, outflows, and balances in spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balances or the lack thereof, may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2023 fiscal year, the City governmental funds reported a combined unassigned fund balance of \$2,329,400, all of which is in the General Fund. The remainder of the fund balance is nonspendable, restricted, or assigned.

The General Fund is the chief operating fund of the City. The General Fund ended the year with a fund balance of \$3,402,317, an increase of \$295,909 from fiscal year 2022. The health of the General Fund may be measured by the ratio of unassigned fund balance to annual expenditures and transfers. The unassigned fund balance represents 57 percent of the General Fund's expenditures and transfers (74 percent in the prior year).

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position in the Sewer Fund and Water Fund increased by \$4,113,788 and \$784,798, respectively. The result was an overall net increase in the proprietary funds of \$4,898,586.

General Fund Budget

During the current fiscal year, the City made several amendments to its original General Fund budget. The most significant of those is listed below:

- Licenses and permits revenues were originally budgeted for \$62,000 and were amended up to \$487,000 due to a number of significant projects occurring across the City.
- Investment earnings were originally budgeted for \$10,000 and were amended up to \$94,000 due to better than expected interest rates.
- Inspections expenditures were originally budgeted for \$90,581 and were amended up to \$590,581 due to major projects that occurred in the City during the year.
- Storm sewer expenditures were originally budgeted for \$61,383 and were amended up to \$271,383 due to unexpected repairs.

Budget Variations

The following comments summarize the major variations from the final budget to actual revenues and expenditures:

- Licenses and permits were over budget by \$139,407 due to major projects that occurred in the City during the year.
- Intergovernmental revenues – State were over budget by \$350,142 due to conservative budgeting of State revenue sharing and personal property tax replacement funding.
- Charges for services were over budget by \$61,622 due to higher than expected recreation program fees.
- Investment earnings were over budget by \$37,891 due to significantly higher than expected interest rates.
- Fire department expenditures were under budget by \$67,944 due to conservative budgeting.
- Inspections expenditures were under budget by \$117,739 due to conservative budgeting.
- Storm sewer expenditures were under budget by \$50,291 due to conservative budgeting.

Capital Assets

The City investment in capital assets for its governmental and business-type activities as of June 30, 2023 totaled \$29,358,425 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, infrastructure, equipment and vehicles, and sewer and water systems.

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

- Water, sewer, and road improvements were completed in the Sunset/Greenfield neighborhood at a total cost of \$1,771,874.
- West water tower rehabilitation was completed at a total cost of \$304,655.
- Two high-speed turbo blowers were purchased for \$639,800.
- Blower #3 replacement was completed at a total cost of \$751,528.
- A loader was rebuilt for \$48,696.
- A 2022 Ford F-150 was purchased for \$29,745.

**CAPITAL ASSETS
(Net of Accumulated Depreciation)**

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 130,051	\$ 130,051	\$ 76,473	\$ 76,473	\$ 206,524	\$ 206,524
Construction in progress	-	-	-	747,146	-	747,146
Land improvements	770,886	838,557	472,231	505,962	1,243,117	1,344,519
Buildings and improvements	359,111	395,174	-	-	359,111	395,174
Vehicles and equipment	292,072	277,990	30,390	38,890	322,462	316,880
Infrastructure	2,551,735	1,951,314	-	-	2,551,735	1,951,314
Sewer system	-	-	16,972,803	15,656,151	16,972,803	15,656,151
Water system	-	-	7,702,673	7,075,759	7,702,673	7,075,759
Total	\$ 4,103,855	\$ 3,593,086	\$ 25,254,570	\$ 24,100,381	\$ 29,358,425	\$ 27,693,467

Additional information on the City’s capital assets can be found in Note E of the “Notes to Financial Statements” of this report.

Debt Administration

At the end of the 2023 fiscal year, the City had total outstanding debt of \$2,944,718 consisting of revenue bonds and compensated absences.

OUTSTANDING DEBT

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenue bonds	\$ -	\$ -	\$ 2,876,000	\$ 3,131,000	\$ 2,876,000	\$ 3,131,000
General obligation bonds	-	-	-	1,397,000	-	1,397,000
Contractual obligations	-	-	-	43,331	-	43,331
Compensated absences	58,068	49,649	10,650	10,938	68,718	60,587
Total	\$ 58,068	\$ 49,649	\$ 2,886,650	\$ 4,582,269	\$ 2,944,718	\$ 4,631,918

The City’s total debt decreased by \$1,687,200 during the fiscal year. This decrease is a result of the normal scheduled debt service payments and the early retirement of general obligation bonds.

Additional information on the City’s long-term debt can be found in Note G of the “Notes to Financial Statements” of this report.

Economic Factors Bearing on the City's Future

As in years past, many of the key discussion points remain largely the same for Coopersville this year. Economic growth and expansion continue within the City, which results in local economic stability. Our historical and stable bond rating signified that the City has continued to manage its fiscal policy in a conservative, deliberate, and responsible fashion.

The City of Coopersville is very fortunate to continue experiencing such healthy economic growth and expansion. The driving underlying factor in City Council, Downtown Development Authority, and Planning Commission meetings continues to be the type of growth that we want to see in Coopersville in the long term and how we continue to facilitate that growth. Coopersville is fortunate in that the City is only fifty percent built out and there are opportunities for new construction to sustain modest General Fund revenues without adjustments to our millage rate.

Like all communities, the City of Coopersville does have challenges, but the City is fortunate in that these challenges are related to economic growth and expansion. Continental Dairy Facilities (CDF) and fairlife continue to maintain strong production and product lines. Their success unfortunately continues to present serious challenges for the City of Coopersville's Wastewater Treatment Plant (WWTP).

It is hopeful that there is a solution just around the corner. The City has made great progress in working with Muskegon County, CDF/fairlife and other municipal and private business partners to secure a \$60 million dollar Strategic Outreach and Attraction Reserve (SOAR) grant to construct the 19 mile Southeast Regional Force Main. This force main will allow wastewater that is currently treated by the City to be sent to the Muskegon County Resource Recovery Center.

While it may seem that Covid-19 is squarely in our rearview mirror, last year we continued to navigate through some long-term effects. Those challenges include supply chain issues (i.e., 50 weeks to obtain pipe for our budgeted water projects), labor/talent shortages which are driving up wages, and the overall inability to secure contractors for various trades. Our revenues are up due to increased tax revenues, revenue sharing, ARPA funds, and grants.

Some notable examples of the City's local economic growth include, but not limited to the following:

- The conclusion of the reconstruction of Greenfield, Sunset, John, Oriole Street(s) to include all of the underground infrastructure.
- The City assumed ownership of the first phase of the East Gateway. The infrastructure in the second phase of the project is near completion. It is anticipated that this project will spur development in the Southeast corridor of the city.
- fairlife began construction on a \$52 million-dollar 78,000 square foot addition to their facility.
- Bay Logistics built a 250,000 square foot cold storage facility within the City.
- Imperial Design relocated their business to the City and built a new 14,000 sq. ft. building

Other significant projects at the Wastewater Treatment Plant include(s):

- The purchase and installation of two new Neuros 350 hp Blowers. This completes the blower replacement project. These blowers provide the necessary oxygen needed for the aeration ponds.

Financial – Economic Issues:

- As discussed in years past, more economic diversification will continue to be a desire of the city. Although the City's two largest taxpayers, Continental Dairy Facilities (CDF) and fairlife LLC, are more stable over the long-term and somewhat immune from economic downturns, it is in the best interest of the City to continue to diversify.

It is the City's hope that as the development of the East Gateway continues, it will help facilitate that diversification.

- City Council continues to address unfunded pension liabilities by contributing more than the required amount to MERS General Division.

The economic outlook for the City of Coopersville continues to remain bright. In essence, Coopersville's future remains strong both financially and in the City's desire to improve the quality of life for its residents and businesses owners alike.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City Treasurer, 289 Danforth St., Coopersville, MI, 49404.

City of Coopersville
STATEMENT OF NET POSITION
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Component Unit</u>
ASSETS				
Current assets				
Cash and investments	\$ 5,154,493	\$ 10,507,760	\$ 15,662,253	\$ 363,968
Receivables				
Accounts	22,480	649,569	672,049	-
Special assessments	3,081	-	3,081	-
Due from other governmental units	194,089	68,412	262,501	-
Internal balances	(267,222)	267,222	-	-
Prepaid items	11,769	-	11,769	-
Total current assets	5,118,690	11,492,963	16,611,653	363,968
Noncurrent assets				
Capital assets, net				
Nondepreciable	130,051	76,473	206,524	-
Depreciable	3,973,804	25,178,097	29,151,901	-
Total noncurrent assets	4,103,855	25,254,570	29,358,425	-
Total assets	9,222,545	36,747,533	45,970,078	363,968
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension	422,890	119,276	542,166	-
Total assets and deferred outflows of resources	9,645,435	36,866,809	46,512,244	363,968
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	110,404	723,434	833,838	17,809
Unearned revenues—prepaid fees	5,112	-	5,112	-
Bonds and other obligations, due within one year	29,034	269,326	298,360	-
Total current liabilities	144,550	992,760	1,137,310	17,809
Noncurrent liabilities				
Bonds and other obligations, less amounts due within one year	29,034	2,617,324	2,646,358	-
Net pension liability	1,207,663	340,622	1,548,285	-
Total noncurrent liabilities	1,236,697	2,957,946	4,194,643	-
Total liabilities	1,381,247	3,950,706	5,331,953	17,809
DEFERRED INFLOWS OF RESOURCES				
Related to pension	2,826	798	3,624	-
Total liabilities and deferred inflows of resources	1,384,073	3,951,504	5,335,577	17,809
NET POSITION				
Net investment in capital assets	4,103,855	22,378,570	26,482,425	-
Restricted				
Construction code activities	350,596	-	350,596	-
Cemetery	55,469	-	55,469	-
Streets and highways	1,324,423	-	1,324,423	-
Unrestricted	2,427,019	10,536,735	12,963,754	346,159
Total net position	<u>\$ 8,261,362</u>	<u>\$ 32,915,305</u>	<u>\$ 41,176,667</u>	<u>\$ 346,159</u>

The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF ACTIVITIES
For the year ended June 30, 2023

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 766,007	\$ 115,490	\$ -	\$ -	\$ (650,517)	\$ -	\$ (650,517)	\$ -
Public safety	1,835,563	616,852	114,450	-	(1,104,261)	-	(1,104,261)	-
Public works	1,207,395	231,888	726,203	9,545	(239,759)	-	(239,759)	-
Community and economic development	171,177	-	-	-	(171,177)	-	(171,177)	-
Culture and recreation	530,026	178,477	2,956	-	(348,593)	-	(348,593)	-
Total governmental activities	4,510,168	1,142,707	843,609	9,545	(2,514,307)	-	(2,514,307)	-
Business-type activities								
Sewer	2,773,733	6,456,645	-	81,294	-	3,764,206	3,764,206	-
Water	2,099,695	2,787,233	-	-	-	687,538	687,538	-
Total business-type activities	4,873,428	9,243,878	-	81,294	-	4,451,744	4,451,744	-
Total primary government	\$ 9,383,596	\$ 10,386,585	\$ 843,609	\$ 90,839	(2,514,307)	4,451,744	1,937,437	-
Component unit								
Downtown Development Authority	\$ 370,789	\$ 11,600	\$ -	\$ -	-	-	-	(359,189)
General revenues								
Property taxes					2,001,278	-	2,001,278	400,000
Grants and contributions not restricted to specific programs					1,175,142	-	1,175,142	-
Unrestricted investment earnings					191,021	312,382	503,403	16,368
Miscellaneous					17,301	144,354	161,655	56,946
Gain on disposal of capital assets					2,000	-	2,000	-
Total general revenues					3,386,742	456,736	3,843,478	473,314
Change in net position					872,435	4,908,480	5,780,915	114,125
Net position at beginning of year, as restated					7,388,927	28,006,825	35,395,752	232,034
Net position at end of year					\$ 8,261,362	\$ 32,915,305	\$ 41,176,667	\$ 346,159

The accompanying notes are an integral part of this statement.

City of Coopersville
BALANCE SHEET
 Governmental Funds
 June 30, 2023

	<u>General Fund</u>	<u>Local Streets Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 3,363,098	\$ 623,533	\$ 768,377	\$ 4,755,008
Receivables				
Accounts	16,555	-	5,925	22,480
Special assessments	-	-	3,081	3,081
Due from other governmental units	88,553	28,136	77,400	194,089
Prepaid items	10,769	-	-	10,769
Total assets	\$3,478,975	\$ 651,669	\$ 854,783	\$ 4,985,427
LIABILITIES				
Accounts payable	\$ 52,931	\$ 20,016	\$ 10,763	\$ 83,710
Accrued liabilities	18,615	1,549	3,925	24,089
Unearned revenues—prepaid fees	5,112	-	-	5,112
Total liabilities	76,658	21,565	14,688	112,911
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - long-term receivables	-	-	3,081	3,081
FUND BALANCES				
Nonspendable - prepaid items	10,769	-	-	10,769
Restricted				
Construction code activities	350,596	-	-	350,596
Cemetery operations	-	-	55,469	55,469
Streets and highways	-	630,104	694,319	1,324,423
Assigned				
Police services	-	-	75,364	75,364
Debt service	-	-	11,862	11,862
Subsequent year's budget appropriation of fund balance	711,552	-	-	711,552
Unassigned	2,329,400	-	-	2,329,400
Total fund balances	3,402,317	630,104	837,014	4,869,435
Total liabilities, deferred inflows of resources, and fund balances	\$3,478,975	\$ 651,669	\$ 854,783	\$ 4,985,427

The accompanying notes are an integral part of this statement.

City of Coopersville
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION**
 June 30, 2023

Total fund balance—governmental funds \$ 4,869,435

Amounts reported for governmental activities in the Statement of Net Position
 are different because:

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

Cost of capital assets	\$ 9,234,840	
Accumulated depreciation	(5,373,204)	3,861,636

Special assessment revenue is not recognized until it is receivable in the current period and therefore is shown as deferred revenue in the governmental funds.	3,081
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Long-term liabilities in governmental activities are not due and payable in the
 current period and, therefore, are not reported in the governmental funds.

Compensated absences	(58,068)	
Net pension liability and related deferred outflows/inflows of resources	(787,599)	(845,667)

Internal service funds are used by management to charge the costs of
 certain activities to individual funds. The assets and liabilities of the
 internal service funds are reported with governmental activities in the
 Statement of Net Position.

Net position of the internal service funds	640,099	
Internal balances representing the cumulative differences between actual costs and amounts charged to business-type activities	(267,222)	372,877

Net position of governmental activities	\$ 8,261,362
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The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 Governmental Funds
 For the year ended June 30, 2023

	General Fund	Local Streets Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 2,001,278	\$ -	\$ -	\$ 2,001,278
Licenses and permits	626,407	-	-	626,407
Intergovernmental revenues				
State	1,175,142	178,280	464,674	1,818,096
Local	-	83,249	29,000	112,249
Charges for services	446,622	-	18,365	464,987
Fines and forfeitures	6,298	-	-	6,298
Investment earnings	131,891	20,795	25,639	178,325
Other	10,318	20,405	129,957	160,680
Total revenues	4,397,956	302,729	667,635	5,368,320
EXPENDITURES				
Current				
General government	631,000	-	48,005	679,005
Public safety	1,678,558	-	144,298	1,822,856
Public works	462,177	288,635	193,327	944,139
Community and economic development	161,543	-	-	161,543
Culture and recreation	455,505	-	-	455,505
Capital outlay	23,264	824,377	-	847,641
Total expenditures	3,412,047	1,113,012	385,630	4,910,689
Excess of revenues over (under) expenditures	985,909	(810,283)	282,005	457,631
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	680,000	45,000	730,000
Transfers out	(695,000)	-	(35,000)	(730,000)
Total other financing sources (uses)	(690,000)	680,000	10,000	-
Net change in fund balances	295,909	(130,283)	292,005	457,631
Fund balances at beginning of year, as restated	3,106,408	760,387	545,009	4,411,804
Fund balances at end of year	\$3,402,317	\$ 630,104	\$ 837,014	\$ 4,869,435

The accompanying notes are an integral part of this statement.

City of Coopersville
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**
 For the year ended June 30, 2023

Net change in fund balances—total governmental funds \$ 457,631

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	\$ (341,444)	
Capital outlay	<u>847,641</u>	506,197

Revenues reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(770)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	(8,419)	
Change in net pension liability and related deferred outflows/inflows of resources	<u>(112,801)</u>	(121,220)

The internal service fund is used by management to charge the costs of equipment used to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.

Change in net position of the internal service fund	40,491	
Change in internal balances representing the current year difference between actual costs and amounts charged to business-type activities	<u>(9,894)</u>	<u>30,597</u>

Change in net position of governmental activities		<u><u>\$ 872,435</u></u>
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The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF NET POSITION
Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Water	Total	
ASSETS				
Current assets				
Cash and investments	\$ 7,822,917	\$ 2,684,843	\$ 10,507,760	\$ 399,486
Accounts receivable	327,028	322,541	649,569	-
Due from other governmental units	-	68,412	68,412	-
Prepaid items	-	-	-	1,000
Total current assets	8,149,945	3,075,796	11,225,741	400,486
Noncurrent assets				
Capital assets				
Land	47,250	29,223	76,473	-
Land improvements	505,962	-	505,962	-
Utility systems	25,648,255	11,996,165	37,644,420	-
Vehicles and equipment	136,457	7,509	143,966	1,371,362
Less accumulated depreciation	(8,815,250)	(4,301,001)	(13,116,251)	(1,129,143)
Net capital assets	17,522,674	7,731,896	25,254,570	242,219
Total noncurrent assets	17,522,674	7,731,896	25,254,570	242,219
Total assets	25,672,619	10,807,692	36,480,311	642,705
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension	59,638	59,638	119,276	-
Total assets and deferred outflows of resources	25,732,257	10,867,330	36,599,587	642,705
LIABILITIES				
Current liabilities				
Accounts payable	229,753	448,759	678,512	2,161
Accrued liabilities	30,485	9,037	39,522	445
Customer deposits	2,100	3,300	5,400	-
Bonds and other obligations, due within one year	266,663	2,663	269,326	-
Total current liabilities	529,001	463,759	992,760	2,606
Noncurrent liabilities				
Bonds and other obligations, less amounts due within one year	2,614,662	2,662	2,617,324	-
Net pension liability	170,311	170,311	340,622	-
Total noncurrent liabilities	2,784,973	172,973	2,957,946	-
Total liabilities	3,313,974	636,732	3,950,706	2,606
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	399	399	798	-
Total liabilities and deferred inflows of resources	3,314,373	637,131	3,951,504	2,606
NET POSITION				
Net investment in capital assets	14,646,674	7,731,896	22,378,570	242,219
Unrestricted	7,771,210	2,498,303	10,269,513	397,880
Total net position	<u>\$ 22,417,884</u>	<u>\$ 10,230,199</u>	32,648,083	<u>\$ 640,099</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time			267,222	
Net position of business-type activities			<u>\$ 32,915,305</u>	

The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Proprietary Funds
For the year ended June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Water	Total	
OPERATING REVENUES				
Charges for services	\$ 6,429,322	\$ 2,760,421	\$ 9,189,743	\$ 274,227
Fees	5,908	8,109	14,017	-
Other	143,729	625	144,354	359
Total operating revenues	6,578,959	2,769,155	9,348,114	274,586
OPERATING EXPENSES				
Water purchases	-	1,118,798	1,118,798	-
Operations	2,083,178	762,587	2,845,765	160,105
Depreciation	597,887	213,407	811,294	88,686
Total operating expenses	2,681,065	2,094,792	4,775,857	248,791
Operating income (loss)	3,897,894	674,363	4,572,257	25,795
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	208,704	103,678	312,382	12,696
Capital grants	81,294	-	81,294	-
Connection fees	21,415	18,703	40,118	-
Gain on sale of capital assets	-	-	-	2,000
Interest expense	(95,519)	(11,946)	(107,465)	-
Total nonoperating revenues (expenses)	215,894	110,435	326,329	14,696
Change in net position	4,113,788	784,798	4,898,586	40,491
Net position at beginning of year, as restated	18,304,096	9,445,401		599,608
Net position at end of year	\$ 22,417,884	\$ 10,230,199		\$ 640,099
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise funds			9,894	
Change in net position of business-type activities			\$ 4,908,480	

The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF CASH FLOWS
Proprietary Funds
For the year ended June 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Water	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 7,178,516	\$ 2,848,152	\$ 10,026,668	\$ 49,742
Receipts from interfund services provided	-	-	-	224,844
Payments to suppliers	(2,473,756)	(1,539,030)	(4,012,786)	(163,529)
Payments to employees	(294,853)	(327,987)	(622,840)	-
Payment for interfund services used	(25,081)	(61,954)	(87,035)	-
Net cash provided by (used for) operating activities	4,384,826	919,181	5,304,007	111,057
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees	21,415	18,703	40,118	-
Purchases of capital assets	(1,439,134)	(526,349)	(1,965,483)	(93,258)
Principal paid on capital debt	(298,331)	(1,397,000)	(1,695,331)	-
Interest paid on capital debt	(97,547)	(18,238)	(115,785)	-
Proceeds from sale of capital assets	-	-	-	2,000
Net cash provided by (used for) capital and related financing activities	(1,813,597)	(1,922,884)	(3,736,481)	(91,258)
CASH FLOW FROM INVESTING ACTIVITIES				
Investment earnings	208,704	103,678	312,382	12,696
Net increase (decrease) in cash and investments	2,779,933	(900,025)	1,879,908	32,495
Cash and investments at beginning of year	5,042,984	3,584,868	8,627,852	366,991
Cash and investments at end of year	\$ 7,822,917	\$ 2,684,843	\$ 10,507,760	\$ 399,486
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 3,897,894	\$ 674,363	\$ 4,572,257	\$ 25,795
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation expense	597,887	213,407	811,294	88,686
Change in assets and liabilities				
Accounts receivable	599,557	35,106	634,663	-
Due from other governmental units	-	43,891	43,891	-
Accounts payable	(732,973)	(71,109)	(804,082)	(3,869)
Accrued liabilities	22,461	23,523	45,984	445
Net cash provided by (used for) operating activities	\$ 4,384,826	\$ 919,181	\$ 5,304,007	\$ 111,057

The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF NET POSITION
 Fiduciary Funds
 June 30, 2023

	Custodial Funds	
	Tax Collection	Meadow Green Escrow
ASSETS		
Cash and investments	\$ -	\$ 19,584
LIABILITIES		
Due to other governmental units	-	14,000
NET POSITION		
Restricted for individuals and other governments	\$ -	\$ 5,584

The accompanying notes are an integral part of this statement.

City of Coopersville
STATEMENT OF CHANGES IN NET POSITION
 Fiduciary Funds
 For the year ended June 30, 2023

	Custodial Funds	
	Tax Collection	Meadow Green Escrow
ADDITIONS		
Property taxes collections for other governments	\$ 4,804,572	\$ -
Investment earnings	-	387
Total additions	4,804,572	387
DEDUCTIONS		
Payments of property taxes to other governments	4,804,572	-
Change in net position	-	387
Net position at beginning of year	-	5,197
Net position at end of year	\$ -	\$ 5,584

The accompanying notes are an integral part of this statement.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Coopersville (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Reporting Entity

The City is a municipal corporation governed by an elected mayor and six-member City Council and is administered by a city manager appointed by the City Council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Discretely Presented Component Unit

Downtown Development Authority (DDA). The DDA's purpose is the collection of tax increment revenues and the financing of improvements within the DDA's district of the City. Board members of the DDA are appointed by the Chief Executive Officer subject to approval of the council and the Authority is fiscally dependent on the City since the council approves the DDA budget and must approve any debt issuance. The DDA is presented as a governmental fund type.

Basis of Presentation—Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. 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.

As discussed earlier, the City's discretely presented component unit is reported in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Basis of Presentation—Government-Wide and Fund Financial Statements—Continued

The fund financial statements provide information about the City’s funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The Local Streets Fund accounts for money distributed by the State of Michigan for the construction and maintenance of the City’s local streets.

The City reports the following major proprietary funds:

The Sewer Fund operates the City's sewage pumping station, collection systems, and treatment facility.

The Water Fund operates the City's water distribution system.

Additionally, the City reports the following fund types:

The Internal Service Fund accounts for equipment management services provided to other funds of the government on a cost reimbursement basis.

The Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose funds.

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

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Basis of Presentation—Government-Wide and Fund Financial Statements—Continued

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

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

The City's cash and cash equivalents are 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 for the City are reported at fair value (generally based on quoted market prices).

The City has adopted an investment policy in compliance with State of Michigan statutes. Those statutes authorize the City to invest in obligations of the United States, certificates of deposit, prime commercial paper, securities guaranteed by United States agencies or instrumentalities, United States government or federal agency obligation repurchase agreements, bankers' acceptances, state-approved investment pools and certain mutual funds.

The component unit's cash and investments are maintained within the City's investment pool.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for governmental activities and \$10,000 for business-type activities and an estimated useful life in excess of two years.

As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Years</u>
Land improvements	5-10
Buildings and improvements	20-40
Vehicles and equipment	3-20
Infrastructure	15-25
Water and sewer systems	10-50

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Defined Benefit Plan

The City offers a defined benefit pension plan to its employees through Municipal Employees Retirement System (MERS). The City records a net pension liability for the difference between the total pension liability calculated by the actuary and the Plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Fund Balance Policies

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

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

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

The City has a minimum fund balance policy requiring unassigned fund balance in the General Fund be at least 40 percent of the average of the past three fiscal years’ revenues in the General Fund.

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

All trade and property tax receivables are shown net of allowance for uncollectibles.

The City bills and collects its own property taxes and also collects taxes for the county, school, and State of Michigan. Taxes are levied and lien on July 1 on the taxable valuation of property (as defined by state statutes) located in the Local Governmental Unit as of the preceding December 31. Uncollected real property taxes as of the following March 1 are turned over by the City to the County for collection. The County advances the City all of these delinquent real property taxes. The delinquent personal property taxes remain the responsibility of the City. The City recognizes all available revenue from the current tax levy. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 2022 state taxable value for real/personal property of the City totaled approximately \$140,570,000, of which approximately \$31,214,000 was captured by the component unit. The ad valorem taxes levied consisted of 13 mills for operations. These amounts are recognized in the General Fund with captured amounts shown in the DDA component unit.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Revenues and Expenditures/Expenses—Continued

Compensated Absences

City employees are granted PTO and sick leave in varying amounts based on length of service and employee group. Unused PTO and sick leave days are paid to employees upon termination under limits that vary by employee group. The liability for these compensated absences is accrued when incurred in the government-wide financial statements. The current portion of this liability is estimated based on historical trends. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE C—DEPOSITS AND INVESTMENTS

As of June 30, 2023, the City had the following investments:

Investment Type	<u>Fair value</u>	Weighted Average Maturity (Days)	<u>S&P</u>	<u>Percent</u>
External investment pools				
Comerica Government Cash Investment Fund	\$ 13,824,624	30	not rated	91.4 %
Michigan CLASS	<u>1,306,649</u>	<u>77</u>	AAAm	<u>8.6</u>
Total fair value	<u>\$ 15,131,273</u>			<u>100.0 %</u>
Portfolio weighted average maturity		<u>34</u>		

The City voluntarily invests certain excess funds in external investment pools (Pools). The Pools are external investment pools of "qualified" investments for Michigan municipalities. The Pools are not regulated nor registered with the SEC. The fair value of the City's investments is the same as the value of the Pool shares.

Deposit and Investment Risks

Interest Rate Risk

The City's investment policy limits investments in bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States to those with remaining maturities of two years or less (unless purchased for a debt retirement or other long-term investment account). The investment policy also limits investments in certificates of deposit to those with maturities of five years or less.

Credit Risk

State law limits investments in commercial paper and corporate bonds to the two highest classifications issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The City's investment policy requires that not more than 50 percent of the City's investments be held in commercial paper or United States government or federal agency obligation repurchase agreements and not more than 25 percent be held in bankers' acceptances of United States banks.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2023, \$439,367 of the City's bank balance of \$941,985 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk – Investments

The City does not have a custodial credit risk policy for investments. This is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Foreign Currency Risk

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

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE D—FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

External investment pools: The assets are valued based upon the City's allocable share of the pooled investment portfolio (Pools). The allocable shares are based on the value of the underlying assets owned by the Pools, minus their liabilities.

The assets managed by others are valued monthly by the Pools and are allocated based upon each organization's calculated share of the Pool's pooled investment portfolio. Each entity with an interest within the pooled investments received statements from the Pool indicating the additions to the investments (via contributions), withdrawals from the investments (via grants), and the investment returns allocated via a unitization process. The City calculates the fair value of its share of the pooled investment assets held by the Pools based on the estimated fair value of the underlying assets. The Pools controls the investments and makes all management and investment decisions.

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

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE D—FAIR VALUE MEASUREMENTS—Continued

The following table sets forth by level, within the fair value hierarchy, the City’s assets at fair value on a recurring basis as of June 30, 2023:

	Assets at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
External investment pools	\$ -	\$15,131,273	\$ -	\$15,131,273

NOTE E—CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 130,051	\$ -	\$ -	\$ 130,051
Capital assets, being depreciated:				
Land improvements	2,255,254	-	-	2,255,254
Buildings and improvements	1,354,266	-	-	1,354,266
Vehicles and equipment	1,638,803	116,522	25,796	1,729,529
Infrastructure	4,312,725	824,377	-	5,137,102
Total capital assets, being depreciated	9,561,048	940,899	25,796	10,476,151
Less accumulated depreciation:				
Land improvements	1,416,697	67,671	-	1,484,368
Buildings and improvements	959,092	36,063	-	995,155
Vehicles and equipment	1,360,813	102,440	25,796	1,437,457
Infrastructure	2,361,411	223,956	-	2,585,367
Total accumulated depreciation	6,098,013	430,130	25,796	6,502,347
Total capital assets, being depreciated, net	3,463,035	510,769	-	3,973,804
Capital assets, net	\$ 3,593,086	\$ 510,769	\$ -	\$ 4,103,855

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE E—CAPITAL ASSETS—Continued

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 76,473	\$ -	\$ -	\$ 76,473
Construction in progress	747,146	-	747,146	-
Total capital assets, not being depreciated	823,619	-	747,146	76,473
Capital assets, being depreciated:				
Land improvements	505,962	-	-	505,962
Sewer system	23,775,947	1,872,308	-	25,648,255
Water system	11,343,745	840,321	187,901	11,996,165
Machinery and equipment	147,057	-	3,091	143,966
Total capital assets, being depreciated	35,772,711	2,712,629	190,992	38,294,348
Less accumulated depreciation:				
Land improvements	-	33,731	-	33,731
Sewer system	8,119,796	555,656	-	8,675,452
Water system	4,267,986	213,407	187,901	4,293,492
Machinery and equipment	108,167	8,500	3,091	113,576
Total accumulated depreciation	12,495,949	811,294	190,992	13,116,251
Total capital assets, being depreciated, net	23,276,762	1,901,335	-	25,178,097
Capital assets, net	\$ 24,100,381	\$ 1,901,335	\$ 747,146	\$ 25,254,570

Depreciation

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 33,139
Public safety	8,717
Public works	241,099
Culture and recreation	58,489
Internal Service Fund depreciation is charged to the various programs based on their usage of the assets	88,686
	\$ 430,130

Business-type activities:

Sewer	\$ 597,887
Water	213,407
	\$ 811,294

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE F—INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2023 is as follows:

Interfund Transfers

	Transfers in:			Total	Purpose
	General Fund	Local Streets Fund	Other Governmental Funds		
Transfers out:					
General Fund	\$ -	\$ 650,000	\$ 45,000	\$ 695,000	Operations, street improvements
Other governmental funds	5,000	30,000	-	35,000	Street improvements and administrative reimbursement
	\$ 5,000	\$ 680,000	\$ 45,000	\$ 730,000	

NOTE G—LONG-TERM DEBT

Summary of Changes in Long-Term Liabilities

The following is a summary of long-term liabilities activity for the City for the year ended June 30, 2023:

	Balance July 1, 2022 as restated	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
Compensated absences	\$ 49,649	\$ 67,412	\$ 58,993	\$ 58,068	\$ 29,034
Business-type activities:					
Public placement debt					
Revenue bonds	\$ 3,131,000	\$ -	\$ 255,000	\$ 2,876,000	\$ 264,000
General obligation bonds	1,397,000	-	1,397,000	-	-
Direct borrowings and direct placements					
Contractual obligation	43,331	-	43,331	-	-
Compensated absences	10,938	10,421	10,709	10,650	5,326
Business-type activities long-term liabilities	\$ 4,582,269	\$ 10,421	\$ 1,706,040	\$ 2,886,650	\$ 269,326

General obligation bonds are a direct obligation and pledge the full faith and credit of the City. If the City defaults, the bonds are callable.

The revenue bonds are not backed by the full faith and credit of the City. The income derived from the acquired or constructed assets is pledged to pay debt service.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

NOTE G—LONG-TERM DEBT—Continued

Summary of Changes in Long-Term Liabilities—Continued

Public placement debt consists of the following:

	Interest Rate	Date of Maturity	Balance
Governmental activities:			
Public placement debt			
Revenue bonds			
2018 Wastewater Treatment System Revenue			
Refunding Bonds	3.18%	October 2032	\$ 2,876,000

For governmental activities, compensated absences are generally liquidated by the General Fund.

Annual debt service requirements to maturity for public placement debt outstanding as of June 30, 2023 follow:

Year Ending June 30,	Business-type Activities	
	Public Placement Debt	
	Principal	Interest
2024	\$ 264,000	\$ 89,374
2025	272,000	80,915
2026	281,000	72,202
2027	290,000	63,187
2028	299,000	53,901
2029-2033	1,470,000	119,361
	\$ 2,876,000	\$ 478,940

The 2018 Wastewater Treatment System Revenue Refunding Bonds include a covenant that net revenues from the sewage treatment plant should yield at least one hundred ten percent of annual debt service requirements on the bonds for each upcoming year. The City was in compliance in all material respects with all revenue bond ordinances at June 30, 2023.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE H—OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters for which the government carries commercial insurance. The City manages its liability and property risk by participating in the Michigan Municipal League (MML), a public entity risk pool providing property and liability coverage to its participating members. The City pays an annual premium to MML for its insurance coverage. The MML is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence-based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Joint Ventures

Coopersville-Polkton Area Fire Protection Authority

The City is a member of the Coopersville-Polkton Area Fire Protection Authority (Fire Authority). The Fire Authority was created by the Charter Township of Polkton and the City of Coopersville to provide fire protection services. The Fire Authority is governed by a Fire Board consisting of four members, two of which are appointed by the City. For the year ended June 30, 2023, the City paid \$335,406 to the Fire Authority for fire protection services based on a predetermined formula between the two members. The City is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements can be obtained from the Fire Authority (30 Conran Dr., Coopersville, MI 49404).

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE H—OTHER INFORMATION—Continued

Joint Ventures—Continued

Coopersville-Polkton Joint Building Authority

The City is a member of the Coopersville-Polkton Joint Building Authority (Building Authority). The Building Authority was created by the Charter Township of Polkton and City of Coopersville to finance the construction of a new fire station for use of the Fire Authority. The Building Authority is governed by a Board consisting of three members, one of which is appointed by the City and one of which is appointed jointly by the Township and City. The Building Authority issued \$2,550,000 of bonds in April 2019 for the construction of a new fire station, maturing through 2033, with interest rates ranging from 3.0-4.0 percent. These bonds are backed by the limited tax, full faith and credit of the City and Charter Township of Polkton (participating municipalities). The participating municipalities have entered into lease agreements with the Building Authority; the lease payments are for the payment of the maturing bonds principal and interest. Subsequently, the participating municipalities entered into sublease agreements with the Fire Authority; the lease payments are for the payment of the maturing bonds principal and interest. In accordance with the terms of the sublease agreements, the City and Charter Township of Polkton have agreed that upon retirement of the related financing, the lease agreements will be terminated and the Authority will convey title of the facilities to the Fire Authority. For the year ended June 30, 2023, the City paid \$107,500 on behalf of the Building Authority for debt service. The City is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements can be obtained from the Fire Authority (30 Conran Dr., Coopersville, MI 49404).

Coopersville-Polkton Cemetery Authority

The City is a member of the Coopersville-Polkton Cemetery Authority (Cemetery Authority). The Cemetery Authority was created by the Charter Township of Polkton and the City of Coopersville to operate a cemetery. The Cemetery Authority is governed by a Cemetery Board consisting of five members, three of which are appointed by the City. Resources and activity for the Cemetery Authority for the year ended June 30, 2023 are presented within the Coopersville-Polkton Cemetery Authority Fund. For the year ended June 30, 2023, the City paid \$12,000 to the Cemetery Authority for operations. The City is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements can be obtained from the Cemetery Authority (289 Danforth Street, Coopersville, MI 49404).

NOTE I—TAX ABATEMENTS

The City entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Developments Act, (known as the Industrial Facilities Exemptions or IFTs) PA 198 of 1974, as amended. The IFTs provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at half the local property tax millage rate applicable to other real and personal property in the City for a term of one to twelve years as determined by the City. For the year ended June 30, 2023, the City abated property taxes revenues totaling \$342,073 under this program.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

NOTE J—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Pension Plan

Plan Description

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

Benefits Provided

Public Act 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The Plan covers all full-time employees.

Benefits provided by the Plan have a multiplier of 2 percent. Vesting period is 6 years. Normal retirement age is 60 with early retirement at 55 with 25 years of service or reduced early retirement at 50 with 25 years of service or at age 55 with 15 years of service. Final average compensation is calculated based on 5 years.

Employees Covered by Benefit Terms

At the December 31, 2022 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	18
Inactive employees entitled to but not yet receiving benefits	10
Active employees	<u>18</u>
Total employees covered by MERS	<u><u>46</u></u>

Contributions

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

For the year ended June 30, 2023, the City contributions were 17.62 percent of annual covered payroll. Employee contributions were 4 percent of annual covered payroll.

Net Pension Liability

The City’s net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

NOTE J—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.0 percent in the long-term
Investment rate of return	7.00 percent, net of administrative and investment expenses including inflation

Although no specific price inflation assumptions are needed for the valuation, the 3.0 percent long-term wage inflation assumption would be consistent with a price inflation of 3-4 percent. Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

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

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

Asset Class	Target Allocation	Target Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate of Return
Global equity	60.0%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.0%	4.50%	0.90%	2.50%	0.40%
Private assets	20.0%	9.50%	1.90%	2.50%	1.40%
Total	100.0%		7.00%		4.50%

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent for 2022. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expense. The projection of cash flows used to determine the discount rate assumed that employer and employee contributions will be made at rates agreed upon for employees and the actuarially determined rate for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE J—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability (a)-(b)
Balance at January 1, 2022	\$ 3,937,179	\$ 2,926,531	\$ 1,010,648
Changes for the year			
Service cost	114,749	-	114,749
Interest	280,943	-	280,943
Difference between expected and actual experience	43,835	-	43,835
Contributions - employer	-	188,527	(188,527)
Contributions - employee	-	39,980	(39,980)
Net investment income (loss)	-	(321,249)	321,249
Administrative expenses	-	(5,368)	5,368
Benefit payments including refund of employee contributions	(238,968)	(238,968)	-
Net changes	200,559	(337,078)	537,637
Balance at December 31, 2022	\$ 4,137,738	\$ 2,589,453	\$ 1,548,285

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

The following presents the net pension liability of the City, calculated using the discount rate of 7.25 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's net pension liability	\$ 2,032,575	\$ 1,548,285	\$ 1,142,093

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

NOTE J—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

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

For the year ended June 30, 2023, the City recognized pension expense of \$353,364. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 83,043	\$ 3,624
Differences in assumptions	115,834	-
Net difference between projected and actual net investment income	248,683	-
Contributions subsequent to the measurement date*	94,606	-
Total	\$ 542,166	\$ 3,624

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending June 30, 2024.

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

Year Ending June 30,	Amount
2024	\$ 148,419
2025	102,368
2026	86,580
2027	106,569

Payables to the Pension Plan

At June 30, 2023, the City did not have a payable to the pension plan for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023

NOTE J—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. The Plan has created a trust for the exclusive benefit of the Plan's participants and beneficiaries under rules provided in Internal Revenue Code Section 401(f).

NOTE K—PRIOR PERIOD ADJUSTMENTS

The following prior period adjustments were made to adjust balances as of July 1, 2022:

The beginning balance of fund balance in the General Fund was understated in the amount of \$98,834 due to a state revenue sharing payment that was categorized in the incorrect period. The effects on General Fund balances are as follows:

	General Fund	
	Fund Balance	Due From Other Governmental Units
Balance at July 1, 2022	\$ 3,007,574	\$ -
Adjustment to state revenue sharing receivable	98,834	98,834
Balance at July 1, 2022 as restated	\$ 3,106,408	\$ 98,834

This adjustment increases the net change in fund balance in the General Fund for the year ended June 30, 2022 by \$14,470. There is no effect on prior year or current year governmental activities net position.

City of Coopersville
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE K—PRIOR PERIOD ADJUSTMENTS—Continued

The beginning balance of government-wide net position was overstated in the amount of \$60,587 due to the liability for compensated absences not being recorded. The effects on net position are as follows:

	Governmental Activities			
	Net Position	Bonds and Other Obligations		
	Net Position	Bonds and Other Obligations		
Balance at July 1, 2022	\$ 7,438,576	\$ -		
Adjustment to record compensated absences	(49,649)	49,649		
Balance at July 1, 2022 as restated	\$ 7,388,927	\$ 49,649		
	Sewer Fund		Water Fund	
	Net Position	Bonds and Other Obligations	Net Position	Bonds and Other Obligations
Balance at July 1, 2022	\$ 18,309,565	\$ 3,174,331	\$ 9,450,870	\$ 1,397,000
Adjustment to record compensated absences	(5,469)	5,469	(5,469)	5,469
Balance at July 1, 2022 as restated	\$ 18,304,096	\$ 3,179,800	\$ 9,445,401	\$ 1,402,469
	Business-type Activities			
	Net Position	Bonds and other obligations		
Balance at July 1, 2022	\$ 28,017,763	\$ 4,571,331		
Adjustment to record compensated absences	(10,938)	49,649		
Balance at July 1, 2022 as restated	\$ 28,006,825	\$ 4,620,980		

The effect on prior year change in net position is not material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Coopersville
Required Supplementary Information
BUDGETARY COMPARISON SCHEDULE
General Fund
For the year ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 1,963,700	\$ 1,963,700	\$ 2,001,278	\$ 37,578
Licenses and permits	62,000	487,000	626,407	139,407
Intergovernmental revenues—State	825,000	825,000	1,175,142	350,142
Charges for services	340,000	385,000	446,622	61,622
Fines and forfeitures	1,500	1,500	6,298	4,798
Investment earnings	10,000	94,000	131,891	37,891
Other	15,000	15,000	10,318	(4,682)
Total revenues	3,217,200	3,771,200	4,397,956	626,756
EXPENDITURES				
Current				
General government				
City Council	18,700	18,700	11,102	7,598
City manager	90,770	90,770	61,927	28,843
Clerk	112,202	112,202	101,288	10,914
Treasurer	106,856	106,856	94,560	12,296
Assessor	40,702	54,702	48,470	6,232
Elections	29,700	29,700	13,040	16,660
Attorney	25,000	25,000	7,795	17,205
Computer services	76,720	76,720	39,336	37,384
Board of review	2,470	2,470	2,328	142
Building and grounds	255,188	255,188	239,154	16,034
Cemetery	12,000	12,000	12,000	-
Public safety				
Police department	771,048	771,048	762,810	8,238
Fire department	510,850	510,850	442,906	67,944
Inspections	90,581	590,581	472,842	117,739
Public works				
Street lighting	55,000	55,000	43,483	11,517
Storm sewer	61,383	271,383	221,092	50,291
Sanitation	205,000	205,000	197,602	7,398
Community and economic development				
Planning and zoning administration	121,579	161,579	161,543	36
Culture and recreation				
Parks	162,539	162,539	160,070	2,469
Recreation	275,438	275,438	251,390	24,048
Historical society	47,304	47,304	44,045	3,259
Capital outlay	10,000	24,000	23,264	736
Total expenditures	3,081,030	3,859,030	3,412,047	446,983
Excess of revenues over (under) expenditures	136,170	(87,830)	985,909	1,073,739
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	5,000	-
Transfers out	(695,000)	(695,000)	(695,000)	-
Total other financing sources (uses)	(690,000)	(690,000)	(690,000)	-
Net change in fund balance	<u>\$ (553,830)</u>	<u>\$ (777,830)</u>	295,909	<u>\$ 1,073,739</u>
Fund balance at beginning of year			<u>3,106,408</u>	
Fund balance at end of year			<u>\$ 3,402,317</u>	

City of Coopersville
Required Supplementary Information
BUDGETARY COMPARISON SCHEDULE
Local Streets Fund
For the year ended June 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues				
State	\$ 147,000	\$ 147,000	\$ 178,280	\$ 31,280
Local	75,000	75,000	83,249	8,249
Investment earnings	500	500	20,795	20,295
Other	-	-	20,405	20,405
Total revenues	222,500	222,500	302,729	80,229
EXPENDITURES				
Current				
Public works	888,684	389,307	288,635	100,672
Capital outlay	-	824,377	824,377	-
Total expenditures	888,684	1,213,684	1,113,012	100,672
Excess of revenues over (under) expenditures	(666,184)	(991,184)	(810,283)	180,901
OTHER FINANCING SOURCES				
Transfers in	680,000	680,000	680,000	-
Net change in fund balance	\$ 13,816	\$ (311,184)	(130,283)	\$ 180,901
Fund balance at beginning of year			760,387	
Fund balance at end of year			\$ 630,104	

City of Coopersville
Required Supplementary Information
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years (Amounts were determined as of December 31 of each fiscal year)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
TOTAL PENSION LIABILITY									
Service cost	\$ 114,749	\$ 90,810	\$ 80,076	\$ 86,477	\$ 85,556	\$ 75,474	\$ 71,004	\$ 71,295	\$ 56,681
Interest	280,943	270,232	254,718	242,479	223,313	222,286	224,668	207,335	198,485
Differences between expected and actual experience	43,835	50,027	(14,502)	125,770	156,122	(96,344)	(162,357)	41,146	-
Changes in assumptions	-	133,494	113,900	103,065	-	-	-	141,080	-
Benefit payments, including refunds of employee contributions	(238,968)	(235,314)	(235,548)	(232,507)	(219,221)	(168,045)	(162,601)	(168,427)	(141,960)
Net change in total pension liability	200,559	309,249	198,644	325,284	245,770	33,371	(29,286)	292,429	113,206
Total pension liability at beginning of year	3,937,179	3,627,930	3,429,286	3,104,002	2,858,232	2,824,861	2,854,147	2,561,718	2,448,512
Total pension liability at end of year (a)	\$ 4,137,738	\$ 3,937,179	\$ 3,627,930	\$ 3,429,286	\$ 3,104,002	\$ 2,858,232	\$ 2,824,861	\$ 2,854,147	\$ 2,561,718
PLAN FIDUCIARY NET POSITION									
Contributions-employer	\$ 188,527	\$ 142,655	\$ 110,725	\$ 108,120	\$ 104,317	\$ 94,442	\$ 72,676	\$ 62,693	\$ 50,374
Contributions-employee	39,980	37,508	34,734	35,842	33,927	30,812	29,542	47,338	104,149
Net investment income (loss)	(321,249)	352,612	329,173	294,904	(90,832)	281,571	223,864	(30,512)	125,745
Benefit payments, including refunds of employee contributions	(238,968)	(235,314)	(235,548)	(232,507)	(219,221)	(168,045)	(162,601)	(168,427)	(141,960)
Administrative expenses	(5,368)	(4,180)	(4,768)	(5,078)	(4,570)	(4,460)	(4,420)	(4,514)	(4,622)
Net change in plan fiduciary net position	(337,078)	293,281	234,316	201,281	(176,379)	234,320	159,061	(93,422)	133,686
Plan fiduciary net position at beginning of year	2,926,531	2,633,250	2,398,934	2,197,653	2,374,032	2,139,712	1,980,651	2,074,073	1,940,387
Plan fiduciary net position at end of year (b)	\$ 2,589,453	\$ 2,926,531	\$ 2,633,250	\$ 2,398,934	\$ 2,197,653	\$ 2,374,032	\$ 2,139,712	\$ 1,980,651	\$ 2,074,073
City's net pension liability at end of year (a)-(b)	\$ 1,548,285	\$ 1,010,648	\$ 994,680	\$ 1,030,352	\$ 906,349	\$ 484,200	\$ 685,149	\$ 873,496	\$ 487,645
Plan fiduciary net position as a percentage of the total pension liability	62.58%	74.33%	72.58%	69.95%	70.80%	83.06%	75.75%	69.40%	80.96%
Covered employee payroll	\$ 1,030,986	\$ 892,043	\$ 821,295	\$ 897,069	\$ 872,134	\$ 773,299	\$ 735,794	\$ 755,242	\$ 600,446
City's net pension liability as a percentage of covered employee payroll	150.18%	113.30%	121.11%	114.86%	103.92%	62.61%	93.12%	115.66%	81.21%

Notes to Schedule

Additional actuarial data is not available and will be provided in subsequent years.

The following were significant changes to actuarial assumptions:

2015 Valuation - The investment rate of return assumption was reduced from 8.25 percent to 8.0 percent, the wage inflation assumption was reduced from 4.5 percent to 3.75 percent, inflation rates changed from 3.0 - 4.0 percent to 2.5 percent.

2019 Valuation - The investment rate of return assumption was reduced from 8.0 percent to 7.6 percent, the wage inflation assumption was reduced from 3.75 percent to 3.0 percent.

2020 Valuation - Mortality rates were changed to the recently issued Pub-2010 mortality general rates as published by the Society of Actuaries along with a change to sex-distinct assumptions.

2021 Valuation - The investment rate of return assumption was reduced from 7.6 percent to 7.25 percent.

City of Coopersville
Required Supplementary Information
PENSION SYSTEM SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 185,951	\$ 127,155	\$ 95,225	\$ 90,316	\$ 87,086	\$ 85,781	\$ 79,128	\$ 65,723	\$ 54,278	\$ 47,836
Contributions in relation to the actuarially determined contribution	210,951	142,655	110,725	108,120	104,317	101,281	79,128	65,723	54,278	47,836
Contribution deficiency (excess)	<u>\$ (25,000)</u>	<u>\$ (15,500)</u>	<u>\$ (15,500)</u>	<u>\$ (17,804)</u>	<u>\$ (17,231)</u>	<u>\$ (15,500)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 1,058,917	\$ 943,728	\$ 911,693	\$ 884,705	\$ 861,787	\$ 828,239	\$ 776,526	\$ 697,696	\$ 619,612	\$ 618,036
Contributions as percentage of covered employee payroll	19.9%	15.1%	12.1%	12.2%	12.1%	12.2%	10.2%	9.4%	8.8%	7.7%

Notes to Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	16 years
Asset valuation method	5-year smoothed market
Inflation	2.5 percent
Salary increases	3.0 percent in the long-term
Investment rate of return	7.00 percent, net of investment and administrative expenses
Retirement age	50-60 years of age depending on years of service
Mortality	Based on a version of Pub-2010 and fully generational MP-2019

OTHER SUPPLEMENTARY INFORMATION

City of Coopersville
COMBINING BALANCE SHEET
 Other Governmental Funds
 June 30, 2023

	Total Other Governmental Funds	Special Revenue Funds			Debt Service Fund
		Major Streets	Coopersville- Polkton Cemetery Authority	Community That Cares	Capital Improvements Fund
ASSETS					
Cash and investments	\$ 768,377	\$ 622,466	\$ 61,574	\$ 72,475	\$ 11,862
Special assessments receivable	3,081	-	-	-	3,081
Accounts receivable	5,925	-	800	5,125	-
Due from other governmental units	77,400	77,400	-	-	-
Total assets	\$ 854,783	\$ 699,866	\$ 62,374	\$ 77,600	\$ 14,943
LIABILITIES					
Accounts payable	\$ 10,763	\$ 3,858	\$ 6,905	\$ -	\$ -
Accrued liabilities	3,925	1,689	-	2,236	-
Total liabilities	14,688	5,547	6,905	2,236	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues-special assessments	3,081	-	-	-	3,081
FUND BALANCES					
Restricted					
Cemetery operations	55,469	-	55,469	-	-
Streets and highways	694,319	694,319	-	-	-
Assigned					
Police services	75,364	-	-	75,364	-
Debt service	11,862	-	-	-	11,862
Total fund balances	837,014	694,319	55,469	75,364	11,862
Total liabilities, deferred inflows of resources, and fund balances	\$ 854,783	\$ 699,866	\$ 62,374	\$ 77,600	\$ 14,943

City of Coopersville
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 Other Governmental Funds
 For the year ended June 30, 2023

	Total Other Governmental Funds	Special Revenue Funds			Debt Service Fund
		Major Streets	Coopersville- Polkton Cemetery Authority	Community That Cares	2006 Capital Improvement Bonds
REVENUES					
Intergovernmental revenues					
State	\$ 464,674	\$ 464,674	\$ -	\$ -	\$ -
Local	29,000	-	24,000	5,000	-
Charges for services	18,365	-	18,365	-	-
Interest	25,639	18,346	2,244	3,812	1,237
Other	129,957	8,920	1,246	109,476	10,315
Total revenues	<u>667,635</u>	<u>491,940</u>	<u>45,855</u>	<u>118,288</u>	<u>11,552</u>
EXPENDITURES					
Current					
General government	48,005	-	48,005	-	-
Public safety	144,298	-	-	144,298	-
Public works	193,327	193,327	-	-	-
Total expenditures	<u>385,630</u>	<u>193,327</u>	<u>48,005</u>	<u>144,298</u>	<u>-</u>
Excess of revenues over (under) expenditures	282,005	298,613	(2,150)	(26,010)	11,552
OTHER FINANCING SOURCES (USES)					
Transfers in	45,000	-	-	45,000	-
Transfers out	(35,000)	(30,000)	-	-	(5,000)
Total other financing sources (uses)	<u>10,000</u>	<u>(30,000)</u>	<u>-</u>	<u>45,000</u>	<u>(5,000)</u>
Net change in fund balances	292,005	268,613	(2,150)	18,990	6,552
Fund balances at beginning of year	<u>545,009</u>	<u>425,706</u>	<u>57,619</u>	<u>56,374</u>	<u>5,310</u>
Fund balances at end of year	<u>\$ 837,014</u>	<u>\$ 694,319</u>	<u>\$ 55,469</u>	<u>\$ 75,364</u>	<u>\$ 11,862</u>