

CITY OF MARQUETTE, MICHIGAN
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended September 30, 2024

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PREPARED BY
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CITY OF MARQUETTE, MICHIGAN
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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SECTION 1 - INTRODUCTORY SECTION:	
Table of Contents.....	3
Transmittal Letter.....	10
Certificate of Achievement for Excellence in Financial Reporting.....	14
Organizational Chart.....	15
Administrative Staff.....	16
SECTION 2 - FINANCIAL SECTION:	
Independent Auditor's Report.....	17
Management's Discussion and Analysis.....	22
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position.....	36
Statement of Activities.....	37
Fund Financial Statements:	
Governmental Funds Balance Sheet.....	38
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	39
Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance.....	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	41
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Comparison Statement.....	42
Major Special Revenues Funds Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Comparison Statement.....	43
Proprietary Funds Statement of Net Position.....	44
Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position.....	45
Proprietary Funds Statement of Cash Flows.....	47
Fiduciary Funds Statement of Fiduciary Net Position.....	48
Fiduciary Funds Statement of Changes in Fiduciary Net Position.....	49
Component Units Combining Statement of Net Position.....	50
Component Units Combining Statement of Activities.....	51
Notes to Financial Statements.....	52

Continued --

REQUIRED SUPPLEMENTARY INFORMATION:

Municipal Employees Retirement System of Michigan:
Schedule of Changes in the Net Pension Liability and Related Ratios..... 132
Schedule of Contributions..... 135

Peter White Public Library:
Schedule of Changes in the Net Pension Liability and Related Ratios..... 136
Schedule of Contributions..... 139

Fire/Police Retirement System:
Schedule of Changes in the Net Pension Liability and Related Ratios..... 140
Schedule of Contributions..... 143

Marquette Board of Light and Power:
Schedule of Changes in the Net Pension Liability and Related Ratios..... 144
Schedule of Contributions..... 147

Annual Money-Weighted Rate of Return, Net of Investment Expense..... 148

Other Post Employment Benefits:
Schedule of Changes in the Net OPEB Liability and Related Ratios..... 149
Schedule of OPEB Contributions..... 150

Marquette Board of Light and Power:
Schedule of Changes in the Net OPEB Liability and Related Ratios..... 151
Schedule of OPEB Contributions..... 152

MAJOR GOVERNMENTAL FUNDS:

General Fund:
Comparative Balance Sheet..... 154
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual..... 155

Major Street and Trunkline Fund:
Comparative Balance Sheet..... 160
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual..... 161

Local Street Fund:
Comparative Balance Sheet..... 162
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual..... 163

Construction Fund - Capital Project Fund:
Comparative Balance Sheet..... 164
Schedule of Revenues, Expenditures and Changes in Fund Balance..... 165

NON-MAJOR GOVERNMENTAL FUNDS:

Non-Major Governmental Funds:
Combining Balance Sheet..... 170
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balance..... 171

Non-Major Special Revenue Funds:
Combining Balance Sheet..... 172
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balance..... 173

Public Art Fund:
Comparative Balance Sheet..... 174
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual..... 175

Continued --

Sanitation Fund:	
Comparative Balance Sheet.....	176
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	177
Local Development Finance Authority Fund:	
Comparative Balance Sheet.....	178
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	179
Public Education Government (PEG) Fund:	
Comparative Balance Sheet.....	180
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	181
Drug Forfeiture Fund:	
Comparative Balance Sheet.....	182
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	183
Road Maintenance Fund:	
Comparative Balance Sheet.....	184
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	185
Road Safety Improvement Fund:	
Comparative Balance Sheet.....	186
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	187
Criminal Justice Training Fund:	
Comparative Balance Sheet.....	188
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	189
Opioid Settlement Fund:	
Comparative Balance Sheet.....	190
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	191
Senior Services Fund:	
Comparative Balance Sheet.....	192
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	193
Lakeview Arena Fund:	
Comparative Balance Sheet.....	194
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	195
Non-Major Debt Service Funds:	
Combining Balance Sheet.....	196
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance.....	197
High Street - Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	198
2013 Capital Improvements - Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	199

Continued --

2014 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	200
2015 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	201
2016 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	202
2017 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	203
2018 Capital Improvements & MTF - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	204
2019 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	205
2020 Capital Improvements & MTF - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	206
2021 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	207
2022 Capital Improvements - Debt Service Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.....	208
Cemetery Fund - Permanent Fund: Comparative Balance Sheet.....	210
Schedule of Revenues, Expenditures and Changes in Fund Balance.....	211
ENTERPRISE FUNDS:	
Major Enterprise Funds:	
Water Supply Fund:	
Comparative Statement of Net Position.....	214
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	215
Sewage Disposal Fund:	
Comparative Statement of Net Position.....	216
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	217
Stormwater Utility Fund:	
Comparative Statement of Net Position.....	218
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	219
Non-Major Enterprise Funds:	
Combining Statement of Net Position.....	220
Combining Schedule of Revenues, Expenses and Changes in Net Position.....	221
Combining Statement of Cash Flows.....	223

Continued --

Tourist Park Fund:	
Comparative Statement of Net Position.....	224
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	225
Lakeshore and Lighthouse Park Fund:	
Comparative Statement of Net Position.....	226
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	227
Fuel System Fund:	
Comparative Statement of Net Position.....	228
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	229
Marinas Fund:	
Comparative Statement of Net Position.....	230
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	231
INTERNAL SERVICE FUNDS:	
Combining Statement of Net Position.....	234
Combining Statement of Revenues, Expenses and Changes in Net Position.....	235
Combining Statement of Cash Flows.....	237
Technology Services Fund:	
Comparative Statement of Net Position.....	238
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	239
Municipal Service Center Fund:	
Comparative Statement of Net Position.....	240
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	241
Motor Vehicle Equipment Fund:	
Comparative Statement of Net Position.....	242
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	243
Energy Enhancements Fund:	
Comparative Statement of Net Position.....	244
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	245
FIDUCIARY FUNDS:	
Fire - Police Retirement System Pension Trust Fund:	
Comparative Statement of Plan Net Position.....	248
Custodial Fund:	
Comparative Statement of Fiduciary Net Position.....	249
CAPITAL ASSET SCHEDULES:	
Schedule of Capital Assets Used in the Operation of Governmental Funds - By Source.....	252
Schedule of Changes in Capital Assets Used in the Operation of Governmental Funds - By Function and Activity.....	253
Schedule of Capital Assets Used in the Operation of Governmental Funds - By Function and Activity.....	254
LONG-TERM DEBT SCHEDULES:	
Schedule of Bonds and Notes Payable - Enterprise Funds.....	256

Continued --

COMPONENT UNITS:

Board of Light and Power Electric Utility:
Comparative Statement of Net Position..... 260
Schedule of Revenues, Expenses and Changes in Net Position..... 261
Statement of Cash Flows..... 263

Brownfield Redevelopment Authority:
Statement of Net Position..... 264
Statement of Activities..... 265
Governmental Funds Comparative Balance Sheet..... 266
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position..... 267
Governmental Funds Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance..... 268
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities..... 269

Non-Major Component Units:
Combining Statement of Net Position..... 270
Combining Statement of Activities..... 271

Non-Major Component Units - Downtown Development Authority:
Statement of Net Position..... 272
Statement of Activities..... 273
Governmental Funds Balance Sheet..... 274
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position..... 275
Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balance..... 276
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities..... 277

Non-Major Component Units - Peter White Public Library:
Statement of Net Position..... 278
Statement of Activities..... 279
Governmental Funds Balance Sheet..... 280
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position..... 281
Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balance..... 282
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities..... 283

SECTION 3 - STATISTICAL SECTION

Net Position / Net Assets by Component - Table 1..... 285

Changes in Net Position / Net Assets - Table 2..... 286

Fund Balances, Governmental Funds - Table 3..... 287

Changes in Fund Balances, Governmental Funds - Table 4..... 288

General Government Expenditures by Function - Table 5..... 289

General Revenues by Sources - Table 6..... 290

Assessed Value and Actual Value of Taxable Property - Table 7..... 291

Direct and Overlapping Property Tax Rates - Table 8..... 292

Principal Property Tax Payers - Table 9..... 293

Property Tax Levies and Collections - Table 10..... 294

Continued --

Ratios of Outstanding Debt by Type - Table 11.....	295
Ratios of General Bonded Debt Outstanding - Table 12.....	296
Direct and Overlapping Governmental Activities Debt - Table 13.....	297
Legal Debt Margin Information - Table 14.....	298
Pledged-Revenue Coverage - Table 15.....	299
Demographic and Economic Statistics - Table 16.....	300
Principal Employers - Table 17.....	301
Full-Time Equivalent City Government Employees by Function/Program - Table 18.....	302
Operating Indicators by Function/Program - Table 19.....	303
Capital Asset Statistics by Function/Program - Table 20.....	304
COMPLIANCE SUPPLEMENT	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	307

March 28, 2025



To the Honorable Mayor, Members of the City Commission and
Citizens of the City of Marquette, Michigan

The Annual Comprehensive Financial Report (ACFR) of the City of Marquette, Michigan for the year ended September 30, 2024, is submitted in accordance with State and Federal statutes and Section 7 of the City Charter. The statutes and the City Charter require that the City of Marquette, Michigan issue an annual report of its financial position and activity and that the report be audited by an independent firm of certified public accountants. This Annual Comprehensive Financial Report is published to fulfill that requirement.

This report consists of management's representations concerning the finances of the City of Marquette, Michigan. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Anderson Tackman & Co. CPAs, have issued an unmodified ("clean") opinion of the City of Marquette's financial statements for the year ended September 30, 2023. Their independent auditor's report is located at the front of the financial section of this Annual Comprehensive Financial Report.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Marquette was founded in 1849, incorporated as a village in 1859, and as a city in 1871 under the provision of Act 279, PS 1909, as amended (Home Rule City Act). The City is the county seat of Marquette County and is the largest community in Michigan's Upper Peninsula.

The City is organized under the Commission-Manager form of government. The Commission consists of seven members, elected at large, who are residents of the City and qualified to vote under the constitution and laws of the State of Michigan. The members of the Commission are elected to serve staggered terms of three years with a maximum of six consecutive years. The Mayor and Mayor Pro-Tem of the City are elected annually by Commission members. The

Commission appoints the City Manager and the City Attorney. All other administrative appointments are the responsibility of the City Manager.

The City is responsible for managing and financing many of the services for its citizens. The service areas include Community Services, Financial Services, Safety Services, and Public Services. The City provides a full range of services including: police, fire, the construction and maintenance of streets and other infrastructure, refuse collection, recycling collection, recreation, senior services, public improvements, planning and zoning, and general administrative services.

In addition, the City operates other business-like operations for water utilities, sewage disposal utilities, marina services, stormwater maintenance, and park services. These services are financed through user-fees and are reported and managed through enterprise funds. City enterprises are expected to operate without substantial General Fund subsidies. Their performance is measured at year-end in the terms of positive or negative funding generated.

The annual budget serves as a foundation for the City's financial planning and control. The City Charter requires that the proposed budget be presented to the City Commission for review at the second July Commission meeting. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The budget is prepared by fund and department function. However, the legally adopted budget is at the fund level. Therefore, expenditures may not legally exceed budget appropriations at the fund level.

The City of Marquette has adopted financial policies that guide the City in its financial management practices. The City takes these policies into account in preparation of the annual budget and in review the budget status of each fund during the year. The City's Fund Balance Policy was adopted by the Commission in 2010. It specifies that the City's General Fund should be managed in such a way that the unrestricted fund balance be no less than 16% of the General Fund's adopted expenditures, and no greater than 49% of the General Fund's adopted expenditures.

Economic Condition and Outlook

Financial Trends

Marquette is located along the southern shore of Lake Superior and it is a nationally recognized destination for recreational trails during the non-winter months and for downhill skiing, cross-country skiing, and snow-biking in the winter months. The City is primarily residential and commercial, accounting for 58% and 39%, respectively, of the City's total taxable value. Marquette is home to Northern Michigan University, which has an enrollment of about 7,000 students.

In April 2019, one of the City's largest taxpayers retired its operating facility which resulted in a significant loss of annual revenues. In the preceding years in anticipation of this closure, City budgets had built up reserves within its fund balance to ensure that Marquette maintained budget flexibility to withstand the revenue decline. The use of these reserves was utilized in order to maintain City services in the years following the facility's closure. In fiscal year 2021, the City returned to a general fund surplus after two consecutive deficits through efforts that reduced expenditures and through the benefits of additional federally aided revenues.

Together, those dynamics helped to stabilize revenues allowing the City to adjust its millage rates to provide increased funding for existing services.

Long-term Financial Planning

The City Commission and the City Manager are committing to strategies designed to ensure the long-term financial health of the City. Capital improvement budgets are reduced to maintenance-type projects and to completing existing capital projects still under construction. New capital projects will be considered if there is an appropriate revenue source to offset the costs. This revenue offset cannot include the issuance of debt as the City is also seeking to reduce its currently outstanding debts and to establish a reserve fund for its future capital needs.

Budgets are developed with cautious revenue and expenditure assumptions, using a zero-based budgeting approach that uses three-to-six years of historical data to forecast as well as the use of outside sources of information to forecast trends. The City expects to intentionally draw down on its fund balance reserves in the upcoming fiscal years in order to provide funding for capital improvement projects and maintenance of existing capital assets.

Relevant Financial Policies

The City adheres to several financial management policies governing debt, investments, fund balance, pension funding, other post-employment benefits funding, and capital improvements. These policies demonstrate a commitment to maintaining adequate reserves for necessary financial stability and long-term financial planning.

Major Initiatives

The accomplishments for fiscal year 2024 closely aligned with priorities listed in the City's current Strategic Plan. Such focus is directed toward economic development, climate change, housing and transportation, essential services, and City-owned facilities and infrastructure. Although the capital improvement projects undertaken in fiscal year 2024 do not illustrate a one-to-one correlation to these foci, the City undertook increased efforts to ensure that policies are in place to ensure it is prepared for new developments.

The major themes guiding City projects in fiscal year 2024 continued to be:

- Infrastructure repairs, maintenance, replacement, and improvements
- Collaboration with regional partners to overcome barriers to economic growth
- Maintaining a continuity of service during a period of rising costs
- Focus on budget stabilization
- Debt management

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marquette for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This is the 38th consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both

generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Financial Services Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the City Commission for their support in maintaining the highest standards of professionalism in the management of the City of Marquette's finances.

Respectfully submitted,



Karen Kovacs
City Manager



Mary Schlicht
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Marquette
Michigan**

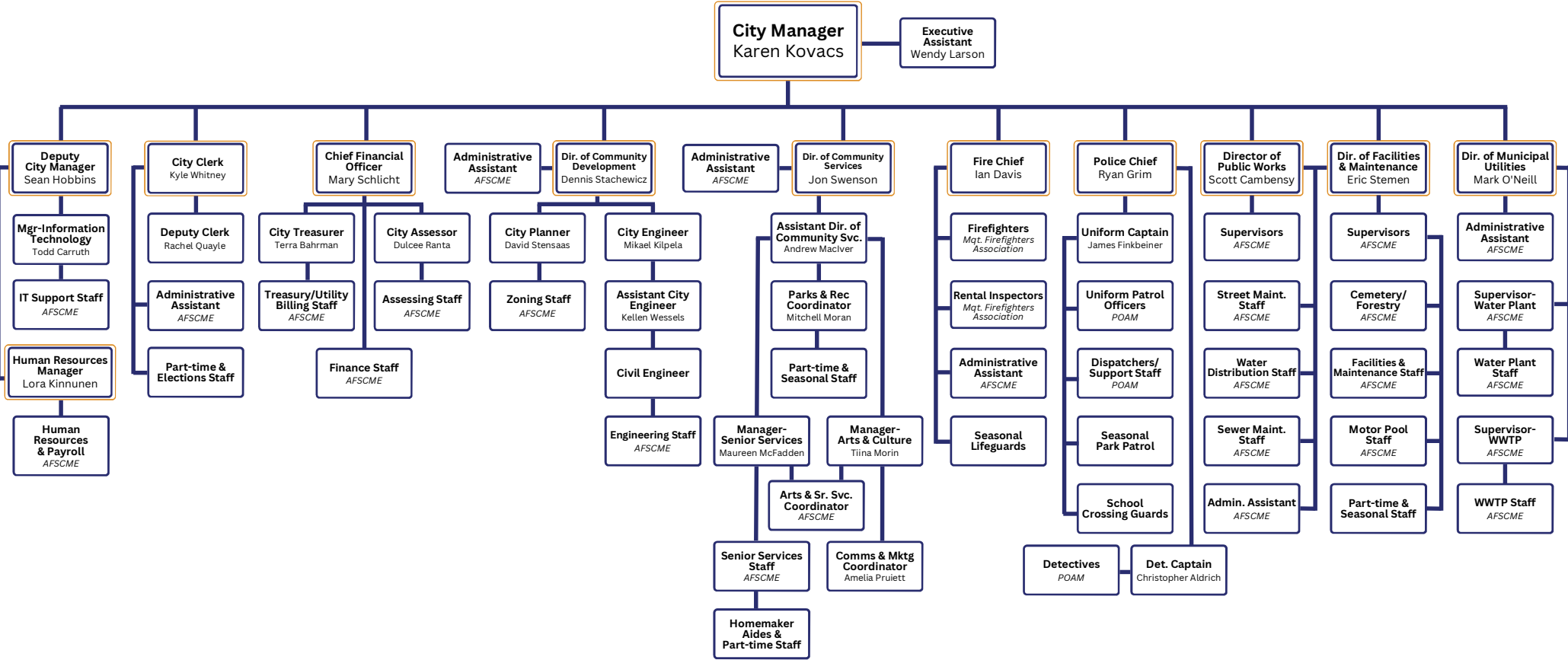
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF MARQUETTE



**CITY OF MARQUETTE, MICHIGAN
ADMINISTRATIVE STAFF**

CITY MANAGER

Karen Kovacs

EXECUTIVE ASSISTANT

Wendy Larson

CITY ATTORNEY

Suzanne Larsen

CHIEF FINANCIAL OFFICER

Mary Schlicht

DEPUTY CITY MANAGER

Sean Hobbins

Information Services Division

Todd Carruth

Human Resources Division

Lora Kinnunen

CITY CLERK

Kyle Whitney

DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

Dennis Stachewicz

Engineering Division

Mikael Kilpela

Kellen Wessels

Planning & Zoning Division

David Stensaas

DIRECTOR OF COMMUNITY SERVICES

Jon Swenson

Parks & Recreation Division

Andrew MacIver

Mitch Moran

Arts & Culture

Tiina Morin

DIRECTOR OF PUBLIC WORKS

Scott Cambensy

DIRECTOR OF FACILITIES AND MAINTENANCE

Eric Stemen

DIRECTOR OF MUNICIPAL UTILITIES

Mark O'Neill

FIRE CHIEF

Ian Davis

POLICE CHIEF

Ryan Grim



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Marquette, Michigan (the City), as of and for the year ended September 30, 2024, 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Board of Light and Power, which represent 87 percent, 88 percent, and 88 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of September 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Light and Power, is based solely on the report of the other auditors.

Basis for Opinions

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

Error Correction

As described in Note AA to the financial statements, in 2024 the City discovered an error in reporting the adjustment for the Sewage Disposal Fund's operating gain for the Marquette Area Wastewater Treatment Facility's 2023 operations. In accordance with Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, which provides guidance for accounting and financial reporting for error corrections the City has presented the correction retroactively by restating beginning net position as the City's government-wide financial statements only present a single period. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 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 and *Government 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Required Supplementary Information (as listed in the Table of Contents) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying individual major fund financial statements, combining and individual non-major fund financial statements, capital asset schedules, and long-term debt schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of the other auditors, the individual major fund financial statements, combining and individual non-major fund financial statements, capital asset schedules, and long-term debt

schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended September 30, 2023, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. We did not audit the financial statements of the Board of Light and Power, which represent 87 percent, 87 percent, and 86 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for component unit activities, is based solely on the report of the other auditors. The individual major fund financial statements and the individual non-major fund financial statements for the year ended September 30, 2023, 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 related directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the audit procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of the other auditors, the 2023 individual major fund financial statements and individual non-major fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant

agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 28, 2025

City of Marquette, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the City of Marquette, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the financial statements. Please refer to the table of contents for page numbers of these items.

FINANCIAL HIGHLIGHTS

- Net position for the City as a whole increased by \$8,741,639 as a result of this fiscal year's operations. Net position of our business-type activities increased by \$5,170,448 or 11.67%, and net position of our governmental activities increased by \$3,571,191 or 8.76%.
- During the year, the City had expenses for governmental activities that were \$20,379,380 more than the \$21,312,846 generated in program revenues.
- The City's business-type activities had expenses that were \$5,024,190 less than the \$20,599,676 generated in program revenues.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are also presented (see Table of Contents for page references). For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the City as a Whole

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's *net position* and changes in them. You can think of the City's net position - the difference between assets plus deferred outflows, and liabilities plus deferred inflows - as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's patron base and the condition of the City's capital assets, to assess the *overall financial health* of the City.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

In the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- *Governmental activities* – Most of the City's basic services are reported here, including the police, fire, public works and parks departments, and general administration. Property taxes, charges for services, and state sources fund most of these activities.
- *Business-type activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water system, sewer system, stormwater, marinas, lakeshore and lighthouse park, fuel system, and recreational park activities are reported here.
- *Component units* – The City includes four separate legal entities in its report – the Board of Light and Power, the Peter White Public Library, the Downtown Development Authority, and the Brownfield Redevelopment Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds follows. The fund financial statements (see Table of Contents for page references) provide detailed information on the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Commission establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using taxes, grants, and other money. The City's two kinds of funds - *governmental* and *proprietary* - use different accounting approaches.

- *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and Statement of Activities) and governmental *funds* in a reconciliation that follows the fund financial statements.
- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities – such as the Motor Vehicle Equipment Fund.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

The City as Trustee

The City is the trustee, or fiduciary, for its Fire-Police Retirement System pension plan. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiaries. All of the City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position (see Table of Contents for page references). We exclude these activities from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The City as a Whole

Table 1 provides a summary of the City’s net position as of September 30, 2024, and 2023.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 43,661,107	\$ 41,936,698	\$ 19,049,256	\$ 18,230,791	\$ 62,710,363	\$ 60,167,489
Capital assets, net	89,521,843	90,944,602	62,316,456	61,268,364	151,838,299	152,212,966
Total Assets	133,182,950	132,881,300	81,365,712	79,499,155	214,548,662	212,380,455
Deferred outflows of resources	8,806,956	11,760,715	758,502	1,311,724	9,565,458	13,072,439
Current liabilities	5,487,092	5,917,529	5,805,757	4,764,324	11,292,849	10,681,853
Noncurrent liabilities	71,819,149	81,133,300	26,571,645	30,794,117	98,390,794	111,927,417
Total Liabilities	77,306,241	87,050,829	32,377,402	35,558,441	109,683,643	122,609,270
Deferred inflows of resources	20,371,263	16,849,975	264,901	156,677	20,636,164	17,006,652
Net Position:						
Net investment in capital assets	52,228,067	51,784,839	44,219,146	40,643,301	96,447,213	92,428,140
Restricted	7,282,893	1,822,160	5,736,185	7,241,711	13,019,078	9,063,871
Unrestricted	(15,198,558)	(12,865,788)	(473,420)	(2,789,251)	(15,671,978)	(15,655,039)
Total Net Position	\$ 44,312,402	\$ 40,741,211	\$ 49,481,911	\$ 45,095,761	\$ 93,794,313	\$ 85,836,972

Net position of the City’s governmental activities stood at \$44,312,402. *Unrestricted* net position—the part of net position that could be used to finance day-to-day activities without constraints established by debt covenants, enabling legislation, or other legal requirements stood at \$(15,198,558).

The \$(15,198,558) in unrestricted net position of governmental activities represents the accumulated results of all past years’ operations. The operating results of the General Fund will have a significant impact on the change in unassigned net position from year to year.

The net position of our business-type activities stood at \$49,481,911. The City can generally only use the net position to finance continuing operations of the water and sewer and other enterprise operations.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

The results of this year’s operations for the City, as a whole, are reported in the Statement of Activities (see Table 2), which shows the changes in net position for fiscal years 2024 and 2023.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 9,185,165	\$ 5,818,017	\$ 19,547,792	\$ 18,619,098	\$ 28,732,957	\$ 24,437,115
Operating grants and contributions	5,174,566	5,426,755	-	-	5,174,566	5,426,755
Capital grants and contributions	6,953,115	3,719,210	1,051,884	602,408	8,004,999	4,321,618
General revenues:						
Property taxes	18,997,582	17,730,927	-	-	18,997,582	17,730,927
Unrestricted State sources	3,430,604	3,497,344	-	-	3,430,604	3,497,344
Investment earnings	814,571	599,163	324,786	210,071	1,139,357	809,234
Sale of capital assets	123,870	89	-	-	123,870	89
Miscellaneous	322,630	164,876	82,786	1,595,459	405,416	1,760,335
Total Revenues	<u>45,002,103</u>	<u>36,956,381</u>	<u>21,007,248</u>	<u>21,027,036</u>	<u>66,009,351</u>	<u>57,983,417</u>
Program Expenses:						
General government	3,579,486	3,674,632	-	-	3,579,486	3,674,632
Public health and safety	10,278,769	11,066,285	-	-	10,278,769	11,066,285
Public works	13,961,657	14,901,635	406,759	527,615	14,368,416	15,429,250
Health and welfare	969,614	994,869	-	-	969,614	994,869
Community and economic development	2,644,529	2,144,595	-	-	2,644,529	2,144,595
Recreation and culture	6,929,851	1,822,942	1,037,062	991,532	7,966,913	2,814,474
Interest on long-term debt	504,516	592,967	-	-	504,516	592,967
Depreciation - unallocated	2,823,804	2,537,811	-	-	2,823,804	2,537,811
Water supply	-	-	5,545,413	5,569,245	5,545,413	5,569,245
Sewage disposal	-	-	6,774,472	5,868,055	6,774,472	5,868,055
Stormwater utility	-	-	1,811,780	1,838,447	1,811,780	1,838,447
Total Expenses	<u>41,692,226</u>	<u>37,735,736</u>	<u>15,575,486</u>	<u>14,794,894</u>	<u>57,267,712</u>	<u>52,530,630</u>
Excess (deficiency) before transfers	3,309,877	(779,355)	5,431,762	6,232,142	8,741,639	5,452,787
Transfers	261,314	172,217	(261,314)	(172,217)	-	-
Increase (decrease) in net position	3,571,191	(607,138)	5,170,448	6,059,925	8,741,639	5,452,787
Net position, beginning, as restated	<u>40,741,211</u>	<u>41,348,349</u>	<u>44,311,463</u>	<u>39,035,836</u>	<u>85,052,674</u>	<u>80,384,185</u>
Net Position, Ending	<u>\$ 44,312,402</u>	<u>\$ 40,741,211</u>	<u>\$ 49,481,911</u>	<u>\$ 45,095,761</u>	<u>\$ 93,794,313</u>	<u>\$ 85,836,972</u>

The City’s total revenues were \$66,009,351. The total cost of all programs and services was \$57,267,712 leaving an increase in net position of \$8,741,639. Our analysis below separately considers the operations of governmental and business-type activities:

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Governmental Activities – Analysis of Individual Funds:

General Fund

The General Fund has several sources of revenue which are discussed below:

Property Taxes:

- Property Taxes are the biggest source of revenue in the General Fund. These taxes are based on taxable values (TV) of property as of December 31 of each year. The tax millage rate as set by the City Commission during the budget process is then applied to TV.
- Property Taxes are impacted by Proposal A, which caps annual taxable value increases to the lesser of inflation or 5%. Values are uncapped when the property is sold. The uncapped value is represented by State Equalized Value (SEV). In fiscal year 2024, inflation was greater than 5% so taxable values also increased 5% which contributed to the increase in property tax revenues.
- The City Assessor sets TV and SEV as of December 31 of each year. Property owners can appeal these values by utilizing the City’s Board of Review and further appeal by utilizing the State Tax Tribunal.

Payments in Lieu of Taxes (PILT):

- This revenue source is comprised of asset valuations of the City owned utilities of the Marquette Area Wastewater Treatment Facility and the City’s Water and Sewer Utilities and applying the approved tax millage rate.
- Also included is 5.5% of the operating revenues of the Marquette Board of Light and Power.
- The City also has PILT arrangements with low-income housing units. These units are exempt from property taxes but utilize a formula set by the Federal Government to help pay for City services provided to these units. The use of this formula does not increase rents paid by each property’s residents.

Federal and State Grants:

- Grant revenues vary from year to year based on eligibility and availability of funds from outside agencies. State grants decreased in fiscal year 2024 as the Protect Michigan Pension Grant was recognized in the previous fiscal year. The Port Infrastructure Grant is just starting in fiscal year 2024.

State Shared Revenue:

- State Shared Revenues are comprised of Sales & Use Tax, Liquor License fees, and Fire Protection of State Facilities. Each of these components is distributed based upon formulas set by the State and the amount of money appropriated for each purpose by the State.
- Sales & Use Tax is largely dependent upon overall economic conditions in the State; Liquor License fees are based upon the number of licenses issued; and, Fire Protection of State Facilities is based upon the estimated SEV of State facilities located within the City, such as the prison, university, and various other State facilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

- There are two components to Sales & Use Tax distributions – Constitutional and Statutory. Constitutional, as the name suggests, is set in the State Constitution and would require a vote by the people of the State in order to change. Statutory, on the other hand, is subject to formula and appropriation by the State legislature.
- Additionally, statutory revenue sharing distributions are subject to participation in the City, Village, and Township Revenue Sharing (CVTRS) program. This program requires the City to publish a Citizen's Guide and Performance Dashboard by December 1 of each year. Currently, by participating in this program and conforming to its guidelines, the City receives approximately \$430,000 per year.

Other Revenue Sources:

- Service/Use/Sales/Rental fees: These revenues are based upon a Fee Schedule adopted by the City Commission each year during the budget process and are dependent upon the amount of services requested and provided.
- Fines and Forfeits: This revenue source is comprised of Civil Infraction fines and parking tickets.
- Sale of Capital Assets: Revenues in this classification are variable from year to year based on the availability of surplus assets the City may sell.
- Investment Income: This source is dependent upon the amount of investable cash and interest rates. The City must also comply with GASB's fair value accounting rules for investments. Due to the unpredictability of this revenue, no budget is adopted for this revenue source and variances in performance from year to year are to be expected.
- Other Revenue: The largest component of this revenue source relates to a contractual agreement with regional education, and for various services provided at special events held within the City.

General Fund expenditures are grouped by function, following the State of Michigan's Uniform Chart of Accounts for Local Units of Government, as discussed below:

- General Government is comprised of the offices of the City Commission, City Manager, Finance, City Clerk, Treasurer, Assessing, Elections, Building and Grounds, City Attorney, Human Resources, and other administrative functions.
- Public Health and Safety is comprised of the Police and Fire Departments, Rental Inspector, and Waterfront Safety.
- Public Works is comprised of Public Works Maintenance, Engineering, and Cemetery.
- Community and Economic Development is comprised of Planning and Zoning.
- Recreation and Culture is comprised of Parks and Recreation Administration, and Arts and Culture.
- Net Other Financing Uses include financing activities and transfers between the City's various Funds. The General Fund typically makes transfers to balance other Funds, such as the Street Funds, Lakeview Arena, and payments made by Debt Service Funds.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

In all functions, wages and fringe benefits are set by negotiated labor agreements for those staff covered by Labor Unions. For those staff not covered by Labor Unions, wages and fringe benefits are set by the City Commission during the budget process. Required pension plan payments are made in accordance with an annual actuarial study.

Street Funds

The Street Funds are divided between Major and Local and the largest revenue sources are received from the State’s Act 51 Gas & Weight Tax and transfers from the City’s General Fund.

Gas & Weight Tax is distributed based on formulas and the amount of money appropriated by the State. In addition, Gas & Weight Tax is dependent upon how much gas is bought at the pump throughout the State.

Another portion of Act 51 is the Winter Maintenance (Snow) allocation made by the State. Again, this source is based upon a formula and appropriated amounts by the State each year. This revenue source can vary greatly from year to year and is largely dependent upon a rolling average of annual snowfall and the cost of removing the snow for traffic purposes.

Because Act 51 revenues do not fully cover the cost of expenditures in the Major and Local Street Funds, transfers from the General Fund are usually required each year to “balance out” the activities of both Funds.

Expenditures in the Street Funds are classified according to the functions of Routine Maintenance, Winter Maintenance, State Trunkline, Construction, and Administration. Each of these functions can vary from year to year and is largely dependent upon the amount of annual snowfall and construction.

Construction Fund

Revenues and expenditures are recorded in the fund for capital project activities that will span more than one fiscal year. Current projects in this fund include the construction of a playground, a demolition project to create space for residential and multi-use developments, engineering and design services for a cultural center / trailhead and bandshell replacement, and a reserve of funds for the reconstruction of a trucking corridor.

Other Governmental Activity Funds

Public Art Fund: Beginning in fiscal year 2018, the General Fund contributes \$30,000 per year which is indexed for inflation each year thereafter. The expenditures are part of the City’s public art initiative as set forth according to local ordinance.

Sanitation Fund: Use fees are the biggest revenue source to cover expenditures related to recycling, trash collection services, and landfill usage. Recycling and trash collection services are based upon contracts for these services which are then billed out to residents on a monthly basis as part of their utility bill. Landfill usage is based on the number of permits sold for landfill disposal. The fee collected is then passed on to the County Landfill Authority as the City is only a pass-thru agent in this regard. These revenues, and corresponding expenditures, are variable from year to year based on the permitted landfill activity during the year.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Local Development Finance Authority (LDFA): Tax Increment Financing revenue is collected in accordance with LDFA Public 281 of 1986. This revenue is used to finance the City’s SmartZone initiative with the intent to create and maintain high-tech jobs and help provide a basis for local economic development.

Public Education Government (PEG) Fund: As part of the cable TV franchise agreement, revenue is set aside to cover the expenses for the City’s cable TV channel which broadcasts certain local public meetings and disseminates information to the public.

Drug Forfeiture Fund: Revenue sources are the result of seizure and forfeitures from drug enforcement action. Expenditures must be used for the enhancement of law enforcement efforts.

Road Maintenance and Safety Funds: An agreement with Eagle Mine provides for annual payments related to the maintenance and safety of roads that are utilized by the Mine’s trucking operations in the City.

Criminal Justice Training Fund: A grant from the State allows for ongoing training of the City’s Police Department personnel.

Senior Services Fund: In order to provide services to its senior citizens, the City has a dedicated tax millage and contracts with the State and County to provide certain services. Amounts will fluctuate based upon the agreed-upon services.

Lakeview Arena Fund: Use fees are the primary revenue source for the City’s ice arena along with a transfer from the General Fund. Amounts can vary from year to year based upon the amount of usage of the facility for ice hockey and skating. The facility is also used during out-of-season times to host special events. Parks and Recreation staff offices are located year-round at the arena.

Debt Service Funds: The City issues debt to fund various infrastructure construction and rehabilitation projects. Debt Service Funds are used to account for the cost of debt service for the Governmental Funds portion of such debt. Debt service for Non-Governmental Funds is accounted for in each specific fund.

Net Cost of Governmental Activity Funds

Table 3 presents the cost of each of the six largest programs – General Government, Public Health and Safety, Public Works, Highways and Streets, Sanitation, and Community Services – as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that each program placed on the City’s operation.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

**Table 3
Governmental Activities**

	Total Cost of Services	Net Cost of Services
General government	\$ 3,579,486	\$ 1,387,406
Public health and safety	10,278,769	9,967,187
Public works	13,961,657	(3,176,543)
Health and welfare	969,614	451,757
Community and economic development	2,644,529	2,540,634
Recreation and culture	6,929,851	5,880,619

Business-type Activities – Analysis of Individual Funds:

The City owns and operates three utilities: Water Supply, Sewage Disposal, and Stormwater. In addition, this category of Funds consists of Tourist Park, Lakeshore and Lighthouse Park, Fuel System, and Marinas.

Water Supply Fund: Water treatment and distribution are the services provided and use fees are charged. Revenues are largely dependent upon billable flows and the amount charged per 1,000 gallons (kgals). A recent study by an outside consulting firm has recommended 20.5% rate increases over a three-year period. The first 6.5% of this increase was implemented in fiscal year 2023 and will follow with 7.0% increases through fiscal year 2025. The main reason for these increases is due to this utility experiencing a period of declining billable flows resulting from conservation efforts by its customers. This has put pressure on the utility’s ability to provide the required services and build up needed reserves.

Sewage Disposal Fund: Use fees are charged for sewage disposal services and sanitary sewer operations. The billable amounts are based on kgal usage in the Water Supply Fund. This utility is experiencing the same issues as described in the Water Supply Fund and the outside consulting firm has recommended a 0% increase for the fiscal year 2023, which was implemented, and 4.0% per year for the years following.

Stormwater Fund: Maintenance and construction are the services provided and use fees are charged for the City’s stormwater management program. The outside consulting firm has recommended 48.5% rate increases for a three-year period. The first 20.0% of this increase was implemented in fiscal year 2023 and will follow with 14.25% annual increases through fiscal year 2025. Rates are charged based on property size.

Tourist Park Fund: This is a camping and recreational park owned and operated by the City. Use fees are charged and set during the budget process. Weather is the largest factor in fluctuations within this fund.

Lakeshore and Lighthouse Park Fund: The City completed a property swap with the United States Coast Guard and received a Lighthouse and other facilities as part of the swap. The City refurbished the former Coast Guard facilities and now generates rental income based on use. The City also has a revenue-sharing agreement with the Marquette Maritime Museum who provide tours of the Lighthouse facility and property. Fluctuations occur based on actual usage. In addition to this location, the City has also recently purchased another property along the lakeshore that it intends to refurbish into rental income generating.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Fuel System Fund: The City operates a fuel system depot for its fleet of vehicles and equipment and has agreements in place with other governmental entities so they can purchase fuel for their vehicles and equipment. Fluctuations will occur based on actual usage.

Marinas Fund: The City owns and operates two marinas and use fees are charged. Fees are set during the budget process and subject to confirmation by the State Waterways Commission. Fluctuations will occur based on actual usage.

THE CITY’S FUNDS

As the City completed the year, its governmental funds (as presented in the balance sheet, see table of contents for page reference) reported a *combined* fund balance of \$20,420,971, a decrease of \$(281,236) from the beginning of the year. The reasons for this decrease are discussed below.

General Fund Budgetary Highlights

The General Fund originally budgeted for a \$631,190 use of fund balance. During the year, adjustments were implemented that resulted in a use of \$1,519,735 to the General Fund’s fund balance for one-time capital asset acquisitions and contractual wage increases. Actual activity for fiscal year 2024 produced a contribution of \$497,402 to fund balance. This \$2,017,137 swing is due to an increase in property tax revenues, the revenues recorded in investment income, and actual expenditures coming in less than what was budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024, the City had \$151,838,299 invested in a variety of capital assets, including land and improvements, buildings and improvements, equipment, and infrastructure. (See Table 4 below)

**Table 4
Capital Assets at Year-End
(Net of Depreciation)**

	2024			Totals 2023
	Governmental Activities	Business-type Activities	Totals	
Land and construction in progress	\$ 15,819,596	\$ 2,971,244	\$ 18,790,840	\$ 14,592,743
Land improvements	8,880,243	4,301,085	13,181,328	10,744,101
Buildings and improvements	12,571,636	6,436,052	19,007,688	20,419,426
Furniture and equipment	4,695,638	1,464,862	6,160,500	5,154,518
Infrastructure	47,554,730	47,143,213	94,697,943	101,302,178
Totals	<u>\$ 89,521,843</u>	<u>\$ 62,316,456</u>	<u>\$ 151,838,299</u>	<u>\$ 152,212,966</u>

Further details on capital assets can be found in Note I.

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)

Debt

At year-end, the City had \$61,028,477 in bonds, notes and lease obligations outstanding as depicted in Table 5 below, which shows total bonded debt as of September 30, 2024.

**Table 5
Outstanding Debt at Year-End**

	2024			Totals 2023
	Governmental Activities	Business-type Activities	Totals	
General obligation bonds	\$ 13,085,763	\$ 22,751,170	\$ 35,808,954	\$ 41,681,300
Contracts and notes payable	24,109,219	1,082,325	25,219,523	25,396,194
Totals	<u>\$ 37,194,982</u>	<u>\$ 23,833,495</u>	<u>\$ 61,028,477</u>	<u>\$ 67,077,494</u>

General Obligation Bonds are those bonds that have the City’s taxing authority pledged as back-up (usually referred to as “Full (or Limited) Full Faith and Credit”).

Contracts and Notes Payable are those items not generally classified as bonds but are still considered to be debt (such as TELP, GASB 87 leases, GASB 96 IT Arrangements, and loans from State programs – Water and Sewer Revolving Loan Fund).

Further details on long-term debt can be found in Note F.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS

The City’s elected and appointed officials considered many factors when setting the fiscal year 2025 budget, including the global and national economies. Below are a few of these factors:

- State Revenue Sharing remains a budgetary concern, although recent trends are starting to show slight increases.
- The General Fund tax levy remained at 17.5604 mills for the 2025 fiscal year budget. Increases in tax revenues were based on taxable value changes over the previous year.
 - Taxable value is determined by the City Assessor as of December 31st of each year, using State approved methods and processes. Taxable value growth is capped, by the State constitution, at the lower of the rate of inflation or 5%. In the year when property sells, the taxable value is then allowed to be adjusted to reflect actual increases in taxable value and then the capping process starts all over again. There are several avenues for taxpayers to contest taxable values, namely the City’s Board of Review and the State tax tribunal process.
- The City is focused on stabilizing the General Fund’s unrestricted fund balance. A fund balance policy was approved in 2010 and continues to be at the forefront of budgetary planning. The policy uses benchmarks to ensure that adequate resources are available for maintaining services, while also identifying when it is appropriate to utilize those resources for capital needs.
- The City continues to look for economic development opportunities with the goal to create jobs, facilitate increased housing inventory, and increase the City’s tax base.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Financial Services Office at City of Marquette, 300 West Baraga, Marquette, Michigan, 49855. Additional information about the City may also be found on the City's website at www.marquettemi.gov.

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CITY OF MARQUETTE, MICHIGAN
BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide an overview of the City's financial position and the result of current year's operations and cash flows.

These Basic Financial Statements indicate the classes and funds displayed in subsequent sections of the report and present comprehensive data for assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, transfers, expenses or expenditures and cash flows of the City funds.

CITY OF MARQUETTE, MICHIGAN

STATEMENT OF NET POSITION

September 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 20,189,853	\$ 10,863,095	\$ 31,052,948	\$ 42,858,703
Investments	6,453,973	-	6,453,973	29,974,066
Receivables (net)	10,618,974	2,779,482	13,398,456	3,968,450
Inventory	204,684	97,315	301,999	3,656,054
Prepaid expenses and other assets	1,356,069	121,775	1,477,844	806,436
TOTAL CURRENT ASSETS	38,823,553	13,861,667	52,685,220	81,263,709
Non-current Assets:				
Restricted assets	1,223,723	474,461	1,698,184	12,738,551
Accrued Interest	-	-	-	9,902
Investment in UPPPA	-	-	-	6,718,339
Investment in joint venture	3,613,831	4,713,128	8,326,959	-
Leases receivable	-	-	-	-
Capital assets:				
Land and construction in progress	15,819,596	2,971,244	18,790,840	11,265,461
Other capital assets, net of depreciation	73,702,247	59,345,212	133,047,459	94,266,496
Total Capital Assets	89,521,843	62,316,456	151,838,299	105,531,957
TOTAL NON-CURRENT ASSETS	94,359,397	67,504,045	161,863,442	124,998,749
TOTAL ASSETS	133,182,950	81,365,712	214,548,662	206,262,458
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	32,806	67,759	100,565	-
Deferred amounts related to pension	8,742,174	690,743	9,432,917	2,795,491
Employer contributions subsequent to measurement date	-	-	-	1,464,540
Deferred amounts related to OPEB	31,976	-	31,976	1,750,141
Receivables for developer obligations	-	-	-	64,662,956
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,806,956	758,502	9,565,458	70,673,128
LIABILITIES				
Current Liabilities:				
Cash overdraft	-	-	-	-
Accounts payable	1,020,424	2,179,644	3,200,068	2,063,706
Accrued wages payable	273,242	47,052	320,294	-
Accrued liabilities	383,730	340,642	724,372	469,905
Compensated absences	720,470	-	720,470	1,313,429
Customer deposits payable	52,304	15,475	67,779	2,009,048
Due to primary government	-	-	-	9,977
Grants received in advance	-	-	-	-
Current portion of bonds payable	1,714,824	3,222,944	4,937,768	1,383,000
Current portion of contracts and notes payable	1,322,098	-	1,322,098	-
Current maturities on revenue bonds	-	-	-	3,195,000
Other current liabilities	-	-	-	1,644,291
TOTAL CURRENT LIABILITIES	5,487,092	5,805,757	11,292,849	12,088,356
Non-current Liabilities:				
Compensated absences	1,202,036	327,156	1,529,192	67,548
Other post-employment benefits (OPEB) liability (asset)	1,873,205	107,305	1,980,510	(926,490)
Net pension liability	34,585,848	5,256,868	39,842,716	12,002,216
Bonds payable	11,370,939	19,750,986	31,121,925	88,817,551
Long-term contracts and notes payable	22,787,121	1,129,330	23,916,451	28,420,407
Other	-	-	-	59,595
TOTAL NON-CURRENT LIABILITIES	71,819,149	26,571,645	98,390,794	128,440,827
TOTAL LIABILITIES	77,306,241	32,377,402	109,683,643	140,529,183
DEFERRED INFLOWS OF RESOURCES				
Taxes levied for a subsequent period	12,098,288	-	12,098,288	6,854,407
Special assessments	-	4,682	4,682	-
Deferred amounts related to leases	-	-	-	26,952
Deferred amounts related to OPEB	716,929	39,237	756,166	4,023,102
Deferred amounts related to pension	7,556,046	220,982	7,777,028	266,712
TOTAL DEFERRED INFLOWS OF RESOURCES	20,371,263	264,901	20,636,164	11,171,173
NET POSITION				
Net investment in capital assets	52,228,067	44,219,146	96,447,213	47,246,663
Restricted for:				
Debt services	-	-	-	-
Capital outlay	5,617,136	5,736,185	11,353,321	-
Nonexpendable	1,022,429	-	1,022,429	-
Other activities:				
Board of Light and Power	-	-	-	10,317,179
Brownfield Redevelopment Authority	-	-	-	-
Non-major special revenues	643,328	-	643,328	-
Non-major component units	-	-	-	2,268,843
Unrestricted	(15,198,558)	(473,420)	(15,671,978)	65,402,545
TOTAL NET POSITION	\$ 44,312,402	\$ 49,481,911	\$ 93,794,313	\$ 125,235,230

CITY OF MARQUETTE, MICHIGAN

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024

Function / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 3,579,486	\$ 1,373,337	\$ 818,743	\$ -	\$ (1,387,406)	\$ -	\$ (1,387,406)	\$ -
Public health and safety	10,278,769	96,740	214,842	-	(9,967,187)	-	(9,967,187)	-
Public works	13,961,657	6,717,106	3,527,264	6,893,830	3,176,543	-	3,176,543	-
Health and welfare	969,614	-	517,857	-	(451,757)	-	(451,757)	-
Community and economic development	2,644,529	81,395	22,500	-	(2,540,634)	-	(2,540,634)	-
Recreation and culture	6,929,851	916,587	73,360	59,285	(5,880,619)	-	(5,880,619)	-
Interest on long-term debt	504,516	-	-	-	(504,516)	-	(504,516)	-
Depreciation - unallocated	2,823,804	-	-	-	(2,823,804)	-	(2,823,804)	-
Total Governmental Activities	41,692,226	9,185,165	5,174,566	6,953,115	(20,379,380)	-	(20,379,380)	-
Business-Type Activities:								
Water supply	5,545,413	6,690,635	-	245,084	-	1,390,306	1,390,306	-
Sewage disposal	6,774,472	8,403,105	-	-	-	1,628,633	1,628,633	-
Stormwater utility	1,811,780	2,731,238	-	806,800	-	1,726,258	1,726,258	-
Public works	406,759	400,329	-	-	-	(6,430)	(6,430)	-
Recreation and culture	1,037,062	1,322,485	-	-	-	285,423	285,423	-
Total Business-Type Activities	15,575,486	19,547,792	-	1,051,884	-	5,024,190	5,024,190	-
TOTAL PRIMARY GOVERNMENT	\$ 57,267,712	\$ 28,732,957	\$ 5,174,566	\$ 8,004,999	(20,379,380)	5,024,190	(15,355,190)	-
Component Units:								
Board of Light and Power	\$ 35,830,520	\$ 42,280,538	\$ -	\$ 300,101	-	-	-	6,750,119
Brownfield Redevelopment Authority	1,851,765	-	54,411	-	-	-	-	(1,797,354)
Non-Major Component Units	4,429,819	746,713	1,283,496	-	-	-	-	(2,399,610)
TOTAL COMPONENT UNITS	\$ 42,112,104	\$ 43,027,251	\$ 1,337,907	\$ 300,101	-	-	-	2,553,155
General Revenues:								
Taxes:								
Taxes					15,193,980	-	15,193,980	3,468,071
Payment in lieu of taxes					3,803,602	-	3,803,602	-
Unrestricted State sources					3,430,604	-	3,430,604	-
Interest and investment earnings					814,571	324,786	1,139,357	4,210,058
Gain on sale of capital assets					123,870	-	123,870	78,949
Miscellaneous					322,630	82,786	405,416	508,775
Transfers					261,314	(261,314)	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					23,950,571	146,258	24,096,829	8,265,853
CHANGE IN NET POSITION					3,571,191	5,170,448	8,741,639	10,819,008
Net position, beginning of year, as restated					40,741,211	44,311,463	85,052,674	114,416,222
NET POSITION, END OF YEAR	\$ 44,312,402	\$ 49,481,911	\$ 93,794,313	\$ 125,235,230				

CITY OF MARQUETTE, MICHIGAN

GOVERNMENTAL FUNDS

BALANCE SHEET

September 30, 2024

	General Fund	Major Street and Trunkline Fund	Local Street Fund	Construction Fund	Other Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 5,146,478	\$ 1,777,299	\$ 299,860	\$ 2,382,565	\$ 7,227,178	\$ 16,833,380
Investments	5,896,946	-	-	-	557,027	6,453,973
Taxes receivable, net	869,085	-	-	-	14,993	884,078
Accounts receivable	287,458	-	-	-	264,641	552,099
Due from other authorities	6,611,465	-	-	1,167,575	-	7,779,040
Due from other funds	-	-	-	-	-	-
Due from other governments	568,655	340,260	119,048	300,000	46,428	1,374,391
Inventories	204,684	-	-	-	-	204,684
Prepaid expenditures	352,295	-	-	-	32,064	384,359
TOTAL ASSETS	19,937,066	2,117,559	418,908	3,850,140	8,142,331	34,466,004
DEFERRED OUTFLOWS OR RESOURCES						
	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 19,937,066	\$ 2,117,559	\$ 418,908	\$ 3,850,140	\$ 8,142,331	\$ 34,466,004
LIABILITIES						
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	241,483	279,591	111,612	24,262	261,750	918,698
Accrued wages payable	222,872	4,974	8,914	-	18,427	255,187
Accrued compensated absences	718,472	-	-	-	1,998	720,470
Due to other funds	-	-	-	-	-	-
Due to other governments	86	-	-	-	-	86
Due to other authorities	-	-	-	-	-	-
Customer deposits payable	52,304	-	-	-	-	52,304
Unearned revenue	-	-	-	-	-	-
TOTAL LIABILITIES	1,235,217	284,565	120,526	24,262	282,175	1,946,745
DEFERRED INFLOWS OR RESOURCES						
Taxes levied for a subsequent period	9,862,900	-	-	-	2,235,388	12,098,288
Special assessments	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	9,862,900	-	-	-	2,235,388	12,098,288
FUND BALANCE						
Non-spendable	556,979	-	-	-	1,054,493	1,611,472
Restricted	-	1,832,994	298,382	-	3,300,007	5,431,383
Committed	-	-	-	-	32,538	32,538
Assigned	32,438	-	-	3,825,878	1,237,730	5,096,046
Unassigned	8,249,532	-	-	-	-	8,249,532
TOTAL FUND BALANCE	8,838,949	1,832,994	298,382	3,825,878	5,624,768	20,420,971
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 19,937,066	\$ 2,117,559	\$ 418,908	\$ 3,850,140	\$ 8,142,331	\$ 34,466,004

CITY OF MARQUETTE, MICHIGAN

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

September 30, 2024

Total Fund Balances for Governmental Funds \$ 20,420,971

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities and investments in joint ventures are not financial resources and therefore are not reported in the funds (includes capital assets of internal service funds).

93,135,674

Internal service funds are used by management to charge the costs of certain activities, such as the purchase and maintenance of equipment and vehicles and the operation of the Municipal Service Center, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, net of capital assets.

Current assets	\$ 4,357,635	
Restricted assets	1,223,723	
Current liabilities	<u>(119,781)</u>	
		5,461,577

Net pension liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds (includes amounts related to internal service funds).

Net pension liability - MERS	22,222,871	
Net pension liability - Fire/Police Retirement System	12,362,977	
Deferred (outflows) of resources related to net pension liability	(8,742,174)	
Employer contributions subsequent to measurement date	-	
Deferred inflows of resources related to net pension liability	<u>7,556,046</u>	
		(33,399,720)

Net OPEB liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds (includes amounts related to internal service funds).

Other post-employment benefits	1,873,205	
Deferred (outflows) related to other post-employment benefits	(31,976)	
Deferred inflows related to other post-employment benefits	<u>716,929</u>	
		(2,558,158)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (includes amounts related to internal service funds).

Current portion of bonds payable	\$ 1,714,824	
Current portion of notes and contracts payable	1,322,098	
Accrued interest on bonds	383,730	
Compensated absences	1,202,036	
Bonds payable	11,338,133	
Long-term contracts and notes payable	<u>22,787,121</u>	
		<u>(38,747,942)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 44,312,402

CITY OF MARQUETTE, MICHIGAN

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

	General Fund	Major Street and Trunkline Fund	Local Street Fund	Construction Fund	Other Governmental Funds	Total
REVENUES:						
Taxes and penalties	\$ 13,038,236	\$ -	\$ -	\$ -	\$ 2,172,465	\$ 15,210,701
State sources	3,532,307	2,480,205	1,034,690	300,000	126,900	7,474,102
Federal sources	80,298	-	-	5,293,648	40,039	5,413,985
Charges for services	2,799,515	-	-	-	4,532,221	7,331,736
Sales	49,089	-	-	-	-	49,089
Use and admission fees	46,526	-	-	-	650,759	697,285
Rentals	96,725	-	-	-	86,855	183,580
Licenses and permits	105,197	-	-	-	-	105,197
Fines and forfeiture	78,328	-	-	-	3,012	81,340
Sales of assets	123,875	-	-	-	-	123,875
Reimbursements	234,992	16,857	-	12,299	4,832	268,980
Investment income	562,308	34,715	13,016	30,382	196,482	836,903
Payment in lieu of taxes	3,803,602	-	-	-	-	3,803,602
Private contribution	218,114	-	-	1,226,229	48,332	1,492,675
Intergovernmental revenues	10,000	-	-	-	382,699	392,699
Special assessments	-	-	-	-	-	-
Other revenues	101,350	-	-	15,000	65,773	182,123
TOTAL REVENUES	24,880,462	2,531,777	1,047,706	6,877,558	8,310,369	43,647,872
EXPENDITURES:						
Current operations:						
General government	3,492,791	-	-	-	1,295	3,494,086
Public safety	10,371,290	-	-	-	19,868	10,391,158
Public works	5,629,052	1,293,528	1,473,380	6,100	4,290,543	12,692,603
Health and welfare	-	-	-	-	992,598	992,598
Community and economic development	732,862	-	-	-	1,911,667	2,644,529
Recreation and culture	701,739	-	-	-	958,133	1,659,872
Capital outlay	-	518,399	701,606	6,818,729	380,601	8,419,335
Debt Service:						
Professional services	-	-	-	-	-	-
Principal payments	-	-	-	-	1,956,066	1,956,066
Interest and fiscal changes	-	-	-	-	543,423	543,423
TOTAL EXPENDITURES	20,927,734	1,811,927	2,174,986	6,824,829	11,054,194	42,793,670
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,952,728	719,850	(1,127,280)	52,729	(2,743,825)	854,202
OTHER FINANCING SOURCES (USES):						
Transfers in	22,331	930,129	1,569,188	-	2,936,661	5,458,309
Transfers (out)	(3,477,657)	(1,649,979)	(841,908)	-	(624,203)	(6,593,747)
TOTAL OTHER FINANCING SOURCES (USES)	(3,455,326)	(719,850)	727,280	-	2,312,458	(1,135,438)
CHANGES IN FUND BALANCE	497,402	-	(400,000)	52,729	(431,367)	(281,236)
Fund balance, beginning of year	8,341,547	1,832,994	698,382	3,773,149	6,056,135	20,702,207
FUND BALANCE, END OF YEAR	\$ 8,838,949	\$ 1,832,994	\$ 298,382	\$ 3,825,878	\$ 5,624,768	\$ 20,420,971

CITY OF MARQUETTE, MICHIGAN

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

For the Fiscal Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (281,236)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. Includes Internal Service Funds depreciation expense of \$3,333,325

Capital outlays	\$ 5,157,525	
Change in joint venture	649,818	
Contributed capital	-	
Basis of disposed asset	(19,073)	
Depreciation expense	<u>(6,561,211)</u>	(772,941)

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.

-

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

1,956,066

Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt.

191,871

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditures is reported when due.

38,908

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Other post-employment benefits (OPEB)	\$ 1,444,929	
Pension liability expense	240,915	
Pension liability expense - Fire/Police Retirement	205,738	
Compensated absences	<u>(106,856)</u>	1,784,726

Revenues and expenditures related to the State's Protecting MI Pension grant program are recognized in the fund financial statements in the year in which the payment from the Michigan Department of Treasury was received by the pension plan (fiscal year 2023). However, under GASB 73, for purposes of the Statement of Activities, the revenue [and expenditure] is recognized in the reporting period in which the contribution is reported as a change in net pension liability for the plan (City's fiscal year 2024; plan year ending December 31, 2023).

Protecting MI Pension grant proceeds	704,412	
Pension liability expense - MERS	<u>(704,412)</u>	-

Internal service funds are used by management to charge costs of certain activities, such as the purchase and maintenance of equipment and vehicles and the operation of the Municipal Service Center, to individual funds. The net revenue of the Internal Service Funds is reported with governmental activities net of depreciation expense.

Change in net position	\$ (1,287,487)	
Capital outlays	(1,373,451)	
Capital contribution	-	
Basis of disposed asset	19,073	
Depreciation expense	3,333,325	
Other post-employment benefits (OPEB)	(35,199)	
Pension liability expense	(22,547)	
Compensated absences	<u>20,083</u>	653,797

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 3,571,191

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY COMPARISON STATEMENT

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 16,493,390	\$ 16,588,390	\$ 16,841,838	\$ 253,448
Federal grants	16,000	16,000	80,298	64,298
State grants and shared revenue	3,893,540	3,593,540	3,532,307	(101,093)
Intergovernmental revenues	-	-	10,000	10,000
Licenses and permits	77,760	77,760	105,197	27,437
Charges for services	2,686,740	2,692,550	2,799,515	106,965
Fines and forfeits	103,700	103,700	78,328	(25,372)
Interest and rentals	118,590	575,840	659,033	83,193
Other revenues	1,806,010	662,910	773,946	111,036
	<u>25,195,730</u>	<u>24,310,690</u>	<u>24,880,462</u>	<u>529,912</u>
TOTAL REVENUES				
EXPENDITURES:				
General government	3,661,650	3,783,700	3,492,791	290,909
Public safety	9,945,640	10,623,278	10,371,290	251,988
Public works	5,729,160	6,002,708	5,629,052	373,656
Community and economic development	801,750	812,785	732,862	79,923
Recreation and culture	2,432,480	744,713	701,739	42,974
	<u>22,570,680</u>	<u>21,967,184</u>	<u>20,927,734</u>	<u>1,039,450</u>
TOTAL EXPENDITURES				
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,625,050</u>	<u>2,343,506</u>	<u>3,952,728</u>	<u>1,609,222</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	22,000	22,331	331
Transfers (out)	<u>(3,256,240)</u>	<u>(3,885,240)</u>	<u>(3,477,657)</u>	<u>407,583</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,256,240)</u>	<u>(3,863,240)</u>	<u>(3,455,326)</u>	<u>407,914</u>
CHANGES IN FUND BALANCE	<u>(631,190)</u>	<u>(1,519,734)</u>	<u>497,402</u>	<u>2,017,136</u>
Fund balance, beginning of year	<u>8,341,547</u>	<u>8,341,547</u>	<u>8,341,547</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 7,710,357</u>	<u>\$ 6,821,813</u>	<u>\$ 8,838,949</u>	<u>\$ 2,017,136</u>

CITY OF MARQUETTE, MICHIGAN

MAJOR SPECIAL REVENUE FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY COMPARISON STATEMENT

For the Fiscal Year Ended September 30, 2024

	MAJOR STREET AND TRUNKLINE FUND				LOCAL STREET FUND			
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
REVENUES:								
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	2,240,720	2,454,720	2,480,205	25,485	913,390	913,390	1,034,690	121,300
Reimbursements	-	-	16,857	16,857	-	-	-	-
Investment income	-	-	34,715	34,715	-	-	13,016	13,016
Other revenues	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,240,720	2,454,720	2,531,777	77,057	913,390	913,390	1,047,706	134,316
EXPENDITURES:								
Public Works	1,984,560	1,998,422	1,811,927	186,495	1,959,990	2,270,990	2,174,986	96,004
TOTAL EXPENDITURES	1,984,560	1,998,422	1,811,927	186,495	1,959,990	2,270,990	2,174,986	96,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	256,160	456,298	719,850	263,552	(1,046,600)	(1,357,600)	(1,127,280)	230,320
OTHER FINANCING SOURCES (USES):								
Transfers in	930,150	930,150	930,129	(21)	1,888,650	2,188,650	1,569,188	(619,462)
Transfers (out)	(1,186,310)	(1,650,310)	(1,649,979)	331	(842,050)	(842,050)	(841,908)	142
TOTAL OTHER FINANCING SOURCES (USES)	(256,160)	(720,160)	(719,850)	310	1,046,600	1,346,600	727,280	(619,320)
CHANGES IN FUND BALANCE	-	(263,862)	-	263,862	-	(11,000)	(400,000)	(389,000)
Fund balance, beginning of year	-	1,832,994	1,832,994	-	-	698,382	698,382	-
FUND BALANCE, END OF YEAR	\$ -	\$ 1,569,132	\$ 1,832,994	\$ 263,862	\$ -	\$ 687,382	\$ 298,382	\$ (389,000)

CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

September 30, 2024

	Business-Type Activities Enterprise Funds				Total	Governmental
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds		Internal Service Funds
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 1,297,743	\$ 3,665,690	\$ 3,805,153	\$ 2,094,509	\$ 10,863,095	\$ 3,356,473
Accounts receivable	988,608	1,108,410	106,508	21,473	2,224,999	29,452
Special assessments receivable	2,341	2,341	-	-	4,682	-
Due from other governments	242,608	-	305,963	663	549,234	-
Due from local units	-	-	-	567	567	-
Due from other authorities	-	-	-	-	-	-
Inventory	-	42,954	-	54,361	97,315	-
Prepaid expense	63,706	51,685	44	6,340	121,775	971,710
TOTAL CURRENT ASSETS	2,595,006	4,871,080	4,217,668	2,177,913	13,861,667	4,357,635
Non-current Assets:						
Restricted Assets:						
Replacement and maintenance fund	-	-	-	40,000	40,000	1,053,769
OPEB reserve	62,925	44,380	-	-	107,305	45,626
Compensated absences reserve	225,011	72,692	28,827	626	327,156	124,328
Total Restricted Assets	287,936	117,072	28,827	40,626	474,461	1,223,723
Investment in joint venture	-	4,713,128	-	-	4,713,128	-
Land and other non-depreciable assets	981,289	1,131,663	726,447	131,845	2,971,244	2,519,888
Other capital assets, net of depreciation	22,475,494	19,308,259	13,189,270	4,372,189	59,345,212	36,196,594
TOTAL NON-CURRENT ASSETS	23,744,719	25,270,122	13,944,544	4,544,660	67,504,045	39,940,205
TOTAL ASSETS	26,339,725	30,141,202	18,162,212	6,722,573	81,365,712	44,297,840
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refunding	28,183	19,366	20,210	-	67,759	-
Deferred outflows related to pension	438,183	252,560	-	-	690,743	434,789
Deferred outflows related to OPEB	-	-	-	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	466,366	271,926	20,210	-	758,502	434,789
LIABILITIES						
Current Liabilities:						
Cash overdraft	-	-	-	-	-	-
Accounts payable	180,182	1,397,888	515,968	85,606	2,179,644	101,726
Accrued wages payable	25,887	9,941	5,889	5,335	47,052	18,055
Customer deposits payable	-	-	-	15,475	15,475	-
Accrued interest payable	86,419	103,703	134,778	15,742	340,642	-
Current portion of long-term debt	976,594	1,100,554	960,796	185,000	3,222,944	1,322,098
TOTAL CURRENT LIABILITIES	1,269,082	2,612,086	1,617,431	307,158	5,805,757	1,441,879
Non-current Liabilities:						
Compensated absences	225,011	72,692	28,827	626	327,156	124,328
Other post employment benefits (OPEB)	62,925	44,380	-	-	107,305	45,626
Net pension liability	3,268,629	1,988,239	-	-	5,256,868	2,334,790
Long term payable to other authorities	-	202,006	-	-	202,006	-
Bonds payable	5,068,185	5,851,009	7,981,038	850,754	19,750,986	-
Loan payable	479,840	447,484	-	-	927,324	-
Subscription Liability	-	-	-	-	-	-
Leases payable	-	-	-	-	-	22,787,121
TOTAL NON-CURRENT LIABILITIES	9,104,590	8,605,810	8,009,865	851,380	26,571,645	25,291,865
TOTAL LIABILITIES	10,373,672	11,217,896	9,627,296	1,158,538	32,377,402	26,733,744
DEFERRED INFLOWS OF RESOURCES						
Special assessment	2,341	2,341	-	-	4,682	-
Deferred inflows related to pension	133,165	87,817	-	-	220,982	106,330
Deferred inflows related to OPEB	23,009	16,228	-	-	39,237	16,687
TOTAL DEFERRED INFLOWS OF RESOURCES	158,515	106,386	-	-	264,901	123,017
NET POSITION						
Net investment in capital assets	17,205,846	13,303,795	10,089,113	3,620,392	44,219,146	14,607,263
Restricted for:						
Debt service	-	-	-	-	-	-
Fuel system reserve	-	-	-	-	-	-
Capital outlay	245,499	243,554	5,095,020	152,112	5,736,185	829,081
Unrestricted	(1,177,441)	5,541,497	(6,629,007)	1,791,531	(473,420)	2,439,524
TOTAL NET POSITION	\$ 16,273,904	\$ 19,088,846	\$ 8,555,126	\$ 5,564,035	\$ 49,481,911	\$ 17,875,868

CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2024

	Business-Type Activities Enterprise Funds				Total	Governmental
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds		Internal Service Funds
OPERATING REVENUES:						
Water sales	\$ 6,592,693	\$ -	\$ -	\$ -	\$ 6,592,693	\$ -
Sewage disposal	-	8,377,498	-	-	8,377,498	-
Charges for services	29,335	9,920	2,728,254	49,999	2,817,508	7,743
Other operating revenue	68,607	15,687	2,984	1,672,815	1,760,093	4,728,897
TOTAL OPERATING REVENUES	6,690,635	8,403,105	2,731,238	1,722,814	19,547,792	4,736,640
OPERATING EXPENSES:						
Personnel services	2,020,351	823,857	250,960	244,419	3,339,587	1,224,333
Supplies and contractual	1,075,067	3,858,582	205,143	898,039	6,036,831	2,466,571
Capital outlay	-	-	-	4,388	4,388	-
Provision for depreciation / amortization	1,608,864	1,326,662	1,122,051	266,186	4,323,763	3,333,325
Other supplies and charges	674,436	577,464	-	-	1,251,900	-
TOTAL OPERATING EXPENSES	5,378,718	6,586,565	1,578,154	1,413,032	14,956,469	7,024,229
OPERATING INCOME (LOSS)	1,311,917	1,816,540	1,153,084	309,782	4,591,323	(2,287,589)
NON-OPERATING REVENUES (EXPENSES):						
Investment income	56,569	115,219	70,159	82,839	324,786	115,772
Interest expense	(166,695)	(187,907)	(233,626)	(30,789)	(619,017)	(668,711)
Gain (Loss) on sale of capital asset	-	-	-	-	-	46,385
Contributions from other authorities	-	-	-	-	-	186,634
Operating gain (loss) from Marquette Area	-	-	-	-	-	-
Wastewater Treatment Facility	-	82,786	-	-	82,786	-
Lease - Interest	-	-	-	-	-	(76,730)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(110,126)	10,098	(163,467)	52,050	(211,445)	(396,650)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,201,791	1,826,638	989,617	361,832	4,379,878	(2,684,239)
Federal grant - capital grant	245,084	-	806,800	-	1,051,884	-
State grant - capital grant	-	-	-	-	-	-
Contributed capital	-	-	-	-	-	-
Transfers in	-	-	-	125,203	125,203	1,396,752
Transfers (out)	(196,314)	(160,412)	-	(29,791)	(386,517)	-
CHANGE IN NET POSITION	1,250,561	1,666,226	1,796,417	457,244	5,170,448	(1,287,487)
Net position, beginning of year	15,023,343	17,422,620	6,758,709	5,106,791	44,311,463	19,163,355
NET POSITION, END OF YEAR	\$ 16,273,904	\$ 19,088,846	\$ 8,555,126	\$ 5,564,035	\$ 49,481,911	\$ 17,875,868

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CITY OF MARQUETTE, MICHIGAN

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2024

	Business-Type Activities Enterprise Funds				Total	Governmental
	Water Supply Fund	Sewage Disposal Fund	Stormwater Utility Fund	Non-major Enterprise Funds		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from fees and charges for services	\$ 6,231,635	\$ 8,304,054	\$ 2,410,544	\$ 84,289	\$ 17,030,522	\$ 7,075
Other operating revenues	64,322	15,687	2,984	1,913,209	1,996,202	4,913,456
Cash payments to employees for services	(2,174,051)	(886,573)	(247,751)	(243,229)	(3,551,604)	(1,261,447)
Cash payments to suppliers for goods and services	(1,674,052)	(4,204,416)	261,835	(843,817)	(6,460,450)	(2,455,418)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,447,854	3,228,752	2,427,612	910,452	9,014,670	1,203,666
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:						
Increase (decrease) in cash overdraft	-	-	-	-	-	-
Transfers in	-	-	-	125,203	125,203	1,396,752
Transfers (out)	(196,314)	(160,412)	-	(29,791)	(386,517)	-
Contributions from other authorities	-	-	-	-	-	186,634
State and Federal grants	-	-	-	-	-	-
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	(196,314)	(160,412)	-	95,412	(261,314)	1,583,386
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Principal payments on long-term debt	(1,197,673)	(1,397,370)	(956,027)	(180,000)	(3,731,070)	(1,143,545)
Interest paid on long-term debt	(264,587)	(303,799)	(363,201)	(42,528)	(974,115)	(745,441)
Proceeds from issuance of bonds	-	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-
Cash payments for bond issuance expenses	-	-	-	-	-	-
Cash payments for capital assets	(1,472,353)	(1,565,055)	(2,190,058)	(144,389)	(5,371,855)	(64,514)
Proceeds from sale of capital assets	-	-	-	-	-	50,416
State and Federal grants	245,084	-	806,800	-	1,051,884	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(2,689,529)	(3,266,224)	(2,702,486)	(366,917)	(9,025,156)	(1,903,084)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest income	56,569	115,219	70,159	82,839	324,786	115,772
(Increase) decrease in restricted assets:						
Replacement maintenance reserve	-	-	-	-	-	(15,722)
OPEB reserve	26,416	18,632	-	-	45,048	46,576
Compensated absences reserve	25,074	(3,908)	101	(360)	20,907	(47,502)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	108,059	129,943	70,260	82,479	390,741	99,124
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(329,930)	(67,941)	(204,614)	721,426	118,941	983,092
Cash and cash equivalents, beginning of year	1,627,673	3,733,631	4,009,767	1,373,083	10,744,154	2,373,381
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,297,743	\$ 3,665,690	\$ 3,805,153	\$ 2,094,509	\$ 10,863,095	\$ 3,356,473
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Gain on investment from Marquette Wastewater Treatment Facility	\$ -	\$ 82,786	\$ -	\$ -	\$ 82,786	\$ -
Increase in right-to-use leased assets	-	-	-	-	-	1,308,937
(Increase) in right-to-use lease liability	-	-	-	-	-	(1,308,937)
(Decrease) in right-to-use SBITA	-	-	-	-	-	(15,043)
Decrease in right-to-use SBITA liability	-	-	-	-	-	15,043
TOTAL NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ -	\$ 82,786	\$ -	\$ -	\$ 82,786	\$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ 1,311,917	\$ 1,816,540	\$ 1,153,084	\$ 309,782	\$ 4,591,323	\$ (2,287,589)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation / amortization	1,608,864	1,326,662	1,122,051	266,186	4,323,763	3,333,325
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(155,819)	(83,364)	(11,747)	15,410	(235,520)	183,891
(Increase) decrease in special assessments receivable	-	-	-	-	-	-
(Increase) decrease in due from other governments	(238,859)	-	(305,963)	259,244	(285,578)	-
(Increase) decrease in inventory	-	(2,768)	-	29,541	26,773	-
(Increase) decrease in prepaid expenses	(9,996)	(1,377)	7	(92)	(11,458)	(13,916)
Increase (decrease) in accounts payable	85,447	1,020,073	466,971	29,161	1,601,652	25,069
Increase (decrease) in accounts payable for error correction	-	(784,298)	-	-	(784,298)	-
Increase (decrease) in accrued wages payable	(1,799)	(1,575)	3,310	830	766	549
Increase (decrease) in customer deposits payable	-	-	-	30	30	-
Increase (decrease) in compensated absences	(25,074)	3,908	(101)	360	(20,907)	20,083
Increase (decrease) in net pension liability	(78,288)	(30,814)	-	-	(109,102)	(22,547)
Increase (decrease) in other post-employment benefits (OPEB)	(48,539)	(34,235)	-	-	(82,774)	(35,199)
Increase (decrease) in deferred inflows - special assessments	-	-	-	-	-	-
NET ADJUSTMENTS	1,135,937	1,412,212	1,274,528	600,670	4,423,347	3,491,255
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,447,854	\$ 3,228,752	\$ 2,427,612	\$ 910,452	\$ 9,014,670	\$ 1,203,666

CITY OF MARQUETTE, MICHIGAN

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

September 30, 2024

	Pension Trust Fund Fund	Custodial Funds
	Fire-Police Pension Trust Fund	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ 870,404	\$ 2,213,141
Investments		
Domestic Corporation Bonds	4,222,559	-
Common, Pooled Fund	40,587,600	-
Accounts receivable	-	25,983
Taxes receivable	-	2,298,463
Accrued interest receivable	19,327	-
	<hr/>	<hr/>
TOTAL ASSETS	45,699,890	4,537,587
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	26,166	1,483,070
Due to State	-	297,217
Due to other governments	-	1,142,512
Due to local units	-	919,765
Other liabilities	-	191,985
	<hr/>	<hr/>
TOTAL LIABILITIES	26,166	4,034,549
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
NET POSITION		
Restricted for:		
Pensions	45,673,724	-
Individuals, organizations, and other governments	-	503,038
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 45,673,724	\$ 503,038
	<hr/> <hr/>	<hr/> <hr/>

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

CITY OF MARQUETTE, MICHIGAN

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended September 30, 2024

	Pension Trust Fund	Custodial Funds
	Fire-Police Pension Trust Fund	Custodial Fund
ADDITIONS		
Contributions:		
Employer	\$ 1,916,289	\$ -
Employee	255,014	-
	<hr/>	<hr/>
Total Contributions	2,171,303	-
	<hr/>	<hr/>
Investment Income:		
Net appreciation (depreciation) in fair value of investments	8,571,097	-
Interest and dividends	186,018	-
	<hr/>	<hr/>
Net Investment Income	8,757,115	-
	<hr/>	<hr/>
Other Additions:		
Collections for individuals, organizations, and other governments	-	1,201,018
Property tax collections for other governments	-	27,100,967
	<hr/>	<hr/>
Total Other Additions	-	28,301,985
	<hr/>	<hr/>
TOTAL ADDITIONS	10,928,418	28,301,985
	<hr/>	<hr/>
DEDUCTIONS		
Benefits and annuity withdrawals	3,526,217	-
Administrative expenses	21,035	-
Payments to individuals, organizations, and other governments	-	1,173,259
Payments of property tax collections for other governments	-	27,100,967
	<hr/>	<hr/>
TOTAL DEDUCTIONS	3,547,252	28,274,226
	<hr/>	<hr/>
CHANGE IN NET POSITION	7,381,166	27,759
	<hr/>	<hr/>
Net position, beginning of year	38,292,558	475,279
	<hr/>	<hr/>
NET POSITION, END OF YEAR	\$ 45,673,724	\$ 503,038
	<hr/>	<hr/>

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

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION

September 30, 2024

	Board of Light and Power	Brownfield Redevelopment Authority	Non-Major Component Units	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 29,718,504	\$ 9,640,505	\$ 3,499,694	\$ 42,858,703
Investments	29,974,066	-	-	29,974,066
Receivables (net)	3,604,681	78,096	285,673	3,968,450
Due from State	-	13,653	-	13,653
Inventory	3,656,054	-	-	3,656,054
Prepaid expenses and other assets	721,859	1,112	69,812	792,783
TOTAL CURRENT ASSETS	67,675,164	9,733,366	3,855,179	81,263,709
Non-current Assets:				
Restricted assets - cash and equivalents	10,307,277	-	2,431,274	12,738,551
Accrued interest	9,902	-	-	9,902
Investment in UPPPA	6,718,339	-	-	6,718,339
Leases receivable	-	-	-	-
Capital assets:				
Land and construction in progress	11,113,307	-	152,154	11,265,461
Other capital assets, net of depreciation	84,102,642	497,503	9,666,351	94,266,496
Total Capital Assets	95,215,949	497,503	9,818,505	105,531,957
TOTAL NON-CURRENT ASSETS	112,251,467	497,503	12,249,779	124,998,749
TOTAL ASSETS	179,926,631	10,230,869	16,104,958	206,262,458
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	-	-	-	-
Deferred outflows related to pension	2,640,302	-	155,189	2,795,491
Deferred outflows related to OPEB	1,750,141	-	-	1,750,141
Employer contributions subsequent to measurement date	1,349,994	-	114,546	1,464,540
Receivables for developer obligations	-	64,662,956	-	64,662,956
TOTAL ASSET AND DEFERRED OUTFLOWS OF RESOURCES	5,740,437	64,662,956	269,735	70,673,128
LIABILITIES				
Current Liabilities:				
Accounts payable	2,003,590	23,555	36,561	2,063,706
Accrued liabilities	375,615	919	93,371	469,905
Compensated absences	1,272,398	-	41,031	1,313,429
Customer deposits payable	2,009,048	-	-	2,009,048
Due to primary government	-	-	9,977	9,977
Grants received in advance	-	-	-	-
Current portion of bonds payable	-	1,000,000	383,000	1,383,000
Current maturities on revenue bonds	3,195,000	-	-	3,195,000
Other current liabilities	989,990	631,709	22,592	1,644,291
TOTAL CURRENT LIABILITIES	9,845,641	1,656,183	586,532	12,088,356
Non-current Liabilities:				
Compensated absences	-	-	67,548	67,548
Net pension liability	10,885,255	-	1,116,961	12,002,216
Net OPEB liability (asset)	(926,490)	-	-	(926,490)
Bonds payable	51,335,053	34,610,840	2,871,658	88,817,551
Long-term contract and notes payable	-	28,420,407	-	28,420,407
Other	31,604	-	27,991	59,595
TOTAL NON-CURRENT LIABILITIES	61,325,422	63,031,247	4,084,158	128,440,827
TOTAL LIABILITIES	71,171,063	64,687,430	4,670,690	140,529,183
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leases	-	-	26,952	26,952
Deferred inflows related to OPEB	4,023,102	-	-	4,023,102
Deferred inflows related to pension	250,345	-	16,367	266,712
Taxes levied for subsequent period	-	4,911,301	1,943,106	6,854,407
TOTAL DEFERRED INFLOWS OF RESOURCES	4,273,447	4,911,301	1,986,425	11,171,173
NET POSITION				
Net investment in capital assets	40,685,896	47,503	6,513,264	47,246,663
Restricted for:				
Debt Services	-	-	-	-
Capital Assets	-	-	-	-
Perpetual Care	-	-	-	-
Other activities	10,317,179	-	2,268,843	12,586,022
Unrestricted	59,219,483	5,247,591	935,471	65,402,545
TOTAL NET POSITION	\$ 110,222,558	\$ 5,295,094	\$ 9,717,578	\$ 125,235,230

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

COMBINING STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024

Function / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of Light and Power	Brownfield Redevelopment Authority	Non-Major Component Units	Total
Component Units:								
Board of Light and Power	\$ 35,830,520	\$ 42,145,807	\$ -	\$ 300,101	\$ 6,615,388	\$ -	\$ -	\$ 6,615,388
Brownfield Redevelopment Authority	1,851,765	-	54,411	-	-	(1,797,354)	-	(1,797,354)
Non-Major Component Units	4,429,819	746,713	1,283,496	-	-	-	(2,399,610)	(2,399,610)
TOTAL COMPONENT UNITS	<u>\$ 42,112,104</u>	<u>\$ 42,892,520</u>	<u>\$ 1,337,907</u>	<u>\$ 300,101</u>	<u>6,615,388</u>	<u>(1,797,354)</u>	<u>(2,399,610)</u>	<u>2,418,424</u>
General Revenues:								
Property taxes					-	1,268,063	2,200,008	3,468,071
Interest and investment earnings					3,701,011	127,292	381,755	4,210,058
Other income					134,731	-	-	134,731
Gain on sale of capital assets					78,949	-	-	78,949
Amortization of bond premium					-	-	-	-
Miscellaneous					-	315	508,460	508,775
TOTAL GENERAL REVENUES					<u>3,914,691</u>	<u>1,395,670</u>	<u>3,090,223</u>	<u>8,400,584</u>
CHANGE IN NET POSITION					<u>10,530,079</u>	<u>(401,684)</u>	<u>690,613</u>	<u>10,819,008</u>
Net position, beginning of year					<u>99,692,479</u>	<u>5,696,778</u>	<u>9,026,965</u>	<u>114,416,222</u>
NET POSITION, END OF YEAR					<u>\$ 110,222,558</u>	<u>\$ 5,295,094</u>	<u>\$ 9,717,578</u>	<u>\$ 125,235,230</u>

City of Marquette, Michigan

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Marquette, Michigan was incorporated February 27, 1871, under the provision of Act 279, PS 1909, as amended (Home Rule City Act). The City operates under a Commissioner – Manager form of government and the services provided to the citizens include: legislative, executive, elections, general services, public safety and fire protection, inspection, public works, sanitation, parking systems, social services, parks and recreation, cultural, conservation of natural resources, planning and other functions. In addition, the City operates five enterprise funds and three internal service funds, which provide water services, and sewer services, marina services, park and recreation services, stormwater management, technology services, transportation rental, and building rental.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant of these accounting policies established in GAAP and used by the City are described below.

(1) REPORTING ENTITY

The City's financial statements present the City (the primary government) and its component units. In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting units) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. In accordance with GASB Statement No. 14, the City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended component units, although legally separate entities, are, in substance, part of the government's operations, therefore data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Each blended and discretely presented component unit has a September 30 year-end.

Fire and Police Retirement System – The City of Marquette is the administrator of a single-employer public employee retirement system established and administered by the City to provide pension benefits for the Fire and Police Department employees. The Fire and Police Retirement System is considered part of the City of Marquette financial reporting entity and is included in the City's financial report as a pension trust fund.

Separately issued financial statements of the Fire and Police Retirement System can be obtained from the City's Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

BLENDED COMPONENT UNITS

City of Marquette Building Authority – The Building Authority’s governing body consists of the City Manager, Chief Financial Officer, and City Attorney which are appointed by the governing board of the reporting entity. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the City’s public buildings. The reporting entity has guaranteed the debt issues of the Authority.

DISCRETELY PRESENTED COMPONENT UNITS

Proprietary Fund Type

City of Marquette Board of Light and Power – The Board of Light and Power’s operating results are held accountable to the government’s governing body. The rates for user charges and debt issuance authorizations are approved by the government’s governing body. The reporting entity has the responsibility to fund deficits and operating deficiencies. Prior to fiscal year 1993-94, this entity had been blended with and included in the City’s reporting entity as an enterprise fund.

A complete financial statement of the component unit can be obtained directly from the administrative office.

City of Marquette Board of Light and Power
2200 Wright Street
Marquette, MI 49855

Governmental Fund Type

Peter White Public Library – The Peter White Public Library’s governing body is appointed by the City’s Mayor with the confirmation of the Commission. The reporting entity has the responsibility to fund deficits and operating deficiencies.

Separately issued financial statements of the Peter White Public Library component unit can be obtained from the City’s Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

Peter White Public Library Development Fund

The Peter White Public Library Development Fund (the Development Fund) is a legally separate, tax-exempt component unit of the Peter White Public Library (the Library). The Development Fund acts primarily as a fund-raising organization to supplement the resources that are available to the Library in support of its programs. The six-member board of the Development Fund consists of one (1) member from the Library’s Board of Trustees, one (1) member servicing as Treasurer of the Development Fund, three (3) community members appointed by the Library’s Board of Trustees, and one (1) member from the Friends of the PWPL Board. Although the Library does not control the timing or amount of receipts from the Development Fund, the majority of resources, or income thereon that the Development Fund holds and invests are restricted to the activities of the Library by the donors. Because these restricted resources held by the Development Fund can only be used by, or for the benefit of, the Library, the Development Fund is considered a component unit of the Library and is discretely presented in the Library’s financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The Development Fund is a private nonprofit organization and as such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. The Development Fund has a calendar year end and its most recent financial information is as of December 31, 2023. No modifications have been made to the Development Fund's financial information in the Library's financial reporting entity for these differences. Under GASB 80, the Development Fund is required to be presented as a blended component unit of the Library.

During the year ended September 30, 2024, the Development Fund distributed \$53,405 to the Library for both restricted and unrestricted purposes. Separate financial statements for the Development Fund are not developed; however, information can be obtained from the Peter White Public Library upon request, located at 217 North Front Street, Marquette, Michigan 49855.

City of Marquette Downtown Development Authority – The Downtown Development Authority's governing board is appointed by the City's Mayor with the confirmation of the Commission and includes the City Manager of the reporting entity. The reporting entity has the responsibility to fund deficits and operating deficiencies, as well as a guarantee for any debt the Authority issues.

Separate financial statements for the City of Marquette Downtown Development Authority are not developed; however, information can be obtained from the City's Finance Department upon request, located at 300 West Baraga Avenue, Marquette, Michigan 49855.

Brownfield Redevelopment Authority – The Brownfield Redevelopment Authority's governing board is appointed by the City Commission. They review and approve plans for business development within designated areas of the City where property was once contaminated. Property tax revenues from the "captured" portion of these properties are restricted to pay for site clean-up expenditures and future development depending on the development plan adopted for each project. The City has the ability to significantly influence the operations of the Brownfield Redevelopment Authority and has accountability for fiscal matters.

GASB Statement No. 14 requires reasonable separation between the Primary Government (including its blended component units) and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

JOINT VENTURES

As defined in GASB Statement No. 14, a joint venture is a legal entity or other organization that results from a contractual arrangement (or interlocal agreement) and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The City participates in the following joint ventures:

Marquette Area Wastewater Treatment Facility – The Marquette Area Wastewater Treatment Facility's governing board includes joint representation as appointed by the participating governments' governing bodies. As enumerated in Footnote D, the facility is being accounted for as an equity investment within the reporting entity.

Marquette County Solid Waste Management Authority – The Marquette County Solid Waste Management Authority's governing board includes joint representation as appointed by the participating governments' governing bodies. The reporting entity's representation consists of two of seven members and does not constitute enough representation to exert significant influence over the

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Authority’s operations. The Authority selects the management staff, sets user charges and budgets, and controls all aspects of its operations and developments. The reporting entity provided its proportionate share of the initial funding and has guaranteed its proportional share of the Authority’s outstanding debt.

RELATED ORGANIZATIONS

Marquette Housing Commission – The Marquette Housing Commission was created to provide low-income housing for the City residents. The Marquette Housing Commission’s governing board is appointed by the City Mayor with the confirmation of the Commission; however, the City does not provide any financial assistance to the Housing Commission. Management of the Housing Commission is not designated by the City nor does the City have the ability to significantly influence operations. The City does not subsidize the operations of the Housing Commission and does not guarantee its debt service. The Marquette Housing Commission has not been included as a component unit of the City’s reporting entity because there is no accountability for fiscal matters to the City.

Summary financial information as of and for the fiscal year ended September 30, 2024, the latest available report, is as follows:

Total Assets	\$ 3,847,598
Deferred Outflows of Resources	291,124
Total Liabilities	1,209,189
Deferred Inflows of Resources	-
Total Net Position	2,929,533
Total Operating Revenues	575,226
Total Operating Expenses	822,251
Total Non-Operating Revenues (Expenses)	209,262
Capital Grant Contributions	-
Net Increase (Decrease) in Net Position	(37,763)

(2) BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The City’s basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City’s major funds). Both the government-wide and fund financial statements categorized primary activities as either governmental or business-type. The City’s public health and safety, public works, highways and streets, sanitation, social services, recreation and culture, and general government services are classified as governmental activities. The City’s water, sewer, stormwater, Tourist Park, Lakeshore and Lighthouse Park, Fuel System, and marinas are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City’s net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City’s functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

The City allocates indirect costs through an administrative service fee that is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology, etc.)

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities. 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 government's water and sewer function 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.

(3) BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS:

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the City:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General Fund – The General Fund is the general operating fund and, accordingly, it is used to account for all financial resources except those required to be accounted for in another fund.

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

Capital Projects Fund – Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Component Units – Component Units are used to account for the discretely presented component units which follow governmental fund accounting guidelines.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds – Internal Service Funds are used to finance, administer and account for the financing of equipment and building purchases and maintenance services provided by one department or agency to other departments or agencies of the governmental unit or to other governmental units on a cost reimbursement basis.

Component Units – Component Units are used to account for the discretely presented component units which follow proprietary fund accounting guidelines.

Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The City reports the following major governmental funds:

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

The **Major Street and Trunkline Fund** accounts for the receipt of allocated state shared gas and weight taxes. The expenditure of these funds is restricted to Federal and State trunklines and certain "mile" roads designated as major under contractual agreement with the State of Michigan.

The **Local Street Fund** accounts for the allocated state shared gas and weight taxes for remaining City roads.

The **Construction Fund** accounts for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The City reports the following major proprietary funds:

The **Water Supply Fund** accounts for the activities related to water treatment and distribution, and billing for services.

The **Sewage Disposal Fund** accounts for the activities related to sanitary sewer operation and booster stations, and billing for services.

The **Stormwater Utility Fund** accounts for the management of stormwater related activities including billing, maintenance and construction.

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public works, etc.)

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and custodial fund). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements. The Fire-Police Retirement System Fund is used to account for the accumulation of resources to be used for the retirement annuity payments at appropriate amounts and times in the future. The Custodial Fund is used to record the collection and payment of property taxes billed and collected by the City on behalf of the County, the School Districts, and the Intermediate School District.

(4) BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting.

Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Property taxes and special assessments are being recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. 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 non-operating revenues and expenses.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified basis of accounting, revenues are recorded when they are both measurable and available. "Available" means collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service expenditures, compensated absences, and claims and judgments are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income, and intergovernmental revenues. Sales taxes collected and held by the State at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

(5) FINANCIAL STATEMENT AMOUNTS

Budgets and Budgetary Accounting – The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On the third Monday in July, the City Manager submits to the City Commission a proposed operating budget for the ensuing fiscal year commencing October 1 in accordance with Section 8.2 of the City Charter. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to its adoption, a public hearing is conducted at City Hall to obtain taxpayer comments.
3. No later than the third Monday in August, the budget is adopted by the City Commission in accordance with the provision of Section 8.6 of the City Charter.
4. The City Commission adopts the budget by functional categories as presented in the basic financial statements. Any transfers of appropriation between functions must be approved by the City Commission. All unexpended appropriations lapse at fiscal year-end.
5. Formal budgetary integration is employed as a management control device for the General Fund, all Special Revenue Funds, Debt Service Funds, and Capital Project Funds. Informational budget summaries only are adopted for the Enterprise and Internal Service Funds. Such funds are not covered under the State of Michigan's Public Act 621 nor the City's General Appropriations Act.
6. The City Commission has the authority to amend the budget when it becomes apparent that deviations in the original budget will occur and the amount of the deviation can be determined. Once originally adopted, the budget was formally amended two times during the fiscal year.
7. The legally adopted budgets for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds and the informational summaries for the Enterprise and Internal Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Cash and Cash Equivalents – For the purposes of balance sheet classification and the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. The fair value measurements of investments is based on the hierarchy established by generally accepted accounting principles, which has three levels based on the valuation inputs used to measure an asset's fair value.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Restricted assets which contain cash equivalents are included in analyzing the effect on cash and cash equivalents in the Statement of Cash Flows.

Investments – Investments are reported at fair value, based on quoted market prices.

Inventory – Inventory is valued at cost using both the first-in, first-out (FIFO) method and the average cost method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

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 costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Lease Receivable – In the government-wide financial statements, a lease receivable is reported for assets owned by the entity for which a right to use contract has been entered into with another entity. A receivable for the present value of the future lease payments is reported on the statement of net position along with a deferred inflow of resources for the amount of the unavailable revenue.

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

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated. The cost of construction in progress includes interest costs incurred during the construction period. The amount of capitalized interest is determined using the weighted average amount of accumulated expenditures multiplied by the interest rate for the obligation incurred specifically to finance the construction of the asset.

Depreciation on all exhaustible capital assets is charged as an expense against their operations in government-wide statements and proprietary financial statements. Accumulated depreciation is reported on government-wide and proprietary statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Land improvements	20 years
Building, structures and improvements	50 years
Furniture and Equipment	5 – 35 years
Water and Sewage System	25 – 75 years
Electric System – Component Unit	5 – 80 years
Stormwater System	25 years
Infrastructure	20 – 50 years

The cost of normal maintenance and repairs is charged to operations as incurred. Renewals and betterments are capitalized and depreciated over the remaining useful lives of the related properties.

A portion of the depreciation provision for the electric component unit is being charged to the cost of fuel for those vehicles which groom and work the coal pile.

Deferred Outflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The government reports the following in this category:

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

- 1) Deferred amount on refunding reported in the statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- 2) Receivables for developer obligations in the component unit statement of net position. This deferred receivable results from tax collections that will be levied and collected in future periods.
- 3) The government reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plan.
- 4) The City's Pension Plan has a plan year of January 1 to December 31 while the City has a fiscal year of October 1 to September 30. Under GASB 71, the contributions made to the plan subsequent to the measurement date are reported as deferred outflows of resources.
- 5) The government reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its OPEB plan.

Long-Term Liabilities – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using straight-line amortization. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt received, are reported as debt service.

Lease Payable – In the government-wide financial statements, a lease payable is reported as a liability in the statement of net position for lease transactions that are not deemed to be short term leases. Under GASB 87 a lease is defined as “a contract that conveys control of the right to use another entity’s nonfinancial asset (underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction”. The entity records a liability for leases of equipment, which give the entity the right to use such assets. Conversely, an intangible right to use asset is also recorded on the statement of net position, which is amortized over the shorter of the lease term or the useful life of the underlying asset.

Subscription Liability - In the government-wide financial statements, a subscription liability is reported as a liability in the statement of net position for transactions that meet the definition of a subscription-based information technology arrangements (SBITAs). Under GASB 96, a SBITA is defined as “a contract that conveys control of the right to use another party’s (a SBITA vendor’s) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.” The entity’s records a liability for SBITAs, which give the entity the right to use IT assets. Conversely, an intangible right to use an asset is also recorded on the statement of net position, which is amortized over the shorter of the SBITA term or the useful life of the underlying asset.

Compensated Absences – The City accrues accumulated unpaid vacation, sick leave and benefit days and associated employee-related costs when earned (or estimated to be earned) by the employee. A liability for these amounts is reported in the governmental funds based on historical estimates of the amount of compensated absences that will use current expendable resources, or if the liability has matured, for example, as a result of employee resignations and retirements. The non-current portion (the amount estimated to be used in subsequent fiscal year) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

Deferred Inflows of Resources – In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net assets that applies

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government reports the following in this category:

- 1) The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.
- 2) The governmental statement of net position and the proprietary statement of net position report for the special assessments that were established for the year that were intended to finance future periods.
- 3) The government reports deferred inflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its pension plan.
- 4) The government reports deferred inflows of resources for change in expected and actual investment returns, assumptions, and benefits provided in its OPEB plan.
- 5) The government reports deferred inflows of resources in the Statement of Net Position for amounts related to long-term lease receivables. In accordance with GASB 87, amounts related to lease revenue are required to be amortized in a systematic and rational manner over the term of the lease agreement.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting of certain assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures. Actual results may differ from estimated amounts.

Subsequent Events – Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the accompanying independent auditor's report, March 28, 2025, which is the date the financial statements were available to be issued.

Property Taxes – Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than the third Monday in May and payable on July 1. Taxes receivable are recorded when levied, as the legal right to receive exists. However, such revenues are not normally received until after the 60 day period following the fiscal year-end. Accordingly, deferred revenue is being recognized for such amounts.

The City bills and collects its own property taxes and also the taxes for the local school district, the Intermediate School District, and the County. Collections of local school taxes, Intermediate School District taxes, and County taxes, and their remittance are accounted for in the Custodial Fund.

Worker's Compensation – The City's policy is to pay worker's compensation premiums as incurred. Any additional premiums or refunds resulting from experience adjustments are recorded in the year made or received, respectively.

Comparative Data and Reclassifications – Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.

Interfund Activity – Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a result of the reimbursement. All other

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE B – DEPOSITS AND INVESTMENTS:

Cash Equivalents

The following is a reconciliation of cash and investments for both the unrestricted and restricted assets for the primary government and its component units from the Statement of Net Position:

	Primary Government	Component Units	Fiduciary Funds	Totals
Unrestricted:				
Cash and cash equivalents	\$ 31,052,948	\$ 46,863,277	\$ 2,580,507	\$ 80,496,732
Investments	6,453,973	24,782,927	44,810,159	76,047,059
	<u>37,506,921</u>	<u>71,646,204</u>	<u>47,390,666</u>	<u>156,543,791</u>
Restricted:				
Cash and cash equivalents	1,698,184	6,553,665	503,038	8,754,887
Investments	-	7,371,451	-	7,371,451
	<u>1,698,184</u>	<u>13,925,116</u>	<u>503,038</u>	<u>16,126,338</u>
TOTALS	<u>\$ 39,205,105</u>	<u>\$ 85,571,320</u>	<u>\$ 47,893,704</u>	<u>\$ 172,670,129</u>

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State law does not require, and the City does not have a deposit policy for custodial credit risk. The carrying amounts of the primary government, component unit, and fiduciary funds deposits with financial institutions was \$92,358,421 and the bank balance was \$89,430,230. The bank balance is categorized as follows:

Amount insured by the FDIC or uncollateralized with securities held by the City in its name	\$ 25,413,074
Amount collateralized with securities held by the pledging financial institutions trust department in the City's name:	
Collateralized and uninsured	<u>64,017,156</u>
	<u>\$ 89,430,230</u>

NOTE B – DEPOSITS AND INVESTMENTS (Continued):

Investments

As of September 30, 2024, the City had the following investments:

	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
PRIMARY GOVERNMENT:				
Unrestricted Investments:				
Investment type 1*	\$ 349,774	\$ 349,774	\$ -	\$ -
Investment type 1**	700,000	700,000	-	-
Fixed income securities***	5,404,199	5,404,199	-	-
Restricted Investments:				
Investment type 1*	-	-	-	-
TOTAL INVESTMENTS	\$ 6,453,973	\$ 6,453,973	\$ -	\$ -
COMPONENT UNITS:				
Fixed income securities*	\$28,143,362	\$28,143,362	\$ -	\$ -
Fixed income securities**	4,011,016	4,011,016	-	-
Fixed income securities***	-	-	-	-
TOTAL INVESTMENTS	\$32,154,378	\$32,154,378	\$ -	\$ -
FIDUCIARY FUNDS:				
Investment type 1*	\$44,810,159	\$44,810,159	\$ -	\$ -
TOTAL INVESTMENTS	\$44,810,159	\$44,810,159	\$ -	\$ -

* Investment matures within one year
 ** Investment matures in 1-5 years
 *** Investment matures in 6-10 years

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the City's investments. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Michigan statutes (Act 196, PA 1997) authorize the City to invest in bonds, other direct obligations and repurchase agreements of the United States, certificates of deposits, savings accounts, deposit accounts or receipts of a bank which is a member of the FDIC and authorized to operate in this state, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and matures within 270 days from date of purchase, bankers' acceptances of the United States banks, obligations of the State of Michigan and its political subdivision, external investment pools, and certain mutual funds. Michigan law prohibits security in the form of collateral, surety bond, or another form for the deposit of public money.

NOTE B – DEPOSITS AND INVESTMENTS (Continued):

Michigan statute (Act 314, PA 1965, as amended) authorizes the pension trust to invest in, with certain restrictions, stocks and mutual funds up to 60% of the system's assets; investments in the general or separate account of life insurance companies; fixed income securities; investments in leased property; direct investments in property; investments in real estate loans; investments in small business or venture capital firms in Michigan; surplus funds pooled accounts; and bank or trust company collective investment funds.

The City's investment policy would not further limit its investment choices. The City's investments in Mutual Bond Funds are rated from A1 to AAA by Moody's. Ratings are not required for the City's investment in U.S. Government Agencies or equity-type funds. The City's investments are in accordance with statutory authority.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer. There were no investments subject to concentration of credit risk disclosure.

NOTE C – RESTRICTED ASSETS – PROPRIETARY FUNDS AND COMPONENT UNIT:

The enterprise fund has certain cash investment balances classified as restricted assets since their use is limited by applicable bond indentures and ordinances. The major provisions of the ordinances covering the bond indentures of the component unit (Board of Light and Power), the Water Supply, and Sewage Disposal Funds are as follows:

1. **Rates** – The component unit fund only shall charge and collect rates necessary to provide net revenues sufficient to cover annual debt service not less than 1.3 times.
2. **Receiving Fund** – All system revenues will be paid into this fund, including interest income, to the extent interest income is not retained in the construction or bond reserve funds.
3. **Operation and Maintenance Fund** – Transfers must be made from the Receiving Fund, which is used for initial deposit of all receipts, to the Operation and Maintenance Fund (included under current assets) to cover payment of next month’s estimated operating expenses.
4. **Bond Reserve Fund** – Transfers must be made to the Bond Reserve Fund in an amount equal to the maximum annual principal and interest on the revenue bonds.
5. **Replacement/Maintenance Fund** – Transfers are to be made, as necessary, up to required levels, to make major repairs and replacements to the systems.
6. **Bond and Interest Redemption** – Transfers will be made from the Receiving Fund in amounts sufficient to pay the current bond and interest maturities.
7. **Bond Escrow Fund** – Transfers were made to the Bond Escrow Fund to provide for the normal retirement, including interest, of the capitalized leases, and revenue bond issues. Transfers will be made to the Bond and Interest Redemption Fund as the obligations become due.
8. **OPEB Reserve** – Transfers will be made to the OPEB reserve to provide funding for the net OPEB liability.
9. **Vacation, Sick and Benefit Days Reserve** – Transfers will be made to the vacation and sick leave reserve to provide funding for accrued vacation, sick leave, and benefit day liabilities to be paid to employees upon retirement or termination.
10. **Tax Payment Fund** – Transfers will be made to the Tax Payment Fund in amounts sufficient to make payments in lieu of taxes to the City of Marquette. Transfers into this fund are subordinate to payments of the above listed funds.
11. **Plant Replacement - Risk Retention Fund** – Transfers will be made, as the Board determines necessary to the fund, to finance major system repairs or replacements and provide for potential claims not covered by existing insurance policies. Transfers to this fund are subordinate to transfers to the tax payment fund noted above.
12. **Plant Improvement Fund** – Transfers will be made to the Plant Improvement Fund as the Board deems necessary for improvements, enlargements and extension of the system. Transfers to this fund are subordinate to transfers to the Plant Replacement Fund.
13. Transfers from the Water Supply Fund and Sewage Disposal Fund may be made to the General Fund up to 40% of the surplus remaining at the end of the preceding fiscal year.
14. The balance of revenues remaining after the above requirements are met shall, at the option of the governing agency, be transferred to the Bond Reserve Fund for the purpose of calling bonds.

The City Charter allows the transfer to the General Fund of 50% of the preceding year’s net income of public utilities. The amount of net income not transferred to the General Fund must be held in a reserve account for future capital outlay. Expenditures shall be charged to the reserve account.

The composition of restricted asset accounts for the respective primary government enterprise and internal service funds and the respective component units are as follows:

	Water Supply Fund	Sewage Disposal Fund	Stormwater Fund	Non-major Enterprise Funds	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Primary Government Total	Component Unit Total
Cash and cash equivalents	\$ 287,936	\$ 117,072	\$ 28,827	\$ 40,626	\$ 39,608	\$ 2,915	\$ 1,181,200	\$ 1,698,184	\$ 12,702,551
Investments	-	-	-	-	-	-	-	-	-
TOTALS	\$ 287,936	\$ 117,072	\$ 28,827	\$ 40,626	\$ 39,608	\$ 2,915	\$ 1,181,200	\$ 1,698,184	\$ 12,702,551

NOTE D – JOINT VENTURE – INVESTMENT IN WASTEWATER PLANT:

The City has entered into a contract with the adjacent townships of Chocolay and Marquette through the County of Marquette to construct and operate a wastewater plant known as the Marquette Area Wastewater Treatment Facility. Under the original agreement, the City owned 79.8% of the facility, the Township of Marquette owned 5.5%, and the Township of Chocolay owned 14.7%. The cost of construction amounted to approximately \$12,000,000 and was financed by Federal and State grants for 80% of the cost and \$2,500,000 general obligation bonds issued by Marquette County. The full faith and credit of the City and the two Townships have been pledged. The total investment in the Facility at September 30, 2023 by the City is \$4,453,432, including local contributions and its proportionate share of the net equity of the facility.

In the spring of 1993, the City of Marquette and Chocolay Township each sold 2.25% of capacity to Marquette Township. The new ownership percentages were the City of Marquette owns 77.55%, Chocolay Township owns 12.45%, and Marquette Township owns 10.00%.

On June 26, 2006, there was an amendment to the Marquette County Wastewater Disposal System contract to change the ownership of the three partners involved. The new ownership percentages for the City of Marquette, the Charter Township of Chocolay, and the Charter Township of Marquette are 85%, 5%, and 10%, respectively.

On September 24, 2018, a resolution was passed that effective October 1, 2018, the Marquette Area Wastewater Treatment Facility's contract was changed in regards to the ownership of the three partners involved. For a one-time payment, Chocolay Township purchased 1% each from the City of Marquette, and from Marquette Township. After the passage of this resolution and receipt of the one-time payment, the ownership allocation for the City of Marquette, Marquette Township, and Chocolay Township are 84%, 11%, and 7%, respectively.

The City utilizes the equity method of accounting for the activity in its investment in the Facility. Under the equity method, the investment is adjusted for any additional capital investments made and its proportionate share of the Facility's results of operations.

As required by Governmental Accounting Standards Board Statement No. 14, the City's equity interest is shown as an asset in the Water Supply and Sewage Disposal Fund. The separately issued audited financial statements can be obtained at the City's Finance Department located at 300 West Baraga Avenue, Marquette, Michigan 49855.

A summary of condensed financial information as of and for the fiscal year ended September 30, 2024, of the Facility, in the aggregate, is as follows:

Assets	\$ 30,526,061
Deferred outflows of resources	220,780
Liabilities	17,507,594
Deferred inflows of resources	39,519
Equity	13,199,728
Operating Revenues	2,614,239
Operating Expenses	3,237,746
Non-operating Revenues	7,374,897
Non-operating Expenses	(281,288)
Increase in net position	6,470,102
City's share of net gain (loss)	5,434,886

NOTE E – LEASES:

Energy Enhancements Lease - Lessee

The City has a lease for the various energy enhancement projects that have been undertaken by the City. The future minimum lease payments are as follows:

Year ending September 30,	
2025	\$ 1,626,790
2026	1,648,926
2027	1,810,984
2028	1,763,029
2029	1,985,601
2030 - 2034	11,113,963
2035 - 2039	7,939,327
Total minimum lease payment	<u>27,888,620</u>
Less amount representing interest	(5,238,517)
Present value of minimum lease payments	<u>\$ 22,650,103</u>
Asset	
Energy enhancements lease, net of depreciation	<u>\$ 20,955,542</u>

Equipment Leases – Lessee

The City is a lessee of various lease agreements that qualify as long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not finance purchases, as the City will not own the assets at the end of the contract term. The term of the agreements exceeds one year, and the City intends to exercise these agreements to the end of the terms.

The right-to-use assets and related activities, summarized below, are included in Note I – Capital Assets. The lease liabilities and related activities, summarized below, are included in Note F – Long-Term Debt.

Asset Type	Remaining Term of Agreements
Technology Services equipment	2 – 4 years
Motor Pool light duty equipment	4 – 5 years

Primary Government

	Balance at <u>9/30/2023</u>	<u>Additions</u>	<u>Disposals</u>	Balance at <u>9/30/2024</u>
Leased Equipment (Right to Use)	\$ 519,676	\$ 1,308,937	\$ (28,371)	\$ 1,800,242
Less: Accumulated Amortization	187,913	245,332	(28,371)	404,874
Net Leased Equipment (Right to Use)	<u>\$ 331,763</u>	<u>\$ 1,063,605</u>	<u>\$ -</u>	<u>\$ 1,395,368</u>

NOTE E – LEASES (continued):

Future Lease Payment Maturity Schedule

	Principal	Interest	Total Payment
2025	\$ 310,350	\$ 131,285	\$ 441,635
2026	341,499	96,996	438,495
2027	321,002	63,933	384,935
2028	318,908	44,980	363,888
2029	139,136	5,968	145,104
	<u>\$ 1,430,895</u>	<u>\$ 343,162</u>	<u>\$ 1,774,057</u>

Peter White Public Library is a lessee for various copier equipment. A summary of these agreements are as follows:

PWPL

Equipment Description	Starting Date	Term	Amount	Interest Rate
Xerox Copier	May 2019	60 months	\$ 186	4.45%
Sharp Copier	October 2019	60 months	\$ 157	4.45%

Component Unit - PWPL

	Principal	Interest	Total Payment
2025	23	-	23
	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 23</u>

New The DDA is a lessee for various copier equipment. A summary of these agreements are as follows:

DDA

Equipment Description	Starting Date	Term	Amount	Interest Rate
Xerox Copier	June 2023	60 months	\$ 144	3.38%
Office Lease	November 2023	36 months	\$ 1,850	3.38%

Component Unit - DDA

	Principal	Interest	Total Payment
2025	\$ 22,569	\$ 1,362	\$ 23,931
2026	23,344	586	23,930
2027	3,507	74	3,581
2028	1,140	14	1,154
2029	-	-	-
	<u>\$ 50,560</u>	<u>\$ 2,036</u>	<u>\$ 52,596</u>

NOTE F – LONG-TERM DEBT:

The following is a summary of long-term debt transactions of the primary government and all component units for the year ended September 30, 2024:

	Balance September 30, 2023	Additions	Deductions	Balance September 30, 2024	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
2007 High Street Bonds	\$ 61,627	\$ -	\$ (11,884)	\$ 49,743	\$ 12,086
2013 Capital Improvement Bonds					
Street Bonds Portion	404,550	-	(75,950)	328,600	79,050
Refunding Portion - 2003 Founder's Landing Bonds	-	-	-	-	-
2014 Capital Improvement Bonds	685,800	-	(86,400)	599,400	90,000
Add: deferred amounts on 2014 bonds	42,160	-	(6,022)	36,138	
2015 Capital Improvement Bonds	228,116	-	(73,907)	154,209	75,507
Add: deferred amounts on 2015 bonds	7,400	-	(2,468)	4,932	
2016 Capital Improvement Bonds					
Street Bonds Portion	724,550	-	(79,550)	645,000	81,700
Add: deferred amount on 2016 bonds	78,606	-	(9,826)	68,780	
Refunding Portion - 2006 & 2008 Street Bonds	838,848	-	(155,040)	683,808	159,936
Add: deferred amount on 2006 & 2008 refundings	131,579	-	(26,316)	105,263	
2017 Capital Improvement Bonds					
Street Bonds Portion	2,920,000	-	(275,000)	2,645,000	287,500
Add: deferred amount on 2017 bonds	276,494	-	(30,722)	245,772	
Refunding Portion - 2009 Capital Imp. Bonds	299,620	-	(299,620)	-	-
Add: deferred amount on 2009 refunding	22,606	-	(22,606)	-	
2018 Capital Improvement Bonds	415,000	-	(75,000)	340,000	80,000
Add: deferred amounts on 2018 bonds	27,894	-	(5,579)	22,315	
2018 Michigan Transportation Fund Bonds	885,000	-	(165,000)	720,000	170,000
Add: deferred amounts on 2018 MTF bonds	55,128	-	(11,026)	44,102	
2019 Capital Improvement Bonds	760,000	-	(100,000)	660,000	100,000
Add: deferred amounts on 2019 bonds	81,073	-	(11,582)	69,491	
2020 Capital Improvement Bonds	320,000	-	(40,000)	280,000	40,000
Add: deferred amounts on 2020 bonds	47,989	-	(6,857)	41,132	
2020 Michigan Transportation Fund Bonds	1,380,000	-	(175,000)	1,205,000	180,000
Add: deferred amounts on 2020 MTF bonds	205,800	-	(29,400)	176,400	
2021 Capital Improvements Bonds					
Capital Improvement Portion	1,476,800	-	(86,400)	1,390,400	89,600
Add: deferred amount on 2021 bonds	240,893	-	(18,530)	222,363	
Refunding Portion					
2011 Street Improvement Bonds	246,000	-	(78,000)	168,000	82,000
Add: deferred amount on 2011 refunding	23,122	-	(7,707)	15,415	
2012 Capital Improvement Bonds	359,640	-	(84,915)	274,725	88,245
Add: deferred amount on 2012 refunding	40,087	-	(10,021)	30,066	
2022 Capital Improvement Bonds	1,806,400	-	(94,400)	1,712,000	99,200
Add: deferred amounts on 2022 bonds	159,071	-	(11,362)	147,709	
Energy Enhancements lease [see footnote "Leases"]	23,546,158	-	(896,055)	22,650,103	983,527
Equipment lease	338,138	1,308,937	(216,180)	1,430,895	310,350
IT Arrangements	74,573	-	(46,352)	28,221	28,221
Accrued Compensated Absences	1,757,937	370,314	(205,745)	1,922,506	720,470
TOTAL GOVERNMENTAL ACTIVITIES	\$ 40,968,659	\$ 1,679,251	\$ (3,530,422)	\$ 39,117,488	\$ 3,757,392

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2023			Balance September 30, 2024		Due Within One Year
		Additions	Deductions			
BUSINESS-TYPE ACTIVITIES:						
<u>WATER SUPPLY FUND:</u>						
State Drinking Water Revolving Fund Loan - 2009	\$ 190,058	\$ -	\$ (25,000)	\$ 165,058	\$ 30,000	
State Drinking Water Revolving Fund Loan - 2011	263,908	-	(30,000)	233,908	30,000	
State Drinking Water Revolving Fund Loan - 2015	170,875	-	(15,000)	155,875	15,000	
2007 High Street Bonds	96,292	-	(18,568)	77,724	18,884	
2013 Capital Improvements Bonds	326,250	-	(61,250)	265,000	63,750	
2014 Capital Improvements Bonds	323,850	-	(40,800)	283,050	42,500	
Add: deferred amounts	18,673	-	(2,668)	16,005		
2015 Capital Improvements Bonds	351,722	-	(113,975)	237,747	116,425	
Add: deferred amounts	10,247	-	(3,416)	6,831		
2016 Capital Improvement Bonds						
Capital Improvement Portion	286,450	-	(31,450)	255,000	32,300	
Add: deferred amounts	31,077	-	(3,885)	27,192		
Refunding Portion - 2008 Street Bonds	634,790	-	(117,325)	517,465	121,030	
Add: deferred amounts - 2008 Refunding, net	34,673	-	(6,936)	27,737		
2017 Capital Improvement Bonds						
Capital Improvement Portion	1,168,000	-	(110,000)	1,058,000	115,000	
Add: deferred amounts	110,597	-	(12,288)	98,309		
Refunding Portion - 2009 Capital Imp. Bonds	253,470	-	(253,470)	-		
Add: deferred amounts - 2009 Refunding, net	2,284	-	(2,284)	-		
2018 Capital Improvement Bonds	660,000	-	(120,000)	540,000	125,000	
Add: deferred amounts	44,501	-	(8,900)	35,601		
2019 Capital Improvements Bonds	455,000	-	(60,000)	395,000	60,000	
Add: deferred amounts	48,710	-	(6,959)	41,751		
2020 Capital Improvements Bonds	475,000	-	(60,000)	415,000	60,000	
Add: deferred amounts	70,960	-	(10,137)	60,823		
2021 Capital Improvement Bonds						
Capital Improvement Portion	923,000	-	(54,000)	869,000	56,000	
Add: deferred amounts	150,559	-	(11,582)	138,977		
Refunding Portion						
2011 Street Improvement Bonds	67,650	-	(21,450)	46,200	22,550	
Add: deferred amounts	6,349	-	(2,116)	4,233		
2012 Capital Improvement Bonds	201,960	-	(47,685)	154,275	49,555	
Add: deferred amounts	29,305	-	(7,326)	21,979		
2022 Capital Improvements Bonds	338,700	-	(17,700)	321,000	18,600	
Add: deferred amounts	29,826	-	(2,130)	27,696		
Accrued Compensated Absences	250,085	76,169	(101,243)	225,011	90,004	
TOTAL WATER SUPPLY FUND	8,024,821	76,169	(1,379,543)	6,721,447	1,066,598	
<u>SEWAGE DISPOSAL FUND:</u>						
State Act 94 Clean Water Assistance Loan	210,000	-	(210,000)	-	-	
State Revolving Fund Loan -2009	280,699	-	(40,000)	240,699	40,000	
State Revolving Fund Loan -2011	321,785	-	(35,000)	286,785	40,000	
2013 Capital Improvements Bonds	365,400	-	(68,600)	296,800	71,400	
2014 Capital Improvements Bonds	895,350	-	(112,800)	782,550	117,500	
Add: deferred amounts	51,625	-	(7,375)	44,250		
2015 Capital Improvements Bonds	117,752	-	(38,185)	79,567	38,985	
Add: deferred amounts	3,401	-	(1,134)	2,267		
2016 Capital Improvement Bonds						
Capital Improvement Portion	286,450	-	(31,450)	255,000	32,300	
Add: deferred amounts	31,077	-	(3,884)	27,193		
Refunding Portion - 2008 Street Bonds	579,792	-	(107,160)	472,632	110,544	
Add: deferred amounts - 2008 Refunding, net	39,637	-	(7,927)	31,710		
2017 Capital Improvement Bonds						
Capital Improvement Portion	876,000	-	(82,500)	793,500	86,250	
Add: deferred amounts	82,949	-	(9,216)	73,733		
Refunding Portion - 2009 Capital Imp. Bonds	127,800	-	(127,800)	-		
Add: deferred amounts - 2009 Refunding, net	1,152	-	(1,152)	-		
2018 Capital Improvement Bonds	800,000	-	(145,000)	655,000	155,000	
Add: deferred amounts	53,465	-	(10,693)	42,772		
2019 Capital Improvements Bonds	880,000	-	(115,000)	765,000	115,000	
Add: deferred amounts	94,255	-	(13,465)	80,790		
2020 Capital Improvements Bonds	470,000	-	(60,000)	410,000	60,000	
Add: deferred amounts	69,957	-	(9,994)	59,963		
2021 Capital Improvement Bonds						
Capital Improvement Portion	923,000	-	(54,000)	869,000	56,000	
Add: deferred amounts	150,559	-	(11,582)	138,977		
Refunding Portion						
2011 Street Improvement Bonds	190,650	-	(60,450)	130,200	63,550	
Add: deferred amounts	17,891	-	(5,964)	11,927		
2012 Capital Improvement Bonds	351,000	-	(82,875)	268,125	86,125	
Add: deferred amounts	50,930	-	(12,732)	38,198		
2022 Capital Improvements Bonds	508,050	-	(26,550)	481,500	27,900	
Add: deferred amounts	44,738	-	(3,195)	41,543		
Accrued Compensated Absences	68,784	40,578	(36,670)	72,692	29,077	
TOTAL SEWAGE DISPOSAL FUND	8,944,148	40,578	(1,532,353)	7,452,373	1,129,631	

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2023	Additions	Deductions	Balance September 30, 2024	Due Within One Year
STORMWATER UTILITY FUND:					
2007 High Street Bonds	\$ 34,664	\$ -	\$ (6,684)	\$ 27,980	\$ 6,798
2013 Capital Improvements Bonds	208,800	-	(39,200)	169,600	40,800
2015 Capital Improvements Bonds	27,410	-	(8,933)	18,477	9,083
Add: deferred amounts	737	-	(246)	491	
2016 Capital Improvement Bonds					
Capital Improvement Portion	387,550	-	(42,550)	345,000	43,700
Add: deferred amounts	42,045	-	(5,255)	36,790	
Refunding Portion - 2006 & 2008 Street Bonds	516,570	-	(95,475)	421,095	98,490
Add: deferred amounts - 2006 & 2008 Refunding, net	70,828	-	(14,165)	56,663	
2017 Capital Improvement Bonds					
Capital Improvement Portion	876,000	-	(82,500)	793,500	86,250
Add: deferred amounts	82,950	-	(9,217)	73,733	
Refunding Portion - 2009 Capital Imp. Bonds	29,110	-	(29,110)	-	
Add: deferred amounts - 2009 Refunding, net	262	-	(262)	-	
2018 MTF Bonds	730,000	-	(135,000)	595,000	140,000
Add: deferred amounts	45,521	-	(9,103)	36,418	
2019 Capital Improvements Bonds	665,000	-	(85,000)	580,000	85,000
Add: deferred amounts	71,258	-	(10,180)	61,078	
2020 Capital Improvements Bonds	985,000	-	(125,000)	860,000	130,000
Add: deferred amounts	146,849	-	(20,978)	125,871	
2021 Capital Improvement Bonds					
Capital Improvement Portion	1,292,200	-	(75,600)	1,216,600	78,400
Add: deferred amounts	210,782	-	(16,214)	194,568	
Refunding Portion					
2011 Street Improvement Bonds	110,700	-	(35,100)	75,600	36,900
Add: deferred amounts	10,388	-	(3,463)	6,925	
2012 Capital Improvement Bonds	167,400	-	(39,525)	127,875	41,075
Add: deferred amounts	24,290	-	(6,073)	18,217	
2022 Capital Improvements Bonds	2,991,850	-	(156,350)	2,835,500	164,300
Add: deferred amounts	263,462	-	(18,819)	244,643	
Accrued Compensated Absences	28,928	13,123	(13,224)	28,827	11,531
TOTAL STORMWATER UTILITY FUND	10,020,554	13,123	(1,083,226)	8,950,451	972,327
TOURIST PARK FUND:					
Accrued Compensated Absences	266	360	-	626	250
TOTAL TOURIST PARK FUND	266	360	-	626	250
LAKESHORE AND LIGHTHOUSE PARK FUND:					
2018 Building Authority Bonds	555,000	-	(105,000)	450,000	105,000
TOTAL LAKESHORE AND LIGHTHOUSE PARK FUND	555,000	-	(105,000)	450,000	105,000
MARINAS FUND:					
2019 Capital Improvement Bonds	605,000	-	(75,000)	530,000	80,000
Add: deferred amounts	65,046	-	(9,292)	55,754	
TOTAL MARINAS FUND	670,046	-	(84,292)	585,754	80,000
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 28,214,835	\$ 130,230	\$ (4,184,414)	\$ 24,160,651	\$ 3,353,806

NOTE F – LONG-TERM DEBT (Continued):

	Balance September 30, 2023	Additions	Deductions	Balance September 30, 2024	Due Within One Year
COMPONENT UNITS:					
Board of Light & Power:					
2016 Electric Utility Revenue Bonds	\$ 53,580,000	\$ -	\$ (3,040,000)	\$ 50,540,000	\$ 3,195,000
Add: deferred amounts	4,720,486	-	(730,434)	3,990,052	
Compensated Absences	1,209,126	63,272	-	1,272,398	1,272,398
Peter White Public Library:					
2017 Library Improvement Bonds	2,750,000	-	(235,000)	2,515,000	250,000
Add: deferred amounts	239,620	-	(23,962)	215,658	
Equipment Lease	3,234	-	(3,211)	23	23
Compensated Absences	67,840	-	(292)	67,548	-
Downtown Development Authority:					
2021 Refunding & TIF Bonds	654,000	-	(130,000)	524,000	133,000
Equipment Lease	7,464	63,428	(20,332)	50,560	22,569
Compensated Absences	30,844	10,187	-	41,031	
Brownfield Redevelopment Authority:					
2010 Capital Improvement Bonds	505,000	-	(55,000)	450,000	55,000
2010 Recovery Zone Facility Bonds	230,000	-	(25,000)	205,000	25,000
2013 Capital Improvement Bonds	35,000	-	(35,000)	-	-
2016 Tax Increment Bonds	16,950,000	-	(155,000)	16,795,000	100,000
Add: deferred amounts	1,418,545	-	(109,119)	1,309,426	
2017 Capital Improvement Bonds	550,000	-	(50,000)	500,000	55,000
Add: deferred amounts	51,826	-	(5,758)	46,068	
2017 Tax Increment Bonds	10,275,000	-	(670,000)	9,605,000	685,000
2018 Capital Improvement Bonds	395,000	-	(75,000)	320,000	75,000
Add: deferred amounts	26,588	-	(5,318)	21,270	
2021 Tax Increment Bonds	5,995,000	-	(5,000)	5,990,000	5,000
Add: deferred amounts	392,143	-	(23,067)	369,076	
TOTAL COMPONENT UNITS	\$ 100,086,716	\$ 136,887	\$ (5,396,493)	\$ 94,827,110	\$ 5,872,990

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$124,328 of internal service funds compensated absences is included in the above amounts. In the governmental activities, compensated absences are generally liquidated by the general fund.

The City's component units (Board of Light and Power, Brownfield Redevelopment Authority, Downtown Development Authority and Peter White Public Library), the Marinas, Water Supply, and Sewage Disposal Fund revenue bonds, general obligation bonds, and lease obligations outstanding are recorded in the respective Component Unit and Enterprise Funds. The Component Units' debt and the Enterprise Fund debt are expected to be repaid from proprietary revenues.

State Act 94 Clean Water Assistance Loan - On March 25, 2004, the City issued \$3,470,000 of State of Michigan Act 94 Clean Water Assistance Loan for the purpose of rehabilitation of the Hawley Street, Pine Street, Lake Street, and Baraga Avenue sewage pump stations. The loan will be paid off in annual principal and interest payments over 20 years with an interest rate of 2.125%.

2006 Street Improvement Bonds- On October 31, 2006, the City issued \$5,475,000 in Limited Tax General Obligation Bonds, Series 2006 at an interest rate of 4.0%. The Bonds were issued for the purpose of paying all or part of the cost of making major and local street improvements throughout the City. The Bonds are issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

During the fiscal year ending June 30, 2009, the construction of infrastructure assets funded with the Limited Tax General Obligation Bonds, Series 2006, as noted above, was completed. A portion of these constructed assets included stormwater infrastructure and thus these assets were removed from the Governmental Activities infrastructure assets and long term debt balance. A total of \$2,600,000 of these infrastructure assets were transferred to the Stormwater Fund and, correspondingly, the \$2,600,000 of debt relating to those assets was also transferred to the Stormwater Fund.

2007 High Street Bonds - On March 29, 2007, the Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2007, are approved for issue in the aggregate principal sum of not to exceed \$1,852,000 for the purpose of paying the costs for the High Street sewer replacement and related street reconstruction. The Series 2007 Bonds shall bear interest at a rate of 1.625%. Principal installments of the Series 2007 Bonds shall be payable on October 1 of the years 2009 to 2028. Interest on the Series 2007 Bonds shall be payable on April 1 and October 1 of each year, commencing on October 1, 2007.

The total liability of \$684,636 is the total of all draw downs received on this project.

During the fiscal year ending June 30, 2010, the construction of infrastructure assets funded with the Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, as noted above, was completed. A portion of these constructed assets included stormwater infrastructure and water distribution system infrastructure and thus these assets were removed from the Governmental Activities infrastructure assets and long term debt balance. A total of \$123,234 of these infrastructure assets were transferred to the Stormwater Fund and, correspondingly, the \$123,234 of debt relating to those assets was also transferred to the Stormwater Fund. A total of \$342,318 of these infrastructure assets were transferred to the Water Fund and, correspondingly, the \$342,318 of debt relating to those assets was also transferred to the Water Fund.

2008 Street Improvements Bonds - On June 26, 2008, the City issued \$8,375,000 in Limited Tax General Obligation Bonds, Series 2008 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the cost of certain capital improvements including major and local street improvements, construction and installation of water treatment and distribution lines, construction and installation of wastewater and storm water collection lines, and acquisition of other City equipment. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

2009 Capital Improvements Bonds - On May 5, 2009, the City issued \$10,800,000 in Limited Tax General Obligation and Refunding Bonds, Series 2009 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the cost of capital improvement items in the City including major and local street improvements, reconstruction of water and sewer lines, renovating and equipping Lakeview Arena, construction and installation of wastewater and storm water collection lines, and acquisition of other City equipment, and to refund the City of Marquette Building Authority's 1998 Building Authority Refunding Bonds, dated June 16, 1998, which mature in the years 2010 through 2021. The Bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a bond authorizing resolution adopted by the City Commission on March 30, 2009.

The refunding portion's net proceeds of \$2,468,606 (after payment of \$39,530 in underwriting fees, insurance, and other issuance costs, plus an additional \$83,136 reoffering premium) were used, together with other monies transferred by the City, to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service interest and principal payments on the 1998 issue refunded bonds. As a result, the 1998 issue bonds maturing in fiscal years 2010 through 2021 are considered to be defeased and the liability for those bonds has been removed from the Governmental Activities long-term debt balance.

NOTE F – LONG-TERM DEBT (Continued):

Also, the irrevocable trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2024, \$0 of bonds outstanding are considered defeased.

State Drinking Water Revolving Fund Loan – 2009 - On January 11, 2010, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$960,000 in funding from the State Drinking Water Revolving Fund for the purpose of constructing water mains and of purchasing a new sodium hypochlorite generator at the water filtration plant. Upon completion of this project, the agreement further states a loan forgiveness amount not to exceed \$384,000. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at the rate of 2.5% per annum, payable October 1, 2010 and semi-annually thereafter. The City has received a total of \$851,764 in draws from the State, and has received \$340,706 in loan forgiveness.

State Revolving Fund Loan – 2009 - On January 11, 2010, the City entered into an agreement with the State of Michigan to utilize funds from the State Revolving Fund to construct and replace sanitary sewer lines. The agreement set forth that the City is approved to receive \$800,000 in funding from the State Revolving Fund for the purpose of constructing sewer infrastructure. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at a rate of 2.5% per annum, payable October 1, 2010 and semi-annually thereafter. The City has received a total of \$695,699 in draws from the State.

State Drinking Water Revolving Fund Loan – 2011 – On June 24, 2011, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$1,600,000 in funding from the State Drinking Water Revolving Fund for the purpose of constructing water mains. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at the rate of 2.5% per annum, payable October 1, 2011 and semi-annually thereafter. The City received a total of \$882,511 in draws from the State, and has received \$353,004 in loan forgiveness.

State Revolving Fund Loan – 2011 – On June 24, 2011, the City entered into an agreement with the State of Michigan to utilize funds from the State Revolving Fund to construct and replace sanitary sewer lines. The agreement set forth that the City is approved to receive \$1,020,000 in funding from the State Revolving Fund for the purpose of constructing sewer infrastructure. Funding is received and the liability is established based upon the amount that the City "draws down" on this available funding. During the interim, interest shall accrue on the portion of principal that has been disbursed by the State at a rate of 2.5% per annum, payable October 1, 2011 and semi-annually thereafter. The City received a total of \$706,785 in draws from the State.

2011 Capital Improvements Bonds – On September 22, 2011, the City issued \$2,690,000 in Limited Tax General Obligation Bonds, Series 2011 with interest rates ranging from 2.0% to 4.125% for the purpose of paying the cost of certain capital improvements including major street and/or local street improvements, construction of Lake Street bike path, and the construction and installation of sanitary sewer lateral replacements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

2012 Capital Improvements Bonds – On August 7, 2012, the City issued \$3,765,000 in Limited Tax General Obligation Bonds, Series 2012 with interest rates ranging from 2.0% to 3.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, construction improvements to the Mattson Park Lift Station, and the construction and installation of sanitary sewer lateral replacements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City.

The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

2013 Capital Improvement Bonds – On September 13, 2013, the City issued \$5,785,000 in General Obligation Limited Tax Bonds, Series 2013 with interest rates of 2.95% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, and the construction and installation of sanitary sewer lateral replacements, and the 2003 Founders Landing Bonds, dated December 23, 2003. The Bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a bond authorizing resolution adopted by the City.

The refunding portion of the 2003 Founders Landing Bonds net proceeds \$2,245,000 (after payment of \$70,000 in issuance expenses) were paid to the refund bond escrow agent. As a result, the 2003 issue bonds maturing 2015 through 2023 are considered defeased and the liability for those bonds has been removed from the Governmental Activities long-term debt balance.

The irrevocable trust accounts for the assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$0 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$130,000. This difference has been charged to operations as a component of interest expense in the Statement of Activities. The transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$108,160.

2014 Capital Improvement Bonds – On September 30, 2014, the City issued \$3,620,000 in General Obligation Capital Improvement Bonds, Series 2014 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, the Carp River sanitary sewer crossing, and improvements to marina and park systems.

The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

2015 Capital Improvement Bonds – On September 17, 2015, the City issued \$2,250,000 in General Obligation Capital Improvement Bonds, Series 2015 with interest rates ranging from 2.0% to 3.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, acquisition and construction of park, sewer lift station and marina improvements; acquisition and installation of water membranes for the water supply system; water main improvements; and construction and installation of sanitary sewer lateral replacements and sewer pipe.

The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security of the payment of the principal and interest on the Bonds.

NOTE F – LONG-TERM DEBT (Continued):

2016 Capital Improvement Bonds – On October 5, 2016, the City issued \$9,505,000, in General Obligation Capital Improvement Bonds, Series 2016 with interest rates ranging from 2.0% to 5.0% for the purpose of paying the costs of certain capital improvements including, but not limited to major street and/or local street improvements, and the construction and installation of sanitary sewer lateral replacements, and to refund the 2006 Street Improvement Bonds and to refund the 2008 Street Improvement Bonds.

The refunding portion of the 2006 Street Improvement Bonds net proceeds of \$2,202,790, were paid to the refund bond escrow agent. As a result, the 2006 issue bonds maturing 2018 through 2022 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$0 of the bonds outstanding are considered defeased.

The refunding portion of the 2008 Street Improvement Bonds net proceeds of \$5,246,413, were paid to the refund bond escrow agent. As a result, the 2008 issue bonds maturing 2019 through 2028 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$2,245,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$495,000. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$525,642.

2017 Capital Improvement Bonds – On August 23, 2017, the City issued \$12,185,000 in General Obligation Capital Improvement Bonds, Series 2017 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the costs of certain capital improvements including, but not limited to making major and/or local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; reconstruction of a pathway bridge; construction and installation of sanitary sewer lateral replacements and sewer pipe; acquisition and installation of boiler replacements at various City buildings, and to refund the 2009 Capital Improvement Bonds.

The refunding portion of the 2009 Capital Improvement Bonds net proceeds of \$3,655,840, were paid to the refund bond escrow agent. As a result, the 2009 issue bonds maturing 2020 through 2024 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$0 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$95,000. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$231,940.

NOTE F – LONG-TERM DEBT (Continued):

2018 Capital Improvement Bonds – On July 31, 2018, the City issued \$3,450,000, in General Obligation Capital Improvement Bonds, Series 2018 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, sidewalk extensions/improvements, Picnic Rocks parking lot and Shiras Park repairs, Presque Isle Band Shell gravel road upgrade and Eagle Drive paving.

2018 Michigan Transportation Fund Bonds – On July 31, 2018, the City issued \$2,990,000, in Michigan Transportation Fund Bonds, Series 2018 with interest rates ranging from 3.0% to 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements and the construction and installation of sanitary sewer lateral replacements.

2018 Building Authority Bonds – On July 31, 2018, the City issued \$1,035,000, in Building Authority Bonds, Series 2018 with interest rates ranging from 2.65% to 3.81% for the purpose of paying the cost of certain capital improvements including Light House Property Improvements.

2019 Capital Improvement Bonds – On November 12, 2019, the City issued \$4,565,000 in General Obligation Capital Improvement Bonds, Series 2019 with interest rates of 3.0% - 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major and/or local street improvements, the construction and installation of sanitary sewer lateral replacements, sidewalk extensions/improvements, and marina improvements.

2020 Capital Improvement Bonds – On June 23, 2020, the City issued \$3,060,000 in General Obligation Capital Improvement Bonds, Series 2020 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including Lakeshore Boulevard Relocation, and the construction and installation of sanitary sewer lateral replacements.

2020 Michigan Transportation Fund Bonds – On June 23, 2020, the City issued \$1,875,000 in Michigan Transportation Fund Bonds, Series 2020 with interest rates of 4.0% for the purpose of paying the cost of certain capital improvements including but not limited to major street and/or local street improvements.

2021 Capital Improvement Bonds – On September 1, 2021, the City issued \$7,660,000 in General Obligation Capital Improvement Bonds, Series 2021 with interest rates ranging from 3.0% to 5.0% for the purpose of paying the costs of certain capital improvements including, but not limited to making major and/or local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; and Lakeshore Boulevard Relocation, and to refund the 2011 and 2012 Capital Improvement Bonds.

The refunding portion of the 2011 Capital Improvement Bonds net proceeds of \$1,081,344, were paid to the refund bond escrow agent. As a result, the 2011 issue bonds maturing 2023 through 2026 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$660,000 of the bonds outstanding are considered defeased.

The refunding portion of the 2012 Capital Improvement Bonds net proceeds of \$1,730,575, were paid to the refund bond escrow agent. As a result, the 2012 issue bonds maturing 2023 through 2027 are considered defeased and the liability for those bonds has been removed from the Governmental Activities and Business-Type Activities long term debt balances.

NOTE F – LONG-TERM DEBT (Continued):

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$1,170,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$266,144. This difference has been deferred and amortized over the shorter of the life of the refunded or refunding debt. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$192,112.

2022 Capital Improvement Bonds – On August 24, 2022, the City issued \$6,000,000 in General Obligation Capital Improvement Bonds, Series 2022 with interest rates of 2.875% - 5.0% for the purpose of paying the cost of certain capital improvements including Lakeshore Boulevard Relocation, the construction and installation of sanitary sewer lateral replacements, and Hemlock Park Development.

State Drinking Water Revolving Fund Loan – 2015 – On March 1, 2014, the City entered into an agreement with the State of Michigan to utilize funds from the State Drinking Water Revolving Fund. The agreement set forth that the City is approved to receive \$330,000 in funding from the State Drinking Water Revolving Fund for the purpose of repairs and maintenance to the Mountain Tank. Funding is received and the liability is established based on the amount that the City “draws down” on this available funding. The City has received a total of \$290,875 in draws from the State.

2017 Peter White Public Library Bonds – On October 3, 2017, the Peter White Public Library issued \$3,845,000, in General Obligation Unlimited Tax Bonds, Series 2017 with interest rates ranging from 2.0% to 4.0% for the purpose of paying the cost of acquiring, constructing, furnishing and equipping library improvements, including renovations to the existing Peter White Public Library building, and all related site improvements, appurtenances, and attachments. The Bonds sold at a premium of \$359,430.

2010 Capital Improvement Bonds – On December 16, 2010, the City and the Brownfield Redevelopment Authority issued \$995,000 in Limited Tax General Obligation Bonds, Series 2010 with interest rates ranging from 2.5% to 5.0% for the purpose of paying all or part of the cost of acquiring and constructing certain capital improvements in the City, consisting generally of new seawall, public boardwalk, and site improvements. The bonds are issued pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution adopted by the City. The City has pledged its limited tax, full faith and credit as a security for the payment of the principal and interest on the Bonds.

2010 Recovery Zone Facility Bonds – On December 16, 2010, the City and the Brownfield Redevelopment Authority issued \$445,000 in Tax Increment Limited Tax General Obligation Bonds, Series 2010 with interest rates ranging from 4.0% to 5.0% for the purpose of paying all or part of the cost of acquiring, constructing, and installing certain improvements in the Founders Landing site located on the shore of Lake Superior in the City. The bonds are issued pursuant to the provision of Act 381, Public Acts of Michigan, 1996, as amended, and a resolution adopted by the City. The City has made a limited tax pledge as additional security for payment of the principal and interest on the Bonds.

2013 Capital Improvement Bonds – On October 1, 2013, the City and the Brownfield Redevelopment Authority issued \$320,000 in Tax Increment Limited Tax General Obligation Bonds with an interest rate of 2.35% for the purpose of paying all or part of the cost of acquiring and constructing certain capital improvements in the City.

2016 Tax Increment Bonds – On September 21, 2016, the City and the Brownfield Redevelopment Authority issued \$17,195,000 in Tax Increment Limited Tax General Obligation Bonds with an interest rate of 4.00%-5.00% for the purpose of paying the costs of relocating the City's Municipal Service Center in conjunction with a concurrent Brownfield project.

NOTE F – LONG-TERM DEBT (Continued):

2017 Capital Improvement Bonds - Brownfield – On August 23, 2017, the City and the Brownfield Redevelopment Authority issued \$830,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.0% to 4.0% for the purpose of extending/improving Baraga Avenue.

2017 Tax Increment Bonds - Brownfield – On October 10, 2017, the City and the Brownfield Redevelopment Authority issued \$12,185,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.14% to 3.67% for the purpose of paying all or part of the cost of acquiring and constructing street improvements surrounding a Brownfield project.

2018 Capital Improvement Bonds - Brownfield – On July 31, 2018, the City and the Brownfield Redevelopment Authority issued \$730,000 in General Obligation Capital Improvement Bonds with an interest rate of 4.00% for the purpose of paying all or part of the cost of acquiring and constructing street improvements surrounding a Brownfield project.

2021 Capital Improvement Bonds - Brownfield – On November 23, 2021, the City and the Brownfield Redevelopment Authority issued \$6,000,000 in Tax Increment Limited Tax General Obligation Bonds with interest rates ranging from 2.375% to 4.0% for the purpose of redevelopment of the pier and reuse or removal of the existing piling structure.

2011 Tax Increment Bonds - DDA – On September 8, 2011, the Downtown Development Authority issued \$1,500,000 in Tax Increment Bonds with an interest rate of 4.35% for the purpose of restoration of the Bluff Street Parking ramp, installation of parking stations, streetscape improvements and curb improvements.

2021 Tax Increment and Tax Increment Refunding Bonds - DDA – On May 26, 2021, the Downtown Development Authority issued \$1,040,000 in Tax Increment and Tax Increment Refunding Bonds, Series 2021 with interest rate of 2.45% for the purpose of paying all or part of the costs of public improvements in the Downtown Development Area in the City as described in the Development Plan and Tax Increment Financing Plan #3, and to refund the 2011 Tax Increment Bonds.

The refunding portion of the 2011 Tax Increment Bonds net proceeds of \$774,016, were paid to the refund bond escrow agent. As a result, the 2011 issue bonds maturing 2021 through 2026 are considered defeased and the liability for those bonds has been removed from the Governmental Activities long term debt balances.

The irrevocable trust accounts for the assets and liability for the defeased bonds are not included in the City's financial statements. On September 30, 2024, \$250,000 of the bonds outstanding are considered defeased.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$12,040. This transaction was undertaken to reduce the total debt service payments and accordingly resulted in an economic gain of \$24,953.

2016 Electric Utility Revenue Bonds – During fiscal year 2016, the Marquette Board of Light and Power issued 2016A Electric Utility System Revenue and Refunding Bonds. The financing provided bond proceeds of \$67,435,000 and an unamortized net premium of \$10,499,829, which totaled \$77,934,829. As part of the 2016A bond issue, the Board advance refunded \$3,890,000 of the 2011A Electric Utility System Revenue Bonds to provide resources to purchase United States government securities that were placed in an escrow fund for the purpose of generating resources for all future debt service payments of the 2011A refunded debt. As a result, the 2011A bonds are considered defeased and the related liability has been removed from the statement of net position.

NOTE F – LONG-TERM DEBT (Continued):

The advance refunding resulted in a difference between the reacquisition price and the net carrying value of the old debt in the amount of \$79,907. This was recorded on the statement of financial position and amortized over a period of three years.

Annual maturities on the Governmental Activities debts are as follows:

Year Ending September 30,	2007 High Street Bonds	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Street Improvements Bonds	2016 Refunding Bonds	2017 Street Improvements Bonds	2018 Capital Improvements Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2020 MTF Bonds	2021 Capital Improvement Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvement Bonds
2025	\$ 12,086	\$ 79,050	\$ 90,000	\$ 75,507	\$ 81,700	\$ 159,936	\$ 287,500	\$ 80,000	\$ 170,000	\$ 100,000	\$ 40,000	\$ 180,000	\$ 89,600	\$ 170,245	\$ 99,200
2026	12,289	80,600	93,600	78,702	86,000	168,096	300,000	85,000	180,000	105,000	45,000	190,000	94,400	177,575	104,000
2027	12,491	83,700	97,200	-	88,150	172,992	310,000	85,000	185,000	105,000	45,000	195,000	97,600	94,905	108,800
2028	12,877	85,250	102,600	-	92,450	182,784	322,500	90,000	185,000	115,000	50,000	205,000	104,000	-	113,600
2029	-	-	106,200	-	94,600	-	335,000	-	-	115,000	50,000	215,000	108,800	-	120,000
2030	-	-	109,800	-	98,900	-	350,000	-	-	120,000	50,000	220,000	113,600	-	124,800
2031	-	-	-	-	103,200	-	362,500	-	-	-	-	-	120,000	-	131,200
2032	-	-	-	-	-	-	377,500	-	-	-	-	-	124,800	-	139,200
2033	-	-	-	-	-	-	-	-	-	-	-	-	128,000	-	145,600
2034	-	-	-	-	-	-	-	-	-	-	-	-	132,800	-	148,800
2035	-	-	-	-	-	-	-	-	-	-	-	-	136,000	-	153,600
2036	-	-	-	-	-	-	-	-	-	-	-	-	140,800	-	158,400
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	164,800
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Interest	49,743	328,600	599,400	154,209	645,000	683,808	2,645,000	340,000	720,000	660,000	280,000	1,205,000	1,390,400	442,725	1,712,000
	2,534	19,707	71,692	4,752	94,170	56,170	444,700	34,600	73,000	82,000	40,600	174,400	349,776	35,252	516,682
	\$ 52,277	\$ 348,307	\$ 671,092	\$ 158,961	\$ 739,170	\$ 739,978	\$ 3,089,700	\$ 374,600	\$ 793,000	\$ 742,000	\$ 320,600	\$ 1,379,400	\$ 1,740,176	\$ 477,977	\$ 2,228,682

Annual maturities on the Business-Type Activities are as follows:

WATER SUPPLY FUND																
Year Ending September 30,	State Drinking Water Revolving Fund Loan	State DWRWF 2011 Loan	State DWRWF 2015 Loan	2007 High Street Bonds	2013 Capital Improvement Bonds	2014 Capital Improvement Bonds	2015 Capital Improvement Bonds	2016 Capital Improvement Bonds	2016 Refunding 2008 Bonds	2017 Capital Improvement Bonds	2018 Capital Improvement Bonds	2019 Capital Improvement Bonds	2020 Capital Improvement Bonds	2021 Capital Improvement Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvement Bonds
2025	\$ 30,000	\$ 30,000	\$ 15,000	\$ 18,885	\$ 63,750	\$ 42,500	\$ 116,425	\$ 32,300	\$ 121,030	\$ 115,000	\$ 125,000	\$ 60,000	\$ 60,000	\$ 56,000	\$ 72,105	\$ 18,600
2026	30,000	30,000	20,000	19,201	65,000	44,200	121,322	34,000	127,205	120,000	130,000	60,000	65,000	59,000	75,075	19,500
2027	30,000	30,000	20,000	19,518	67,500	45,900	-	34,850	130,910	124,000	140,000	65,000	70,000	61,000	53,295	20,400
2028	30,000	30,000	20,000	20,120	68,750	48,450	-	36,550	138,320	129,000	145,000	65,000	70,000	65,000	-	21,300
2029	30,000	30,000	20,000	-	50,150	-	-	37,400	-	134,000	-	70,000	75,000	68,000	-	22,500
2030	15,058	30,000	20,000	-	-	51,850	-	39,100	-	140,000	-	75,000	75,000	71,000	-	23,400
2031	-	30,000	20,000	-	-	-	-	40,800	-	145,000	-	-	-	75,000	-	24,600
2032	-	23,908	20,875	-	-	-	-	-	-	151,000	-	-	-	78,000	-	26,100
2033	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	-	27,300
2034	-	-	-	-	-	-	-	-	-	-	-	-	-	83,000	-	27,900
2035	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000	-	28,800
2036	-	-	-	-	-	-	-	-	-	-	-	-	-	88,000	-	29,700
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,900
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Interest	165,058	233,908	155,875	77,724	265,000	283,050	237,747	255,000	517,465	1,058,000	540,000	395,000	415,000	869,000	200,475	321,000
	16,506	25,035	8,544	3,957	15,893	24,837	7,278	42,330	52,858	199,040	55,400	49,500	60,200	218,610	16,884	96,874
	\$ 181,564	\$ 258,943	\$ 164,419	\$ 81,681	\$ 280,893	\$ 307,887	\$ 245,025	\$ 297,330	\$ 570,323	\$ 1,257,040	\$ 595,400	\$ 444,500	\$ 475,200	\$ 1,087,610	\$ 217,359	\$ 417,874

SEWAGE DISPOSAL FUND															
Year Ending September 30,	2009 State Revolving Loan	2011 State Revolving Loan	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2016 Refunding 2008 Bonds	2017 Capital Improvements Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvements Bonds	
2025	\$ 40,000	\$ 40,000	\$ 71,400	\$ 117,500	\$ 38,985	\$ 32,300	\$ 110,544	\$ 86,250	\$ 155,000	\$ 115,000	\$ 60,000	\$ 56,000	\$ 149,675	\$ 27,900	
2026	40,000	40,000	72,800	122,200	40,582	34,000	116,184	90,000	160,000	120,000	65,000	59,000	156,025	29,250	
2027	40,000	40,000	75,600	126,900	-	34,850	119,568	93,000	165,000	125,000	65,000	61,000	92,625	30,600	
2028	40,000	40,000	77,000	133,950	-	36,550	126,336	96,750	175,000	130,000	70,000	65,000	-	31,950	
2029	40,000	40,000	-	138,660	-	37,400	-	100,500	-	135,000	75,000	68,000	-	33,750	
2030	40,699	40,000	-	143,350	-	39,100	-	105,000	-	140,000	75,000	71,000	-	35,100	
2031	-	46,785	-	-	-	40,800	-	108,750	-	-	-	75,000	-	36,900	
2032	-	-	-	-	-	-	-	113,250	-	-	-	78,000	-	39,150	
2033	-	-	-	-	-	-	-	-	-	-	-	80,000	-	40,950	
2034	-	-	-	-	-	-	-	-	-	-	-	83,000	-	41,850	
2035	-	-	-	-	-	-	-	-	-	-	-	85,000	-	43,200	
2036	-	-	-	-	-	-	-	-	-	-	-	88,000	-	44,550	
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	46,350	
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Principal Interest	240,699	286,785	296,800	782,550	79,567	255,000	472,632	793,500	655,000	765,000	410,000	869,000	398,325	481,500	
	21,102	32,912	17,802	68,667	2,376	42,333	48,280	149,280	66,800	95,300	59,600	218,610	32,364	145,316	
	\$ 261,801	\$ 319,697	\$ 314,602	\$ 851,217	\$ 81,943	\$ 297,333	\$ 520,912	\$ 942,780	\$ 721,800	\$ 860,300	\$ 469,600	\$ 1,087,610	\$ 430,689	\$ 626,816	

NOTE F – LONG-TERM DEBT (Continued):

STORMWATER UTILITY FUND												
Year Ending September 30,	2007 High Street Improvements Bonds	2013 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2016 Refunding 2006 & 2008 Bonds	2017 Capital Improvements Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2021 Refunding 2011 & 2012 Bonds	2022 Capital Improvements Bonds
2025	\$ 6,798	\$ 40,800	\$ 9,083	\$ 43,700	\$ 98,490	\$ 86,250	\$ 140,000	\$ 85,000	\$ 130,000	\$ 78,400	\$ 77,975	\$ 164,300
2026	6,912	41,600	9,394	46,000	103,515	90,000	145,000	90,000	135,000	82,600	81,325	172,250
2027	7,026	43,200	-	47,150	106,530	93,000	150,000	95,000	140,000	85,400	44,175	180,200
2028	7,244	44,000	-	49,450	112,560	96,750	160,000	100,000	145,000	91,000	-	188,150
2029	-	-	-	50,600	-	100,500	-	105,000	150,000	95,200	-	198,750
2030	-	-	-	52,900	-	105,000	-	105,000	160,000	99,400	-	206,700
2031	-	-	-	55,200	-	108,750	-	-	-	105,000	-	217,300
2032	-	-	-	-	-	113,250	-	-	-	109,200	-	230,550
2033	-	-	-	-	-	-	-	-	-	112,000	-	241,150
2034	-	-	-	-	-	-	-	-	-	116,200	-	246,450
2035	-	-	-	-	-	-	-	-	-	119,000	-	254,400
2036	-	-	-	-	-	-	-	-	-	123,200	-	262,350
2037	-	-	-	-	-	-	-	-	-	-	-	272,950
2038	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-
Principal	27,980	169,600	18,477	345,000	421,095	793,500	595,000	580,000	860,000	1,216,600	203,475	2,835,500
Interest	1,425	10,172	444	57,270	43,014	149,280	60,800	72,600	124,400	306,054	16,250	819,564
	<u>\$ 29,405</u>	<u>\$ 179,772</u>	<u>\$ 18,921</u>	<u>\$ 402,270</u>	<u>\$ 464,109</u>	<u>\$ 942,780</u>	<u>\$ 655,800</u>	<u>\$ 652,600</u>	<u>\$ 984,400</u>	<u>\$ 1,522,654</u>	<u>\$ 219,725</u>	<u>\$ 3,655,064</u>

Year Ending September 30,	LAKESHORE AND LIGHTHOUSE PARK FUND	MARINAS FUND
	2018 Building Authority Bonds	2019 Capital Improvements Bonds
2025	\$ 105,000	\$ 80,000
2026	110,000	85,000
2027	115,000	85,000
2028	120,000	90,000
2029	-	95,000
2030	-	95,000
2031	-	-
2032	-	-
2033	-	-
2034	-	-
2035	-	-
2036	-	-
2037	-	-
2038	-	-
2039	-	-
Principal	450,000	530,000
Interest	42,845	65,800
	<u>\$ 492,845</u>	<u>\$ 595,800</u>

Annual maturities on Component Unit debt are as follows:

Year Ending September 30,	2016 Electric Utility Revenue Bonds	2017 Library Improvement Bonds	2021 DDA Refunding & TIF Bonds	2010 Capital Improvement Bonds	2010 Recovery Zone Facility Bonds	2016 MBRA Tax Increment Bonds	2017 MBRA Capital Improvement Bonds	2017 MBRA Tax Increment Bonds	2018 MBRA Capital Improvement Bonds	2021 MBRA Tax Increment Bonds
2025	\$ 3,195,000	\$ 250,000	\$ 133,000	\$ 55,000	\$ 25,000	\$ 100,000	\$ 55,000	\$ 685,000	\$ 75,000	\$ 5,000
2026	3,355,000	245,000	137,000	60,000	25,000	145,000	55,000	705,000	80,000	5,000
2027	3,520,000	255,000	125,000	60,000	30,000	200,000	60,000	725,000	80,000	55,000
2028	3,695,000	265,000	129,000	65,000	30,000	230,000	60,000	745,000	85,000	70,000
2029	3,880,000	275,000	-	65,000	30,000	290,000	65,000	770,000	-	95,000
2030	4,075,000	290,000	-	70,000	30,000	360,000	65,000	795,000	-	110,000
2031	4,280,000	300,000	-	75,000	35,000	2,055,000	70,000	825,000	-	135,000
2032	4,495,000	310,000	-	-	-	2,250,000	70,000	850,000	-	155,000
2033	4,720,000	325,000	-	-	-	2,390,000	-	880,000	-	385,000
2034	4,955,000	-	-	-	-	2,615,000	-	825,000	-	490,000
2035	5,105,000	-	-	-	-	2,990,000	-	700,000	-	525,000
2036	5,265,000	-	-	-	-	3,170,000	-	1,100,000	-	565,000
2037	-	-	-	-	-	-	-	-	-	600,000
2038	-	-	-	-	-	-	-	-	-	640,000
2039	-	-	-	-	-	-	-	-	-	1,055,000
2040	-	-	-	-	-	-	-	-	-	1,100,000
2041	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
Principal	50,540,000	2,515,000	524,000	450,000	205,000	16,795,000	500,000	9,605,000	320,000	5,990,000
Interest	14,590,199	474,600	31,802	82,413	37,875	6,350,950	94,000	2,289,732	32,600	1,989,175
	<u>\$ 65,130,199</u>	<u>\$ 2,989,600</u>	<u>\$ 555,802</u>	<u>\$ 532,413</u>	<u>\$ 242,875</u>	<u>\$ 23,145,950</u>	<u>\$ 594,000</u>	<u>\$ 11,894,732</u>	<u>\$ 352,600</u>	<u>\$ 7,979,175</u>

NOTE F – LONG-TERM DEBT (Continued):

Annual principal and interest requirements on indebtedness are as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,714,824	\$ 455,385	\$ 3,222,945	\$ 828,512	\$ 4,578,000	\$ 3,600,587
2026	1,800,262	386,874	3,363,140	703,633	4,812,000	3,398,031
2027	1,680,838	316,427	3,173,197	575,737	5,110,000	3,179,503
2028	1,661,061	246,469	3,114,180	447,083	5,374,000	2,947,200
2029	1,144,600	183,585	2,000,400	325,488	5,470,000	2,701,974
2030-2034	3,100,700	361,711	5,346,625	678,587	39,285,000	8,869,187
2035-2039	753,600	49,584	1,601,400	105,366	21,715,000	1,263,801
2040-2044	-	-	-	-	1,100,000	13,063
	<u>\$ 11,855,885</u>	<u>\$ 2,000,035</u>	<u>\$ 21,821,887</u>	<u>\$ 3,664,406</u>	<u>\$ 87,444,000</u>	<u>\$ 25,973,346</u>

NOTE G – LETTERS OF CREDIT:

As of September 30, 2024, the City had the following letter of credit with Range Bank.

<u>Date Issued</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Expiration</u>
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* - Prime rate, as quoted by the Wall Street Journal, at time of loan

NOTE: Letter of credit expired Dec'23 and is no longer required. No LOC exists at 9/30/24

There are no outstanding balances on this letter of credit as of September 30, 2024.

NOTE H – INTERFUND TRANSFERS IN AND TRANSFERS OUT:

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The interfund transfers for the year are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Fund</u>	<u>Transfers Out</u>
PRIMARY GOVERNMENT:			
Major Street	\$ 930,129	General Fund	\$ 3,477,657
Local Street	849,338		
Non-major Governmental	791,778		
Internal Service Funds	781,209		
Non-major Business-Type	125,203		
Subtotal	<u>3,477,657</u>	Subtotal	<u>3,477,657</u>
General Fund	22,331	Major Street	1,649,979
Local Street	719,850	Local Street	841,908
Non-major Governmental	2,144,883	Non-major Governmental	395,177
Subtotal	<u>2,887,064</u>	Subtotal	<u>2,887,064</u>
Internal Service Funds	615,543	Non-major Governmental	229,026
		Water Supply	196,314
		Sewage Disposal	160,412
		Non-major Business-Type	29,791
Subtotal	<u>615,543</u>	Subtotal	<u>615,543</u>
TOTAL REPORTING ENTITY	<u>\$ 6,980,264</u>	TOTAL REPORTING ENTITY	<u>\$ 6,980,264</u>

NOTE I – CAPITAL ASSETS:

A summary of changes in governmental activities capital assets including internal service funds capital assets is as follows:

	Balance at September 30, 2023	Additions	Disposals	Balance at September 30, 2024
GOVERNMENTAL ACTIVITIES:				
Capital Assets Not Being Depreciated				
Land	\$ 13,065,158	\$ -	\$ -	\$ 13,065,158
Construction in progress	1,384,012	1,456,637	(86,211)	2,754,438
Total Capital Assets, not being depreciated	<u>14,449,170</u>	<u>1,456,637</u>	<u>(86,211)</u>	<u>15,819,596</u>
Capital Assets Being Depreciated				
Land improvements	15,188,879	1,556,178	-	16,745,057
Buildings	23,586,525	-	-	23,586,525
Building improvements	7,301,745	104,173	-	7,405,918
Furniture and equipment	15,290,453	518,027	(1,300,753)	14,507,727
Infrastructure	77,907,656	299,784	-	78,207,440
Right-to-use assets / subscriptions				
Leased equipment	519,676	1,308,937	(28,371)	1,800,242
Energy enhancements lease	27,940,723	-	-	27,940,723
Subscription assets	109,519	-	(30,086)	79,433
Total Capital Assets, being depreciated	<u>167,845,176</u>	<u>3,787,099</u>	<u>(1,359,210)</u>	<u>170,273,065</u>
Less Accumulated Depreciation:				
Land improvements	(7,435,751)	(429,063)	-	(7,864,814)
Buildings	(10,879,323)	(1,039,455)	-	(11,918,778)
Building improvements	(6,370,987)	(131,042)	-	(6,502,029)
Furniture and equipment	(12,009,445)	(521,213)	1,296,723	(11,233,935)
Infrastructure	(49,083,196)	(2,525,056)	-	(51,608,252)
Right-to-use assets / subscriptions				
Leased equipment	(187,913)	(245,332)	28,371	(404,874)
Energy enhancements lease	(5,341,609)	(1,643,572)	-	(6,985,181)
Subscription assets	(41,520)	(26,478)	15,043	(52,955)
Total Accumulated Depreciation	<u>(91,349,744)</u>	<u>(6,561,211)</u>	<u>1,340,137</u>	<u>(96,570,818)</u>
Governmental Activities Capital Assets, net	<u>\$ 90,944,602</u>	<u>\$ (1,317,475)</u>	<u>\$ (105,284)</u>	<u>\$ 89,521,843</u>

NOTE I – CAPITAL ASSETS (Continued):

Depreciation expense for the governmental activities was charged to the following functions and activities of the primary government:

Governmental Activity:	
General Government	\$ 11,047
Public Health and Safety	27,951
Public Works	174,803
Social Services	-
Recreation and Culture	190,281
Depreciation - unallocated	2,823,804
Internal Service Funds charged to above activities	3,333,325
Total Depreciation Expense - Governmental Activities	<u>\$ 6,561,211</u>

A summary of changes in business-type activities capital assets is as follows:

	Balance at September 30, 2023	Additions	Disposals	Balance at September 30, 2024
BUSINESS-TYPE ACTIVITIES:				
Capital Assets Not Subject to Depreciation:				
Land	\$ 38,319	\$ -	\$ -	\$ 38,319
Construction in progress	105,254	2,900,913	(73,242)	2,932,925
Total Capital Assets, not being depreciated	<u>143,573</u>	<u>2,900,913</u>	<u>(73,242)</u>	<u>2,971,244</u>
Capital Assets Subject to Depreciation:				
Land improvements	6,707,200	1,513,930	-	8,221,130
Building and building improvements	17,048,853	44,556	-	17,093,409
Furniture and equipment	7,036,797	185,396	-	7,222,193
Infrastructure	95,756,802	800,302	-	96,557,104
Total Capital Assets, being depreciated	<u>126,549,652</u>	<u>2,544,184</u>	<u>-</u>	<u>129,093,836</u>
Less Accumulated Depreciation:				
Land improvements	(3,716,227)	(203,818)	-	(3,920,045)
Building and building improvements	(10,267,387)	(389,970)	-	(10,657,357)
Furniture and equipment	(5,563,049)	(194,282)	-	(5,757,331)
Infrastructure	(45,878,198)	(3,535,693)	-	(49,413,891)
Total Accumulated Depreciation	<u>(65,424,861)</u>	<u>(4,323,763)</u>	<u>-</u>	<u>(69,748,624)</u>
Business-Type Activities				
Capital Assets, net	<u>\$ 61,268,364</u>	<u>\$ 1,121,334</u>	<u>\$ (73,242)</u>	<u>\$ 62,316,456</u>

NOTE I – CAPITAL ASSETS (Continued):

Depreciation expense for the business-type activities was charged to the following functions and activities of the primary government:

Business-Type Activities:	
Water Supply	\$ 1,608,864
Sewage Disposal	1,326,662
Stormwater Utility	1,122,051
Public Works	15,434
Recreation and Culture	250,752
Total Depreciation Expense - Business-Type Activities	<u>\$ 4,323,763</u>

A summary of Component Unit’s capital assets as of September 30, 2024 is as follows:

	Board of Light and Power	Peter White Public Library	Downtown Development Authority	Brownfield Redevelopment Authority	Total Component Units
COMPONENT UNITS:					
Land	\$ 291,276	\$ 114,704	\$ -	\$ -	\$ 405,980
Construction in progress	10,822,030	-	37,450	-	10,859,480
Total Capital Assets, not being depreciated	<u>11,113,306</u>	<u>114,704</u>	<u>37,450</u>	<u>-</u>	<u>11,265,460</u>
Land improvements	-	117,250	5,502,963	1,285,857	6,906,070
Buildings and improvements	-	13,211,622	-	-	13,211,622
Furniture and equipment	143,730,005	1,033,886	898,137	-	145,662,028
Right to Use Assets:					
Leased building	-	-	63,428	-	63,428
Leased equipment	-	-	7,976	-	7,976
Total Capital Assets, being depreciated	<u>143,730,005</u>	<u>14,362,758</u>	<u>6,472,504</u>	<u>1,285,857</u>	<u>165,851,124</u>
Less Accumulated Depreciation:					
Land improvements	-	(90,922)	(3,280,990)	(788,354)	(4,160,266)
Buildings and improvements	-	(6,479,779)	-	-	(6,479,779)
Furniture and equipment	-	(1,033,732)	(263,043)	-	(1,296,775)
Right to Use Assets:					
Leased building	-	-	(19,381)	-	(19,381)
Leased equipment	-	-	(1,064)	-	(1,064)
Unallocated	(59,627,362)	-	-	-	(59,627,362)
Total Accumulated Depreciation	<u>(59,627,362)</u>	<u>(7,604,433)</u>	<u>(3,564,478)</u>	<u>(788,354)</u>	<u>(71,584,627)</u>
Component Units Capital Assets, net	<u>\$ 95,215,949</u>	<u>\$ 6,873,029</u>	<u>\$ 2,945,476</u>	<u>\$ 497,503</u>	<u>\$ 105,531,957</u>

Depreciation expense for the component units was charged to the following functions:

Component Units:	
Board of Light and Power	\$ 5,780,976
Peter White Public Library	204,641
Downtown Development Authority	289,241
Brownfield Redevelopment Authority	112,622
Total Depreciation Expense - Component Units	<u>\$ 6,387,480</u>

NOTE J – DEFERRED INFLOWS OF RESOURCES:

Deferred inflow of resources are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

1. The Governmental Funds has reported deferred inflows of \$12,098,288. This amount relates to the 2024 tax levy.
2. The Business-Type Funds have reported deferred inflows of \$4,682. This amount, represents the portion of special assessment receivables which are not available resources within the next year.
3. The Component Units have reported deferred inflows of \$6,854,407 which relates to their portion of the 2024 tax levy.

NOTE K – FUND BALANCES – GOVERNMENTAL FUNDS:

As of September 30, 2024, fund balances of the governmental funds are classified as follows:

- **Non-spendable** – amounts that cannot be spent either because they are in non-spendable form, or because they are legally or contractually required to be maintained intact.
- **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** – amounts that can be used only for specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Commission.
- **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City’s adopted fund balance policy, the Commission or the Finance Director may assign amounts for specific purposes.
- **Unassigned** – all other spendable amounts. The General Fund is the only fund that can report a positive unassigned fund balance amount. However, in other governmental funds, other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

As of September 30, 2024, fund balances are composed of the following:

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Permanent Funds	Total Governmental Funds
Non-spendable:						
Corpus	\$ -	\$ -	\$ -	\$ -	\$ 1,022,429	\$ 1,022,429
Loan Receivable	-	-	-	-	-	-
Inventory	204,684	-	-	-	-	204,684
Prepays	352,295	32,064	-	-	-	384,359
Total Non-spendable	\$ 556,979	\$ 32,064	\$ -	\$ -	\$ 1,022,429	\$ 1,611,472
Restricted:						
Major Street	\$ -	\$ 1,832,994	\$ -	\$ -	\$ -	\$ 1,832,994
Local Street	-	298,382	-	-	-	298,382
Fire Dept. - Lifesaving Equipment	-	-	-	-	-	-
Drug Dog	-	-	-	-	-	-
Native American Heritage Fund	-	-	-	-	-	-
Local Development Finance Authority Fund	-	173,327	-	-	-	173,327
Public Education Government (PEG) Fund	-	18,977	-	-	-	18,977
Drug Forfeiture Fund	-	96,941	-	-	-	96,941
MSHDA Downtown Rental Fund	-	-	-	-	-	-
Road Maintenance Fund	-	1,431,721	-	-	-	1,431,721
Road Safety Improvement Fund	-	1,224,958	-	-	-	1,224,958
Criminal Justice Training Fund	-	18,608	-	-	-	18,608
Opioid Settlement Fund	-	32,608	-	-	-	32,608
Senior Services Fund	-	302,867	-	-	-	302,867
Lakeview Arena Fund	-	-	-	-	-	-
Total Restricted	\$ -	\$ 5,431,383	\$ -	\$ -	\$ -	\$ 5,431,383
Committed:	\$ -	\$ 32,538	\$ -	\$ -	\$ -	\$ 32,538
Assigned:						
Park Improvements	\$ 28,158	\$ -	\$ -	\$ -	\$ -	\$ 28,158
Capital Outlay	4,280	-	-	3,825,878	-	3,830,158
Public Art Fund	-	84,831	-	-	-	84,831
Sanitation Fund	-	1,150,719	-	-	-	1,150,719
Lakeview Arena Fund	-	2,180	-	-	-	2,180
Total Assigned	\$ 32,438	\$ 1,237,730	\$ -	\$ 3,825,878	\$ -	\$ 5,096,046
Unassigned:	\$ 8,249,532	\$ -	\$ -	\$ -	\$ -	\$ 8,249,532

NOTE K – FUND BALANCES – GOVERNMENTAL FUNDS (Continued):

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Finance Director.

Under the adopted policy, the City established guidelines for maintaining adequate levels of unrestricted fund balance, the portion that reflects expendable available financial resources, in the General Fund. The policy stipulates that the unrestricted fund balance shall not be less than two months of regular general fund operating expenditures and transfers out (i.e. “60-day Benchmark”), and not more than six months of regular general fund operating expenditures and transfers out (i.e. “180-day Benchmark”). The policy further establishes that the unrestricted fund balance will be spent down in the following order; committed amounts, assigned amounts, and then unassigned amounts.

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN:

Summary of Significant Accounting Policies Pensions:

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS’ fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Net pension liabilities attributable to governmental activities will be liquidated primarily by the General, Technology Services, Municipal Service Center, and Motor Vehicle Equipment funds.

General Information about the Pension Plan:

Plan Description

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

Benefits Provided:

		2023 Valuation			
Primary Government		<u>01-Public Works - Closed</u>	<u>02-Police Clerical - Closed</u>	<u>10-Union - Closed</u>	<u>11-PW Supervisor - Closed</u>
	Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
	Normal Retirement Age	60	60	60	60
	Vesting	10 years	10 years	6 years	10 years
	Early Retirement (Unreduced)	55/25	50/25	55/25	55/25
	Early Retirement (Reduced)	50/25	55/15	50/25	50/25
		55/15		55/15	55/15
	Final Average Compensation	3 years	3 years	3 years	3 years
	COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)
	Employee Contributions	6%	6%	6%	6%
	DC Plan for New Hires	---	---	---	---
	Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)
		<u>15-Senior Mgmt - Closed</u>	<u>16-Middle Mgmt - Closed</u>	<u>91-PW & Union aft 10/1/12 - Open</u>	
	Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.25% Multiplier (80% max)	
Normal Retirement Age	60	60	60		
Vesting	6 years	6 years	10 years		
Early Retirement (Unreduced)	55/25	55/25	55/25		
Early Retirement (Reduced)	50/25	50/25	50/25		
	55/15	55/15	55/15		
Final Average Compensation	3 years	3 years	3 years		
COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)		
Employee Contributions	0%	3% under \$4,200; 5% over \$4,200	6%		
DC Plan for New Hires	7/1/1998	7/1/1998	---		
Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)		
Component Unit - Peter White Public Library		<u>7-PW Lbry Snr - Closed</u>	<u>12-P White Lby - Closed</u>	<u>70-PW Lbry Adm - Closed</u>	
	Benefit Multiplier	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)	
	Normal Retirement Age	60	60	60	
	Vesting	10 years	10 years	10 years	
	Early Retirement (Unreduced)	55/25	55/25	55/25	
	Early Retirement (Reduced)	50/25	50/25	50/25	
		55/15	55/15	55/15	
	Final Average Compensation	5 years	5 years	5 years	
	COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)	
	Employee Contributions	0%	7%	6.70%	
DC Plan for New Hires	6/1/2016	10/1/2019	10/1/2019		
Act 88	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)	Yes (Adopted 2/8/1965)		

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Employees covered by benefit terms:

At the December 31, 2023 valuation date, the following employees were covered by the benefit terms:

	Primary Government	Component Unit PWPL
Inactive employees or beneficiaries currently receiving benefits	132	14
Inactive employees entitled to but not yet receiving benefits	14	1
Active employees	95	6
Total	<u>241</u>	<u>21</u>

Contributions:

The employer 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 employer may establish contribution rates to be paid by its covered employees.

Employer and employee contribution rates are as follows as of December 31, 2023:

Division	Employer ¹	Employee
Primary Government:		
01 - Public Works	\$100,474	6.00%
02 - Police Clerical	\$11,265	6.00%
10 - Union	\$51,743	6.00%
11 - PW Supervisor	\$51,032	6.00%
15 - Senior Mgmt	\$102,010	0.00%
16 - Middle Mgmt	\$21,582	5.00%
91 - PW & Union aft 10/1/12	9.03%	6.00%
Component Unit - Peter White		
Public Library:		
07 - PW Lbry Snr	\$2,341	0.00%
12 - Pwhite Lby	\$4,536	7.00%
70 - PW Lbry Admin	\$3,226	6.70%

¹ For open division, a percent of pay contribution is shown. For closed division, a monthly dollar contribution is shown.

Net Pension Liability:

The employer’s Net Pension Liability was measured as of December 31, 2023, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions:

The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: Inflation: 2.5% Salary Increases: 3.00% in the long-term. Investment rate of return: 7.00%, net of investment and administrative expense, including inflation.

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

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 2014-2018.

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation 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 Investments	20.0%	9.50%	1.90%	2.50%	1.40%
	<u>100.0%</u>		<u>7.00%</u>		<u>4.50%</u>

Discount rate:

The discount rate used to measure the total pension liability is 7.18% for 2023. 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 expenses. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Changes in Net Pension Liability:

Calculating the Net Pension Liability - Primary Government			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Changes in Net Pension Liability			
Balances at 12/31/22	\$ 71,498,236	\$ 41,567,235	\$ 29,931,001
Changes for the Year:			
Service costs	767,668	-	767,668
Interest on total pension liability	4,896,609	-	4,896,609
Changes in benefits	-	-	-
Difference between expected and actual experience	123,128	-	123,128
Changes in assumption	533,998	-	533,998
Employer contributions	-	3,366,129	(3,366,129)
Employee contributions	-	288,749	(288,749)
State pension grant	-	704,412	(704,412)
Net investment income	-	4,530,436	(4,530,436)
Benefit payments, including employee refunds	(4,153,623)	(4,153,623)	-
Administrative expense	-	(94,328)	94,328
Other changes	47,713	24,980	22,733
Net Changes	<u>2,215,493</u>	<u>4,666,755</u>	<u>(2,451,262)</u>
Balances as of 12/31/23	<u>\$ 73,713,729</u>	<u>\$ 46,233,990</u>	<u>\$ 27,479,739</u>

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Changes in Net Pension Liability (Continued):

Calculating the Net Pension Liability - Component Unit - Peter White Public Library			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Changes in Net Pension Liability			
Balances at 12/31/22	\$ 3,811,762	\$ 2,629,437	\$ 1,182,325
Changes for the Year:			
Service costs	33,832	-	33,832
Interest on total pension liability	264,936	-	264,936
Changes in benefits	-	-	-
Difference between expected and actual experience	(3,206)	-	(3,206)
Changes in assumption	25,621	-	25,621
Employer contributions	-	119,514	(119,514)
Employee contributions	-	18,156	(18,156)
Net investment income	-	284,829	(284,829)
Benefit payments, including employee refunds	(276,748)	(276,748)	-
Administrative expense	-	(6,070)	6,070
Other changes	2,611	(27,271)	29,882
Net Changes	47,046	112,410	(65,364)
Balances as of 12/31/23	<u>\$ 3,858,808</u>	<u>\$ 2,741,847</u>	<u>\$ 1,116,961</u>
Net Pension Liability (NPL):			
MERS - Primary Government	\$ 27,479,739		
Fire-Police - Primary Government	12,362,977	(See Note M)	
NPL reported in statement of net position	<u>\$ 39,842,716</u>		
Net Pension Liability (NPL):			
MERS - Component Unit - PWPL	\$ 1,116,961		
MERS - Component Unit - BLP	10,885,255	(See Note N)	
NPL reported in statement of net position	<u>\$ 12,002,216</u>		

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

Sensitivity of the Net Pension Liability to changes in the discount rate:

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.18%, as well as what the employer’s Net Pension Liability would be using a discount rate that is 1-percentage point lower (6.18%) or 1% higher (8.18%) than the current rate.

	Primary Government		
	1%	Current	1%
	Decrease 6.18%	Discount Rate 7.18%	Increase 8.18%
Net Pension Liability at 12/31/23	\$ 27,479,739	\$ 27,479,739	\$ 27,479,739
Change in Net Pension liability (NPL)	9,625,951	-	(8,054,950)
Calculated NPL	<u>\$ 37,105,690</u>	<u>\$ 27,479,739</u>	<u>\$ 19,424,789</u>

	Component Unit - Peter White Public Library		
	1%	Current	1%
	Decrease 6.18%	Discount Rate 7.18%	Increase 8.18%
Net Pension Liability at 12/31/23	\$ 1,116,961	\$ 1,116,961	\$ 1,116,961
Change in Net Pension liability (NPL)	401,015	-	(339,885)
Calculated NPL	<u>\$ 1,517,976</u>	<u>\$ 1,116,961</u>	<u>\$ 777,076</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

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

For the year ended September 30, 2024, the employer recognized pension expense/(benefit) of \$(350,017) for the primary government and \$132,818 for the component unit – Peter White Public Library). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	MERS - Primary Government		MERS - Component Unit - Peter White Public Library	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 463,872	\$ (215,406)	\$ -	\$ (16,367)
Differences in assumptions	683,311	(327,312)	17,081	-
(Excess) Deficit Investment Returns	2,115,212	-	138,108	-
Subtotal	3,262,395	(542,718)	155,189	(16,367)
Contributions subsequent to the measurement date*	-	-	114,546	-
Total	<u>\$ 3,262,395</u>	<u>\$ (542,718)</u>	<u>\$ 269,735</u>	<u>\$ (16,367)</u>

* - 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 September 30, 2025.

Aggregate Pension expense/(benefit)	
MERS - Primary Government	\$ (350,017)
Fire-Police - Primary Government	(205,738) (see Note M)
TOTAL	<u>\$ (555,755)</u>

NOTE L – DEFINED BENEFIT PENSION PLAN – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (Continued):

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

Deferred (Inflows) and Deferred Outflows of Resources by Year (To Be Recognized in Future Pension Expenses)		
Plan Year Ended December 31,	Primary Government Amount	Component Unit - Peter White Public Library Amount
2024	\$ 769,129	\$ 14,965
2025	969,939	56,592
2026	1,288,993	87,514
2027	(308,384)	(20,249)
2028	-	-
Thereafter	-	-
Total	<u>\$ 2,719,677</u>	<u>\$ 138,822</u>

	Primary Government All Pension Plans	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources
	Deferred amounts related to pension:	
Primary government - MERS	\$ 3,262,395	\$ (542,718)
Primary government - Fire-Police (See Note M)	6,170,521	(7,234,310)
Deferred amounts related to pension reported in Statement of Net Position	<u>\$ 9,432,916</u>	<u>\$ (7,777,028)</u>

	Component Units All Pension Plans	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources
	Deferred amounts related to pension:	
Component Unit - Peter White Public Library	\$ 155,189	\$ (16,367)
Component Unit - Board of Light and Power	2,640,302	(250,345)
Deferred amounts related to pension reported in Statement of Net Position	<u>\$ 2,795,491</u>	<u>\$ (266,712)</u>
Contributions subsequent to the measurement date		
Component Unit - Peter White Public Library	\$ 114,546	
Component Unit - Board of Light and Power	1,349,994	
Contributions subsequent to measurement date reported in Statement of Net Position	<u>\$ 1,464,540</u>	

Payable to Pension Plan:

At September 30, 2024, the City and component unit – Peter White Public Library reported a payable of \$0 and \$0, respectively, for the outstanding amount of the contributions to the pension plan required for the year ended September 30, 2024.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM:

Summary of Significant Accounting Policies

Basis of Accounting – The City of Marquette Fire - Police Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Plan Description

The City of Marquette is the administrator of a single-employer public employee retirement system (“System”) established and administered by the City of Marquette to provide pension benefits for Fire Department and Police Department employees. The Fire - Police Retirement System is considered part of the City of Marquette’s financial reporting entity and is included in the City’s financial report as a pension trust fund. The Fire/Police Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by contacting the City Treasurer. The City’s payroll for employees covered by the System for the year ended September 30, 2024 was \$4,010,058; the City’s total payroll was \$13,665,327.

Management of the System is vested in Police/Fire Pension Board of the City of Marquette, Michigan Fire-Police Retirement System, which consist of five members: two that are elected (one each representing fire and police employees), two that are appointed by the City Commission of the City of Marquette, and one that is the Treasurer of the City of Marquette.

Current membership in the plan comprises the following as of December 31, 2023, the latest actuarial valuation date:

Group	
Retirees and beneficiaries currently receiving benefits	85
Vested terminated members	2
Active employees:	
Fire	27
Police	32
TOTAL	146

The qualifying full-time employees of the Fire Department and Police Department are eligible to participate in the System. Benefits vest after ten years of service. Employees who retire at or after the age of 50 with 25 or more years of credited service or age 60 with 10 or more years of service, are entitled to annual retirement benefits, payable monthly for life, in an amount equal to a minimum of \$600 a month, or 2.5% (3% for Fire members) of a three-year average final compensation times the first twenty-five years of service plus 1.5% (1% for Fire members) of average final compensation times years of service in excess of twenty-five years. The System also provides death and disability benefits.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

Non-duty disability benefits are payable upon the total and permanent disability of a member with 5 or more years of service. Benefits up to age 55 are paid equaling 1.5% of the average final compensation times the years of service. Benefits after the age of 55 are the same as benefits received from service retirement.

Disability benefits from the total or permanent disability of a member in the line of duty are payable, up to the age of 55, (age 50 for Fire members) at 50% of the average final compensation. Benefits after the age of 55 are the same as benefits from service retirement with service credit from date of disability to age 55, except for fire members whose full retirement is the equivalent of 25 years of service that the member would have had if not disabled.

If an active employee dies in the line of duty, the beneficiary will receive the same amount that was paid by worker's compensation.

If an active employee with 20 or more years of service (10 years required for fire members) dies not in the line of duty, the surviving spouse, if any, will receive an amount equal to the accrued straight life pension actuarially reduced in accordance with Option I election.

Contributions

Covered employees are required by statute to contribute 5% of their salary to the System. If an employee leaves covered employment or dies before being eligible for retirement, the total accumulated employee contributions plus related investment earnings may be refunded to the employee or designated beneficiary. Benefit and contribution provisions are established by State statute and City ordinance.

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment for the year ended September 30, 2024, were determined using an entry age actuarial funding method. Unfunded actuarial accrued liabilities were amortized as a level percent of payroll over an open period of 14 years for police and 14 years for fire.

During the year ended September 30, 2024, September 30, 2023, and September 30, 2022, contributions totaling \$1,916,289; \$1,707,745, and \$1,748,700, respectively, were made in accordance with contribution requirements determined by an actuarial valuation of the System.

The required contribution was determined using the entry age normal actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 6.75% per year, compounded annually, (b) projected salary increases of 4.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.00% to 3.50% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five year period.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

Concentrations of Investments

Principal Pooled Funds:

AllSpring Core Bond CIT N	\$ 4,208,111
Principal/Dodge & Cox Intermediate Bond CIT N	\$ 4,213,366
Principal/Federated Total Return Bond CIT N	\$ 4,221,903
Principal/Blackrock S&P Midcap Index CIT N	\$ 3,907,776
Principal/Blackrock S&P 500 Index CIT N	\$ 5,870,730

Mutual Funds - Corporate Bonds:

Metropolitan West Total Return Bond Fund Class I#512	\$ 4,222,559
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Net Pension Liability of the City (Under GASB 67):

The components of the net pension liability of the City at December 31, 2023, the most recent actuarial, is as follows:

	<u>2023</u>
Total pension liability	<u>\$ 58,036,701</u>
Plan fiduciary net position	<u>45,673,724</u>
City's net pension liability	<u><u>\$ 12,362,977</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	 78.7%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2023, with a measurement date of September 30, 2024, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	3.5 percent
Salary increases	3.5 – 7.0 percent, average, including inflation
Investment rate of return	6.75 percent, net of Plan investment expense, including inflation

The following mortality tables were used for the December 31, 2023 valuation. These tables were adjusted backwards to 2010 with the MP-2021 scale. A base year of 2010 with future mortality improvements using scale MP-2021 was used.

- Pre-Retirement: Pub-2010, Amounted Weighted, Safety, Employee Mortality Tables
- Healthy Post-Retirement: Pub-2010, Amounted Weighted, Safety, Healthy Retiree Mortality Tables
- Disabled Retirement: Pub-2010, Amounted Weighted, Safety, Disabled Retiree Mortality Tables

The long-term expected rate of return on the Systems investments is determined using a calculation of a Single Discount Rate. GASB 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the Fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required, as described in the following paragraph.

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by Fidelity) as a measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

The long-term expected rate of return on pension plan investments is 6.75%; the municipal bond rate is 3.81%; and the resulting Single Discount Rate is 6.75%

Discount Rate. The single discount rate of 6.75% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Changes in Net Pension Liability			
Balances at 09/30/23	\$ 55,539,847	\$ 38,292,558	\$ 17,247,289
Changes for the Year:			
Service costs	1,164,958	-	1,164,958
Interest on total pension liability	3,669,247	-	3,669,247
Changes in benefits	-	-	-
Difference between expected and actual experience	1,188,866	-	1,188,866
Changes in assumption	-	-	-
Employer contributions	-	1,916,289	(1,916,289)
Employee contributions	-	255,014	(255,014)
Net investment income	-	8,757,115	(8,757,115)
Benefit payments, including employee refunds	(3,526,217)	(3,526,217)	-
Administrative expense	-	(21,035)	21,035
Other changes	-	-	-
Net Changes	<u>2,496,854</u>	<u>7,381,166</u>	<u>(4,884,312)</u>
Balances as of 09/30/24	<u>\$ 58,036,701</u>	<u>\$ 45,673,724</u>	<u>\$ 12,362,977</u>

NOTE M – DEFINED BENEFIT PENSION PLAN – FIRE-POLICE RETIREMENT SYSTEM (Continued):

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 1,557,520	\$ -
Differences in assumptions	287,075	-
(Excess) Deficit Investment Returns	4,325,926	(7,234,310)
Total	<u>\$ 6,170,521</u>	<u>\$ (7,234,310)</u>

Deferred (Inflows) and Deferred Outflows
of Resources by Year (To Be Recognized
in Future Pension Expenses)

Plan Year Ended September 30,	Amount
2025	\$ 38,797
2026	979,496
2027	(1,195,262)
2028	(980,806)
2029	93,986
Thereafter	-
Total	<u>\$ (1,063,789)</u>

Sensitivity of the Net Pension Liability to changes in the discount rate. The following presents the Net Pension Liability, calculated using the discount rate of 6.75%, as well as what the Net Pension Liability would be using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability at 09/30/24	\$ 12,362,977	\$ 12,362,977	\$ 12,362,977
Change in Net Pension Liability (NPL)	7,049,727	-	(5,837,364)
Calculated NPL	<u>\$ 19,412,704</u>	<u>\$ 12,362,977</u>	<u>\$ 6,525,613</u>

NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT:

Plan Description

The Board’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The Board 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, or writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

The Board’s defined benefit pension plan includes a hybrid division. The hybrid division is effective as of January 1, 2015, covering all bargaining, non-bargaining, and management employees hired on or after January 1, 2015. The hybrid division includes a defined benefit portion as well as a defined contribution portion.

Benefits Provided

Benefits provided include plans with multipliers ranging from 2.0 percent to 2.5 percent.

Vesting periods for the plan range from eight years to ten years.

Normal retirement age is 60. The plan provides for early retirement benefits for all active employees at age 55 with 25 years of service without reduced benefits, at age 50 with 25 years of service at a reduced benefit, and at age 55 with 15 years of service at a reduced benefit.

Final average compensation is calculated based on five years, with the exception of the defined benefit division that is included within the Board’s hybrid division which is calculated based on three years.

Employees Covered by Benefit Terms

At the December 31, 2023, measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	105
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>14</u>
Total inactive and active plan members	<u>121</u>

Contributions

The Board 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 Board may establish contribution rates to be paid by its covered employees. Active plan members are required to contribute amounts equal to 4.7 percent of their annual salary to the plan. For the year ended September 30, 2024, contributions made by the Board totaled \$1,800,000.

Net Pension Liability

The Board’s Net Pension Liability was measured as of December 31, 2023, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

Actuarial Assumptions

The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:
2.5 percent

Salary increases:
The pay increase assumption used in the actuarial valuation projects annual pay increases of 3.00 percent in the long term.

Investment rate of return:
7.00 percent, net of investment and administrative expense, 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 percent to 4 percent.

Mortality rates used were based on a version of Pub-2010 tables with future mortality improvements using MP-2019 scale applied fully generationally from Pub-2010 base year of 2010.

The actuarial assumptions used in the valuation were based on the results of the most recent actuarial experience study completed in 2020 covering the years 2014-2018.

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global Equity	60.00%	4.20%	2.70%
Global Fixed Income	20.00%	0.90%	0.40%
Private Investments	20.00%	1.90%	1.40%
Inflation			2.50%
Administrative fee			
	<u>100.00%</u>		<u>7.00%</u>

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

Discount Rate

The discount rate used to measure the total pension liability is 7.18 percent for 2023. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2022	\$45,189,310	\$32,954,400	\$12,234,910
Changes for the Year:			
Service Cost	126,951	-	126,951
Interest on Total Pension Liability	3,151,595	-	3,151,595
Changes in benefits	-	-	-
Difference between expected and actual experience	450,966	-	450,966
Changes in assumptions	292,953	-	292,953
Employer Contributions	-	1,800,000	(1,800,000)
Employee Contributions	-	71,379	(71,379)
Net investment income	-	3,576,770	(3,576,770)
Benefit payments, including employee refunds	(3,565,025)	(3,565,025)	-
Administrative expense	-	(76,030)	76,030
Other changes	(3)	(2)	(1)
Net changes	<u>457,437</u>	<u>1,807,092</u>	<u>(1,349,655)</u>
Balances as of December 31, 2023	<u>\$45,646,747</u>	<u>\$34,761,492</u>	<u>\$10,885,255</u>

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

The following presents the Net Pension Liability of the Board, calculated using the discount rate of 7.18 percent, as well as what the Board’s Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (6.18 percent) or one percentage point higher (8.18 percent) than the current rate:

	1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
	Net Pension Liability at December 31, 2023	\$ 15,458,013	\$ 10,885,255

The current discount rate shown for GASB No. 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

**NOTE N – DEFINED BENEFIT PENSION PLAN BOARD OF LIGHT AND POWER – COMPONENT UNIT
(Continued):**

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

For the year ended September 30, 2024, the Board recognized pension expense of \$1,882,778. The employer reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences in experience	\$ 396,404	\$ -
Differences in assumptions	195,302	-
Excess/Deficit in investment returns	<u>2,048,597</u>	<u>(250,345)</u>
Subtotal	2,640,303	(250,345)
Contributions subsequent to the measurement date*	<u>1,349,994</u>	-
Total	<u><u>\$ 3,990,297</u></u>	<u><u>\$ (250,345)</u></u>

*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 9/30/25.

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

Deferred (Inflows) and Deferred Outflows of Resources by Year (To Be Recognized in Future Pension Expenses)	
Plan Year Ended	Amount
<u>December 31,</u>	
2024	\$ 658,452
2025	889,230
2026	1,092,621
2027	(250,345)
Thereafter	-
Total	<u><u>\$ 2,389,958</u></u>

NOTE O – DEFINED CONTRIBUTION PENSION PLAN:

CITY OF MARQUETTE:

The City of Marquette provides pension benefits to Senior Management Division 15 and Middle Management Division 10 employees through a defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The City established the MERS Benefit Program DS in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust, as amended by and as authorized by Section 19A of the Municipal Employees' Retirement System of Michigan Plan Document. The ICMA Retirement Corporation is the Plan Administrator and the City has agreed to the commingled investment of assets of the Plan within the ICMA Retirement Trust.

At September 30, 2024 there were 15 plan members. Plan members are required to contribute 3% of covered earnings and the City is required to contribute 13% or 9% of covered earnings for the Senior Management Division and Middle Management Division, respectively. In accordance with these requirements, the City contributed \$224,525 during the current year and employees contributed \$64,569. The employees under the Plan are immediately vested.

BOARD OF LIGHT AND POWER – COMPONENT UNIT:

The Board adopted a defined contribution pension plan effective August 1, 1998, covering all salaried employees hired on or after July 1, 1998. All union employees hired after July 1, 2006, will be enrolled in the 401(a) Money Purchase Plan (Defined Contribution Plan). The Board is required to contribute 13.0 percent and covered employees are each required to contribute 5.0 percent of annual covered payroll. Employees may voluntarily contribute up to an additional 10.0 percent of their annual salary up to the maximum allowed under the Internal Revenue Code.

The Board adopted a hybrid pension division effective January 1, 2015, covering all bargaining, non-bargaining, and management employees hired on or after January 1, 2015, through May 31, 2018. Management employees hired on or after June 1, 2018, are covered by the defined contribution pension plan described above. The hybrid division includes a defined benefit portion as well as a defined contribution portion. For the defined contribution portion, employees will be enrolled in the 401(a) Money Purchase Plan (Defined Contribution Plan). The Board is required to contribute 5.0 percent and covered employees are each required to contribute 6.0 percent of annual covered payroll. See Note N for details on the defined benefit portion of the hybrid plan.

For the fiscal year ended September 30, 2024, combined contributions by the Board totaled \$605,674 and combined contributions by the employees totaled \$243,831.

PETER WHITE PUBLIC LIBRARY – COMPONENT UNIT:

The Library provides pension plan benefits to 110409 Division through a defined contribution pension plan. In a defined contribution pension plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. The Library established the MERS Benefit Program DS in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust, as amended by and authorized by Section 19A of the Municipal Employees' Retirement System of Michigan Plan Document. The ICMA Retirement Corporation is the Plan Administrator and the Library has agreed to the commingled investment of assets of the plan with the ICMA Retirement Trust.

Plan members are required to contribute 3% of covered earnings and the Library is required to contribute 13% of covered earnings. In accordance with these requirements, the Library contributed \$11,094 during the current year and employee contributed \$2,560. The employees under the plan are immediately vested. At September 30, 2024, there was 1 plan member.

NOTE O – DEFINED CONTRIBUTION PENSION PLAN (continued):

Full-time employees hired on or after October 1, 2019 are enrolled in a separate Defined contribution Plan. Plan members are required to contribute 5% of covered earnings and the Library is required to contribute 12% of covered earnings. In accordance with these requirements, the Library contributed \$36,597 during the current year and employee contributed \$15,249. The employees covered under this plan are vested after three years of service. At September 30, 2024, there were 9 plan members.

NOTE P – DEFERRED COMPENSATION PLAN:

The City, along with its component unit, the Downtown Development Authority, offers its employees deferred compensation plans created in accordance with the Internal Revenue Code, Section 457. The plans are available to all Board of Light and Power employees and to all other City employees and permit them to defer a portion of their current earnings until the employee's termination, retirement, death, or unforeseeable emergency.

Due to changes in the Internal Revenue Code, the Plan's assets are considered to be property of the Plan's participants and are no longer subject to the City's general creditors. Therefore, in accordance with the provisions of GASB Statement No. 32, Plan balances and activities are not reflected in these financial statements.

The Plan's participants have the right to designate how the funds will be invested. Accordingly, the City has no liability for losses under the Plan. The Plan's assets are held in trust for the exclusive benefit of the Plan's participants and their beneficiaries.

The City's plans are administered by the Nationwide Retirement Solutions (formally known as PEBSCO), the International City Manager's Association (ICMA), American Express Financial Advisors, Inc. and the Variable Annuity Life Insurance Company (VALIC). Nationwide and ICMA, as plan administrators, agree to hold harmless and indemnify the City, its appointed and elected officers and participating employees from any loss resulting from Nationwide or ICMA or their respective agent's failure to perform their duties and services pursuant to the ICMA and Nationwide programs.

The Component Unit's (Board of Light and Power's) plans are administered by the ICMA and Nationwide. ICMA and Nationwide, as plan administrators, agree to hold harmless and indemnify the Board, its appointed and elected officers and participating employees from any loss resulting from ICMA or nationwide or their agents' failure to perform their duties and services pursuant to the ICMA and Nationwide programs.

NOTE Q – ACCUMULATED COMPENSATED ABSENCES:

City of Marquette:

Sick Leave – Employees earn sick leave at the rate of one (1) day per month, not to exceed 12 days per year. Upon retirement or termination, employees in good standing after at least ten (10) years of service shall be paid one-half such sick leave accumulated at that time up to a maximum accrual of 1,800 hours at their current rate of pay. Certain bargaining unit employees who were hired before January 1, 1975, shall be paid one-half of all sick leave hours accumulated at the time of retirement or termination. Management employees whose accrued sick leave balances were greater than 1,800 hours for the pay period of June 9, 1997 through June 22, 1997 have their sick leave balance capped at the higher hours for payout purposes at the time of retirement or termination. Management employees hired after June 30, 1998, have their accrued sick leave balance capped at 1,000 hours for payout purpose at the time of retirement or termination.

Vacation Leave – Employees earn vacation leave at various schedules dependent upon their length of employment. Upon retirement or termination, employees are paid for such vacation accumulated at that time up to a maximum accrual of 400 hours. Certain supervisory employees are paid for such vacation accumulated at that time up to a maximum accrual of 408 hours. Management employees whose accrued vacation balances were greater than 400 hours for the pay period of June 9, 1997 through June 22, 1997 have their vacation balance capped at the higher hours for payout purposes at the time of retirement or termination. Management employees hired after June 30, 1998 have a maximum accrual of 200 vacation hours for payout purposes at the time of retirement or termination. Fire and Police employees are paid for all accrued vacation hours accumulated at the time of retirement or termination up to certain capped levels.

Benefit Day Leave – Effective December 11, 2000, all new hired Department Heads of Middle Managers earn benefit leave dependent upon their length of employment, Current Department Heads and Middle Managers at that time had the option of remaining under the regular Vacation and Sick Leave or electing the Benefit Leave. If the Benefit Leave was elected, their accumulated vacation and sick leave was converted to benefit leave. Vacation leave was converted on a one for one basis while sick leave was converted on a two for one basis. By December 31 of every year, these employees have the option of being paid for accumulated benefit leave not to exceed 5% of their annual base pay, provided they maintain a minimum of 232.5 benefit hours. These employees have their benefit leave capped at 1,100 hours for payout purposes at the time of retirement or termination.

The liabilities for accumulated, unpaid vacation, sick and benefit leave at September 30, 2024 are as follows:

	<u>Benefit Leave and Vacation</u>	<u>Sick</u>	<u>Total</u>
PRIMARY GOVERNMENT:			
Current portion	\$ 540,570	\$ 179,900	\$ 720,470
Long-term portion	<u>1,259,342</u>	<u>269,850</u>	<u>1,529,192</u>
TOTAL	<u>\$ 1,799,912</u>	<u>\$ 449,750</u>	<u>\$ 2,249,662</u>
COMPONENT UNITS:			
Current portion	\$ 774,592	\$ 538,837	\$ 1,313,429
Long-term portion	<u>67,548</u>	<u>-</u>	<u>67,548</u>
TOTAL	<u>\$ 842,140</u>	<u>\$ 538,837</u>	<u>\$ 1,380,977</u>

NOTE R – JOINT VENTURE – MARQUETTE COUNTY SOLID WASTE MANAGEMENT AUTHORITY:

In June of 1988, the City of Marquette joined with 19 other municipalities to create the Marquette County Solid Waste Management Authority (“Authority”). The Authority was created pursuant to Act 233 of 1955 to plan for, acquire, construct, finance, operate, maintain, repair and dispose of, whether by sale, lease, or otherwise, an Act 641 landfill, including all improvements, appurtenances, easements, accessory facilities and structures, equipment, and other property part of or incidental to the landfill sufficient to satisfy the requirements of, and function as, a solid waste disposal area under Act 641 and to establish and administer procedures providing for the separation, recycling, recovery, conversion of solid waste to energy and for the disposition of such energy output and disposal at the site of Non-toxic Type II and Type III Solid Waste, to fund all of the above activities, and to charge and collect fees in connection with the operation of the landfill and to provide for the reimbursement with receipt of bond proceeds to the City of Marquette and Sands Township of their respective costs and expenses incurred in connection with the establishment and administration of the Solid Waste Authority and the System Facility.

As required by Governmental Accounting Standards Board Statement No. 14, the City’s investment in this joint venture is recorded as an asset. The audited financial statements for the Marquette County Solid Waste Management Authority can be obtained at P.O. Box 936, Marquette, Michigan 49855.

The Authority is governed by a Board of Trustees consisting of one (1) member (who shall be the chairperson of the Board of Trustees) designated by the Sands Township Supervisor on behalf of the Sands Township, two (2) members designated by the Marquette City Commission, three (3) members designated by the Marquette County Board of Commissioners, and one (1) resident of the City of Marquette appointed by the other six Authority Board members. All decisions of the Board are made by majority vote, consisting of at least four of its members.

The City’s share of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund equity is approximately 30%. The total investment in the Authority at September 30, 2024, by the City is \$3,613,831.

Summary financial information as of and for the fiscal year ended June 30, 2024, the latest available report, is as follows:

Total Assets	\$ 22,754,831
Deferred Outflows of Resources	452,914
Total Liabilities	11,088,733
Deferred Inflows of Resources	72,908
Total Net Position	12,046,104
Total Operating Revenues	7,822,860
Total Operating Expenses	5,616,219
Total Nonoperating Revenues (Expenses)	(40,583)
Change in Net Position	2,166,058

NOTE 5 – RISK MANAGEMENT:

The City of Marquette is exposed to various risks of loss related to property, loss, torts, errors and omissions, and employee injuries (workmen’s compensation). As of July 1, 1997, the City participates in the Michigan Municipal League Property and Liability Pool for claims relating to other liability and property claims and participates in the Michigan Municipal Workers Compensation Pool for employee injury claims.

The Michigan Municipal League risk pool programs operate as common risk-sharing/management programs for local units of government in Michigan. Member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. The City’s maximum deductible for property and liability coverage is \$75,000 per occurrence, subject to \$250,000 aggregate per policy year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City purchases commercial health care insurance from Blue Cross/Blue Shield of Michigan for all employees, including retired employees.

NOTE T – OTHER POST EMPLOYMENT BENEFITS:

Plan Description

Effective October 1, 2017, the City adopted the provision of GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” The City of Marquette Retiree Medical Plan is a single employer plan established and administered by the City and can be amended at its discretion.

Benefits Provided:

	Valuation Period Ending September 30, 2024					
	Public Works	City Hall	Supervisory	Police	Fire	Department Heads
Eligibility Requirements						
Hired prior to:	Sept. 25, 2012	Sept. 25, 2012	July 12, 2013	Aug. 6, 2013	July 15, 2013	July 28, 2005
Age/Years of Service:	55 / 25	55 / 25	55 / 25	50 / 25	50 / 25	n/a / 15
Summary of Benefits						
Monthly payment toward medical and drug premiums:	\$225 (or actual if cost is less)	\$200 (or actual if cost is less)	\$225 (or actual if cost is less)		\$250 (or actual if cost is less)	
Police:						
Unit 1				\$250 (or actual if cost is less)		
Unit 2				\$310 (or actual if cost is less)		
Department Heads:						
Retired Prior to Jan. 28, 2006						100% mo. Premium
Retired on or after Jan. 28, 2006:						
15 - 19 Years of Service:						65% mo. Premium
20 - 24 Years of Service:						80% mo. Premium
25+ Years of Service:						100% mo. Premium
Spousal Coverage	Same as retiree*	Same as retiree*	Same as retiree*	Same as retiree*	Same as retiree*	
<i>* if married prior to retirement</i>						
Department Heads:						
Retired Prior to Jan. 28, 2006						Same as retiree*
Hired prior to Sep. 3, 2002						Same as retiree*
Hired on or after Sep. 3, 2002						None
Benefit End Date						
Retiree Attains the Age of	65	65	65	65	65	
Department Heads:						
Retired Prior to Jan. 28, 2006						Lifetime
Hired prior to Sep. 3, 2002						Lifetime
Hired on or after Sep. 3, 2002						65
Changes Since Prior Valuation	None	None	None	None	None	None

Summary of Plan Participants:

Membership of the plan consisted the following for the September 30, 2024 valuation:

	Public Works	City Hall	Supervisory	Police	Fire	Department Heads	Middle Management	Total
Retirees	6	4	3	13	8	22	12	68
Active Employees	19	10	5	11	10	3	4	62
Total	<u>25</u>	<u>14</u>	<u>8</u>	<u>24</u>	<u>18</u>	<u>25</u>	<u>16</u>	<u>130</u>

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

Funding Policy:

- 1.) The City has the authority to establish and amend the obligation of the City and plan members to contribute to the plan.
- 2.) Active plan members are currently not obligated to make contributions to the plan.
- 3.) The City will make contributions to an irrevocable investment fund, as able, using the actuarially calculated contribution as a guide. Benefit payments made directly to retirees or on behalf of retirees from general operating funds will be counted as plan contributions.

Summary of Significant Accounting Policies:

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to PEB, and OPEB expenses, information about the fiduciary net position of the City of Marquette OPEB Plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by the City. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Net OPEB liabilities attributable to governmental activities will be liquidated primarily by the General, Technology Services, Municipal Service Center, and Motor Vehicle Equipment funds.

Assumptions and Methods

The City's OPEB liability is measured as of September 30, 2024.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2024. The following actuarial assumptions were used in the measurement:

Annual wage increases:	3.25% (for purposes of allocating liability)
Inflation:	2.50%
Investment rate of return:	6.93%
20-year Aa Municipal bond rate:	4.06%
Mortality	2010 Headcount weighted Public General and Public Safety Employees and Healthy Retirees with MP-2021 mortality improvement scale.

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expect returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global equity	60.0%	4.50%
Global fixed income	20.0%	2.16%
Private assets	20.0%	6.50%

The sum of each target allocation times its long-term expected rate is 6.93%.

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

Discount Rate:

The discount rate used to measure the total OPEB liability was 6.93%. The projection of cash flows used to determine the discount rate assumed that the City will make annual contributions to the OPEB trust in the amount of \$120,000 for the next six years while continuing to pay benefits from general operating funds. At that point, the City will use assets to pay benefits. Based on this assumption, the plan’s fiduciary net position was projected to be sufficient to make projected future benefit payments of current plan members, there is no cross-over point or depletion date, and produces a single equivalent discount rate equal to the expected rate of return. This discount rate is used to determine the Total OPEB Liability. The discount rate used as of September 30, 2023 was 7.00%.

Changes in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at September 30, 2023	\$ 4,726,152	\$ 1,914,219	\$ 2,811,933
Changes during the year:			
Service cost (beginning of year)	24,182	-	24,182
Interest	319,530	-	319,530
Experience (gains)/losses	(8,766)	-	(8,766)
Change in actuarial assumptions	46,449	-	46,449
Contributions to OPEB trust	-	472,420	(472,420)
Contributions/benefit paid from general operating funds	-	371,279	(371,279)
Net investment income	-	373,930	(373,930)
Benefit payments	(371,279)	(371,279)	-
Administrative expenses	-	(4,811)	4,811
Other changes	-	-	-
Total changes	<u>10,116</u>	<u>841,539</u>	<u>(831,423)</u>
Balance at September 30, 2024	<u>\$ 4,736,268</u>	<u>\$ 2,755,758</u>	<u>\$ 1,980,510</u>

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

Net OPEB Liability – Discount and Trend Rate Sensitivities

The following presents the net OPEB liability (NOL) of the City, calculated using trend and discount rates 1% higher and lower than base assumptions:

	1% Decrease, 5.93%	Current Discount Rate, 6.93%	1% Increase, 7.93%
<u>Discount</u>			
Total OPEB Liability	\$ 5,117,542	\$ 4,736,268	\$ 4,404,571
Plan Fiduciary Net Position	2,755,758	2,755,758	2,755,758
Net OPEB Liability	<u>\$ 2,361,784</u>	<u>\$ 1,980,510</u>	<u>\$ 1,648,813</u>
	1% Decrease	Current Trend	1% Increase
<u>Trend</u>			
Total OPEB Liability	\$ 4,518,288	\$ 4,736,268	\$ 4,926,404
Plan Fiduciary Net Position	2,755,758	2,755,758	2,755,758
Net OPEB Liability	<u>\$ 1,762,530</u>	<u>\$ 1,980,510</u>	<u>\$ 2,170,646</u>

Actuarially Determined Contribution

Actuarially Determined Contribution for the Fiscal Year Ending September 30, 2024 are as follows:

Service Cost (End of Year)	\$ 24,182
Unfunded Actuarial Accrued Liability (UAAL)	\$ 2,800,780
Amortization Factor, 30 Years	12.2722
Amortization of UAAL	\$ 228,222
Interest to End of Year	\$ 17,668
Actuarially Determined Contributions (ADC)	\$ 270,071

OPEB Expense – GASB 75

Below are the components of the Total OPEB Expense under GASB 75 for 2024.

OPEB Plan Fiduciary Net Position

The OPEB Plan Fiduciary Net Position as of September 30, 2024 is \$2,755,759.

Deferred Inflows and Outflows of Resources Related to OPEB Plan

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Experience (Gains)/Losses	\$ 2,182	\$ (174,553)
Changes of Assumptions	29,794	(460,902)
Investment Earnings (Gains)/Losses	-	(120,711)
TOTAL	<u>\$ 31,976</u>	<u>\$ (756,166)</u>

NOTE T – OTHER POST EMPLOYMENT BENEFITS (Continued):

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

<u>Year Ended</u> <u>September 30,</u>	<u>Amount</u> <u>Recognized</u>
2025	\$ (501,822)
2026	(123,349)
2027	(53,527)
2028	(45,492)
2029	-
Thereafter	-
	<u>\$ (724,190)</u>

NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER – COMPONENT UNIT:

The Marquette Board of Light and Power provides post-employment health care benefits to eligible retirees and their dependents. The benefits are provided in accordance with a collective bargaining agreement. Retirees must be eligible to receive immediate benefits from the MERS System to be covered; therefore, deferred vested retirees are ineligible for retiree medical coverage. All employees hired on or after July 1, 1995, will upon retirement, receive full Board-paid health care premiums until they become eligible for reduced Social Security benefits. The Board will continue to pay the premiums at the existing premium rate and the retiree will pay 20 percent of the monthly premium rate during the remainder of their retirement. The annual premium rate will be based on actual premium costs provided by the carrier. Retired employees are required to be covered by existing or future federal or state programs such as Medicare, when eligible.

Effective October 1, 2017, the Board was required to adopt the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Funding Policy

The contribution requirements of plan members and the Board are established in accordance with a collective bargaining agreement. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board. For the years ended September 30, 2024 and 2023, the Board contributed \$711,358 and \$712,246, respectively, to the plan representing current premiums, and an additional \$100,000 and \$100,000, respectively, to the RHFV.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (October 1, 2024):

	Active Employees	Retirees & Spouses	Total
Covered participants	58	156	214

Net OPEB liability: The total OPEB liability as of October 1, 2024, valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Salary increases:	3.00%
Discount rate:	6.60%
Inflation:	2.50%
Investment rate of return, net of inflation:	4.10%
Municipal bond index:	4.06%
Healthcare cost trend rates:	4.50%

The long-term expected rate of return on OPEB plan investments was determined using a building block 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 a long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage by adding expected inflation.

NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER – COMPONENT UNIT (Continued):

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return	Expected Money Weighted Rate of Return
Global Equity	60.00%	4.10%	2.46%
Global Fixed Income	20.00%	1.82%	0.36%
Private Investments	20.00%	6.38%	1.28%
Inflation			2.50%
Administrative Fee			
	100.00%		6.60%

The Board has chosen for the Plan an asset mix intended to meet or exceed a long-term rate of return of 6.60 percent, net of inflation. One hundred percent (100%) of the Plan’s investments are invested in the MERS total market portfolio.

Rate of Return: For the year ended September 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 6.60 percent. The money-weighted rate of return expresses investment performance net of investment expense adjusted for the changing amounts actually invested.

Discount rate: The discount rate used to measure the total OPEB liability was 6.60 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarial determined rates for employers. Based on these assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER – COMPONENT UNIT (Continued):

Changes in the Net OPEB Liability during the measurement year were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2023	\$ 15,930,558	\$ 13,195,125	\$ 2,735,433
Changes for the year:			
Service cost	198,167	-	198,167
Interest on Total Pension Liability	944,583	-	944,583
Changes in benefits	-	-	-
Difference between expected and actual experience	808,173	-	808,173
Changes in assumptions	(2,504,539)	-	(2,504,539)
Employer contributions	-	785,049	(785,049)
Participant contributions	-	26,309	(26,309)
Projected investment income	-	873,181	(873,181)
Difference between expected and actual earnings	-	1,453,992	(1,453,992)
Benefit payments, including employee refunds	(711,358)	(711,358)	-
Administrative expense	-	(30,224)	30,224
Other changes	-	-	-
Net changes	<u>(1,264,974)</u>	<u>2,396,949</u>	<u>(3,661,923)</u>
Balances at September 30, 2024	<u>\$ 14,665,584</u>	<u>\$ 15,592,074</u>	<u>\$ (926,490)</u>

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

The following presents the Net OPEB Liability of the Board, calculated using the discount rate of 6.60 percent, as well as what the Board's Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (5.60 percent) or one percentage point higher (7.60 percent) than the current rate:

	1% Decrease (5.60%)	Current Discount Rate (6.60%)	1% Increase (7.60%)
Total OPEB liability	\$ 15,575,982	\$ 14,665,584	\$ 17,104,549
Fiduciary net position	15,592,074	15,592,074	15,592,074
Net OPEB liability / (asset)	<u>\$ (16,092)</u>	<u>\$ (926,490)</u>	<u>\$ 1,512,475</u>
Plan fiduciary position as a percentage of the total OPEB liability	<u>100.1%</u>	<u>106.3%</u>	<u>91.2%</u>

NOTE U – OTHER POST-EMPLOYMENT BENEFITS BOARD OF LIGHT AND POWER – COMPONENT UNIT (Continued):

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Net OPEB Liability of the Board, calculated using the healthcare cost trend rate of 4.50 percent, as well as what the Board's Net Pension Liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (3.50 percent) or one percentage point higher (5.50 percent) than the current rate:

	1% Decrease (3.50%)	Current Healthcare Cost Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB liability	\$ 12,037,726	\$ 14,665,584	\$ 15,829,101
Fiduciary net position	15,592,074	15,592,074	15,592,074
Net OPEB liability / (asset)	<u>\$ (3,554,348)</u>	<u>\$ (926,490)</u>	<u>\$ 237,027</u>
Plan fiduciary position as a percentage of the total OPEB liability	<u>129.5%</u>	<u>106.3%</u>	<u>98.5%</u>

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2024, the Board recognized an OPEB gain/credit of \$824,249.

The Board reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences in experience	\$ 585,536	\$ (179,999)
Differences in assumptions	79,911	(2,045,923)
Excess/Deficit in investment returns	1,084,694	(1,797,180)
Total	<u>\$ 1,750,141</u>	<u>\$ (4,023,102)</u>

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

Year Ending September 30,	Difference in Experience	Difference in Assumptions	Excess/Deficit in Investment Returns	Total
2025	\$ (106,696)	\$ 876,130	\$ 138,116	\$ 907,550
2026	(160,414)	656,391	(129,388)	366,589
2027	(138,427)	433,491	412,959	708,023
2028	-	-	290,799	290,799
Total	<u>\$ (405,537)</u>	<u>\$ 1,966,012</u>	<u>\$ 712,486</u>	<u>\$ 2,272,961</u>

NOTE V – SINGLE AUDIT:

The City's audited financial statements report a total amount of federal expenditures that is more than the Single Audit threshold of \$750,000. The City, therefore, is required to have an audit in accordance with the Uniform Guidance for the fiscal year ended September 30, 2024.

NOTE W – LITIGATION AND CONTINGENCIES:

The City and its component units are parties to various legal proceedings, many of which normally occur in governmental operations. Such litigation can include, but is not limited to claims assessed the City for property damage, personal injury, alleged breaches of contracts, condemnation, pollution remediation and other alleged violations of State and Federal laws.

The City's management and Counsel have estimated the outcome of any potential claims against the City not covered by insurance resulting from such litigations would not materially affect the financial statements. The outcome of any of the other claims cannot be either reasonably determined or probable at this time and accordingly no loss has been accrued in the accompanying financial statements.

The City receives financial assistance from the Federal government in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions and federal regulations. Substantially all grants are subject to review and audit by federal agencies. Any such disallowance as a result of these audits could result in a liability of the City.

NOTE X – CONSTRUCTION IN PROGRESS:

The City has active construction projects as of September 30, 2024. The projects include street and infrastructure improvements, sidewalk extension and improvements, and park/land improvements. At year end, the City's total construction in progress expenditures in the governmental and business-type funds totaled \$5,687,363.

NOTE Y – TAX ABATEMENTS:

For financial reporting purposes, GASB Statement No. 77, *Tax Abatement Disclosures*, defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The Statement requires disclosure of tax abatement information about a reporting government's own tax abatement agreements and about tax abatement agreements entered into by other governments that reduce the reporting governments tax revenues.

For purposes of disclosure under GASB 77, the City discloses tax abatements that are greater than \$25,000 in aggregate. Information relevant to tax abatements issued by the City for the year ended September 30, 2024, is as follows:

Brownfield Redevelopment Financing Act:

The City and its Brownfield Redevelopment Authority, a discretely presented component unit, use Brownfield Tax Increment Financing under PA 381 of 1996 to reimburse taxpayers that undertake eligible activities as defined by the Act. The City adopts Brownfield Plans that detail the eligible activities, estimate taxes to be captured and reimbursed, as well as establish the length of tax capture. Taxpayers are also required to enter into Brownfield Reimbursement Agreements to establish the terms of the reimbursements. As a result of these agreements, the City's tax revenue is reduced. For the fiscal year ended September 30, 2024, the City abated \$2,199,505 under this program.

NOTE Z – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS:

The City is involved in two arrangements that qualify as subscription-based information technology arrangements (SBITA). Below is a summary of the nature of these arrangements. These arrangements qualify as right-to-use subscription assets as the City has the control of the right to use another party’s information technology software and the non-cancelable term of the arrangement surpasses one year. The present values are discounted using an interest rate of 1.875% based on the City’s incremental borrowing rate.

The right-to-use asset and the related activity are included in the Capital Assets footnote. The net subscription-based (right-to-use) asset value is as follows:

Primary Government					
	<u>Balance at</u>				<u>Balance at</u>
	<u>9/30/2023</u>	<u>Additions</u>	<u>Disposals</u>		<u>9/30/2024</u>
Subscription based (Right to Use)	\$ 109,519	\$ -	\$ (30,086)		\$ 79,433
Less: Accumulated Amortization	41,521	26,478	(15,043)		52,956
	<hr/>				
Net Subscription based (Right to Use)	<u>\$ 67,998</u>	<u>\$ (26,478)</u>	<u>\$ (15,043)</u>		<u>\$ 26,477</u>

The subscription liability and related activity are presented in the Long-Term Debt footnote.

Asset Type:	Remaining Term of Arrangement:
Mapping Software	1 year

The net present value of future minimum payments as of September 30, 2024, are as follows:

Future Subscription Payment Maturity Schedule

	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Payment</u>
2025	\$ 28,221	\$ 529	\$ 28,750
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
	<hr/>		
	<u>\$ 28,221</u>	<u>\$ 529</u>	<u>\$ 28,750</u>

NOTE AA – RESTATED AMOUNTS – NET POSITION, BEGINNING OF YEAR:

The following net position restatement was made resulting from an error correction. The adjustments record the impact to the previously reported Operating gain from Marquette Area Wastewater Treatment Facility.

Business-Type Activities			
September 30, 2024			
	As Previously Reported	Adjustments	As Restated
ENTERPRISE FUNDS:			
Sewage Disposal Fund			
Net position, beginning of year	\$ 18,206,918		
Non-operating revenues (expenses)			
Operating gain from Marquette Area Wastewater Treatment Facility		(784,298)	
Net position, beginning of year, as restated			\$ 17,422,620

NOTE AB – NEW GASB STANDARDS:

Management of the Authority has reviewed the following pronouncements released by the Governmental Accounting Standards Board (GASB) that are effective in the current fiscal year for applicability. Pronouncements deemed applicable to the Authority by management are described below in *Recently Issued and Adopted Accounting Pronouncements*; pronouncements not applicable are described in *Other Recently Issued Accounting Pronouncements*.

Recently Issued and Adopted Accounting Pronouncements

None.

Other Recently Issued Accounting Pronouncements

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Stmt No. 62*. GASB 100 will enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). This statement is effective for periods beginning after June 15, 2023. The Facility does not have activities that meet the criteria for GASB 100; therefore, GASB 100 is not applicable to the Facility.

REQUIRED SUPPLEMENTARY INFORMATION

**City of Marquette Michigan
Municipal Employees Retirement System of Michigan
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Continued)**

	2024	2023	2022	2021	2020
Change in total pension liability					
Service cost	\$ 767,668	\$ 730,432	\$ 658,809	\$ 691,166	\$ 840,544
Interest	4,896,609	4,762,551	4,826,506	4,636,268	4,550,490
Change in benefit terms	-	-	-	-	(2,609)
Differences between expected and actual experience	123,128	499,145	(99,786)	(182,168)	323,056
Changes in assumptions	533,998	-	2,517,350	1,899,801	1,988,572
Benefit payments, including refunds of member contributions	(4,153,623)	(4,051,914)	(3,899,269)	(3,613,388)	(3,265,088)
Other	47,713	2,336	(306)	(1,191,444)	-
Net change in total pension liability	<u>2,215,493</u>	<u>1,942,550</u>	<u>4,003,304</u>	<u>2,240,235</u>	<u>4,434,965</u>
Total pension liability, beginning of year	<u>71,498,236</u>	<u>69,555,686</u>	<u>65,552,382</u>	<u>63,312,147</u>	<u>58,877,182</u>
Total pension liability, end of year (a)	<u>73,713,729</u>	<u>71,498,236</u>	<u>69,555,686</u>	<u>65,552,382</u>	<u>63,312,147</u>
Change in plan fiduciary net position					
Contributions – employer	3,366,129	3,422,782	3,222,786	2,741,566	2,667,614
Contributions – member	288,749	448,456	274,489	277,745	295,696
Contributions – State pension grant	704,412	-	-	-	-
Net investment income	4,530,436	(4,628,199)	5,664,899	4,644,084	4,435,515
Benefit payments, including refunds of member contributions	(4,153,623)	(4,051,914)	(3,899,269)	(3,613,388)	(3,265,088)
Administrative expense	(94,328)	(81,679)	(64,826)	(73,172)	(75,740)
Other	24,980	-	-	(1)	-
Net change in plan fiduciary net position	<u>4,666,755</u>	<u>(4,890,554)</u>	<u>5,198,079</u>	<u>3,976,834</u>	<u>4,057,997</u>
Plan fiduciary net position, beginning of year	<u>41,567,235</u>	<u>46,457,789</u>	<u>41,259,710</u>	<u>37,282,876</u>	<u>33,224,879</u>
Plan fiduciary net position, end of year (b)	<u>46,233,990</u>	<u>41,567,235</u>	<u>46,457,789</u>	<u>41,259,710</u>	<u>37,282,876</u>
Net pension liability, end of year (a)-(b)	<u>\$ 27,479,739</u>	<u>\$ 29,931,001</u>	<u>\$ 23,097,897</u>	<u>\$ 24,292,672</u>	<u>\$ 26,029,271</u>
Plan fiduciary net position as a percentage of the total pension liability	62.72%	58.14%	66.79%	62.94%	58.89%
Covered payroll	\$ 5,545,536	\$ 5,321,247	\$ 5,097,329	\$ 4,994,831	\$ 5,661,513
Net pension liability as a percentage of covered payroll	495.53%	562.48%	453.14%	486.36%	459.76%

City of Marquette Michigan
Municipal Employees Retirement System of Michigan
Required Supplementary Information

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Concluded)**

	2019	2018	2017	2016	2015
Change in total pension liability					
Service cost	\$ 825,143	\$ 791,722	\$ 771,441	\$ 738,493	\$ 800,374
Interest	4,395,359	4,333,875	4,130,063	3,841,488	3,719,179
Change in benefit terms	-	9,569	(8,853)	-	-
Differences between expected and actual experience	(52,849)	(1,166,996)	408,568	(229,603)	-
Changes in assumptions	-	-	-	3,096,299	-
Benefit payments, including refunds of member contributions	(3,060,342)	(2,909,065)	(2,653,291)	(2,414,733)	(2,402,573)
Other	-	-	-	(1)	31,851
Net change in total pension liability	2,107,311	1,059,105	2,647,928	5,031,943	2,148,831
Total pension liability, beginning of year	56,769,871	55,710,766	53,062,838	48,030,895	45,882,064
Total pension liability, end of year (a)	58,877,182	56,769,871	55,710,766	53,062,838	48,030,895
Change in plan fiduciary net position					
Contributions – employer	2,453,865	2,455,778	3,272,268	1,796,218	1,685,684
Contributions – member	277,569	259,468	303,659	223,767	242,337
Contributions – State pension grant	-	-	-	-	-
Net investment income	(1,360,225)	4,004,150	3,095,445	(420,230)	1,782,826
Benefit payments, including refunds of member contributions	(3,060,342)	(2,909,065)	(2,653,291)	(2,414,733)	(2,402,573)
Administrative expense	(66,152)	(63,420)	(61,304)	(61,269)	(65,367)
Other	-	(2)	4	(1,244,578)	(2,359)
Net change in plan fiduciary net position	(1,755,285)	3,746,909	3,956,781	(2,120,825)	1,240,548
Plan fiduciary net position, beginning of year	34,980,164	31,233,255	27,276,474	29,397,299	28,156,751
Plan fiduciary net position, end of year (b)	33,224,879	34,980,164	31,233,255	27,276,474	29,397,299
Net pension liability, end of year (a)-(b)	\$ 25,652,303	\$ 21,789,707	\$ 24,477,511	\$ 25,786,364	\$ 18,633,596
Plan fiduciary net position as a percentage of the total pension liability	56.43%	61.62%	56.06%	51.40%	61.20%
Covered payroll	\$ 6,229,970	\$ 6,037,621	\$ 5,897,647	\$ 5,732,327	\$ 5,555,438
Net pension liability as a percentage of covered payroll	411.76%	360.90%	415.04%	449.84%	335.41%

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City of Marquette Michigan
Municipal Employees Retirement System of Michigan
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 1,685,684	\$ 1,685,684	\$ -	\$4,867,105	34.63%
9/30/2016	1,796,218	1,796,218	-	5,379,085	33.39%
9/30/2017	3,272,268	3,272,268	-	5,708,464	57.32%
9/30/2018	2,455,778	2,455,778	-	6,037,621	40.67%
9/30/2019	2,593,284	2,632,620	(39,336)	5,887,794	44.71%
9/30/2020	2,664,228	2,861,940	(197,712)	5,796,720	49.37%
9/30/2021	3,015,210	3,139,818	(124,608)	5,298,022	59.26%
9/30/2022	3,548,664	3,596,364	(47,700)	5,838,150	61.60%
9/30/2023	3,751,836	3,794,424	(42,588)	5,526,986	68.65%
9/30/2024	3,724,980	3,768,360	(43,380)	6,045,364	62.33%

**City of Marquette Michigan
Peter White Public Library
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Continued)**

	2024	2023	2022	2021	2020
Change in total pension liability					
Service cost	\$ 33,832	\$ 45,909	\$ 48,398	\$ 52,368	\$ 38,312
Interest	264,936	279,957	276,563	211,319	207,409
Change in benefit terms	-	-	-	-	(119)
Differences between expected and actual experience	(3,206)	(42,690)	(95,831)	57,246	14,725
Changes in assumptions	25,621	-	127,710	151,620	90,638
Benefit payments, including refunds of member contributions	(276,748)	(268,109)	(281,444)	(270,647)	(215,515)
Other	2,611	(11,889)	(1,577)	(93,938)	-
Net change in total pension liability	<u>47,046</u>	<u>3,178</u>	<u>73,819</u>	<u>107,968</u>	<u>135,450</u>
Total pension liability, beginning of year	<u>3,811,762</u>	<u>3,808,584</u>	<u>3,734,765</u>	<u>3,626,797</u>	<u>3,491,347</u>
Total pension liability, end of year (a)	<u>3,858,808</u>	<u>3,811,762</u>	<u>3,808,584</u>	<u>3,734,765</u>	<u>3,626,797</u>
Change in plan fiduciary net position					
Contributions – employer	119,514	124,248	117,462	175,399	173,752
Contributions – member	18,156	23,449	26,716	35,224	28,244
Net investment income	284,829	(320,381)	391,706	329,195	309,695
Benefit payments, including refunds of member contributions	(276,748)	(268,109)	(281,444)	(270,647)	(215,515)
Administrative expense	(6,070)	(5,586)	(4,490)	(5,141)	(5,317)
Other	(27,271)	-	(1)	-	-
Net change in plan fiduciary net position	<u>112,410</u>	<u>(446,379)</u>	<u>249,949</u>	<u>264,030</u>	<u>290,859</u>
Plan fiduciary net position, beginning of year	<u>2,629,437</u>	<u>3,075,816</u>	<u>2,825,867</u>	<u>2,561,837</u>	<u>2,270,978</u>
Plan fiduciary net position, end of year (b)	<u>2,741,847</u>	<u>2,629,437</u>	<u>3,075,816</u>	<u>2,825,867</u>	<u>2,561,837</u>
Net pension liability, end of year (a)-(b)	<u>\$ 1,116,961</u>	<u>\$ 1,182,325</u>	<u>\$ 732,768</u>	<u>\$ 908,898</u>	<u>\$ 1,064,960</u>
Plan fiduciary net position as a percentage of the total pension liability	71.05%	68.98%	80.76%	75.66%	70.64%
Covered payroll	\$ 246,492	\$ 332,488	\$ 359,746	\$ 390,288	\$ 389,790
Net pension liability as a percentage of covered payroll	453.14%	355.60%	203.69%	232.88%	273.21%

**City of Marquette Michigan
Peter White Public Library
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Concluded)**

	2019	2018	2017	2016	2015
Change in total pension liability					
Service cost	\$ 37,610	\$ 48,532	\$ 47,489	\$ 36,106	\$ 40,728
Interest	200,339	265,662	254,241	187,817	232,437
Change in benefit terms	-	587	(545)	-	-
Differences between expected and actual experience	(2,409)	(71,536)	25,151	(11,226)	-
Changes in assumptions	-	-	-	151,384	-
Benefit payments, including refunds of member contributions	(191,797)	(181,797)	(178,595)	(131,851)	(127,594)
Other	-	-	-	-	(236)
Net change in total pension liability	<u>43,743</u>	<u>61,448</u>	<u>147,741</u>	<u>232,230</u>	<u>145,335</u>
Total pension liability, beginning of year	<u>3,447,604</u>	<u>3,386,156</u>	<u>3,238,415</u>	<u>3,006,185</u>	<u>2,860,850</u>
Total pension liability, end of year (a)	<u>3,491,347</u>	<u>3,447,604</u>	<u>3,386,156</u>	<u>3,238,415</u>	<u>3,006,185</u>
Change in plan fiduciary net position					
Contributions – employer	111,800	105,420	114,790	91,549	86,041
Contributions – member	25,376	27,289	25,132	24,237	23,982
Net investment income	(94,393)	287,973	227,136	(31,166)	134,124
Benefit payments, including refunds of member contributions	(191,797)	(181,797)	(178,595)	(131,851)	(127,594)
Administrative expense	(4,700)	(4,562)	(4,489)	(4,534)	(4,565)
Other	-	-	-	-	(9,984)
Net change in plan fiduciary net position	<u>(153,714)</u>	<u>234,323</u>	<u>183,974</u>	<u>(51,765)</u>	<u>102,004</u>
Plan fiduciary net position, beginning of year	<u>2,424,692</u>	<u>2,190,369</u>	<u>2,006,395</u>	<u>2,058,160</u>	<u>1,956,156</u>
Plan fiduciary net position, end of year (b)	<u>2,270,978</u>	<u>2,424,692</u>	<u>2,190,369</u>	<u>2,006,395</u>	<u>2,058,160</u>
Net pension liability, end of year (a)-(b)	<u>\$ 1,220,369</u>	<u>\$ 1,022,912</u>	<u>\$ 1,195,787</u>	<u>\$ 1,232,020</u>	<u>\$ 948,025</u>
Plan fiduciary net position as a percentage of the total pension liability	65.05%	70.33%	64.69%	61.96%	68.46%
Covered payroll	\$ 256,766	\$ 212,190	\$ 189,316	\$ 264,754	\$ 282,696
Net pension liability as a percentage of covered payroll	475.28%	482.07%	631.64%	465.35%	335.35%

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**City of Marquette Michigan
Peter White Public Library
Required Supplementary Information**

SCHEDULE OF CONTRIBUTIONS

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 88,838	\$ 88,838	\$ -	\$ 347,771	25.54%
9/30/2016	87,853	87,853	-	355,683	24.70%
9/30/2017	101,040	114,790	(13,750)	365,685	31.39%
9/30/2018	87,630	105,420	(17,790)	345,981	30.47%
9/30/2019	98,424	163,800	(65,376)	562,930	29.10%
9/30/2020	126,120	183,704	(57,584)	519,592	35.36%
9/30/2021	112,572	116,729	(4,157)	445,199	26.22%
9/30/2022	118,560	118,560	-	359,746	32.96%
9/30/2023	129,936	129,936	-	285,303	45.54%
9/30/2024	109,092	169,092	(60,000)	252,335	67.01%

**City of Marquette Michigan
Fire/Police Retirement System
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Continued)**

	2024	2023	2022	2021	2020
Change in total pension liability					
Service cost	\$ 1,164,958	\$ 1,175,182	\$ 1,101,426	\$ 1,038,593	\$ 1,042,143
Interest	3,669,247	3,495,810	3,400,723	3,288,149	3,243,320
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,188,866	845,642	51,052	218,662	(953,751)
Changes in assumptions	-	468,013	-	-	-
Benefit payments, including refunds of member contributions	(3,526,217)	(3,293,982)	(3,068,761)	(2,749,365)	(2,582,244)
Other	-	-	-	-	-
Net change in total pension liability	<u>2,496,854</u>	<u>2,690,665</u>	<u>1,484,440</u>	<u>1,796,039</u>	<u>749,468</u>
Total pension liability, beginning of year	<u>55,539,847</u>	<u>52,849,182</u>	<u>51,364,742</u>	<u>49,568,703</u>	<u>48,819,235</u>
Total pension liability, end of year (a)	<u>58,036,701</u>	<u>55,539,847</u>	<u>52,849,182</u>	<u>51,364,742</u>	<u>49,568,703</u>
Change in plan fiduciary net position					
Contributions - employer	1,916,289	1,707,745	1,748,700	1,742,470	1,778,792
Contributions - members	255,014	255,359	253,763	232,295	224,770
Net investment income	8,757,115	4,462,421	(7,872,012)	7,403,102	3,359,107
Benefit payments, including refunds of member contributions	(3,526,217)	(3,293,982)	(3,068,761)	(2,749,365)	(2,582,244)
Administrative expense	(21,035)	(20,603)	(20,693)	(20,029)	(19,306)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>7,381,166</u>	<u>3,110,940</u>	<u>(8,959,003)</u>	<u>6,608,473</u>	<u>2,761,119</u>
Plan fiduciary net position, beginning of year	<u>38,292,558</u>	<u>35,181,618</u>	<u>44,140,621</u>	<u>37,532,148</u>	<u>34,771,029</u>
Plan fiduciary net position, end of year (b)	<u>45,673,724</u>	<u>38,292,558</u>	<u>35,181,618</u>	<u>44,140,621</u>	<u>37,532,148</u>
City's net pension liability, end of year (a)-(b)	<u>\$ 12,362,977</u>	<u>\$ 17,247,289</u>	<u>\$ 17,667,564</u>	<u>\$ 7,224,121</u>	<u>\$ 12,036,555</u>
Plan fiduciary net position as a percentage of the total pension liability	78.70%	68.95%	66.57%	85.94%	75.72%
Covered payroll	\$ 4,010,058	\$ 4,023,821	\$ 4,130,349	\$ 3,895,846	\$ 3,690,235
City's net pension liability as a percentage of covered payroll	308.30%	428.63%	427.75%	185.43%	326.17%

**City of Marquette Michigan
Fire/Police Retirement System
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Concluded)**

	2019	2018	2017	2016	2015
Change in total pension liability					
Service cost	\$ 980,498	\$ 922,981	\$ 902,641	\$ 935,088	\$ 1,363,210
Interest	3,117,532	3,041,225	2,858,357	2,766,379	3,048,549
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	230,811	(849,687)	1,606,199	(53,654)	-
Changes in assumptions	-	2,025,918	(426,851)	-	-
Benefit payments, including refunds of member contributions	(2,410,032)	(2,449,187)	(2,227,030)	(2,408,213)	(1,828,055)
Other	-	-	-	-	-
Net change in total pension liability	1,918,809	2,691,250	2,713,316	1,239,600	2,583,704
Total pension liability, beginning of year	46,900,426	44,209,176	41,495,860	40,256,260	37,672,556
Total pension liability, end of year (a)	48,819,235	46,900,426	44,209,176	41,495,860	40,256,260
Change in plan fiduciary net position					
Contributions - employer	1,626,480	1,560,811	1,489,696	1,465,489	1,347,814
Contributions - members	216,333	207,809	197,431	170,668	167,220
Net investment income	1,452,584	2,301,235	3,448,273	2,630,375	(272,058)
Benefit payments, including refunds of member contributions	(2,410,032)	(2,449,187)	(2,227,030)	(2,408,213)	(1,828,055)
Administrative expense	(19,179)	(20,179)	(19,482)	(14,327)	(9,084)
Other	-	-	-	-	-
Net change in plan fiduciary net position	866,186	1,600,489	2,888,888	1,843,992	(594,163)
Plan fiduciary net position, beginning of year	33,904,843	32,304,354	29,415,466	27,571,474	28,165,637
Plan fiduciary net position, end of year (b)	34,771,029	33,904,843	32,304,354	29,415,466	27,571,474
City's net pension liability, end of year (a)-(b)	\$ 14,048,206	\$ 12,995,583	\$ 11,904,822	\$ 12,080,394	\$ 12,684,786
Plan fiduciary net position as a percentage of the total pension liability	71.22%	72.29%	73.07%	70.89%	68.49%
Covered payroll	\$ 3,698,660	\$ 3,477,254	\$ 3,558,782	\$ 3,233,941	\$ 3,454,423
City's net pension liability as a percentage of covered payroll	379.82%	373.73%	334.52%	373.55%	367.2%

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**City of Marquette Michigan
Fire/Police Retirement System
Required Supplementary Information**

SCHEDULE OF CONTRIBUTIONS

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 1,347,814	\$ 1,347,814	\$ -	\$ 3,454,423	39.02%
9/30/2016	1,423,168	1,465,489	(42,321)	3,233,941	45.32%
9/30/2017	1,489,696	1,489,696	-	3,558,782	41.86%
9/30/2018	1,560,811	1,560,811	-	3,477,254	44.89%
9/30/2019	1,626,480	1,626,480	-	3,698,660	43.97%
9/30/2020	1,778,792	1,778,792	-	3,963,876	44.88%
9/30/2021	1,742,470	1,742,470	-	4,190,144	41.58%
9/30/2022	1,748,700	1,748,700	-	4,484,418	39.00%
9/30/2023	1,707,745	1,707,745	-	4,023,821	42.44%
9/30/2024	1,916,289	1,916,289	-	4,010,058	47.79%

**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Continued)**

	2024	2023	2022	2021	2020
Change in total pension liability					
Service cost	\$ 126,951	\$ 167,397	\$ 181,213	\$ 216,877	\$ 216,007
Interest	3,151,595	3,144,855	3,162,801	3,124,561	3,215,292
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	450,966	287,279	290,631	(867,330)	(642,954)
Changes in assumptions	292,953	-	1,457,474	1,255,356	1,344,399
Benefit payments, including refunds of member contributions	(3,565,025)	(3,407,679)	(3,239,718)	(3,177,232)	(3,246,137)
Other	(3)	-	-	-	-
Net change in total pension liability	457,437	191,852	1,852,401	552,232	886,607
Total pension liability, beginning of year	45,189,310	44,997,458	43,145,057	42,592,825	41,706,218
Total pension liability, end of year	45,646,747	45,189,310	44,997,458	43,145,057	42,592,825
Change in plan fiduciary net position					
Contributions – employer	1,800,000	1,800,018	1,922,323	1,915,918	3,152,985
Contributions – member	71,379	83,546	99,455	105,640	104,553
Net investment income	3,576,770	(3,979,349)	4,863,699	4,028,178	3,847,402
Benefit payments, including refunds of member contributions	(3,565,025)	(3,407,679)	(3,239,718)	(3,177,232)	(3,246,137)
Administrative expense	(76,030)	(69,985)	(55,799)	(64,061)	(66,316)
Other	(2)	-	-	-	-
Net change in plan fiduciary net position	1,807,092	(5,573,449)	3,589,960	2,808,443	3,792,487
Plan fiduciary net position, beginning of year	32,954,400	38,527,849	34,937,889	32,129,446	28,336,959
Plan fiduciary net position, end of year	34,761,492	32,954,400	38,527,849	34,937,889	32,129,446
Net pension liability, end of year	<u>\$ 10,885,255</u>	<u>\$ 12,234,910</u>	<u>\$ 6,469,609</u>	<u>\$ 8,207,168</u>	<u>\$ 10,463,379</u>
Plan fiduciary net position as a percentage of the total pension liability	76.15%	72.93%	85.62%	80.98%	75.43%
Covered payroll	\$ 1,470,433	\$ 1,868,887	\$ 2,109,620	\$ 2,426,996	\$ 2,453,014
Net pension liability as a percentage of covered payroll	740.28%	654.66%	306.67%	338.16%	426.55%

**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

**Schedule of Changes in the Net Pension Liability
and Related Ratios
(Concluded)**

	2019	2018	2017	2016	2015
Change in total pension liability					
Service cost	\$ 243,983	\$ 263,927	\$ 263,370	\$ 253,706	\$ 275,493
Interest	3,202,985	3,194,331	3,153,469	3,013,119	2,981,383
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience	(27,628)	(147,591)	161,831	433,467	-
Changes in assumptions	-	-	-	2,151,921	-
Benefit payments, including refunds of member contributions	(3,256,943)	(3,128,036)	(3,008,305)	(2,914,389)	(2,808,219)
Other	-	-	-	1	1
Net change in total pension liability	<u>162,397</u>	<u>182,631</u>	<u>570,365</u>	<u>2,937,825</u>	<u>448,658</u>
Total pension liability, beginning of year	<u>41,543,821</u>	<u>41,361,190</u>	<u>40,790,825</u>	<u>37,853,000</u>	<u>37,404,342</u>
Total pension liability, end of year	<u>41,706,218</u>	<u>41,543,821</u>	<u>41,361,190</u>	<u>40,790,825</u>	<u>37,853,000</u>
Change in plan fiduciary net position					
Contributions – employer	4,366,887	4,605,575	2,874,280	2,541,239	2,071,376
Contributions – member	105,447	116,706	165,913	132,551	165,536
Net investment income	(1,175,116)	3,218,342	2,413,771	(324,962)	1,316,039
Benefit payments, including refunds of member contributions	(3,256,943)	(3,128,036)	(3,008,305)	(2,914,389)	(2,808,219)
Administrative expense	(56,324)	(50,670)	(47,663)	(47,681)	(48,283)
Other	-	-	-	-	-
Net change in plan fiduciary net position	<u>(16,049)</u>	<u>4,761,917</u>	<u>2,397,996</u>	<u>(613,242)</u>	<u>696,449</u>
Plan fiduciary net position, beginning of year	<u>28,353,008</u>	<u>23,591,091</u>	<u>21,193,095</u>	<u>21,806,337</u>	<u>21,109,888</u>
Plan fiduciary net position, end of year	<u>28,336,959</u>	<u>28,353,008</u>	<u>23,591,091</u>	<u>21,193,095</u>	<u>21,806,337</u>
Net pension liability, end of year	<u>\$ 13,369,259</u>	<u>\$ 13,190,813</u>	<u>\$ 17,770,099</u>	<u>\$ 19,597,730</u>	<u>\$ 16,046,663</u>
Plan fiduciary net position as a percentage of the total pension liability	67.94%	68.25%	57.04%	51.96%	57.61%
Covered payroll	\$ 3,191,125	\$ 3,351,949	\$ 3,140,861	\$ 3,096,739	\$ 2,861,350
Net pension liability as a percentage of covered payroll	418.95%	393.53%	565.77%	632.85%	560.81%

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**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

SCHEDULE OF CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarial Determined Contribution	Contribution in Relation to the Actuarial Determined Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2015	\$ 1,696,863	\$ 2,071,376	\$ (374,513)	\$ 2,861,350	72.39%
9/30/2016	1,962,600	2,541,239	(578,639)	3,096,739	82.06%
9/30/2017	1,080,924	2,874,280	(1,793,356)	3,140,861	91.51%
9/30/2018	1,390,320	4,605,575	(3,215,255)	3,351,949	137.40%
9/30/2019	1,398,372	4,366,887	(2,968,515)	3,191,125	136.84%
9/30/2020	1,670,712	3,152,985	(1,482,273)	2,453,014	128.54%
9/30/2021	1,683,348	1,915,918	(232,570)	2,426,996	78.94%
9/30/2022	1,696,824	1,922,323	(225,499)	2,109,620	91.12%
9/30/2023	1,757,328	1,800,018	(42,690)	1,868,887	96.31%
9/30/2024	1,708,272	1,800,000	(91,728)	1,470,433	122.41%

City of Marquette, Michigan

SCHEDULE OF INVESTMENT RETURNS
(Ultimately ten years will be displayed)

Annual Money-Weighted Rate of Return, Net of Investment Expense

<u>Fiscal Year Ended</u>	<u>Defined Benefit Pension Plans</u>		<u>Defined Benefit OPEB Plans</u>	
	<u>MERS</u>	<u>Police/Fire</u>	<u>City of Marquette Retiree Medical Plan</u>	<u>Board of Light and Power</u>
	9/30/2015	6.13%	5.80%	N/A
9/30/2016	(1.74%)	3.90%	N/A	N/A
9/30/2017	11.17%	5.70%	N/A	N/A
9/30/2018	13.07%	6.90%	0.77%	3.02%
9/30/2019	(4.12%)	4.00%	2.70%	3.95%
9/30/2020	13.41%	6.60%	8.31%	6.36%
9/30/2021	12.70%	9.80%	20.68%	18.39%
9/30/2022	13.97%	10.60%	(13.97%)	(13.48%)
9/30/2023	(10.61%)	4.50%	10.81%	11.81%
9/30/2024	10.94%	15.40%	18.07%	17.61%

City of Marquette Michigan
Required Supplementary Information

Schedule of Changes in the Net OPEB Liability
and Related Ratios

(Ultimately ten years will be displayed)

	2024	2023	2022	2021	2020	2019	2018
Change in total OPEB liability							
Service cost	\$ 24,182	\$ 29,523	\$ 47,631	\$ 81,352	\$ 71,444	\$ 62,583	\$ 102,520
Interest	319,530	306,543	266,569	263,486	336,366	316,299	266,247
Change in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(8,766)	(291,762)	11,013	(1,167,057)	(58,676)	(276,093)	(34,706)
Changes in assumptions	46,449	(622,654)	(757,706)	(854,124)	1,088,300	621,649	(1,080,597)
Benefit payments, including refunds of member contributions	(371,279)	(358,643)	(377,070)	(321,777)	(320,257)	(309,059)	(320,638)
Other	-	-	-	-	-	-	-
Net change in total OPEB liability	<u>10,116</u>	<u>(936,993)</u>	<u>(809,563)</u>	<u>(1,998,120)</u>	<u>1,117,177</u>	<u>415,379</u>	<u>(1,067,174)</u>
Total OPEB liability, beginning of year	<u>4,726,152</u>	<u>5,663,145</u>	<u>6,472,708</u>	<u>8,470,828</u>	<u>7,353,651</u>	<u>6,938,272</u>	<u>8,005,446</u>
Total OPEB liability, end of year (a)	<u>4,736,268</u>	<u>4,726,152</u>	<u>5,663,145</u>	<u>6,472,708</u>	<u>8,470,828</u>	<u>7,353,651</u>	<u>6,938,272</u>
Change in plan fiduciary net position							
Contributions to OPEB trust	472,420	381,251	406,284	248,955	180,473	118,098	363,761
Contributions/benefits paid from general operation fund	371,279	358,643	377,070	321,777	320,257	309,059	320,638
Net investment income	373,930	166,690	(196,773)	187,417	54,035	12,517	1,527
Benefit payments, including refunds of member contributions	(371,279)	(358,643)	(377,070)	(321,777)	(320,257)	(309,059)	(320,638)
Administrative expense	(4,811)	(3,252)	(2,401)	(1,861)	(1,335)	(862)	(305)
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>841,539</u>	<u>544,689</u>	<u>207,110</u>	<u>434,511</u>	<u>233,173</u>	<u>129,753</u>	<u>364,983</u>
Plan fiduciary net position, beginning of year	<u>1,914,219</u>	<u>1,369,530</u>	<u>1,162,420</u>	<u>727,909</u>	<u>494,736</u>	<u>364,983</u>	<u>-</u>
Plan fiduciary net position, end of year (b)	<u>2,755,758</u>	<u>1,914,219</u>	<u>1,369,530</u>	<u>1,162,420</u>	<u>727,909</u>	<u>494,736</u>	<u>364,983</u>
Net OPEB liability, end of year (a)-(b)	<u>\$ 1,980,510</u>	<u>\$ 2,811,933</u>	<u>\$ 4,293,615</u>	<u>\$ 5,310,288</u>	<u>\$ 7,742,919</u>	<u>\$ 6,858,915</u>	<u>\$ 6,573,289</u>
Plan fiduciary net position as a percentage of the total OPEB liability	58.18%	40.50%	24.18%	17.96%	8.59%	6.73%	5.26%
Covered payroll	\$ 4,666,387	\$ 5,087,311	\$ 5,778,509	\$ 6,050,892	\$ 5,796,720	\$ 5,887,794	\$ 6,037,621
Net OPEB liability as a percentage of covered payroll	42.44%	55.27%	74.30%	87.76%	133.57%	116.49%	108.87%

City of Marquette Michigan
Required Supplementary Information

SCHEDULE OF OPEB CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarially Determined Contribution [ADC]	Actual Contribution in Relation to the ADC	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2018	\$ 320,638	\$ 684,399	\$ (363,761)	\$ 6,037,621	11.34%
9/30/2019	309,059	427,157	(118,098)	5,887,794	7.25%
9/30/2020	320,257	500,730	(180,473)	5,796,720	8.64%
9/30/2021	510,419	759,374	(248,955)	6,050,892	12.55%
9/30/2022	377,070	783,354	(406,284)	5,778,509	13.56%
9/30/2023	358,643	739,894	(381,251)	5,087,311	14.54%
9/30/2024	371,729	843,699	(471,970)	4,666,387	18.08%

**City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information**

**Schedule of Changes in the Net OPEB Liability
and Related Ratios**
(Ultimately ten years will be displayed)

	2024	2023	2022	2021	2020	2019	2018
Change in total OPEB liability							
Service cost	\$ 198,167	\$ 198,621	\$ 192,585	\$ 221,380	\$ 213,893	\$ 224,487	\$ 216,372
Interest	944,583	1,013,802	990,384	1,065,143	1,042,100	1,301,180	1,283,786
Change in benefit terms	-	-	(63,492)	-	(2,585,154)	-	-
Differences between expected and actual experience	808,173	(246,405)	(145,149)	(319,293)	(652,672)	-	-
Changes in assumptions	(2,504,539)	158,642	(779,141)	(547,473)	(501,268)	-	-
Benefit payments, including refunds of member contributions	(711,358)	(712,246)	(745,667)	(757,957)	(1,063,250)	(1,190,487)	(1,306,364)
Other	-	-	-	-	-	-	-
Net change in total OPEB liability	(1,264,974)	412,414	(550,480)	(338,200)	(3,546,351)	335,180	193,794
Total OPEB liability, beginning of year	15,930,558	15,518,144	16,068,624	16,406,824	19,953,175	19,617,995	19,424,201
Total OPEB liability, end of year (a)	14,665,584	15,930,558	15,518,144	16,068,624	16,406,824	19,953,175	19,617,995
Change in plan fiduciary net position							
Contributions – employer	785,049	795,931	830,363	843,017	1,347,539	3,290,487	4,306,364
Contributions – member	26,309	16,315	15,304	14,940	15,711	-	-
Net investment income	2,327,173	1,387,619	(1,819,816)	2,086,655	671,305	350,782	184,882
Benefit payments, including refunds of member contributions	(711,358)	(712,246)	(745,667)	(757,957)	(1,063,250)	(1,190,487)	(1,306,364)
Administrative expense	(30,224)	(24,797)	(23,609)	(23,035)	(19,423)	(17,378)	(15,234)
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	2,396,949	1,462,822	(1,743,425)	2,163,620	951,882	2,433,404	3,169,648
Plan fiduciary net position, beginning of year	13,195,125	11,732,303	13,475,728	11,312,108	10,360,226	7,926,822	4,757,174
Plan fiduciary net position, end of year (b)	15,592,074	13,195,125	11,732,303	13,475,728	11,312,108	10,360,226	7,926,822
Net OPEB liability / (asset), end of year (a)-(b)	\$ (926,490)	\$ 2,735,433	\$ 3,785,841	\$ 2,592,896	\$ 5,094,716	\$ 9,592,949	\$ 11,691,173
Plan fiduciary net position as a percentage of the total OPEB liability	106.32%	82.83%	75.60%	83.86%	68.95%	51.92%	40.41%
Covered payroll	\$ 6,261,937	\$ 6,261,937	\$ 5,927,350	\$ 5,901,711	\$ 6,055,138	\$ 5,512,678	\$ 5,313,424
Net OPEB liability as a percentage of covered payroll	-14.80%	43.68%	63.87%	43.93%	84.14%	174.02%	220.03%

City of Marquette Michigan
Marquette Board of Light and Power
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

(Ultimately ten years will be displayed)

Fiscal Year/Period Ending	Actuarially Determined Contribution [ADC]	Actual Contribution in Relation to the ADC	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
9/30/2018	\$ 1,280,433	\$ 4,306,364	\$(3,025,931)	\$ 5,313,424	81.05%
9/30/2019	1,328,449	3,272,408	(1,943,959)	5,512,678	59.36%
9/30/2020	680,949	1,347,539	(666,590)	6,055,138	22.25%
9/30/2021	704,783	843,017	(138,234)	5,901,711	14.28%
9/30/2022	358,198	830,363	(472,165)	5,923,404	14.02%
9/30/2023	368,944	795,931	(426,987)	6,261,937	12.71%
9/30/2024	325,163	811,358	(486,195)	6,254,679	12.97%

CITY OF MARQUETTE, MICHIGAN
MAJOR GOVERNMENTAL FUNDS

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The function of the General Fund is to record all revenues and expenditures of the City which are not accounted for in other funds. The General Fund receives revenue from many sources which are used to finance a wide range of City Activities.

The major activities financed by the General Fund are Fire and Police Protections, Public Works, Community Services, City Administration and most public services.

The modified accrual basis of accounting is used in recording General Fund transactions.

SPECIAL REVENUE FUNDS

The function of the Special Revenue Funds is to record revenue and expenditures for specific functions or activities within restrictions imposed by City Charter, ordinances, resolutions and/or Federal and State statutes.

MAJOR STREET AND TRUNKLINE FUND AND LOCAL STREET FUND

Michigan's Act 51 of 1993, as amended, allocates gasoline and weight taxes to build and maintain road, roadsides and storm sewers and to remove snow from and to control traffic along roads. These tax monies may be transferred between funds only as permitted by law. Other revenues included general taxes transferred from the General Fund. Within the City, Federal and State trunklines and certain "mile" roads are maintained by the City under contractual agreement with the State of Michigan and are subject to reimbursement to the City. The remaining mile roads and certain other roads are designated as MAJOR STREETS, maintained on a priority basis by the City, and the remaining roads are designated as LOCAL STREETS.

CAPITAL PROJECTS FUNDS

The function of Capital Projects Funds is to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

The modified accrual basis of accounting is used in recording Capital Projects Fund transactions.

CONSTRUCTION FUND: This fund records the activities associated with the street improvements surrounding the new hospital construction. Reimbursement transfers from the bonds issued through the Brownfield Redevelopment Authority, a component unit, have been used to finance the current project.

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 5,146,478	\$ 6,686,611
Investments	5,896,946	5,608,032
Receivables:		
Taxes:		
Current	863,769	668,154
Delinquent, net	5,316	18,487
Accounts	287,458	523,916
Special assessment	-	-
Due from other authorities	6,611,465	4,307,855
Due from other funds	-	-
Due from other governments	568,655	544,303
Inventories	204,684	111,731
Prepaid expenditures	<u>352,295</u>	<u>360,520</u>
TOTAL ASSETS	<u>19,937,066</u>	<u>18,829,609</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 19,937,066</u>	<u>\$ 18,829,609</u>
LIABILITIES		
Accounts payable	\$ 241,483	\$ 224,024
Accrued wages payable	222,872	241,155
Accrued compensated absences	718,472	660,623
Due to other governmental units	86	286
Due to other authorities	-	250
Customer deposits payable	52,304	43,439
Unearned revenue	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>1,235,217</u>	<u>1,169,777</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	9,862,900	9,318,285
Special assessments	<u>-</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>9,862,900</u>	<u>9,318,285</u>
FUND BALANCE		
Non-spendable	556,979	472,251
Restricted	-	57,500
Assigned	32,438	1,050,205
Unassigned	<u>8,249,532</u>	<u>6,761,591</u>
TOTAL FUND BALANCE	<u>8,838,949</u>	<u>8,341,547</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 19,937,066</u>	<u>\$ 18,829,609</u>

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Property Taxes:				
Real property taxes	\$ 11,149,210	\$ 11,615,761	\$ 466,551	\$ 10,697,724
Personal property taxes	659,980	673,692	13,712	692,598
Interest and penalty	15,000	30,575	15,575	24,108
Administrative collection fees	382,210	422,776	40,566	385,136
Total Property Taxes	12,206,400	12,742,804	536,404	11,799,566
Industrial Facilities Tax Act	-	-	-	19
Marijuana Tax	295,000	295,432	432	207,365
Payments in Lieu of Taxes:				
MSHDA	-	44,638	44,638	41,751
Board of Light and Power	2,500,000	2,257,783	(242,217)	2,413,891
Public Housing Authority	38,680	-	(38,680)	-
Sault Tribe Housing Authority	-	270	270	453
Marquette Area Wastewater Treatment Facility	296,430	249,012	(47,418)	255,948
Grandview	-	-	-	-
Water Supply Fund	674,430	674,435	5	657,396
Sewage Disposal Fund	577,450	577,464	14	563,352
Total Payment in Lieu of Taxes	4,086,990	3,803,602	(283,388)	3,932,791
Federal and State Grants:				
UPSET	16,000	18,644	2,644	16,785
OJP - Bullet Proof Vests Program	-	-	-	397
USDT - SLFRF	-	-	-	24,479
DNR - Snowmobile Grant	2,000	-	(2,000)	2,000
MNRTF - Kids Cove Grant	-	-	-	-
USDOT - Port Infrastructure Development Program	-	61,654	61,654	-
Council for Arts and Culture - State	24,000	-	(24,000)	2,952
Protect MI Pension Grant - State	-	-	-	704,412
MCOLES - Public Safety Assistance Program	-	24,000	24,000	48,000
MEDC - RRC Technical Assistance Program	-	22,500	22,500	7,500
MACC - Art Week Grant	-	17,360	17,360	16,728
HAVA Cares Act - Voting Hardware Grant	-	-	-	9,746
SRT - Body Worn Camera Grant	-	-	-	1,547
Total Federal and State Grants	42,000	144,158	102,158	834,546
State-Shared Revenues:				
Fire protection - State facility	960,000	883,231	(76,769)	962,363
Sales and use tax	2,586,040	2,555,666	(30,374)	2,534,983
Liquor licenses	21,500	29,550	8,050	30,312
Total State-Shared Revenues	3,567,540	3,468,447	(99,093)	3,527,658

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
Intergovernmental Revenues:				
Tribal Revenue Sharing	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
Shared Services	-	-	-	-
Total Intergovernmental Revenues	-	10,000	10,000	10,000
Licenses and Permits:				
Business licenses and permits	40,000	48,320	8,320	51,005
Non-business licenses and permits	37,760	56,877	19,117	53,347
Total Licenses and Permits	77,760	105,197	27,437	104,352
Charges for Services:				
Fees	275,710	357,259	81,549	393,220
Cemetery foundations and grave openings	54,350	57,950	3,600	40,600
Services to other funds	2,362,490	2,384,306	21,816	2,385,993
Total Charges for Services	2,692,550	2,799,515	106,965	2,819,813
Sales	44,020	49,089	5,069	51,619
Use and Admission Fees:				
Community Center use	27,500	34,590	7,090	36,680
Ballfields	12,000	11,693	(307)	9,013
Skiing use/passes	-	243	243	-
Total use and Admission Fees	39,500	46,526	7,026	45,693
Fines and Forfeits	103,700	78,328	(25,372)	132,471
Rentals:				
Land and building rental	71,040	68,585	(2,455)	63,637
Parking rentals - lots	1,550	5,126	3,576	5,295
Equipment rent	46,000	23,014	(22,986)	23,258
Total Rentals	118,590	96,725	(21,865)	92,190
Sale of Capital Assets	120,000	123,875	3,875	115
Contributions from Private Sources	225,500	218,114	(7,386)	91,018
Investment Income	457,250	562,308	105,058	387,399
Reimbursements	138,000	234,992	96,992	120,535
Other revenues	95,890	101,350	5,460	102,280
TOTAL REVENUES	24,310,690	24,880,462	569,772	24,259,430

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
EXPENDITURES:				
General Government:				
City commission	162,590	156,681	5,909	95,588
City manager	599,185	509,222	89,963	660,012
Finance department	484,040	473,744	10,296	491,017
City clerk	391,880	382,081	9,799	350,860
Treasurer	321,280	317,548	3,732	380,573
Assessing department	424,070	401,821	22,249	448,579
Elections	157,150	149,014	8,136	92,899
Building and grounds	328,010	310,704	17,306	275,715
City attorney	315,865	209,468	106,397	269,043
Human resources	473,510	457,784	15,726	508,636
Other general government	126,120	124,724	1,396	823,804
Total General Government	3,783,700	3,492,791	290,909	4,396,726
Public Safety:				
Police	6,031,250	5,906,109	125,141	5,689,882
Fire	4,359,528	4,235,361	124,167	3,616,332
Rental inspector	86,450	83,976	2,474	159,692
Waterfront safety	146,050	145,844	206	61,681
Total Public Safety	10,623,278	10,371,290	251,988	9,527,587
Public Works:				
Department of public works	4,222,310	3,868,450	353,860	3,529,953
Engineering	1,501,768	1,482,028	19,740	1,414,087
Cemetery	278,630	278,574	56	196,361
Total Public Works	6,002,708	5,629,052	373,656	5,140,401
Community and Economic Development:				
Planning and zoning	812,785	732,862	79,923	608,378
Total Community and Economic Development	812,785	732,862	79,923	608,378
Recreation and Culture:				
Parks and recreation department	432,493	400,787	31,706	498,516
Arts and cultural	312,220	300,952	11,268	264,018
Total Recreation and Culture	744,713	701,739	42,974	762,534
TOTAL EXPENDITURES	21,967,184	20,927,734	1,039,450	20,435,626
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,343,506	3,952,728	1,609,222	3,823,804

CITY OF MARQUETTE, MICHIGAN

GENERAL FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OTHER FINANCING SOURCES (USES):				
Transfers in:				
Cemetery Trust Fund	\$ 22,000	\$ 22,331	\$ 331	\$ 11,955
Transfers (out):				
Major Street and Trunkline Fund	(930,150)	(930,129)	21	-
Local Street Fund	(1,054,550)	(849,338)	205,212	(1,331,562)
Construction Fund	(29,000)	-	29,000	-
Public Art Fund	(57,500)	(89,000)	(31,500)	(30,400)
Lakeshore and Lighthouse Park Fund	-	(125,203)	(125,203)	(123,553)
Lakeview Arena Fund	(348,190)	(348,172)	18	(298,971)
Motor Pool Fund	-	-	-	(1,000,000)
Energy Enhancements Fund	(1,111,210)	(781,209)	330,001	(597,795)
High Street Debt Service Fund	(410)	(403)	7	(402)
2012 Capital Improvements Debt Service Fund	-	-	-	-
2014 Capital Improvements Debt Service Fund	(37,370)	(37,368)	2	(37,767)
2016 Capital Improvements Debt Service Fund	(86,140)	(86,137)	3	(85,131)
2017 Capital Improvements Debt Service Fund	(49,980)	(49,970)	10	(50,030)
2018 Capital Improvements Debt Service Fund	(128,400)	(128,400)	-	(132,600)
2019 Capital Improvements Debt Service Fund	(18,830)	(18,825)	5	(14,200)
2020 Capital Improvements Debt Service Fund	(32,600)	(32,600)	-	(33,600)
2021 Capital Improvements Debt Service Fund	(910)	(903)	7	(887)
TOTAL OTHER FINANCING SOURCES (USES)	(3,863,240)	(3,455,326)	407,914	(3,724,943)
CHANGES IN FUND BALANCE	(1,519,734)	497,402	2,017,136	98,861
Fund balance, beginning of year	8,341,547	8,341,547	-	8,242,686
FUND BALANCE, END OF YEAR	\$ 6,821,813	\$ 8,838,949	\$ 2,017,136	\$ 8,341,547

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CITY OF MARQUETTE, MICHIGAN
MAJOR STREET AND TRUNKLINE FUND
COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 1,777,299	\$ 1,560,599
Accounts receivable	-	-
Due from State	340,260	313,731
Prepaid expenditures	-	-
TOTAL ASSETS	2,117,559	1,874,330
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 2,117,559	\$ 1,874,330
LIABILITIES		
Accounts payable	\$ 279,591	\$ 37,037
Accrued wages payable	4,974	4,299
Due to other funds	-	-
TOTAL LIABILITIES	284,565	41,336
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Non-spendable	-	-
Restricted	1,832,994	1,832,994
TOTAL FUND BALANCE	1,832,994	1,832,994
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,117,559	\$ 1,874,330

CITY OF MARQUETTE, MICHIGAN

MAJOR STREET AND TRUNKLINE FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Federal sources	\$ -	\$ -	\$ -	\$ 1,077,829
State sources	2,454,720	2,480,205	25,485	2,053,026
Charges for services	-	-	-	-
Reimbursements	-	16,857	16,857	21,921
Investment income	-	34,715	34,715	30,429
Other revenues	-	-	-	-
TOTAL REVENUES	2,454,720	2,531,777	77,057	3,183,205
EXPENDITURES:				
Public Works:				
Routine maintenance	766,820	691,786	75,034	603,879
Winter maintenance	466,730	359,451	107,279	698,267
State trunkline	41,070	37,355	3,715	37,583
Administration	204,940	204,936	4	200,772
Total Public Works	<u>1,479,560</u>	<u>1,293,528</u>	<u>186,032</u>	<u>1,540,501</u>
Capital Outlay:				
Construction	518,862	518,399	463	461,666
Total Capital Outlay	<u>518,862</u>	<u>518,399</u>	<u>463</u>	<u>461,666</u>
Debt Service:				
Bond issuance costs	-	-	-	-
TOTAL EXPENDITURES	1,998,422	1,811,927	186,495	2,002,167
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	456,298	719,850	263,552	1,181,038
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Refunding bonds	-	-	-	-
Premium on bond issuance	-	-	-	-
Premium on refunded bond issuance	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	930,150	930,129	(21)	-
Transfers (out)	(1,650,310)	(1,649,979)	331	(1,388,843)
TOTAL OTHER FINANCING SOURCES (USES)	(720,160)	(719,850)	310	(1,388,843)
CHANGES IN FUND BALANCE	(263,862)	-	263,862	(207,805)
Fund balance, beginning of year	1,832,994	1,832,994	-	2,040,799
FUND BALANCE, END OF YEAR	\$ 1,569,132	\$ 1,832,994	\$ 263,862	\$ 1,832,994

CITY OF MARQUETTE, MICHIGAN

LOCAL STREET FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 299,860	\$ 495,630
Accounts receivable	-	-
Due from State	119,048	221,737
Prepaid expenditures	-	-
	<hr/>	<hr/>
TOTAL ASSETS	418,908	717,367
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 418,908	\$ 717,367
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	\$ 111,612	\$ 11,029
Accrued wages payable	8,914	7,956
Due to other funds	-	-
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TOTAL LIABILITIES	120,526	18,985
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
FUND BALANCE		
Non-spendable	-	-
Restricted	298,382	698,382
	<hr/>	<hr/>
TOTAL FUND BALANCE	298,382	698,382
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 418,908	\$ 717,367
	<hr/>	<hr/>

CITY OF MARQUETTE, MICHIGAN

LOCAL STREET FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
State sources	\$ 913,390	\$ 1,034,690	\$ 121,300	\$ 928,216
Reimbursements	-	-	-	-
Investment income	-	13,016	13,016	11,434
TOTAL REVENUES	<u>913,390</u>	<u>1,047,706</u>	<u>134,316</u>	<u>939,650</u>
EXPENDITURES:				
Public Works:				
Routine maintenance	972,170	971,650	520	818,239
Winter maintenance	431,570	337,819	93,751	746,452
Sidewalks	93,220	91,887	1,333	96,932
Administration	72,030	72,024	6	70,404
Total Public Works	<u>1,568,990</u>	<u>1,473,380</u>	<u>95,610</u>	<u>1,732,027</u>
Capital Outlay:				
Construction	702,000	701,606	394	675,133
Total Capital Outlay	<u>702,000</u>	<u>701,606</u>	<u>394</u>	<u>675,133</u>
Debt Service:				
Bond issuance costs	-	-	-	-
TOTAL EXPENDITURES	<u>2,270,990</u>	<u>2,174,986</u>	<u>96,004</u>	<u>2,407,160</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,357,600)</u>	<u>(1,127,280)</u>	<u>230,320</u>	<u>(1,467,510)</u>
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Refunding bonds	-	-	-	-
Premium on bond issuance	-	-	-	-
Premium on refunding bond issue	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	2,188,650	1,569,188	(619,462)	1,793,430
Transfers (out)	(842,050)	(841,908)	142	(836,463)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,346,600</u>	<u>727,280</u>	<u>(619,320)</u>	<u>956,967</u>
CHANGES IN FUND BALANCE	<u>(11,000)</u>	<u>(400,000)</u>	<u>(389,000)</u>	<u>(510,543)</u>
Fund balance, beginning of year	698,382	698,382	-	1,208,925
FUND BALANCE, END OF YEAR	<u>\$ 687,382</u>	<u>\$ 298,382</u>	<u>\$ (389,000)</u>	<u>\$ 698,382</u>

CITY OF MARQUETTE, MICHIGAN

CONSTRUCTION FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 2,382,565	\$ 3,735,124
Due from other authorities	1,167,575	44,441
Due from other governments	300,000	819,787
Prepaid expenditures	-	-
	<hr/>	<hr/>
TOTAL ASSETS	3,850,140	4,599,352
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 3,850,140</u>	<u>\$ 4,599,352</u>
	<hr/>	<hr/>
LIABILITIES		
Cash overdraft	\$ -	\$ -
Accounts payable	24,262	826,203
Accrued wages payable	-	-
	<hr/>	<hr/>
TOTAL LIABILITIES	24,262	826,203
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
FUND BALANCE		
Non-spendable	-	-
Assigned	3,825,878	3,773,149
	<hr/>	<hr/>
TOTAL FUND BALANCE	3,825,878	3,773,149
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 3,850,140</u>	<u>\$ 4,599,352</u>

CITY OF MARQUETTE, MICHIGAN

CONSTRUCTION FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023	
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis	
REVENUES:					
State sources	\$ 1,083,750	\$ 300,000	\$ (783,750)	\$ -	
Federal sources	8,074,540	5,293,648	(2,780,892)	\$ 1,931,633	
Investment income	-	30,382	30,382	54,910	
Sale of capital assets	-	-	-	-	
Reimbursements	6,100	12,299	6,199	1,749,169	
Private contributions	1,555,000	1,226,229	(328,771)	-	
Other revenues	124,950	15,000	(109,950)	-	
	TOTAL REVENUES	10,844,340	6,877,558	(3,966,782)	3,735,712
EXPENDITURES:					
Capital Outlay:					
Construction	10,932,240	6,818,729	4,113,511	318,344	
Public Works:					
Other supplies and charges	6,100	6,100	-	1,939,767	
	Total Capital Outlay	10,938,340	6,824,829	4,113,511	2,258,111
	TOTAL EXPENDITURES	10,938,340	6,824,829	4,113,511	2,258,111
	EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(94,000)	52,729	146,729	1,477,601
OTHER FINANCING SOURCES (USES):					
Transfers in	94,000	-	(94,000)	-	
Transfers (out)	-	-	-	-	
	TOTAL OTHER FINANCING SOURCES (USES)	94,000	-	(94,000)	-
	CHANGES IN FUND BALANCE	-	52,729	52,729	1,477,601
Fund balance, beginning of year	3,773,149	3,773,149	-	2,295,548	
	FUND BALANCE, END OF YEAR	\$ 3,773,149	\$ 3,825,878	\$ 52,729	\$ 3,773,149

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CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS

The function of the Special Revenue Funds is to record revenue and expenditures for specific functions or activities within restrictions imposed by City Charter, ordinances, resolutions and/or Federal and State statutes. The modified accrual basis of accounting is used in recording Special Revenue Fund transactions.

PUBLIC ART FUND: The City of Marquette accepts responsibility for developing a public art investment policy to expand the opportunity for its citizens to experience art in public places. The Public Art Fund (PAF) is a dedicated fund to support the inclusion of works of art in public spaces in the City. As a special revenue fund, public art funding is deposited, transferred and used for the acquisition, commissioning, performance, exhibition and cleaning, repair, and restoration of public art.

SANITATION FUND: To account for revenues and expenditures associated with recycling services, waste management services, and landfill usage.

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND: The Local Development Finance Authority is a public authority of the City of Marquette created pursuant to the provisions of the Local Development Financing Act, Public Act 281 of 1986. Act 281 as amended, allows LDFA's to capture tax increments to invest in activities which create and maintain jobs as well as promote growth in the tax base of the City.

PUBLIC EDUCATION GOVERNMENT (PEG) FUND: To account for funds received through cable television franchise agreement that facilitate the broadcasting of government information to the public.

DRUG FORFEITURE FUND: To account for assets seized from activities involved in the violation of controlled substances statutes, Act 135 PA 1985 (MCL 333.7521 through MCL 333.7524a). Authorized expenditures include expenses of seizure, forfeiture and sale of property. The balance remaining must be used to enhance law enforcement efforts.

ROAD MAINTENANCE FUND: Eagle Mine is the owner and developer of a metallic mineral mine facility in Michigamme Township, Marquette County, Michigan. Eagle Mine utilizes certain streets in the City for transportation of its ore. Mining, timber and other trucking in the City requires ongoing repairs, safety modifications and capital improvements to City streets along this route. The parties have reached an agreement whereby Eagle Mine will provide \$500,000 to the City of Marquette for the maintenance expenses incurred, or to be incurred, as a result of the maintenance operations described above as a public benefit, and the City shall allow and not impede access to the route by Eagle Mine trucks.

ROAD SAFETY IMPROVEMENT FUND: Development and maintenance of annual safety plan for the Lundin Trucking Corridor. Coordinate multiple stakeholder interest in planning effort. Ensure planning efforts are implemented along the corridor dependent on funding.

CRIMINAL JUSTICE TRAINING FUND: To account for the funds received from the State of Michigan for the purpose of ongoing training in the police department.

SENIOR SERVICES FUND: A new fund that began July 1, 2009 subsequent to the passing of a millage designation. Activity was previously recorded as "Social Services" in the General fund. To record revenues and expenditures associated with providing social services and homemaker services to senior residents of the community.

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)

OPIOID SETTLEMENT FUND: To account for the funds received from the State of Michigan for opioid remediation as defined in the program.

LAKEVIEW ARENA FUND: To record revenues and expenditures associated with the operation of the Lakeview Arena facility.

DEBT SERVICE FUNDS

The function of the Debt Service Funds is to account for the accumulation of resources and payment of general obligation principal and interest from the governmental resources. The modified accrual basis of accounting is used in recording Debt Service Fund transactions.

HIGH STREET DEBT SERVICE FUND: This fund was established in 2007 to account for the annual payments on the funds received through the State Revolving Loan Fund.

2013 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established to account for the retirement of the Limited Tax General Obligation Bonds, Series 2013. These bonds, totaling \$3,470,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, construction and installation of sanitary sewer lateral replacements, and bridge repairs.

2014 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2014 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2014. These bonds, totaling \$3,620,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, the construction and installation of sanitary sewer lateral replacements, the Carp River sanitary sewer crossing, and improvements to the marina and park systems.

2015 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2015 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2015. These bonds, totaling \$2,250,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, acquisition and construction of park, sewer lift station and marina improvements; acquisition and installation of water membranes for the water supply system; water main improvements; and construction and installation of sanitary sewer lateral replacements and sewer pipe.

2016 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2016 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2016. These bonds, totaling \$9,505,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the construction and installation of sanitary sewer lateral replacements.

2017 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2017 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2017. These bonds, totaling \$12,185,000 were issued for the purpose of paying the costs of certain capital improvements including major street and local street improvements, including related water, sewer and storm water infrastructure improvements; sidewalk extensions and improvements; reconstruction of a pathway bridge; construction and installation of sanitary sewer lateral replacements and sewer pipe; acquisition and installation of boiler replacements at various City buildings, and to refund the 2009 Capital Improvement Bonds.

2018 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2018 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2018. These bonds, totaling \$6,440,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, sidewalk extensions and improvements, Picnic Rocks parking lot & Shiras Park repairs, Presque Isle Band Shell gravel road upgrade and Eagle Drive paving.

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR GOVERNMENTAL FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)

2019 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2019 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2019. These bonds, totaling \$4,565,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and Presque Isle Marina dock improvements.

2020 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2020 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2020. These bonds, totaling \$4,935,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the Lakeshore Blvd Relocation Project.

2021 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2021 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2021. These bonds, totaling \$7,660,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, and the Lakeshore Blvd Relocation Project, and to refund the 2011 and 2012 Capital Improvement Bonds.

2022 CAPITAL IMPROVEMENTS DEBT SERVICE FUND: This fund was established in 2022 to account for the retirement of the Limited Tax General Obligation Bonds, Series 2022. These bonds, totaling \$6,000,000 were issued for the purpose of paying the cost of certain capital improvements including major street and local street improvements, Phase 2 of the Lakeshore Blvd Relocation Project, and Hemlock Park Development.

PERMANENT FUNDS

The function of Permanent Funds is to account for funds where only the interest earnings may be used. The principal cannot be spent. The accrual basis of accounting is used in recording Permanent Fund transactions.

CEMETERY FUND: this fund is used to account for monies received for care of cemetery lots. The principal amount must be maintained intact and invested. Interest earnings are used to offset the City's cost of the cemetery maintenance.

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

September 30, 2024

	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total
ASSETS				
Cash and cash equivalents	\$ 6,764,051	\$ -	\$ 463,127	\$ 7,227,178
Investments	-	-	557,027	557,027
Taxes receivable	14,993	-	-	14,993
Accounts receivable	262,366	-	2,275	264,641
Due from other authorities	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	46,428	-	-	46,428
Prepaid expenditures	32,064	-	-	32,064
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	7,119,902	-	1,022,429	8,142,331
	<hr/>	<hr/>	<hr/>	<hr/>
DEFERRED OUTFLOWS OR RESOURCES	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 7,119,902</u>	<u>\$ -</u>	<u>\$ 1,022,429</u>	<u>\$ 8,142,331</u>
	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES				
Cash overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable	261,750	-	-	261,750
Accrued wages payable	18,427	-	-	18,427
Accrued compensated absences	1,998	-	-	1,998
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TOTAL LIABILITIES	282,175	-	-	282,175
	<hr/>	<hr/>	<hr/>	<hr/>
DEFERRED INFLOWS OR RESOURCES	2,235,388	-	-	2,235,388
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE				
Non-spendable	32,064	-	1,022,429	1,054,493
Restricted	3,300,007	-	-	3,300,007
Committed	32,538	-	-	32,538
Assigned	1,237,730	-	-	1,237,730
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCE	4,602,339	-	1,022,429	5,624,768
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 7,119,902</u>	<u>\$ -</u>	<u>\$ 1,022,429</u>	<u>\$ 8,142,331</u>
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CITY OF MARQUETTE, MICHIGAN

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

	Special Revenue Funds	Debt Service Funds	Permanent Fund	Total
REVENUES:				
Taxes and penalties	\$ 2,172,465	\$ -	\$ -	\$ 2,172,465
Federal sources	40,039	-	-	40,039
State sources	126,900	-	-	126,900
Charge for services	4,502,871	-	29,350	4,532,221
Use and admission fees	650,759	-	-	650,759
Rentals	86,855	-	-	86,855
Licenses and permits	-	-	-	-
Fines and forfeiture	3,012	-	-	3,012
Sales of assets	-	-	-	-
Reimbursements	4,832	-	-	4,832
Investment income	174,151	-	22,331	196,482
Payment in lieu of taxes	-	-	-	-
Private contribution	48,332	-	-	48,332
Intergovernmental revenues	382,699	-	-	382,699
Special assessments	-	-	-	-
Other revenues	65,773	-	-	65,773
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	8,258,688	-	51,681	8,310,369
EXPENDITURES:				
Current operations:				
General government	1,295	-	-	1,295
Public safety	19,868	-	-	19,868
Public works	4,290,543	-	-	4,290,543
Health and welfare	992,598	-	-	992,598
Community and economic development	1,911,667	-	-	1,911,667
Recreation and culture	958,133	-	-	958,133
Capital outlay	380,601	-	-	380,601
Debt service:				
Professional services	-	-	-	-
Principal payments	-	1,956,066	-	1,956,066
Interest and fiscal charges	-	543,423	-	543,423
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	8,554,705	2,499,489	-	11,054,194
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(296,017)	(2,499,489)	51,681	(2,743,825)
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers in	437,172	2,499,489	-	2,936,661
Transfers (out)	(601,872)	-	(22,331)	(624,203)
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TOTAL OTHER FINANCING SOURCES (USES)	(164,700)	2,499,489	(22,331)	2,312,458
CHANGES IN FUND BALANCE	(460,717)	-	29,350	(431,367)
Fund balance, beginning of year	5,063,056	-	993,079	6,056,135
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE, END OF YEAR	\$ 4,602,339	\$ -	\$ 1,022,429	\$ 5,624,768

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

September 30, 2024

	Public Art Fund	Sanitation Fund	Local Development Finance Authority Fund	Public Education Government (PEG) Fund	Drug Forfeiture Fund	Road Maintenance Fund	Road Safety Improvement Fund	Criminal Justice Training Fund	Opioid Settlement Fund	Senior Services Fund	Lakeview Arena Fund	Total
ASSETS												
Cash and cash equivalents	\$ 62,206	\$ 1,091,205	\$ 2,215,323	\$ 14,059	\$ 96,941	\$ 1,432,221	\$ 1,224,958	\$ 12,266	\$ 32,608	\$ 500,002	\$ 82,262	\$ 6,764,051
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-	14,993	-	14,993
Accounts receivable	-	252,748	-	4,918	-	-	-	-	-	-	4,700	262,366
Due from other authorities	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	40,039	-	-	-	-	-	-	6,389	-	-	-	46,428
Prepaid expenditures	-	-	-	-	-	-	-	1,324	-	6,795	23,945	32,064
TOTAL ASSETS	102,245	1,343,953	2,215,323	18,977	96,941	1,432,221	1,224,958	19,979	32,608	521,790	110,907	7,119,902
DEFERRED OUTFLOWS OR RESOURCES	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 102,245	\$ 1,343,953	\$ 2,215,323	\$ 18,977	\$ 96,941	\$ 1,432,221	\$ 1,224,958	\$ 19,979	\$ 32,608	\$ 521,790	\$ 110,907	\$ 7,119,902
LIABILITIES												
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	17,414	191,809	-	-	-	500	-	47	-	5,411	46,569	261,750
Accrued wages payable	-	1,425	-	-	-	-	-	-	-	13,325	3,677	18,427
Accrued compensated absences	-	-	-	-	-	-	-	-	-	-	1,998	1,998
TOTAL LIABILITIES	17,414	193,234	-	-	-	500	-	47	-	18,736	52,244	282,175
DEFERRED INFLOWS OR RESOURCES												
Taxes levied for a subsequent period	-	-	2,041,996	-	-	-	-	-	-	193,392	-	2,235,388
FUND BALANCE												
Non-spendable	-	-	-	-	-	-	-	1,324	-	6,795	23,945	32,064
Restricted	-	-	173,327	18,977	96,941	1,431,721	1,224,958	18,608	32,608	302,867	-	3,300,007
Committed	-	-	-	-	-	-	-	-	-	-	32,538	32,538
Assigned	84,831	1,150,719	-	-	-	-	-	-	-	-	2,180	1,237,730
TOTAL FUND BALANCE	84,831	1,150,719	173,327	18,977	96,941	1,431,721	1,224,958	19,932	32,608	309,662	58,663	4,602,339
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 102,245	\$ 1,343,953	\$ 2,215,323	\$ 18,977	\$ 96,941	\$ 1,432,221	\$ 1,224,958	\$ 19,979	\$ 32,608	\$ 521,790	\$ 110,907	\$ 7,119,902

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

	Public Art Fund	Sanitation Fund	Local Development Finance Authority Fund	Public Education Government (PEG) Fund	Drug Forfeiture Fund	Road Maintenance Fund	Road Safety Improvement Fund	Criminal Justice Training Fund	Opioid Settlement Fund	Senior Services Fund	Lakeview Arena Fund	Total
REVENUES:												
Taxes and penalties	\$ -	\$ -	\$ 1,923,804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 248,661	\$ -	\$ 2,172,465
Federal sources	40,039	-	-	-	-	-	-	-	-	-	-	40,039
State sources	-	12,369	-	-	-	-	-	27,705	-	86,826	-	126,900
Charge for services	-	4,473,537	-	19,903	-	-	-	-	-	-	9,431	4,502,871
Use and admission fees	-	-	-	-	-	-	-	-	-	-	650,759	650,759
Rentals	-	-	-	-	-	-	-	-	-	-	86,855	86,855
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeiture	-	-	-	-	3,012	-	-	-	-	-	-	3,012
Sales of assets	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-	-	4,832	4,832
Investment income	4,151	31,438	18,878	744	3,196	53,554	43,595	111	607	13,682	4,195	174,151
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-	-	-
Private contribution	-	-	-	-	-	-	-	-	-	48,332	-	48,332
Intergovernmental revenues	-	-	-	-	-	-	-	-	-	382,699	-	382,699
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	20,000	10,468	-	-	-	-	-	-	19,581	15,724	-	65,773
TOTAL REVENUES	64,190	4,527,812	1,942,682	20,647	6,208	53,554	43,595	27,816	20,188	795,924	756,072	8,258,688
EXPENDITURES:												
Current operations:												
General government	-	-	-	1,295	-	-	-	-	-	-	-	1,295
Public safety	-	-	-	-	5,121	-	-	14,747	-	-	-	19,868
Public works	-	4,290,543	-	-	-	-	-	-	-	-	-	4,290,543
Health and welfare	-	-	-	-	-	-	-	-	-	992,598	-	992,598
Community and economic development	-	-	1,911,667	-	-	-	-	-	-	-	-	1,911,667
Recreation and culture	159,312	-	-	-	-	-	-	-	-	-	798,821	958,133
Capital outlay	53,094	-	-	-	-	145,232	128,840	-	-	-	53,435	380,601
Debt service:												
Professional services	-	-	-	-	-	-	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	212,406	4,290,543	1,911,667	1,295	5,121	145,232	128,840	14,747	-	992,598	852,256	8,554,705
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(148,216)	237,269	31,015	19,352	1,087	(91,678)	(85,245)	13,069	20,188	(196,674)	(96,184)	(296,017)
OTHER FINANCING SOURCES (USES):												
Bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	89,000	-	-	-	-	-	-	-	-	-	348,172	437,172
Transfers (out)	-	-	-	(18,620)	-	(211,572)	(23,508)	-	-	-	(348,172)	(601,872)
TOTAL OTHER FINANCING SOURCES (USES)	89,000	-	-	(18,620)	-	(211,572)	(23,508)	-	-	-	-	(164,700)
CHANGES IN FUND BALANCE	(59,216)	237,269	31,015	732	1,087	(303,250)	(108,753)	13,069	20,188	(196,674)	(96,184)	(460,717)
Fund balance, beginning of year	144,047	913,450	142,312	18,245	95,854	1,734,971	1,333,711	6,863	12,420	506,336	154,847	5,063,056
FUND BALANCE, END OF YEAR	\$ 84,831	\$ 1,150,719	\$ 173,327	\$ 18,977	\$ 96,941	\$ 1,431,721	\$ 1,224,958	\$ 19,932	\$ 32,608	\$ 309,662	\$ 58,663	\$ 4,602,339

CITY OF MARQUETTE, MICHIGAN

PUBLIC ART FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 62,206	\$ 144,311
Accounts receivable	-	-
Due from other funds	-	-
Due from other governments	<u>40,039</u>	<u>-</u>
TOTAL ASSETS	<u>102,245</u>	<u>144,311</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 102,245</u>	<u>\$ 144,311</u>
LIABILITIES		
Accounts payable	\$ 17,414	\$ 264
Accrued wages payable	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>17,414</u>	<u>264</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Assigned	<u>84,831</u>	<u>144,047</u>
TOTAL FUND BALANCE	<u>84,831</u>	<u>144,047</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 102,245</u>	<u>\$ 144,311</u>

CITY OF MARQUETTE, MICHIGAN

PUBLIC ART FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Federal sources	\$ -	\$ 40,039	\$ 40,039	\$ -
Charges for services	-	-	-	-
Investment income	-	4,151	4,151	3,249
Other revenues	15,000	20,000	5,000	-
TOTAL REVENUES	<u>15,000</u>	<u>64,190</u>	<u>49,190</u>	<u>3,249</u>
EXPENDITURES:				
Recreation and Culture:				
Personnel services	-	-	-	-
Supplies and contractual	146,234	159,312	(13,078)	2,371
Total Recreation and Culture	<u>146,234</u>	<u>159,312</u>	<u>(13,078)</u>	<u>2,371</u>
Capital outlay	73,000	53,094	19,906	7,294
TOTAL EXPENDITURES	<u>219,234</u>	<u>212,406</u>	<u>6,828</u>	<u>9,665</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(204,234)</u>	<u>(148,216)</u>	<u>56,018</u>	<u>(6,416)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	89,000	89,000	-	30,400
TOTAL OTHER FINANCING SOURCES (USES)	<u>89,000</u>	<u>89,000</u>	<u>-</u>	<u>30,400</u>
CHANGES IN FUND BALANCE	<u>(115,234)</u>	<u>(59,216)</u>	<u>56,018</u>	<u>23,984</u>
Fund balance, beginning of year	144,047	144,047	-	120,063
FUND BALANCE, END OF YEAR	<u>\$ 28,813</u>	<u>\$ 84,831</u>	<u>\$ 56,018</u>	<u>\$ 144,047</u>

CITY OF MARQUETTE, MICHIGAN

SANITATION FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 1,091,205	\$ 1,006,808
Accounts receivable	252,748	201,608
Due from State	-	-
TOTAL ASSETS	1,343,953	1,208,416
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,343,953	\$ 1,208,416
LIABILITIES		
Accounts payable	\$ 191,809	\$ 293,729
Accrued wages payable	1,425	1,237
TOTAL LIABILITIES	193,234	294,966
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Assigned	1,150,719	913,450
TOTAL FUND BALANCE	1,150,719	913,450
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,343,953	\$ 1,208,416

CITY OF MARQUETTE, MICHIGAN

SANITATION FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
State sources	\$ -	\$ 12,369	\$ 12,369	\$ -
Charges for services	4,292,080	4,473,537	181,457	2,245,557
Investment income	300	31,438	31,138	15,072
Private contribution	-	-	-	-
Other revenues	-	10,468	10,468	2,272
TOTAL REVENUES	4,292,380	4,527,812	235,432	2,262,901
EXPENDITURES:				
Public Works:				
Personnel services	313,690	311,454	2,236	309,889
Supplies and contractual	3,978,690	3,979,089	(399)	1,865,576
Other supplies and charges	-	-	-	-
Total Public Works	4,292,380	4,290,543	1,837	2,175,465
Capital outlay	-	-	-	39,392
TOTAL EXPENDITURES	4,292,380	4,290,543	1,837	2,214,857
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	237,269	237,269	48,044
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	237,269	237,269	48,044
Fund balance, beginning of year	913,450	913,450	-	865,406
FUND BALANCE, END OF YEAR	\$ 913,450	\$ 1,150,719	\$ 237,269	\$ 913,450

CITY OF MARQUETTE, MICHIGAN

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 2,215,323	\$ 1,748,484
Taxes receivable	-	-
Accounts receivable	-	-
	<hr/>	<hr/>
TOTAL ASSETS	2,215,323	1,748,484
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 2,215,323	\$ 1,748,484
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LIABILITIES		
Accounts payable	\$ -	\$ -
Accrued wages payable	-	-
	<hr/>	<hr/>
TOTAL LIABILITIES	-	-
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	2,041,996	1,606,172
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TOTAL DEFERRED INFLOWS OF RESOURCES	2,041,996	1,606,172
	<hr/>	<hr/>
FUND BALANCE		
Restricted	173,327	142,312
	<hr/>	<hr/>
TOTAL FUND BALANCE	173,327	142,312
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,215,323	\$ 1,748,484
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CITY OF MARQUETTE, MICHIGAN

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Taxes and penalties	\$ 1,912,420	\$ 1,923,804	\$ 11,384	\$ 1,560,182
Investment income	-	18,878	18,878	10,769
Other revenues	-	-	-	-
TOTAL REVENUES	<u>1,912,420</u>	<u>1,942,682</u>	<u>30,262</u>	<u>1,570,951</u>
EXPENDITURES:				
Community and Economic Development:				
Supplies and contractual	<u>1,912,420</u>	<u>1,911,667</u>	<u>753</u>	<u>1,536,217</u>
TOTAL EXPENDITURES	<u>1,912,420</u>	<u>1,911,667</u>	<u>753</u>	<u>1,536,217</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>31,015</u>	<u>31,015</u>	<u>34,734</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>31,015</u>	<u>31,015</u>	<u>34,734</u>
Fund balance, beginning of year	<u>142,312</u>	<u>142,312</u>	<u>-</u>	<u>107,578</u>
FUND BALANCE, END OF YEAR	<u>\$ 142,312</u>	<u>\$ 173,327</u>	<u>\$ 31,015</u>	<u>\$ 142,312</u>

CITY OF MARQUETTE, MICHIGAN

PUBLIC EDUCATION GOVERNMENT (PEG) FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 14,059	\$ 13,002
Accounts receivable	4,918	5,243
Prepaid expenditures	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>18,977</u>	<u>18,245</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 18,977</u>	<u>\$ 18,245</u>
LIABILITIES		
Cash overdraft	\$ -	\$ -
Accounts payable	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	-	-
Restricted	<u>18,977</u>	<u>18,245</u>
TOTAL FUND BALANCE	<u>18,977</u>	<u>18,245</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 18,977</u>	<u>\$ 18,245</u>

CITY OF MARQUETTE, MICHIGAN

PUBLIC EDUCATION GOVERNMENT (PEG) FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Charges for services	\$ 20,800	\$ 19,903	\$ (897)	\$ 21,591
Investment income	220	744	524	529
Other revenues	-	-	-	-
TOTAL REVENUES	<u>21,020</u>	<u>20,647</u>	<u>(373)</u>	<u>22,120</u>
EXPENDITURES:				
General Government:				
Supplies and contractual	3,400	1,295	2,105	1,295
Other supplies and charges	-	-	-	-
Total General Government	<u>3,400</u>	<u>1,295</u>	<u>2,105</u>	<u>1,295</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>3,400</u>	<u>1,295</u>	<u>2,105</u>	<u>1,295</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>17,620</u>	<u>19,352</u>	<u>1,732</u>	<u>20,825</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers (out)	<u>(17,620)</u>	<u>(18,620)</u>	<u>(1,000)</u>	<u>(19,650)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(17,620)</u>	<u>(18,620)</u>	<u>(1,000)</u>	<u>(19,650)</u>
CHANGES IN FUND BALANCE	-	732	732	1,175
Fund balance, beginning of year	<u>18,245</u>	<u>18,245</u>	-	<u>17,070</u>
FUND BALANCE, END OF YEAR	<u>\$ 18,245</u>	<u>\$ 18,977</u>	<u>\$ 732</u>	<u>\$ 18,245</u>

CITY OF MARQUETTE, MICHIGAN

DRUG FORFEITURE FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 96,941	\$ 96,321
Accounts receivable	-	-
	<u>96,941</u>	<u>96,321</u>
TOTAL ASSETS	<u>96,941</u>	<u>96,321</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 96,941</u>	<u>\$ 96,321</u>
LIABILITIES		
Cash overdraft	\$ -	\$ -
Accounts payable	-	467
	<u>-</u>	<u>467</u>
TOTAL LIABILITIES	<u>-</u>	<u>467</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>96,941</u>	<u>95,854</u>
TOTAL FUND BALANCE	<u>96,941</u>	<u>95,854</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 96,941</u>	<u>\$ 96,321</u>

CITY OF MARQUETTE, MICHIGAN

DRUG FORFEITURE FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
Fines and forfeiture	\$ -	\$ 3,012	\$ 3,012	\$ 3,219
Investment income	-	3,196	3,196	2,196
Other revenues	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>6,208</u>	<u>6,208</u>	<u>5,415</u>
EXPENDITURES:				
Public Safety:				
Supplies and contractual	93,000	5,121	87,879	14,096
Other supplies and charges	-	-	-	-
Total Public Safety	<u>93,000</u>	<u>5,121</u>	<u>87,879</u>	<u>14,096</u>
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>93,000</u>	<u>5,121</u>	<u>87,879</u>	<u>14,096</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(93,000)</u>	<u>1,087</u>	<u>94,087</u>	<u>(8,681)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCE	<u>(93,000)</u>	<u>1,087</u>	<u>94,087</u>	<u>(8,681)</u>
Fund balance, beginning of year	95,854	95,854	-	104,535
FUND BALANCE, END OF YEAR	<u>\$ 2,854</u>	<u>\$ 96,941</u>	<u>\$ 94,087</u>	<u>\$ 95,854</u>

CITY OF MARQUETTE, MICHIGAN

ROAD MAINTENANCE FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 1,432,221	\$ 1,734,971
Accounts receivable	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>1,432,221</u>	<u>1,734,971</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,432,221</u>	<u>\$ 1,734,971</u>
LIABILITIES		
Accounts payable	<u>\$ 500</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>500</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>1,431,721</u>	<u>1,734,971</u>
TOTAL FUND BALANCE	<u>1,431,721</u>	<u>1,734,971</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 1,432,221</u>	<u>\$ 1,734,971</u>

CITY OF MARQUETTE, MICHIGAN

ROAD MAINTENANCE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 53,554	\$ 53,554	\$ 38,582
Private contribution	-	-	-	333,333
Other revenues	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>53,554</u>	<u>53,554</u>	<u>371,915</u>
EXPENDITURES:				
Public Works:				
Personnel services	-	-	-	-
Supplies and contractual	-	-	-	-
Total Public Works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	168,293	145,232	23,061	126,467
TOTAL EXPENDITURES	<u>168,293</u>	<u>145,232</u>	<u>23,061</u>	<u>126,467</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(168,293)</u>	<u>(91,678)</u>	<u>76,615</u>	<u>245,448</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	<u>(211,580)</u>	<u>(211,572)</u>	<u>8</u>	<u>(211,896)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(211,580)</u>	<u>(211,572)</u>	<u>8</u>	<u>(211,896)</u>
CHANGES IN FUND BALANCE	<u>(379,873)</u>	<u>(303,250)</u>	<u>76,623</u>	<u>33,552</u>
Fund balance, beginning of year	<u>1,734,971</u>	<u>1,734,971</u>	<u>-</u>	<u>1,701,419</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,355,098</u>	<u>\$ 1,431,721</u>	<u>\$ 76,623</u>	<u>\$ 1,734,971</u>

CITY OF MARQUETTE, MICHIGAN
ROAD SAFETY IMPROVEMENT FUND
COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 1,224,958	\$ 1,333,711
Accounts receivable	-	-
TOTAL ASSETS	1,224,958	1,333,711
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,224,958	\$ 1,333,711
LIABILITIES		
Accounts payable	\$ -	\$ -
TOTAL LIABILITIES	-	-
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Restricted	1,224,958	1,333,711
TOTAL FUND BALANCE	1,224,958	1,333,711
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,224,958	\$ 1,333,711

CITY OF MARQUETTE, MICHIGAN

ROAD SAFETY IMPROVEMENT FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 43,595	\$ 43,595	\$ 29,010
Private contribution	-	-	-	133,333
Other revenues	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>43,595</u>	<u>43,595</u>	<u>162,343</u>
EXPENDITURES:				
Public Works:				
Personnel services	-	-	-	-
Supplies and contractual	-	-	-	-
Total Public Works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	537,000	128,840	408,160	14,244
TOTAL EXPENDITURES	<u>537,000</u>	<u>128,840</u>	<u>408,160</u>	<u>14,244</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(537,000)</u>	<u>(85,245)</u>	<u>451,755</u>	<u>148,099</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(88,510)	(23,508)	65,002	(23,544)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(88,510)</u>	<u>(23,508)</u>	<u>65,002</u>	<u>(23,544)</u>
CHANGES IN FUND BALANCE	<u>(625,510)</u>	<u>(108,753)</u>	<u>516,757</u>	<u>124,555</u>
Fund balance, beginning of year	1,333,711	1,333,711	-	1,209,156
FUND BALANCE, END OF YEAR	<u>\$ 708,201</u>	<u>\$ 1,224,958</u>	<u>\$ 516,757</u>	<u>\$ 1,333,711</u>

CITY OF MARQUETTE, MICHIGAN
CRIMINAL JUSTICE TRAINING FUND
COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 12,266	\$ 596
Due from State	6,389	6,269
Prepaid expenditures	1,324	560
TOTAL ASSETS	19,979	7,425
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 19,979	\$ 7,425
LIABILITIES		
Accounts payable	\$ 47	\$ 562
TOTAL LIABILITIES	47	562
DEFERRED INFLOWS OF RESOURCES	-	-
FUND BALANCE		
Non-spendable	1,324	560
Restricted	18,608	6,303
TOTAL FUND BALANCE	19,932	6,863
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 19,979	\$ 7,425

CITY OF MARQUETTE, MICHIGAN

CRIMINAL JUSTICE TRAINING FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
REVENUES:				
State sources	\$ 20,030	\$ 27,705	\$ 7,675	\$ 11,617
Investment income	-	111	111	10
Other revenues	-	-	-	-
TOTAL REVENUES	<u>20,030</u>	<u>27,816</u>	<u>7,786</u>	<u>11,627</u>
EXPENDITURES:				
Public Safety:				
Supplies and contractual	20,030	14,747	5,283	8,793
Other supplies and charges	-	-	-	-
TOTAL EXPENDITURES	<u>20,030</u>	<u>14,747</u>	<u>5,283</u>	<u>8,793</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>13,069</u>	<u>13,069</u>	<u>2,834</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>13,069</u>	<u>13,069</u>	<u>2,834</u>
Fund balance, beginning of year	6,863	6,863	-	4,029
FUND BALANCE, END OF YEAR	<u>\$ 6,863</u>	<u>\$ 19,932</u>	<u>\$ 13,069</u>	<u>\$ 6,863</u>

CITY OF MARQUETTE, MICHIGAN

OPIOID SETTLEMENT FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 32,608	\$ 12,420
Accounts receivable	-	-
Prepaid expenditures	-	-
	<hr/>	<hr/>
TOTAL ASSETS	32,608	12,420
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 32,608</u>	<u>\$ 12,420</u>
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	\$ -	\$ -
	<hr/>	<hr/>
TOTAL LIABILITIES	-	-
	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES	-	-
	<hr/>	<hr/>
FUND BALANCE		
Non-spendable	-	-
Restricted	32,608	12,420
	<hr/>	<hr/>
TOTAL FUND BALANCE	32,608	12,420
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 32,608</u>	<u>\$ 12,420</u>

CITY OF MARQUETTE, MICHIGAN

OPIOID SETTLEMENT FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ 607	\$ 607	\$ 174
Other revenues	-	19,581	19,581	12,246
TOTAL REVENUES	-	20,188	20,188	12,420
EXPENDITURES:				
Health and Welfare:				
Supplies and contractual	-	-	-	-
Other supplies and charges	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	20,188	20,188	12,420
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
CHANGES IN FUND BALANCE	-	20,188	20,188	12,420
Fund balance, beginning of year	12,420	12,420	-	-
FUND BALANCE, END OF YEAR	<u>\$ 12,420</u>	<u>\$ 32,608</u>	<u>\$ 20,188</u>	<u>\$ 12,420</u>

CITY OF MARQUETTE, MICHIGAN

SENIOR SERVICES FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 500,002	\$ 570,098
Taxes receivable	14,993	11,654
Accounts receivable	-	-
Due from other governments	-	116,678
Prepaid expenditures	<u>6,795</u>	<u>5,584</u>
TOTAL ASSETS	<u>521,790</u>	<u>704,014</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 521,790</u>	<u>\$ 704,014</u>
LIABILITIES		
Accounts payable	\$ 5,411	\$ 4,422
Accrued wages payable	<u>13,325</u>	<u>10,022</u>
TOTAL LIABILITIES	<u>18,736</u>	<u>14,444</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	<u>193,392</u>	<u>183,234</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>193,392</u>	<u>183,234</u>
FUND BALANCE		
Non-spendable	6,795	5,584
Restricted	<u>302,867</u>	<u>500,752</u>
TOTAL FUND BALANCE	<u>309,662</u>	<u>506,336</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 521,790</u>	<u>\$ 704,014</u>

CITY OF MARQUETTE, MICHIGAN

SENIOR SERVICES FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Property Taxes:				
Real property tax	\$ 236,150	\$ 236,150	\$ -	\$ 218,382
Personal property tax	11,990	12,005	15	12,225
Interest and penalty on taxes	-	506	506	417
Administrative collection fees	-	-	-	-
Total Property Taxes	<u>248,140</u>	<u>248,661</u>	<u>521</u>	<u>231,024</u>
Industrial Facilities Tax	-	-	-	-
State sources	86,800	86,826	26	54,489
Investment income	13,000	13,682	682	12,080
Private contribution	55,840	48,332	(7,508)	33,370
Intergovernmental revenues	382,717	382,699	(18)	523,252
Other revenues	14,600	15,724	1,124	7,510
TOTAL REVENUES	<u>801,097</u>	<u>795,924</u>	<u>(5,173)</u>	<u>861,725</u>
EXPENDITURES:				
Health and Welfare:				
State Home Care Service:				
Personnel services	124,310	124,440	(130)	73,016
Supplies and contractual	18,790	17,445	1,345	14,648
Other supplies and charges	-	-	-	-
Total State Home Care Service	<u>143,100</u>	<u>141,885</u>	<u>1,215</u>	<u>87,664</u>
MCCOA - Allocation to Senior Services:				
Personnel services	684,940	679,901	5,039	682,796
Supplies and contractual	150,590	150,870	(280)	135,963
Other supplies and charges	19,450	19,942	(492)	17,457
Total MCCOA - allocation to Senior Services	<u>854,980</u>	<u>850,713</u>	<u>4,267</u>	<u>836,216</u>
TOTAL EXPENDITURES	<u>998,080</u>	<u>992,598</u>	<u>5,482</u>	<u>923,880</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(196,983)</u>	<u>(196,674)</u>	<u>309</u>	<u>(62,155)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCE	<u>(196,983)</u>	<u>(196,674)</u>	<u>309</u>	<u>(62,155)</u>
Fund balance, beginning of year	506,336	506,336	-	568,491
FUND BALANCE, END OF YEAR	<u>\$ 309,353</u>	<u>\$ 309,662</u>	<u>\$ 309</u>	<u>\$ 506,336</u>

CITY OF MARQUETTE, MICHIGAN

LAKEVIEW ARENA FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 82,262	\$ 163,091
Accounts receivable	4,700	12,082
Due from State	-	2,273
Prepaid expenditures	<u>23,945</u>	<u>21,591</u>
TOTAL ASSETS	<u>110,907</u>	<u>199,037</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 110,907</u>	<u>\$ 199,037</u>
LIABILITIES		
Accounts payable	\$ 46,569	\$ 38,449
Accrued wages payable	3,677	3,607
Accrued compensated absences	<u>1,998</u>	<u>2,134</u>
TOTAL LIABILITIES	<u>52,244</u>	<u>44,190</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCE		
Non-spendable	23,945	21,591
Restricted	-	-
Committed	32,538	31,491
Assigned	<u>2,180</u>	<u>101,765</u>
TOTAL FUND BALANCE	<u>58,663</u>	<u>154,847</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 110,907</u>	<u>\$ 199,037</u>

CITY OF MARQUETTE, MICHIGAN

LAKEVIEW ARENA FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
State sources	\$ -	\$ -	\$ -	\$ 26,718
Charges for services	12,000	9,431	(2,569)	9,800
Use and admission fees:				
Ice arena use	456,000	575,089	119,089	520,600
Arena events	77,000	75,670	(1,330)	67,544
Total use and admission fees	<u>533,000</u>	<u>650,759</u>	<u>117,759</u>	<u>588,144</u>
Rentals	74,000	86,855	12,855	85,636
Sale of assets	-	-	-	-
Reimbursements	-	4,832	4,832	10,062
Investment income	-	4,195	4,195	3,317
Other revenues	<u>208,290</u>	<u>-</u>	<u>(208,290)</u>	<u>714</u>
TOTAL REVENUES	<u>827,290</u>	<u>756,072</u>	<u>(71,218)</u>	<u>724,391</u>
EXPENDITURES:				
Recreation and Culture:				
Personnel services	255,520	231,614	23,906	200,335
Supplies and contractual	571,770	567,207	4,563	582,336
Other supplies and charges	-	-	-	-
Total Recreation and Culture	<u>827,290</u>	<u>798,821</u>	<u>28,469</u>	<u>782,671</u>
Capital outlay	<u>-</u>	<u>53,435</u>	<u>(53,435)</u>	<u>7,337</u>
TOTAL EXPENDITURES	<u>827,290</u>	<u>852,256</u>	<u>(24,966)</u>	<u>790,008</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(96,184)</u>	<u>(96,184)</u>	<u>(65,617)</u>
OTHER FINANCING SOURCES (USES):				
Bond issuance	-	-	-	-
Premium on bond issuance	-	-	-	-
Bond issuance expense	-	-	-	-
Transfers in	348,190	348,172	(18)	298,971
Transfers (out)	<u>(348,190)</u>	<u>(348,172)</u>	<u>18</u>	<u>(298,971)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>(96,184)</u>	<u>(96,184)</u>	<u>(65,617)</u>
Fund balance, beginning of year	<u>154,847</u>	<u>154,847</u>	<u>-</u>	<u>220,464</u>
FUND BALANCE, END OF YEAR	<u>\$ 154,847</u>	<u>\$ 58,663</u>	<u>\$ (96,184)</u>	<u>\$ 154,847</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

September 30, 2024

	High Street Fund	2013 Capital Improvements Fund	2014 Capital Improvements Fund	2015 Capital Improvements Fund	2016 Capital Improvements Fund	2017 Capital Improvements Fund	2018 Capital Improvements Fund	2019 Capital Improvements Fund	2020 Capital Improvements Fund	2021 Capital Improvements Fund	2022 Capital Improvements Fund	Total
ASSETS												
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE												
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

	High Street Fund	2013 Capital Improvements Fund	2014 Capital Improvements Fund	2015 Capital Improvements Fund	2016 Capital Improvements Fund	2017 Capital Improvements Fund	2018 Capital Improvements Fund	2019 Capital Improvements Fund	2020 Capital Improvements Fund	2021 Capital Improvements Fund	2022 Capital Improvements Fund	Total
REVENUES:												
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-	-	-	-	-
EXPENDITURES:												
Debt Service:												
Professional services	-	-	-	-	-	-	-	-	-	-	-	-
Principal payments	11,884	75,950	86,400	73,907	234,590	574,620	240,000	100,000	215,000	249,315	94,400	1,956,066
Interest and fiscal changes	998	10,808	25,704	5,832	62,536	128,785	52,000	27,900	68,000	83,063	77,797	543,423
TOTAL EXPENDITURES	12,882	86,758	112,104	79,739	297,126	703,405	292,000	127,900	283,000	332,378	172,197	2,499,489
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,882)	(86,758)	(112,104)	(79,739)	(297,126)	(703,405)	(292,000)	(127,900)	(283,000)	(332,378)	(172,197)	(2,499,489)
OTHER FINANCING SOURCES (USES):												
Transfers in	12,882	86,758	112,104	79,739	297,126	703,405	292,000	127,900	283,000	332,378	172,197	2,499,489
TOTAL OTHER FINANCING SOURCES (USES)	12,882	86,758	112,104	79,739	297,126	703,405	292,000	127,900	283,000	332,378	172,197	2,499,489
CHANGES IN FUND BALANCE	-	-	-	-	-	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

HIGH STREET - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal payments	11,890	11,884	6	11,681
Interest and fiscal charges	1,100	998	102	1,189
TOTAL EXPENDITURES	12,990	12,882	108	12,870
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,990)	(12,882)	(108)	(12,870)
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	410	403	(7)	402
Local Street Fund	12,580	12,479	(101)	12,468
TOTAL OTHER FINANCING SOURCES (USES)	12,990	12,882	(108)	12,870
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

CITY OF MARQUETTE, MICHIGAN

2013 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	75,950	75,950	-	74,400
Interest and fiscal charges	10,820	10,808	12	13,032
TOTAL EXPENDITURES	<u>86,770</u>	<u>86,758</u>	<u>12</u>	<u>87,432</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(86,770)</u>	<u>(86,758)</u>	<u>(12)</u>	<u>(87,432)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	53,180	53,174	(6)	53,587
Local Street Fund	33,590	33,584	(6)	33,845
TOTAL OTHER FINANCING SOURCES (USES)	<u>86,770</u>	<u>86,758</u>	<u>(12)</u>	<u>87,432</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2014 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	86,400	86,400	-	84,600
Interest and fiscal charges	25,720	25,704	16	28,700
TOTAL EXPENDITURES	<u>112,120</u>	<u>112,104</u>	<u>16</u>	<u>113,300</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(112,120)</u>	<u>(112,104)</u>	<u>(16)</u>	<u>(113,300)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	37,370	37,368	(2)	37,767
Major Street and Trunkline Fund	24,920	24,912	(8)	25,177
Local Street Fund	46,710	46,710	-	47,209
Lakeview Arena Fund	3,120	3,114	(6)	3,147
TOTAL OTHER FINANCING SOURCES (USES)	<u>112,120</u>	<u>112,104</u>	<u>(16)</u>	<u>113,300</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2015 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	73,910	73,907	3	72,307
Interest and fiscal charges	5,840	5,832	8	7,696
TOTAL EXPENDITURES	<u>79,750</u>	<u>79,739</u>	<u>11</u>	<u>80,003</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(79,750)</u>	<u>(79,739)</u>	<u>(11)</u>	<u>(80,003)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	20,310	20,305	(5)	20,371
Local Street Fund	59,440	59,434	(6)	59,632
TOTAL OTHER FINANCING SOURCES (USES)	<u>79,750</u>	<u>79,739</u>	<u>(11)</u>	<u>80,003</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2016 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	234,590	234,590	-	220,498
Interest and fiscal charges	62,550	62,536	14	73,561
TOTAL EXPENDITURES	<u>297,140</u>	<u>297,126</u>	<u>14</u>	<u>294,059</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(297,140)</u>	<u>(297,126)</u>	<u>(14)</u>	<u>(294,059)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	86,140	86,137	(3)	85,131
Major Street and Trunkline Fund	71,040	71,036	(4)	70,190
Local Street Fund	139,960	139,953	(7)	138,738
TOTAL OTHER FINANCING SOURCES (USES)	<u>297,140</u>	<u>297,126</u>	<u>(14)</u>	<u>294,059</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2017 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	574,620	574,620	-	551,960
Interest and fiscal charges	128,810	128,785	25	150,864
TOTAL EXPENDITURES	<u>703,430</u>	<u>703,405</u>	<u>25</u>	<u>702,824</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(703,430)</u>	<u>(703,405)</u>	<u>(25)</u>	<u>(702,824)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	49,970	49,970	-	50,030
Major Street and Trunkline Fund	197,080	197,077	(3)	196,664
Local Street Fund	106,830	106,826	(4)	106,672
Road Maintenance Fund	211,580	211,572	(8)	211,896
Road Safety Fund	23,510	23,508	(2)	23,544
Lakeview Arena Fund	114,460	114,452	(8)	114,018
TOTAL OTHER FINANCING SOURCES (USES)	<u>703,430</u>	<u>703,405</u>	<u>(25)</u>	<u>702,824</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2018 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	240,000	240,000	-	230,000
Interest and fiscal charges	52,000	52,000	-	61,200
TOTAL EXPENDITURES	<u>292,000</u>	<u>292,000</u>	<u>-</u>	<u>291,200</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(292,000)</u>	<u>(292,000)</u>	<u>-</u>	<u>(291,200)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	128,400	128,400	-	132,600
Major Street and Trunkline Fund	97,000	97,000	-	95,000
Local Street Fund	66,600	66,600	-	63,600
TOTAL OTHER FINANCING SOURCES (USES)	<u>292,000</u>	<u>292,000</u>	<u>-</u>	<u>291,200</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2019 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	100,000	100,000	-	90,000
Interest and fiscal charges	27,910	27,900	10	30,750
TOTAL EXPENDITURES	<u>127,910</u>	<u>127,900</u>	<u>10</u>	<u>120,750</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(127,910)</u>	<u>(127,900)</u>	<u>(10)</u>	<u>(120,750)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	18,830	18,825	(5)	14,200
Major Street and Trunkline Fund	64,550	64,550	-	66,050
Local Street Fund	44,530	44,525	(5)	40,500
TOTAL OTHER FINANCING SOURCES (USES)	<u>127,910</u>	<u>127,900</u>	<u>(10)</u>	<u>120,750</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2020 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	215,000	215,000	-	210,000
Interest and fiscal charges	68,000	68,000	-	76,400
TOTAL EXPENDITURES	<u>283,000</u>	<u>283,000</u>	<u>-</u>	<u>286,400</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(283,000)</u>	<u>(283,000)</u>	<u>-</u>	<u>(286,400)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	32,600	32,600	-	33,600
Major Street and Trunkline Fund	137,400	137,400	-	136,400
Local Street Fund	92,800	92,800	-	95,600
Lakeview Arena Fund	20,200	20,200	-	20,800
TOTAL OTHER FINANCING SOURCES (USES)	<u>283,000</u>	<u>283,000</u>	<u>-</u>	<u>286,400</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2021 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	249,320	249,315	5	239,120
Interest and fiscal charges	83,070	83,063	7	92,627
TOTAL EXPENDITURES	<u>332,390</u>	<u>332,378</u>	<u>12</u>	<u>331,747</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(332,390)</u>	<u>(332,378)</u>	<u>(12)</u>	<u>(331,747)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
General Fund	910	903	(7)	887
Major Street and Trunkline Fund	140,910	140,909	(1)	140,720
Local Street Fund	190,570	190,566	(4)	190,140
TOTAL OTHER FINANCING SOURCES (USES)	<u>332,390</u>	<u>332,378</u>	<u>(12)</u>	<u>331,747</u>
CHANGES IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MARQUETTE, MICHIGAN

2022 CAPITAL IMPROVEMENTS - DEBT SERVICE FUND

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

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
REVENUES:				
Investment income	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Debt Service:				
Principal payments	94,400	94,400	-	113,600
Interest and fiscal charges	77,800	77,797	3	57,275
TOTAL EXPENDITURES	<u>172,200</u>	<u>172,197</u>	<u>3</u>	<u>170,875</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(172,200)</u>	<u>(172,197)</u>	<u>(3)</u>	<u>(170,875)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in:				
Major Street and Trunkline Fund	123,770	123,767	(3)	122,816
Local Street Fund	48,430	48,430	-	48,059
TOTAL OTHER FINANCING SOURCES (USES)	<u>172,200</u>	<u>172,197</u>	<u>(3)</u>	<u>170,875</u>
CHANGES IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF MARQUETTE, MICHIGAN

CEMETERY FUND

COMPARATIVE BALANCE SHEET

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 463,127	\$ 433,349
Investments	557,027	549,880
Accounts receivable	<u>2,275</u>	<u>9,850</u>
TOTAL ASSETS	<u>\$ 1,022,429</u>	<u>\$ 993,079</u>
FUND BALANCE		
Non-spendable	<u>\$ 1,022,429</u>	<u>\$ 993,079</u>

CITY OF MARQUETTE, MICHIGAN

CEMETERY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	<u>2024</u>	<u>2023</u>
REVENUES:		
Charges for services	\$ 29,350	\$ 33,475
Investment income	<u>22,331</u>	<u>11,955</u>
TOTAL REVENUES	<u>51,681</u>	<u>45,430</u>
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers (out)	<u>(22,331)</u>	<u>(11,955)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(22,331)</u>	<u>(11,955)</u>
CHANGES IN FUND BALANCE	29,350	33,475
Fund balance, beginning of year	<u>993,079</u>	<u>959,604</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 1,022,429</u></u>	<u><u>\$ 993,079</u></u>

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CITY OF MARQUETTE, MICHIGAN
ENTERPRISE FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of the Enterprise Funds is to record the financing, acquisition, operation and maintenance of City activities that are predominantly self-supporting from user charges.

The accrual basis of accounting is used in recording Enterprise Fund transactions.

The Major Enterprise Funds of the City are the Water Supply Fund, the Sewage Disposal Fund, and the Stormwater Utility Fund. The Non-major Enterprise Funds of the City are the Tourist Park Fund, Lakeshore and Lighthouse Park Fund, Fuel System Fund, and the Marina Funds.

WATER SUPPLY FUND: To account for water treatment and distribution activities.

SEWAGE DISPOSAL FUND: To account for sewage disposal and sanitary sewer operations.

STORMWATER UTILITY FUND: To account for the management of stormwater related activities including billing, maintenance, and construction.

TOURIST PARK FUND: To account for the activity at the City operated camping and recreational park.

LAKESHORE and LIGHTHOUSE PARK FUND: To account for the revenue generated through rental of the Lakeshore property, the Captain's House, Barracks and revenue sharing with the Marquette Maritime Museum tours of the Lighthouse.

FUEL SYSTEM FUND: To account for the operation, maintenance and repair of the City fuel depot.

MARINA FUNDS: To account for activity at the City operated marinas.

CITY OF MARQUETTE, MICHIGAN
WATER SUPPLY FUND
COMPARATIVE STATEMENT OF NET POSITION
September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,297,743	\$ 1,627,673
Accounts receivable	988,608	832,789
Special assessments receivable	2,341	2,341
Due from other governments	242,608	3,749
Prepaid expense	63,706	53,710
TOTAL CURRENT ASSETS	2,595,006	2,520,262
Non-current Assets		
Restricted Assets:		
OPEB Reserve	62,925	89,341
Compensated absences reserve	225,011	250,085
Total Restricted Assets	287,936	339,426
Land and other non-depreciable assets	17,725	17,725
Construction in progress	963,564	20,729
Other capital assets, net of depreciation	22,475,494	23,554,840
TOTAL NON-CURRENT ASSETS	23,744,719	23,932,720
TOTAL ASSETS	26,339,725	26,452,982
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	28,183	52,068
Deferred outflows related to pension	438,183	800,108
Deferred outflows related to OPEB	-	2,721
TOTAL DEFERRED OUTFLOWS OF RESOURCES	466,366	854,897
LIABILITIES		
Current Liabilities:		
Accounts payable	180,182	94,735
Accrued wages payable	25,887	27,686
Customer deposits payable	-	-
Accrued interest payable	86,419	103,685
Current portion of long-term debt	976,594	1,197,673
TOTAL CURRENT LIABILITIES	1,269,082	1,423,779
Non-current Liabilities:		
Compensated absences	225,011	250,085
Other post-employment benefits (OPEB)	62,925	89,341
Net pension liability	3,268,629	3,816,900
Bonds payable	4,532,867	5,434,461
Loan payable	479,840	554,840
Unamortized bond premium	535,318	639,829
TOTAL NON-CURRENT LIABILITIES	9,104,590	10,785,456
TOTAL LIABILITIES	10,373,672	12,209,235
DEFERRED INFLOWS OF RESOURCES		
Special assessments	2,341	2,341
Deferred inflows related to pension	133,165	25,107
Deferred inflows related to OPEB	23,009	47,853
TOTAL DEFERRED INFLOWS OF RESOURCES	158,515	75,301
NET POSITION		
Net investment in capital assets	17,205,846	16,653,801
Restricted for:		
Capital outlay	245,499	835,242
Unrestricted	(1,177,441)	(2,465,700)
TOTAL NET POSITION	\$ 16,273,904	\$ 15,023,343

CITY OF MARQUETTE, MICHIGAN

WATER SUPPLY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 4,391,500	\$ 4,620,754	\$ 229,254	\$ 4,495,231
Public authorities	119,840	129,935	10,095	128,087
Non-tax customers	1,577,300	1,698,224	120,924	1,498,568
City departments	160,500	143,780	(16,720)	133,416
Charges for services	-	29,335	29,335	19,863
Reimbursements	-	4,285	4,285	3,582
Other revenues	20,100	64,322	44,222	54,487
TOTAL OPERATING REVENUES	6,269,240	6,690,635	421,395	6,333,234
OPERATING EXPENSES:				
Personnel services	2,127,540	2,020,351	107,189	1,979,319
Supplies and contractual	1,276,257	1,075,067	201,190	1,115,577
Capital outlay	-	-	-	-
Provision for depreciation	1,666,900	1,608,864	58,036	1,604,289
Other supplies and charges	674,440	674,436	4	657,396
TOTAL OPERATING EXPENSES	5,745,137	5,378,718	366,419	5,356,581
OPERATING INCOME (LOSS)	524,103	1,311,917	787,814	976,653
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	56,569	56,569	40,796
Interest expense	(263,780)	(166,695)	97,085	(212,664)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(263,780)	(110,126)	153,654	(171,868)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	260,323	1,201,791	941,468	804,785
Federal grant - capital grant	-	245,084	245,084	133,708
State grant - capital grant	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(196,320)	(196,314)	6	(150,223)
CHANGE IN NET POSITION	64,003	1,250,561	1,186,558	788,270
Net position, beginning of year	15,023,343	15,023,343	-	14,235,073
NET POSITION, END OF YEAR	\$ 15,087,346	\$ 16,273,904	\$ 1,186,558	\$ 15,023,343

CITY OF MARQUETTE, MICHIGAN

SEWAGE DISPOSAL FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,665,690	\$ 3,733,631
Accounts receivable	1,108,410	1,025,046
Special assessments receivable	2,341	2,341
Due from State	-	-
Inventory	42,954	40,186
Prepaid expense	51,685	50,308
TOTAL CURRENT ASSETS	4,871,080	4,851,512
Non-current Assets		
Restricted Assets:		
OPEB Reserve	44,380	63,012
Compensated absences reserve	72,692	68,784
Total Restricted Assets	117,072	131,796
Investment in Wastewater Facility	4,713,128	4,453,432
Land and other non-depreciable assets	20,594	20,594
Construction in progress	1,111,069	2,193
Other capital assets, net of depreciation	19,308,259	20,178,742
TOTAL NON-CURRENT ASSETS	25,270,122	24,786,757
TOTAL ASSETS	30,141,202	29,638,269
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	19,366	32,698
Deferred outflows related to pension	252,560	395,014
Deferred outflows related to OPEB	-	1,919
TOTAL DEFERRED OUTFLOWS OF RESOURCES	271,926	429,631
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	1,397,888	377,815
Accrued wages payable	9,941	11,516
Customer deposits payable	-	-
Accrued interest payable	103,703	121,280
Current portion of long-term debt	1,100,554	1,397,370
TOTAL CURRENT LIABILITIES	2,612,086	1,907,981
Non-current Liabilities:		
Compensated absences	72,692	68,784
Other post-employment benefits (OPEB)	44,380	63,012
Net pension liability	1,988,239	2,204,039
Long term payable to other authorities	202,006	25,096
Bonds payable	5,238,320	6,258,874
Loan payable	447,484	527,484
Unamortized bond premium	612,689	724,336
TOTAL NON-CURRENT LIABILITIES	8,605,810	9,871,625
TOTAL LIABILITIES	11,217,896	11,779,606
DEFERRED INFLOWS OF RESOURCES		
Special assessments	2,341	2,341
Deferred inflows related to pension	87,817	45,285
Deferred inflows related to OPEB	16,228	33,750
TOTAL DEFERRED INFLOWS OF RESOURCES	106,386	81,376
NET POSITION		
Net investment in capital assets	13,303,795	12,156,023
Restricted for:		
Capital outlay	243,554	829,860
Unrestricted	5,541,497	5,221,035
TOTAL NET POSITION	\$ 19,088,846	\$ 18,206,918

CITY OF MARQUETTE, MICHIGAN

SEWAGE DISPOSAL FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 6,085,400	\$ 6,044,484	\$ (40,916)	\$ 6,128,187
Public authorities	161,200	181,234	20,034	168,524
Non-tax customers	1,870,100	2,083,788	213,688	1,777,203
City departments	141,400	67,992	(73,408)	89,690
Charges for services	-	9,920	9,920	6,538
Rentals	-	1,000	1,000	1,000
Reimbursements	-	3,777	3,777	4,230
Other revenues	-	10,910	10,910	13,668
TOTAL OPERATING REVENUES	8,258,100	8,403,105	145,005	8,189,040
OPERATING EXPENSES:				
Personnel services	836,450	823,857	12,593	766,077
Supplies and contractual	4,201,100	3,858,582	342,518	3,012,873
Capital outlay	-	-	-	-
Provision for depreciation	1,339,910	1,326,662	13,248	1,286,731
Other supplies and charges	577,460	577,464	(4)	563,352
TOTAL OPERATING EXPENSES	6,954,920	6,586,565	368,355	5,629,033
OPERATING INCOME (LOSS)	1,303,180	1,816,540	513,360	2,560,007
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	115,219	115,219	68,399
Interest expense	(309,180)	(187,907)	121,273	(239,022)
Operating gain from Marquette Area Wastewater Treatment Facility	-	82,786	82,786	1,595,459
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(309,180)	10,098	319,278	1,424,836
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	994,000	1,826,638	832,638	3,984,843
Federal grant - capital grant	-	-	-	85,092
State grant - capital grant	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(160,420)	(160,412)	8	(122,750)
CHANGE IN NET POSITION	833,580	1,666,226	832,646	3,947,185
Net position, beginning of year, as previously presented	18,206,918	18,206,918	-	14,259,733
Error correction	(784,298)	(784,298)	-	-
Net position, beginning of year, as restated	17,422,620	17,422,620	-	14,259,733
NET POSITION, END OF YEAR	\$ 18,256,200	\$ 19,088,846	\$ 832,646	\$ 18,206,918

CITY OF MARQUETTE, MICHIGAN

STORMWATER UTILITY FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,805,153	\$ 4,009,767
Accounts receivable	106,508	94,761
Due from other governments	305,963	-
Inventory	-	-
Prepaid expense	<u>44</u>	<u>51</u>
TOTAL CURRENT ASSETS	<u>4,217,668</u>	<u>4,104,579</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	28,827	28,928
Total Restricted Assets	<u>28,827</u>	<u>28,928</u>
Construction in progress	726,447	50,320
Other capital assets, net of depreciation	<u>13,189,270</u>	<u>12,797,390</u>
TOTAL NON-CURRENT ASSETS	<u>13,944,544</u>	<u>12,876,638</u>
TOTAL ASSETS	<u>18,162,212</u>	<u>16,981,217</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	<u>20,210</u>	<u>27,196</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>20,210</u>	<u>27,196</u>
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	515,968	48,997
Accrued wages payable	5,889	2,579
Accrued interest payable	134,778	150,377
Current portion of long-term debt	<u>960,796</u>	<u>956,027</u>
TOTAL CURRENT LIABILITIES	<u>1,617,431</u>	<u>1,157,980</u>
Non-current Liabilities:		
Compensated absences	28,827	28,928
Bonds payable	7,105,432	8,066,228
Unamortized bond premium	<u>875,606</u>	<u>996,568</u>
TOTAL NON-CURRENT LIABILITIES	<u>8,009,865</u>	<u>9,091,724</u>
TOTAL LIABILITIES	<u>9,627,296</u>	<u>10,249,704</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	10,089,113	8,282,474
Restricted for:		
Capital outlay	5,095,020	5,426,391
Unrestricted	<u>(6,629,007)</u>	<u>(6,950,156)</u>
TOTAL NET POSITION	<u>\$ 8,555,126</u>	<u>\$ 6,758,709</u>

CITY OF MARQUETTE, MICHIGAN

STORMWATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
General customers	\$ 1,393,850	\$ 1,452,533	\$ 58,683	\$ 1,267,621
Public authorities	66,770	89,389	22,619	58,336
Non-tax customers	389,590	428,765	39,175	371,143
City departments	756,070	757,567	1,497	662,558
Reimbursements	-	-	-	-
Other revenues	-	2,984	2,984	2,452
TOTAL OPERATING REVENUES	2,606,280	2,731,238	124,958	2,362,110
OPERATING EXPENSES:				
Routine Maintenance and Administration:				
Personnel services	253,350	250,960	2,390	248,935
Supplies and contractual	249,590	205,143	44,447	200,703
Capital outlay	-	-	-	-
Provision for depreciation	1,308,560	1,122,051	186,509	1,101,743
Other supplies and charges	-	-	-	-
TOTAL OPERATING EXPENSES	1,811,500	1,578,154	233,346	1,551,381
OPERATING INCOME (LOSS)	794,780	1,153,084	358,304	810,729
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	70,159	70,159	54,644
Interest expense	(363,270)	(233,626)	129,644	(287,066)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(363,270)	(163,467)	199,803	(232,422)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	431,510	989,617	558,107	578,307
Federal grant - capital grant	-	806,800	806,800	127,638
State grant - capital grant	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
CHANGE IN NET POSITION	431,510	1,796,417	1,364,907	705,945
Net position, beginning of year	6,758,709	6,758,709	-	6,052,764
NET POSITION, END OF YEAR	\$ 7,190,219	\$ 8,555,126	\$ 1,364,907	\$ 6,758,709

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF NET POSITION

September 30, 2024

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,581,830	\$ 71,698	\$ 88,678	\$ 352,303	\$ 2,094,509
Due from State	-	-	-	663	663
Accounts receivable	206	-	16,145	5,122	21,473
Due from local units	-	-	567	-	567
Inventory	-	-	36,472	17,889	54,361
Prepaid expense	482	211	-	5,647	6,340
TOTAL CURRENT ASSETS	1,582,518	71,909	141,862	381,624	2,177,913
Non-current Assets:					
Restricted Assets:					
Replacement Maintenance Fund	-	-	-	40,000	40,000
Compensated absences reserve	626	-	-	-	626
Total Restricted Assets	626	-	-	40,000	40,626
Other capital assets, net of depreciation	268,636	1,046,839	185,211	2,871,503	4,372,189
Construction in progress	131,845	-	-	-	131,845
TOTAL NON-CURRENT ASSETS	401,107	1,046,839	185,211	2,911,503	4,544,660
TOTAL ASSETS	1,983,625	1,118,748	327,073	3,293,127	6,722,573
DEFERRED OUTFLOWS OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current Liabilities:					
Cash overdraft	-	-	-	-	-
Accounts payable	73,737	1,131	-	10,738	85,606
Accrued wages payable	3,102	37	-	2,196	5,335
Customer deposits payable	-	-	-	15,475	15,475
Accrued interest payable	-	6,909	-	8,833	15,742
Current portion of long-term debt	-	105,000	-	80,000	185,000
TOTAL CURRENT LIABILITIES	76,839	113,077	-	117,242	307,158
Non-current Liabilities:					
Compensated absences	626	-	-	-	626
Bonds payable	-	345,000	-	505,754	850,754
TOTAL NON-CURRENT LIABILITIES	626	345,000	-	505,754	851,380
TOTAL LIABILITIES	77,465	458,077	-	622,996	1,158,538
DEFERRED INFLOWS OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	400,481	748,951	185,211	2,285,749	3,620,392
Restricted for:					
Capital outlay	-	152,112	-	-	152,112
Unrestricted	1,505,679	(240,392)	141,862	384,382	1,791,531
TOTAL NET POSITION	\$ 1,906,160	\$ 660,671	\$ 327,073	\$ 2,670,131	\$ 5,564,035

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2024

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
OPERATING REVENUES:					
Charges for services	\$ 25,705	\$ 15,474	\$ -	\$ 8,820	\$ 49,999
Sales	28,289	-	370,996	164,937	564,222
Use and admission fees	619,538	23,634	-	48,497	691,669
Rentals	-	-	-	352,974	352,974
Fines and forfeiture	-	-	-	950	950
Reimbursements	384	28,677	-	1,339	30,400
Other revenues	-	-	29,333	3,267	32,600
TOTAL OPERATING REVENUES	673,916	67,785	400,329	580,784	1,722,814
OPERATING EXPENSES:					
Personnel services	144,876	1,820	-	97,723	244,419
Supplies and contractual	171,071	17,255	391,325	318,388	898,039
Capital outlay	-	4,388	-	-	4,388
Provision for depreciation	16,907	50,415	15,434	183,430	266,186
Other supplies and charges	-	-	-	-	-
TOTAL OPERATING EXPENSES	332,854	73,878	406,759	599,541	1,413,032
OPERATING INCOME (LOSS)	341,062	(6,093)	(6,430)	(18,757)	309,782
NON-OPERATING REVENUES (EXPENSES):					
Investment income	45,493	1,894	3,806	31,646	82,839
Interest expense	-	(18,694)	-	(12,095)	(30,789)
Bond issuance expense	-	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	45,493	(16,800)	3,806	19,551	52,050
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	386,555	(22,893)	(2,624)	794	361,832
Federal grant - capital grant	-	-	-	-	-
State grant - capital grant	-	-	-	-	-
Contributed capital	-	-	-	-	-
Transfers in	-	125,203	-	-	125,203
Transfers (out)	(11,743)	-	-	(18,048)	(29,791)
CHANGE IN NET POSITION	374,812	102,310	(2,624)	(17,254)	457,244
Net position, beginning of year	1,531,348	558,361	329,697	2,687,385	5,106,791
NET POSITION, END OF YEAR	\$ 1,906,160	\$ 660,671	\$ 327,073	\$ 2,670,131	\$ 5,564,035

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CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2024

	Tourist Park Fund	Lakeshore and Lighthouse Park Fund	Fuel System Fund	Marinas Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from fees and charges for services	\$ 26,200	\$ 48,800	\$ -	\$ 9,289	\$ 84,289
Other operating revenues	648,211	28,677	405,332	830,989	1,913,209
Cash payments to employees for services	(144,373)	(1,783)	-	(97,073)	(243,229)
Cash payments to suppliers for goods and services	(111,227)	(21,718)	(392,629)	(318,243)	(843,817)
NET CASH PROVIDED BY OPERATING ACTIVITIES	418,811	53,976	12,703	424,962	910,452
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Increase (decrease) in cash overdraft	-	-	-	-	-
Transfers in	-	125,203	-	-	125,203
Transfers (out)	(11,743)	-	-	(18,048)	(29,791)
State and Federal grants	-	-	-	-	-
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	(11,743)	125,203	-	(18,048)	95,412
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal payments on bonds	-	(105,000)	-	(75,000)	(180,000)
Interest paid on bonds	-	(20,203)	-	(22,325)	(42,528)
Proceeds from issuance of bonds	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Cash payments for bond issuance expenses	-	-	-	-	-
Cash payments for capital assets	(99,833)	(44,556)	-	-	(144,389)
State and Federal grants	-	-	-	-	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(99,833)	(169,759)	-	(97,325)	(366,917)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	45,493	1,894	3,806	31,646	82,839
(Increase) decrease in restricted assets:					
Replacement maintenance reserve	-	-	-	-	-
Compensated absences reserve	(360)	-	-	-	(360)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	45,133	1,894	3,806	31,646	82,479
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	352,368	11,314	16,509	341,235	721,426
Cash and cash equivalents, beginning of year	1,229,462	60,384	72,169	11,068	1,373,083
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,581,830	\$ 71,698	\$ 88,678	\$ 352,303	\$ 2,094,509
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Capital distribution	\$ -	\$ -	\$ -	\$ -	\$ -
Capital contribution	-	-	-	-	-
TOTAL NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income	\$ 341,062	\$ (6,093)	\$ (6,430)	\$ (18,757)	\$ 309,782
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	16,907	50,415	15,434	183,430	266,186
Changes in assets and liabilities:					
(Increase) decrease in due from State	-	-	-	259,025	259,025
(Increase) decrease in accounts receivable	495	9,692	4,784	439	15,410
(Increase) decrease in due from local units	-	-	219	-	219
(Increase) decrease in inventory	-	-	25,282	4,259	29,541
(Increase) decrease in prepaid expenses	38	(36)	-	(94)	(92)
Increase (decrease) in accounts payable	59,806	(39)	(26,586)	(4,020)	29,161
Increase (decrease) in accrued wages payable	143	37	-	650	830
Increase (decrease) in customer deposits payable	-	-	-	30	30
Increase (decrease) in compensated absences	360	-	-	-	360
NET ADJUSTMENTS	77,749	60,069	19,133	443,719	600,670
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 418,811	\$ 53,976	\$ 12,703	\$ 424,962	\$ 910,452

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - TOURIST PARK FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,581,830	\$ 1,229,462
Accounts receivable	206	701
Due from local units	-	-
Inventory	-	-
Prepaid expense	<u>482</u>	<u>520</u>
TOTAL CURRENT ASSETS	<u>1,582,518</u>	<u>1,230,683</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	<u>626</u>	<u>266</u>
Total Restricted Assets	<u>626</u>	<u>266</u>
Other capital assets, net of depreciation	268,636	285,543
Construction in progress	<u>131,845</u>	<u>32,012</u>
TOTAL NON-CURRENT ASSETS	<u>401,107</u>	<u>317,821</u>
TOTAL ASSETS	<u>1,983,625</u>	<u>1,548,504</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	73,737	13,931
Accrued wages payable	<u>3,102</u>	<u>2,959</u>
TOTAL CURRENT LIABILITIES	<u>76,839</u>	<u>16,890</u>
Non-current Liabilities:		
Compensated absences	<u>626</u>	<u>266</u>
TOTAL NON-CURRENT LIABILITIES	<u>626</u>	<u>266</u>
TOTAL LIABILITIES	<u>77,465</u>	<u>17,156</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
NET POSITION		
Net investment in capital assets	400,481	317,555
Restricted for:		
Capital outlay	-	-
Unrestricted	<u>1,505,679</u>	<u>1,213,793</u>
TOTAL NET POSITION	<u>\$ 1,906,160</u>	<u>\$ 1,531,348</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - TOURIST PARK FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 20,000	\$ 25,705	\$ 5,705	\$ 25,470
Sales	28,000	28,289	289	32,143
Use and admission fees	600,000	619,538	19,538	576,846
Reimbursements	-	384	384	743
Other revenues	-	-	-	262
TOTAL OPERATING REVENUES	648,000	673,916	25,916	635,464
OPERATING EXPENSES:				
Recreation and Culture:				
Personnel services	175,850	144,876	30,974	117,330
Supplies and contractual	444,150	171,071	273,079	202,389
Other supplies and charges	-	-	-	-
Capital outlay	-	-	-	-
Provision for depreciation	16,250	16,907	(657)	16,240
TOTAL OPERATING EXPENSES	636,250	332,854	303,396	335,959
OPERATING INCOME (LOSS)	11,750	341,062	329,312	299,505
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	45,493	45,493	24,138
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	45,493	45,493	24,138
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	11,750	386,555	374,805	323,643
State grant - capital grant	-	-	-	-
Transfers in (out)	(11,750)	(11,743)	7	(8,986)
CHANGE IN NET POSITION	-	374,812	374,812	314,657
Net position, beginning of year	1,531,348	1,531,348	-	1,216,691
NET POSITION, END OF YEAR	\$ 1,531,348	\$ 1,906,160	\$ 374,812	\$ 1,531,348

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - LAKESHORE AND LIGHTHOUSE PARK FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 71,698	\$ 60,384
Accounts receivable	-	9,692
Due from local units	-	-
Inventory	-	-
Prepaid expense	211	175
	<u>71,909</u>	<u>70,251</u>
TOTAL CURRENT ASSETS	<u>71,909</u>	<u>70,251</u>
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	1,046,839	1,052,698
Construction in progress	-	-
	<u>1,046,839</u>	<u>1,052,698</u>
TOTAL NON-CURRENT ASSETS	<u>1,046,839</u>	<u>1,052,698</u>
TOTAL ASSETS	<u>1,118,748</u>	<u>1,122,949</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	1,131	1,170
Accrued wages payable	37	-
Accrued interest payable	6,909	8,418
Current portion of long-term debt	105,000	105,000
	<u>113,077</u>	<u>114,588</u>
TOTAL CURRENT LIABILITIES	<u>113,077</u>	<u>114,588</u>
Non-current Liabilities:		
Bonds payable	345,000	450,000
	<u>345,000</u>	<u>450,000</u>
TOTAL NON-CURRENT LIABILITIES	<u>345,000</u>	<u>450,000</u>
TOTAL LIABILITIES	<u>458,077</u>	<u>564,588</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	748,951	647,916
Restricted for:		
Capital outlay	152,112	150,218
Unrestricted	<u>(240,392)</u>	<u>(239,773)</u>
TOTAL NET POSITION	<u>\$ 660,671</u>	<u>\$ 558,361</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - LAKESHORE AND LIGHTHOUSE PARK FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024			2023
	Final Budget	Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 15,000	\$ 15,474	\$ 474	\$ 16,950
Use and admission fees	71,590	23,634	(47,956)	35,191
Reimbursements	-	28,677	28,677	-
TOTAL OPERATING REVENUES	86,590	67,785	(18,805)	52,141
OPERATING EXPENSES:				
Recreation and Culture:				
Personnel services	2,720	1,820	900	975
Supplies and contractual	28,440	17,255	11,185	13,941
Capital outlay	5,000	4,388	612	-
Provision for depreciation	50,430	50,415	15	50,416
TOTAL OPERATING EXPENSES	86,590	73,878	12,712	65,332
OPERATING INCOME (LOSS)	-	(6,093)	(6,093)	(13,191)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	1,894	1,894	1,287
Interest expense	(20,210)	(18,694)	1,516	(22,157)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(20,210)	(16,800)	3,410	(20,870)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(20,210)	(22,893)	(2,683)	(34,061)
Federal Grant - capital grant	-	-	-	-
Transfers in	-	125,203	125,203	123,553
CHANGE IN NET POSITION	(20,210)	102,310	122,520	89,492
Net position, beginning of year	558,361	558,361	-	468,869
NET POSITION, END OF YEAR	\$ 538,151	\$ 660,671	\$ 122,520	\$ 558,361

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - FUEL SYSTEM FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 88,678	\$ 72,169
Accounts receivable	16,145	20,929
Due from local units	567	786
Inventory	36,472	61,754
Prepaid expense	-	-
	<u>141,862</u>	<u>155,638</u>
TOTAL CURRENT ASSETS		
Non-current Assets		
Restricted Assets:		
Compensated absences reserve	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	<u>185,211</u>	<u>200,645</u>
TOTAL NON-CURRENT ASSETS	<u>185,211</u>	<u>200,645</u>
	<u>327,073</u>	<u>356,283</u>
TOTAL ASSETS		
 DEFERRED OUTFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
 LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	-	26,586
Accrued wages payable	-	-
	<u>-</u>	<u>26,586</u>
TOTAL CURRENT LIABILITIES		
Non-current Liabilities:		
Compensated absences	-	-
	<u>-</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
	<u>-</u>	<u>26,586</u>
TOTAL LIABILITIES		
 DEFERRED INFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
 NET POSITION		
Net investment in capital assets	185,211	200,645
Restricted for:		
Capital outlay	-	-
Unrestricted	<u>141,862</u>	<u>129,052</u>
	<u>327,073</u>	<u>329,697</u>
TOTAL NET POSITION	<u>\$ 327,073</u>	<u>\$ 329,697</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - FUEL SYSTEM FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	535,000	370,996	(164,004)	495,838
Use and admission fees	-	-	-	-
Reimbursements	-	-	-	-
Other revenues	29,430	29,333	(97)	32,572
TOTAL OPERATING REVENUES	564,430	400,329	(164,101)	528,410
OPERATING EXPENSES:				
Public Works:				
Personnel services	1,080	-	1,080	500
Supplies and contractual	552,910	391,325	161,585	511,680
Other supplies and charges	-	-	-	-
Capital outlay	-	-	-	-
Provision for depreciation	15,440	15,434	6	15,435
TOTAL OPERATING EXPENSES	569,430	406,759	162,671	527,615
OPERATING INCOME (LOSS)	(5,000)	(6,430)	(1,430)	795
NON-OPERATING REVENUES (EXPENSES):				
Contributed capital	-	-	-	-
Investment income	-	3,806	3,806	2,191
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	3,806	3,806	2,191
CHANGE IN NET POSITION	(5,000)	(2,624)	2,376	2,986
Net position, beginning of year	329,697	329,697	-	326,711
NET POSITION, END OF YEAR	\$ 324,697	\$ 327,073	\$ 2,376	\$ 329,697

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - MARINAS FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 352,303	\$ 11,068
Due from State	663	259,688
Accounts receivable	5,122	5,561
Inventory	17,889	22,148
Prepaid expense	5,647	5,553
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	381,624	304,018
Non-current Assets		
Restricted Assets:		
Bond Reserve Fund	-	-
Bond and Interest Redemption Fund	-	-
Replacement Maintenance Fund	40,000	40,000
Total Restricted Assets	<hr/> 40,000	<hr/> 40,000
Other capital assets, net of depreciation	2,871,503	3,054,933
Construction in progress	-	-
	<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS	2,911,503	3,094,933
	<hr/>	<hr/>
TOTAL ASSETS	3,293,127	3,398,951
 DEFERRED OUTFLOWS OF RESOURCES	 <hr/> -	 <hr/> -
 LIABILITIES		
Current Liabilities:		
Accounts payable	10,738	14,758
Accrued wages payable	2,196	1,546
Customer deposits payable	15,475	15,445
Accrued interest payable	8,833	9,771
Current portion of long-term debt	80,000	75,000
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	117,242	116,520
Non-current Liabilities:		
Bonds payable	450,000	530,000
Unamortized bond premium	55,754	65,046
	<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES	505,754	595,046
	<hr/>	<hr/>
TOTAL LIABILITIES	622,996	711,566
 DEFERRED INFLOWS OF RESOURCES	 <hr/> -	 <hr/> -
 NET POSITION		
Net investment in capital assets	2,285,749	2,384,887
Restricted for:		
Capital outlay	-	-
Unrestricted	384,382	302,498
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 2,670,131	\$ 2,687,385

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR ENTERPRISE FUND - MARINAS FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 8,690	\$ 8,820	\$ 130	\$ 8,400
Sales	115,050	164,937	49,887	117,906
Use and admission fees	47,500	48,497	997	47,569
Rentals	344,260	352,974	8,714	337,978
Fines and forfeiture	300	950	650	1,140
Reimbursements	-	1,339	1,339	2,671
Other revenues	3,050	3,267	217	3,035
TOTAL OPERATING REVENUES	518,850	580,784	61,934	518,699
OPERATING EXPENSES:				
Recreation and Culture:				
Personnel services	77,070	97,723	(20,653)	88,251
Supplies and contractual	418,229	318,388	99,841	307,481
Capital outlay	-	-	-	-
Provision for depreciation	192,280	183,430	8,850	158,007
Other supplies and charges	-	-	-	-
TOTAL OPERATING EXPENSES	687,579	599,541	88,038	553,739
OPERATING INCOME (LOSS)	(168,729)	(18,757)	149,972	(35,040)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	31,646	31,646	18,616
Interest expense	(22,330)	(12,095)	10,235	(14,345)
Bond issuance expense	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(22,330)	19,551	41,881	4,271
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(191,059)	794	191,853	(30,769)
Federal grant - capital grant	-	-	-	-
State grant - capital grant	-	-	-	255,970
Transfers in	-	-	-	-
Transfers (out)	(18,050)	(18,048)	2	(13,811)
CHANGE IN NET POSITION	(209,109)	(17,254)	191,855	211,390
Net position, beginning of year	2,687,385	2,687,385	-	2,475,995
NET POSITION, END OF YEAR	\$ 2,478,276	\$ 2,670,131	\$ 191,855	\$ 2,687,385

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CITY OF MARQUETTE, MICHIGAN
INTERNAL SERVICE FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of the Internal Service Funds is to account for funds that are used to finance, administer and account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit or to other governmental units on a cost reimbursement basis.

TECHNOLOGY SERVICES FUND: To operate as a self-supporting fund, and will be responsible for evaluation, coordination, implementation, and support of technology services utilized in various departments of the City.

MUNICIPAL SERVICE CENTER FUND: To accumulate the expenses and revenues associated with the operation of the Municipal Service Center. Building space is rented to various funds based on a square foot occupancy rate.

MOTOR VEHICLE EQUIPMENT FUND: To operate as a self-supporting fund, and will be responsible for the maintenance and purchasing of vehicles and equipment utilized in various departments of the City.

ENERGY ENHANCEMENTS FUND: To accumulate the activity associated with the City's Energy Enhancement project. In FY'18, the City initiated an approximately \$28 million project that encompasses all City operations. The goal is that all costs will be recovered via savings in energy and other costs over the next 20 years.

CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

September 30, 2024

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,612,097	\$ 941,220	\$ 710,131	\$ 93,025	\$ 3,356,473
Due from State	-	-	-	-	-
Accounts receivable	2,490	-	26,962	-	29,452
Due from local units	-	-	-	-	-
Due from other authorities	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expense	48,650	22,300	900,760	-	971,710
TOTAL CURRENT ASSETS	1,663,237	963,520	1,637,853	93,025	4,357,635
Non-current Assets:					
Restricted Assets:					
Equipment reserve	-	-	1,053,769	-	1,053,769
OPEB reserve	5,833	2,915	36,878	-	45,626
Compensated absences reserve	33,775	-	90,553	-	124,328
Total Restricted Assets	39,608	2,915	1,181,200	-	1,223,723
Land and other non-depreciable assets	-	2,519,888	-	-	2,519,888
Other capital assets, net of depreciation / amortization	680,609	11,174,156	3,386,287	20,955,542	36,196,594
TOTAL NON-CURRENT ASSETS	720,217	13,696,959	4,567,487	20,955,542	39,940,205
TOTAL ASSETS	2,383,454	14,660,479	6,205,340	21,048,567	44,297,840
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	98,728	2,880	333,181	-	434,789
Deferred outflows related to OPEB	-	-	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	98,728	2,880	333,181	-	434,789
LIABILITIES					
Current Liabilities:					
Cash overdraft	-	-	-	-	-
Accounts payable	57,285	15,393	29,048	-	101,726
Accrued wages payable	5,581	1,170	11,304	-	18,055
Current portion of long-term debt	206,971	-	131,600	983,527	1,322,098
Accrued interest payable	-	-	-	-	-
TOTAL CURRENT LIABILITIES	269,837	16,563	171,952	983,527	1,441,879
Non-current Liabilities:					
Compensated absences	33,775	-	90,553	-	124,328
Other post employment benefits (OPEB)	5,833	2,915	36,878	-	45,626
Net pension liability	410,730	136,322	1,787,738	-	2,334,790
Subscription liability	-	-	-	-	-
Lease payable	440,760	-	679,785	21,666,576	22,787,121
TOTAL NON-CURRENT LIABILITIES	891,098	139,237	2,594,954	21,666,576	25,291,865
TOTAL LIABILITIES	1,160,935	155,800	2,766,906	22,650,103	26,733,744
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	23,589	7,349	75,392	-	106,330
Deferred inflows related to OPEB	2,134	1,067	13,486	-	16,687
TOTAL DEFERRED INFLOWS OF RESOURCES	25,723	8,416	88,878	-	123,017
NET POSITION					
Net investment in capital assets	32,878	13,694,044	2,574,902	(1,694,561)	14,607,263
Restricted for:					
Capital outlay	-	-	829,081	-	829,081
Unrestricted	1,262,646	805,099	278,754	93,025	2,439,524
TOTAL NET POSITION	\$ 1,295,524	\$ 14,499,143	\$ 3,682,737	\$ (1,601,536)	\$ 17,875,868

CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2024

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
OPERATING REVENUES:					
Charges for services	\$ 7,743	\$ -	\$ -	\$ -	\$ 7,743
Sales	-	-	-	-	-
Rentals	1,195,920	565,094	2,878,464	-	4,639,478
Reimbursements	5,553	2,398	21,185	-	29,136
Other revenues	943	-	59,340	-	60,283
TOTAL OPERATING REVENUES	1,210,159	567,492	2,958,989	-	4,736,640
OPERATING EXPENSES:					
Administrative and General:					
Personnel services	320,394	55,019	848,920	-	1,224,333
Supplies and contractual	486,722	412,650	1,567,199	-	2,466,571
Provision for depreciation / amortization	208,420	931,180	550,153	1,643,572	3,333,325
Other supplies and charges	-	-	-	-	-
Total Administrative and General	<u>1,015,536</u>	<u>1,398,849</u>	<u>2,966,272</u>	<u>1,643,572</u>	<u>7,024,229</u>
Capital outlay	-	-	-	-	-
TOTAL OPERATING EXPENSES	1,015,536	1,398,849	2,966,272	1,643,572	7,024,229
OPERATING INCOME (LOSS)	194,623	(831,357)	(7,283)	(1,643,572)	(2,287,589)
NON-OPERATING REVENUES (EXPENSES):					
Investment income	51,427	29,027	32,318	3,000	115,772
Interest expense	-	-	-	(668,711)	(668,711)
Gain (Loss) on sale of capital asset	-	-	46,385	-	46,385
Contributions from other authorities	-	-	-	186,634	186,634
Lease - interest	(30,758)	-	(45,972)	-	(76,730)
Bond issuance expense	-	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	20,669	29,027	32,731	(479,077)	(396,650)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	215,292	(802,330)	25,448	(2,122,649)	(2,684,239)
Federal grant - capital grant	-	-	-	-	-
Transfers in	18,620	-	-	1,378,132	1,396,752
Transfers (out)	-	-	-	-	-
CHANGE IN NET POSITION	233,912	(802,330)	25,448	(744,517)	(1,287,487)
Net position, beginning of year, as restated	1,061,612	15,301,473	3,657,289	(857,019)	19,163,355
NET POSITION, END OF YEAR	\$ 1,295,524	\$ 14,499,143	\$ 3,682,737	\$ (1,601,536)	\$ 17,875,868

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CITY OF MARQUETTE, MICHIGAN

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2024

	Technology Services Fund	Municipal Service Center Fund	Motor Vehicle Equipment Fund	Energy Enhancements Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from fees and charges for services	\$ 7,075	\$ -	\$ -	\$ -	\$ 7,075
Other operating revenues	1,202,416	568,942	3,142,098	-	4,913,456
Cash payments to employees for services	(314,820)	(58,258)	(888,369)	-	(1,261,447)
Cash payments to suppliers for goods and services	(454,621)	(425,600)	(1,575,197)	-	(2,455,418)
NET CASH PROVIDED BY OPERATING ACTIVITIES	440,050	85,084	678,532	-	1,203,666
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Increase (decrease) in cash overdraft	-	-	-	-	-
Transfers in	18,620	-	-	1,378,132	1,396,752
Transfers (out)	-	-	-	-	-
Contributions from other authorities	-	-	-	186,634	186,634
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	18,620	-	-	1,564,766	1,583,386
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal payments on long-term debt	(203,682)	-	(43,808)	(896,055)	(1,143,545)
Interest paid on long-term debt	(30,758)	-	(45,972)	(668,711)	(745,441)
Proceeds from issuance of debt	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Cash payments for bond issuance expenses	-	-	-	-	-
Cash payments for capital assets	(50,566)	-	(13,948)	-	(64,514)
Proceeds from sale of capital assets	-	-	50,416	-	50,416
State and Federal grants	-	-	-	-	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(285,006)	-	(53,312)	(1,564,766)	(1,903,084)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	51,427	29,027	32,318	3,000	115,772
(Increase) decrease in restricted assets:					
Equipment reserve	-	-	(15,722)	-	(15,722)
OPEB reserve	2,450	1,224	42,902	-	46,576
Compensated absences reserve	(9,310)	-	(38,192)	-	(47,502)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	44,567	30,251	21,306	3,000	99,124
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	218,231	115,335	646,526	3,000	983,092
Cash and cash equivalents, beginning of year	1,393,866	825,885	63,605	90,025	2,373,381
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,612,097	\$ 941,220	\$ 710,131	\$ 93,025	\$ 3,356,473
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Increase in right-to-use leased assets	\$ 453,744	\$ -	\$ 855,193	\$ -	\$ 1,308,937
(Increase) in right-to-use lease liability	(453,744)	-	(855,193)	-	(1,308,937)
(Decrease) in right-to-use SBITA	(15,043)	-	-	-	(15,043)
Decrease in right-to-use SBITA liability	15,043	-	-	-	15,043
TOTAL NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 194,623	\$ (831,357)	\$ (7,283)	\$ (1,643,572)	\$ (2,287,589)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation / amortization	208,420	931,180	550,153	1,643,572	3,333,325
Changes in assets and liabilities:					
(Increase) decrease in due from State	-	-	-	-	-
(Increase) decrease in accounts receivable	(668)	1,450	183,109	-	183,891
(Increase) decrease in due from local units	-	-	-	-	-
(Increase) decrease in inventory	-	-	-	-	-
(Increase) decrease in prepaid expenses	(8,683)	(6,273)	1,040	-	(13,916)
Increase (decrease) in accounts payable	40,784	(6,677)	(9,038)	-	25,069
Increase (decrease) in accrued wages payable	1,376	681	(1,508)	-	549
Increase (decrease) in customer deposits payable	-	-	-	-	-
Increase (decrease) in compensated absences	9,310	-	10,773	-	20,083
Increase (decrease) in net pension liability	(611)	(1,670)	(20,266)	-	(22,547)
Increase (decrease) in other post-employment benefits (OPEB)	(4,501)	(2,250)	(28,448)	-	(35,199)
NET ADJUSTMENTS	245,427	916,441	685,815	1,643,572	3,491,255
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 440,050	\$ 85,084	\$ 678,532	\$ -	\$ 1,203,666

CITY OF MARQUETTE, MICHIGAN
TECHNOLOGY SERVICES FUND
COMPARATIVE STATEMENT OF NET POSITION
September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,612,097	\$ 1,393,866
Accounts receivable	2,490	1,822
Due from local units	-	-
Inventory	-	-
Prepaid expense	48,650	39,967
TOTAL CURRENT ASSETS	1,663,237	1,435,655
Non-current Assets		
Restricted Assets:		
OPEB reserve	5,833	8,283
Compensated absences reserve	33,775	24,465
Total Restricted Assets	39,608	32,748
Other capital assets, net of depreciation	680,609	399,761
TOTAL NON-CURRENT ASSETS	720,217	432,509
TOTAL ASSETS	2,383,454	1,868,164
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	98,728	101,554
Deferred outflows related to OPEB	-	252
TOTAL DEFERRED OUTFLOWS OF RESOURCES	98,728	101,806
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	57,285	16,501
Accrued wages payable	5,581	4,205
Subscription liability - due in one year	28,221	46,352
Lease liability - principal due in one year	178,750	91,062
TOTAL CURRENT LIABILITIES	269,837	158,120
Non-current Liabilities:		
Compensated absences	33,775	24,465
Subscription liability - Principal	-	28,221
Lease liability - Principal	440,760	247,076
Other post employment benefits (OPEB)	5,833	8,283
Net pension liability	410,730	415,011
TOTAL NON-CURRENT LIABILITIES	891,098	723,056
TOTAL LIABILITIES	1,160,935	881,176
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	23,589	22,745
Deferred inflows related to OPEB	2,134	4,437
TOTAL DEFERRED INFLOWS OF RESOURCES	25,723	27,182
NET POSITION		
Net investment in capital assets	32,878	(12,950)
Restricted for:		
Capital outlay	-	-
Unrestricted	1,262,646	1,074,562
TOTAL NET POSITION	\$ 1,295,524	\$ 1,061,612

CITY OF MARQUETTE, MICHIGAN

TECHNOLOGY SERVICES FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ 6,000	\$ 7,743	\$ 1,743	\$ 5,085
Rentals	1,195,900	1,195,920	20	1,206,084
Reimbursements	-	5,553	5,553	267
Other revenues	-	943	943	1,374
TOTAL OPERATING REVENUES	1,201,900	1,210,159	8,259	1,212,810
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	335,340	320,394	14,946	370,458
Supplies and contractual	816,780	486,722	330,058	470,979
Other supplies and charges	-	-	-	-
Provision for depreciation / amortization	-	208,420	(208,420)	142,773
Total Administrative and General	<u>1,152,120</u>	<u>1,015,536</u>	<u>136,584</u>	<u>984,210</u>
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	1,152,120	1,015,536	136,584	984,210
OPERATING INCOME (LOSS)	49,780	194,623	144,843	228,600
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	51,427	51,427	29,114
Lease and subscriptions - interest	-	(30,758)	(30,758)	(16,214)
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	20,669	20,669	12,900
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	49,780	215,292	165,512	241,500
Transfers in	-	18,620	18,620	19,650
CHANGE IN NET POSITION	49,780	233,912	184,132	261,150
Net position, beginning of year	1,061,612	1,061,612	-	800,462
NET POSITION, END OF YEAR	\$ 1,111,392	\$ 1,295,524	\$ 184,132	\$ 1,061,612

CITY OF MARQUETTE, MICHIGAN

MUNICIPAL SERVICE CENTER FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 941,220	\$ 825,885
Accounts receivable	-	1,450
Due from other authorities	-	-
Inventory	-	-
Prepaid expense	22,300	16,027
	<u>963,520</u>	<u>843,362</u>
TOTAL CURRENT ASSETS		
Non-current Assets		
Restricted Assets:		
OPEB reserve	2,915	4,139
Compensated absences reserve	-	-
Total Restricted Assets	<u>2,915</u>	<u>4,139</u>
Land and other non-depreciable assets	2,519,888	2,519,888
Other capital assets, net of depreciation	11,174,156	12,105,336
	<u>13,696,959</u>	<u>14,629,363</u>
TOTAL NON-CURRENT ASSETS		
TOTAL ASSETS	<u>14,660,479</u>	<u>15,472,725</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	2,880	10,598
Deferred outflows related to OPEB	-	126
	<u>2,880</u>	<u>10,724</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES		
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	15,393	22,070
Accrued wages payable	1,170	489
	<u>16,563</u>	<u>22,559</u>
TOTAL CURRENT LIABILITIES		
Non-current Liabilities:		
Compensated absences	-	-
Other post employment benefits (OPEB)	2,915	4,139
Net pension liability	136,322	148,014
	<u>139,237</u>	<u>152,153</u>
TOTAL NON-CURRENT LIABILITIES		
TOTAL LIABILITIES	<u>155,800</u>	<u>174,712</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	7,349	5,045
Deferred inflows related to OPEB	1,067	2,219
	<u>8,416</u>	<u>7,264</u>
TOTAL DEFERRED INFLOWS OF RESOURCES		
NET POSITION		
Net investment in capital assets	13,694,044	14,625,224
Restricted for:		
Capital outlay	-	-
Unrestricted	805,099	676,249
	<u>14,499,143</u>	<u>15,301,473</u>
TOTAL NET POSITION	<u>\$ 14,499,143</u>	<u>\$ 15,301,473</u>

CITY OF MARQUETTE, MICHIGAN

MUNICIPAL SERVICE CENTER FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Rentals	566,550	565,094	(1,456)	561,178
Reimbursements	-	2,398	2,398	1,829
Other revenues	-	-	-	-
TOTAL OPERATING REVENUES	<u>566,550</u>	<u>567,492</u>	<u>942</u>	<u>563,007</u>
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	54,820	55,019	(199)	61,887
Supplies and contractual	494,330	412,650	81,680	442,668
Provision for depreciation	931,180	931,180	-	931,180
Total Administrative and General	<u>1,480,330</u>	<u>1,398,849</u>	<u>81,481</u>	<u>1,435,735</u>
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	<u>1,480,330</u>	<u>1,398,849</u>	<u>81,481</u>	<u>1,435,735</u>
OPERATING INCOME (LOSS)	<u>(913,780)</u>	<u>(831,357)</u>	<u>82,423</u>	<u>(872,728)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	29,027	29,027	17,479
Interest expense	-	-	-	-
Gain (loss) on sale of capital asset	-	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>-</u>	<u>29,027</u>	<u>29,027</u>	<u>17,479</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(913,780)</u>	<u>(802,330)</u>	<u>111,450</u>	<u>(855,249)</u>
Transfers In	-	-	-	-
CHANGE IN NET POSITION	<u>(913,780)</u>	<u>(802,330)</u>	<u>111,450</u>	<u>(855,249)</u>
Net position, beginning of year	15,301,473	15,301,473	-	16,156,722
NET POSITION, END OF YEAR	<u>\$ 14,387,693</u>	<u>\$ 14,499,143</u>	<u>\$ 111,450</u>	<u>\$ 15,301,473</u>

CITY OF MARQUETTE, MICHIGAN
MOTOR VEHICLE EQUIPMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 710,131	\$ 63,605
Accounts receivable	26,962	210,071
Due from local units	-	-
Inventory	-	-
Prepaid expense	900,760	901,800
TOTAL CURRENT ASSETS	1,637,853	1,175,476
Non-current Assets		
Restricted Assets:		
Equipment reserve	1,053,769	1,038,047
OPEB reserve	36,878	79,780
Compensated absences reserve	90,553	52,361
Total Restricted Assets	1,181,200	1,170,188
Other capital assets, net of depreciation	3,386,287	3,071,330
TOTAL NON-CURRENT ASSETS	4,567,487	4,241,518
TOTAL ASSETS	6,205,340	5,416,994
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	333,181	426,871
Deferred outflows related to OPEB	-	1,595
TOTAL DEFERRED OUTFLOWS OF RESOURCES	333,181	428,466
LIABILITIES		
Current Liabilities:		
Cash overdraft	-	-
Accounts payable	29,048	38,086
Accrued wages payable	11,304	12,812
Lease liability - principal due in one year	131,600	-
TOTAL CURRENT LIABILITIES	171,952	50,898
Non-current Liabilities:		
Compensated absences	90,553	79,780
Leases payable	679,785	-
Other post employment benefits (OPEB)	36,878	52,361
Net pension liability	1,787,738	1,929,666
TOTAL NON-CURRENT LIABILITIES	2,594,954	2,061,807
TOTAL LIABILITIES	2,766,906	2,112,705
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	75,392	47,420
Deferred inflows related to OPEB	13,486	28,046
TOTAL DEFERRED INFLOWS OF RESOURCES	88,878	75,466
NET POSITION		
Net investment in capital assets	2,574,902	3,071,330
Restricted for:		
Capital outlay	829,081	829,081
Unrestricted	278,754	(243,122)
TOTAL NET POSITION	\$ 3,682,737	\$ 3,657,289

CITY OF MARQUETTE, MICHIGAN

MOTOR VEHICLE EQUIPMENT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP 2697		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Rentals	3,000,000	2,878,464	(121,536)	2,861,859
Reimbursements	-	21,185	21,185	210,111
Other revenues	16,000	59,340	43,340	31,260
TOTAL OPERATING REVENUES	3,016,000	2,958,989	(57,011)	3,103,230
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	964,360	848,920	115,440	1,033,856
Supplies and contractual	2,071,760	1,567,199	504,561	1,516,357
Other supplies and charges	-	-	-	-
Provision for depreciation / amortization	515,100	550,153	(35,053)	488,359
Total Administrative and General	3,551,220	2,966,272	584,948	3,038,572
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	3,551,220	2,966,272	584,948	3,038,572
OPERATING INCOME (LOSS)	(535,220)	(7,283)	527,937	64,658
NON-OPERATING REVENUES (EXPENSES):				
Contributed capital	-	-	-	-
Investment income	-	32,318	32,318	14,977
Lease - interest	-	(45,972)	(45,972)	-
Gain (loss) on sale of capital asset	10,000	46,385	36,385	96,842
TOTAL NON-OPERATING REVENUES (EXPENSES)	10,000	32,731	22,731	111,819
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(525,220)	25,448	550,668	176,477
Federal grant - capital grant	-	-	-	-
Transfers In	-	-	-	1,000,000
CHANGE IN NET POSITION	(525,220)	25,448	550,668	1,176,477
Net position, beginning of year	3,657,289	3,657,289	-	2,480,812
NET POSITION, END OF YEAR	\$ 3,132,069	\$ 3,682,737	\$ 550,668	\$ 3,657,289

CITY OF MARQUETTE, MICHIGAN

ENERGY ENHANCEMENTS FUND

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 93,025	\$ 90,025
Due from State	-	-
Accounts receivable	-	-
Inventory	-	-
Prepaid expense	-	-
	<u>93,025</u>	<u>90,025</u>
TOTAL CURRENT ASSETS	<u>93,025</u>	<u>90,025</u>
Non-current Assets		
Restricted Assets:		
Bond Reserve Fund	-	-
Bond and Interest Redemption Fund	-	-
Replacement Maintenance Fund	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>
Other capital assets, net of depreciation	20,955,542	22,599,114
Construction in progress	-	-
	<u>20,955,542</u>	<u>22,599,114</u>
TOTAL NON-CURRENT ASSETS	<u>20,955,542</u>	<u>22,599,114</u>
	<u>21,048,567</u>	<u>22,689,139</u>
TOTAL ASSETS	<u>21,048,567</u>	<u>22,689,139</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
 LIABILITIES		
Current Liabilities:		
Accounts payable	-	-
Accrued wages payable	-	-
Customer deposits payable	-	-
Current portion of long-term debt	983,527	896,055
Accrued interest payable	-	-
	<u>983,527</u>	<u>896,055</u>
TOTAL CURRENT LIABILITIES	<u>983,527</u>	<u>896,055</u>
Non-current Liabilities:		
Lease payable	<u>21,666,576</u>	<u>22,650,103</u>
	<u>21,666,576</u>	<u>22,650,103</u>
TOTAL NON-CURRENT LIABILITIES	<u>21,666,576</u>	<u>22,650,103</u>
	<u>22,650,103</u>	<u>23,546,158</u>
TOTAL LIABILITIES	<u>22,650,103</u>	<u>23,546,158</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>
 NET POSITION		
Net investment in capital assets	(1,694,561)	(947,044)
Restricted for:		
Capital outlay	-	-
Unrestricted	<u>93,025</u>	<u>90,025</u>
	<u>(1,601,536)</u>	<u>(857,019)</u>
TOTAL NET POSITION	<u>\$ (1,601,536)</u>	<u>\$ (857,019)</u>

CITY OF MARQUETTE, MICHIGAN

ENERGY ENHANCEMENT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the fiscal Year Ended September 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023
	Final Budget	Actual GAAP Basis		Actual GAAP Basis
OPERATING REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Use and admission fees	-	-	-	-
Rentals	-	-	-	-
Fines and forfeiture	-	-	-	-
Reimbursements	-	-	-	-
Other revenues	-	-	-	-
TOTAL OPERATING REVENUES	-	-	-	-
OPERATING EXPENSES:				
Administrative and General:				
Personnel services	-	-	-	-
Supplies and contractual	-	-	-	-
Provision for depreciation	1,643,570	1,643,572	(2)	1,643,572
Other supplies and charges	-	-	-	-
Total Administrative and General	<u>1,643,570</u>	<u>1,643,572</u>	<u>(2)</u>	<u>1,643,572</u>
Capital outlay	-	-	-	-
TOTAL OPERATING EXPENSES	1,643,570	1,643,572	(2)	1,643,572
OPERATING INCOME (LOSS)	(1,643,570)	(1,643,572)	(2)	(1,643,572)
NON-OPERATING REVENUES (EXPENSES):				
Investment income	-	3,000	3,000	1,979
Interest expense	(668,720)	(668,711)	9	(683,311)
Contributions from other authorities	-	186,634	186,634	142,815
TOTAL NON-OPERATING REVENUES (EXPENSES)	(668,720)	(479,077)	189,643	(538,517)
INCOME (LOSS) BEFORE TRANSFERS	(2,312,290)	(2,122,649)	189,641	(2,182,089)
Transfers in	2,312,290	1,378,132	(934,158)	1,054,571
CHANGE IN NET POSITION	-	(744,517)	(744,517)	(1,127,518)
Net position, beginning of year	(857,019)	(857,019)	-	270,499
NET POSITION, END OF YEAR	\$ (857,019)	\$ (1,601,536)	\$ (744,517)	\$ (857,019)

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CITY OF MARQUETTE, MICHIGAN
FIDUCIARY FUNDS

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

The function of Fiduciary Funds is to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. These included (a) private-purpose trust funds, (b) pension and OPEB trust funds, (c) custodial funds, and (d) investment trust funds.

PENSION TRUST FUND: The Fire-Police Retirement System Fund is used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at fixed rates and by the City at amounts determined by an annual actuarial valuation.

CUSTODIAL FUND: The Custodial Fund is used to record the collection and payment of property taxes billed and collected by the City on behalf of the County, the School Districts, and the Intermediate School District and other governmental units.

CITY OF MARQUETTE, MICHIGAN

FIRE-POLICE RETIREMENT SYSTEM PENSION TRUST FUND

COMPARATIVE STATEMENT OF PLAN NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 870,404	\$ 817,042
Investments		
Domestic Corporation Bonds	4,222,559	3,594,537
Common, Pooled Fund	40,587,600	33,888,218
Accounts receivable	-	-
Accrued interest receivable	19,327	16,460
	<u>45,699,890</u>	<u>38,316,257</u>
TOTAL ASSETS	<u>45,699,890</u>	<u>38,316,257</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Accounts payable	26,166	23,699
	<u>26,166</u>	<u>23,699</u>
TOTAL LIABILITIES	<u>26,166</u>	<u>23,699</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Net position restricted for pensions	45,673,724	38,292,558
	<u>45,673,724</u>	<u>38,292,558</u>
TOTAL NET POSITION	<u>\$ 45,673,724</u>	<u>\$ 38,292,558</u>

CITY OF MARQUETTE, MICHIGAN

CUSTODIAL FUND

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 2,213,141	\$ 1,250,059
Accounts receivable	25,983	-
Taxes receivable - current	2,260,885	1,706,649
Taxes receivable - delinquent personal	<u>37,578</u>	<u>35,863</u>
TOTAL ASSETS	<u>4,537,587</u>	<u>2,992,571</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
LIABILITIES		
Accounts payable	1,483,070	508,878
Due to State	297,217	230,121
Due to other governments	1,142,512	885,045
Due to local units	919,765	654,135
Other liabilities	<u>191,985</u>	<u>239,113</u>
TOTAL LIABILITIES	<u>4,034,549</u>	<u>2,517,292</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	<u>503,038</u>	<u>475,279</u>
TOTAL NET POSITION	<u><u>\$ 503,038</u></u>	<u><u>\$ 475,279</u></u>

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**CITY OF MARQUETTE, MICHIGAN
CAPITAL ASSET SCHEDULES**

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY SOURCE**

September 30, 2024

	<u>Land and Improvements</u>	<u>Buildings and Improvements</u>	<u>Furniture and Equipment</u>	<u>Other</u>	<u>Totals</u>
Governmental Capital Assets:					
Land	\$ 12,577,746	\$ -	\$ -	\$ -	\$ 12,577,746
Land improvements	10,361,091	-	-	-	10,361,091
Buildings	-	5,838,183	-	-	5,838,183
Building improvements	-	7,416,690	-	-	7,416,690
Furniture and equipment	-	-	2,218,030	-	2,218,030
Infrastructure	3,748,326	-	-	79,132,727	82,881,053
Construction in progress	-	-	-	2,444,740	2,444,740
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,444,740</u>	<u>2,444,740</u>
TOTAL	<u>\$ 26,687,163</u>	<u>\$ 13,254,873</u>	<u>\$ 2,218,030</u>	<u>\$ 81,577,467</u>	<u>\$ 123,737,533</u>
Investments in Governmental Capital Assets From:					
General fund	\$ 13,935,954	\$ 5,554,719	\$ 1,444,013	\$ 32,628,197	\$ 53,562,883
Federal grants	1,901,291	3,489,840	185,579	547,762	6,124,472
State grants	705,189	676,179	69,022	-	1,450,390
Private gifts	2,797,402	558,029	117,381	20,522	3,493,334
Authorities, Boards and Commissions	54,000	811,172	-	-	865,172
Other funds	7,293,327	2,164,934	402,035	48,380,986	58,241,282
	<u>7,293,327</u>	<u>2,164,934</u>	<u>402,035</u>	<u>48,380,986</u>	<u>58,241,282</u>
TOTAL	<u>\$ 26,687,163</u>	<u>\$ 13,254,873</u>	<u>\$ 2,218,030</u>	<u>\$ 81,577,467</u>	<u>\$ 123,737,533</u>

CITY OF MARQUETTE, MICHIGAN

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY**

For the Fiscal Year Ended September 30, 2024

Function and Activity	Balance September 30, 2023	Additions	Deductions	Transfers	Balance September 30, 2024
General Government					
City Commission	\$ 8,999	\$ -	\$ -	\$ -	\$ 8,999
Elections	5,001	-	-	-	5,001
Finance department	13,186	-	-	-	13,186
Treasurer	5,978	-	-	-	5,978
Information Systems	100,535	-	-	-	100,535
Building and grounds	2,777,059	69,203	-	-	2,846,262
Other City Property	4,262,628	-	-	-	4,262,628
Total General Government	7,173,386	69,203	-	-	7,242,589
Public Safety					
Police Department	325,502	-	(92,210)	-	233,292
Fire Department	828,081	291,923	-	-	1,120,004
Total Public Health and Safety	1,153,583	291,923	(92,210)	-	1,353,296
Public Works					
City Engineer	164,803	-	-	-	164,803
Department of public works	10,985,358	-	-	-	10,985,358
Infrastructure	82,581,270	281,539	-	18,244	82,881,053
Cemetery	382,473	10,951	-	-	393,424
Sanitation	14,932	-	-	-	14,932
Parking System	2,475,516	-	-	-	2,475,516
Total Public Works	96,604,352	292,490	-	18,244	96,915,086
Other:					
Recreation and culture	13,996,870	1,673,821	-	67,967	15,738,658
Other	43,164	-	-	-	43,164
Total Other	14,040,034	1,673,821	-	67,967	15,781,822
TOTAL GOVERNMENTAL CAPITAL ASSETS	118,971,355	2,327,437	(92,210)	86,211	121,292,793
Construction in progress	1,074,314	1,456,637	-	(86,211)	2,444,740
GRAND TOTAL	\$ 120,045,669	\$ 3,784,074	\$ (92,210)	\$ -	\$ 123,737,533

CITY OF MARQUETTE, MICHIGAN

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY

September 30, 2024

Function and Activity	Total	Land	Land Improvements	Buildings	Buildings Improvements	Furniture and Equipment	Infrastructure
General Government							
City Commission	\$ 8,999	\$ -	\$ -	\$ -	\$ -	\$ 8,999	\$ -
Elections	5,001	-	-	-	-	5,001	-
Finance department	13,186	-	-	-	-	13,186	-
Treasurer	5,978	-	-	-	-	5,978	-
Information Systems	100,535	-	-	-	-	100,535	-
Building and grounds	2,846,262	100,008	128,596	1,395,545	1,144,255	77,858	-
Other City Property	4,262,628	4,197,653	19,817	45,158	-	-	-
Total General Government	7,242,589	4,297,661	148,413	1,440,703	1,144,255	211,557	-
Public Safety							
Police Department	233,292	-	-	-	10,037	223,255	-
Fire Department	1,120,004	32,296	14,663	164,005	231,184	677,856	-
Total Public Safety	1,353,296	32,296	14,663	164,005	241,221	901,111	-
Public Works							
City Engineer	164,803	-	-	-	-	164,803	-
Department of public works	10,985,358	6,519,976	3,635,696	542,795	260,080	26,811	-
Infrastructure	82,881,053	-	-	-	-	-	82,881,053
Cemetery	393,424	98,002	244,169	9,048	42,205	-	-
Sanitation	14,932	14,932	-	-	-	-	-
Parking System	2,475,516	753,874	70,131	1,320,171	235,396	95,944	-
Total Public Works	96,915,086	7,386,784	3,949,996	1,872,014	537,681	287,558	82,881,053
Other:							
Recreation and culture	15,738,658	861,005	6,248,019	2,361,461	5,475,617	792,556	-
Other	43,164	-	-	-	17,916	25,248	-
Total Other	15,781,822	861,005	6,248,019	2,361,461	5,493,533	817,804	-
TOTAL GOVERNMENTAL CAPITAL ASSETS ASSOCIATED TO FUNCTIONS	121,292,793	\$ 12,577,746	\$ 10,361,091	\$ 5,838,183	\$ 7,416,690	\$ 2,218,030	\$ 82,881,053
Construction in progress	2,444,740						
GRAND TOTAL	\$ 123,737,533						

**CITY OF MARQUETTE, MICHIGAN
LONG-TERM DEBT SCHEDULES**

CITY OF MARQUETTE, MICHIGAN

SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS

For the Fiscal Year Ended September 30, 2024

		WATER SUPPLY FUND													
		State Drinking Water Revolving Fund Loan 2009	State Drinking Water Revolving Fund Loan 2011	State Drinking Water Revolving Fund Loan 2015	2007 High Street Bonds	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds
Maturities Year Ending September 30,															
2025	\$ 30,000	\$ 30,000	\$ 15,000	\$ 18,885	\$ 63,750	\$ 42,500	\$ 116,425	\$ 153,330	\$ 115,000	\$ 125,000	\$ 60,000	\$ 60,000	\$ 128,105	\$ 18,600	
2026	30,000	30,000	20,000	19,201	65,000	44,200	121,322	161,205	120,000	130,000	60,000	65,000	134,075	19,500	
2027	30,000	30,000	20,000	19,518	67,500	45,900	-	165,760	124,000	140,000	65,000	70,000	114,295	20,400	
2028	30,000	30,000	20,000	20,120	68,750	48,450	-	174,870	129,000	145,000	65,000	70,000	65,000	21,300	
2029	30,000	30,000	20,000	-	-	50,150	-	37,400	134,000	-	70,000	75,000	68,000	22,500	
2030	15,058	30,000	20,000	-	-	51,850	-	39,100	140,000	-	75,000	75,000	71,000	23,400	
2031	-	30,000	20,000	-	-	-	-	40,800	145,000	-	-	-	75,000	24,600	
2032	-	23,908	20,875	-	-	-	-	-	151,000	-	-	-	78,000	26,100	
2033	-	-	-	-	-	-	-	-	-	-	-	-	80,000	27,300	
2034	-	-	-	-	-	-	-	-	-	-	-	-	83,000	27,900	
2035	-	-	-	-	-	-	-	-	-	-	-	-	85,000	28,800	
2036	-	-	-	-	-	-	-	-	-	-	-	-	88,000	29,700	
2037	-	-	-	-	-	-	-	-	-	-	-	-	-	30,900	
2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<u>\$ 165,058</u>	<u>\$ 233,908</u>	<u>\$ 155,875</u>	<u>\$ 77,724</u>	<u>\$ 265,000</u>	<u>\$ 283,050</u>	<u>\$ 237,747</u>	<u>\$ 772,465</u>	<u>\$ 1,058,000</u>	<u>\$ 540,000</u>	<u>\$ 395,000</u>	<u>\$ 415,000</u>	<u>\$ 1,069,475</u>	<u>\$ 321,000</u>	
Interest Rates	3%	3%	3%	2%	2.95%	2.0 - 4.0%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	4.00%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%	
Interest Dates	April and October	April and October	April and October	April and October	February and August	April and October	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November	
Date of original issue	1/11/2010	6/24/2010	9/29/2014	3/29/2007	9/13/2013	9/30/2014	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022	
Amount of original issue *	\$ 511,058	\$ 529,507	\$ 330,000	\$ 342,318	\$ 867,500	\$ 615,400	\$ 1,095,447	\$ 1,625,015	\$ 2,959,025	\$ 1,220,000	\$ 620,000	\$ 645,000	\$ 1,423,200	\$ 360,000	
	* Applicable to fund														

CITY OF MARQUETTE, MICHIGAN

SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS

For the Fiscal Year Ended September 30, 2024

SEWAGE DISPOSAL FUND													
Maturities Year Ending September 30,	State Act 94 Clean Water Assistance Loan Payable	State Revolving Fund Loan 2009	State Revolving Fund Loan 2011	2013 Capital Improvements Bonds	2014 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 Capital Improvements Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds
2025	\$ -	\$ 40,000	\$ 40,000	\$ 71,400	\$ 117,500	\$ 38,985	\$ 142,844	\$ 86,250	\$ 155,000	\$ 115,000	\$ 60,000	\$ 205,675	\$ 27,900
2026	-	40,000	40,000	72,800	122,200	40,582	150,184	90,000	160,000	120,000	65,000	215,025	29,250
2027	-	40,000	40,000	75,600	126,900	-	154,418	93,000	165,000	125,000	65,000	153,625	30,600
2028	-	40,000	40,000	77,000	133,950	-	162,886	96,750	175,000	130,000	70,000	65,000	31,950
2029	-	40,000	40,000	-	138,650	-	37,400	100,500	-	135,000	75,000	68,000	33,750
2030	-	40,699	40,000	-	143,350	-	39,100	105,000	-	140,000	75,000	71,000	35,100
2031	-	-	46,785	-	-	-	40,800	108,750	-	-	-	75,000	36,900
2032	-	-	-	-	-	-	-	113,250	-	-	-	78,000	39,150
2033	-	-	-	-	-	-	-	-	-	-	-	80,000	40,950
2034	-	-	-	-	-	-	-	-	-	-	-	83,000	41,850
2035	-	-	-	-	-	-	-	-	-	-	-	85,000	43,200
2036	-	-	-	-	-	-	-	-	-	-	-	88,000	44,550
2037	-	-	-	-	-	-	-	-	-	-	-	-	46,350
2038	-	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ 240,699</u>	<u>\$ 286,785</u>	<u>\$ 296,800</u>	<u>\$ 782,550</u>	<u>\$ 79,567</u>	<u>\$ 727,632</u>	<u>\$ 793,500</u>	<u>\$ 655,000</u>	<u>\$ 765,000</u>	<u>\$ 410,000</u>	<u>\$ 1,267,325</u>	<u>\$ 481,500</u>
Interest Rates	2%	3%	3%	2.95%	2.0 - 4.0%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	4.00%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%
Interest Dates	April and October	April and October	April and October	February and August	April and October	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November
Date of original	3/9/2004	1/11/2010	6/24/2010	9/13/2013	9/30/2014	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022
Amount of original issue	\$ 3,470,000	\$ 695,699	\$ 706,785	\$ 971,600	\$ 1,701,400	\$ 363,507	\$ 1,525,612	\$ 1,927,500	\$ 1,465,000	\$ 1,200,000	\$ 635,000	\$ 1,834,100	\$ 540,000
*	Applicable to fund												

CITY OF MARQUETTE, MICHIGAN

SCHEDULE OF BONDS, AND NOTES PAYABLE -
ENTERPRISE FUNDS

For the Fiscal Year Ended September 30, 2024

Maturities Year Ending September 30,	STORMWATER UTILITY FUND										LAKESHORE AND LIGHTHOUSE PARK FUND	MARINAS FUND
	2007 High Street Bonds	2013 Capital Improvements Bonds	2015 Capital Improvements Bonds	2016 Capital Improvements Bonds	2017 Capital Improvements Bonds	2018 MTF Bonds	2019 Capital Improvements Bonds	2020 Capital Improvements Bonds	2021 Capital Improvements Bonds	2022 Capital Improvements Bonds	2018 Building Authority Bonds	2019 Capital Improvements Bonds
2025	\$ 6,798	\$ 40,800	\$ 9,083	\$ 142,190	\$ 86,250	\$ 140,000	\$ 85,000	\$ 130,000	\$ 156,375	\$ 164,300	\$ 105,000	\$ 80,000
2026	6,912	41,600	9,394	149,515	90,000	145,000	90,000	135,000	163,925	172,250	110,000	85,000
2027	7,026	43,200	-	153,680	93,000	150,000	95,000	140,000	129,575	180,200	115,000	85,000
2028	7,244	44,000	-	162,010	96,750	160,000	100,000	145,000	91,000	188,150	120,000	90,000
2029	-	-	-	50,600	100,500	-	105,000	150,000	95,200	198,750	-	95,000
2030	-	-	-	52,900	105,000	-	105,000	160,000	99,400	206,700	-	95,000
2031	-	-	-	55,200	108,750	-	-	-	105,000	217,300	-	-
2032	-	-	-	-	113,250	-	-	-	109,200	230,550	-	-
2033	-	-	-	-	-	-	-	-	112,000	241,150	-	-
2034	-	-	-	-	-	-	-	-	116,200	246,450	-	-
2035	-	-	-	-	-	-	-	-	119,000	254,400	-	-
2036	-	-	-	-	-	-	-	-	123,200	262,350	-	-
2037	-	-	-	-	-	-	-	-	-	272,950	-	-
2038	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 27,980</u>	<u>\$ 169,600</u>	<u>\$ 18,477</u>	<u>\$ 766,095</u>	<u>\$ 793,500</u>	<u>\$ 595,000</u>	<u>\$ 580,000</u>	<u>\$ 860,000</u>	<u>\$ 1,420,075</u>	<u>\$ 2,835,500</u>	<u>\$ 450,000</u>	<u>\$ 530,000</u>
Interest Rates	2%	2.95%	2.0 - 3.0%	2.0 - 5.0%	2.0 - 4.0%	3.0 - 4.0%	3.0 - 4.0%	4.00%	3.0 - 5.0%	2.9 - 5.0%	2.65 - 3.81%	3.0 - 4.0%
Interest Dates	April and October	February and August	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November	May and November
Date of original issue	3/29/2007	9/13/2013	9/17/2015	11/3/2016	8/23/2017	7/31/2018	11/12/2019	6/23/2020	9/1/2021	8/24/2022	7/31/2018	11/12/2019
Amount of original issue *	\$ 123,234	\$ 555,200	\$ 78,809	\$ 1,579,945	\$ 1,465,325	\$ 1,350,000	\$ 895,000	\$ 1,340,000	\$ 1,852,550	\$ 3,180,000	\$ 1,035,000	\$ 825,000

* Applicable to fund

CITY OF MARQUETTE, MICHIGAN

COMPONENT UNITS

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

BOARD OF LIGHT AND POWER: To account for the electric utility

BROWNFIELD REDEVELOPMENT AUTHORITY: To record the activities associated with the Brownfield Redevelopment Authority.

DOWNTOWN DEVELOPMENT AUTHORITY: To record the activities associated with the Downtown Development Authority.

PETER WHITE PUBLIC LIBRARY: To record revenues and expenditures of the Peter White Public Library. Financing is primarily provided through property taxes.

CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

COMPARATIVE STATEMENT OF NET POSITION

September 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 9,302,860	\$ 8,707,100
Internally designated assets:		
Customer electric rate stabilization fund	900,000	25,000
Fuel imbursement fund	3,000,000	3,000,000
Capital projects fund cash and cash equivalents	-	-
Investments - capital projects fund	-	-
Turbine and major generating equipment overhaul fund	8,381,005	7,508,442
Debt service fund	5,400,000	5,400,000
Asset retirement obligation and environmental liability remediation fund	2,100,000	1,800,000
Replacement-risk retention fund	4,550,000	4,550,000
Improvement fund	26,058,705	25,439,173
Future generation fund	-	-
Accrued interest	224,458	363,077
Accounts receivable, net	3,604,681	4,312,616
Accrued interest receivable	-	-
Inventory	3,656,054	3,749,696
Prepaid expenses	497,401	317,444
	<u>67,675,164</u>	<u>65,172,548</u>
TOTAL CURRENT ASSETS		
Non-current Assets:		
Restricted Assets:		
Unspent 2016A bond proceeds	-	-
Bond and interest redemption fund	2,184,984	1,950,770
Bond reserve fund	5,481,538	5,455,493
Customer deposits	2,009,048	1,948,693
Retiree health funding vehicle fund (Net OPEB asset)	-	-
Pinehill landfill fund	-	-
Asset retirement fund	263,832	263,832
Energy optimization fund	367,875	392,096
Accrued interest	9,902	28,998
	<u>10,317,179</u>	<u>10,039,882</u>
TOTAL RESTRICTED ASSETS		
Investment in UPPPA	6,718,339	6,103,959
Property, plant, and equipment	154,843,311	149,601,442
Accumulated depreciation	<u>(59,627,362)</u>	<u>(54,083,936)</u>
	<u>112,251,467</u>	<u>111,661,347</u>
TOTAL NON-CURRENT ASSETS		
	<u>179,926,631</u>	<u>176,833,895</u>
TOTAL ASSETS		
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	2,640,302	3,822,389
Deferred outflows related to OPEB	1,750,141	1,750,664
Employer contributions subsequent to measurement	1,349,994	1,349,994
Deferred charge on refunding	-	-
	<u>5,740,437</u>	<u>6,923,047</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES		
LIABILITIES		
Current Liabilities:		
Accounts payable	2,003,590	4,205,678
Accrued liabilities	375,615	324,562
Compensated absences	1,272,398	1,209,126
Customer deposits payable	2,009,048	1,955,418
Other current liabilities	431,625	410,716
	<u>6,092,276</u>	<u>8,105,500</u>
TOTAL CURRENT LIABILITIES		
Current Liabilities (payable from restricted assets):		
Current maturities on bonds and lease	3,195,000	3,040,000
Revenue bond accrued interest payable	558,365	596,365
	<u>3,753,365</u>	<u>3,636,365</u>
TOTAL CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Non-current Liabilities:		
Net pension liability	10,885,255	12,234,910
Net OPEB liability (asset)	(926,490)	2,735,433
Bonds payable	47,345,000	50,540,000
Unamortized bond premium	3,990,053	4,720,486
Reserve for equipment overhaul and landfill postclosure costs	31,604	94,460
	<u>61,325,422</u>	<u>70,325,289</u>
TOTAL NON-CURRENT LIABILITIES		
	<u>71,171,063</u>	<u>82,067,154</u>
TOTAL LIABILITIES		
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	4,023,102	1,997,309
Deferred inflows related to pension	250,345	-
	<u>4,273,447</u>	<u>1,997,309</u>
TOTAL DEFERRED INFLOWS OF RESOURCES		
NET POSITION		
Net investment in capital assets	40,685,896	37,217,020
Restricted for:		
Other activities	10,317,179	10,039,882
Unrestricted	<u>59,219,483</u>	<u>52,435,577</u>
	<u>110,222,558</u>	<u>\$ 99,692,479</u>
TOTAL NET POSITION		

CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES:		
Electricity Sales:		
Residential	\$ 15,713,746	\$ 16,815,090
Commercial	25,200,843	27,151,627
Sales to other utilities	218,832	234,647
Street lighting	516,226	469,485
Rent and other	496,160	570,589
	<u>42,145,807</u>	<u>45,241,438</u>
OPERATING EXPENSES:		
Administrative and general	3,933,124	4,576,056
Production	13,170,571	16,556,389
Purchased power	3,755,819	4,763,194
Distribution and transmission	4,492,861	4,124,682
Customer accounting	827,900	842,228
Payment in lieu of property taxes - City of Marquette	2,252,241	2,413,642
Provision for depreciation	5,780,976	5,506,806
	<u>34,213,492</u>	<u>38,782,997</u>
INCOME/(LOSS) FROM OPERATIONS	<u>7,932,315</u>	<u>6,458,441</u>
NON-OPERATING REVENUES (EXPENSES):		
Investment income	3,701,011	2,453,506
Amortization of bond premium	-	-
Interest on long term debt	(1,617,028)	(1,722,734)
Bond issuance expense	-	-
Gain on sale of treasury note	-	-
Gain (Loss) on disposal of equipment	78,949	51,887
Other income	134,731	235,512
	<u>2,297,663</u>	<u>1,018,171</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>2,297,663</u>	<u>1,018,171</u>
CHANGE IN NET POSITION BEFORE SPECIAL ITEM	10,229,978	7,476,612
Special items	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION AFTER SPECIAL ITEM	10,229,978	7,476,612
Capital contributions from customers	<u>300,101</u>	<u>102,320</u>
CHANGE IN NET POSITION	10,530,079	7,578,932
Net position, beginning of year	<u>99,692,479</u>	<u>92,113,547</u>
NET POSITION, END OF YEAR	<u>\$ 110,222,558</u>	<u>\$ 99,692,479</u>

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CITY OF MARQUETTE, MICHIGAN

BOARD OF LIGHT AND POWER ELECTRIC UTILITY

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended September 30, 2024

With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 43,116,528	\$ 46,084,483
Cash paid to suppliers and employees	<u>(32,275,796)</u>	<u>(33,128,167)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>10,840,732</u>	<u>12,956,316</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(5,479,419)	(8,680,495)
Proceeds from sale of equipment	78,949	55,605
Principal payment on revenue bonds, notes payable and lease obligations	(3,040,000)	(2,895,000)
Capital contributions	300,101	102,320
Proceeds from issuance of long term debt	-	-
Premium on bond issuance	-	-
Cash payments for bond issuance expense	-	-
Income from special items	-	-
Interest paid on revenue bonds and notes payable	<u>(2,385,463)</u>	<u>(2,530,213)</u>
NET CASH (USED) FOR CAPITAL AND FINANCING ACTIVITIES	<u>(10,525,832)</u>	<u>(13,947,783)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	3,191,870	1,842,542
Proceeds from maturities and sales of investment securities	26,834,532	22,100,492
Purchase of investments	<u>(29,745,542)</u>	<u>(21,964,280)</u>
NET CASH (USED) BY INVESTING ACTIVITIES	<u>280,860</u>	<u>1,978,754</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	595,760	987,287
Cash and cash equivalents, beginning of year	<u>8,707,100</u>	<u>7,719,813</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 9,302,860</u>	<u>\$ 8,707,100</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	<u>\$ 8,067,046</u>	<u>\$ 6,693,953</u>
Operating income		
Adjustments to reconcile income to net cash provided by operating activities:		
Depreciation	5,780,976	5,506,806
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	707,935	623,077
(Increase)/Decrease in inventory	93,642	(1,593,657)
(Increase)/Decrease in prepaid expenses	(179,957)	225,939
Increase/(Decrease) in accounts payable	(2,202,088)	1,821,041
Increase/(Decrease) in accrued wages and related liabilities	51,053	60,165
Increase/(Decrease) in accrued sick and vacation	63,272	(68,316)
Increase in customer deposits, including accrued interest	53,630	32,507
(Decrease) in landfill site postclosure care cost liability	-	-
Increase/(Decrease) in other post-employment benefits (OPEB), and net pension liability	(1,552,830)	(352,100)
Increase in reserve for turbine overhaul and landfill postclosure costs	(62,856)	15,943
Increase/(Decrease) in other current liabilities	<u>20,909</u>	<u>(9,042)</u>
NET ADJUSTMENTS	<u>2,773,686</u>	<u>6,262,363</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 10,840,732</u>	<u>\$ 12,956,316</u>

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 9,640,505
Taxes receivable, net	78,016
Accounts receivable, net	80
Due from State	13,653
Due from primary government	-
Other assets	1,112
TOTAL CURRENT ASSETS	9,733,366
Non-current assets:	
Other capital assets, net of depreciation	497,503
TOTAL NON-CURRENT ASSETS	497,503
TOTAL ASSETS	10,230,869
DEFERRED OUTFLOWS OF RESOURCES	
Receivables for developer obligations	64,662,956
TOTAL DEFERRED OUTFLOWS OF RESOURCES	64,662,956
LIABILITIES	
Current liabilities:	
Accounts payable	23,555
Accrued liabilities	919
Accrued interest	631,709
Due to primary government	-
Bonds payable for capital assets- due in one year	55,000
Bonds payable for developer - due in one year	945,000
TOTAL CURRENT LIABILITIES	1,656,183
Non-current liabilities:	
Bonds payable for capital assets - due in more than one year	395,000
Bonds payable for developer - due in more than one year	34,215,840
Long term obligations to developers	28,420,407
TOTAL NON-CURRENT LIABILITIES	63,031,247
TOTAL LIABILITIES	64,687,430
DEFERRED INFLOWS OF RESOURCES	
Taxes levied for a subsequent period	4,911,301
TOTAL DEFERRED INFLOWS OF RESOURCES	4,911,301
NET POSITION	
Net investment in capital assets	47,503
Restricted	5,247,591
TOTAL NET POSITION	\$ 5,295,094

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
COMPARATIVE BALANCE SHEET
September 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 9,640,505	\$ 9,750,644
Taxes receivable, net	78,016	94,106
Accounts receivable, net	80	82
Due from State	13,653	5,732
Other assets	1,112	1,112
TOTAL ASSETS	9,733,366	9,851,676
DEFERRED OUTFLOWS OF RESOURCES	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 9,733,366	\$ 9,851,676
LIABILITIES		
Accounts payable	\$ 23,555	\$ 24,700
Accrued salaries and wages	919	766
Due to primary government	-	-
TOTAL LIABILITIES	24,474	25,466
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	4,911,301	4,739,557
FUND BALANCE		
Restricted	4,761,460	5,062,300
Unassigned	36,131	24,353
TOTAL FUND BALANCE	4,797,591	5,086,653
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 9,733,366	\$ 9,851,676

CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION

September 30, 2024

Total Fund Balances for Governmental Funds		\$ 4,797,591
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in those funds

	1,285,857	
Cost of capital assets		
Accumulated depreciation	(788,354)	
		497,503

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Receivables for developer obligations	64,662,956
---------------------------------------	------------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds

Current portion of bonds payable for capital assets	(55,000)	
Current portion of bonds payable for developer	(945,000)	
Accrued interest on bonds	(631,709)	
Bonds payable for capital assets	(395,000)	
Bonds payable for developer	(34,215,840)	
Long term obligations to developers	(28,420,407)	
		(64,662,956)

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 5,295,094
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CITY OF MARQUETTE, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Fiscal Year Ended September 30, 2023

	2024	2023
REVENUES		
Property taxes	\$ 6,653,045	\$ 6,214,343
State sources	54,411	44,128
Private contribution	-	-
Investment income	127,292	103,123
Other	315	253
	6,835,063	6,361,847
EXPENDITURES		
Current operations:		
General government	40,090	39,889
Economic development:		
Supplies and contractual	4,719,221	5,195,009
Capital outlay	-	-
Debt service		
Principal retirement	1,070,000	990,000
Interest and fiscal charges	1,294,814	1,324,765
	7,124,125	7,549,663
NET REVENUES OVER EXPENDITURES	(289,062)	(1,187,816)
OTHER FINANCING SOURCES (USES)		
Bond issuance	-	-
Premium on bond issuance	-	-
	-	-
NET CHANGE IN FUND BALANCE	(289,062)	(1,187,816)
Fund balance, beginning of year	5,086,653	6,274,469
FUND BALANCE, END OF YEAR	\$ 4,797,591	\$ 5,086,653

CITY OF MARQUETTE, MICHIGAN

BROWNFIELD REDEVELOPMENT AUTHORITY

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

For the Fiscal Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (289,062)

Amounts reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

	Capital outlays	\$ -	
	Depreciation expense	(112,622)	
	Net book value of disposals	-	(112,622)

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental fund, an interest expenditure is reported when due. 16,885

Proceeds from debt issues are an other financing source in the fund, but a debt issue increases long-term liabilities in the statement of net position -

Premiums on bonds are an other financing source in the fund when first issued, but these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt. 143,262

Proceeds from debt issues are a receivable for developer obligations, a deferred outflow of resources, in the statement of net position. -

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental fund, an interest expenditure is reported when due. -

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,070,000

Payment of long-term obligations to developers is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 4,154,835

Payments of bond principal, bond interest, and long-term obligations to developers decreases the deferred receivable for developer obligations at the statement of net position, but the revenue is already recognized as property taxes in the statement of activities. (5,384,982)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (401,684)
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CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
September 30, 2024

	Downtown Development Authority	Peter White Public Library	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,019,290	\$ 1,480,404	\$ 3,499,694
Taxes receivable, net	103,004	91,410	194,414
Accounts receivable, net	54,516	7,543	62,059
Due from Federal	-	-	-
Lease receivable	-	29,200	29,200
Other assets	-	69,812	69,812
TOTAL CURRENT ASSETS	2,176,810	1,678,369	3,855,179
Non-current assets:			
Restricted cash and cash equivalents	-	2,431,274	2,431,274
Lease receivable	-	-	-
Land and construction in progress	37,450	114,704	152,154
Other capital assets, net of depreciation	2,908,026	6,758,325	9,666,351
TOTAL NON-CURRENT ASSETS	2,945,476	9,304,303	12,249,779
TOTAL ASSETS	5,122,286	10,982,672	16,104,958
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	-	155,189	155,189
Employer contributions subsequent to measurement date	-	114,546	114,546
Receivables for developer obligations	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	269,735	269,735
LIABILITIES			
Current liabilities:			
Accounts payable	15,850	20,711	36,561
Accrued liabilities	19,481	72,820	92,301
Accrued interest	1,070	-	1,070
Due to others	-	9,977	9,977
Grants received in advance	-	-	-
Compensated absences	41,031	-	41,031
Bonds payable - due in one year	133,000	250,000	383,000
Lease payable - due in one year	22,569	23	22,592
TOTAL CURRENT LIABILITIES	233,001	353,531	586,532
Non-current liabilities:			
Compensated absences	-	67,548	67,548
Net pension liability	-	1,116,961	1,116,961
Bonds payable	391,000	2,480,658	2,871,658
Lease payable	27,991	-	27,991
TOTAL NON-CURRENT LIABILITIES	418,991	3,665,167	4,084,158
TOTAL LIABILITIES	651,992	4,018,698	4,670,690
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	-	26,952	26,952
Deferred inflows related to pension	-	16,367	16,367
Taxes levied for a subsequent period	868,294	1,074,812	1,943,106
TOTAL DEFERRED INFLOWS OF RESOURCES	868,294	1,118,131	1,986,425
NET POSITION			
Net investment in capital assets	2,370,916	4,142,348	6,513,264
Restricted	-	2,268,843	2,268,843
Unrestricted	1,231,084	(295,613)	935,471
TOTAL NET POSITION	\$ 3,602,000	\$ 6,115,578	\$ 9,717,578

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2024

Function / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Downtown Development Authority	Peter White Public Library	Total
Governmental Activities:						
Downtown Development Authority	\$ 1,808,618	\$ 564,161	\$ -	\$ (1,244,457)	\$ -	\$ (1,244,457)
Peter White Public Library	2,621,201	182,552	1,283,496	-	(1,155,153)	(1,155,153)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 4,429,819	\$ 746,713	\$ 1,283,496	(1,244,457)	(1,155,153)	(2,399,610)
General revenues:						
Property taxes				1,136,207	1,063,801	2,200,008
Interest and investment earnings				19,427	362,328	381,755
Gain on the sale of capital assets				-	-	-
Miscellaneous				199,362	309,098	508,460
Total General Revenues				1,354,996	1,735,227	3,090,223
CHANGE IN NET POSITION				110,539	580,074	690,613
Net position, beginning of year, as restated				3,491,461	5,535,504	9,026,965
NET POSITION, END OF YEAR				\$ 3,602,000	\$ 6,115,578	\$ 9,717,578

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

September 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,019,290
Taxes receivable, net	103,004
Accounts receivable, net	54,516
Due from Federal government	-
Due from primary government	-
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	<u>2,176,810</u>
Non-current assets:	
Land and construction in progress	37,450
Other capital assets, net of depreciation	<u>2,908,026</u>
TOTAL NON-CURRENT ASSETS	<u>2,945,476</u>
TOTAL ASSETS	<u>5,122,286</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>
LIABILITIES	
Current liabilities:	
Accounts payable	15,850
Accrued liabilities	19,481
Accrued interest	1,070
Grants received in advance	-
Compensated absences	41,031
Bonds payable - due in one year	133,000
Lease payable - due in one year	<u>22,569</u>
TOTAL CURRENT LIABILITIES	<u>233,001</u>
Non-current liabilities:	
Bonds payable - due in more than one year	391,000
Lease payable - due in more than one year	<u>27,991</u>
TOTAL NON-CURRENT LIABILITIES	<u>418,991</u>
TOTAL LIABILITIES	<u>651,992</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes levied for a subsequent period	<u>868,294</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>868,294</u>
NET POSITION	
Net investment in capital assets	2,370,916
Restricted	-
Unrestricted	<u>1,231,084</u>
TOTAL NET POSITION	<u><u>\$ 3,602,000</u></u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024

Function / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General government	\$ 1,791,111	\$ 564,161	\$ -	\$ (1,226,950)
Interest on long-term debt	17,507	-	-	(17,507)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,808,618</u>	<u>\$ 564,161</u>	<u>\$ -</u>	<u>(1,244,457)</u>
		General revenues:		
		Property taxes		1,136,207
		Interest and investment earnings		19,427
		Gain on the sale of capital assets		-
		Miscellaneous		199,362
				<u>1,354,996</u>
		Total General Revenues		<u>1,354,996</u>
		CHANGE IN NET POSITION		110,539
		Net position, beginning of year		<u>3,491,461</u>
		NET POSITION, END OF YEAR		<u>\$ 3,602,000</u>

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2024

	General Fund	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 2,019,290	\$ 2,019,290
Taxes receivable, net	103,004	103,004
Accounts receivable, net	54,516	54,516
Grants receivable, net	-	-
Other assets	-	-
	TOTAL ASSETS	2,176,810
DEFERRED OUTFLOWS OF RESOURCES		
	-	-
	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
	\$ 2,176,810	\$ 2,176,810
LIABILITIES		
Accounts payable	\$ 15,850	\$ 15,850
Accrued salaries and wages	19,481	19,481
Grants received in advance	-	-
	TOTAL LIABILITIES	35,331
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for a subsequent period	868,294	868,294
	TOTAL DEFERRED INFLOWS OF RESOURCES	868,294
FUND BALANCE		
Restricted	-	-
Unassigned	1,273,185	1,273,185
	TOTAL FUND BALANCE	1,273,185
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE
	\$ 2,176,810	\$ 2,176,810

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

**RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

September 30, 2024

Total Fund Balances for Governmental Funds \$ 1,273,185

*Amounts reported for governmental activities in the statement of
net position are different because:*

Capital assets used in governmental activities are not
financial resources and therefore are not reported in those funds

Cost of capital assets	6,509,954	
Accumulated depreciation	<u>(3,564,478)</u>	2,945,476

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds

Current portion of bonds payable	(133,000)
Bonds payable	(391,000)
Current portion of lease payable	(22,569)
Lease payable	(27,991)
Compensated absences	(41,031)
Accrued interest on bonds	<u>(1,070)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 3,602,000

CITY OF MARQUETTE, MICHIGAN
NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2024

	General Fund	Total Governmental Funds
REVENUES		
Property taxes	\$ 1,136,207	\$ 1,136,207
Federal sources	-	-
State sources	-	-
Intergovernmental revenues	-	-
Charges for services	545,700	545,700
Rentals	18,461	18,461
Investment income	19,427	19,427
Other	199,362	199,362
	TOTAL REVENUES	1,919,157
EXPENDITURES		
Current operations:		
General government	1,306,860	1,306,860
Capital outlay	342,074	342,074
Debt service		
Principal retirement	150,332	150,332
Interest and fiscal charges	17,772	17,772
	TOTAL EXPENDITURES	1,817,038
	NET REVENUES OVER EXPENDITURES	102,119
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers (out)	-	-
Bond issuance	-	-
Proceeds from borrowing	63,428	63,428
Refunding bonds	-	-
Payment to refunded bond escrow agent	-	-
	TOTAL OTHER FINANCING SOURCES (USES)	63,428
	NET CHANGE IN FUND BALANCE	165,547
Fund balance, beginning of year	1,107,638	1,107,638
	FUND BALANCE, END OF YEAR	\$ 1,273,185

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

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

For the Fiscal Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 165,547

Amounts reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

	Capital outlays	\$ 168,269	
	Depreciation expense	(300,259)	
	Net book value of disposals	<u>-</u>	(131,990)

Proceeds from debt issues are an other financing resource in the funds, but a debt issue increases long-term liabilities in the statement of net position (63,428)

Interest on long-term debt is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount of accrued interest recognized in the Statement of Activities. 265

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of net Position.

	Bonds		130,000
	Leases		20,332

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

			<u>(10,187)</u>
--	--	--	-----------------

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 110,539

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

STATEMENT OF NET POSITION

September 30, 2024

	Primary Government
	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,480,404
Taxes receivable, net	91,410
Accounts receivable, net	7,543
Prepaid expenses	69,812
Lease receivable	29,200
Non-current assets:	
Restricted cash and cash equivalents	2,431,274
Lease receivable	-
Land and construction in progress	114,704
Other capital assets, net of depreciation	6,758,325
	<hr/>
TOTAL ASSETS	10,982,672
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	155,189
Employer contributions subsequent to measurement date	114,546
	<hr/>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	269,735
LIABILITIES	
Current liabilities:	
Accounts payable	20,711
Accrued liabilities	72,820
Due to others	9,977
Non-current liabilities:	
Due or payable within one year	
Bonds payable	250,000
Lease payable	23
Due or payable after one year	
Bonds payable	2,480,658
Lease payable	-
Compensated absences	67,548
Net pension liability	1,116,961
	<hr/>
TOTAL LIABILITIES	4,018,698
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	26,952
Deferred inflows related to pension	16,367
Taxes levied for a subsequent period	1,074,812
	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	1,118,131
NET POSITION	
Net investment in capital assets	4,142,348
Restricted for:	
Debt services	121,861
Other activities	2,146,982
Unrestricted	(295,613)
	<hr/>
TOTAL NET POSITION	\$ 6,115,578

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024

Function / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities:				
Recreation and culture	\$ 2,528,812	\$ 182,552	\$ 1,283,496	\$ (1,062,764)
Interest on long-term debt	92,389	-	-	(92,389)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 2,621,201</u>	<u>\$ 182,552</u>	<u>\$ 1,283,496</u>	<u>(1,155,153)</u>
		General revenues:		
		Property taxes		1,063,801
		Interest and investment earnings		362,328
		Gain/(loss) on sale of fixed assets		-
		Miscellaneous		309,098
				<u>1,735,227</u>
		Total General Revenues		<u>1,735,227</u>
		CHANGE IN NET POSITION		580,074
		Net position, beginning of year		<u>5,535,504</u>
		NET POSITION, END OF YEAR		<u>\$ 6,115,578</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

GOVERNMENTAL FUNDS

BALANCE SHEET

September 30, 2024

	General Fund	Carroll Paul Memorial Trust Fund	Library Improvement Debt Fund	Peter White Public Library Development Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,190,005	\$ 8,794	\$ 354,104	\$ 178,463	\$ 1,731,366
Investments	290,399	947,373	-	942,540	2,180,312
Taxes receivable, net	72,320	-	19,090	-	91,410
Accounts receivable, net	7,543	-	-	-	7,543
Prepaid expenditures	69,812	-	-	-	69,812
TOTAL ASSETS	<u>1,630,079</u>	<u>956,167</u>	<u>373,194</u>	<u>1,121,003</u>	<u>4,080,443</u>
DEFERRED OUTFLOWS OF RESOURCES					
	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,630,079</u>	<u>\$ 956,167</u>	<u>\$ 373,194</u>	<u>\$ 1,121,003</u>	<u>\$ 4,080,443</u>
LIABILITIES					
Accounts payable	\$ 20,711	\$ -	\$ -	\$ -	\$ 20,711
Accrued salaries and wages	25,020	-	-	-	25,020
Due to others	8,392	-	1,585	-	9,977
TOTAL LIABILITIES	<u>54,123</u>	<u>-</u>	<u>1,585</u>	<u>-</u>	<u>55,708</u>
DEFERRED INFLOWS OF RESOURCES					
Taxes levied for a subsequent period	825,064	-	249,748	-	1,074,812
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>825,064</u>	<u>-</u>	<u>249,748</u>	<u>-</u>	<u>1,074,812</u>
FUND BALANCE					
Non-spendable	69,812	-	-	-	69,812
Restricted for:					
Capital outlay	-	-	-	-	-
Debt retirement	-	-	121,861	-	121,861
Endowments	-	956,167	-	1,121,003	2,077,170
Unassigned	681,080	-	-	-	681,080
TOTAL FUND BALANCE	<u>750,892</u>	<u>956,167</u>	<u>121,861</u>	<u>1,121,003</u>	<u>2,949,923</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 1,630,079</u>	<u>\$ 956,167</u>	<u>\$ 373,194</u>	<u>\$ 1,121,003</u>	<u>\$ 4,080,443</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION

September 30, 2024

Total Fund Balances for Governmental Funds \$ 2,949,923

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in those funds

	Cost of capital assets	14,477,462	
	Accumulated depreciation	<u>(7,604,433)</u>	6,873,029

Lease receivables and deferred inflows related to leases used in governmental activities relate to future periods and as such are not reported in the funds.

Lease receivable within one year	29,200		
Lease receivable greater than one year	-		
Deferred amounts related to leases	<u>(26,952)</u>		2,248

Net pension liability, and related deferred (outflows)/inflows of resources, is not due and payable in the current period and is not reported in the funds.

Net pension liability	(1,116,961)		
Deferred (outflows) of resources related to net pension liability	155,189		
Employer contributions subsequent to measurement date	114,546		
Deferred inflows of resources related to net pension liability	<u>(16,367)</u>		(863,593)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds

Bonds payable - due in one year	(250,000)		
Bonds payable - due in more than one year	(2,265,000)		
Premium on bond	(215,658)		
Accrued interest on debt	(47,800)		
Lease payable - due in one year	(23)		
Lease payable - due in more than one year	-		
Compensated absences	<u>(67,548)</u>		<u>(2,846,029)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 6,115,578

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended September 30, 2024

	General Fund	Carroll Paul Memorial Trust Fund	Library Improvement Debt Fund	Peter White Public Library Development Fund	Total Governmental Funds
REVENUES					
Property taxes	\$ 1,063,801	\$ -	\$ -	\$ -	\$ 1,063,801
Federal sources	-	-	-	-	-
State sources	76,703	-	-	-	76,703
Local sources	717,454	-	-	-	717,454
Charges for services	41,554	-	-	-	41,554
Fine and forfeiture	107,502	-	-	-	107,502
Rentals	34,560	-	-	-	34,560
Contributions from private sources	160,841	-	-	328,498	489,339
Investment income	95,929	167,068	-	99,331	362,328
Other revenues	15,806	-	269,330	-	285,136
TOTAL REVENUES	<u>2,314,150</u>	<u>167,068</u>	<u>269,330</u>	<u>427,829</u>	<u>3,178,377</u>
EXPENDITURES					
Recreation and Culture:					
Personnel services	1,587,044	-	-	-	1,587,044
Supplies	431,868	-	-	-	431,868
Other services and charges	62,282	7,588	520	190,227	260,617
Capital outlay	262,354	-	-	-	262,354
Debt service:					
Principal retirement	-	-	235,000	-	235,000
Interest and fiscal charges	-	-	97,950	-	97,950
TOTAL EXPENDITURES	<u>2,343,548</u>	<u>7,588</u>	<u>333,470</u>	<u>190,227</u>	<u>2,874,833</u>
NET REVENUES OVER EXPENDITURES	<u>(29,398)</u>	<u>159,480</u>	<u>(64,140)</u>	<u>237,602</u>	<u>303,544</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of fixed assets	-	-	-	-	-
Transfers in	35,000	-	-	-	35,000
Transfers (out)	-	(35,000)	-	-	(35,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>35,000</u>	<u>(35,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	5,602	124,480	(64,140)	237,602	303,544
Fund balance, beginning of year	745,290	831,687	186,001	883,401	2,646,379
FUND BALANCE, END OF YEAR	<u>\$ 750,892</u>	<u>\$ 956,167</u>	<u>\$ 121,861</u>	<u>\$ 1,121,003</u>	<u>\$ 2,949,923</u>

CITY OF MARQUETTE, MICHIGAN

NON-MAJOR COMPONENT UNIT - PETER WHITE PUBLIC LIBRARY

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

For the Fiscal Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds		\$ 303,544
 <i>Amounts reported for governmental activities in the statement of activities is different because:</i>		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
	Capital outlays	\$ 181,146
	Depreciation expense	(204,641)
	Net book value of disposals	<u>-</u>
		(23,495)
 Issuance of bond principal is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.		
		-
 Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		235,000
 Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		3,211
 Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt.		
		23,962
 In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		2,350
 Payments received related to leases is revenue in the fund financial statements, but on the statement of net position these amounts reduce the outstanding lease receivable and deferred amounts related to leases.		
	Lease principal received	(28,016)
	Amortization of deferred amounts related to leases	<u>26,952</u>
		(1,064)
 Some expenses such as accrued sick and vacation expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		292
 Net pension liability reported in the statement of activities does not require the use of current resources, and therefore, is not reported in the fund statements until it is due for payment.		
	Pension expense	<u>36,274</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 580,074</u></u>

CITY OF MARQUETTE, MICHIGAN

STATISTICAL SECTION

This part of the City of Marquette's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS

TABLE

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

1 - 5

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

6 - 10

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and City's ability to issue additional debt in the future

11 - 15

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

16 - 18

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

19 - 20

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF MARQUETTE, MICHIGAN
Net Position / Net Assets by Component
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015 *
Governmental Activities										
Net investment in capital assets	\$ 52,228,067	\$ 51,784,839	\$ 53,311,680	\$ 53,359,482	\$ 54,164,067	\$ 55,333,265	\$ 49,600,732	\$ 48,649,613	\$ 30,048,214	\$ 23,971,445
Restricted	7,282,893	1,822,160	959,604	937,104	886,004	940,606	4,126,444	2,861,425	792,364	1,482,626
Unrestricted	(15,198,558)	(12,865,788)	(12,922,935)	(16,596,933)	(20,039,124)	(18,705,841)	(15,008,382)	(13,670,347)	(9,917,153)	(7,948,501)
Total Governmental Activities										
Net Position	<u>\$ 44,312,402</u>	<u>\$ 40,741,211</u>	<u>\$ 41,348,349</u>	<u>\$ 37,699,653</u>	<u>\$ 35,010,947</u>	<u>\$ 37,568,030</u>	<u>\$ 38,718,794</u>	<u>\$ 37,840,691</u>	<u>\$ 20,923,425</u>	<u>\$ 17,505,570</u>
Business-Type Activities										
Net investment in capital assets	\$ 44,219,146	\$ 40,643,301	\$ 34,600,775	\$ 34,952,221	\$ 32,535,469	\$ 32,475,063	\$ 31,369,945	\$ 31,098,570	\$ 32,644,974	\$ 33,683,601
Restricted	5,736,185	7,241,711	3,888,094	2,349,695	320,602	328,361	1,705,053	837,004	-	1,661,848
Unrestricted	(473,420)	(2,789,251)	546,967	(1,356,252)	804,576	(1,814,623)	(1,309,536)	(309,010)	(524,411)	(2,604,078)
Total Business-Type Activities										
Net Position	<u>\$ 49,481,911</u>	<u>\$ 45,095,761</u>	<u>\$ 39,035,836</u>	<u>\$ 35,945,664</u>	<u>\$ 33,660,647</u>	<u>\$ 30,988,801</u>	<u>\$ 31,765,462</u>	<u>\$ 31,626,564</u>	<u>\$ 32,120,563</u>	<u>\$ 32,741,371</u>
Primary Government										
Net investment in capital assets	\$ 96,447,213	\$ 92,428,140	\$ 87,912,455	\$ 88,311,703	\$ 86,699,536	\$ 87,808,328	\$ 80,970,677	\$ 79,748,183	\$ 62,693,188	\$ 57,655,046
Restricted	13,019,078	9,063,871	4,847,698	3,286,799	1,206,606	1,268,967	5,831,497	3,698,429	792,364	3,144,474
Unrestricted	(15,671,978)	(15,655,039)	(12,375,968)	(17,953,185)	(19,234,548)	(20,520,464)	(16,317,918)	(13,979,357)	(10,441,564)	(10,552,579)
Total Primary Government										
Net Position	<u>\$ 93,794,313</u>	<u>\$ 85,836,972</u>	<u>\$ 80,384,185</u>	<u>\$ 73,645,317</u>	<u>\$ 68,671,594</u>	<u>\$ 68,556,831</u>	<u>\$ 70,484,256</u>	<u>\$ 69,467,255</u>	<u>\$ 53,043,988</u>	<u>\$ 50,246,941</u>

* GASB 68 was implemented in fiscal year 2015 which required the City to record the unfunded liability for its pension plans.

CITY OF MARQUETTE, MICHIGAN
Changes in Net Position / Net Assets
Last Ten Fiscal Years

Table 2

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities										
General government	\$ 3,579,486	\$ 3,674,632	\$ 5,986,476	\$ 5,202,213	\$ 6,076,249	\$ 6,104,823	\$ 5,524,941	\$ 5,963,346	\$ 6,592,257	\$ 5,324,952
Public health & Safety	10,278,789	11,066,285	10,239,684	8,430,965	8,910,951	8,880,337	7,984,991	8,373,965	10,154,891	8,058,601
Public works	13,961,657	14,901,635	4,462,348	4,242,062	4,785,208	5,554,637	4,450,990	4,810,726	3,425,157	3,457,197
Health and welfare*	969,614	994,869	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Highway and streets*	N/A	N/A	4,369,537	3,289,477	3,614,699	3,946,829	2,919,733	2,100,708	3,288,402	2,688,985
Social services*	N/A	N/A	865,904	698,272	733,323	727,878	650,445	673,013	672,878	540,432
Sanitation*	N/A	N/A	2,926,202	2,659,886	2,190,637	1,998,223	1,820,786	2,012,645	2,960,919	1,915,016
Community services / Recreation and culture	9,574,380	3,967,537	1,642,630	1,426,698	1,478,958	1,570,778	1,445,068	1,460,830	1,472,744	1,396,090
Interest on long-term debt	504,516	592,967	570,014	591,032	784,210	742,496	710,415	659,470	765,649	702,786
Depreciation - unallocated	2,823,804	2,537,811	2,548,472	2,426,961	2,466,539	2,374,557	1,777,715	1,815,600	1,814,190	1,912,453
Total Governmental Activities Expenses	41,692,226	37,735,736	33,611,267	29,027,569	31,040,774	31,900,558	27,285,084	27,870,303	31,147,087	25,996,512
Business-Type Activities										
Water supply	5,545,413	5,569,245	5,279,440	4,849,387	5,122,980	5,302,484	4,645,417	4,704,339	4,968,514	4,578,855
Sewage disposal	6,774,472	5,868,055	6,191,153	5,984,739	5,859,101	6,067,463	5,622,152	5,960,709	5,942,079	5,554,168
Storm water utility	1,811,780	1,838,447	1,704,093	1,629,951	1,731,442	1,562,628	1,535,566	1,348,498	1,245,744	1,242,712
Public works	406,759	527,615	508,687	285,254	323,404	-	-	-	-	-
Community services / Recreation and culture	1,037,062	991,532	941,204	1,008,301	914,792	1,212,776	1,084,168	710,244	591,369	586,703
Total Business-Type Activities Expenses	15,575,486	14,794,894	14,624,577	13,757,632	13,951,719	14,145,351	12,887,303	12,723,790	12,747,706	11,962,438
Total Primary Government Expenses	\$ 57,267,712	\$ 52,530,630	\$ 48,235,844	\$ 42,785,201	\$ 44,992,493	\$ 46,045,909	\$ 40,172,387	\$ 40,594,093	\$ 43,894,793	\$ 37,958,950
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 1,373,337	\$ 1,389,328	\$ 1,361,028	\$ 1,328,181	\$ 1,258,904	\$ 1,280,774	\$ 1,179,745	\$ 1,208,318	\$ 1,134,353	\$ 1,127,711
Public health	96,740	139,646	355,216	202,535	169,654	237,949	262,901	269,667	184,015	198,196
Public works	6,717,106	3,330,605	1,461,635	1,415,191	1,341,016	1,433,183	1,252,931	1,220,582	1,179,029	1,278,331
Sanitation*	N/A	N/A	2,941,028	2,727,365	2,156,619	1,500,439	1,714,840	1,941,845	2,667,001	1,973,853
Community services / Recreation and culture	997,982	958,438	673,139	488,835	535,335	574,437	632,351	594,120	591,373	546,539
Operating grants and contributions	5,174,566	5,426,755	5,980,252	4,794,822	4,809,117	4,114,892	4,078,986	3,708,396	4,702,797	2,983,180
Capital grants and contributions	6,953,115	3,719,210	4,992,493	1,960,996	87,448	1,183,743	4,645,306	19,492,855	6,560,733	731,688
Total Governmental Activities Program Revenues	21,312,846	14,963,982	17,764,791	12,917,925	10,358,093	10,325,417	13,787,060	28,435,783	17,019,301	8,839,498
Business-Type Activities										
Charges for Services										
Water supply	6,690,635	6,333,234	5,806,463	5,372,627	5,346,110	5,112,320	4,397,111	4,310,181	4,341,749	4,190,347
Sewage disposal	8,403,105	8,189,040	7,942,544	7,353,821	7,412,178	7,074,400	5,421,289	5,515,000	5,195,249	4,144,417
Storm water utility	2,731,238	2,362,110	2,005,731	1,767,105	2,164,142	1,543,703	1,307,658	1,319,804	1,241,285	1,213,912
Public works	400,329	528,410	514,295	287,610	338,495	439,495	-	-	-	-
Community services / Recreation and culture	1,322,485	1,206,304	1,111,168	1,031,264	786,883	1,156,988	1,136,865	768,451	691,716	1,220,648
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,051,884	602,408	198,692	363,151	541,900	154,491	795,762	267,919	275,033	118,089
Total Business-Type Activities Program Revenues	20,599,676	19,221,506	17,578,893	16,175,578	16,589,508	15,041,902	13,058,685	12,181,355	11,745,032	10,887,413
Total Primary Government Program Revenues	\$ 41,912,522	\$ 34,185,488	\$ 35,343,684	\$ 29,093,503	\$ 26,947,601	\$ 25,367,319	\$ 26,825,745	\$ 40,617,138	\$ 28,764,333	\$ 19,726,911
Net (Expense) Revenue										
Governmental Activities	\$ (20,379,380)	\$ (22,771,754)	\$ (15,846,476)	\$ (16,109,644)	\$ (20,682,681)	\$ (21,575,141)	\$ (13,518,024)	\$ 565,480	\$ (14,127,786)	\$ (17,157,014)
Business-Type Activities	5,024,190	4,426,612	2,954,316	2,417,946	2,637,789	896,551	171,382	(542,435)	(1,002,674)	(1,075,025)
Total Primary Government Net Expense	\$ (15,355,190)	\$ (18,345,142)	\$ (12,892,160)	\$ (13,691,698)	\$ (18,044,892)	\$ (20,678,590)	\$ (13,346,642)	\$ 23,045	\$ (15,130,460)	\$ (18,232,039)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes	\$ 15,193,980	\$ 13,798,136	\$ 11,729,719	\$ 10,859,716	\$ 10,631,256	\$ 10,309,858	\$ 10,520,313	\$ 10,327,997	\$ 10,940,124	\$ 10,319,719
Payments in lieu of taxes	3,803,602	3,932,791	3,920,049	3,587,977	3,706,246	4,021,184	4,346,184	3,450,621	3,436,353	3,452,171
Unrestricted state sources	3,430,604	3,497,344	3,498,022	3,306,827	3,016,816	2,561,563	2,221,895	2,250,026	2,063,647	2,089,213
Interest and investment earnings	814,571	599,163	(101,064)	26,851	172,771	409,911	11,095	3,197	252,962	219,202
Gain (loss) on sale of capital assets	123,870	89	2,740	260,426	13,620	1,376,313	-	-	854,166	7,384
Miscellaneous	322,630	164,876	322,233	491,305	418,908	129,076	155,429	319,945	358,389	154,165
Transfers	261,314	172,217	129,319	265,248	165,981	1,616,472	(18,720)	-	(360,000)	-
Total Governmental Activities	23,950,571	22,164,616	19,501,018	18,798,350	18,125,598	20,424,377	17,236,196	16,351,786	17,545,641	16,241,854
Business-Type Activities										
Interest and investment earnings	324,786	210,071	12,916	14,612	27,215	43,260	19,755	48,436	21,866	22,907
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	82,786	1,595,459	252,259	117,707	72,823	-	-	-	-	-
Extraordinary item - Winter Storm Damage	-	-	-	-	-	-	-	-	-	-
Transfers	(261,314)	(172,217)	(129,319)	(265,248)	(165,981)	(1,616,472)	18,720	-	360,000	-
Total Business-Type Activities	146,258	1,633,313	135,856	(132,929)	(65,943)	(1,573,212)	38,475	48,436	381,866	22,907
Total Primary Government	\$ 24,096,829	\$ 23,797,929	\$ 19,636,874	\$ 18,665,421	\$ 18,059,655	\$ 18,851,165	\$ 17,274,671	\$ 16,400,222	\$ 17,927,507	\$ 16,264,761
Change in Net Position										
Governmental activities	\$ 3,571,191	\$ (607,138)	\$ 3,654,542	\$ 2,688,706	\$ (2,557,083)	\$ (1,150,764)	\$ 3,718,172	\$ 16,917,266	\$ 3,417,855	\$ (915,160)
Business-type activities	5,170,448	6,059,925	3,090,172	2,285,017	2,571,846	(676,661)	209,857	(493,999)	(620,808)	(1,052,118)
Total Primary Government	\$ 8,741,639	\$ 5,452,787	\$ 6,744,714	\$ 4,973,723	\$ 14,763	\$ (1,827,425)	\$ 3,928,029	\$ 16,423,267	\$ 2,797,047	\$ (1,967,278)

* Change in Function/Program categories effective for FY'23

CITY OF MARQUETTE, MICHIGAN
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Non-spendable	\$ 556,979	\$ 472,251	\$ 296,528	\$ 757,803	\$ 813,799	\$ 723,433	\$ 464,596	\$ 470,349	\$ 447,303	\$ 414,088
Restricted	-	57,500	57,500	2,315	7,095	33,512	44,694	47,996	64,618	177,559
Assigned	32,438	1,050,205	999,789	76,802	63,781	1,012,771	2,505,814	3,108,348	4,466,772	3,863,930
Unassigned	8,249,532	6,761,591	6,888,869	8,889,446	8,744,448	9,701,277	11,209,897	10,505,094	8,374,197	8,455,195
Total General Fund	<u>\$ 8,838,949</u>	<u>\$ 8,341,547</u>	<u>\$ 8,242,686</u>	<u>\$ 9,726,366</u>	<u>\$ 9,629,123</u>	<u>\$ 11,470,993</u>	<u>\$ 14,225,001</u>	<u>\$ 14,131,787</u>	<u>\$ 13,352,890</u>	<u>\$ 12,910,772</u>
All Other Governmental Funds										
Non-spendable	\$ 1,054,493	\$ 1,020,814	\$ 981,502	\$ 964,279	\$ 912,788	\$1,709,080	\$ 846,152	\$ 823,102	\$ 787,786	\$ 761,387
Restricted	5,431,383	6,375,944	6,960,771	4,164,429	3,683,888	2,172,383	3,215,886	3,780,031	1,264,343	675,770
Committed	32,538	31,491	28,759	-	-	-	-	-	-	-
Assigned	5,063,608	4,932,411	3,452,055	2,008,151	1,766,043	1,671,205	4,900,651	3,064,309	2,441,230	2,674,404
Total All Other Governmental Funds	<u>\$ 11,582,022</u>	<u>\$ 12,360,660</u>	<u>\$ 11,423,087</u>	<u>\$ 7,136,859</u>	<u>\$ 6,362,719</u>	<u>\$ 5,552,668</u>	<u>\$ 8,962,689</u>	<u>\$ 7,667,442</u>	<u>\$ 4,493,359</u>	<u>\$ 4,111,561</u>

CITY OF MARQUETTE, MICHIGAN
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes	\$ 19,014,303	\$ 17,730,947	\$ 15,653,110	\$ 14,620,961	\$ 14,404,842	\$ 14,343,664	\$ 14,893,186	\$ 13,809,799	\$ 14,410,979	\$ 13,808,189
Federal and state sources	12,888,087	10,445,732	8,233,021	6,989,478	6,646,994	5,478,353	5,196,314	4,815,572	4,481,616	4,435,086
Fines and penalties	81,340	135,690	266,982	144,836	136,438	117,468	200,056	190,549	70,643	118,012
Charges for services	7,331,736	5,130,236	5,459,378	5,008,770	4,502,351	4,346,650	3,978,758	4,165,062	4,868,257	4,265,660
Special assessments	-	-	-	-	-	-	-	-	-	14,114
Intergovernmental	392,699	533,252	419,060	408,331	399,971	394,032	384,429	366,022	343,530	332,069
Investment income	836,903	611,115	(100,355)	29,434	183,219	453,027	(17,797)	(7,068)	274,997	244,794
Other revenues	3,102,804	3,585,512	7,080,941	4,624,828	1,990,904	4,272,502	6,073,639	9,456,177	13,129,529	1,737,101
Total Revenues	43,647,872	38,172,484	37,012,137	31,826,638	28,264,719	29,405,696	30,708,585	32,796,113	37,579,551	24,955,025
Expenditures										
General government	3,494,086	4,398,021	6,375,602	5,837,931	5,736,676	5,282,008	5,142,497	4,962,649	5,584,909	4,417,297
Public health and safety	10,391,158	9,550,476	9,290,821	9,040,069	8,726,266	8,389,447	8,075,826	7,607,896	7,366,980	7,278,038
Public works	12,692,603	12,528,161	3,888,203	4,061,935	4,369,473	5,445,760	5,893,127	5,855,742	3,963,721	3,742,907
Health and welfare*	992,598	923,880	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Highway and streets*	N/A	N/A	3,366,717	2,210,387	2,806,970	3,142,470	2,662,169	2,163,482	2,248,698	2,587,576
Social services and community development	2,644,529	2,144,595	859,689	738,871	709,284	679,975	631,176	608,234	580,937	532,432
Sanitation*	N/A	N/A	2,677,639	2,342,953	1,967,031	1,809,277	1,753,570	1,969,565	2,644,699	1,892,278
Community services / Recreation and culture	1,659,872	1,547,576	1,475,660	1,490,952	1,290,591	1,361,966	1,250,025	1,246,046	1,279,432	1,111,815
Capital outlay	8,419,335	1,649,877	4,608,221	3,796,235	3,775,058	2,064,038	3,894,513	8,822,488	8,819,107	1,126,282
Other expenditures	-	-	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-	-
Debt Service										
Professional and contractual	-	-	37,182	38,123	81,096	3,580	14,234	79,538	320	17,127
Principal	1,956,066	1,898,166	2,109,942	1,819,699	1,737,981	5,287,438	1,898,635	1,572,463	2,745,388	1,459,316
Interest	543,423	593,294	581,602	615,032	558,281	804,410	656,674	597,847	789,199	710,837
Total Expenditures	42,793,670	35,234,046	35,271,278	31,992,187	31,758,707	34,270,369	31,872,446	35,485,950	36,023,390	24,875,905
Excess of revenues over (under) expenditures	854,202	2,938,438	1,740,859	(165,549)	(3,493,988)	(4,864,673)	(1,163,861)	(2,689,837)	1,556,161	79,120
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	1,920,000	2,550,150	3,340,000	-	2,405,000	9,582,578	-	712,237
Premium on bond issuance	-	-	170,434	379,973	478,372	-	166,042	1,082,241	-	24,675
Receipts from other governments	-	-	-	-	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	(1,008,819)	-	-	-	(4,356,589)	-	-
Transfers in	5,458,309	4,626,216	5,871,711	3,905,842	4,866,027	5,900,439	3,834,285	2,895,394	5,474,911	4,676,731
Transfers out	(6,593,747)	(6,528,220)	(6,900,456)	(4,790,214)	(6,222,230)	(7,199,795)	(3,853,005)	(3,250,445)	(5,517,518)	(4,262,936)
Total Other Financing Sources (Uses)	(1,135,438)	(1,902,004)	1,061,689	1,036,932	2,462,169	(1,299,356)	2,552,322	5,953,179	(42,607)	1,150,707
Net change in fund balances	\$ (281,236)	\$ 1,036,434	\$ 2,802,548	\$ 871,383	\$ (1,031,819)	\$ (6,164,029)	\$ 1,388,461	\$ 3,263,342	\$ 1,513,554	\$ 1,229,827
Debt Service as a Percentage of Non-capital Expenditures	6.41%	7.41%	8.75%	8.81%	8.28%	19.25%	9.81%	8.78%	13.10%	9.42%

* Change in Function/Program categories effective for FY'23

CITY OF MARQUETTE, MICHIGAN
 General Governmental Expenditures by Functions ^(A)
 Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government	\$ 3,494,086	\$ 4,398,021	\$ 6,375,602	\$ 5,837,931	\$ 5,736,676	\$ 5,282,008	\$ 5,142,497	\$ 4,962,649	\$ 5,584,909	\$ 4,417,297
Public Health and Safety	10,391,158	9,550,476	9,290,821	9,040,069	8,726,266	8,389,447	8,075,826	7,607,896	7,366,980	7,278,038
Public Works*	12,686,503	10,588,394	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Health and Welfare*	992,598	923,880	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Highways, Streets and Bridges*	N/A	N/A	7,248,768	6,266,222	7,176,443	7,460,969	8,555,296	7,991,443	6,212,419	6,330,483
Sanitation*	N/A	N/A	2,677,639	2,342,953	1,967,031	1,809,277	1,753,570	1,969,565	2,644,699	1,892,278
Social Services*	N/A	N/A	859,689	738,871	709,284	679,975	631,176	608,234	580,937	532,432
Community and economic development*	2,644,529	2,144,595	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recreation and Culture	1,659,872	1,547,576	1,475,660	1,490,952	1,290,591	1,361,966	1,250,025	1,239,205	1,279,432	1,111,815
Capital Outlay	1,600,606	1,331,533	894,042	2,010,453	3,712,553	1,279,272	1,219,017	1,448,065	560,136	1,098,782
Debt Service	-	-	37,182	38,123	81,096	-	13,914	111,540	-	16,557
TOTALS	\$ 33,469,352	\$ 30,484,475	\$ 28,859,403	\$ 27,765,574	\$ 29,399,940	\$ 26,262,914	\$ 26,641,321	\$ 25,938,597	\$ 24,229,512	\$ 22,677,682

^(A) Includes General and Special Revenue Funds

* Change in Function/Program categories effective for FY'23

CITY OF MARQUETTE, MICHIGAN

General Revenues by Sources ^(A)

Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Property Taxes	\$ 15,210,701	\$ 13,798,156	\$ 11,733,061	\$ 11,032,984	\$ 10,698,596	\$ 10,322,480	\$ 10,547,002	\$ 10,359,178	\$ 10,974,626	\$ 10,356,018
Payments in lieu of property taxes	3,803,602	3,932,791	3,920,049	3,587,977	3,706,246	4,021,184	4,346,184	3,450,621	3,436,353	3,452,171
State and Federal sources	7,294,439	8,514,099	8,233,021	6,989,478	6,646,994	5,478,353	5,196,314	4,815,572	4,481,616	4,435,086
Intergovernmental revenue	392,699	533,252	419,060	408,331	399,971	394,032	384,429	366,022	343,530	332,069
Licenses and permits	105,197	104,352	99,892	102,900	85,999	61,664	62,472	80,353	76,971	49,129
Charges for services	7,302,386	5,096,761	5,436,878	4,957,670	4,482,176	4,301,949	3,956,371	4,129,822	4,842,812	4,248,375
Sales	49,089	51,619	57,719	64,116	40,881	55,248	29,207	54,986	40,579	34,753
Use and admission fees	697,285	633,837	466,714	338,203	418,254	417,544	457,488	422,654	404,027	397,096
Fines and forfeits	81,340	135,690	266,982	144,836	136,438	117,468	200,056	190,549	70,643	118,012
Rentals	183,580	177,826	140,106	110,227	129,951	140,859	147,409	144,852	142,944	108,235
Special assessments	-	-	-	-	-	-	-	-	-	14,114
Sale of assets	123,875	115	40,109	895,405	13,620	895,523	-	-	8,800	-
Contribution from private sources	266,446	591,054	954,857	912,798	830,789	815,556	819,994	894,559	2,033,273	409,214
Reimbursements	256,681	152,518	223,217	307,734	350,267	393,830	127,856	232,822	168,869	142,552
Investment income	784,190	544,250	(107,171)	25,451	170,959	405,395	7,825	3,197	249,251	219,921
Other revenue	167,123	125,022	106,530	101,563	66,620	107,637	138,926	177,765	274,247	96,122
TOTAL	\$ 36,718,633	\$ 34,391,342	\$ 31,991,024	\$ 29,979,673	\$ 28,177,761	\$ 27,928,722	\$ 26,421,533	\$ 25,322,952	\$ 27,548,541	\$ 24,412,867

^(A) Includes General and Special Revenue Funds

CITY OF MARQUETTE, MICHIGAN
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended	Residential Property	Commercial Property	Industrial Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct
September 30, 2015	\$ 902,211,400	\$ 1,136,314,200	\$ 215,601,400	\$ 675,331,400	\$ 1,578,795,600	17.153
September 30, 2016	939,829,600	1,152,263,200	230,026,000	675,331,400	1,646,787,400	17.153
September 30, 2017	936,191,000	1,141,539,800	180,297,400	675,331,400	1,582,696,800	17.193
September 30, 2018	970,918,200	1,137,214,800	139,636,800	675,331,400	1,572,438,400	17.103
September 30, 2019	1,039,826,900	1,258,027,800	48,865,000	675,331,400	1,671,388,300	17.323
September 30, 2020	1,072,760,700	1,210,003,200	32,777,400	675,331,400	1,640,209,900	17.273
September 30, 2021	1,114,532,900	1,200,518,800	16,331,600	675,331,400	1,656,051,900	17.273
September 30, 2022	1,196,415,824	1,230,132,000	16,069,484	675,331,400	1,767,285,908	17.214
September 30, 2023	1,365,845,400	1,291,858,600	18,547,400	675,331,400	2,000,920,000	19.706
September 30, 2024	1,617,320,640	1,352,509,000	18,514,000	675,331,400	2,313,012,240	19.675

Source: City of Marquette Assessor's Department.

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to 50% of true cash value. Tax rates are per \$1,000 of taxable value.

CITY OF MARQUETTE, MICHIGAN
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended	City Direct Rates					Total Direct	(A)	(B)	Total
	General Fund	Senior Services Fund	Library Fund	Debt Service Funds	Marquette Area Public School District		Overlapping Rates *	County of Marquette	
September 30, 2015	14.923	0.350	1.370	0.510	17.153	7.500	9.940	34.593	
September 30, 2016	14.923	0.350	1.370	0.510	17.153	7.530	9.940	34.623	
September 30, 2017	14.923	0.350	1.370	0.550	17.193	7.520	10.023	34.736	
September 30, 2018	14.923	0.350	1.370	0.460	17.103	7.450	7.693	32.246	
September 30, 2019	14.923	0.350	1.370	0.680	17.323	7.440	7.693	32.456	
September 30, 2020	14.923	0.350	1.500	0.500	17.273	7.440	7.694	32.407	
September 30, 2021	14.923	0.348	1.491	0.511	17.273	7.443	7.612	32.328	
September 30, 2022	14.923	0.346	1.474	0.471	17.214	7.434	7.645	32.293	
September 30, 2023	17.560	0.345	1.471	0.329	19.705	7.414	7.645	34.764	
September 30, 2024	17.560	0.345	1.471	0.298	19.674	7.354	9.145	36.173	

Source: City of Marquette Treasurer's Department.

Note: Rates for debt service are set based on each year's requirements.

* Overlapping rates are those of local and county governments that apply to property owners within the City of Marquette.

(A) - Includes Debt Service

(B) - Includes Intermediate School District, Special Education, County Wide Transit, County Medical Facility, and Heritage Authority.

CITY OF MARQUETTE, MICHIGAN
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DLP Marquette General Hospital	\$ 127,998,675	1	13.10%	\$ 62,701,816	2	8.72%
MIMG CL VIII Tourville Sub LLC	13,275,159	2	1.36%			
HJ Larson & Associates, Inc	8,270,955	3	0.85%	4,625,809	6	0.64%
American Transmission Co. LLC	7,448,453	4	0.76%	5,377,100	4	0.75%
Marquette Medical Dental Center	7,327,509	5	0.75%	11,909,417	3	1.66%
Semco Energy Gas Co	7,206,730	6	0.74%			
Veridea Group LLC	6,980,021	7	0.71%	4,092,529	8	0.57%
Liberty Way Hospitality LLC	5,969,188	8	0.61%			
The Landing Development Group II LLC	4,757,390	9	0.49%			
Marquette Opportunity LLC	4,729,173	10	0.48%			
WE Energies				105,000,000	1	14.61%
O'Dovero Properties				4,932,402	5	0.69%
Tourville, Inc.				4,466,277	7	0.62%
Pioneer Laboratories, Inc.				3,407,100	10	0.47%
TJ & RM Larson, Inc.				3,532,327	9	0.49%
Total	\$ 193,963,253		19.85%	\$ 210,044,777		29.22%

Source: City of Marquette Assessor's Department.

CITY OF MARQUETTE, MICHIGAN

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Personal Property Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
September 30, 2015	\$ 12,626,455	\$ 12,143,370	96.17%	\$ 16,908	\$ 12,160,278	96.31%
September 30, 2016	12,699,290	12,417,876	97.78%	35,365	12,453,241	98.06%
September 30, 2017	12,942,947	12,246,743	94.62%	37,827	12,284,570	94.91%
September 30, 2018	12,817,844	12,162,215	94.89%	24,192	12,186,407	95.07%
September 30, 2019	13,258,863	12,929,260	97.51%	17,055	12,946,315	97.64%
September 30, 2020	13,206,031	12,985,853	98.33%	10,240	12,996,093	98.41%
September 30, 2021	13,492,364	13,262,030	98.29%	15,992	13,278,022	98.41%
September 30, 2022	13,749,810	13,566,651	98.67%	15,546	13,582,197	98.78%
September 30, 2023	16,496,402	16,265,385	98.60%	19,384	16,284,769	98.72%
September 30, 2024	17,344,991	17,117,064	98.69%	15,101	17,132,165	98.77%

Source: Marquette City Treasurer's Department.

CITY OF MARQUETTE, MICHIGAN
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Business-Type Activities					Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Transportation Bonds	State Infrastructure Bank Note	State Revolving Loan	Energy Enhancement Lease	Equipment Lease	IT Arrangements	Water Bonds	Sewer Bonds	Storm Water Bonds	Marina Bond	Lighthouse Park Bond			
2015	\$ 17,865,116	\$ -	\$ 331,496	\$ 150,079	\$ -	\$ -	\$ -	\$ 9,196,194	\$ 10,182,009	\$ 4,548,246	\$ 192,829	\$ -	\$ 42,465,969	5.82%	\$ 1,986
2016	15,192,250	-	248,623	139,613	-	-	-	8,050,939	9,488,400	4,166,728	181,984	-	37,468,537	4.99%	1,754
2017	20,128,766	-	165,750	129,013	-	-	-	9,731,616	10,724,983	5,930,011	171,199	-	46,981,338	6.15%	2,192
2018	19,183,525	1,750,255	82,877	118,210	26,326,166	-	-	10,197,415	11,379,582	6,808,576	-	1,035,000	76,881,606	9.64%	3,738
2019	14,007,115	1,584,230	-	107,204	25,521,336	-	-	9,249,261	10,312,413	6,122,300	-	935,000	67,838,859	8.45%	3,218
2020	13,961,767	3,602,204	-	96,063	25,119,355	-	-	9,758,832	11,321,092	7,975,637	917,923	845,000	73,597,873	9.13%	3,559
2021	14,264,008	3,246,779	-	84,787	24,658,920	-	-	9,875,828	11,246,709	8,722,978	838,631	750,000	73,688,640	8.13%	3,510
2022	14,395,378	2,891,353	-	73,308	24,060,234	229,635	-	9,017,591	10,321,606	11,058,781	754,338	655,000	73,457,224	8.10%	3,561
2023	12,664,298	2,525,928	-	61,627	23,546,158	338,138	74,573	7,774,736	8,875,364	9,991,626	670,046	555,000	67,077,494	6.97%	3,289
2024	10,890,518	2,145,502	-	49,743	22,650,103	1,430,895	28,221	6,496,436	7,379,681	8,921,624	585,754	450,000	61,028,477	5.69%	2,936

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

^a See Table 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

CITY OF MARQUETTE, MICHIGAN
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding ^c	Percentage of Taxable Assessed Value ^a of Property	Per Capita ^b
	Debt Supported by General Resources		
2015	\$ 18,346,691	1.16%	\$ 858.65
2016	15,580,486	0.95%	727.04
2017	20,423,529	1.29%	992.88
2018	21,134,867	1.34%	1,002.56
2019	15,698,549	0.94%	759.12
2020	17,660,034	1.08%	841.15
2021	17,595,574	1.06%	852.95
2022	17,589,674	1.00%	862.49
2023	15,664,564	0.78%	753.61
2024	14,544,879	0.63%	690.02

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

^a See Table 7 for property value data.

^b Population data can be found in Table 16.

^c Amounts include debt outstanding in Governmental Activities only.

CITY OF MARQUETTE, MICHIGAN
Direct and Overlapping Governmental Activities Debt
As of September 30, 2024

Governmental Unit	Overlapping Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
DIRECT DEBT			
City of Marquette	\$ 37,194,982	100.00%	\$ 37,194,982
		TOTAL DIRECT DEBT	<u>37,194,982</u>
OVERLAPPING DEBT			
County School District	3,705,000	59.47%	2,203,364
Library Improvements	2,515,000	100.00%	2,515,000
Tax Increment Bonds - DDA	524,000	100.00%	524,000
2010 Capital Improvement - BRFA	450,000	100.00%	450,000
2010 Recovery Zone Facility - BRFA	205,000	100.00%	205,000
2016 Tax Increment Bonds - BRFA	16,795,000	100.00%	16,795,000
2017 Tax Increment Bonds - BRFA	500,000	100.00%	500,000
2017 Tax Increment Bonds - BRFA	9,605,000	100.00%	9,605,000
2018 Tax Increment Bonds - BRFA	320,000	100.00%	320,000
2021 Tax Increment Bonds - BRFA	5,990,000	100.00%	<u>5,990,000</u>
		TOTAL OVERLAPPING DEBT	<u>39,107,364</u>
		TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 76,302,346</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Marquette County Board of Equalization and Assessment. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Marquette. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF MARQUETTE, MICHIGAN
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019 ^d	2018	2017	2016 ^a	2015
Debt Limit	\$ 125,786,792	\$ 114,445,434	\$ 111,644,701	\$ 111,240,218	\$ 104,218,090	\$ 102,967,138	\$ 86,530,260	\$ 87,023,820	\$ 83,770,539	\$ 83,141,190
Total net debt applicable to limit	<u>68,061,772</u>	<u>74,708,908</u>	<u>81,137,411</u>	<u>75,887,283</u>	<u>76,582,521</u>	<u>73,617,336</u>	<u>81,774,607</u>	<u>61,179,053</u>	<u>52,299,914</u>	<u>18,346,691</u>
Legal Debt Margin	<u>\$ 57,725,020</u>	<u>\$ 39,736,526</u>	<u>\$ 30,507,290</u>	<u>\$ 35,352,935</u>	<u>\$ 27,635,569</u>	<u>\$ 29,349,802</u>	<u>\$ 4,755,653</u>	<u>\$ 25,844,767</u>	<u>\$ 31,470,625</u>	<u>\$ 64,794,499</u>
Total net debt applicable to the limit as a percentage of debt limit	54.11%	65.28%	72.67%	68.22%	73.48%	71.50%	94.50%	70.30%	62.43%	22.07%

Legal Debt margin Calculation for Fiscal Year 2023:

State Equalized Assessed Value (SEV)	\$ 1,050,703,246
Add:	
Half of Act 198 Property	57,318,600
Revenue Sharing ^b	147,108,152
LCSA/PPT ^c	<u>2,737,922</u>
Total SEV	<u>\$ 1,257,867,920</u>
Debt limit (10% of total SEV)	125,786,792
Debt applicable to limit:	
Total debt included in	
Governmental Activities	37,194,982
Business-Type Activities	23,833,495
Component units	36,904,000
Less:	
Deferred amounts on bonds	
Governmental Activities	(1,229,878)
Business-Type Activities	(2,011,608)
Debt not subject to limit:	
Michigan transportation bonds	(2,520,000)
TELP energy enhancement lease	(22,650,103)
Equipment lease	(1,430,895)
IT Arrangements	(28,221)
Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>68,061,772</u>
Legal debt margin	<u>\$ 57,725,020</u>

Note: Under State finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

^a - At fiscal year 2016, calculation was changed to include all general obligation bonds balances outstanding. Prior to 2016, these calculations only included general obligation balances in the Governmental Activity funds.

^b - Constitutional and statutory revenue sharing divided by the City's millage rate of 17.5604 mills

^c - Local Community Stabilization Authority [LCSA] reimbursements less loss distribution divided by the City's millage rate of 17.5604 mills

^d - At fiscal year 2019, calculation was changed, in accordance with State legislation, to include PPT reimbursements, constitutional and state revenue sharing adjustments to the SEV calculation.

CITY OF MARQUETTE, MICHIGAN
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water Supply Bonds						Fiscal Year	Marina Bonds					
	Gross Revenue (1)	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage		Gross Revenue (2)	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest						Principal	Interest	
2015	\$ 4,202,649	\$ 4,265,003	\$ (62,354)	\$ 495,000	\$ 12,500	(0.12)	\$ 921,244	\$ 403,951	\$ 517,293	\$ -	\$ -	-	
2016	4,353,648	4,683,258	(329,610)	335,000	6,312	(0.97)	343,931	394,207	(50,276)	-	-	-	
2017	4,353,898	4,371,618	(17,720)	170,000	-	(0.10)	367,883	468,192	(100,309)	-	-	-	
2018	4,406,501	4,394,676	11,825	-	-	-	406,701	481,762	(75,061)	-	-	-	
2019	5,133,369	5,049,915	83,454	-	-	-	375,508	475,096	(99,588)	-	-	-	
2020	5,360,602	4,809,588	551,014	-	-	-	396,439	460,899	(64,460)	-	-	-	
2021	5,379,675	4,567,767	811,908	-	-	-	498,168	517,695	(19,527)	-	-	-	
2022	5,808,965	5,036,682	772,283	-	-	-	580,991	484,119	96,872	-	-	-	
2023	6,374,030	5,356,581	1,017,449	-	-	-	537,315	553,739	(16,424)	-	-	-	
2024	6,747,204	5,378,718	1,368,486	-	-	-	612,430	599,541	12,889	-	-	-	

Fiscal Year	Electric Utility Bonds					
	Gross Revenue	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2015	\$ 35,047,774	\$ 33,338,495	\$ 1,709,279	\$ 831,768	\$ 202,003	1.65
2016	36,963,835	32,419,638	4,544,197	3,890,000	94,842	1.14
2017	47,342,427	31,174,039	16,168,388	745,811	3,504,495	3.80
2018	49,072,107	37,210,120	11,861,987	1,194,741	3,048,416	2.80
2019	48,426,521	32,430,713	15,995,808	1,258,148	2,989,192	3.77
2020	41,543,423	28,797,330	12,746,093	2,663,101	2,926,974	2.28
2021	38,838,945	27,777,290	11,061,655	2,630,000	2,799,713	2.04
2022	45,904,822	37,772,455	8,132,367	2,760,000	2,668,212	1.50
2023	45,241,438	38,782,997	6,458,441	2,895,000	2,530,213	1.19
2024	42,145,807	34,213,492	7,932,315	3,040,000	2,385,462	1.46

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

- (1) Total operating revenues including interest.
- (2) Total operating revenues include interest and an operating grant.

CITY OF MARQUETTE, MICHIGAN
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level In Years of Schooling	School Enrollment	Unemployment Rate
2015	21,367	\$ 750,216,737	\$ 35,111	29.1	12.8	3,251	4.0%
2016	21,430	763,465,180	35,626	29.1	12.8	3,201	3.4%
2017	20,570	797,573,686	38,774	28.4	12.8	3,279	3.6%
2018	21,081	803,114,395	38,096	27.8	12.8	3,289	5.7%
2019	20,680	806,478,640	38,998	27.8	12.8	*	4.9%
2020	20,995	906,488,333	43,176	28.6	12.8	3,199	4.6%
2021	20,629	907,201,533	43,977	28.6	12.8	3,245	4.4%
2022	20,394	962,168,526	47,179	28.6	12.8	3,245	4.2%
2023	20,786	1,072,536,814	51,599	30.2	12.8	3,233	3.7%
2024	21,079	1,176,735,175	55,825	30.2	12.8	3,228	4.1%

Sources: Population, personal income, and per capital income provided by the U.S. Department of Commerce, Bureau of Economic Analysis.

Median age provided by the U.S. Bureau of Census.

Education and school enrollment provided by from Marquette-Alger Regional Educational Service Agency.

Unemployment provided by the Lake Superior Community Partnership.

* Data not available.

CITY OF MARQUETTE, MICHIGAN
Principal Employers
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
UP Health System - Marquette	1,599	1	4.87%	2,619	1	7.62%
Cleveland-Cliffs, Inc	946	2	2.88%	1,600	2	4.65%
Northern Michigan University	914	3	2.78%	918	3	2.67%
Upper Peninsula Medical Center	603	4	1.84%	625	4	1.82%
Marquette Area Public Schools	430	5	1.31%	382	7	1.11%
Wal-Mart Stores, Inc	392	6	1.19%	380	8	1.11%
UP Health System - Bell	350	7	1.07%	370	9	1.08%
County of Marquette	308	8	0.94%			
Marquette Branch Prison	285	9	0.87%	388	6	1.13%
Meijer	270	10	0.82%			
Westwood Mall Merchants				500	5	1.45%
American Eagle Airlines, Inc.				253	10	0.74%
Total	<u>6,097</u>		<u>18.57%</u>	<u>8,035</u>		<u>23.38%</u>

Source: Michigan Department of Labor and Economic Growth, Office of Labor Marquette Information

CITY OF MARQUETTE, MICHIGAN
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

(Full-Time Equivalent Employees)

Function/Program	September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Administration Services	29	29	29	27	26	28	23	27	27	27
Public Health and Safety										
Police Officers	34	38	39	39	39	38	39	38	37	39
Firefighters and Officers	25	28	28	27	24	26	26	26	26	26
Public Works	29	27	27	27	25	24	39	32	36	36
Highway and Streets	13	15	15	16	15	17	8	8	8	8
Social Services	4	4	4	4	4	2	4	4	4	4
Recreation and Culture	7	6	6	6	6	8	4	3	4	4
Storm Water	1	1	1	1	1	1	1	1	1	1
Motor Pool	8	8	8	8	8	8	8	7	7	7
Water	13	13	13	17	12	13	13	13	13	13
Wastewater	10	10	10	7	7	10	10	10	10	10
Library	11	12	15	12	10	12	13	13	12	13
Total	<u>184</u>	<u>191</u>	<u>195</u>	<u>191</u>	<u>177</u>	<u>187</u>	<u>188</u>	<u>182</u>	<u>185</u>	<u>188</u>

Source: City Human Resources Department

CITY OF MARQUETTE, MICHIGAN
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police										
Physical arrests	466	449	522	602	532	585	518	749	666	903
Parking violations	4,000	5,328	5,460	5,529	3,007	5,080	5,701	5,825	3,438	5,401
Traffic violations	2,770	1,588	1,495	2,005	1,775	2,873	3,802	3,802	4,354	4,299
Fire										
Emergency responses	2,743	2,664	2,539	2,223	2,255	2,258	2,213	1,635	1,323	923
Fires extinguished	26	23	28	39	28	18	18	22	21	22
Inspections	1,482	1,852	2,224	1,584	2,176	2,005	1,364	1,439	1,570	782
Refuse collection										
Refuse collected (tons per week)	52.2	53.8	57.7	49.6	46.0	50.4	50.4	47.2	49.0	47.6
Recycling (tons per week)	14.2	14.8	15.3	15.6	16.0	9.7	11.3	12.5	13.4	14.9
Other public works										
Street resurfacing (miles)	1.0	1.0	1.5	1.6	1.6	1.4	0.9	4.3	2.8	3.0
Potholes repaired		**	**	-	-	-	-	-	-	-
Parks and recreation										
Total Campers	**	**	**	15,000	10,938	**	**	27,880	26,715	22,867
Beach Attendance	**	**	**	22,220	14,000	19,213	26,261	20,829	19,285	32,952
Library										
Volumes in collection	161,072	171,381	175,148	191,639	196,588	193,160	214,069	204,467	237,013	243,147
Total volumes borrowed	209,310	197,410	187,613	220,115	188,096	263,621	212,017	237,063	254,758	274,698
Water										
Consumers	6,256	6,242	6,217	6,195	6,140	7,100	6,177	6,177	6,154	6,193
Water mains breaks	7	12	10	6	13	-	-	-	-	-
Average daily consumption (millions of gallons)	1.97	1.97	2.01	2.09	1.98	2.25	2.11	2.09	2.25	2.31
Wastewater										
Average daily sewage treatment (millions of gallons)	2.86	2.86	2.51	2.69	3.22	3.00	3.06	3.06	3.03	3.22

Source: Various City Departments

** Data not available

CITY OF MARQUETTE, MICHIGAN
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public works										
Streets (miles)	90.9	90.9	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5
Streetlights	2,570	2,570	2,547	2,547	2,547	2,547	2,547	2,547	2,524	2,345
Parks and recreation										
Parks	24	24	24	24	20	20	20	20	20	19
Playfields	12	13	13	13	12	12	12	12	12	12
Marina	2	2	2	2	2	2	2	2	2	2
Camping Spaces	110	110	110	110	110	110	110	110	110	110
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	99.8	99.8	99.8	98.8	98.8	98.8	98.8	98.8	98.8	98.7
Wastewater										
Sanitary sewers (miles)	89.0	88.9	88.8	88.8	88.8	88.8	88.8	88.8	88.8	88.7
Storm sewers (miles)	53.9	53.9	53.5	53.2	53.2	53.2	53.2	52.9	52.8	52.6

Source: Various City Departments

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CITY OF MARQUETTE, MICHIGAN

COMPLIANCE SUPPLEMENT



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

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marquette, Michigan (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 28, 2025. Our report includes a reference to other auditors who audited the financial statements of the Board of Light and Power, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 28, 2025



City of Marquette, Michigan
Report to Management
For the Year Ended September 30, 2024

Honorable Mayor, Members of the City
Commission, the City Manager and
Management of the
City of Marquette, Michigan

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marquette, Michigan (the City) as of and for the year ended September 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the City's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis

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

This communication is intended solely for the information and use of management, the Marquette City Commission, and others within the City, and the Michigan Department of Treasury, and is not intended to be and should not be used by anyone other than these specified parties.

Anderson, Tackman & Company, PLLC
Certified Public Accountants

March 28, 2025



City of Marquette, Michigan
Communication with Those Charged with Governance
For the Year Ended September 30, 2024

March 28, 2025

Honorable Mayor, Members of the City
Commission and the City Manager of the
City of Marquette, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marquette, Michigan (the City) for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 16, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. Newly adopted GASB standards are disclosed in the notes to the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimates of the City's intangible right-to-use assets (such as leases and subscription-based information technology arrangements), amortization thereof, and related lease/subscription liabilities are based on amounts disclosed in the leasing documents and subscription contracts. The City

uses the straight-line method for amortizing the intangible right-to-use assets. We evaluated the methods, assumptions, and data used to record the right-to-use assets, accumulated amortization of such assets, related lease/subscriptions liabilities, and the amortization expense of said liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accumulated depreciation and depreciation expense is based on historical costs and useful lives of the assets. Depreciation is calculated using the straight-line method. We evaluated the methods, assumptions, and data used to develop the current years depreciation expense and accumulated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of compensated absences is based on the amount of sick and vacation time outstanding at the end of the year and the various provisions of the appropriate union contracts. The current portion of compensated absences for financial statement purposes is based on the amount of actual sick and vacation time utilized in October and November of the subsequent fiscal year. We evaluated the methods, assumptions, and data used to develop the total and current portions compensated absences in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the City's portion of Net Pension Liability (under GASB 67) for the Fire – Police Retirement System is based on an actuarial performed for the City of Marquette Fire – Police Retirement System Defined Benefit Retirement Plan to determine the City's Net Pension Liability. We evaluated the methods, assumptions, and data used to develop the City's Net Pension Liability, based on information provided by the Gabriel Roeder Smith & Company, in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of Net Pension Liability (under GASB 68) is based on an actuarial performed for the Municipal Employees' Retirement System (MERS) of Michigan to determine its liability. We evaluated the methods, assumptions, and data used to develop the City's Net Pension Liability, based on information provided by Gabriel Roeder Smith & Company, in determining that it is reasonable in relation to the financial statements taken as a whole. We also evaluated the methods, assumptions, and data used by the City to allocate the various components of the MERS liability to the various governmental entities included with the City's MERS pension plan.

Management's estimate of Net Other Post Employment Benefit Liability is based on an actuarial performed for the City to determine its liability. We evaluated the methods, assumptions, and data used to develop the City's Net Other Post Employment Benefit Liability, based on information provided by Watkins Ross, in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Defined Benefit Retirement Plan – Municipal Employees Retirement System of Michigan in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Defined Benefit Retirement Plan – Fire-Police Retirement System in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Defined Benefit Retirement Plan – Board of Light and Power – Component Unit in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. Gabriel Roeder Smith & Company was the actuarial company hired for preparation of the annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included their report.

The disclosure of Other Post-Employment Benefits in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. The City hired Watkins Ross for the preparation of the bi-annual actuarial valuation. The disclosures made in the notes to the financial statements were based on information included in that report.

The disclosure of Other Post-Employment Benefits Board of Light and Power – Component Unit in the notes to the financial statements includes significant actuarial assumptions used in calculating the valuation. The Board of Light and Power hired an outside firm for the preparation of the actuarial valuation. The disclosures made in the notes to the financial statements were based on information included in that report.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were

material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 28, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Our consideration of internal control was for the limited purpose described in a separate letter and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

Upcoming Changes in Accounting Standards

The Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the City in the near future. We encourage management to review the information included in the Attachment and determine which standard(s) may be applicable to the City.

Other Matters

We applied certain limited procedures to management's discussion and analysis and Required Supplementary Information (as listed in the table of contents), which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the individual major fund individual fund financial statements, combining and individual non-major financial statements, individual fund budgetary schedules, capital assets schedules, and long-term debt schedules, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompanies the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Commission and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Anderson, Tackman & Company, PLLC
Certified Public Accountants

The Governmental Accounting Standards Board (GASB) routinely issues pronouncements to enhance accounting and financial reporting. Below are synopses of currently issued standards that may be applicable to the City. More information related to these standards can be found at www.gasb.org including full copies of the standards along with implementation guides and technical bulletins. We encourage management to review the following pronouncements to determine which standard(s) may be applicable to the City.

GASB 101: Compensated Absences

Effective for fiscal years beginning after December 15, 2023 (City's fiscal year 2025)

The Board believes the unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

We expect this standard to have a significant impact the City's future financial statements. Going forward the City will be required to review its definition of compensated absences and may be required to report additional types of leave that may not be reported under its current definition of compensated absences. The applicability of the standard to the various types of leave will be dependent upon the policies of the City and negotiated stipulations within its collective bargaining agreement(s). In addition to expanding the scope of *compensated absences*, this standard also requires that certain salary-related payments be included in the reported liability for financial statement purposes.

GASB 102: Certain Risk Disclosures

Effective for fiscal years beginning after June 15, 2024 (City's fiscal year 2025)

The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint

that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The Board believes the requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

We do not expect this standard to have any significant effect on the City's financial statements.

GASB 103: Financial Reporting Model Improvements

Effective for fiscal years beginning after June 15, 2025 (City's fiscal year 2026)

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. The Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed and avoid "boilerplate" discussions. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. The definitions of

operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position.

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements. The requirement for presentation of major component unit information will improve comparability.

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

We expect this standard to have a significant effect on the presentation of the City's financial statements.

GASB 104: Disclosure of Certain Capital Assets

Effective for fiscal years beginning after June 15, 2025 (City's fiscal year 2026)

The objective of this Statement is to provide detailed information about capital assets in notes to financial statements by requiring certain capital assets to be presented by major class. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale.

We do not expect this standard to have a significant effect on the presentation of the City's financial statements.