City of Oak Park, Michigan

Year Ended June 30, 2022

Annual Comprehensive Financial Report

Prepared by
Finance Department

City Manager
Erik Tungate

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CITY OF OAK PARK, MICHIGAN

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INTRODUCTORY SECTION

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CITY OF OAK PARK

OFFICE OF THE CITY MANAGER

Mayor
Marian McClellan
Mayor Pro Tem
Julie Edgar
Council Members
Carolyn Burns
Solomon Radner
Shaun Whitehead
City Manager
Erik Tungate

December 15, 2022

To the Honorable Mayor, Members of the City Council
and the Citizens of the City of Oak Park, Michigan

The annual comprehensive financial report (ACFR) of the City of Oak Park (the "City") for the year ended June 30, 2022, is hereby submitted as mandated by the City Charter, Section 9.8, and state statute, Public Act 2 of 1968. The City Charter and state statute require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. The financial statements and supplemental schedules contained herein have been audited by Rehmann Robson LLC, Certified Public Accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City activities have been included.

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 compliment 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 auditor.

The Reporting Entity and Services Provided

The City has defined its financial reporting entity in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB). The City includes all the funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Mayor and City Council. Based on these criteria, the Economic Development Corporation, Brownfield Redevelopment Authority, and Corridor Improvement Authority have been included in this report.

The City provides a full range of services including police and fire protection; sanitation services; the construction and maintenance of highways, streets, and infrastructure; planning and zoning; library services; and recreational activities and cultural events. In addition, water and sewer and storm water services are provided under an enterprise fund concept, with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Local Economy and Governmental Structure

The City is located near the southeast corner of Oakland County in metropolitan Detroit, and approximately 3.5 miles from Macomb County and adjacent to the northern boundary of the City of Detroit and Wayne County. The City contains approximately 5.5 square miles with a population of 29,560 as reported by the U.S. Bureau of Census for 2020.

The City operates under the Council-Manager form of government as established in its charter adopted October 29, 1945. The City Council is comprised of a Mayor, elected at-large every two years, and four Councilmembers, two elected at-large every four years. The City Council is responsible for enacting ordinances, resolutions, and regulations governing the City. City Council also appoints the members of various statutory and advisory boards and commissions, the City Manager, and the City Attorney. The City Manager is responsible for the day-to-day management of the City and enforcement of laws and ordinances established by City Council and appoints and supervises the heads of departments of the City organization.

The City has grown over the years to a point where only one percent of its total land area is vacant. Although most of the growth occurring in Oakland County is taking place to the west and north, the I-696 freeway, which runs through Oak Park, provides a corridor of opportunity for redevelopment and enhancement of existing development.

It is management's goal to maintain high quality services to the citizens of Oak Park during economic uncertainty. The City has adopted prudent financial policies, which will help guide it through the upcoming years. The City has a strong property tax base and management believes it can meet the challenges confronting the community in the near future.

Major Initiatives

The following were among those many diverse activities and accomplishments to which both the elected officials and staff devoted their energies in fiscal year 2021-2022:

1) The City's number one priority was preserving fund balance while maintaining, and in some instances expanding, existing essential city services while coming out of the worldwide COVID-19 pandemic. The City used approximately $1.485 million in federal grants to help offset the substantial revenue loss as a result of the pandemic. Public safety continues to be the most important service provided to our residents and businesses and the City's three year (beginning in FY 21/22) included the addition of three new public safety officers in each fiscal year. The increase in officers was made possible by tax revenue growth from new economic development (see below) along with rebounding property tax values on existing properties citywide. The City also was able to purchase a new fire ladder truck a year earlier than anticipated for approximately $1.389 million for the public safety team utilizing funds set aside in prior years along with $900,000 of additional expenditures from the general fund. The general fund overall ended the year very well with a slight decrease to fund balance of $395,689 bringing total fund balance to $4,909,642 or 19.7% of FY 2022 expenditures and transfers. The decrease in fund balance is specifically related to pulling forward the purchase of the fire truck and using $900,000 of current year funds that was originally budgeted in future years. The ending fund balance in the General Fund continues to be in the targeted range for the seventh year in a row.

2) The second priority was to continue to address long-term legacy costs. The City aggressively changed the amortization periods for both pension systems during fiscal year 2018-2019 from 24 years to 18 to accelerate the amount of contributions based on projected operations. Due to the significant loss in operating revenue citywide due to the COVID-19 pandemic, the City was forced to switch both systems back to the 24 year amortization in fiscal year 2019-2020. Based on the favorable results of operations primarily due to the significant federal grants received, the City was able to contribute $563,180 and $350,509 over the actuarially required public safety and employees pension contributions, respectively (close to the amount that would have been required using the 24 year amortization). Additionally, the City contributed $19,121 for court in excess of the pay-as-you-go contribution toward the OPEB liability but was unable to make any additional payments to the other two OPEB plans due to the fire truck purchase.

3) The third priority is to improve the quality of life for residents and business owners. The City continues to work toward this goal through economic development efforts and strategic investment in public safety, code enforcement, infrastructure, and public spaces. Economic development efforts are focused on attracting and retaining a mixture of robust businesses into the City. Strategic investments work as a tool to support those efforts and to ensure the City is meeting the quality-of-life expectations of current and future residents.

4) The final priority is to improve the City's parks and related recreation programming. The City hired a firm to create a parks and recreation master plan and has placed approximately $495,000 of funds budgeted in the current year into a new parks and recreation capital Improvement fund to be utilized once the master plan is completed in fiscal year 2022-2023.

Financial Information

Management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Long-term Financial Planning

The City Council has adopted the following financial policies to guide the process for long-term financial decisions: 1) Debt Management Policy – provides guidelines for borrowing money to finance projects; 2) Cash Management Policy – provides guidelines for the day-to-day handling of cash and investments; 3) Capital Improvement Policy – sets capitalization thresholds and parameters for capital asset purchases; and 4) Investment Policy – provides guidelines for investment of the City’s liquid assets.

A large parcel of property owned by the State of Michigan (the "State"), which formerly housed the Eight Mile Armory, has stood vacant for many years. The State has sold this parcel for commercial development in the past years with portions of this property being redeveloped over the past couple fiscal years. This property continues to stimulate development in that area and provide additional tax dollars with the last parcel being developed during fiscal year 2022-2023.

Despite a short-term increase in property tax revenue, the City continues to operate in an environment of slow economic growth and significant limitations on revenues and additional funding sources may need to be found to fund large capital projects. This may include additional taxes, which can only be raised by a vote of the people. Other sources of revenue may include grants, special assessments, or raising fees. These challenges will be met following the financial policies above.

Federal Financial Assistance

As a recipient of federal financial assistance, the City is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control systems are evaluated periodically by management to achieve these objectives. The City historically has not been required to have a single audit performed to test these controls, but due to the receipt of more than $1.6 million in federal dollars related to the COVID-19 pandemic, one will be performed for fiscal year June 30, 2022 and is also expected to be performed in fiscal year 2022-2023. The single audits will be performed as required, per Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), because the City received more than $750,000 in federal awards.

Budgeting Controls

In accordance with state law, the City's budget is prepared on the modified accrual basis for governmental funds, and its accounting records are also maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a liability is incurred, except for interest on long-term debt and accrued vacation benefits. Governmental funds, such as the City's general fund, special revenue funds, debt service funds, and capital projects funds, are reported on the modified accrual basis. The City's enterprise funds, internal service funds, pensions and other employee benefits trust funds are reported on the accrual basis, under which revenues are recorded when earned and expenses are recorded when incurred.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level for the general and special revenue funds. However, for internal accounting purposes, budgetary control is maintained by object class (line account) for all funds. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Purchase orders that would create an over encumbrance are not written until additional appropriations are available. Encumbered accounts lapse at year-end. There were no encumbrances outstanding at June 30, 2022.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Acknowledgements

The preparation of the ACFR on a timely basis was made possible by the dedicated service of the entire staff of the Department of Finance and Administrative Services, Department of Technical and Planning Services and our independent auditors, Rehmann Robson LLC, Certified Public Accountants. Each of them has our sincere thanks.

In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Sincerely,

[Signature omitted for security purposes]

Erik Tungate
City Manager

CITY OF OAK PARK, MICHIGAN

ELECTED AND APPOINTED OFFICIALS

City Council

Marian McClellan
Mayor

Julie Edgar
Mayor Pro-Tem

Solomon Radner
Carolyn Burns
Shaun Whitehead
Council Members

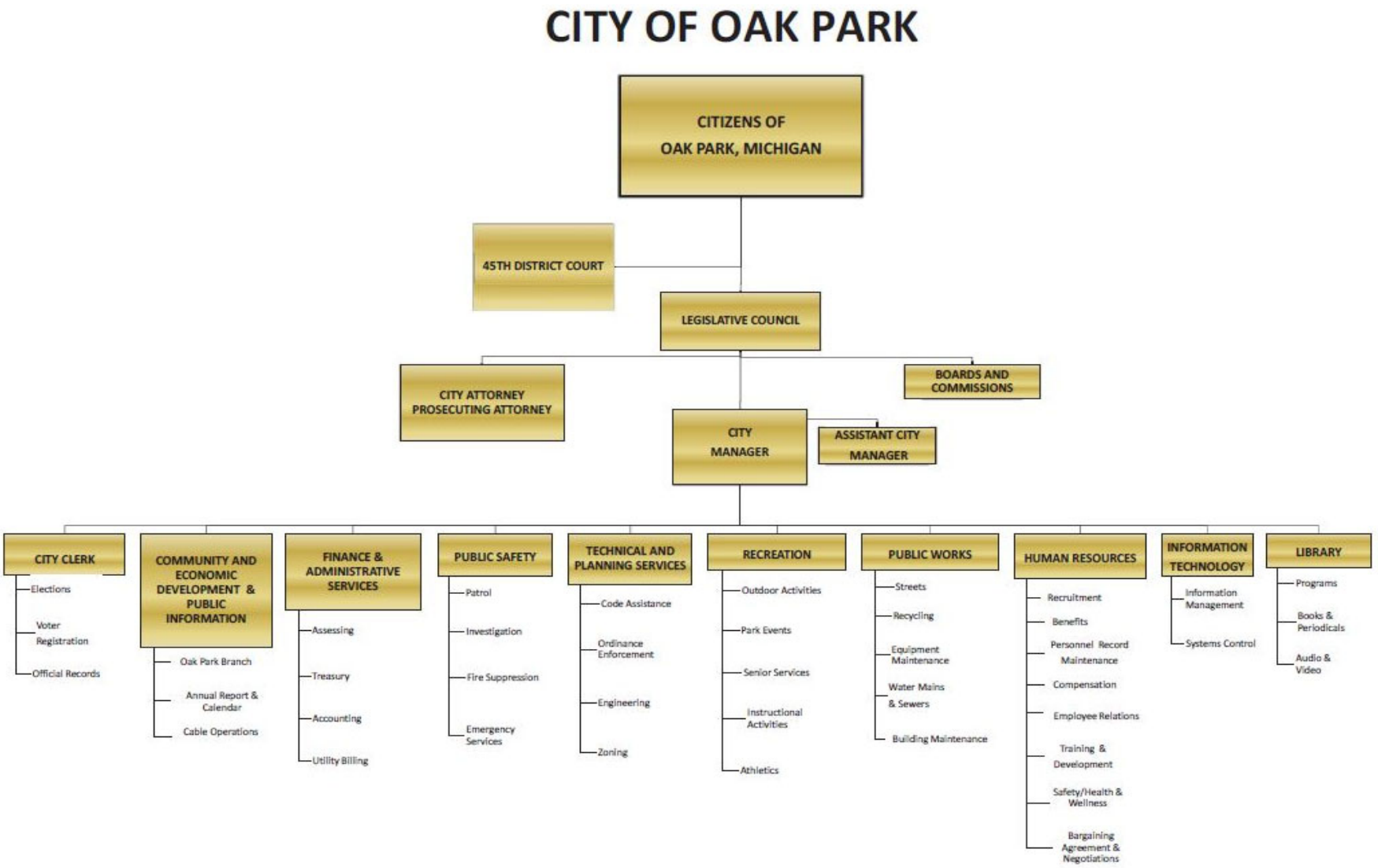
Appointed Officials and Senior Management

Erik Tungate, City Manager

Kevin Yee, Assistant City Manager / Public Works Director / City Engineer
T. Edwin Norris, City Clerk
Saundra Crawford, Director of Finance and Administrative Services / Treasurer
Jamen Winters, Deputy Finance Director
John Gillooly and Ebony Duff, City Attorney
Kimberly Schaaf, Library Director
Robert Barrett, Director of Technical and Planning Services
Steve Cooper, Director of Public Safety
Laurie Stasiak, Director of Recreation
Steve Lukasik, Deputy Treasurer
WCA Assessing, City Assessor
Scott Lemarbe, General Foreman
Ray Krajewski, General Foreman
Mike Pinkerton, Deputy Director of Public Safety
Daniel Fairless, Deputy Director of Technical and Planning Services
David DeCoster, Deputy Director of DPW & Director of Facilities
Kevin VanDewalle, Water Supervisor
Maralee Rosemond, Senior Services Coordinator
Megan Burke, Director of Human Resources & Operations
Kimberly Marrone, Director of Economic Development & Communications / Communications & Public Information
Crystal VanVleck, Director of Strategic Planning and Special Projects

CITY OF OAK PARK, MICHIGAN

Table of Organization



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oak Park
Michigan

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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Rehmann

INDEPENDENT AUDITORS' REPORT

December 15, 2022

The Honorable Mayor and Members of the City Council
City of Oak Park, Michigan

Report on the Audit of the Financial Statements

Opinions

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 Oak Park, Michigan (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

HLB We are an independent member of THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

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.

Independent Auditors' 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 auditors' 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 GAAS 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 GAAS 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 the schedules for the pension and other postemployment benefit plans, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 December 15, 2022, 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 solely 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 the City's internal control over financial reporting and compliance.

Rehmann Lohan LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the City of Oak Park, Michigan (the "City"), we offer readers an overview of the City's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the financial statements.

Financial Highlights

- The City's net position increased in the current year. Net position of the governmental activities increased by $12.3 million, or 16.1 percent. Net position of the business-type activities increased by $3.9 million, or 16.6 percent.
- The total cost of all of the City's governmental programs was $23.2 million.
- In the City's business-type activities, revenues were $14.8 million while expenses were $10.9 million.
- The fund balance of the City's governmental funds reported an increase of approximately $95,000, or 0.7 percent from $13.8 million to $13.8 million.
- The general fund reported a decrease in fund balance of $396,000, or 7.5 percent.
- The City's installment debt outstanding decreased $2.8 million, or 11.5 percent, from $24.0 million to $21.2 million.

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 long-term view of the City's finances. Fund financial statements for governmental activities show 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 of the government.

Reporting the City as a Whole

Our analysis of the City as a whole begins with the statement of net position. 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 the changes to net position. You can think of the City's net position (the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources) 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. However, readers should also consider other nonfinancial factors such as changes in the City's property tax base and the condition of the City's roads to assess the overall health of the City.

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 general government, judicial, public safety, road maintenance and repair, public works, health and sanitation, culture and recreation, library, community development, and interest and fiscal charges. Property taxes, charges for services, and state grants finance 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 and sewer system and stormwater utility system are reported here.

- Discretely presented component units — The City includes three separate legal entities in its report, the Economic Development Corporation, Brownfield Redevelopment Authority, and Corridor Improvement Authority. Although legally separate, these discretely presented component units are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by statute and by bond covenants. However, City Council 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 certain taxes, grants, and other monies. The City's three kinds of funds—governmental, proprietary, and fiduciary—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 readily be converted to 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 to 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 the statement of activities) and governmental funds in a reconciliation following 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 type of proprietary fund) are the same as the business-type activities we report in the government-wide statements but in greater detail. 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 City's motor pool operation.

Fiduciary funds. This category includes the City's pension and other employee benefits trust funds (fiduciary component units) along with its custodial funds, which account for monies held on behalf of others.

Reporting the City as Trustee

The City is the trustee, or fiduciary, for its employees' pension plans and retirees' health care – general and public safety employees' fund. It is also responsible for other assets in a custodial capacity. All of the City's fiduciary activities are reported in the separate statements of fiduciary net position and the statement of changes in fiduciary net position. 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.

Management's Discussion and Analysis

The City as a Whole

The City's total net position increased over the prior year from negative $52.9 million to negative $36.8 million. Our analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 21,754,791	$ 19,893,760	$ 9,703,459	$ 9,815,966	$ 31,458,250	$ 29,709,726
Capital assets, net	42,026,576	40,997,332	31,928,425	30,479,244	73,955,001	71,476,576
Total assets	63,781,367	60,891,092	41,631,884	40,295,210	105,413,251	101,186,302
Deferred outflows of resources	6,418,500	2,142,330	513,595	-	6,932,095	2,142,330
Long-term debt	22,917,761	24,728,558	2,942,492	4,891,333	25,860,253	29,619,891
Pension and other postemployment benefits	101,061,722	96,750,209	10,128,800	9,496,782	111,190,522	106,246,991
Current and other liabilities	5,771,175	3,612,524	1,762,881	1,673,893	7,534,056	5,286,417
Total liabilities	129,750,658	125,091,291	14,834,173	16,062,008	144,584,831	141,153,299
Deferred inflows of resources	4,536,900	14,283,793	-	805,922	4,536,900	15,089,715
Net position						
Net investment in capital assets	21,598,062	18,738,789	29,819,147	27,312,837	51,417,209	46,051,626
Restricted	7,670,497	6,893,549	-	-	7,670,497	6,893,549
Unrestricted (deficit)	(93,356,250)	(101,974,000)	(2,507,841)	(3,885,557)	(95,864,091)	(105,859,557)
Total net position	$ (64,087,691)	$ (76,341,662)	$ 27,311,306	$ 23,427,280	$ (36,776,385)	$ (52,914,382)

Except for the unrestricted net position deficit in the governmental and business-type activities, the City reports positive balances in all other categories of net position. The unrestricted net position deficits are a direct result of the net pension and other postemployment benefit liabilities and related deferred amounts.

Net position of the City's governmental activities increased by $12.3 million. Unrestricted net position — the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements — changed from negative $102.0 million at June 30, 2021 to negative $93.4 million at the end of this year. The increase in unrestricted net position (decrease in the deficit) from the prior to the current year is largely due to changes in the net pension and other postemployment benefit liabilities and related deferred amounts.

The net position of the business-type activities increased by $3.9 million. This is due to a reduction of $1.9 million in long-term debt and a net reduction in deferred inflows/deferred outflows related to the net pension and other postemployment benefit liabilities of $1.3 million. Total capital assets also increased by $1.4 million increasing the net position.

Management's Discussion and Analysis

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	$ 5,515,231	$ 5,475,955	$ 14,447,529	$ 15,436,719	$ 19,962,760	$ 20,912,674
Operating grants and contributions	5,304,336	6,018,475	-	-	5,304,336	6,018,475
Capital grants and contributions	34,571	-	-	-	34,571	-
General revenues:						
Property taxes	19,732,463	18,724,147	-	-	19,732,463	18,724,147
State shared	4,286,888	3,974,975	-	-	4,286,888	3,974,975
Franchise fees	589,683	613,987	-	-	589,683	613,987
Unrestricted investment earnings (loss)	7,468	217,103	(13,149)	307,219	(5,681)	524,322
Other	-	-	352,183	76,801	352,183	76,801
Total revenues	35,470,640	35,024,642	14,786,563	15,820,739	50,257,203	50,845,381
Expenses						
General government	4,569,576	3,035,000	-	-	4,569,576	3,035,000
Judicial	1,738,990	2,103,336	-	-	1,738,990	2,103,336
Public safety	8,812,779	6,407,054	-	-	8,812,779	6,407,054
Road maintenance and repair	2,820,014	2,367,452	-	-	2,820,014	2,367,452
Public works	571,346	1,159,977	-	-	571,346	1,159,977
Health and sanitation	2,867,225	3,320,003	-	-	2,867,225	3,320,003
Culture and recreation	428,914	521,273	-	-	428,914	521,273
Library	689,860	528,441	-	-	689,860	528,441
Community development	161,520	83,322	-	-	161,520	83,322
Interest and fiscal charges	556,445	632,709	-	-	556,445	632,709
Water and sewer	-	-	5,937,060	5,949,508	5,937,060	5,949,508
Stormwater utility	-	-	4,965,477	5,024,635	4,965,477	5,024,635
Total expenses	23,216,669	20,158,567	10,902,537	10,974,143	34,119,206	31,132,710
Change in net position	12,253,971	14,866,075	3,884,026	4,846,596	16,137,997	19,712,671
Net position						
Beginning of year	(76,341,662)	(91,207,737)	23,427,280	18,580,684	(52,914,382)	(72,627,053)
End of year	$ (64,087,691)	$ (76,341,662)	$ 27,311,306	$ 23,427,280	$ (36,776,385)	$ (52,914,382)

Management's Discussion and Analysis

The City's total revenue for all programs and services decreased 1.2 percent ($588,000) from the prior year. This is largely due to the following:

- The decrease in charges for services revenue of approximately $950,000 due to an overall reduction in consumption from City customers. The decrease is net of an increase in variable water and sewer rates during the year.

- The $714,000 decrease in operating grants and contributions is largely due to one-time CARES Act funding from the State of Michigan received in fiscal year 2021 was not provided in fiscal 2022.

- An increase of approximately $1.0 million in property tax revenues is due to an overall inflationary increase in taxable value of 3.3% along with a 2.1% increase from new development.

- A decrease of approximately $530,000 in unrestricted investment earnings (loss) represents significant increases in actual investment returns due to interest rate increases offset by unrealized losses from long-term investments due to the same rate increases.

- An increase of approximately $275,000 in other revenues is largely due to the reduction in an estimated liability from prior year.

The total cost of all programs and services increased by 9.6 percent ($3.0 million). This is largely due to the following:

- OPEB expense changed from $(8.3) million to $(9.5) million and pension expense changed from $(4.0) million to $(801,000), causing significant fluctuations in nearly all expense categories.

- The City made extra contributions totaling over $900,000 over and above the required actuarial determined amount to the unfunded pension liability.

Governmental activities. Revenues for the City's governmental activities increased by 1.3 percent ($446,000), while total expenses increased 15.2 percent ($3.1 million), as previously discussed. The factors driving these changes in revenues include:

- Increase of $1 million in property tax revenue was offset by a decrease in capital grants and contributions related to the COVID-19 pandemic of approximately $714,000.

- State shared revenue increased approximately $312,000 as sales tax collections continue to increase statewide but was offset by reductions in net unrealized investment losses of $210,000.

- Expenditure increases include $2.4 million in public safety for the addition of three new public safety officers, extra pension contributions over the actuary required amount and extra contribution for the purchase of the fire truck. Self-Insured healthcare costs, including retiree healthcare, were up from prior years by more than 20%.

Management's Discussion and Analysis

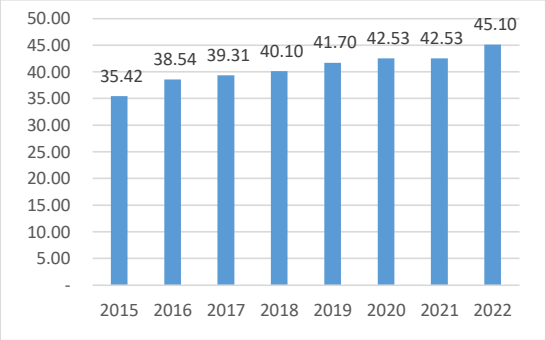
Business-type activities. The City has two business-type activities: the water and sewer system and the stormwater utility fund.

The City reported net income of $2.8 million in the water and sewer activity. This was a decrease of approximately $1.6 million, from fiscal year 2021 net income of $4.4 million. The factors driving these results include:

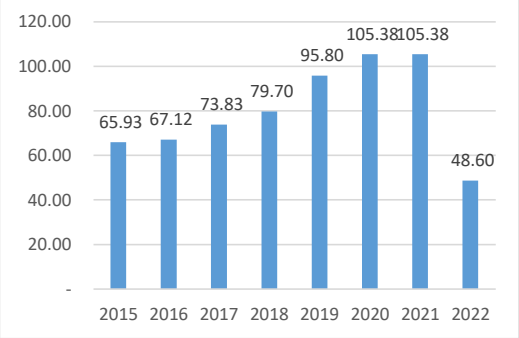
- The fund increased the water and sewer rates by approximately 6% during the year however, net consumption decreased resulting in a net decrease in charges for service revenue of approximately $799,000. Net unrealized investment losses were also greater than prior years.

- Fiscal year 2021 included an expense of $966,280 for a lawsuit settlement.

Annual Water Rates



Annual Sewer Rates



The City reported net income of $1.1 million in the stormwater utility fund. This was a decrease of $400,000, from fiscal year 2021 net income of $1.5 million. The factors driving these results include:

- The increase is primarily due to an increase of approximately $552,000 in the fixed fees included in charges for services.

The City's Funds

As the City completed the year, its governmental funds reported a total fund balance of $13.8 million, which is more than last year's total by $95,000. Included in this year's total change in fund balance is a decrease of approximately $396,000 in the City's general fund. Refer below for further information regarding the significant changes in general fund revenues and expenditures.

General fund revenues. The following paragraphs analyze the activities of the City's major operating fund. General fund revenues totaled $24.5 million, an increase of 0.9 percent over the prior year. Revenues by source were as follows:

	General Fund Revenues				
	Fiscal Year		Percent of	Increase	% Change from
	2022	2021	Total	(Decrease)	Prior Year
Property taxes	$ 14,716,400	$ 14,203,350	60.13%	$ 513,050	3.61%
Licenses and permits	694,875	659,275	2.84%	35,600	5.40%
Intergovernmental	5,768,011	6,242,458	23.57%	(474,447)	-7.60%
Charges for services	695,342	462,113	2.84%	233,229	50.47%
Fines and forfeits	1,082,333	1,272,095	4.42%	(189,762)	-14.92%
Franchise fees	589,683	613,987	2.41%	(24,304)	-3.96%
Investment income (loss)	(8,600)	127,457	-0.04%	(136,057)	-106.75%
Other	935,575	671,778	3.82%	263,797	39.27%
Total	$ 24,473,619	$ 24,252,513	100.00%	$ 221,106	0.91%

Management's Discussion and Analysis

Ad valorem taxes provide the City's primary source of revenue. The City's total tax rate is 33.8541 per $1,000 of taxable value. This is below the state's legal limit as provided for by the Headlee Amendment and the Truth in Taxation Act and includes the 7.0000 mill voter-approved levy for PA 345 public safety retirement costs. The overall increase in revenue is due to an increase in overall taxable value coupled with a decrease in the reserve for uncollectible chargebacks (foreclosures were put on hold due to COVID-19). See rates, as follows:

Purpose of Millage	2022 Rate	2021 Rate
Operating	15.2339	15.4990
Library	1.3886	1.4128
Solid waste/refuse	2.7500	2.7979
2012 debt	1.3344	1.3901
2015 debt	1.3514	1.3862
2010 debt	1.3880	1.6370
Recreation	0.4655	0.4736
Public safety	1.8773	1.9101
Headlee override	1.0650	1.0836
Public Safety Act 345	7.0000	7.0000
	33.8541	34.5903

Property tax revenue increase was due to a 5.4% increase in taxable value in the current year.

License and permits revenue increase was primarily due to increased new development in the current year.

Intergovernmental revenues decrease was primarily due to prior year included one-time CARES funding through the State of Michigan.

Charges for services increase is due primarily to increased new development in the current year.

Fines and forfeits revenues decrease was primarily due to an overall decrease in court revenues due to less tickets being written by all agencies included in the district court.

Franchise fees revenues decrease was primarily due to recent law changes allowing cable companies to charge additional costs against the franchise fees due the City reducing the net revenue received.

Investment income (loss) decrease is attributable to significant unrealized losses from longer-term investment being recognized for financial statement purposes only as required by the GASB.

Other revenues increase is primarily due to larger than expected insurance reimbursements received.

Management's Discussion and Analysis

General fund expenditures. General fund expenditures were $22.7 million, an increase of $1.3 million or 5.9 percent, over the prior year. Broken down by function, expenditures were as follows:

	General Fund Expenditures				
	Fiscal Year		Percent of	Increase	% Change from
	2022	2021	Total	(Decrease)	Prior Year
General government	$ 4,055,631	$ 3,940,503	17.87%	$ 115,128	2.92%
Public safety	13,181,717	11,901,021	58.08%	1,280,696	10.76%
Public works	1,500,353	1,809,837	6.61%	(309,484)	-17.10%
Culture and recreation	714,056	593,034	3.15%	121,022	20.41%
Community development	256,122	213,230	1.13%	42,892	20.12%
Nondepartmental costs	2,976,702	2,982,305	13.12%	(5,603)	-0.19%
Debt service:					
Lease principal	10,171	-	0.04%	10,171	100.00%
Interest and fiscal charges	1,599	-	0.01%	1,599	100.00%
Total	$ 22,696,351	$ 21,439,930	100.00%	$ 1,256,421	5.86%

General government expenditures increase is due to increased pension contribution and overall cost increases.

The public safety department increase is due primarily to the addition of three new officers, the increased pension contribution and contributions toward purchase of the new fire ladder truck.

The public works department decrease was primarily due to staffing shortages and increased DPW allocations to other funds.

Culture and recreation increase is due primarily to the reopening of the pool and other recreation programs post COVID.

Community development increase was primarily due to increase in personnel costs from full staffing and increase in conference costs post COVID.

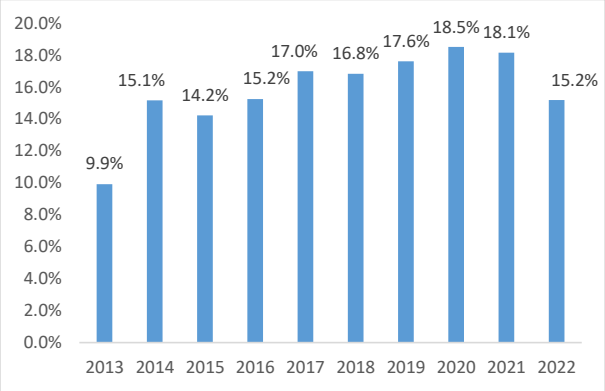
Nondepartmental costs decrease was primarily due to the net of an increase in retiree healthcare costs offset by no additional OPEB contribution in the current year.

Debt service expenditures increase is due to the implementation of GASB 87, whereby, payments on leases were reclassified to principal and interest.

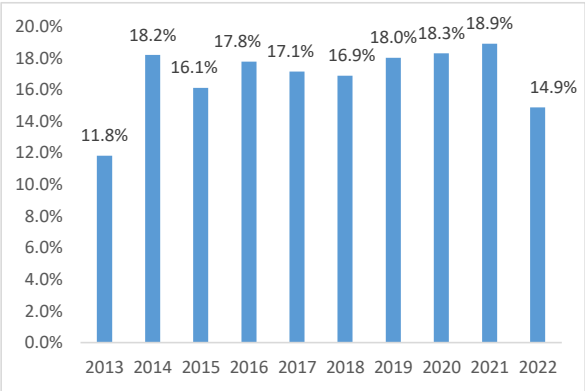
Management's Discussion and Analysis

General fund. Fund balance at June 30, 2022 decreased by 7.5 percent or approximately $396,000 from the prior year. The unassigned (and available for appropriation portion of) fund balance decreased by approximately $687,000 to a balance of $3.7 million which provides the City with approximately 54 days of annualized expenditures and transfers, and is equivalent to 14.9 percent of annual expenditures and transfers. Our goal is to maintain this percentage at 8.3 to 18.0 percent (approximates one to two months expenditures), a level considered adequate to meet any unforeseen events and avoid cash shortfalls during periods of low tax collections. Additionally, the City attempts to maintain a target fund balance of 10 to 15 percent of revenues. Unassigned fund balance can be graphically illustrated as follows:

Unassigned Fund Balance as a % of Revenues



Unassigned Fund Balance as a % of Expenditures and Transfers Out



General Fund Budgetary Highlights

Over the course of the year, City Council made quarterly budget amendments and other amendments as necessary. Budget amendments generally fall into three categories. The first category includes amendments and supplemental appropriations that were approved as projects and contracts were competitively bid and come in higher than originally budgeted. The second included council approved increases in appropriations when preparing the subsequent year's budget. These appropriations were to adjust the original budget when departments submitted estimated year-end figures that exceeded current budgeted amounts. Finally, amending the budget at the last City Council meeting of the fiscal year to prevent significant budget overruns.

Final budgeted revenues were $1.4 million greater than original budgeted revenues. Significant budget amendments included $538,000 more state shared revenue than originally anticipated, $539,000 of unexpected insurance reimbursement and $194,000 increase in property taxes due to less chargeback for tax appeals.

Final budgeted expenditures were $1.6 million greater than original budgeted expenditures. Significant budget amendments included $857,000 in public safety for extra pension contributions and fire truck purchase, $267,000 for self-insured retiree healthcare costs greater than anticipated and $351,000 in extra pension contributions included in most departments.

Total actual revenues were less than the final amended budgeted amount by $411,000. The primary reasons for the decreases over the final amended budget were court revenues were $218,000 less than anticipated, and unrealized investment losses were $204,000 greater than anticipated.

The actual expenditures were $744,000 less than the final budget amounts in the general fund. This is primarily due to projects/expenditures that were budgeted in fiscal year 2022 but were not spent and the budget was rolled over to fiscal year 2023 totaling $560,000. The remaining difference is the outstanding result of every department ending the year under budget.

Capital Asset and Debt Administration

Capital assets. At June 30, 2022, the City had $74.0 million invested in a broad range of capital assets, including land, rights-of-way, work in progress, infrastructure, buildings, improvements, library collection, vehicles, and equipment.

Significant capital asset additions include the purchase of a new fire ladder truck for $1.4 million and the replacement of water and sewer lines of $1.5 million.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	$ 1,617,369	$ 1,653,109	$ 11,502	$ 11,502	$ 1,628,871	$ 1,664,611
Rights-of-way	600,818	600,818	-	-	600,818	600,818
Work in progress	-	627,018	1,768,418	3,414,901	1,768,418	4,041,919
Infrastructure - roads	16,372,366	16,500,940	-	-	16,372,366	16,500,940
Infrastructure - sidewalks	2,242,144	1,867,702	-	-	2,242,144	1,867,702
Infrastructure - systems	-	-	29,932,056	26,788,190	29,932,056	26,788,190
Buildings	15,103,124	15,534,249	-	-	15,103,124	15,534,249
Improvements	2,185,186	2,097,409	-	-	2,185,186	2,097,409
Library collection	197,371	198,318	-	-	197,371	198,318
Vehicles and equipment	2,447,876	1,153,641	209,460	255,332	2,657,336	1,408,973
Other equipment	1,203,388	692,960	-	-	1,203,388	692,960
Leased equipment	56,934	71,168	6,989	9,319	63,923	80,487
Total capital assets, net	$ 42,026,576	$ 40,997,332	$ 31,928,425	$ 30,479,244	$ 73,955,001	$ 71,476,576

More detailed information about the City's capital assets is presented in Note 9 to the financial statements.

Long-term debt. Under current state statutes, the City's net bonded debt may not exceed 10 percent of the total assessed value of real and personal property as certified by the City Assessor. The City's net bonded debt of $19,782,154 is 1.9 percent of assessed value, and provides a legal debt margin of $81,941,791. Net general bonded debt per capita equaled $609.

The long-term debt obligations of the City consist of general obligation bonds outstanding and a note payable.

At year-end, the City had $21.2 million in installment debt outstanding versus $24.0 million last year, a decrease of 11.5 percent, as shown in the table below.

	Installment Debt					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds (backed by the City)	$ 17,560,000	$ 19,190,000	$ 2,102,746	$ 3,157,088	$ 19,662,746	$ 22,347,088
Note payable	1,565,000	1,635,000	-	-	1,565,000	1,635,000
Total	$ 19,125,000	$ 20,825,000	$ 2,102,746	$ 3,157,088	$ 21,227,746	$ 23,982,088

Management's Discussion and Analysis

At June 30, 2022, the 2012 street improvement refunding bonds, the 2015 street improvement refunding bonds, and the 2020 refunding bonds were the only outstanding governmental general obligation bonds. These bonds are paid by a tax levied on all taxpayers separate from the operating millage. A mill represents $1 of tax for every $1,000 of taxable value of real and personal property. The City's debt service levy in fiscal year 2021-2022 was 4.0738 mills. Requirements for general obligation bonds will decrease until all bonds are paid off in May 2036.

The City belongs to a consortium of cities known as the Twelve Towns Drainage District (the "District"). This District was formed to collect and treat sewage and stormwater for 14 communities. In 1998 the Michigan Department of Environmental Quality ordered the District to upgrade its retention facility and decrease its excess flows into Lake St. Clair. The total estimated cost of these improvements is $130 million, of which the City is responsible for 13.48%. This project began in fiscal year 2000-2001.

The District is borrowing funds through construction drawdowns to complete this project. As of June 30, 2022, the City is obligated to pay $2,102,746. Due to the nature of draws, the exact obligation will be unknown until the project is complete or no other draws are made. Payments on these obligations continue until 2029, ranging from $65,707 to $1,054,343. The City will continue to monitor the sewer rates to ensure sufficient cashflow to repay this debt.

The City's general obligation Moody's Rating Service underlying bond rating was A3. The State limits the amount of general obligation debt that cities can issue to 10 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is below this $101,723,945 state-imposed limit.

Other obligations include accrued vacation pay, sick leave, and claims and judgments. More detailed information about the City's long-term liabilities is presented in Note 11 to the financial statements.

Economic Factors and Next Year's Budget and Rates

Oak Park (population 29,560) is primarily a residential community located in southeastern Oakland County, Michigan. The local tax base has experienced an increase of 5.4% for fiscal year 2021-2022 and is expected to have a similar inflationary increase in the following year (5.0% expected for 2022-2023). This rebound in the economy is encouraging but will continue to present challenges in the near future. Service levels will continue to be adjusted to match annual revenues.

Overall net general bonded debt is moderate and continues to decline for the eighth year in a row, at $609 per capita and 3.25% of actual taxable value of property.

The City's elected and appointed officials considered many factors when setting the fiscal year 2021-2022 budget including tax rates and fees to be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 5.9 percent versus 6.0 percent a year ago. This compares with the State's unemployment rate of 4.3 percent and the national rate of 3.6 percent.

The City received the balance of the $3.1 million in COVID-19 related federal grants funds (ARPA grant) during fiscal year 2022. The three year budget passed by the mayor and city council in May 2021 utilizes all of these funds over the three years to balance the annual budget by offsetting lost revenues along with using the proceeds to fund several capital projects.

These indicators were taken into account when adopting the general fund budget for fiscal year 2022-2023. The fiscal year 2022-2023 budget was adopted in May 2022. Amounts available for appropriation in the general fund budget are $24.7 million, an increase of 1.0 percent over the estimated fiscal year 2021-2022 amount of $24.5 million. Property tax revenue is budgeted to increase by 5.9 percent. Overall, revenues are expected to remain relatively flat (excluding the three year use of the ARPA grant). Budgeted expenditures are expected to increase to $24.7 million from $23.4 million in fiscal year 2021-2022. The City has added no new major programs or initiatives to the fiscal year 2022-2023 budget.

Management's Discussion and Analysis

The expense plan for the water and sewer fund for fiscal year 2022-2023 is $10,630,539 a decrease of $1.78 million from fiscal year 2021-2022. The plan includes a modest rate increase in water and sewer rates, primarily to pass along the increase in the wholesale water and sewage rates from Oakland County.

This plan includes expenses for the District (known also as the George W. Kuhn Drain). Construction continues, and 10 bonds have been issued to pay for the costs. The City is responsible for 13.48 percent of the cost. Debt payments have been built into the budget and stormwater rates are adjusted as needed to meet our obligations. The George W. Kuhn Drain debt payment (principal and interest) will be approximately $905,000 in fiscal year 2022-2023.

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 Director of Finance and Administrative Services' Office, at the City of Oak Park, 14000 Oak Park Blvd., Oak Park, MI, 48237.

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BASIC FINANCIAL STATEMENTS

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CITY OF OAK PARK, MICHIGAN

Statement of Net Position

June 30, 2022

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and investments	$ 17,341,980	$ 6,967,065	$ 24,309,045	$ 517,560
Receivables	3,557,212	2,736,390	6,293,602	15,853
Prepaid items	855,599	4	855,603	-
Capital assets not being depreciated/amortized	2,218,187	1,779,920	3,998,107	-
Capital assets being depreciated/amortized, net	39,808,389	30,148,505	69,956,894	-
Total assets	63,781,367	41,631,884	105,413,251	533,413
Deferred outflows of resources				
Deferred pension amounts	5,843,123	495,437	6,338,560	-
Deferred other postemployment benefit amounts	341,323	18,158	359,481	-
Deferred charge on refunding	234,054	-	234,054	-
Total deferred outflows of resources	6,418,500	513,595	6,932,095	-
Liabilities				
Accounts payable and accrued liabilities	4,074,068	1,756,349	5,830,417	20,248
Unearned revenue	1,647,250	-	1,647,250	-
Leases payable:				
Due within one year	20,870	2,849	23,719	-
Due in more than one year	28,987	3,683	32,670	-
Long-term debt:				
Due within one year	2,777,097	1,536,604	4,313,701	-
Due in more than one year	20,140,664	1,405,888	21,546,552	-
Other liabilities due in more than one year:				
Net pension liability	51,516,140	6,956,481	58,472,621	-
Net other postemployment benefit liability	49,545,582	3,172,319	52,717,901	-
Total liabilities	129,750,658	14,834,173	144,584,831	20,248
Deferred inflows of resources				
Deferred pension amounts	1,534,298	-	1,534,298	-
Deferred other postemployment benefit amounts	1,972,377	-	1,972,377	-
Deferred lease amounts	1,030,225	-	1,030,225	-
Total deferred inflows of resources	4,536,900	-	4,536,900	-
Net position				
Net investment in capital assets	21,598,062	29,819,147	51,417,209	-
Restricted for:				
Capital projects	259,742	-	259,742	-
Debt service	830,557	-	830,557	-
Judicial	174,553	-	174,553	-
Public safety	45,235	-	45,235	-
Road maintenance and repair	4,478,311	-	4,478,311	-
Health and sanitation	1,768,107	-	1,768,107	-
Library	113,992	-	113,992	-
Unrestricted (deficit)	(93,356,250)	(2,507,841)	(95,864,091)	513,165
Total net position	$ (64,087,691)	$ 27,311,306	$ (36,776,385)	$ 513,165

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

Statement of Activities

For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities:					
General government	$ 4,569,576	$ 3,545,345	$ 13,084	$ 34,571	$ (976,576)
Judicial	1,738,990	60,625	423,695	-	(1,254,670)
Public safety	8,812,779	62,007	1,482,183	-	(7,268,589)
Road maintenance and repair	2,820,014	205,564	3,164,759	-	550,309
Public works	571,346	75,069	-	-	(496,277)
Health and sanitation	2,867,225	1,549,069	-	-	(1,318,156)
Culture and recreation	428,914	-	-	-	(428,914)
Library	689,860	17,552	104,432	-	(567,876)
Community development	161,520	-	116,183	-	(45,337)
Interest and fiscal charges	556,445	-	-	-	(556,445)
Total governmental activities	23,216,669	5,515,231	5,304,336	34,571	(12,362,531)
Business-type activities:					
Water and sewer	5,937,060	8,414,798	-	-	2,477,738
Stormwater utility	4,965,477	6,032,731	-	-	1,067,254
Total business-type activities	10,902,537	14,447,529	-	-	3,544,992
Total primary government	$ 34,119,206	$ 19,962,760	$ 5,304,336	$ 34,571	$ (8,817,539)
Component units					
Brownfield Redevelopment Authority	$ 62,475	$ -	$ 15,853	$ -	$ (46,622)
Corridor Improvement Authority	27,670	1,700	-	-	(25,970)
Total component units	$ 90,145	$ 1,700	$ 15,853	$ -	$ (72,592)

continued…

Statement of Activities

For the Year Ended June 30, 2022

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Change in net position				
Net (expense) revenue	$ (12,362,531)	$ 3,544,992	$ (8,817,539)	$ (72,592)
General revenues:				
Property taxes levied for:				
General purposes	17,440,642	-	17,440,642	271,091
Debt service	2,291,821	-	2,291,821	-
State shared revenues	4,286,888	-	4,286,888	-
Franchise fees	589,683	-	589,683	-
Investment income (loss)	7,468	(13,149)	(5,681)	(1,493)
Other	-	352,183	352,183	-
Total general revenues	24,616,502	339,034	24,955,536	269,598
Change in net position	12,253,971	3,884,026	16,137,997	197,006
Net position, beginning of year	(76,341,662)	23,427,280	(52,914,382)	316,159
Net position, end of year	$ (64,087,691)	$ 27,311,306	$ (36,776,385)	$ 513,165

concluded.

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

Balance Sheet

Governmental Funds
June 30, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	$ 7,463,442	$ 9,546,347	$ 17,009,789
Receivables:			
Taxes	25,672	13,538	39,210
Special assessments	-	625,079	625,079
Accounts	260,025	292,728	552,753
Leases	1,030,225	-	1,030,225
Due from other governments	741,714	567,857	1,309,571
Due from other funds	41,398	-	41,398
Prepaid items	637,447	40,392	677,839
Total assets	$ 10,199,923	$ 11,085,941	$ 21,285,864
Liabilities			
Accounts payable	$ 1,785,022	$ 1,237,448	$ 3,022,470
Accrued liabilities	702,612	188,982	891,594
Unearned revenue	1,647,250	-	1,647,250
Due to other funds	-	41,398	41,398
Total liabilities	4,134,884	1,467,828	5,602,712
Deferred inflows of resources			
Unavailable revenue - charges for services	125,172	-	125,172
Unavailable revenue - special assessments	-	625,079	625,079
Unavailable revenue - grants	-	57,326	57,326
Deferred lease amounts	1,030,225	-	1,030,225
Total deferred inflows of resources	1,155,397	682,405	1,837,802
Fund balances			
Nonspendable	637,447	40,392	677,839
Restricted	-	7,353,160	7,353,160
Assigned	559,965	1,833,279	2,393,244
Unassigned (deficit)	3,712,230	(291,123)	3,421,107
Total fund balances	4,909,642	8,935,708	13,845,350
Total liabilities, deferred inflows of resources, and fund balances	$ 10,199,923	$ 11,085,941	$ 21,285,864

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

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2022

Fund balances - total governmental funds	$ 13,845,350
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 the fund financial statements.	
Capital assets not being depreciated/amortized	2,218,187
Capital assets being depreciated/amortized, net	39,808,389
Less net capital assets accounted for in internal service funds	(2,447,876)
The focus of governmental funds is on short-term financing. Accordingly, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows in the governmental funds, and thus are not included in fund balance.	
Unavailable charges for services receivable	125,172
Unavailable long-term special assessments receivable	625,079
Unavailable grants receivable	57,326
Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities.	
Net position of governmental activities accounted for in internal service funds	2,905,413
Certain liabilities, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.	
Leases payable	(49,857)
Accrued interest on long-term debt	(111,882)
Bonds and note payable	(19,125,000)
Unamortized bonds and note payable premiums	(1,487,711)
Accrued compensated absences	(2,300,384)
Deferred charge on refunding	234,054
Certain pension and postemployment-related amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(51,516,140)
Deferred outflows related to the net pension liability	5,843,123
Deferred inflows related to the net pension liability	(1,534,298)
Net other postemployment benefit liability	(49,545,582)
Deferred outflows related to the net other postemployment benefit liability	341,323
Deferred inflows related to the net other postemployment benefit liability	(1,972,377)
Net position of governmental activities	$ (64,087,691)

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

CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	$ 14,716,400	$ 4,586,368	$ 19,302,768
Special assessments	-	110,848	110,848
Licenses and permits	694,875	-	694,875
Intergovernmental:			
Federal grants	1,484,571	120,724	1,605,295
State grants	4,283,440	3,650,613	7,934,053
Charges for services	695,342	1,619,805	2,315,147
Fines and forfeitures	1,082,333	86,094	1,168,427
Franchise fees	589,683	-	589,683
Investment income (loss)	(8,600)	18,621	10,021
Other	935,575	317,472	1,253,047
Total revenues	24,473,619	10,510,545	34,984,164
Expenditures			
Current:			
General government	4,055,631	-	4,055,631
Judicial	-	2,429,691	2,429,691
Public safety	13,181,717	28,490	13,210,207
Road maintenance and repair	-	2,736,585	2,736,585
Public works	1,500,353	546,108	2,046,461
Health and sanitation	-	2,866,090	2,866,090
Culture and recreation	714,056	43	714,099
Library	-	882,173	882,173
Community development	256,122	319,895	576,017
Nondepartmental costs	2,976,702	-	2,976,702
Debt service:			
Principal	-	1,700,000	1,700,000
Lease principal	10,171	11,140	21,311
Interest and fiscal charges	1,599	672,587	674,186
Total expenditures	22,696,351	12,192,802	34,889,153
Revenues over (under) expenditures	1,777,268	(1,682,257)	95,011
Other financing sources (uses)			
Transfers in	105,000	2,719,714	2,824,714
Transfers out	(2,277,957)	(546,757)	(2,824,714)
Total other financing sources (uses)	(2,172,957)	2,172,957	-
Net change in fund balances	(395,689)	490,700	95,011
Fund balances, beginning of year	5,305,331	8,445,008	13,750,339
Fund balances, end of year	$ 4,909,642	$ 8,935,708	$ 13,845,350

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

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended June 30, 2022

Net change in fund balances - total governmental funds	$	95,011
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 and reported as depreciation/amortization expense.		
Capital assets purchased / constructed		3,939,953
Less capital assets purchased / constructed accounted for in internal service funds		(1,563,461)
Depreciation/amortization expense		(2,874,969)
Less depreciation/amortization expense accounted for in internal service funds		269,226
Loss on disposal of capital assets		(35,740)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.		
Net change in deferred inflows for long-term special assessments receivable		429,695
Net change in deferred inflows for grants receivable		59,334
Bond and note payable proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds and note payable increases long-term liabilities in the statement of net position. Repayment of bond and note payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal payments on leases payable		21,311
Principal payments on long-term debt		1,700,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in accrued interest payable on long-term debt		139,016
Amortization of deferred charge on refunding		(21,275)
Change in net pension liability and related deferred amounts		698,797
Change in net other postemployment benefit liability and related deferred amounts		8,935,439
Change in the accrual for compensated absences		(14,530)
An internal service fund is used by management to charge the costs of certain services to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.		
Operating income from governmental activities in internal service funds		478,717
Investment loss from internal service funds		(2,553)
Change in net position of governmental activities	$	12,253,971

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

CITY OF OAK PARK, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 14,456,965	$ 14,651,176	$ 14,716,400	$ 65,224
Licenses and permits	646,025	646,025	694,875	48,850
Intergovernmental:				
Federal grants	1,450,000	1,484,571	1,484,571	-
State grants	3,688,991	4,227,207	4,283,440	56,233
Charges for services	560,393	630,393	695,342	64,949
Fines and forfeitures	1,300,000	1,300,000	1,082,333	(217,667)
Franchise fees	671,897	682,697	589,683	(93,014)
Investment income (loss)	210,240	195,202	(8,600)	(203,802)
Other	536,000	1,067,757	935,575	(132,182)
Total revenues	23,520,511	24,885,028	24,473,619	(411,409)
Expenditures				
General government:				
City council	75,879	75,879	62,633	(13,246)
City manager	481,685	487,685	474,171	(13,514)
Human resources	263,203	276,349	260,343	(16,006)
Information technology	338,081	348,081	249,720	(98,361)
City attorney	269,600	259,600	245,394	(14,206)
Prosecuting attorney	71,660	71,660	71,660	-
City clerk	400,532	355,532	349,783	(5,749)
Finance and administrative services	1,230,744	1,367,444	1,350,605	(16,839)
Public information	299,714	289,024	271,459	(17,565)
Technical and planning services	1,458,358	1,530,358	1,504,063	(26,295)
Less reimbursements from other funds for finance and administrative services	(769,200)	(780,900)	(784,200)	(3,300)
Total general government	4,120,256	4,280,712	4,055,631	(225,081)
Public safety:				
General	12,132,069	12,968,471	12,957,620	(10,851)
K9 unit	203,192	224,192	224,097	(95)
Total public safety	12,335,261	13,192,663	13,181,717	(10,946)
Public works:				
Building and maintenance	1,066,313	1,114,313	757,343	(356,970)
Administration	20,014	57,514	57,101	(413)
Shepherd Park	316,608	123,108	78,320	(44,788)
Other parks	368,513	778,113	607,589	(170,524)
Total public works	1,771,448	2,073,048	1,500,353	(572,695)

continued…

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Culture and recreation:				
Administration	$ 528,870	$ 489,551	$ 382,629	$ (106,922)
Athletics	29,311	16,181	9,672	(6,509)
Outdoor activities	69,230	87,430	80,637	(6,793)
Instructional activities	10,000	18,530	16,440	(2,090)
Special recreation activities	49,800	82,000	81,325	(675)
Swimming pool	135,059	117,059	88,841	(28,218)
Senior services	42,174	55,093	54,512	(581)
Total culture and recreation	864,444	865,844	714,056	(151,788)
Community development	256,617	263,617	256,122	(7,495)
Nondepartmental costs	2,485,400	2,752,400	2,976,702	224,302
Debt service:				
Lease principal	-	-	10,171	10,171
Interest and fiscal charges	14,100	11,700	1,599	(10,101)
Total debt service	14,100	11,700	11,770	70
Total expenditures	21,847,526	23,439,984	22,696,351	(743,633)
Revenues over expenditures	1,672,985	1,445,044	1,777,268	332,224
Other financing sources (uses)				
Transfers in	105,000	105,000	105,000	-
Transfers out	(1,777,985)	(2,215,100)	(2,277,957)	62,857
Total other financing sources (uses)	(1,672,985)	(2,110,100)	(2,172,957)	(62,857)
Net change in fund balance	-	(665,056)	(395,689)	269,367
Fund balance, beginning of year	3,809,696	3,809,696	5,305,331	1,495,635
Fund balance, end of year	$ 3,809,696	$ 3,144,640	$ 4,909,642	$ 1,765,002

concluded.

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

CITY OF OAK PARK, MICHIGAN

Statement of Net Position

Proprietary Funds
June 30, 2022

	Business-type Activities			Governmental Activities
	Enterprise Funds			
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
Assets				
Current assets:				
Cash and investments	$ 6,960,699	$ 6,366	$ 6,967,065	$ 332,191
Receivables:				
Special assessments	1,000	-	1,000	-
Accounts	1,817,402	852,100	2,669,502	374
Due from other governments	-	65,888	65,888	-
Due from other funds	589,212	-	589,212	-
Prepaid items	4	-	4	177,760
Total current assets	9,368,317	924,354	10,292,671	510,325
Noncurrent assets:				
Capital assets not being depreciated/amortized	310,139	1,469,781	1,779,920	-
Capital assets being depreciated/amortized, net	18,606,283	11,542,222	30,148,505	2,447,876
Total noncurrent assets	18,916,422	13,012,003	31,928,425	2,447,876
Total assets	28,284,739	13,936,357	42,221,096	2,958,201
Deferred outflows of resources				
Deferred pension amounts	178,357	317,080	495,437	-
Deferred other postemployment benefit amounts	6,537	11,621	18,158	-
Total deferred outflows of resources	184,894	328,701	513,595	-
Liabilities				
Current liabilities:				
Accounts payable	1,238,880	322,415	1,561,295	44,986
Accrued liabilities	182,322	-	182,322	3,136
Accrued interest payable	-	12,732	12,732	-
Due to other funds	-	589,212	589,212	-
Current portion of:				
Leases payable	2,849	-	2,849	-
Accrued compensated absences	95,521	-	95,521	1,104
Claims and judgments	587,500	-	587,500	-
Bonds payable	-	853,583	853,583	-
Total current liabilities	2,107,072	1,777,942	3,885,014	49,226
Noncurrent liabilities:				
Leases payable, net of current portion	3,683	-	3,683	-
Accrued compensated absences, net of current portion	156,725	-	156,725	3,562
Bonds payable, net of current portion	-	1,249,163	1,249,163	-
Net pension liability	2,504,333	4,452,148	6,956,481	-
Net other postemployment benefit liability	1,142,035	2,030,284	3,172,319	-
Total noncurrent liabilities	3,806,776	7,731,595	11,538,371	3,562
Total liabilities	5,913,848	9,509,537	15,423,385	52,788
Net position				
Net investment in capital assets	18,909,890	10,909,257	29,819,147	2,447,876
Unrestricted (deficit)	3,645,895	(6,153,736)	(2,507,841)	457,537
Total net position	$ 22,555,785	$ 4,755,521	$ 27,311,306	$ 2,905,413

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

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities			Governmental Activities
	Enterprise Funds			
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
Operating revenues				
Charges for services	$ 8,414,798	$ 6,032,731	$ 14,447,529	$ 1,768,178
Fines and forfeitures	-	-	-	103,947
Other	352,183	-	352,183	68,213
Total operating revenues	8,766,981	6,032,731	14,799,712	1,940,338
Operating expenses				
Water	1,441,904	-	1,441,904	-
Sewage treatment	2,164,932	-	2,164,932	-
Transmission and distribution	901,600	-	901,600	-
Maintenance and operation	423,265	3,979,910	4,403,175	-
Customer accounting and collection	221,267	180,119	401,386	-
General and administration	326,350	308,328	634,678	-
Depreciation/amortization	457,742	427,083	884,825	269,226
Wages and benefits	-	-	-	449,651
Insurance	-	-	-	291,488
Gasoline	-	-	-	222,937
Professional services	-	-	-	41,962
Supplies	-	-	-	186,357
Total operating expenses	5,937,060	4,895,440	10,832,500	1,461,621
Operating income	2,829,921	1,137,291	3,967,212	478,717
Nonoperating revenues (expenses)				
Investment loss	(13,149)	-	(13,149)	(2,553)
Interest expense	-	(70,037)	(70,037)	-
Total nonoperating revenues (expenses)	(13,149)	(70,037)	(83,186)	(2,553)
Change in net position	2,816,772	1,067,254	3,884,026	476,164
Net position, beginning of year	19,739,013	3,688,267	23,427,280	2,429,249
Net position, end of year	$ 22,555,785	$ 4,755,521	$ 27,311,306	$ 2,905,413

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

CITY OF OAK PARK, MICHIGAN

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities			Governmental Activities
	Enterprise Funds			
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
Cash flows from operating activities				
Receipts from customers	$ 10,214,791	$ 6,824,681	$ 17,039,472	$ -
Receipts from interfund services	-	-	-	1,767,804
Other receipts	352,183	-	352,183	172,160
Payments to suppliers	(3,721,041)	(5,383,396)	(9,104,437)	(901,962)
Payments to employees	(1,591,114)	(304,170)	(1,895,284)	(449,861)
Net cash provided by operating activities	5,254,819	1,137,115	6,391,934	588,141
Cash flows from noncapital financing activities				
Principal paid on long-term debt	(912,756)	-	(912,756)	-
Cash flows from capital and related financing activities				
Purchases of capital assets	(2,334,006)	-	(2,334,006)	(1,563,461)
Principal paid on long-term debt	-	(1,054,342)	(1,054,342)	-
Principal paid on leases payable	(2,787)	-	(2,787)	-
Interest paid on long-term debt	-	(76,407)	(76,407)	-
Net cash used in capital and related financing activities	(2,336,793)	(1,130,749)	(3,467,542)	(1,563,461)
Cash flows from investing activities				
Investment loss	(13,149)	-	(13,149)	(2,553)
Net change in cash and investments	1,992,121	6,366	1,998,487	(977,873)
Cash and investments, beginning of year	4,968,578	-	4,968,578	1,310,064
Cash and investments, end of year	$ 6,960,699	$ 6,366	$ 6,967,065	$ 332,191

continued…

Statement of Cash Flows

Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities			Governmental Activities
	Enterprise Funds			
	Water and Sewer	Stormwater Utility	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 2,829,921	$ 1,137,291	$ 3,967,212	$ 478,717
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation/amortization expense	457,742	427,083	884,825	269,226
Change in assets and liabilities:				
Special assessments receivable	200	-	200	-
Accounts receivable	1,315,082	791,950	2,107,032	(374)
Due from other governments	3,766	-	3,766	-
Due from other funds	480,945	-	480,945	-
Prepaid items	(4)	-	(4)	(141,432)
Deferred outflows of resources - pension amounts	(178,357)	(317,080)	(495,437)	-
Deferred outflows of resources - other postemployment benefit amounts	(6,537)	(11,621)	(18,158)	-
Accounts payable	280,495	(298,264)	(17,769)	(25,798)
Accrued liabilities	115,914	-	115,914	3,136
Due to other funds	-	(480,945)	(480,945)	-
Accrued compensated absences	18,257	-	18,257	4,666
Net pension liability	430,446	765,237	1,195,683	-
Net other postemployment benefit liability	(202,919)	(360,746)	(563,665)	-
Deferred inflows of resources - pension amounts	(288,739)	(513,314)	(802,053)	-
Deferred inflows of resources - other postemployment benefit amounts	(1,393)	(2,476)	(3,869)	-
Net cash provided by operating activities	$ 5,254,819	$ 1,137,115	$ 6,391,934	$ 588,141

concluded.

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

CITY OF OAK PARK, MICHIGAN

Statement of Fiduciary Net Position

June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
Assets		
Cash and cash equivalents	$ 5,141,913	$ -
Investments, at fair value:		
Equity mutual funds	45,778,324	-
Fixed income mutual funds	17,959,358	-
Money market accounts	4,198,242	-
Due from other governments	153,620	-
Prepaid items	36,178	-
Total assets	73,267,635	-
Liabilities		
Accounts payable	708,246	-
Net position		
Restricted for:		
Pension	66,142,776	-
Other postemployment benefits	6,416,613	-
Total net position	$ 72,559,389	$ -

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

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
Additions		
Contributions:		
Employer	$ 8,359,589	$ -
Plan members	564,705	-
Total contributions	8,924,294	-
Investment income (loss):		
Net change in fair value of investments	(11,819,941)	-
Interest	23,705	-
Dividends	1,752,836	-
Total investment loss	(10,043,400)	-
Less: investment expense	(308,307)	-
Net investment loss	(10,351,707)	-
Taxes collected for other governments	-	17,372,189
Total additions (excess of net investment loss over contributions)	(1,427,413)	17,372,189
Deductions		
Benefits	10,860,882	-
Refunds	18,208	-
Administration	6,657	-
Payments of taxes to other governments	-	17,372,189
Total deductions	10,885,747	17,372,189
Change in net position	(12,313,160)	-
Net position, beginning of year	84,872,549	-
Net position, end of year	$ 72,559,389	$ -

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

Combining Statement of Net Position

Discretely Presented Component Units
June 30, 2022

	Economic Development Corporation	Brownfield Redevelopment Authority	Corridor Improvement Authority	Total Component Units
Assets				
Cash and investments	$ 18,876	$ 238,697	$ 259,987	$ 517,560
Receivables	-	15,853	-	15,853
Total assets	18,876	254,550	259,987	533,413
Liabilities				
Accounts payable	-	15,853	4,395	20,248
Net position				
Unrestricted	$ 18,876	$ 238,697	$ 255,592	$ 513,165

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

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended June 30, 2022

	Economic Development Corporation	Brownfield Redevelopment Authority	Corridor Improvement Authority	Total Component Units
Expenses				
Community development	$ -	$ 62,475	$ 27,670	$ 90,145
Program revenues				
Charges for services	-	-	1,700	1,700
Operating grants and contributions	-	15,853	-	15,853
Total program revenues	-	15,853	1,700	17,553
Net revenues (expenses)	-	(46,622)	(25,970)	(72,592)
General revenues				
Property taxes	-	47,394	223,697	271,091
Investment loss	(47)	(934)	(512)	(1,493)
Total general revenues	(47)	46,460	223,185	269,598
Changes in net position	(47)	(162)	197,215	197,006
Net position, beginning of year	18,923	238,859	58,377	316,159
Net position, end of year	$ 18,876	$ 238,697	$ 255,592	$ 513,165

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

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NOTES TO FINANCIAL STATEMENTS

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oak Park, Michigan (the "City") was incorporated October 30, 1945. The City operates under a Mayor/Council-Manager form of government and provides the following services as authorized by the charter: public safety (police and fire), building ordinance enforcement, highways and streets, sanitation, parks and recreation, public improvement, planning and zoning, library service, water, sewer, stormwater, and refuse removal.

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

Reporting Entity

As required by GAAP, the financial statements of the reporting entity include those of the City and its component units. The component units discussed below are included in the City's reporting entity because they are entities for which the City is considered to be financially accountable.

Blended Component Unit

The City's Municipal Building Authority (the "Authority") is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan and is presented as a blended component unit. The Authority is governed by a board that is appointed by City Council. The City also has accountability for fiscal matters of the Authority. 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 for acquiring and owning facilities for the use of the City.

Discretely Presented Component Units

The component unit columns in the government-wide financial statements include the financial data of the City's other component units. They are reported in separate columns to emphasize that they are legally separate from the City. The following component units are included in the reporting entity because the primary government is financially accountable and is able to impose its will on the organizations.

Economic Development Corporation (the "EDC"). The EDC is a municipal, non-profit, non-stock corporation organized under the laws of the State of Michigan for the purpose of promoting development in the City. The EDC is governed by a Board that is appointed by City Council. The City has the ability to significantly influence the daily operations of the EDC. The EDC does not issue a separate financial report.

Brownfield Redevelopment Authority. The Brownfield Redevelopment Authority was established to promote the redevelopment of, and private investment in, environmentally distressed properties within the City. The Brownfield Redevelopment Authority is governed by a Board that is appointed by City Council. The City also has accountability for fiscal matters of the Brownfield Redevelopment Authority. The Brownfield Redevelopment Authority does not issue a separate financial report.

Corridor Improvement Authority. The Corridor Improvement Authority was established to maintain and upgrade the economic viability in the business districts of the City. The designated corridors, include portions of Nine Mile Road, Eleven Mile Road, and all of Coolidge. The Corridor Improvement Authority is governed by a Board that is appointed by City Council. The City also has accountability for fiscal matters of the Corridor Improvement Authority. The Corridor Improvement Authority does not issue a separate financial report.

Notes to Financial Statements

Fiduciary Component Unit

Employees' Retirement System. The Employees' Retirement System (the System) is a single-employer defined benefit contributory retirement plan which provides pension, death and disability benefits covering certain full-time employees of the City. The System is administered through a qualified trust. The System is included as a fiduciary component unit of the City because (1) the System is a legally separate entity; (2) the City appoints a voting majority of the Pension Board; and (3) the City makes contributions to the System on behalf of its participants. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the City.

Public Safety Employees' Retirement System. The Public Safety Employees' Retirement System (the PS System) is a single-employer defined benefit contributory retirement plan which provides pension, death and disability benefits covering certain full-time employees of the City. The PS System is administered through a qualified trust. The PS System is included as a fiduciary component unit of the City because (1) the PS System is a legally separate entity; (2) the City appoints a voting majority of the Pension Board; and (3) the City makes contributions to the PS System on behalf of its participants. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the City.

Retiree Health Care - General and Public Safety. The Retiree Health Care Plan (the Plan) is a single-employer defined benefit postemployment plan, for which provides group hospitalization for general and district court employees and dental and optical coverage for district court employees. The Plan is administered through a qualified trust. The Plan is included as a fiduciary component unit of the City because (1) the Plan is a legally separate entity; (2) the City appoints a voting majority of the OPEB Board; and (3) the City makes contributions to the Plan on behalf of its participants. Employee contribution requirements were established and may be amended subject to collective bargaining agreements and approval by the City.

Government-wide and Fund Financial Statements

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

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

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

Notes to Financial Statements

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental fund -

The *general fund* is the government's primary operating fund. It accounts for all the financial resources of the general government, except those accounted for and reported in another fund.

The City reports the following major enterprise funds:

The *water and sewer fund* accounts for the operation of the City's water and sewer systems. The fund is financed and operated in a manner similar to a private enterprise. The intent is that costs (expenses, including depreciation) of providing water and sewer services to the general public are recovered through user charges.

The *stormwater utility fund* accounts for the operation of the City's stormwater systems. The fund is financed and operated in a manner similar to a private enterprise. The intent is that costs (expenses, including depreciation) of providing stormwater services to the general public are recovered through user charges.

In addition the City reports the following governmental fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City has three internal service funds: 1) the risk management fund is used to accumulate resources from other funds that utilize labor to pay workers compensation premiums to the Michigan Municipal League's workers compensation pool, to pay self-insured health care benefits, and for the City's property and liability insurance; 2) the motor pool fund is used for the purchase and maintenance of the City's fleet through rental charges for equipment to other funds; and 3) the District Court retiree's health care fund is used for the accumulation of assets to fund retiree's health care for District Court employees.

Pension and other employee benefits trust funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds. The City has two pension trust funds (general and public safety) and a retirees' health care fund, which account for assets, liabilities, revenues, and expenses in essentially the same manner as proprietary funds.

The *custodial fund* is used to account for assets held by the City as an agent for other governments. This fund is custodial in nature. The City has a tax custodial fund used to hold assets belonging to other governments.

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 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.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer and stormwater utility enterprise funds and of the government's internal service funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Restricted net position includes assets that are subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Notes to Financial Statements

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

Cash and Investments

The City's cash and investments are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All investments are recorded at fair value.

The City participates in the Oakland County Investment Pool (the "Pool") which is managed by the Oakland County Treasurer. In accordance with GASB 79, the Pool shares are recorded at amortized cost, which approximates fair value. The Pool is not subject to regulatory oversight, is not registered with the SEC (Securities Exchange Commission) and does not issue separate financial statements. The value of the City's position in the Pool is the same as the value of the Pool shares and includes accrued interest.

Interfund Receivables and Payables

In addition to transactions related to pooled cash, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are included in the "due from other funds" or "due to other funds" accounts on the balance sheet.

Prepaid Items

Prepaid items represent payments made to vendors for goods and services applicable to future fiscal years. Prepaids of governmental funds are recorded as expenditures when consumed rather than when purchased. Prepaid items are offset by nonspendable fund balance in governmental funds.

Leases

Lessee. The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor. The City is a lessor for a noncancellable leases of related to an ice arena, a water tower, and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

Depreciation of all exhaustible capital assets used by proprietary fund types is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund type statements of net position. Depreciation has been provided over the estimated useful lives using the straight-line method.

Notes to Financial Statements

The estimated useful lives are as follows:

	Years
Governmental activities:	
Infrastructure - roads	20-45
Infrastructure - sidewalks	20
Buildings	10-50
Improvements	10-50
Library collection	10
Vehicles and equipment	3-25
Other equipment	5-25
Business-type activities:	
Buildings	30
Garages	50
Vehicles and equipment	3-10
Water systems	5-100
Water - hydrants	20-80
Water - tanks	10-30
Water - pump station	10
Water - master meter	80
Water - reservoir	10-80
Water - reservoir pump	10-30
Sewer system	5-80
Stormwater system	5-80

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge 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. The City also reports deferred outflows of resources related to the net pension liability and the net other postemployment benefit liability.

Notes to Financial Statements

Long-term Obligations

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, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, if any, are deferred and amortized over the life of the bonds using the straight-line method. 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 during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Special Assessments

Special assessments, if any, are recorded as revenues in the fund financial statements when due, not when levied. Estimated annual installments not yet available are reflected as deferred inflows of resources in the governmental fund financial statements and as revenues in the government-wide financial statements. Special assessments are billed annually on June 1 and are due and payable August 1.

Compensated Absences

The City accrues vacation pay, sick pay (at 50 percent of unused sick days), compensatory time off, and any salary-related payments for these compensated absences. The current obligations of all funds and the long-term obligations of proprietary funds are recorded in the respective funds. City employees are granted vacation time based on length of service. Most employees have the option of receiving compensatory time off in lieu of pay for overtime worked up to 40 hours. Sick pay is earned at the rate of one day per month, and unused sick days may be accumulated up to 150 days. Employees will be paid for 50 percent of total accumulation upon retirement.

Unused sick and vacation that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Unused sick and vacation is accrued when incurred in proprietary funds and reported as a liability. For governmental funds, the current portion of the liability for compensated absences reflects only the unpaid balance of reimbursable unused leave for employees that terminated by the fiscal year end. In accordance with GAAP, for the governmental funds, in the fund financial statements, the noncurrent portion of the compensated absences are considered long-term and, therefore, are not a fund liability and represents a reconciling item between the fund level and government-wide presentations. In addition to the proprietary funds, the general fund, the major streets special revenue fund, and several nonmajor special revenue funds have been used to liquidate the liability for compensated absences.

Notes to Financial Statements

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City reports deferred inflows of resources related to pension and other postemployment benefit liabilities. Finally, the statements of net position and governmental funds balance sheets report deferred inflows related to leases. The amounts are deferred and amortized over the remaining life of the lease.

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and net other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefit expense, information about the fiduciary net position of the plans and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balances

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance* is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, City Council. A formal resolution of City Council is required to establish, modify, or rescind a fund balance commitment. The City reports *assigned fund balance* for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance has been granted to the City Manager by City Council. *Unassigned fund balance* is the residual classification for the general fund and deficits from other governmental funds.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed, assigned, and finally unassigned fund balance.

Statements of Cash Flows

The City presents statements of cash flows for all proprietary fund types. These statements, which have been prepared utilizing the direct method, analyze the net increase or decrease in cash and investments by source. For purposes of the statements of cash flows, the City considers all highly liquid investments purchased with an original maturity of three months or less and the deposits in the investment funds to be cash equivalents.

Notes to Financial Statements

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. COMPLIANCE INFORMATION

Budgetary Data

Budgets are adopted on the modified accrual basis consistent with GAAP. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital project funds. Annual budgets lapse at year-end.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level for the general and special revenue funds.

The governing body must approve budget amendments at the activity level and supplemental appropriations, which affect total fund expenditures. Department directors or the City Manager can transfer appropriations between line items within a department or activity without governing body approval. Supplemental appropriations were necessary during the year.

The City's appropriation resolution is generally passed during the month of May preceding the fiscal year in which the planned expenditures relate. Subsequent amendments are made to avoid unfavorable variances from the original budget. Related resolutions are made to state the purpose and amount of the changes. The City Manager has the responsibility to enforce the budget. Unused appropriations do not carry forward to the next fiscal year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other firm commitments are used for the expenditure of monies, is utilized as an extension of formal budgetary control in the governmental funds. Encumbered amounts lapse at year-end, however, material encumbrances generally are reappropriated as part of the following year's budget. These material encumbrances outstanding at year-end, if any, are reported as assignments of fund balance since they do not constitute expenditures or liabilities.

Notes to Financial Statements

3. EXCESS OF EXPENDITURES OVER BUDGET AND FUND BALANCE DEFICITS

P.A. 621 of 1978 of the State, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated in budget resolutions of the governing body. Budgets are required by State law for general and special revenue funds.

In the body of the financial statements, the City's actual and budgeted expenditures for the budgetary funds have been shown on an activity level for the general fund and on a functional basis for all other funds, with the approved budgets of the City of those budgetary funds being adopted at the activity or department level.

At year end, the City reported expenditures in excess of budgetary amounts, as noted below.

General fund:		
Nondepartmental costs	$	224,302
Debt service		70
Transfers out		62,857
Nonmajor governmental funds:		
Library Special Revenue Fund	$	7,321

At year end, the City reported fund balance deficits in certain nonmajor governmental funds, as noted below. The governmental fund deficits resulted from unavailable grant and special assessment revenues.

Nonmajor governmental funds:		
Community Development Block Grant Special Revenue Fund	$	(14,791)
Veterans Treatment Court Grant Special Revenue Fund		(120)
Mental Health Court Grant Special Revenue Fund		(42,415)
Sidewalk Program Capital Projects Fund		(233,797)

Additionally, the Stormwater Utility Enterprise fund reported an unrestricted deficit of $6,153,736 at June 30, 2022.

4. BUILDING PERMITS AND RELATED COSTS

The City has the following revenues and costs related to building permits:

Shortfall at July 1, 2021	$	(378,588)
Current year building permit revenue		315,627
Related costs		(371,931)
Cumulative shortfall at June 30, 2022	$	(434,892)

Notes to Financial Statements

5. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposit and investment balances as of June 30, 2022:

	Primary Government	Component Units	Totals
Statement of net position			
Cash and investments	$ 24,309,045	$ 517,560	$ 24,826,605
Statement of fiduciary net position			
Pension and other employee benefit trust funds:			
Cash and cash equivalents	5,141,913	-	5,141,913
Investments	67,935,924	-	67,935,924
Total	$ 97,386,882	$ 517,560	$ 97,904,442

Deposits and investments	
Bank deposits -	
Checking, savings accounts, and certificates of deposit (due within one year)	$ 1,955,599
Treasurer's investments	28,007,736
Pension and other employee benefit trust funds investments	67,935,924
Cash on hand	5,183
Total	$ 97,904,442

Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. State law does not require and the City does not have a policy for deposit custodial credit risk. As of year-end, $2,170,934 of the City's bank balance of $2,571,004 (book balance of $1,955,599) was exposed to custodial credit risk because it was uninsured and uncollateralized.

The City's depository policy does not specifically address this risk, although the City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the City evaluates each financial institution with which it deposits City funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Notes to Financial Statements

Investments

Custodial Credit Risk – Investments. Investments are exposed to custodial credit risk if the securities are uninsured, unregistered or held by a counterparty or its agent but not in the government's name. All investments are held in the name of the City by a counterparty, and thus are not exposed to custodial credit risk. The City's investments are limited to securities, bonds, commercial paper, and money market accounts.

Following is a summary of the City's investments as of June 30, 2022:

U.S. agency securities	$	4,036,785
Municipal bonds		1,585,226
Money market accounts		23,367
Commercial paper		21,887,926
Oakland County Investment Pool		474,432
Total	$	28,007,736

Credit Risk. State law limits investments to specific governmental securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified money market accounts, and qualified external investment pools as identified in the list of authorized investments in the summary of significant accounting policies.

The City's investments were rated by Standard & Poor's ("S&P") and Moody's as follows:

Rating			
Moody's	**S&P**		**Amount**
AA1	N/A	$	475,388
Aaa	AA+		4,036,785
A2	AA		1,109,838
Not rated	Not rated		22,385,725
		$	28,007,736

Concentration of Credit Risk. At June 30, 2022, there were no concentrations in securities of any one issuer greater than five percent of investment fair market value. The City's investment policy does not address concentration of credit risk.

Notes to Financial Statements

Interest Rate Risk. Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments. The maturity dates for the investments are as follows:

	Fair Value	Investment Maturities: Less than 1 year
U.S. agency securities	$ 4,036,785	$ 4,036,785
Municipal bonds	1,585,226	1,585,226
Commercial paper	21,887,926	21,887,926
	$ 27,509,937	$ 27,509,937

The City's investment policy does not address interest rate risk. The City's investments in U.S. agencies are non-callable. Amounts in the Oakland County Investment Pool are accessible to the City on demand; accordingly, the investment is not deemed to have a maturity date.

Fair Value Measurements. The City categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs – other than quoted prices – included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the City's investment manager, and are determined at the fund level based on a review of the investment's class, structure, and what kind of securities are held in funds. The investment managers will request the information from the fund managers, if necessary.

The City had the following recurring fair value measurements as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
U.S. agency securities	$ -	$ 4,036,785	$ -	4,036,785
Municipal bonds	-	1,585,226	-	1,585,226
Money market accounts	-	23,367	-	23,367
Commercial paper	-	21,887,926	-	21,887,926
	$ -	$ 27,533,304	$ -	27,533,304
Investments measured at NAV				
Oakland County Investment Pool				474,432
Total investments				$ 28,007,736

Level 2 inputs use one of the following valuation techniques depending on the investment: a) traditional net asset valuation (dividing the asset value by the number of units owned), b) matrix pricing technique (relying on the securities' relationship to other benchmark quoted securities instead of exclusively on quoted prices for specific securities), or c) quoted market prices for similar assets in active markets or quoted prices for identical or similar assets in markets that are not active.

Pension and Other Employee Benefits Trust Funds Investments

Following is a summary of the pension and other employee benefits trust funds investments at fair value as of June 30, 2022:

Investment Type	Amount
Equity mutual funds	$ 45,778,324
Fixed income mutual funds	17,959,358
Money market accounts	4,198,242
Total investments	$ 67,935,924

Custodial Credit Risk - Investments. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the trust funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although its investment policy does not specifically address custodial credit risk (and its investments are uninsured and unregistered), the trust funds' investments are not exposed to custodial credit risk since the securities are held by the counterparty or its agent in the trust funds' name.

Concentration of Credit Risk. The pension and other employee benefits trust funds investment policy does not address concentration of credit risk. At June 30, 2022, there were no concentrations in securities of any one issuer greater than 5 percent of investment fair market value.

Interest Rate Risk. Interest rate risk is the risk that the market rate of securities in the portfolio will fall due to changes in market interest rates. The State of Michigan law limits the allowable investments and the maturities of some of the allowable investments.

The pension and other employee benefits trust funds investment policy does not address credit or interest rate risk.

Rate of Return. For the year ended June 30, 2022, the annual money-weighted rate of return on pension and other postemployment benefits investments, net of investment expense, was as follows:

- Employees' Retirement System -12.94%
- Public Safety Employees' Retirement System -13.09%
- General Retiree Healthcare Plan -2.50%
- Public Safety Retiree Healthcare Plan -2.60%
- Court Retiree Healthcare Plan -0.23%

The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Notes to Financial Statements

Fair Value Measurements. The pension and other employee benefits trust funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs – other than quoted prices – included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the City's investment managers, and are determined at the fund level based on a review of the investment's class, structure, and what kind of securities are held in funds. The investment managers will request the information from the fund managers, if necessary.

The pension and other employee benefits trust funds had the following recurring fair value measurements as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Equity mutual funds	$ 45,778,324	$ -	$ -	$ 45,778,324
Fixed income mutual funds	17,959,358	-	-	17,959,358
Money market accounts	4,198,242	-	-	4,198,242
Total investments	$ 67,935,924	$ -	$ -	$ 67,935,924

The fair value of the City's Level 1 investments is based on quotes from publicly traded securities markets, where available.

6. RECEIVABLES

Receivables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities
Taxes receivable	$ 39,210	$ -
Special assessments receivable	625,079	1,000
Accounts receivable	553,127	2,669,502
Leases receivable	1,030,225	-
Due from other governments	1,309,571	65,888
	$ 3,557,212	$ 2,736,390
Not expected to be collected within one year	$ 1,152,569	$ 176,066

Notes to Financial Statements

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables are comprised of the following at year-end:

	Governmental Activities	Business-type Activities
Accounts payable	$ 3,067,456	$ 1,561,295
Accrued liabilities	894,730	182,322
Accrued interest payable	111,882	12,732
	$ 4,074,068	$ 1,756,349

8. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Interfund balances are comprised of the following at year-end:

	Due from Other Funds	Due to Other Funds
General fund	$ 41,398	$ -
Nonmajor governmental funds	-	41,398
Water and sewer	589,212	-
Stormwater utility	-	589,212
	$ 630,610	$ 630,610

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. All interfund balances are expected to be collected within one year.

For the current fiscal year, interfund transfers consisted of the following:

	Transfers in		
Transfers Out	General Fund	Nonmajor Governmental Funds	Total
General fund	$ -	$ 2,277,957	$ 2,277,957
Nonmajor governmental funds	105,000	441,757	546,757
	$ 105,000	$ 2,719,714	$ 2,824,714

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for 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.

Notes to Financial Statements

For the year ended June 30, 2022, the general fund transferred $1,852,985 to the 45th District Court nonmajor special revenue fund, $79,972 to the 2011 library and recreation lease nonmajor debt service fund, and $345,000 to the parks and recreation improvement nonmajor capital projects fund. The major streets nonmajor special revenue fund transferred $200,000 to the local streets nonmajor special revenue fund. The 45th District Court nonmajor special revenue fund transferred $41,757 to the indigent defense grant nonmajor special revenue fund. The library nonmajor special revenue fund transferred $50,000 to the 2011 library and recreation lease nonmajor debt service fund. The public improvement nonmajor capital projects fund transferred $150,000 to the parks and recreation improvement nonmajor capital projects fund and $105,000 to the general fund.

9. CAPITAL ASSETS

Capital asset activity for the year of the City's governmental activities was as follows:

	Beginning Balance*	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated/amortized:					
Land	$ 1,653,109	$ -	$ (35,740)	$ -	$ 1,617,369
Rights-of-way	600,818	-	-	-	600,818
Work in progress	627,018	-	-	(627,018)	-
	2,880,945	-	(35,740)	(627,018)	2,218,187
Capital assets being depreciated/amortized:					
Infrastructure - roads	107,650,560	838,696	-	627,018	109,116,274
Infrastructure - sidewalks	6,149,884	560,407	(49,344)	-	6,660,947
Buildings	21,295,079	-	-	-	21,295,079
Improvements	4,599,202	267,589	-	-	4,866,791
Library collection	740,094	47,960	(4,796)	-	783,258
Vehicles and equipment	4,612,522	1,563,461	(99,692)	-	6,076,291
Other equipment	2,577,152	661,840	-	-	3,238,992
Leased equipment	71,168	-	-	-	71,168
	147,695,661	3,939,953	(153,832)	627,018	152,108,800
Less accumulated depreciation/amortization for:					
Infrastructure - roads	(91,149,620)	(1,594,288)	-	-	(92,743,908)
Infrastructure - sidewalks	(4,282,182)	(185,965)	49,344	-	(4,418,803)
Buildings	(5,760,830)	(431,125)	-	-	(6,191,955)
Improvements	(2,501,793)	(179,812)	-	-	(2,681,605)
Library collection	(541,776)	(48,907)	4,796	-	(585,887)
Vehicles and equipment	(3,458,881)	(269,226)	99,692	-	(3,628,415)
Other equipment	(1,884,192)	(151,412)	-	-	(2,035,604)
Leased equipment	-	(14,234)	-	-	(14,234)
	(109,579,274)	(2,874,969)	153,832	-	(112,300,411)
Total capital assets being depreciated/amortized	38,116,387	1,064,984	-	627,018	39,808,389
Governmental activities capital assets, net	$ 40,997,332	$ 1,064,984	$ (35,740)	$ -	$ 42,026,576

Notes to Financial Statements

Capital asset activity for the year of the City's business-type activities was as follows:

	Beginning Balance*	Additions	Disposals	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated/amortized:					
Land	$ 11,502	$ -	$ -	$ -	$ 11,502
Work in progress	3,414,901	298,637	-	(1,945,120)	1,768,418
	3,426,403	298,637	-	(1,945,120)	1,779,920
Capital assets being depreciated/amortized:					
Buildings	86,500	-	-	-	86,500
Garage	24,564	-	-	-	24,564
Vehicles and equipment	1,562,875	7,752	-	-	1,570,627
Water system	15,046,992	1,489,527	-	1,497,477	18,033,996
Water - hydrants	605,836	-	-	-	605,836
Water - tanks	442,873	-	-	-	442,873
Water - pump station	1,150,089	-	-	-	1,150,089
Water - master meter	27,514	-	-	-	27,514
Water - reservoir	852,719	-	-	-	852,719
Water - reservoir pump	677,557	-	-	-	677,557
Sewer system	22,086,895	538,090	-	447,643	23,072,628
Leased equipment	9,319	-	-	-	9,319
	42,573,733	2,035,369	-	1,945,120	46,554,222
Less accumulated depreciation/amortization for:					
Buildings	(86,500)	-	-	-	(86,500)
Garage	(24,564)	-	-	-	(24,564)
Vehicles and equipment	(1,307,543)	(53,624)	-	-	(1,361,167)
Water system	(5,305,281)	(207,887)	-	-	(5,513,168)
Water - hydrants	(466,598)	(6,422)	-	-	(473,020)
Water - tanks	(272,541)	(27,604)	-	-	(300,145)
Water - pump station	(1,001,715)	(19,070)	-	-	(1,020,785)
Water - master meter	(23,731)	(344)	-	-	(24,075)
Water - reservoir	(571,108)	(4,400)	-	-	(575,508)
Water - reservoir pump	(410,121)	(16,695)	-	-	(426,816)
Sewer system	(6,051,190)	(546,449)	-	-	(6,597,639)
Leased equipment	-	(2,330)	-	-	(2,330)
	(15,520,892)	(884,825)	-	-	(16,405,717)
Total capital assets being depreciated/amortized	27,052,841	1,150,544	-	1,945,120	30,148,505
Business-type activities capital assets, net	$ 30,479,244	$ 1,449,181	$ -	$ -	$ 31,928,425

* The City implemented the provisions of GASB Statement No. 87, *Leases,* in the current year. In accordance with this Statement, leased assets have been added to the beginning balances shown above and a corresponding lease payable has been recorded for the same amount.

Notes to Financial Statements

At June 30, 2022, the City had outstanding commitments through construction contracts of approximately $2.8 million.

Depreciation/amortization expense was charged to governmental activities functions as follows:

General government	$ 91,515
Judicial	4,914
Public safety	35,174
Road maintenance and repair	1,005,539
Public works	1,159,237
Health and sanitation	13,685
Culture and recreation	2,518
Library	54,825
Community development	238,336
Internal service funds	269,226
Total governmental activities	$ 2,874,969

Depreciation/amortization expense was charged to business-type activities functions as follows:

Water and sewer	$ 457,742
Stormwater utility	427,083
	$ 884,825

10. LEASES

Lessee - The City is involved in an agreement for 22 copiers as a lessee that qualifies as a long-term lease agreement. Below is a summary of the nature of this agreement. This agreement qualifies as an intangible, right-to-use asset and not a financed purchase, as the City will not own the asset at the end of the contract term and the noncancelable term of the agreement surpasses one year.

Asset Type	Remaining Term of Agreements
Copiers	1-4 years

The assets acquired through the lease are summarized as follows:

	Governmental Activities	Business-type Activities
Equipment	$ 71,168	$ 9,319
Less accumulated amortization	(14,234)	(2,330)
Net book value	$ 56,934	$ 6,989

Notes to Financial Statements

The net present value of future minimum payments as of June 30, 2022, were as follows:

	Governmental Activities		Business-type Activities	
Year Ended June 30,	Principal	Interest	Principal	Interest
2023	$ 20,870	$ 1,210	$ 2,849	$ 157
2024	21,504	576	2,935	70
2025	7,390	56	748	4
2026	93	-	-	-
Total	$ 49,857	$ 1,842	$ 6,532	$ 231

Lease liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance *	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Leases payable	$ 71,168	$ -	$ (21,311)	$ 49,857	$ 20,870
Business-type activities					
Leases payable	$ 9,319	$ -	$ (2,787)	$ 6,532	$ 2,849

***** The City implemented the provisions of GASB Statement No. 87, *Leases,* in the current year. In accordance with this Statement, leases payable have been added to the beginning balances shown above and a corresponding lease asset has been recorded for the same amount.

Lessor - The City is involved in three agreements as a lessor that qualify as long-term lease agreements. Below is a summary of these agreements. These agreements qualify as long-term lease agreements as the City will not surrender control of the asset at the end of the term and the noncancelable term of the agreement surpasses one year. Total lease revenue for the year ended June 30, 2022 was $98,589.

	Remaining Term of Agreements
Asset Type	
Ice arena	1 year
Water tower	11 years
Land	8 years

Lease receivable activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Governmental activities				
Leases receivable	$ 1,128,814	$ -	$ (98,589)	$ 1,030,225

Notes to Financial Statements

11. LONG-TERM DEBT

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

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds					
$9,150,000, 2012 Refunding Street Improvement, installments of $520,000 to $660,000 through May 1, 2028, interest at 2.0 to 3.0%	$ 4,510,000	$ -	$ (630,000)	$ 3,880,000	$ 635,000
$7,825,000, 2015 Refunding Bond, installments of $415,000 to $755,000 through May 1, 2030, interest at 4.0%	5,585,000	-	(510,000)	5,075,000	530,000
$9,145,000, 2020 Refunding Bond, installments of $50,000 to $740,000 through May 1, 2036, interest at 3.0%	9,095,000	-	(490,000)	8,605,000	505,000
Total governmental activities bonds	19,190,000	-	(1,630,000)	17,560,000	1,670,000

continued…

Notes to Financial Statements

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Unamortized premium:					
2012 G.O. bonds	$ 70,255	$ -	$ (10,036)	$ 60,219	$ 10,036
2015 G.O. bonds	531,252	-	(53,126)	478,126	53,126
2020 G.O. bonds	796,671	-	(53,111)	743,560	53,111
Direct borrowings:					
$1,700,000 note payable refunding, installments of $65,000 to $135,000 through November 1, 2036, interest ranging from 2.0% - 5.0%	1,635,000	-	(70,000)	1,565,000	70,000
Unamortized premium - Note payable refunding	219,526	-	(13,720)	205,806	13,720
Compensated absences	2,285,854	926,581	(907,385)	2,305,050	907,104
Total governmental activities	$ 24,728,558	$ 926,581	$ (2,737,378)	$ 22,917,761	$ 2,777,097

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Business-type activities					
Water revenue bonds					
George W. Kuhn Drain installments of $65,707 to $1,054,343 through April 1, 2029, interest at 1.625% to 2.5%	$ 3,157,088	$ -	$ (1,054,342)	$ 2,102,746	$ 853,583
Claims and judgments	1,500,256	-	(912,756)	587,500	587,500
Compensated absences	233,989	113,778	(95,521)	252,246	95,521
Total business-type activities	$ 4,891,333	$ 113,778	$ (2,062,619)	$ 2,942,492	$ 1,536,604

Notes to Financial Statements

Annual debt service requirements to maturity for bonds are as follows:

Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	$ 1,670,000	$ 561,513	$ 853,583	$ 50,927
2024	1,710,000	510,875	857,092	30,190
2025	1,755,000	458,875	84,871	9,114
2026	1,805,000	403,700	86,808	7,214
2027	1,855,000	346,750	76,658	5,270
2028-2032	5,935,000	906,100	143,734	5,116
2033-2036	2,830,000	215,550	-	-
	$ 17,560,000	$ 3,403,363	$ 2,102,746	$ 107,831

Annual debt service requirements to maturity for the direct borrowing note payable is as follows:

Year Ended June 30,	Governmental Activities	
	Principal	Interest
2023	$ 70,000	$ 56,400
2024	75,000	52,775
2025	80,000	48,900
2026	85,000	44,775
2027	90,000	40,400
2028-2032	535,000	127,725
2033-2037	630,000	32,100
	$ 1,565,000	$ 403,075

All general obligation bonded debt is supported by the City's full faith and credit. Interest is payable on all obligations semi-annually. Principal is paid on an annual basis.

The City is a participating community in the George W. Kuhn drain project. The project is administered by the Oakland County Drain Commission and financed through the sale of drain bonds, a State of Michigan revolving loan fund, federal and state grants, and contributions from Oakland County. The City along with 13 other local communities are obligated for payment of principal and interest of the outstanding debt. It is currently anticipated that the City's total obligation at the end of construction will be approximately $15.6 million with an interest rate ranging from 1.625 percent to 2.5 percent. As of June 30, 2022, the City's outstanding obligation is approximately $2.1 million and incurred interest expense of $76,339 for the year then ended. Due to the current construction of the project, the sale of drain bonds and draws from the revolving fund are being incurred on an as needed basis and thus an accurate schedule of principal and interest payments cannot be determined at this time.

Notes to Financial Statements

Several years ago, a class action lawsuit was filed against the City related to its water and sewer rates. In October 2018, a settlement was reached whereby the City will pay $2,850,000 to resolve the claims of the lawsuit. Within one week of the settlement date, a payment of $500,000 was made. Subsequently, a payment of $587,500 was to be made each year for the next three years.

A separate class action lawsuit was filed against the City related to the City's water and sewer rates. In May 2021, a settlement was reached, whereby the City was to pay $641,024 immediately, plus $325,256 over the next four years in order to resolve the claims of the lawsuit. Within one week of the settlement date, a payment of $641,024 was made. In fiscal 2022, the City received further clarification that the $325,256 was not required to be paid. As a result, that liability was eliminated in 2022.

Annual payment requirements are as follows:

Year Ended June 30,	Amount
2023	$ 587,500

12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases insurance coverage through public entity risk pools or commercial carriers. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

13. PROPERTY TAXES

Property taxes are levied based on taxable values of property located in the City. Taxable values are established annually. The taxable property values for the 2021 tax levy are as follows:

Real property	$ 507,462,196
Personal property	46,727,649
Total	$ 554,189,845

For the current fiscal year, the City levied 18.6417 mills for general governmental services, 1.3886 mills for library services, 7.0000 mills for public safety pension (Public Act 345), 2.7500 mills for solid waste, and 4.0738 mills for long-term debt retirement.

Notes to Financial Statements

14. TAX ABATEMENTS

The City received reduced property tax revenues during fiscal year 2022 as a result of industrial facilities tax exemptions (IFT's) agreements.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50 percent of the millage rate applicable to other real and personal property in the City. The abatements amounted to approximately $63,800 in reduced City tax revenues for fiscal year 2022.

15. DEFINED BENEFIT PENSION PLANS

Plans Administration. The City has two defined benefit pension plans, the Employees' Retirement System ("ERS", which covers general employees) and the Public Safety Employees' Retirement System ("PS", which covers police and fire employees). Originally, the City had a single pension plan that covered both employee groups, but effective with the June 30, 2013 actuarial valuation the original plan was split into these two plans.

The original plan was established by Chapter 15 of the City Charter as a single-employer defined benefit pension plan covering all employees of the City hired before August 1, 2004. General employees hired after August 1, 2004 and employees belonging to the AFSCME union hired after July 1, 2006 are part of the defined contribution pension plan described below. The separate plans were established by City Council under the authority of Chapter 15 of the City Charter.

The City is the administrator of both the original defined benefit plan and now the two separate plans. Administrative costs of the plans are financed through investment earnings. The plans are included as pension trust funds in the City's financial statements; stand-alone financial reports of the plans have not been issued.

The financial statements of the plans are prepared using the accrual basis of accounting. Member contributions are recognized in the period in which the contributions are due. The City's contributions 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 plans.

Plan investments are stated at fair value which is determined as follows: (a) short-term investments are reported at cost, which approximates fair value; (b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; (c) investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the ERS and PS Systems' governing body, with the assistance of a valuation service; and (d) cash deposits are reported at carrying amounts which reasonably approximates fair value.

Management of the ERS is vested in the City of Oak Park General Employees' Retirement System Board of Trustees, which consists of five members, one is the City Manager of the City, one is a citizen member of the City, two members are elected by the active participants of the Plan, and one is appointed by City Council.

Management of the PS is vested in the City of Oak Park Public Safety Employees' Retirement System Board of Trustees, which consists of five members, one is the City Manager of the City, one is an active member from the Command Officers Union group, one is an active member of the Public Safety Officers Union group, and two are appointed by City Council.

Notes to Financial Statements

Plans Membership. Membership of the plans consisted of the following at June 30, 2021, the date of the latest actuarial valuation for each plan:

	General	Public Safety
Retirees and beneficiaries currently receiving benefits	141	100
Inactive employees entitled to benefits	21	13
Active employees	16	52
Total	178	165

Benefits Provided. Employees retiring with 10 or more years of service are entitled to annual pension benefits. ERS employees may retire at age 55, with retirement mandatory at age 70 without the employer's consent to continue. ERS employees may retire after 25 years of service, regardless of age. PS employees may retire at age 50, with retirement mandatory at age 60 without the employer's consent to continue. PS employees may retire after 25 years of service, regardless of age.

Vested employees receive a retirement benefit based on a formula established by a negotiated union contract or City Ordinance. The benefit of ERS employees is generally based on a multiplier of 2.5 times the five-year final average compensation. The benefit of PS employees is generally based on a multiplier 2.8 times the three-year final average compensation. Employees can also receive a benefit based on a disability that occurred on the job (duty disability), a disability that occurred outside employment (non-duty disability), or death (paid to surviving spouse or dependent). Benefits can be amended by City Ordinance (voted on by a majority of City Council) or a negotiated contract with union groups.

Employee Contributions. Eligible ERS employees are required to contribute 3.50 percent of compensation to the plan. Eligible PS employees are required to contribute 9.50 percent of their annual compensation to the plan.

Employer Contributions. The City is required to contribute at annual actuarially determined rate to provide assets sufficient to pay benefits to plan members. The rate paid in fiscal year 2022 by the City is 163.72 percent of annual covered payroll for ERS members and 83.33 percent of annual covered payroll for PS members.

Employer and employee contributions are established, and may be amended, by City Charter and Council approved union contracts.

Net Pension Liability. The City's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 (rolled forward to June 30, 2022).

Notes to Financial Statements

Actuarial Assumptions. The total pension liability was determined by respective actuarial valuations as of June 30, 2021 (and rolled forward to June 30, 2022), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Varies
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation
Mortality rate	Pub-2010 Public Retirement Plans Mortality Tables for Employees; annuitant and non-annuitant, sexdistinct with modified MP-2021 improvement factors.
Changes in assumptions	The mortality tables were updated with MP-2021 improvement scale.

The actuarial assumptions used in the June 30, 2021 valuations were based on the results of an actuarial experience study for the period April 2013 through March 2014.

The long-term expected rate of return on pension plan investments (for both ERS and PS) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 pension plan's target asset allocation as of June 30, 2022 (see the discussion below of the investment allocation policy) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equities:		
Large cap	25%	7.15%
Mid cap	11%	8.20%
Small cap	7%	8.50%
International equities:		
Developed large cap growth	14%	8.30%
Small cap core	3%	9.10%
Emerging markets	3%	10.75%
Fixed income:		
Core	26%	2.00%
High Yield	3%	5.00%
Real estate	4%	7.25%
Cash	1%	0.00%
Infrastructure	3%	6.95%
	100%	

Notes to Financial Statements

Investment Allocation Policy. The plans' policy in regard to the allocation of invested assets is established and may be amended by the respective Board of Trustees. The policy pursues an investment strategy that protects the financial health of the plans and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets will be invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the plans may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the plans will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

Discount Rate. A single discount rate of 7.0 percent for ERS and PS was used to measure the respective total pension liabilities. The discount rate is equal to the long-term expected rate of return. The projection of cash flows used to determine the respective single discount rates 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 ERS and PS's fiduciary net position was projected, using the long-term expected rate of return, to be sufficient to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Employees' Retirement System			
Balances at June 30, 2021	$ 39,817,196	$ 22,091,664	$ 17,725,532
Changes for the year:			
Service cost	198,653	-	198,653
Interest	2,688,373	-	2,688,373
Differences between expected and actual experience	(81,265)	-	(81,265)
Changes in assumptions	73,104	-	73,104
Employer contributions	-	1,933,659	(1,933,659)
Employee contributions	-	42,972	(42,972)
Net investment loss	-	(2,776,791)	2,776,791
Benefit payments, including refunds of employee contributions	(3,221,064)	(3,221,064)	-
Net changes	(342,199)	(4,021,224)	3,679,025
Balances at June 30, 2022	$ 39,474,997	$ 18,070,440	$ 21,404,557

Notes to Financial Statements

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Public Safety Employees' Retirement System			
Balances at June 30, 2021	$ 82,615,040	$ 56,195,877	$ 26,419,163
Changes for the year:			
Service cost	915,758	-	915,758
Interest	5,682,653	-	5,682,653
Differences between expected and actual experience	523,428	-	523,428
Changes in assumptions	103,602	-	103,602
Employer contributions	-	3,467,985	(3,467,985)
Employee contributions	-	521,733	(521,733)
Net investment loss	-	(7,413,178)	7,413,178
Benefit payments, including refunds of employee contributions	(4,700,081)	(4,700,081)	-
Net changes	2,525,360	(8,123,541)	10,648,901
Balances at June 30, 2022	$ 85,140,400	$ 48,072,336	$ 37,068,064

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.0 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount (7.0%)	1% Increase (8.0%)
General	$ 25,073,763	$ 21,404,557	$ 18,258,072
Public safety	46,461,347	37,068,064	29,211,577
Total	$ 71,535,110	$ 58,472,621	$ 47,469,649

Notes to Financial Statements

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions. For the year ended June 30, 2022, the City recognized pension expense of $1,620,408 and $2,980,631, for the ERS and PS systems, respectively. At June 30, 2022, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Employees' Retirement System			
Net difference between projected and actual earnings on pension plan investments	$ 1,524,421	$ -	$ 1,524,421
Public Safety Employees' Retirement System			
Difference between expected and actual experience	332,396	52,741	279,655
Changes in assumptions	65,791	1,481,557	(1,415,766)
Net difference between projected and actual earnings on pension plan investments	4,415,952	-	4,415,952
	4,814,139	1,534,298	3,279,841
Total	$ 6,338,560	$ 1,534,298	$ 4,804,262

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

Year Ended June 30,	General	Public Safety
2023	$ 281,923	$ (461,646)
2024	286,828	1,036,545
2025	99,738	440,536
2026	855,932	2,264,406
	$ 1,524,421	$ 3,279,841

The net pension liability is generally liquidated by the general fund.

There were no amounts due to the pension plans at June 30, 2022.

Notes to Financial Statements

16. 45th DISTRICT COURT PENSION PLANS

The 45th District Court's defined contribution plan, 457 plan, and health savings plan are held in trust. The District Court contributes 7.5 percent of compensation for full-time and part-time employees, the 457 plan is voluntary with employees making up to 3.0 percent contribution and the employer matching up to 3.0 percent (full-time employees only), and the health savings plan is for full-time employees hired after July 2009, where the employer contributes 3.0 percent of compensation and employees are allowed to contribute payments (post-tax) to this plan with no matching. The third party administrator for this plan is the Michigan Employees Retirement System ("MERS"). The plans cost to the 45th District Court for the fiscal year ended June 30, 2022 was $92,919. There was no defined contribution pension cost to the employees. Contributions to the plan are recognized when due and payable. Plan provisions and contribution rates are established and may be amended by resolution of City Council. Unvested benefits forfeited by employees who leave employment early are redistributed to active participants.

17. DEFINED CONTRIBUTION PENSION PLAN

The City defined contribution pension plan provides retirement benefits to general employees hired after August 1, 2004 and employees belonging to the TPOAM union hired after July 1, 2006. The City contributes 7.5 percent of covered payroll and will match an employee’s voluntary contribution up to 3.0 percent of covered payroll. Plan provisions and contribution requirements are established by City Council. Total contributions for the year ended June 30, 2022 were $112,848 by employees and $356,149 by the City. The City contributes 3.0 percent of covered payroll to a health savings plan for general employees hired after August 1, 2004 and employees belonging to the TPOAM union hired after July 1, 2006. There are 66 plan members at June 30, 2022. The City contributes 1.0 percent of covered payroll to a health savings plan for POAM, POLC, and Dispatchers hired after March 1, 2013.

18. POSTEMPLOYMENT HEALTH BENEFITS

Plan Administration. The City provides a single-employer defined benefit postemployment group hospitalization plan for its general employees and group hospitalization, dental, and optical plans for its public safety employees hired before August 1, 2004. Group hospitalization, dental, and optical plans are provided for district court employees. The City contributes 3.0 percent of covered payroll to a health savings plan for general employees hired after August 1, 2004 and employees belonging to the TPOAM union hired after July 1, 2006. These plans were established through the employees' union contracts; employees not covered by union contracts receive the same benefits that general employees receive. The General and Public Safety plans are included as OPEB trust funds in the City's financial statements and the Court plan is included as the retiree health care court internal service fund of the City's financial statements; stand-alone financial reports of the plans have not been issued.

The general employees’ postemployment benefits and the public safety employees’ coverage pass to the surviving spouse upon death of the retiree.

Notes to Financial Statements

The City pays 100 percent of the benefits for all public safety, court, and general current retirees. Co-pays, at the percentage indicated below, are required for retirees who were hired after January 18, 1993 for public safety officers and July 1, 1992 for public safety command officers.

Years of Service	Employer Pays	Retiree Pays
0-9	0%	100%
10-14	55%	45%
15-19	75%	25%
20-24	85%	15%
25 and up	100%	0%

Expenditures for the premiums are paid and recognized as they become due. There is the added stipulation in the union contracts that once retirees and dependents reach age 65, they shall be converted to Medicare coverage.

The City has created a retiree's health care fund, an other employee benefit trust, in anticipation of pre-funding retiree's health care for general and public safety employees. The funds set aside are held in a fund authorized by Public Act 149 of the State.

Plans Membership. Membership of the plans consisted of the following at June 30, 2022, the date of the latest actuarial valuation for each plan:

	General	Public Safety	Court
Inactive plan members receiving or entitled to future benefits	11	1	-
Covered spouse/dependents	126	100	20
Active plan members	14	25	7
Total	151	126	27

Benefits Provided. The City provides medical, pharmacy, dental, and vision for eligible retirees hired prior to July 1, 2010 and their dependents. Pre-Medicare benefits are provided through self-insured plans administered by Blue Cross Blue Shield of Michigan. Medicare Supplemental benefits are provided through fully-insured arrangements administered by Blue Cross Blue Shield of Michigan Medicare Advantage plan. City Council has the authority to establish or amend benefit terms, to determine the types of benefits provided through the OPEB Plan, and to determine the classes of plan members covered.

Contributions. The City has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment; in other words, the plan may be financed on a pay-as-you-go basis. Administrative costs of the plan are paid for by the City's general fund. Plan participants are required to make co-payments, as noted above. For the year ended June 30, 2022, the City made an additional contribution over the pay-as-you-go amount of approximately $19,294.

Net Other Postemployment Benefit Liability. The City's net other postemployment benefit liability was measured as of June 30, 2022, and the total other postemployment benefit liability used to calculate the net other postemployment benefit liability was determined by an actuarial valuation as of June 30, 2022.

Notes to Financial Statements

Actuarial Assumptions. The total other postemployment liability was determined by respective actuarial valuations as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0 percent
Salary increases	General and Court: 3.0 percent; Public Safety: 2.5 percent
Investment rate of return	4.5 percent, net of other postemployment benefit plan investment expense, including inflation
Healthcare cost trend rate	Pre-Medicare 7.25% graded down to 4.5% by 0.25% per year; Post-Medicare, 5.50% graded down to 4.5% by 0.25% per year
Mortality rate	2010 Public General Employees and Healthy Retirees, Headcount weighted
Changes in assumptions	General and Court: Trend rates updated to those prescribed by PA 202 for year 2022; Salary scaled updated from 2.5% to 3.0%; Discount rate updated from 3.72% to 4.5%. Public Safety: Trend rates updated to those prescribed by PA 202 for year 2022; Discount rate updated from 3.59% to 4.5%.

The actuarial assumptions used in the June 30, 2022 valuations were based on the results of an actuarial experience study for the period April 2013 through March 2014.

The long-term expected rate of return on other postemployment benefit plan investments (for General, Public Safety, and Court) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 other postemployment benefit plan's target asset allocation as of June 30, 2022 (see the discussion below of the investment allocation policy) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity in pooled cash and investments	100%	4.50%

Investment Allocation Policy. The plans' policy in regard to the allocation of invested assets is established and may be amended by the respective Board of Trustees. The policy pursues an investment strategy that protects the financial health of the plans and reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets will be invested in the broad investment categories and asset classes to achieve the allocation targets above. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the plans may not maintain strict adherence to the targets in the short-term, but may allow the values to fluctuate within these ranges. Over the long-term, the plans will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

Notes to Financial Statements

Discount Rate. A single discount rate of 4.5 percent was used to measure the respective total other postemployment benefit liabilities. The assets are not projected to be sufficient to make projected future benefit payments of current plan members beyond the first year. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. The discount rate is used to determine the total OPEB liability. The discount rate used as of June 30, 2022 was 4.5 percent.

Changes in the Net Other Postemployment Benefit Liability. The components of the change in the net other postemployment benefit liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
General Retiree Healthcare Plan			
Balances at June 30, 2021	$ 29,155,987	$ 2,826,192	$ 26,329,795
Changes for the year:			
Service cost	233,274	-	233,274
Interest	1,062,008	-	1,062,008
Differences between expected and actual experience	(1,132,521)	-	(1,132,521)
Changes in assumptions	(2,524,662)	-	(2,524,662)
Employer contributions	-	1,681,329	(1,681,329)
Net investment loss	-	(67,930)	67,930
Benefit payments, including refunds of employee contributions	(1,681,329)	(1,681,329)	-
Administrative expense	-	(2,796)	2,796
Net changes	(4,043,230)	(70,726)	(3,972,504)
Balances at June 30, 2022	$ 25,112,757	$ 2,755,466	$ 22,357,291

Notes to Financial Statements

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Public Safety Retiree Healthcare Plan			
Balances at June 30, 2021	$ 35,284,517	$ 3,758,816	$ 31,525,701
Changes for the year:			
Service cost	656,045	-	656,045
Interest	1,267,351	-	1,267,351
Differences between expected and actual experience	(1,570,441)	-	(1,570,441)
Changes in assumptions	(3,742,600)	-	(3,742,600)
Employer contributions	-	1,276,616	(1,276,616)
Net investment loss	-	(93,808)	93,808
Benefit payments, including refunds of employee contributions	(1,276,616)	(1,276,616)	-
Administrative expense	-	(3,861)	3,861
Net changes	(4,666,261)	(97,669)	(4,568,592)
Balances at June 30, 2022	$ 30,618,256	$ 3,661,147	$ 26,957,109

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Court Retiree Healthcare Plan			
Balances at June 30, 2021	$ 4,311,743	$ 64,943	$ 4,246,800
Changes for the year:			
Service cost	80,950	-	80,950
Interest	159,825	-	159,825
Differences between expected and actual experience	(549,794)	-	(549,794)
Changes in assumptions	(322,506)	-	(322,506)
Employer contributions	-	211,947	(211,947)
Net investment loss	-	(173)	173
Benefit payments, including refunds of employee contributions	(192,653)	(192,653)	-
Administrative expense	-	-	-
Net changes	(824,178)	19,121	(843,299)
Balances at June 30, 2022	$ 3,487,565	$ 84,064	$ 3,403,501

Notes to Financial Statements

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the City, calculated using the discount rate of 4.5 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.5 percent) or 1 percentage point higher (5.5 percent) than the current rate:

	1% Decrease (3.5%)	Current Discount (4.5%)	1% Increase (5.5%)
General	$ 25,665,325	$ 22,357,291	$ 19,661,138
Public Safety	31,475,931	26,957,109	23,336,105
Court	3,806,246	3,403,501	3,068,712
Total	$ 60,947,502	$ 52,717,901	$ 46,065,955

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the City, calculated using the healthcare cost trend rate of 7.25 percent graded down by 0.25 percent per year to 4.5 percent for pre-medicare costs and 5.5 percent for post-medicare costs, as well as what the City's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower (6.25 percent graded down to 3.5 percent /4.5 percent) or 1 percentage point higher (8.25 percent graded down to 5.5 percent /6.5 percent) than the current rate:

	1% Decrease (6.25% graded down to 3.5% / 4.5%)	Current Healthcare Cost Trend Rate (7.25% graded down to 4.5% / 5.5%)	1% Increase (8.25% graded down to 5.5% / 6.5%)
General	$ 19,607,356	$ 22,357,291	$ 25,710,091
Public Safety	23,157,708	26,957,109	31,709,801
Court	3,037,857	3,403,501	3,848,565
Total	$ 45,802,921	$ 52,717,901	$ 61,268,457

Notes to Financial Statements

Other Postemployment Benefit Expense and Deferred Outflows/Inflows of Resources Related to Other Postemployment Benefits. For the year ended June 30, 2022, the City recognized other postemployment benefit expense of $(2,446,417), $(3,421,154), and $(483,668), for the General, Public Safety, and Court retiree healthcare plans, respectively. At June 30, 2022, the City reported deferred outflows and inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
General Retiree Healthcare Plan			
Net difference between projected and actual earnings on other postemployment benefit plan investments	$ 127,974	$ -	$ 127,974
Public Safety Retiree Healthcare Plan			
Difference between expected and actual experience	11,520	509,332	(497,812)
Changes in assumptions	47,384	1,213,816	(1,166,432)
Net difference between projected and actual earnings on other postemployment benefit plan investments	168,528	-	168,528
	227,432	1,723,148	(1,495,716)
Court Retiree Healthcare Plan			
Difference between expected and actual experience	-	157,084	(157,084)
Changes in assumptions	-	92,145	(92,145)
Net difference between projected and actual earnings on other postemployment benefit plan investments	4,075	-	4,075
	4,075	249,229	(245,154)
Total	$ 359,481	$ 1,972,377	$ (1,612,896)

The net other postemployment benefit liability is generally liquidated by the general fund.

Notes to Financial Statements

Amounts reported as deferred outflows and inflows of resources related to other postemployment benefits will be recognized in other postemployment benefits expense through annual amortization as follows:

Year Ended June 30,	General Employees' Retirement System	Public Safety Employees' Retirement System	Court Employees' Retirement System	Total
2023	$ 35,632	$ (1,619,063)	$ (248,075)	$ (1,831,506)
2024	30,389	40,389	1,162	71,940
2025	22,943	30,386	1,055	54,384
2026	39,010	52,572	704	92,286
	$ 127,974	$ (1,495,716)	$ (245,154)	$ (1,612,896)

19. FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POSTEMPLOYMENT BENEFIT FUNDS

	Plan Net Position				
	Employees' Retirement System	Public Safety Employees' Retirement System	Retiree Health Care - General	Retiree Health Care - Public Safety	Total
Assets					
Cash and cash equivalents	$ -	$ -	$ 2,208,076	$ 2,933,837	$ 5,141,913
Investments, at fair value:					
Equity mutual funds	12,491,886	33,286,438	-	-	45,778,324
Fixed income mutual funds	4,799,662	13,159,696	-	-	17,959,358
Money market accounts	927,834	1,995,708	547,390	727,310	4,198,242
Due from other governments	129,195	24,425	-	-	153,620
Prepaid items	-	36,178	-	-	36,178
Total assets	18,348,577	48,502,445	2,755,466	3,661,147	73,267,635
Liabilities					
Accounts payable	278,137	430,109	-	-	708,246
Net position					
Restricted for:					
Pension	18,070,440	48,072,336		-	66,142,776
Other postemployment benefits	-	-	2,755,466	3,661,147	6,416,613
Total net position	$ 18,070,440	$ 48,072,336	$ 2,755,466	$ 3,661,147	$ 72,559,389

Notes to Financial Statements

	Changes in Plan Net Position				
	Employees' Retirement System	Public Safety Employees' Retirement System	Retiree Health Care - General	Retiree Health Care - Public Safety	Total
Additions					
Contributions:					
Employer	$ 1,933,659	$ 3,467,985	$ 1,681,329	$ 1,276,616	$ 8,359,589
Plan members	42,972	521,733	-	-	564,705
Total contributions	1,976,631	3,989,718	1,681,329	1,276,616	8,924,294
Investment income (loss):					
Net change in fair value of investments	(3,174,958)	(8,459,540)	(77,886)	(107,557)	(11,819,941)
Interest	-	-	9,956	13,749	23,705
Dividends	489,522	1,263,314	-	-	1,752,836
Total investment loss	(2,685,436)	(7,196,226)	(67,930)	(93,808)	(10,043,400)
Less: investment expense	(91,355)	(216,952)	-	-	(308,307)
Net investment loss	(2,776,791)	(7,413,178)	(67,930)	(93,808)	(10,351,707)
Total additions	(800,160)	(3,423,460)	1,613,399	1,182,808	(1,427,413)
Deductions					
Benefits	3,221,064	4,681,873	1,681,329	1,276,616	10,860,882
Refunds	-	18,208	-	-	18,208
Administration	-	-	2,796	3,861	6,657
Total deductions	3,221,064	4,700,081	1,684,125	1,280,477	10,885,747
Change in net position	(4,021,224)	(8,123,541)	(70,726)	(97,669)	(12,313,160)
Net position, beginning of year	22,091,664	56,195,877	2,826,192	3,758,816	84,872,549
Net position, end of year	$ 18,070,440	$ 48,072,336	$ 2,755,466	$ 3,661,147	$ 72,559,389

Notes to Financial Statements

20. JOINT VENTURES

The City is a member of the Southeastern Oakland County Resource Recovery Authority (the "Authority") which consists of 12 municipalities in Oakland County and provides refuse disposal services for the benefit of member municipalities. The City appoints one member of the joint venture's governing board and controls six of 69 votes. The governing board approves the annual budget. The participating communities provide funding for its operations. During the year ended June 30, 2022, the last available audited financial statements, the Authority reported an increase in net position in the amount of $3,025,912, resulting in ending net position in the amount of $7,798,623. During the year ended June 30, 2022, the City expended $2,045,570 of payments made to the Authority. The City is unaware of any situation that would cause any additional financial benefit or burden related to the Authority. Complete financial statements for the Southeastern Oakland County Resource Recovery Authority can be obtained from its administrative offices at 3910 Webster Road, Royal Oak, Michigan, 48073.

21. FUND BALANCES

A detailed listing of nonspendable, restricted, assigned, and unassigned fund balances of governmental funds is as follows:

	General Fund	Nonmajor Governmental Funds	Total
Nonspendable -			
Prepaids	$ 637,447	$ 40,392	$ 677,839
Restricted for:			
Road surface repairs	-	4,346,770	4,346,770
Solid waste	-	1,768,107	1,768,107
Debt service	-	904,503	904,503
Library	-	113,992	113,992
Public safety	-	45,235	45,235
Courts	-	174,553	174,553
Total restricted	-	7,353,160	7,353,160
Assigned for:			
Subsequent years' budget	559,965	-	559,965
Library	-	430,381	430,381
Municipal buildings	-	1,402,898	1,402,898
Total assigned	559,965	1,833,279	2,393,244
Unassigned (deficits)	3,712,230	(291,123)	3,421,107
Total fund balances	$ 4,909,642	$ 8,935,708	$ 13,845,350

Notes to Financial Statements

22. SUMMARY OF SIGNIFICANT CONTINGENCIES

There are several pending lawsuits in which the City is involved. The City Attorney estimates that potential claims against the City being defended by attorneys appointed by liability insurance carriers would not materially affect the operations or financial condition of the City. The City Attorney estimates, that while possible, it is not probable that the City will receive unfavorable rulings in any other lawsuits.

23. NET INVESTMENT IN CAPITAL ASSETS

The composition of the net investment in capital assets as of June 30, 2022, was as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Capital assets not being depreciated/amortized	$ 2,218,187	$ 1,779,920
Capital assets being depreciated/amortized, net	39,808,389	30,148,505
	42,026,576	31,928,425
Related debt:		
Leases payable	49,857	6,532
General obligation bonds	17,560,000	2,102,746
Note payable	1,565,000	-
Unamortized bond premium	1,487,711	-
Less unamortized deferred loss on refunding	(234,054)	-
	20,428,514	2,109,278
Net investment in capital assets	$ 21,598,062	$ 29,819,147

24. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. While the pandemic has resulted in an increase in the demands on the City for providing emergency services to its citizens, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. Over the past two years, the City has been awarded funds from various sources to be used to respond to the impacts of the COVID-19 pandemic. Of the amount awarded, approximately $1,485,000 was expended and recognized as revenue during the current fiscal year. With these additional Federal resources, at this time management does not believe that the negative financial impact of the pandemic, if any, would be material to the City.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Employees' Retirement System and Public Safety Employees' Retirement System
Schedule of Investment Returns

Fiscal Year Ended	Annual Money-Weighted Rate of Return, Net of Investment Expense
Employees' Retirement System	
6/30/2022	-12.94%
6/30/2021	27.72%
6/30/2020	1.97%
6/30/2019	7.23%
6/30/2018	7.85%
6/30/2017	11.59%
6/30/2016	-1.72%
6/30/2015	0.91%
6/30/2014	13.89%
Public Safety Employees' Retirement System	
6/30/2022	-13.09%
6/30/2021	27.15%
6/30/2020	2.18%
6/30/2019	7.41%
6/30/2018	7.81%
6/30/2017	11.69%
6/30/2016	-1.35%
6/30/2015	-0.02%
6/30/2014	17.37%

See notes to required supplementary information.

Required Supplementary Information

General Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

	Year Ended June 30,			
	2022	2021	2020	2019
Change in total pension liability				
Service cost	$ 198,653	$ 259,662	$ 223,187	$ 233,255
Interest	2,688,373	2,644,822	2,753,237	2,672,022
Differences between expected and actual experience	(81,265)	66,234	(652,298)	616,284
Changes of assumptions	73,104	(1,985,019)	2,189,212	827,930
Benefit payments, including refunds of member contributions	(3,221,064)	(3,196,819)	(3,187,595)	(3,170,823)
Other changes	-	-	-	-
Net change in total pension liability	(342,199)	(2,211,120)	1,325,743	1,178,668
Total pension liability, beginning	39,817,196	42,028,316	40,702,573	39,523,905
Total pension liability, ending (a)	39,474,997	39,817,196	42,028,316	40,702,573
Change in plan fiduciary net position				
Contributions - employer	1,933,659	1,931,198	1,700,000	1,850,000
Contributions - member	42,972	48,232	47,913	52,428
Net investment income (loss)	(2,776,791)	4,935,665	374,841	1,336,058
Benefit payments, including refunds of member contributions	(3,221,064)	(3,196,819)	(3,187,595)	(3,170,823)
Administrative expense	-	-	-	-
Other - transfer to Public Safety Employees' Retirement System	-	-	-	-
Net change in plan fiduciary net position	(4,021,224)	3,718,276	(1,064,841)	67,663
Plan fiduciary net position, beginning	22,091,664	18,373,388	19,438,229	19,370,566
Plan fiduciary net position, ending (b)	18,070,440	22,091,664	18,373,388	19,438,229
City's net pension liability, ending (a)-(b)	$ 21,404,557	$ 17,725,532	$ 23,654,928	$ 21,264,344
Plan fiduciary net position as a percentage of the total pension liability	45.8%	55.5%	43.7%	47.8%
Covered payroll	$ 1,181,068	$ 1,415,952	$ 1,385,953	$ 1,572,221
City's net pension liability as a percentage of covered payroll	1812.3%	1251.8%	1706.8%	1352.5%

See notes to required supplementary information.

Year Ended June 30,				
2018	2017	2016	2015	2014
$ 246,853	$ 325,140	$ 303,303	$ 485,484	$ 471,343
2,679,864	2,563,114	2,726,891	2,159,545	2,471,316
(486,200)	(56,941)	(136,533)	810,181	-
(807,180)	(2,789,126)	4,952,784	(8,131,545)	-
(2,893,955)	(3,081,680)	(3,079,825)	(3,165,651)	(3,237,481)
48,778	-	-	-	-
(1,211,840)	(3,039,493)	4,766,620	(7,841,986)	(294,822)
40,735,745	43,775,238	39,008,618	46,850,604	47,145,426
39,523,905	40,735,745	43,775,238	39,008,618	46,850,604
1,445,558	1,338,260	1,336,565	1,272,539	1,367,086
51,977	48,211	52,239	54,389	61,130
1,461,332	2,053,473	(326,643)	196,674	(3,162,566)
(2,893,955)	(3,081,680)	(3,079,825)	(3,165,651)	(3,237,481)
-	-	(4,531)	-	-
-	-	-	-	(31,376,710)
64,912	358,264	(2,022,195)	(1,642,049)	(36,348,541)
19,305,654	18,947,390	20,969,585	22,611,634	58,960,175
19,370,566	19,305,654	18,947,390	20,969,585	22,611,634
$ 20,153,339	$ 21,430,091	$ 24,827,848	$ 18,039,033	$ 24,238,970
49.0%	47.4%	43.3%	53.8%	48.3%
$ 1,706,969	$ 1,695,162	$ 1,786,708	$ 1,885,123	$ 1,998,057
1180.7%	1264.2%	1389.6%	956.9%	1213.1%

Required Supplementary Information

Public Safety Employees' Retirement System

Schedule of Changes in the City's Net Pension Liability and Related Ratios

	Year Ended June 30,			
	2022	2021	2020	2019
Change in total pension liability				
Service cost	$ 915,758	$ 1,097,113	$ 940,528	$ 998,688
Interest	5,682,653	5,481,747	5,372,543	5,251,142
Differences between expected and actual experience	523,428	(168,657)	516,897	(1,200,198)
Changes of assumptions	103,602	(4,737,725)	5,155,187	1,242,814
Benefit payments, including refunds of member contributions	(4,700,081)	(4,589,811)	(4,525,738)	(4,474,212)
Other changes	-	-	-	-
Net change in total pension liability	2,525,360	(2,917,333)	7,459,417	1,818,234
Total pension liability, beginning	82,615,040	85,532,373	78,072,956	76,254,722
Total pension liability, ending (a)	85,140,400	82,615,040	85,532,373	78,072,956
Change in plan fiduciary net position				
Contributions - employer	3,467,985	3,408,962	3,100,000	3,381,218
Contributions - member	521,733	486,259	501,987	453,727
Net investment income (loss)	(7,413,178)	12,013,756	972,322	3,062,888
Benefit payments, including refunds of member contributions	(4,700,081)	(4,589,811)	(4,525,738)	(4,474,212)
Administrative expense	-	-	-	-
Other - transfer from Employees' Retirement System	-	-	-	-
Net change in plan fiduciary net position	(8,123,541)	11,319,166	48,571	2,423,621
Plan fiduciary net position, beginning	56,195,877	44,876,711	44,828,140	42,404,519
Plan fiduciary net position, ending (b)	48,072,336	56,195,877	44,876,711	44,828,140
City's net pension liability, ending (a)-(b)	$ 37,068,064	$ 26,419,163	$ 40,655,662	$ 33,244,816
Plan fiduciary net position as a percentage of the total pension liability	56.5%	68.0%	52.5%	57.4%
Covered payroll	$ 4,161,797	$ 4,416,345	$ 4,626,234	$ 4,726,656
City's net pension liability as a percentage of covered payroll	890.7%	598.2%	878.8%	703.3%

See notes to required supplementary information.

Year Ended June 30,				
2018	2017	2016	2015	2014
$ 837,339	$ 1,116,227	$ 941,346	$ 1,391,903	$ 1,351,362
5,173,752	4,968,550	4,427,324	4,346,878	4,381,564
446,463	(251,605)	2,342,761	136,404	-
3,895,295	(2,189,134)	3,938,301	(19,693,917)	-
(4,121,370)	(4,431,882)	(4,378,526)	(4,280,101)	(4,961,937)
(1,628,637)	-	-	-	-
4,602,842	(787,844)	7,271,206	(18,098,833)	770,989
71,651,880	72,439,724	65,168,518	83,267,351	82,496,362
76,254,722	71,651,880	72,439,724	65,168,518	83,267,351
2,551,000	2,387,270	2,521,391	2,438,761	2,869,461
407,715	325,575	330,804	317,315	325,361
3,096,956	4,198,316	(513,784)	(7,748)	11,976,064
(4,121,370)	(4,431,882)	(4,378,526)	(4,280,101)	(4,961,937)
-	(11,984)	(10,848)	-	-
-	-	-	-	31,376,710
1,934,301	2,467,295	(2,050,963)	(1,531,773)	41,585,659
40,470,218	38,002,923	40,053,886	41,585,659	-
42,404,519	40,470,218	38,002,923	40,053,886	41,585,659
$ 33,850,203	$ 31,181,662	$ 34,436,801	$ 25,114,632	$ 41,681,692
55.6%	56.5%	52.5%	61.5%	49.9%
$ 4,436,592	$ 4,169,534	$ 4,041,630	$ 3,954,232	$ 3,727,181
763.0%	747.8%	852.1%	635.1%	1118.3%

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

Employees' Retirement System and Public Safety Employees' Retirement System
Schedule of City Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Employees' Retirement System					
6/30/2022	$ 1,583,150	$ 1,933,659	$ (350,509)	$ 1,181,068	163.7%
6/30/2021	1,585,765	1,931,198	(345,433)	1,415,952	136.4%
6/30/2020	1,584,904	1,700,000	(115,096)	1,385,953	122.7%
6/30/2019	1,678,746	1,850,000	(171,254)	1,572,221	117.7%
6/30/2018	1,384,659	1,445,558	(60,899)	1,706,969	84.7%
6/30/2017	1,256,953	1,338,260	(81,307)	1,695,162	78.9%
6/30/2016	1,318,377	1,336,565	(18,188)	1,786,708	74.8%
6/30/2015	1,272,539	1,272,539	-	1,885,123	67.5%
6/30/2014	1,211,912	1,367,086	(155,174)	1,998,057	68.4%
Public Safety Employees' Retirement System					
6/30/2022	$ 2,904,805	$ 3,467,985	$ (563,180)	$ 4,161,797	83.3%
6/30/2021	3,011,118	3,408,962	(397,844)	4,416,345	77.2%
6/30/2020	2,997,391	3,100,000	(102,609)	4,626,234	67.0%
6/30/2019	3,099,614	3,381,218	(281,604)	4,726,656	71.5%
6/30/2018	2,550,106	2,551,000	(894)	4,436,592	57.5%
6/30/2017	2,314,911	2,387,270	(72,359)	4,169,534	57.3%
6/30/2016	2,326,055	2,521,391	(195,336)	4,041,630	62.4%
6/30/2015	2,159,875	2,438,761	(278,886)	3,954,232	61.7%
6/30/2014	2,105,664	2,869,461	(763,797)	3,727,181	77.0%

See notes to required supplementary information.

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

General, Public Safety, and Court Retiree Healthcare Plans
Schedule of Investment Returns

Fiscal Year Ended	Annual Money-Weighted Rate of Return, Net of Investment Expense
General Retiree Healthcare Plan	
6/30/2022	-2.50%
6/30/2021	7.44%
6/30/2020	2.76%
6/30/2019	3.04%
6/30/2018	2.99%
6/30/2017	3.59%
Public Safety Retiree Healthcare Plan	
6/30/2022	-2.60%
6/30/2021	7.53%
6/30/2020	2.80%
6/30/2019	3.58%
6/30/2018	2.99%
6/30/2017	3.59%
Court Retiree Healthcare Plan	
6/30/2022	-0.23%
6/30/2021	1.03%
6/30/2020	2.28%
6/30/2019	0.67%
6/30/2018	N/A (1)

See notes to required supplementary information.

Required Supplementary Information

General Retiree Healthcare Plan

Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios

	Year Ended June 30,					
	2022	2021	2020	2019	2018	2017
Change in total other postemployment benefit liability						
Service cost	$ 233,274	$ 282,644	$ 214,178	$ 224,750	$ 304,260	$ 372,392
Interest	1,062,008	1,028,049	1,293,005	1,358,699	1,076,780	1,435,899
Differences between expected and actual experience	(1,132,521)	(26,336)	(11,842,304)	2,039	1,107,922	-
Changes of assumptions	(2,524,662)	(2,719,705)	(295,522)	4,079,733	3,071,218	7,013,108
Benefit payments, including refunds of member contributions	(1,681,329)	(1,129,684)	(1,068,657)	(1,446,516)	(1,578,228)	(1,545,294)
Net change in total other postemployment benefit liability	(4,043,230)	(2,565,032)	(11,699,300)	4,218,705	3,981,952	7,276,105
Total other postemployment benefit liability, beginning	29,155,987	31,721,019	43,420,319	39,201,614	39,957,630	32,681,525
Less amounts for Court Retiree Healthcare Plan (1)	-	-	-	-	(4,737,968)	-
Total other postemployment benefit liability, ending (a)	25,112,757	29,155,987	31,721,019	43,420,319	39,201,614	39,957,630
Change in plan fiduciary net position						
Contributions - employer	1,681,329	1,354,684	1,268,657	2,046,516	1,878,228	1,545,294
Net investment income (loss)	(67,930)	193,852	64,034	54,619	38,027	40,168
Benefit payments, including refunds of member contributions	(1,681,329)	(1,129,684)	(1,068,657)	(1,446,516)	(1,578,228)	(1,545,294)
Administrative expense	(2,796)	(5,873)	(1,889)	-	-	-
Net change in plan fiduciary net position	(70,726)	412,979	262,145	654,619	338,027	40,168
Plan fiduciary net position, beginning	2,826,192	2,413,213	2,151,068	1,496,449	1,158,422	1,118,254
Plan fiduciary net position, ending (b)	2,755,466	2,826,192	2,413,213	2,151,068	1,496,449	1,158,422
City's net other postemployment benefit liability, ending (a)-(b)	$ 22,357,291	$ 26,329,795	$ 29,307,806	$ 41,269,251	$ 37,705,165	$ 38,799,208
Plan fiduciary net position as a percentage of the total other postemployment benefit liability	10.97%	9.69%	7.61%	4.95%	3.82%	2.90%
Covered payroll	$ 1,047,392	$ 1,459,487	$ 1,368,940	$ 1,475,359	$ 1,706,969	$ 2,105,252
City's net other postemployment benefit liability as a percentage of covered payroll	2134.57%	1804.04%	2140.91%	2797.23%	2208.90%	1842.97%

See notes to required supplementary information.

Required Supplementary Information

Public Safety Retiree Healthcare Plan

Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios

	Year Ended June 30,					
	2022	2021	2020	2019	2018	2017
Change in total other postemployment benefit liability						
Service cost	$ 656,045	$ 616,516	$ 1,040,742	$ 1,042,819	$ 525,509	$ 525,509
Interest	1,267,351	1,337,145	1,403,288	1,368,038	1,164,989	1,307,879
Differences between expected and actual experience	(1,570,441)	176,086	(10,844,739)	17,585	(575,996)	-
Changes of assumptions	(3,742,600)	724,292	(2,996,366)	-	7,594,136	7,536,448
Benefit payments, including refunds of member contributions	(1,276,616)	(1,268,492)	(1,278,956)	(1,214,780)	(1,204,145)	(1,553,955)
Net change in total other postemployment benefit liability	(4,666,261)	1,585,547	(12,676,031)	1,213,662	7,504,493	7,815,881
Total other postemployment benefit liability, beginning	35,284,517	33,698,970	46,375,001	45,161,339	37,656,846	29,840,965
Total other postemployment benefit liability, ending (a)	30,618,256	35,284,517	33,698,970	46,375,001	45,161,339	37,656,846
Change in plan fiduciary net position						
Contributions - employer	1,276,616	1,493,492	1,478,956	1,814,780	1,504,145	1,553,955
Net investment income (loss)	(93,808)	263,345	89,068	93,001	63,534	67,112
Benefit payments, including refunds of member contributions	(1,276,616)	(1,268,492)	(1,278,956)	(1,214,780)	(1,204,145)	(1,553,955)
Administrative expense	(3,861)	(7,978)	(2,627)	-	-	-
Net change in plan fiduciary net position	(97,669)	480,367	286,441	693,001	363,534	67,112
Plan fiduciary net position, beginning	3,758,816	3,278,449	2,992,008	2,299,007	1,935,473	1,868,361
Plan fiduciary net position, ending (b)	3,661,147	3,758,816	3,278,449	2,992,008	2,299,007	1,935,473
City's net other postemployment benefit liability, ending (a)-(b)	$ 26,957,109	$ 31,525,701	$ 30,420,521	$ 43,382,993	$ 42,862,332	$ 35,721,373
Plan fiduciary net position as a percentage of the total other postemployment benefit liability	11.96%	10.65%	9.73%	6.45%	5.09%	5.14%
Covered payroll	$ 2,499,530	$ 4,873,478	$ 4,869,302	$ 4,744,250	$ 3,464,030	$ 3,842,496
City's net other postemployment benefit liability as a percentage of covered payroll	1078.49%	646.88%	624.74%	914.43%	1237.35%	929.64%

See notes to required supplementary information.

Required Supplementary Information

Court Retiree Healthcare Plan

Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios

	Year Ended June 30,				
	2022	2021	2020	2019	2018
Change in total other postemployment benefit liability					
Service cost	$ 80,950	$ 118,029	$ 82,899	$ 77,646	$ 68,132
Interest	159,825	150,768	193,584	207,992	143,650
Differences between expected and actual experience	(549,794)	(2,023)	(1,910,688)	(64,182)	1,076,251
Changes of assumptions	(322,506)	(351,432)	(43,668)	528,673	291,606
Benefit payments, including refunds of member contributions	(192,653)	(192,408)	(206,433)	(250,158)	(344,463)
Net change in total other postemployment benefit liability	(824,178)	(277,066)	(1,884,306)	499,971	1,235,176
Total other postemployment benefit liability, beginning	4,311,743	4,588,809	6,473,115	5,973,144	4,737,968
Total other postemployment benefit liability, ending (a)	3,487,565	4,311,743	4,588,809	6,473,115	5,973,144
Change in plan fiduciary net position					
Contributions - employer	211,947	219,402	230,946	262,134	344,463
Contributions - member					
Net investment income (loss)	(173)	549	561	40	-
Benefit payments, including refunds of member contributions	(192,653)	(192,408)	(206,433)	(250,158)	(344,463)
Administrative expense	-	(26)	-	-	-
Other	-	-	336	-	-
Net change in plan fiduciary net position	19,121	27,517	25,410	12,016	-
Plan fiduciary net position, beginning	64,943	37,426	12,016	-	-
Plan fiduciary net position, ending (b)	84,064	64,943	37,426	12,016	-
City's net other postemployment benefit liability, ending (a)-(b)	$ 3,403,501	$ 4,246,800	$ 4,551,383	$ 6,461,099	$ 5,973,144
Plan fiduciary net position as a percentage of the total other postemployment benefit liability	2.41%	1.51%	0.82%	0.19%	0.00%
Covered payroll	$ 1,047,392	$ 411,524	$ 473,348	$ 435,990	$ 422,984
City's net other postemployment benefit liability as a percentage of covered payroll	324.95%	1031.97%	961.53%	1481.94%	1412.14%

See notes to required supplementary information.

CITY OF OAK PARK, MICHIGAN

Required Supplementary Information

General, Public Safety, and Court Retiree Healthcare Plans
Schedule of City Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
General Retiree Healthcare Plan:					
6/30/2022	$ 4,583,468	$ 1,681,329	$ 2,902,139	$ 1,047,392	160.5%
6/30/2021	4,514,656	1,354,684	3,159,972	1,459,487	92.8%
6/30/2020	5,520,972	1,268,657	4,252,315	1,368,940	92.7%
6/30/2019	5,280,276	2,046,516	3,233,760	1,475,359	138.7%
6/30/2018	4,307,310	1,878,228	2,429,082	1,706,969	110.0%
6/30/2017	1,620,940	1,545,294	75,646	2,105,252	73.4%
Public Safety Retiree Healthcare Plan:					
6/30/2022	$ 5,283,093	$ 1,276,616	$ 4,006,477	$ 2,499,530	51.1%
6/30/2021	4,726,748	1,493,492	3,233,256	4,873,478	30.6%
6/30/2020	6,157,774	1,478,956	4,678,818	4,869,302	30.4%
6/30/2019	5,586,225	1,814,780	3,771,445	4,744,250	38.3%
6/30/2018	3,988,426	1,504,145	2,484,281	3,464,030	43.4%
6/30/2017	1,901,699	1,553,955	347,744	3,842,496	40.4%
Court Retiree Healthcare Plan:					
6/30/2022	$ 1,246,202	$ 211,947	$ 1,034,255	$ 1,047,392	20.2%
6/30/2021	1,123,379	219,402	903,977	411,524	53.3%
6/30/2020	1,278,089	230,946	1,047,143	473,348	48.8%
6/30/2019	949,686	262,134	687,552	435,990	60.1%
6/30/2018	625,762	344,463	281,299	422,984	81.4%

See notes to required supplementary information.

Notes to Required Supplementary Information

Pension Information

Note: GASB 67 was implemented in fiscal year 2014. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to the Schedule of Changes in the City's Net Pension Liability and Related Ratios: General Employees' Retirement System

The June 30, 2022 changes in assumptions are due to the following:

- The mortality tables were updated with MP-2021 improvement scale.

The June 30, 2021 changes in assumptions are due to the following:

- The mortality tables were updated with MP-2020 improvement scale.
- The discount rate increased from 6.5% to 7.0%.

The June 30, 2020 changes in assumptions are due to the following:

- The mortality tables were changed to the Society of Actuaries tables for public employees.
- The discount rate decreased from 7.0% to 6.5%.

The June 30, 2019 changes in assumptions are due to the following:

- The mortality tables changed to the new government tables provided by the State.

The June 30, 2018 changes in assumptions are due to the following:

- The assumption that mortality and disability decrements do not occur during the first five years of employment was removed.
- The liability load for “roll-in amounts” decreased from 9.00% to 4.00%.
- Th adjusted dates of hire were added to the data to reflect the adjusted service accurately.
- The discount rate was decreased from 8.00% to 7.00%.

The June 30, 2017 changes in assumptions are due to the following:

- For the calculation of year end liabilities, the tax-exempt municipal bond rate increased from 3.18% to 3.58%.
- The discount rate increased from 6.07% to 6.77%.
- The long-term inflation assumption has decreased from 3.0% to 2.5% as of July 1, 2016. This change applies to both the salary increase assumption and the amortization of the unfunded actuarial accrued liability.

The June 30, 2016 changes in assumptions are due to the following:

- For the calculation of year end liabilities, the tax-exempt municipal bond rate decreased from 3.80% to 3.18%.
- The discount rate decreased from 7.38% to 6.07%.

The June 30, 2015 changes in assumptions are due to the following:

- For the calculation of year end liabilities, the tax-exempt municipal bond rate decreased from 4.29% to 3.80%.
- The long-term rate of return on assets increased from 6.54% to 8.00%.
- The discount rate increased from 5.40% to 7.38%.

Notes to Required Supplementary Information

Notes to the Schedule of Changes in the City's Net Pension Liability and Related Ratios: Public Safety Employees' Retirement System

The June 30, 2022 changes in assumptions are due to the following:

- The mortality tables were updated with MP-2021 improvement scale.

The June 30, 2021 changes in assumptions are due to the following:

- The mortality tables were updated with MP-2020 improvement scale.
- The discount rate increased from 6.5% to 7.0%.

The June 30, 2020 changes in assumptions are due to the following:

- The mortality tables were changed to the Society of Actuaries tables for public employees.
- The discount rate decreased from 7.0% to 6.5%.

The June 30, 2019 changes in assumptions are due to the following:

- The mortality tables changed to the new government tables provided by the State.

The June 30, 2018 changes in assumptions are due to the following:

- The assumption that mortality and disability decrements do not occur during the first five years of employment was removed.
- The liability load for “roll-in amounts” decreased from 12.50% to 7.00%.
- The liability load for subsidized service purchases was removed and replaced with actual adjusted service dates.
- The discount rate was changed from 7.52% to 7.00%.

The June 30, 2017 changes in assumptions are due to the following:

- For the calculation of year end liabilities, the tax-exempt municipal bond rate increased from 3.18% to 3.58%.
- The discount rate increased from 7.27% to 7.52%.
- The long-term inflation assumption has decreased from 3.0% to 2.5% as of July 1, 2016. This change applies to both the salary increase assumption and the amortization of the unfunded actuarial accrued liability.

The June 30, 2016 changes in assumptions are due to the following:

- For the calculation of year end liabilities, the tax-exempt municipal bond rate decreased from 3.80% to 3.18%.
- The discount rate decreased from 7.83% to 7.27%.

The June 30, 2015 changes in assumptions are due to the following:

- The actuarial equivalence basis for converting between option forms of benefit payment was updated.

Notes to Required Supplementary Information

Notes to Schedule of City Contributions

Valuation date	July 1, 2021
Notes	Actuarially determined contribution rates are calculated as of June 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal level percent of pay
Amortization method	General: 2.5 percent scale on amortization is applied to recognize increasing amortization payments; Public Safety: spread gain/loss with 2.5 percent scale
Remaining amortization period	22 years
Asset valuation method	General: The actuarial value of assets is equal to the prior year's actuarial value brought forward to the valuation date with contributions, benefit payments, and expected investment income. The excess/(deficit) of actual return on market assets over expected return on actuarial assets is the asset gain(loss) for the year. The rolled forward actuarial assets are then adjusted by adding/(subtracting) 20% of the asset gains/(losses) for each of the five preceding years. A final adjustment is made, if necessary, so the actuarial value of assets is no more than 120% nor less than 80% of the market value. Public Safety: Equal to market value of assets.
Inflation	2.25 percent
Salary increases	Varies
Investment rate of return	7.0 percent net of pension plan investment expense, including inflation
Mortality rates	Pub-2010 Public Retirement Plans Mortality Tables for with MP-2021; annuitant and non-annuitant, sex-distinct

Notes to Required Supplementary Information

OPEB Information

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Investment Returns

(1) The Court Retiree Healthcare Plan is not pre-funded and has no assets.

Notes to Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios: General Retiree Healthcare Plan

(1) The Court Retiree Healthcare Plan total other postemployment benefit liability was presented with the General Retiree Healthcare Plan for the year ended 6/30/2017, but is presented separately for the year ended 6/30/2018 (prospectively).

The June 30, 2022 changes in assumptions are due to the following:
- Trend rates updated to those prescribed by PA 202 for year 2022.
- Salary scale updated from 2.5% to 3.0%.
- Discount rate updated from 3.72% to 4.50%.

The June 30, 2021 changes in assumptions are due to the following:
- Trend rates updated to those prescribed by PA 202 for year 2021.
- Discount rate updated from 3.27% to 3.72%.

The June 30, 2020 changes in assumptions are due to the following:
- Mortality updated from RP-2014 adjusted to 2006 Total Data Set, Headcount-weighted, with MP-2017 (set-forward 10 years for disability).
- Trend Rates updated from Pre-65; 8.0% graded down to 5% over six years, 5.0% per annum for Medicare costs.
- Discount rate updated from 3.0%.

The June 30, 2019 changes in assumptions are due to the following:
- Discount rate lowered from 3.51% to 3.0%.

The June 30, 2018 changes in assumptions are due to the following:
- First valuation performed by Watkins Ross.
- The discount rate was lowered from 3.1% to 3.0%.
- The trend rates changed from 6.0% graded down to 4.0% to 8.0% graded down to 5.0% for pre-65 claims, 5.0% forage 65 and after.
- The mortality rates changed from RP-2014 Group Annuity Mortality Table 50/50 blend male/female to RPH-2014 adjusted to 2006 Total Data Set with MP-2017 (set-forward 10 years for disability).

The June 30, 2017 changes in assumptions are due to the following:
- Discount rate lowered from 4.5% to 3.1%.

Notes to Required Supplementary Information

Notes to Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios: Public Safety Retiree Healthcare Plan

The June 30, 2022 changes in assumptions are due to the following:

- Trend rates updated to those prescribed by PA 202 for year 2022.
- Discount rate updated from 3.59% to 4.50%.

The June 30, 2021 changes in assumptions are due to the following:

- Trend rates updated to those prescribed by PA 202 for year 2021.
- Discount rate changed from 3.97% to 3.59%.

The June 30, 2020 changes in assumptions are due to the following:

- Mortality updated from RP-2014 adjusted to 2006 Total Data Set, Headcount-weighted, with MP-2017 (set-forward 10 years for disability).
- Trend Rates updated from Pre-65; 8.0% graded down to 5% over six years, 5.0% per annum for Medicare costs.
- Timing of claims payments changed from middle of year to beginning of year.
- Discount rate updated from 3.0%.

The June 30, 2018 changes in assumptions are due to the following:

- First valuation performed by Watkins Ross.
- The discount rate was lowered from 3.1% to 3.0%.
- The trend rates changed from 6.0% graded down to 4.0% to 8.0% graded down to 5.0% for pre-65 claims, 5.0% forage 65 and after.
- The mortality rates changed from RP-2014 Group Annuity Mortality Table 50/50 blend male/female to RPH-2014 adjusted to 2006 Total Data Set with MP-2017 (set-forward 10 years for disability).

The June 30, 2017 changes in assumptions are due to the following:

- Discount rate lowered from 4.5% to 3.1%.

Notes to Schedule of Changes in the City's Net Other Postemployment Benefit Liability and Related Ratios: Court Retiree Healthcare Plan

The June 30, 2022 changes in assumptions are due to the following:

- Trend rates updated to those prescribed by PA 202 for year 2022.
- Salary scale updated from 2.5% to 3.0%.
- Discount rate updated from 3.72% to 4.50%.

The June 30, 2021 changes in assumptions are due to the following:

- Trend rates updated to those prescribed by PA 202 for year 2021.
- Discount rate updated from 3.27% to 3.72%.

The June 30, 2020 changes in assumptions are due to the following:

- Mortality updated from RP-2014 adjusted to 2006 Total Data Set, Headcount-weighted, with MP-2017 (set-forward 10 years for disability).
- Trend Rates updated from Pre-65; 8.0% graded down to 5% over six years, 5.0% per annum for Medicare costs.
- Discount rate updated from 3.0%.

Notes to Required Supplementary Information

The June 30, 2019 changes in assumptions are due to the following:

- Discount rate lowered from 3.51% to 3.0%.

The June 30, 2018 changes in assumptions are due to the following:

- First valuation performed by Watkins Ross.
- The discount rate was lowered from 3.1% to 3.0%.
- The trend rates changed from 6.0% graded down to 4.0% to 8.0% graded down to 5.0% for pre-65 claims, 5.0% forage 65 and after.
- The mortality rates changed from RP-2014 Group Annuity Mortality Table 50/50 blend male/female to RPH-2014 adjusted to 2006 Total Data Set with MP-2017 (set-forward 10 years for disability).

Notes to Schedule of City Contributions

Valuation date	June 30, 2022
Notes	Actuarially determined contribution rates are calculated as of June 30 that is the same fiscal year for which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of compensation
Remaining amortization period	General: 7 years; Public Safety: 8 years; Court: 4 years
Asset valuation method	Market value
Healthcare inflation rate	Pre-Medicare 7.25% graded down to 4.5% by 0.25% per year; Post Medicare, 5.50% graded down to 4.5% by 0.25% per year
Inflation rate	2.0 percent
Salary increases	3.0 percent for General and Court; 2.5 percent for Public Safety
Investment rate of return	4.5 percent, including inflation
Mortality rates	2010 Public General Employees / Public Safety Employees and Healthy Retirees, Headcount weighted, MP-2021 Rationale – Most current mortality rates available for municipalities

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
June 30, 2022

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental
Assets				
Cash and investments	$ 7,067,502	$ 943,503	$ 1,535,342	$ 9,546,347
Receivables:				
Taxes	410	-	13,128	13,538
Special assessments	131,540	-	493,539	625,079
Accounts	292,554	-	174	292,728
Due from other governments	567,857	-	-	567,857
Prepaid items	2,456	37,936	-	40,392
Total assets	$ 8,062,319	$ 981,439	$ 2,042,183	$ 11,085,941
Liabilities				
Accounts payable	$ 872,827	$ -	$ 364,621	$ 1,237,448
Accrued liabilities	135,060	39,000	14,922	188,982
Due to other funds	41,398	-	-	41,398
Total liabilities	1,049,285	39,000	379,543	1,467,828
Deferred inflows of resources				
Unavailable revenue - special assessments	131,540	-	493,539	625,079
Unavailable revenue - grants	57,326	-	-	57,326
Total deferred inflows of resources	188,866	-	493,539	682,405
Fund balances				
Nonspendable	2,456	37,936	-	40,392
Restricted	6,448,657	904,503	-	7,353,160
Assigned	430,381	-	1,402,898	1,833,279
Unassigned (deficit)	(57,326)	-	(233,797)	(291,123)
Total fund balances	6,824,168	942,439	1,169,101	8,935,708
Total liabilities, deferred inflows of resources, and fund balances	$ 8,062,319	$ 981,439	$ 2,042,183	$ 11,085,941

CITY OF OAK PARK, MICHIGAN

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

Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental
Revenues				
Property taxes	$ 2,294,547	$ 2,291,821	$ -	$ 4,586,368
Special assessments	64,821	-	46,027	110,848
Intergovernmental:				
Federal grants	120,724	-	-	120,724
State grants	3,635,545	15,068	-	3,650,613
Charges for services	1,619,805	-	-	1,619,805
Fines and forfeitures	57,052	-	29,042	86,094
Investment income (loss)	(10,945)	32,333	(2,767)	18,621
Other revenue	142,902	-	174,570	317,472
Total revenues	7,924,451	2,339,222	246,872	10,510,545
Expenditures				
Current:				
Judicial	2,429,691	-	-	2,429,691
Public safety	28,490	-	-	28,490
Road maintenance and repair	2,736,585	-	-	2,736,585
Public works	-	-	546,108	546,108
Health and sanitation	2,866,090	-	-	2,866,090
Culture and recreation	-	-	43	43
Library	882,173	-	-	882,173
Community development	116,183	-	203,712	319,895
Debt service:				
Principal	-	1,700,000	-	1,700,000
Lease principal	11,140	-	-	11,140
Interest and fiscal charges	1,753	670,834	-	672,587
Total expenditures	9,072,105	2,370,834	749,863	12,192,802
Revenues under expenditures	(1,147,654)	(31,612)	(502,991)	(1,682,257)
Other financing sources (uses)				
Transfers in	2,094,742	129,972	495,000	2,719,714
Transfers out	(291,757)	-	(255,000)	(546,757)
Total other financing sources (uses)	1,802,985	129,972	240,000	2,172,957
Net change in fund balances	655,331	98,360	(262,991)	490,700
Fund balances, beginning of year	6,168,837	844,079	1,432,092	8,445,008
Fund balances, end of year	$ 6,824,168	$ 942,439	$ 1,169,101	$ 8,935,708

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2022

	Major Streets	Local Streets	Solid Waste	Narcotics Forfeiture
Assets				
Cash and investments	$ 2,306,315	$ 2,146,746	$ 1,604,073	$ 33,877
Receivables:				
Taxes	-	410	-	-
Special assessments	131,540	-	-	-
Accounts	-	-	292,504	-
Due from other governments	352,202	137,035	-	-
Prepaid items	1	-	-	-
Total assets	$ 2,790,058	$ 2,284,191	$ 1,896,577	$ 33,877
Liabilities				
Accounts payable	$ 416,608	$ 151,317	$ 97,398	$ -
Accrued liabilities	15,350	12,663	31,072	-
Due to other funds	-	-	-	-
Total liabilities	431,958	163,980	128,470	-
Deferred inflows of resources				
Unavailable revenue - special assessments	131,540	-	-	-
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	131,540	-	-	-
Fund balances				
Nonspendable	1	-	-	-
Restricted	2,226,559	2,120,211	1,768,107	33,877
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	2,226,560	2,120,211	1,768,107	33,877
Total liabilities, deferred inflows of resources, and fund balances	$ 2,790,058	$ 2,284,191	$ 1,896,577	$ 33,877

Criminal Justice Training	Community Development Block Grant	Indigent Defense Grant	Caseflow Assistance	Veterans Treatment Court Grant	45th District Court
$ 11,358	$ -	$ 171,908	$ 31,986	$ -	$ 163,689
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	15
-	27,698	-	-	8,507	-
-	-	-	-	-	-
$ 11,358	$ 27,698	$ 171,908	$ 31,986	$ 8,507	$ 163,704
$ -	$ -	$ 29,341	$ -	$ 6,259	$ 111,577
-	2,189	-	-	254	43,608
-	25,509	-	-	1,994	8,519
-	27,698	29,341	-	8,507	163,704
-	-	-	-	-	-
-	14,791	-	-	120	-
-	14,791	-	-	120	-
-	-	-	-	-	-
11,358	-	142,567	31,986	-	-
-	-	-	-	-	-
-	(14,791)	-	-	(120)	-
11,358	(14,791)	142,567	31,986	(120)	-
$ 11,358	$ 27,698	$ 171,908	$ 31,986	$ 8,507	$ 163,704

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CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2022

	Library	Mental Health Court Grant	Total
Assets			
Cash and investments	$ 597,550	$ -	$ 7,067,502
Receivables:			
Taxes	-	-	410
Special assessments	-	-	131,540
Accounts	-	35	292,554
Due from other governments	-	42,415	567,857
Prepaid items	2,455	-	2,456
Total assets	$ 600,005	$ 42,450	$ 8,062,319
Liabilities			
Accounts payable	$ 23,954	$ 36,373	$ 872,827
Accrued liabilities	29,223	701	135,060
Due to other funds	-	5,376	41,398
Total liabilities	53,177	42,450	1,049,285
Deferred inflows of resources			
Unavailable revenue - special assessments	-	-	131,540
Unavailable revenue - grants	-	42,415	57,326
Total deferred inflows of resources	-	42,415	188,866
Fund balances			
Nonspendable	2,455	-	2,456
Restricted	113,992	-	6,448,657
Assigned	430,381	-	430,381
Unassigned (deficit)	-	(42,415)	(57,326)
Total fund balances	546,828	(42,415)	6,824,168
Total liabilities, deferred inflows of resources, and fund balances	$ 600,005	$ 42,450	$ 8,062,319

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

Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2022

	Major Streets	Local Streets	Solid Waste	Narcotics Forfeiture
Revenues				
Property taxes	$ -	$ -	$ 1,526,063	$ -
Special assessments	63,843	978	-	-
Intergovernmental:				
Federal grants	-	-	-	1,430
State grants	2,278,081	886,678	9,553	-
Charges for services	-	-	1,549,069	-
Fines and forfeitures	-	-	-	-
Investment loss	(4,411)	(4,468)	(729)	(93)
Other revenue	71,162	69,581	-	-
Total revenues	2,408,675	952,769	3,083,956	1,337
Expenditures				
Current:				
Judicial	-	-	-	-
Public safety	-	-	-	20,973
Road maintenance and repair	1,724,701	1,011,884	-	-
Health and sanitation	-	-	2,866,090	-
Library	-	-	-	-
Community development	-	-	-	-
Debt service:				
Lease principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,724,701	1,011,884	2,866,090	20,973
Revenues over (under) expenditures	683,974	(59,115)	217,866	(19,636)
Other financing sources (uses)				
Transfers in	-	200,000	-	-
Transfers out	(200,000)	-	-	-
Total other financing sources (uses)	(200,000)	200,000	-	-
Net change in fund balances	483,974	140,885	217,866	(19,636)
Fund balances (deficits), beginning of year	1,742,586	1,979,326	1,550,241	53,513
Fund balances (deficits), end of year	$ 2,226,560	$ 2,120,211	$ 1,768,107	$ 33,877

Criminal Justice Training	Community Development Block Grant	Indigent Defense Grant	Caseflow Assistance	Veterans Treatment Court Grant	45th District Court
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	112,894	-	-	-	-
9,027	-	186,144	8,813	41,044	91,448
-	-	-	-	-	60,625
-	-	-	-	-	-
(18)	-	-	(49)	-	-
-	-	-	-	-	-
9,009	112,894	186,144	8,764	41,044	152,073
-	-	328,789	14	40,387	1,954,785
7,517	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	116,183	-	-	-	-
-	-	-	-	-	7,358
-	-	-	-	-	1,158
7,517	116,183	328,789	14	40,387	1,963,301
1,492	(3,289)	(142,645)	8,750	657	(1,811,228)
-	-	41,757	-	-	1,852,985
-	-	-	-	-	(41,757)
-	-	41,757	-	-	1,811,228
1,492	(3,289)	(100,888)	8,750	657	-
9,866	(11,502)	243,455	23,236	(777)	-
$ 11,358	$ (14,791)	$ 142,567	$ 31,986	$ (120)	$ -

continued…

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

Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2022

	Library	Mental Health Court Grant	Total
Revenues			
Property taxes	$ 768,484	$ -	$ 2,294,547
Special assessments	-	-	64,821
Intergovernmental:			
Federal grants	6,400	-	120,724
State grants	51,086	73,671	3,635,545
Charges for services	10,111	-	1,619,805
Fines and forfeitures	57,052	-	57,052
Investment loss	(1,177)	-	(10,945)
Other revenue	2,159	-	142,902
Total revenues	894,115	73,671	7,924,451
Expenditures			
Current:			
Judicial	-	105,716	2,429,691
Public safety	-	-	28,490
Road maintenance and repair	-	-	2,736,585
Health and sanitation	-	-	2,866,090
Library	882,173	-	882,173
Community development	-	-	116,183
Debt service:			
Lease principal	3,782	-	11,140
Interest and fiscal charges	595	-	1,753
Total expenditures	886,550	105,716	9,072,105
Revenues over (under) expenditures	7,565	(32,045)	(1,147,654)
Other financing sources (uses)			
Transfers in	-	-	2,094,742
Transfers out	(50,000)	-	(291,757)
Total other financing sources (uses)	(50,000)	-	1,802,985
Net change in fund balances	(42,435)	(32,045)	655,331
Fund balances (deficits), beginning of year	589,263	(10,370)	6,168,837
Fund balances (deficits), end of year	$ 546,828	$ (42,415)	$ 6,824,168

concluded.

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Major Streets Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Special assessments	$ 65,856	$ 63,843	$ 63,843	$ -
Intergovernmental -				
State grants	2,187,773	2,187,773	2,278,081	90,308
Investment income (loss)	4,979	4,979	(4,411)	(9,390)
Other revenue	90,000	92,013	71,162	(20,851)
Total revenues	2,348,608	2,348,608	2,408,675	60,067
Expenditures				
Current -				
Road maintenance and repair	2,775,608	2,967,853	1,724,701	(1,243,152)
Revenues over (under) expenditures	(427,000)	(619,245)	683,974	(1,303,219)
Other financing uses				
Transfers out	(200,000)	(200,000)	(200,000)	-
Net change in fund balance	(627,000)	(819,245)	483,974	1,303,219
Fund balance, beginning of year	1,037,717	1,742,586	1,742,586	-
Fund balance, end of year	$ 410,717	$ 923,341	$ 2,226,560	$ 1,303,219

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Local Streets Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Special assessments	$ 35,000	$ 35,000	$ 978	$ (34,022)
Intergovernmental -				
State grants	850,801	850,801	886,678	35,877
Investment income (loss)	3,534	3,534	(4,468)	(8,002)
Other revenue	-	-	69,581	69,581
Total revenues	889,335	889,335	952,769	63,434
Expenditures				
Current -				
Road maintenance and repair	1,343,335	1,343,335	1,011,884	(331,451)
Revenues under expenditures	(454,000)	(454,000)	(59,115)	394,885
Other financing sources				
Transfers in	200,000	200,000	200,000	-
Net change in fund balance	(254,000)	(254,000)	140,885	394,885
Fund balance, beginning of year	1,632,148	1,979,326	1,979,326	-
Fund balance, end of year	$ 1,378,148	$ 1,725,326	$ 2,120,211	$ 394,885

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Solid Waste Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 1,486,246	$ 1,486,246	$ 1,526,063	$ 39,817
Intergovernmental-				
State grants	6,500	6,500	9,553	3,053
Charges for services	1,563,000	1,563,000	1,549,069	(13,931)
Investment income (loss)	13,643	13,643	(729)	(14,372)
Total revenues	3,069,389	3,069,389	3,083,956	14,567
Expenditures				
Current -				
Health and sanitation	3,069,389	3,069,389	2,866,090	(203,299)
Net change in fund balance	-	-	217,866	217,866
Fund balance, beginning of year	1,123,284	1,550,241	1,550,241	-
Fund balance, end of year	$ 1,123,284	$ 1,550,241	$ 1,768,107	$ 217,866

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Narcotics Forfeiture Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
Federal grants	$ -	$ -	$ 1,430	$ 1,430
Fines and forfeitures	5,000	5,000	-	(5,000)
Investment income (loss)	500	500	(93)	(593)
Total revenues	5,500	5,500	1,337	(4,163)
Expenditures				
Current -				
Public safety	36,400	36,400	20,973	(15,427)
Net change in fund balance	(30,900)	(30,900)	(19,636)	11,264
Fund balance, beginning of year	45,595	53,513	53,513	-
Fund balance, end of year	$ 14,695	$ 22,613	$ 33,877	$ 11,264

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Criminal Justice Training Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	$ 8,430	$ 8,430	$ 9,027	$ 597
Investment income (loss)	25	25	(18)	(43)
Total revenues	8,455	8,455	9,009	554
Expenditures				
Current -				
Public safety	8,455	8,455	7,517	(938)
Net change in fund balance	-	-	1,492	1,492
Fund balance, beginning of year	20,365	9,866	9,866	-
Fund balance, end of year	$ 20,365	$ 9,866	$ 11,358	$ 1,492

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Community Development Block Grant Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	$ 128,000	$ 128,000	$ 112,894	$ (15,106)
Expenditures				
Current -				
Community development	128,000	128,000	116,183	(11,817)
Net change in fund balance	-	-	(3,289)	(3,289)
Fund balance (deficit), beginning of year	-	-	(11,502)	(11,502)
Fund balance (deficit), end of year	$ -	$ -	$ (14,791)	$ (14,791)

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Indigent Defense Grant Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
State grants	$ 407,722	$ 407,722	$ 186,144	$ (221,578)
Expenditures				
Current -				
Judicial	449,851	449,851	328,789	(121,062)
Revenues under expenditures	(42,129)	(42,129)	(142,645)	(100,516)
Other financing sources				
Transfers in	42,129	42,129	41,757	(372)
Net change in fund balance	-	-	(100,888)	(100,888)
Fund balance, beginning of year	216,887	243,455	243,455	-
Fund balance, end of year	$ 216,887	$ 243,455	$ 142,567	$ (100,888)

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Caseflow Assistance Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	$ 20,000	$ 20,000	$ 8,813	$ (11,187)
Investment income (loss)	100	100	(49)	(149)
Total revenues	20,100	20,100	8,764	(11,336)
Expenditures				
Current -				
Judicial	20,100	20,100	14	(20,086)
Net change in fund balance	-	-	8,750	8,750
Fund balance, beginning of year	19,163	23,236	23,236	-
Fund balance, end of year	$ 19,163	$ 23,236	$ 31,986	$ 8,750

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Veterans Treatment Court Grant Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	$ 52,400	$ 52,400	$ 41,044	$ (11,356)
Expenditures				
Current -				
Judicial	52,400	52,400	40,387	(12,013)
Net change in fund balance	-	-	657	657
Fund balance (deficit), beginning of year	-	-	(777)	(777)
Fund balance (deficit), end of year	$ -	$ -	$ (120)	$ (120)

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - 45th District Court Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental:				
State grants	$ 91,448	$ 91,448	$ 91,448	$ -
Charges for services	334,080	334,080	60,625	(273,455)
Total revenues	425,528	425,528	152,073	(273,455)
Expenditures				
Current -				
Judicial	2,049,899	2,049,899	1,954,785	(95,114)
Debt service:				
Lease principal	-	-	7,358	7,358
Interest and fiscal charges	8,500	8,500	1,158	(7,342)
Total expenditures	2,058,399	2,058,399	1,963,301	(95,098)
Revenues under expenditures	(1,632,871)	(1,632,871)	(1,811,228)	(178,357)
Other financing sources (uses)				
Transfers in	1,675,000	1,675,000	1,852,985	177,985
Transfers out	(42,129)	(42,129)	(41,757)	(372)
Total other financing sources (uses)	1,632,871	1,632,871	1,811,228	177,613
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Library Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 750,938	$ 766,509	$ 768,484	$ 1,975
Intergovernmental:				
Federal grants	-	-	6,400	6,400
State grants	33,300	49,929	51,086	1,157
Charges for services	14,900	14,000	10,111	(3,889)
Fines and forfeitures	74,500	62,300	57,052	(5,248)
Investment income (loss)	9,191	4,191	(1,177)	(5,368)
Other revenue	-	900	2,159	1,259
Total revenues	882,829	897,829	894,115	(3,714)
Expenditures				
Current -				
Library	868,240	874,640	882,173	7,533
Debt service:				
Lease principal	-	-	3,782	3,782
Interest and fiscal charges	4,589	4,589	595	(3,994)
Total expenditures	872,829	879,229	886,550	7,321
Revenues over expenditures	10,000	18,600	7,565	(11,247)
Other financing uses				
Transfers out	(50,000)	(50,000)	(50,000)	-
Net change in fund balance	(40,000)	(31,400)	(42,435)	(11,247)
Fund balance, beginning of year	421,843	589,263	589,263	-
Fund balance, end of year	$ 381,843	$ 557,863	$ 546,828	$ (11,035)

CITY OF OAK PARK, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Mental Health Court Grant Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental -				
State grants	$ 120,000	$ 120,000	$ 73,671	$ (46,329)
Expenditures				
Current -				
Judicial	120,000	120,000	105,716	(14,284)
Net change in fund balance	-	-	(32,045)	(32,045)
Fund balance (deficit), beginning of year	-	-	(10,370)	(10,370)
Fund balance (deficit), end of year	$ -	$ -	$ (42,415)	$ (42,415)

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
Debt Service Funds
June 30, 2022

	2015 Refunding Bond	2012 Street Refunding Bond	2011 Library and Recreation Lease	2020 Refunding Bond	Total
Assets					
Cash and investments	$ 257,548	$ 526,240	$ -	$ 159,715	$ 943,503
Prepaid items	-	-	-	37,936	37,936
Total assets	$ 257,548	$ 526,240	$ -	$ 197,651	$ 981,439
Liabilities					
Accrued liabilities	$ 13,000	$ 12,000	$ -	$ 14,000	$ 39,000
Fund balances					
Nonspendable	-	-	-	37,936	37,936
Restricted	244,548	514,240	-	145,715	904,503
Total fund balances	244,548	514,240	-	183,651	942,439
Total liabilities and fund balances	$ 257,548	$ 526,240	$ -	$ 197,651	$ 981,439

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CITY OF OAK PARK, MICHIGAN

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

Nonmajor Governmental Funds
Debt Service Funds
For the Year Ended June 30, 2022

	2015 Refunding Bond	2012 Street Refunding Bond	2011 Library and Recreation Lease	2020 Refunding Bond	Total
Revenues					
Property taxes	$ 747,500	$ 774,439	$ -	$ 769,882	$ 2,291,821
Intergovernmental -					
State grants	4,733	4,746	-	5,589	15,068
Investment income (loss)	(1,763)	(2,403)	-	36,499	32,333
Total revenues	750,470	776,782	-	811,970	2,339,222
Expenditures					
Debt service:					
Principal	510,000	630,000	70,000	490,000	1,700,000
Interest and fiscal charges	223,999	113,412	59,972	273,451	670,834
Total expenditures	733,999	743,412	129,972	763,451	2,370,834
Revenues over (under) expenditures	16,471	33,370	(129,972)	48,519	(31,612)
Other financing sources					
Transfers in	-	-	129,972	-	129,972
Net change in fund balances	16,471	33,370	-	48,519	98,360
Fund balances, beginning of year	228,077	480,870	-	135,132	844,079
Fund balances, end of year	$ 244,548	$ 514,240	$ -	$ 183,651	$ 942,439

CITY OF OAK PARK, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
Capital Projects Funds
June 30, 2022

	Public Improvement	City-Owned Property	Sidewalk Program
Assets			
Cash and investments	$ 165,326	$ 425,650	$ 71,633
Receivables:			
Taxes	-	-	13,128
Special assessments	-	-	493,539
Accounts	-	-	174
Total assets	$ 165,326	$ 425,650	$ 578,474
Liabilities			
Accounts payable	$ 45,811	$ 15,000	$ 303,810
Accrued liabilities	-	-	14,922
Total liabilities	45,811	15,000	318,732
Deferred inflows of resources			
Unavailable revenue - special assessments	-	-	493,539
Fund balances			
Assigned	119,515	410,650	-
Unassigned (deficit)	-	-	(233,797)
Total fund balance	119,515	410,650	(233,797)
Total liabilities, deferred inflows of resources, and fund balances	$ 165,326	$ 425,650	$ 578,474

Municipal Building Construction	Parks and Recreation Improvements	Total
$ 378,000	$ 494,733	$ 1,535,342
-	-	13,128
-	-	493,539
-	-	174
$ 378,000	$ 494,733	$ 2,042,183
$ -	$ -	$ 364,621
-	-	14,922
-	-	379,543
-	-	493,539
378,000	494,733	1,402,898
-	-	(233,797)
378,000	494,733	1,169,101
$ 378,000	$ 494,733	$ 2,042,183

CITY OF OAK PARK, MICHIGAN

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

Nonmajor Governmental Funds
Capital Project Funds
For the Year Ended June 30, 2022

	Public Improvement	City-Owned Property	Sidewalk Program
Revenues			
Special assessments	$ -	$ -	$ 46,027
Fines and forfeitures	-	-	-
Investment loss	(519)	(889)	(399)
Other revenue	57,000	117,570	-
Total revenues	56,481	116,681	45,628
Expenditures			
Public works	-	-	538,201
Culture and recreation	-	-	-
Community development	161,100	42,612	-
Total expenditures	161,100	42,612	538,201
Revenues over (under) expenditures	(104,619)	74,069	(492,573)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(255,000)	-	-
Total other financing sources (uses)	(255,000)	-	-
Net change in fund balances	(359,619)	74,069	(492,573)
Fund balances, beginning of year	479,134	336,581	258,776
Fund balances (deficit), end of year	$ 119,515	$ 410,650	$ (233,797)

Municipal Building Construction	Parks and Recreation Improvements	Total
$ -	$ -	$ 46,027
29,042	-	29,042
(736)	(224)	(2,767)
-	-	174,570
28,306	(224)	246,872
7,907	-	546,108
-	43	43
-	-	203,712
7,907	43	749,863
20,399	(267)	(502,991)
-	495,000	495,000
-	-	(255,000)
-	495,000	240,000
20,399	494,733	(262,991)
357,601	-	1,432,092
$ 378,000	$ 494,733	$ 1,169,101

Combining Statement of Net Position

Internal Service Funds
June 30, 2022

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Assets				
Current assets:				
Cash and investments	$ 142,891	$ 113,448	$ 75,852	$ 332,191
Accounts receivable	-	374	-	374
Prepaid items	169,548	-	8,212	177,760
Total current assets	312,439	113,822	84,064	510,325
Noncurrent assets -				
Capital assets being depreciated, net	-	2,447,876	-	2,447,876
Total assets	312,439	2,561,698	84,064	2,958,201
Liabilities				
Current liabilities:				
Accounts payable	-	44,986	-	44,986
Accrued liabilities	-	3,136	-	3,136
Current portion of -				
Accrued compensated absences	-	1,104	-	1,104
Total current liabilities	-	49,226	-	49,226
Noncurrent liabilities -				
Accrued compensated absences, net of current portion	-	3,562	-	3,562
Net position				
Investment in capital assets	-	2,447,876	-	2,447,876
Unrestricted	312,439	61,034	84,064	457,537
Total net position	$ 312,439	$ 2,508,910	$ 84,064	$ 2,905,413

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Internal Service Funds
For the Year Ended June 30, 2022

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Operating revenues				
Charges for services	$ 376,069	$ 1,284,109	$ 108,000	$ 1,768,178
Fines and forfeitures	-	-	103,947	103,947
Other	68,213	-	-	68,213
Total operating revenues	444,282	1,284,109	211,947	1,940,338
Operating expenses				
Depreciation	-	269,226	-	269,226
Wages and benefits	152,629	104,369	192,653	449,651
Insurance	291,488	-	-	291,488
Gasoline	-	222,937	-	222,937
Professional services	93	41,869	-	41,962
Supplies	-	186,357	-	186,357
Total operating expenses	444,210	824,758	192,653	1,461,621
Operating income	72	459,351	19,294	478,717
Nonoperating revenues				
Investment loss	(72)	(2,308)	(173)	(2,553)
Change in net position	-	457,043	19,121	476,164
Net position, beginning of year	312,439	2,051,867	64,943	2,429,249
Net position, end of year	$ 312,439	$ 2,508,910	$ 84,064	$ 2,905,413

Combining Statement of Cash Flows

Internal Service Funds
For the Year Ended June 30, 2022

	Risk Management	Motor Pool	Retirees Health Care Court	Total
Cash flows from operating activities				
Receipts from interfund services	$ 376,069	$ 1,283,735	$ 108,000	$ 1,767,804
Miscellaneous receipts	68,213	-	103,947	172,160
Payments to suppliers	(425,098)	(476,864)	-	(901,962)
Payments to employees	(152,629)	(96,567)	(200,665)	(449,861)
Net cash (used in) provided by operating activities	(133,445)	710,304	11,282	588,141
Cash flows from capital and related financing activities				
Purchases of capital assets	-	(1,563,461)	-	(1,563,461)
Cash flows from investing activities				
Investment loss	(72)	(2,308)	(173)	(2,553)
Net change in cash and investments	(133,517)	(855,465)	11,109	(977,873)
Cash and investments, beginning of year	276,408	968,913	64,743	1,310,064
Cash and investments, end of year	$ 142,891	$ 113,448	$ 75,852	$ 332,191
Reconciliation of operating income to net cash (used in) provided by operating activities:				
Operating income	$ 72	$ 459,351	$ 19,294	$ 478,717
Adjustments to reconcile operating income to net cash (used in) provided by operating activities:				
Depreciation expense	-	269,226	-	269,226
Change in assets and liabilities:				
Accounts receivable	-	(374)	-	(374)
Prepaid items	(133,420)	-	(8,012)	(141,432)
Accounts payable	(97)	(25,701)	-	(25,798)
Accrued liabilities	-	3,136	-	3,136
Accrued compensated absences	-	4,666	-	4,666
Net cash (used in) provided by operating activities	$ (133,445)	$ 710,304	$ 11,282	$ 588,141

STATISTICAL SECTION

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CITY OF OAK PARK, MICHIGAN

Statistical Section Table of Contents

This part of the City'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 government's overall financial health.

		Page
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.	148
Revenue Capacity	These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	158
Debt Capacity	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	164
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.	169
Operating Information	These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	176

Sources: Unless otherwise noted, the information in these schedules are derived from the annual financial reports for the applicable year.

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	$ 13,132,212	$ 14,247,686	$ 14,000,594	$ 15,052,182
Restricted	6,911,104	4,887,899	4,317,193	4,464,360
Unrestricted (deficit)	(18,447,947)	(20,223,425)	(68,221,764)	(66,961,297)
Total governmental activities	$ 1,595,369	$ (1,087,840)	$ (49,903,977)	$ (47,444,755)
Business-type activities				
Net investment in capital assets	$ 16,175,706	$ 16,773,566	$ 17,818,784	$ 19,700,636
Unrestricted	4,653,218	6,175,448	733,114	(1,894,698)
Total business-type activities	$ 20,828,924	$ 22,949,014	$ 18,551,898	$ 17,805,938
Primary government				
Net investment in capital assets	$ 29,307,918	$ 31,021,252	$ 31,819,378	$ 34,752,818
Restricted	6,911,104	4,887,899	4,317,193	4,464,360
Unrestricted (deficit)	(13,794,729)	(14,047,977)	(67,488,650)	(68,855,995)
Total primary government	$ 22,424,293	$ 21,861,174	$ (31,352,079)	$ (29,638,817)

Source: City's annual financial statements

Note: GASB Statement No. 67 was implemented for the fiscal year ended June 30, 2014. This resulted in presentation of the City's net pension liability on the statement of net position. Prior years were not restated.

Note: GASB Statement No. 74 was implemented for the fiscal year ended June 30, 2017. This resulted in presentation of the City's net pension liability on the statement of net position. Prior years were not restated.

Schedule 1
Unaudited

2017	2018	2019	2020	2021	2022
$ 16,080,881	$ 15,026,750	$ 16,135,780	$ 18,246,707	$ 18,738,789	$ 21,598,062
3,372,538	4,388,861	5,915,132	5,711,679	6,893,549	7,670,497
(62,472,772)	(115,747,281)	(125,598,845)	(115,166,123)	(101,974,000)	(93,356,250)
$ (43,019,353)	$ (96,331,670)	$ (103,547,933)	$ (91,207,737)	$ (76,341,662)	$ (64,087,691)
$ 20,845,966	$ 22,094,929	$ 23,682,823	$ 25,860,979	$ 27,312,837	$ 29,819,147
(1,633,533)	(9,270,130)	(9,299,373)	(7,280,295)	(3,885,557)	(2,507,841)
$ 19,212,433	$ 12,824,799	$ 14,383,450	$ 18,580,684	$ 23,427,280	$ 27,311,306
$ 36,926,847	$ 37,121,679	$ 39,818,603	$ 44,107,686	$ 46,051,626	$ 51,417,209
3,372,538	4,388,861	5,915,132	5,711,679	6,893,549	7,670,497
(64,106,305)	(125,017,411)	(134,898,218)	(122,446,418)	(105,859,557)	(95,864,091)
$ (23,806,920)	$ (83,506,871)	$ (89,164,483)	$ (72,627,053)	$ (52,914,382)	$ (36,776,385)

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	$ 7,899,791	$ 6,824,175	$ 3,064,969	$ 9,940,652
Judicial	2,128,180	1,976,211	1,944,235	2,280,899
Public safety	2,653,492	9,525,007	3,497,663	7,401,142
Road maintenance and repair	3,209,098	4,098,970	4,702,539	3,125,342
Public works	2,402,385	1,744,556	1,141,585	2,837,202
Health and sanitation	1,983,105	2,268,966	3,023,012	280,850
Culture and recreation	1,470,915	827,531	572,947	475,963
Library	762,658	696,640	702,648	661,836
Community development	5,242,607	1,161,136	384,815	601,863
Interest on long-term debt	1,501,533	1,170,026	1,192,125	1,076,838
Total governmental activities	29,253,764	30,293,218	20,226,538	28,682,587
Business-type activities:				
Water and sewer	10,147,814	9,447,898	8,242,405	11,841,571
Stormwater utility	-	-	-	-
Total business-type activities	10,147,814	9,447,898	8,242,405	11,841,571
Total primary government expenses	39,401,578	39,741,116	28,468,943	40,524,158
Program revenues				
Governmental activities:				
Charges for services:				
General government	3,623,194	2,930,627	4,171,972	4,357,345
Judicial	-	148,221	184,028	210,220
Public safety	50,257	41,518	40,237	58,596
Road maintenance and repair	125,599	251,972	131,194	154,627
Public works	459,765	288,447	733,485	480,086
Health and sanitation	1,141,929	1,149,094	1,245,819	1,311,457
Library	17,684	144,126	22,380	24,974
Community development	-	21,680	-	-
Operating grants and contributions	2,273,132	2,241,178	2,406,046	2,690,345
Capital grants and contributions	-	1,750	561,703	100,150
Total governmental activities	7,691,560	7,218,613	9,496,864	9,387,800
Business-type activities:				
Charges for services:				
Water and sewer	10,985,124	11,550,673	11,706,574	10,984,177
Stormwater utility	-	-	-	-
Operating grants and contributions	-	-	-	-
Total business-type activities	10,985,124	11,550,673	11,706,574	10,984,177
Total primary government program revenues	18,676,684	18,769,286	21,203,438	20,371,977
Net (expense)/revenue				
Government activities	(21,562,204)	(23,074,605)	(10,729,674)	(19,294,787)
Business-type activities	837,310	2,102,775	3,464,169	(857,394)
Total primary government net expense	(20,724,894)	(20,971,830)	(7,265,505)	(20,152,181)

Schedule 2
Unaudited

2017	2018	2019	2020	2021	2022
$ 4,078,708	$ 8,428,726	$ 9,878,893	$ 3,711,686	$ 3,035,000	$ 4,569,576
2,000,064	3,312,598	3,067,582	596,073	2,103,336	1,738,990
9,299,317	16,032,718	16,498,401	11,825,375	6,407,054	8,812,779
3,145,293	2,599,451	973,456	3,947,631	2,367,452	2,820,014
1,516,904	2,047,753	3,792,312	(3,355,639)	1,159,977	571,346
2,498,707	2,726,238	2,772,595	2,800,210	3,320,003	2,867,225
658,582	903,615	844,486	(209,601)	521,273	428,914
821,249	962,330	946,003	(31,194)	528,441	689,860
444,575	709,763	624,666	(678,663)	83,322	161,520
1,076,246	921,950	878,483	742,654	632,709	556,445
25,539,645	38,645,142	40,276,877	19,348,532	20,158,567	23,216,669
9,972,023	11,182,425	12,282,252	10,263,283	5,949,508	5,937,060
-	-	-	-	5,024,635	4,965,477
9,972,023	11,182,425	12,282,252	10,263,283	10,974,143	10,902,537
35,511,668	49,827,567	52,559,129	29,611,815	31,132,710	34,119,206
3,436,647	4,414,603	4,284,570	3,391,331	3,211,673	3,545,345
178,908	191,037	432,860	155,315	136,823	60,625
55,402	66,021	31,195	40,477	50,506	62,007
219,892	191,986	199,119	355,285	299,133	205,564
567,170	532,062	443,549	215,798	122,613	75,069
1,357,366	1,462,305	1,604,897	1,590,085	1,651,148	1,549,069
25,386	32,511	28,274	20,773	4,059	17,552
-	-	-	-	-	-
2,452,723	3,096,285	3,624,651	3,620,442	6,018,475	5,304,336
422,628	44,438	58,760	13,394	-	34,571
8,716,122	10,031,248	10,707,875	9,402,900	11,494,430	10,854,138
11,353,474	12,356,387	13,338,756	14,365,681	9,214,018	8,414,798
-	-	-	-	6,222,701	6,032,731
-	90,817	408,736	-	-	-
11,353,474	12,447,204	13,747,492	14,365,681	15,436,719	14,447,529
20,069,596	22,478,452	24,455,367	23,768,581	26,931,149	25,301,667
(16,823,523)	(28,613,894)	(29,569,002)	(9,945,632)	(8,664,137)	(12,362,531)
1,381,451	1,264,779	1,465,240	4,102,398	4,462,576	3,544,992
(15,442,072)	(27,349,115)	(28,103,762)	(5,843,234)	(4,201,561)	(8,817,539)

continued...

CITY OF OAK PARK, MICHIGAN

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2013	2014	2015	2016
General revenues				
Governmental activities:				
Property taxes	$ 14,067,560	$ 16,466,311	$ 16,326,336	$ 17,549,447
State shared revenues	3,040,964	3,134,336	3,197,425	3,288,744
Franchise fees	794,287	757,237	712,120	717,762
Investment earnings	51,382	33,512	48,071	248,056
Transfers	(50,000)	-	-	(50,000)
Total governmental activities	17,904,193	20,391,396	20,283,952	21,754,009
Business-type activities:				
Investment earnings	29,569	17,315	16,381	61,434
Other	-	-	-	-
Transfers	50,000	-	-	50,000
Special item	-	-	-	-
Total business-type activities	79,569	17,315	16,381	111,434
Total primary government	17,983,762	20,408,711	20,300,333	21,865,443
Change in net position				
Governmental activities	(3,658,011)	(2,683,209)	9,554,278	2,459,222
Business-type activities	916,879	2,120,090	3,480,550	(745,960)
Total primary government	$ (2,741,132)	$ (563,119)	$ 13,034,828	$ 1,713,262

Source: City's annual financial statements

Note: As a result of a class action lawsuit settlement during fiscal 2021, the City was required to break out the revenue and related stormwater costs from the water and sewer fund into a new stormwater utility fund.

Schedule 2
Unaudited

2017	2018	2019	2020	2021	2022
$ 17,133,346	$ 16,340,124	$ 17,639,267	$ 17,806,967	$ 18,724,147	$ 19,732,463
3,329,476	3,556,332	3,611,586	3,460,549	3,974,975	4,286,888
683,781	642,949	631,787	616,572	613,987	589,683
102,322	120,820	470,099	401,740	217,103	7,468
-	-	-	-	-	-
21,248,925	20,660,225	22,352,739	22,285,828	23,530,212	24,616,502
25,044	23,870	83,894	68,629	307,219	(13,149)
-	6,731	9,517	26,207	76,801	352,183
-	-	-	-	-	-
-	(2,850,000)	-	-	-	-
25,044	(2,819,399)	93,411		384,020	339,034
21,273,969	17,840,826	22,446,150	22,285,828	23,914,232	24,955,536
4,425,402	(7,953,669)	(7,216,263)	12,340,196	14,866,075	12,253,971
1,406,495	(1,554,620)	1,558,651	4,102,398	4,846,596	3,884,026
$ 5,831,897	$ (9,508,289)	$ (5,657,612)	$ 16,442,594	$ 19,712,671	$ 16,137,997

concluded.

CITY OF OAK PARK, MICHIGAN

Fund Balances - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2013	2014	2015	2016
General fund				
Nonspendable	$ 198,853	$ 387,059	$ 597,521	$ 482,475
Assigned	-	-	-	-
Unassigned	1,802,454	2,973,036	2,833,231	3,196,719
Total general fund	2,001,307	3,360,095	3,430,752	3,679,194
All other governmental funds				
Nonspendable	16,255	702	246	1,842
Restricted	6,956,543	4,887,899	4,317,193	4,585,574
Assigned	1,642,112	1,419,099	2,002,675	1,907,456
Unassigned (deficit)	-	(7,869)	(23,840)	(28,218)
Total all other governmental funds	8,614,910	6,299,831	6,296,274	6,466,654
Total all governmental funds	$ 10,616,217	$ 9,659,926	$ 9,727,026	$ 10,145,848

Source: City's annual financial statements

Schedule 3
Unaudited

2017	2018	2019	2020	2021	2022
$ 440,141	$ 422,560	$ 521,922	$ 476,775	$ 247,297	$ 637,447
-	-	-	-	658,746	559,965
3,413,925	3,472,254	3,847,361	3,868,765	4,399,288	3,712,230
3,854,066	3,894,814	4,369,283	4,345,540	5,305,331	4,909,642
461	61	37	82	200	40,392
3,632,049	4,640,051	6,158,607	5,580,415	6,819,070	7,353,160
1,944,357	2,083,209	1,050,237	1,309,481	1,648,387	1,833,279
(232,266)	(52,691)	(56,161)	(13,525)	(22,649)	(291,123)
5,344,601	6,670,630	7,152,720	6,876,453	8,445,008	8,935,708
$ 9,198,667	$ 10,565,444	$ 11,522,003	$ 11,221,993	$ 13,750,339	$ 13,845,350

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues				
Property taxes	$ 14,486,295	$ 16,422,482	$ 16,292,076	$ 16,997,519
Special assessments	392,523	133,052	525,492	334,150
Licenses and permits	376,502	363,301	546,585	633,468
Intergovernmental	5,274,629	5,336,577	6,121,119	6,008,506
Charges for services	1,922,419	2,188,756	2,857,318	2,499,661
Fines and forfeitures	1,786,713	1,803,694	2,056,122	2,200,334
Franchise fees	-	-	-	-
Interest income	50,674	33,146	47,385	244,144
Other	1,815,024	1,284,806	1,299,773	1,682,787
Total revenues	26,104,779	27,565,814	29,745,870	30,600,569
Expenditures				
General government	3,708,268	3,284,804	3,613,552	3,562,498
Judicial	1,670,645	1,946,216	1,950,499	2,384,920
Public safety	6,829,039	5,557,392	8,447,856	8,771,838
Road maintenance and repair	1,282,793	1,753,709	1,756,810	2,161,235
Public works	2,253,710	2,970,801	3,616,070	3,092,354
Health and sanitation	-	-	-	-
Culture and recreation	600,876	591,912	570,403	544,721
Library	702,671	727,789	738,863	766,733
Community development	549,543	600,913	593,951	677,202
Nondepartmental	2,691,078	5,214,184	3,944,438	4,681,648
Debt service:				
Principal	1,230,000	1,360,000	1,400,000	1,641,000
Principal - Leases	-	-	-	-
Interest	1,493,206	1,211,564	1,175,121	1,425,436
Bond issuance costs	64,220	-	-	-
Prior year tax refunds	648,227	109,740	382,611	-
Capital outlay	9,812,695	3,193,081	1,161,178	755,044
Total expenditures	33,536,971	28,522,105	29,351,352	30,464,629
Revenues over (under) expenditures	(7,432,192)	(956,291)	394,518	135,940
Other financing sources (uses)				
Issuance of long-term debt	9,150,000	-	-	7,825,000
Premium on issuance of long-term debt	160,579	-	-	796,882
Payment to refund bond/note payable escrow agent	(9,160,000)	-	-	(8,289,000)
Transfers in	11,704,946	2,695,253	2,153,584	11,107,393
Transfers out	(11,939,946)	(2,695,253)	(2,153,584)	(11,157,393)
Total other financing sources (uses)	(84,421)	-	-	282,882
Net changes in fund balances	$ (7,516,613)	$ (956,291)	$ 394,518	$ 418,822
Debt services as a percentage of noncapital expenditures	11.61%	10.54%	9.15%	10.58%

Source: City's annual financial statements

Schedule 4
Unaudited

2017	2018	2019	2020	2021	2022
$ 17,239,139	$ 16,750,759	$ 17,655,106	$ 17,947,906	$ 18,793,613	$ 19,302,768
531,443	526,728	476,592	244,759	212,808	110,848
516,630	688,406	704,039	650,884	659,275	694,875
6,142,814	6,586,789	7,233,687	7,073,498	9,932,623	9,539,348
2,094,312	2,229,414	2,359,400	2,169,865	2,243,734	2,315,147
1,986,362	2,334,141	2,560,104	1,666,985	1,362,956	1,168,427
-	-	-	616,572	613,987	589,683
100,369	120,111	464,757	397,289	213,393	10,021
1,408,372	1,806,222	1,624,121	1,085,279	1,042,449	1,253,047
30,019,441	31,042,570	33,077,806	31,853,037	35,074,838	34,984,164
4,007,155	3,498,671	3,406,565	3,603,050	3,940,503	4,055,631
2,099,767	2,169,253	2,601,590	2,361,940	2,310,041	2,429,691
9,391,416	10,236,280	10,799,893	11,148,719	11,914,390	13,210,207
3,818,001	2,184,807	1,896,223	4,016,353	2,080,887	2,736,585
791,087	757,240	800,981	1,067,710	1,931,522	2,046,461
2,498,707	2,726,238	2,772,595	2,800,210	3,320,003	2,866,090
656,008	666,885	578,873	544,031	593,034	714,099
827,630	805,382	762,488	562,446	633,870	882,173
520,597	619,909	455,738	453,959	430,944	576,017
3,069,226	3,396,046	3,905,535	2,907,183	2,982,305	2,976,702
1,455,000	1,495,000	1,540,000	1,580,000	1,655,000	1,700,000
-	-	-	-	-	21,311
1,022,022	980,695	937,498	1,079,109	721,056	674,186
-	-	-	-	-	-
-	-	-	-	-	-
810,006	134,188	1,663,268	-	44,558	-
30,966,622	29,670,594	32,121,247	32,124,710	32,558,113	34,889,153
(947,181)	1,371,976	956,559	(271,673)	2,516,725	95,011
-	-	-	9,145,000	1,700,000	-
-	-	-	849,782	233,246	-
-	-	-	(10,023,119)	(1,921,625)	-
2,125,068	2,568,991	2,459,079	12,674,286	2,572,225	2,824,714
(2,125,068)	(2,568,991)	(2,459,079)	(12,674,286)	(2,572,225)	(2,824,714)
-	-	-	(28,337)	11,621	-
$ (947,181)	$ 1,371,976	$ 956,559	$ (300,010)	$ 2,528,346	$ 95,011
9.09%	8.45%	7.71%	8.28%	7.30%	7.30%

CITY OF OAK PARK, MICHIGAN

Taxable and Estimated Actual Value of Property

Last Ten Fiscal Years

Year Ended June 30,	Real Property			Personal Property
	Residential Property	Commercial Property	Industrial Property	
2022	$ 372,852,967	$ 106,726,826	$ 27,882,403	$ 46,727,649
2021	353,651,840	105,765,410	27,595,730	44,084,510
2020	335,469,770	103,340,280	26,655,550	44,564,310
2019	317,258,070	101,727,150	25,813,190	43,550,990
2018	303,162,780	97,241,660	24,980,660	33,550,020
2017	293,941,530	95,836,930	19,829,100	30,565,350
2016	289,174,450	97,946,090	17,119,170	32,054,990
2015	283,412,310	99,570,910	17,124,830	32,106,170
2014	280,856,040	101,354,490	17,629,760	34,403,540
2013	312,688,580	107,596,610	18,982,270	35,705,130

Source: City of Oak Park Assessing Department

Note: Tax rates are per $1,000 of taxable value.

Schedule 5
Unaudited

Total Taxable Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Value as a Percentage of Actual Value
$ 554,189,845	33.8541	$ 1,822,004,118	30.42%
531,097,490	34.5903	1,600,770,340	33.18%
510,029,910	35.0460	1,430,380,940	35.66%
488,349,400	35.5834	1,267,580,720	38.53%
458,935,120	36.1688	1,170,692,040	39.20%
440,172,910	36.9308	1,037,375,040	42.43%
436,294,700	37.6060	945,379,900	46.15%
432,214,220	37.1191	871,556,740	49.59%
434,243,830	36.8734	866,136,280	50.14%
474,972,590	29.8398	948,753,780	50.06%

CITY OF OAK PARK, MICHIGAN

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per $1,000 of taxable value)

Fiscal Year	Operating Millage	Library	Debt Service	Solid Waste	PA 345	Total Direct
2022: Homestead (1)	18.6417	1.3886	4.0738	2.7500	7.0000	33.8541
2022: Non-homestead						33.8541
2021: Homestead (1)	18.9663	1.4128	4.4133	2.7979	7.0000	34.5903
2021: Non-homestead						34.5903
2020: Homestead (1)	19.2163	1.4315	4.5633	2.8349	7.0000	35.0460
2020: Non-homestead						35.0460
2019: Homestead (1)	19.4049	1.4457	4.8700	2.8628	7.0000	35.5834
2019: Non-homestead						35.5834
2018: Homestead (1)	19.7007	1.4690	5.1950	2.9088	6.8953	36.1688
2018: Non-homestead						36.1688
2017: Homestead (1)	19.8959	1.4836	5.6500	2.9377	6.9636	36.9308
2017: Non-homestead						36.9308
2016: Homestead (1)	20.0000	1.4914	6.1615	2.9531	7.0000	37.6060
2016: Non-homestead						37.6060
2015: Homestead (1)	20.0000	1.4914	6.2017	2.9531	6.4729	37.1191
2015: Non-homestead						37.1191
2014: Homestead (1)	20.0000	1.4914	5.9560	2.9531	6.4729	36.8734
2014: Non-homestead						36.8734
2013: Homestead (1)	20.0000	1.4914	5.3953	2.9531	-	29.8398
2013: Non-homestead						29.8398

Source: City of Oak Park Treasury Department

(1) The State passed a Property Tax Reform measure in 1994 which reduced property taxes for property owners who reside at the property (homestead). This reform created a two tiered tax system which accounts for the presentation above.

Schedule 6
Unaudited

School Districts					Total Rates for Residents Residing In		
Oak Park	Ferndale	Berkley	Community College	County	Oak Park School District	Ferndale School District	Berkley School District
8.9503	8.1372	6.0524	1.5057	15.0321	59.3422	58.5291	56.4443
26.9503	26.1372	24.0524	1.5057	15.0321	77.3422	76.5291	74.4443
8.9758	8.1670	6.1038	1.5184	15.0813	60.1658	59.3570	57.2938
26.9758	26.1670	24.1038	1.5184	15.0813	78.1658	77.3570	75.2938
8.9773	8.1984	6.6517	1.5303	15.0214	60.5750	59.7961	58.2494
26.9773	26.1984	24.0366	1.5303	15.0214	78.5750	77.7961	75.6343
8.9773	8.1984	6.7000	1.5303	13.2978	59.3888	58.6099	57.1115
26.9773	26.1984	24.0849	1.5303	13.2978	77.3888	76.6099	74.4964
8.9991	8.2313	7.6843	1.5431	13.3213	60.0323	59.2645	58.7175
26.9991	26.2313	25.3465	1.5431	13.3213	78.0323	77.2645	76.3797
9.4592	8.3000	7.7148	1.5707	9.1248	57.0855	55.9263	55.3411
27.4592	26.3000	25.7148	1.5707	9.1248	75.0855	73.9263	73.3411
15.5000	13.0000	13.7269	1.5819	9.2081	63.8960	61.3960	62.1229
33.5000	31.0000	31.7269	1.5819	9.2081	81.8960	79.3960	80.1229
17.8912	15.3662	13.0788	1.5844	7.5590	64.1537	61.6287	59.3413
36.0712	33.5462	31.2588	1.5844	7.5590	82.3337	79.8087	77.5213
17.1251	13.5901	11.3042	1.5844	7.5590	63.1419	59.6069	57.3210
35.3051	31.7701	29.4842	1.5844	7.5590	81.3219	77.7869	75.5010
17.0682	13.5332	11.2270	1.5844	8.9051	57.3975	53.8625	51.5563
35.2482	31.7132	29.4070	1.5844	8.9051	75.5775	72.0425	69.7363

CITY OF OAK PARK, MICHIGAN

Schedule 7
Unaudited

Principal Property Tax Payers

Current Year and Nine Years Ago

	2013			2022		
Taxpayer	Taxable Value	Rank	Percentage of Total	Taxable Value	Rank	Percentage of Total
Spirit Realty LP	$ -	-	-	$ 9,266,200	1	1.53%
Consumers Energy Company	-	-	-	8,274,986	2	1.36%
Cloverdale Equipment Company	-	-	-	8,252,133	3	1.36%
Oak Park Owner's Multiple LLC's	-	-	-	7,271,500	4	1.20%
FEDEX Corporation	-	-	-	6,852,679	5	1.13%
DTE Electric Company	4,576,070	5	0.48%	6,356,887	6	1.05%
Lincoln Tower Apartments	5,178,970	2	0.55%	5,903,474	7	0.97%
Barton Malow Contracting	-	-	-	5,208,442	8	0.86%
Oak Park Crown Point LLC	-	-	-	4,713,579	9	0.78%
Oak Park Manor MI LLC	-	-	-	4,000,970	10	0.66%
Jewish Federation Apartments	8,482,300	1	0.89%	-	-	-
Village Green Management Company	4,611,580	3	0.42%	-	-	-
Detroit Square Properties	4,592,300	4	0.48%	-	-	-
Eaton Stee/Goodman/Oak Park Bldg Co.	3,962,960	6	0.42%	-	-	-
Apollo Heat Treating & Processing	3,901,450	7	0.41%	-	-	-
Oak Park Manor MI, LLC	3,602,980	8	0.38%	-	-	-
Lincoln Center	2,955,400	9	0.31%	-	-	-
Symtec Mfg. Technologies/Paramont Boring	2,863,230	10	0.30%	-	-	-
	$ 44,727,240		4.64%	$ 66,100,850		10.88%

Source: City of Oak Park Assessing Department

CITY OF OAK PARK, MICHIGAN

Schedule 8
Unaudited

Property Tax Levies and Collections

Last Ten Fiscal Years

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Years Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2022	$ 18,513,568	$ 17,643,185	95.30%	$ 99,715	$ 17,742,900	95.84%
2021	18,008,440	17,121,977	95.08%	51,182	17,173,159	95.36%
2020	17,531,174	16,640,938	94.92%	18,056	16,658,994	95.02%
2019	17,388,966	16,290,986	93.69%	119,126	16,410,112	94.37%
2018	16,611,438	15,521,142	93.44%	64,571	15,585,713	93.83%
2017	16,255,214	15,211,479	93.58%	109,269	15,320,748	94.25%
2016	16,301,611	15,088,697	92.56%	63,360	15,152,057	92.95%
2015	16,104,874	15,031,406	93.33%	94,188	15,125,594	93.92%
2014	16,260,957	14,955,242	91.97%	109,923	15,065,165	92.65%
2013	15,138,509	13,946,023	92.12%	101,563	14,047,586	92.79%

Source: City of Oak Park Treasury Department

CITY OF OAK PARK, MICHIGAN

Schedule 9
Unaudited

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities				Business-type Activities			
Fiscal Year Ending June 30,	General Obligation Bonds	Unamortized Premium	Note Payable	Unamortized Premium	Water Revenue Bonds	Total Primary Government	% of Personal Income	Per Capita
2022	$ 17,560,000	$ 1,281,905	$ 1,565,000	$ 205,806	$ 2,102,746	$ 22,715,457	41.91%	$ 768.45
2021	19,190,000	1,398,178	1,635,000	219,526	3,157,088	25,599,792	42.46%	866.03
2020	20,780,000	1,514,451	1,910,000	-	4,186,457	28,390,908	47.09%	968.35
2019	23,035,000	727,831	1,990,000	-	5,192,888	30,945,719	60.09%	1,055.48
2018	24,495,000	790,993	2,070,000	-	6,176,389	33,532,382	67.32%	1,143.71
2017	25,915,000	854,155	2,145,000	-	7,140,320	36,054,475	75.96%	1,229.73
2016	27,295,000	917,317	2,220,000	-	8,081,332	38,513,649	79.74%	1,286.26
2015	29,330,000	-	2,290,000	-	9,008,845	40,628,845	84.08%	1,390.20
2014	30,660,000	140,507	2,360,000	-	9,892,544	43,053,051	80.52%	1,463.64
2013	31,950,000	150,543	2,430,000	-	10,754,639	45,285,182	93.11%	1,544.57

Source: City of Oak Park Finance Department

CITY OF OAK PARK, MICHIGAN

Schedule 10
Unaudited

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Obligation Bonds	Unamortized Premium	Less: Amounts Available in Debt Service Funds	Total	% of Estimated Actual Taxable Value of Property	Per Capita
2022	$ 17,560,000	$ 1,281,905	$ 830,557	$ 18,011,348	3.25%	$ 609
2021	19,190,000	1,398,178	723,174	19,865,004	3.74%	672
2020	20,780,000	1,514,451	594,510	21,699,941	4.25%	740
2019	23,035,000	727,831	637,166	23,125,665	4.74%	789
2018	24,495,000	790,993	496,311	24,789,682	5.40%	846
2017	25,915,000	854,155	400,299	26,368,856	5.99%	892
2016	27,295,000	917,317	436,883	27,775,434	6.37%	920
2015	29,330,000	130,471	337,729	29,122,742	6.74%	989
2014	30,660,000	140,507	-	30,800,507	7.09%	1,039
2013	31,950,000	150,543	-	32,100,543	6.76%	1,090

Source: City of Oak Park Finance Department

CITY OF OAK PARK, MICHIGAN

Schedule 11
Unaudited

Direct and Overlapping Governmental Activities Debt

As of June 30, 2022

	Net Debt Outstanding	Percentage Applicable to City *	Estimated Share of Overlapping Debt
Direct			
City of Oak Park	$ 20,612,711	100.00%	$ 20,612,711
Overlapping			
Berkley School District	49,030,000	10.35%	5,074,605
Ferndale School District	80,183,539	11.30%	9,060,740
Oak Park School District	17,745,000	78.19%	13,874,816
Oakland County (at-large)	253,404,549	0.85%	2,153,939
Oakland Intermediate School District	42,045,000	0.85%	357,383
			30,521,482
Total direct and overlapping debt			$ 51,134,193

Source: Municipal Advisory Council of Michigan

* Amount supplied by Municipal Advisory Council of Michigan.

Note: Overlapping governments are those that coincide, at lease 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 the City of Oak Park. This process recognized that, when considering the government'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 OAK PARK, MICHIGAN

Schedule 12
Unaudited

Legal Debt Margin

Last Ten Fiscal Years

Assessed value		$ 1,017,239,445
Legal debt limit (10% of SEV)		$ 101,723,945
Gross indebtedness	$ 20,612,711	
Amount available in debt service funds	(830,557)	
Net bonded debt		19,782,154
Legal debt margin		$ 81,941,791
Net bonded debt as a percentage of assessed value		1.94%

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2022	$ 101,723,945	$ 19,782,154	$ 81,941,791	19.45%
2021	89,681,575	21,719,530	67,962,045	24.22%
2020	71,519,047	22,760,159	48,758,888	31.82%
2019	63,379,036	25,115,665	38,263,371	39.63%
2018	58,534,602	26,859,682	31,674,920	45.89%
2017	51,868,752	27,442,706	24,426,046	52.91%
2016	47,268,995	29,078,117	18,190,878	61.52%
2015	43,577,837	31,292,468	12,285,369	71.81%
2014	43,306,814	32,803,885	10,502,929	75.75%
2013	47,437,689	35,438,601	11,999,088	74.71%

Source: City of Oak Park Finance Department

CITY OF OAK PARK, MICHIGAN

Schedule 13
Unaudited

Revenue Bond Coverage

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Gross Revenue	Expenses Net of Depreciation and Interest	Net Revenue Available for Debt Service	Total Debt Service Requirement	Coverage
2022	$ 6,032,731	$ 4,468,357	$ 1,564,374	$ 853,583	1.83
2021	6,482,113	4,502,538	1,979,575	1,054,342	1.88
2020	14,460,517	9,317,671	5,142,846	1,029,369	5.00
2019	13,840,903	11,325,244	2,515,659	1,006,431	2.50
2018	12,477,805	10,206,511	2,271,294	983,501	2.31
2017	11,504,380	9,002,977	2,501,403	963,931	2.60
2016	11,076,829	9,513,741	1,563,088	941,012	1.66
2015	11,756,573	9,221,737	2,534,836	1,144,100	2.22
2014	11,550,673	8,527,198	3,023,475	1,147,399	2.64
2013	10,985,124	9,204,993	1,780,131	1,550,517	1.15

Source: City of Oak Park Finance Department

Note: This schedule represents the enterprise fund revenue available to cover additional potential debt, after first covering enterprise fund expenses and existing debt (Kuhn Drain bonds).

Note: As a result of a class action lawsuit settlement during fiscal 2021, the City was required to break out the revenue and related stormwater costs from the water and sewer fund into a new stormwater utility fund. The Kuhn Drain bonds are included in the stormwater utility fund.

CITY OF OAK PARK, MICHIGAN

Schedule 14
Unaudited

Demographic and Economic Statistics

Last Ten Fiscal Years

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate
2022	29,560	$ 54,202	$ 28,993	37.1	5.90%
2021	29,560	58,700	32,423	37.8	6.00%
2020	29,319	52,584	26,585	39.3	23.10%
2019	29,319	51,498	24,156	37.6	6.20%
2018	29,319	49,811	23,092	34.6	5.70%
2017	29,319	47,463	22,059	37.8	5.80%
2016	29,319	47,292	22,143	36.8	7.90%
2015	29,319	48,476	21,677	37.1	8.10%
2014	29,319	53,297	22,486	38.2	11.30%
2013	29,319	48,476	23,242	38.6	13.50%

Source: Michigan Bureau of Labor Market Information and Strategic Initiatives

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CITY OF OAK PARK, MICHIGAN

Schedule 15
Unaudited

Principal Employers

Current Year and Nine Years Ago

	2013			2022		
Employer	**Employees**	**Rank**	**% of Total City Employment**	**Employees**	**Rank**	**% of Total City Employment**
Kroger	-	-	-	432	1	3.35%
Oak Park School District	366	2	1.25%	386	2	3.00%
Fed Ex	-	-	-	286	3	2.22%
Berkely School District	558	1	1.90%	218	4	1.69%
City of Oak Park	197	3	0.67%	188	5	1.46%
Brilar, LLC	-	-	-	150	6	1.16%
PCI Industries	-	-	-	130	7	1.01%
Hewson Van Hellemont PC	-	-	-	130	8	1.01%
The Wellness Plan	-	-	-	125	9	0.97%
Hagopian World of Rugs	-	-	-	120	10	0.93%
Aarmco	130	4	0.44%	-	-	-
Hagopian World of Rugs	110	5	0.38%	-	-	-
K-Mart Corporation	98	6	0.33%	-	-	-
Ferndale School District	97	7	0.33%	-	-	-
Bullseye Telecom	96	8	0.33%	-	-	-
Visiting Nurse Association	96	9	0.33%	-	-	-
Barton Malow Rigging Company, Inc	35	10	0.12%	-	-	-
	1,783		6.08%	2,165		16.80%

Source: City of Oak Park Community & Economic Development

Full-time Equivalent Employees by Department / Union Group

Last Ten Fiscal Years

Department/Union	2013	2014	2015	2016
Full-time				
Council	5.00	5.00	5.00	5.00
City Manager	3.00	4.00	4.00	4.00
Human Resources	-	-	-	-
Information Technology	1.00	1.00	2.00	-
City Attorney	1.00	-	-	-
Community & Economic Development	-	-	1.00	1.00
City Clerk	2.00	3.00	3.00	3.00
Finance & Administrative Services	10.00	10.00	11.00	10.00
Technical & Planning Services	9.00	11.00	12.50	14.00
Public Information	2.00	2.00	1.00	2.00
Public Safety	57.00	59.00	59.00	59.00
Public Works	21.00	22.00	22.00	23.00
Recreation	2.00	3.00	3.00	3.00
Library	4.00	4.00	4.00	5.00
District Court 45-B / Probation	22.00	23.00	23.00	23.00
	139.00	147.00	150.50	152.00
Part-time				
City Manager	-	0.63	-	0.73
City Attorney	-	-	0.56	-
Community & Economic Development	-	-	-	0.50
City Clerk	-	-	-	-
Finance & Administrative Services	-	-	-	-
Technical & Planning Services	0.50	2.97	2.38	-
Public Information	-	-	-	0.70
Public Safety	5.25	5.25	5.25	5.25
Public Works	1.67	2.37	2.27	2.27
Recreation	20.35	20.87	20.35	20.35
Library	2.50	5.24	6.56	2.90
District Court 45-B / Probation	2.70	4.45	4.00	4.00
	32.97	41.78	41.37	36.70
Total	171.97	188.78	191.87	188.70

Note: The amounts presented under part-time workers represent full-time equivalents (FTE) and not actual positions. FTEs equalizes part-time hours to that of a full-time worker in a like position. For example a part-time worker who works 30 hours in a office that normally works 40 hours would be recorded at .75 FTE (30 hours / 40 hours = .75 FTE).

Schedule 16
Unaudited

2017	2018	2019	2020	2021	2022
5.00	5.00	5.00	5.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00	5.00
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	-	-	-	-
-	-	-	-	-	-
1.00	1.00	1.00	2.00	1.00	2.00
3.00	3.00	3.00	3.00	3.00	2.00
11.00	11.00	10.00	9.00	8.00	10.00
16.50	16.50	11.00	12.00	12.00	13.00
2.00	2.00	2.00	1.00	2.00	2.00
61.00	62.00	57.00	61.00	62.00	62.00
24.00	24.00	23.00	24.00	19.00	17.00
3.00	3.00	4.00	2.00	4.00	4.00
4.00	4.00	2.00	2.00	2.00	4.00
23.00	23.00	23.00	15.00	20.00	18.00
160.50	165.50	146.00	141.00	143.00	146.00
0.73	-	-	-	-	-
-	-	-	-	-	-
0.50	0.45	0.41	0.54	0.40	-
-	-	0.75	0.29	0.29	0.29
-	-	-	0.58	0.58	0.75
-	-	-	-	-	-
-	-	-	-	-	0.60
5.25	5.25	5.25	-	5.25	5.25
4.79	3.97	3.97	1.53	0.68	0.58
20.35	20.35	20.35	1.24	0.47	0.47
5.12	5.03	5.08	1.22	0.47	0.45
3.50	1.20	1.67	0.89	0.04	0.44
40.24	36.25	37.48	6.29	8.18	8.83
200.74	201.75	183.48	147.29	151.18	154.83

continued…

CITY OF OAK PARK, MICHIGAN

Full-time Equivalent Employees by Department / Union Group

Last Ten Fiscal Years

Department/Union	2013	2014	2015	2016
Full-time Personnel by Salary Classification				
Legislative	5.00	5.00	5.00	5.00
Exempt	11.00	10.00	10.00	11.00
Supervisory	10.00	11.00	11.00	11.00
Administrative	6.00	5.00	5.00	5.00
TPOAM	33.00	38.00	41.50	43.00
POAM	34.00	38.00	37.00	37.00
COAM	13.00	12.00	12.00	12.00
Dispatch	5.00	5.00	5.00	5.00
District Court 45-B	22.00	23.00	24.00	23.00
	139.00	147.00	150.50	152.00

Source: City of Oak Park Finance Department

Schedule 16
Unaudited

2017	2018	2019	2020	2021	2022
5.00	5.00	5.00	5.00	5.00	5.00
12.00	12.00	8.00	8.00	7.00	13.00
11.00	11.00	13.00	13.00	12.00	12.00
6.00	7.00	6.00	9.00	9.00	10.00
43.50	43.50	35.00	34.00	33.00	31.00
38.00	39.00	37.00	38.00	38.00	37.00
14.00	14.00	13.00	13.00	13.00	14.00
6.00	6.00	6.00	6.00	6.00	6.00
23.00	23.00	23.00	15.00	20.00	18.00
158.50	160.50	146.00	141.00	143.00	146.00

concluded.

CITY OF OAK PARK, MICHIGAN

Operating Indicators by Function / Department

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016
Public Safety				
Hazardous violations	2,409	2,057	2,376	2,093
Total violations	9,473	6,941	7,449	5,784
EMS requests	2,389	2,408	2,561	2,445
Traffic crashes	593	648	688	746
Technical & Planning Services				
Number of building permits	649	468	755	692
Value of building permits	$ 13,015,549	$ 8,184,966	$ 14,450,358	$ 25,085,257
Library				
Residents with library cards	19,062	19,800	20,122	19,464
Items available	103,021	104,924	104,648	98,742
Electronic items available	-	-	-	-
Health and Sanitation				
Tons of solid waste recycled	762	817	786	895
Water System				
Water Rate Per Unit	$ 3.27	$ 3.41	$ 3.54	$ 3.85

Source: City of Oak Park Public Safety Department
Source: City of Oak Park Technical & Planning Department
Source: City of Oak Park Library
Source: SOCRRA
Source: City of Oak Park Water & Sewer Department

Schedule 17
Unaudited

2017	2018	2019	2020	2021	2022
2,736	3,670	2,485	1,650	1,748	1,834
7,152	9,813	6,354	5,376	4,509	5,759
2,547	2,535	2,515	2,801	2,842	3,278
727	719	713	453	485	561
713	792	768	643	771	753
$ 9,270,250	$ 12,426,781	$ 13,064,114	$ 22,842,717	$ 15,442,106	$ 22,888,234
19,483	13,174	9,716	8,146	7,059	6,631
106,092	87,571	83,362	88,189	83,498	82,926
-	-	-	-	-	1,270,380
885	951	1,468	1,458	1,290	1,238
$ 3.93	$ 4.17	$ 4.25	$ 4.51	$ 4.51	$ 4.78

CITY OF OAK PARK, MICHIGAN

Capital Asset Statistics by Function / Department

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016
Public Safety				
Vehicles assigned	37	36	27	26
Public Works				
Vehicles assigned	41	42	45	49
Number of buildings	5	5	5	5
Road Maintenance and Repair				
Miles of major streets	20.72	20.72	18.35	18.35
Miles of local streets	65.33	65.33	65.94	65.94
Water & Sewer System				
Miles of water mains	115	115	115	115
Miles of sewers	80.64	80.64	80.64	80.64
Recreation				
Swimming pool	1	1	1	1
City parks	10	10	10	10
Park acreage	109.8	109.8	109.8	109.8

Source: City of Oak Park Finance Department

Schedule 18
Unaudited

2017	2018	2019	2020	2021	2022
36	39	43	41	47	43
50	53	54	58	59	54
5	5	5	5	5	5
18.35	18.35	18.35	18.35	18.35	18.35
65.94	65.94	65.94	65.94	65.94	65.94
115	115	115	115	115	115
80.64	80.64	80.64	80.64	80.64	80.64
1	1	1	1	1	1
10	10	10	10	10	12
109.8	109.8	109.8	109.8	109.8	78.0

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Rehmann

INDEPENDENT AUDITORS' 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*

December 15, 2022

The Honorable Mayor and Members of the City Council
City of Oak Park, 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 Oak Park, Michigan*** (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2022.

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) 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. 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 have not been identified.

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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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.