

CITY OF YPSILANTI

ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021



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CITY OF YPSILANTI, MICHIGAN

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2021**

Prepared by:

Rheagan Basabica, Director of Finance

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CITY OF YPSILANTI, MICHIGAN

Table of Contents

Page

Introductory Section

Letter of Transmittal	1
GFOA Certificate of Achievement	10
Organizational Chart	11
List of Elected and Appointed Officials	12

Financial Section

Independent Auditors' Report	15
Management's Discussion and Analysis	19
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet – Governmental Funds	36
Reconciliation of Fund Balances of Governmental Funds to Net Position of Governmental Activities	37
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	38
Reconciliation of Net Changes in Fund Balances of Governmental Funds to Changes in Net Position of Governmental Activities	39
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
General Fund	40
Major Streets Fund	42
Statement of Net Position – Proprietary Funds	43
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	44
Statement of Cash Flows – Proprietary Funds	45
Statement of Fiduciary Net Position – Fiduciary Funds	47
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	48
Combining Statement of Net Position – Discretely Presented Component Units	49
Combining Statement of Activities – Discretely Presented Component Units	50
Notes to Financial Statements	51

CITY OF YPSILANTI, MICHIGAN

Table of Contents

	<u>Page</u>
Required Supplementary Information:	
Pension Benefit Plans:	
Schedule of Changes in the City's Net Pension Asset and Related Ratios – Employees' Retirement System	96
Schedule of Changes in the City's Net Pension Liability and Related Ratios – Police and Fire Pension Plan	98
Schedule of City Contributions – All Pension Plans	100
Schedule of Investment Returns – Police and Fire Pension Plan	101
Other Postemployment Benefits Plan:	
Schedule of Changes in the City's Net OPEB Liability and Related Ratios	102
Schedule of City Contributions	103
Notes to Required Supplementary Information	104
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	108
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	109
Combining Balance Sheet – Nonmajor Special Revenue Funds	110
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	112
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Final Budget and Actual - Nonmajor Special Revenue Funds:	
Local Streets Fund	114
Public Safety Fund	115
Garbage and Rubbish Collection Fund	116
Police Fund	117
Parking Fund	118
Public Transportation Fund	119
Combining Balance Sheet – Nonmajor Debt Service Funds	120
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	121
Combining Balance Sheet – Nonmajor Capital Projects Funds	122
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	124
Combining Statement of Net Position – Internal Service Funds	126
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	127
Combining Statement of Cash Flows – Internal Service Funds	129

CITY OF YPSILANTI, MICHIGAN

Table of Contents

	<u>Page</u>
Balance Sheet/Statement of Net Position – Downtown Development Authority Component Unit	130
Statement of Revenues, Expenditures, and Changes in Fund Balance/ Statement of Activities – Downtown Development Authority Component Unit	132
Balance Sheet/Statement of Net Position – Depot Town Downtown Development Authority Component Unit	134
Statement of Revenues, Expenditures, and Changes in Fund Balance/ Statement of Activities – Depot Town Downtown Development Authority Component Unit	135
Balance Sheet/Statement of Net Position – Economic Development Corporation Component Unit	136
Statement of Revenues, Expenditures, and Changes in Fund Balance/ Statement of Activities – Economic Development Corporation Component Unit	137

Statistical Section (Unaudited)

Financial Trends:	
Net Position by Component	142
Changes in Net Position	144
Fund Balances – Governmental Funds	146
Changes in Fund Balances – Governmental Funds	148
Revenue Capacity:	
Assessed and Estimated Actual Value of Taxable Property	150
Property Tax Rates – Direct and Overlapping	151
Principal Property Taxpayers	152
Property Tax Levies and Collections	153
Debt Capacity:	
Ratios of Outstanding Debt by Type	154
Ratios of General Bonded Debt Outstanding	156
Computation of Net Direct and Overlapping Debt	157
Legal Debt Margin	158
Revenue Bonds Coverage - Sewer Enterprise Fund	159
Demographic and Economic Information:	
Demographic and Economic Statistics	160
Principal Employers	161
Operating Information:	
Employees by Department	162
Operating Indicators by Function/Program	163
Capital Asset Statistics by Function/Program	164
Schedule of Insurance	168



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INTRODUCTORY SECTION

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January 28, 2022

**Honorable Mayor, Members of the City Council and
Citizens of the City of Ypsilanti, Michigan**

It is my pleasure to submit to you and the citizens of Ypsilanti, the Annual Comprehensive Financial Report of the City of Ypsilanti, Michigan for the fiscal year ending June 30, 2021. The Annual Report is submitted herewith, in accordance with provisions of the Ypsilanti City Charter and the laws of the State of Michigan. Responsibility for both accuracy of data and completeness and fairness of the report, including all disclosures, rests with the City. The administration believes, and has made its best effort to ensure, that the data is presented in a manner that clearly and accurately sets forth the financial position and results of operations of the City.

This report has been formulated following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. Meeting the high standards as set forth in the guidelines of the GFOA continues to assist us in improving the financial reporting of the City.

The annual audit of the City's financial statements was conducted by Rehmann Robson LLC, an independent firm of licensed certified public accountants. Rehmann Robson has issued an unmodified ("clean") opinion on the City's financial statements for the year ended June 30, 2021. The Independent Auditors' Report is located at the front of the financial section of this report. The Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

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

Profile of the Government

The City, incorporated in 1858, is located in the southeast region of Michigan's lower peninsula in Washtenaw County, approximately 30 miles west of Detroit. The City is bounded to the north by the Charter Township of Superior and on the west, south, and east by the Charter Township of Ypsilanti. The City incorporates 4.52 square miles of which 0.19 square miles is water. The City has the second largest continuous historic district in the State of Michigan. The City is a stable community with many assets – quality residential neighborhoods, good schools, beautiful view of the Huron River, historic downtown and residential neighborhoods, and convenient access to I-94 and Detroit Metropolitan Airport. Annual events and festivals and the presence of Eastern Michigan University, all contribute to the City's "small town" sense of community.

The City operates under the provisions of Public Act 279 of 1909, as amended (Home Rule City Act), utilizing the Council/Manager form of government since 1947. Under this form, the City Council, an elected governing body, is responsible for legislative functions such as establishing policy, passing ordinances and developing goals. The City Council is comprised of the mayor and six members, who are elected by ward, on a staggered basis for four-year terms. The Mayor is elected every four years. The City Manager and City Clerk are appointed by and serve at the pleasure of the City Council. The City Manager is the chief executive officer and oversees the administrative operations, administers the budget, implements policies, and advises.

The City Council adopts a bi-annual budget which serves as a foundation for the City's financial planning and control. The budget is approved at the fund level. However, budgetary control is exercised at the department level. Expenditures may not exceed budgeted appropriations at the department level. The City Manager has the authority to approve budget transfers between programs within the same fund, but the City Council may authorize transfers between funds. Department Heads may transfer funds between accounts within a specific program under their direction with the exception of personnel and capital expenditures, which must be approved by the City Manager.

The City has a population of 20,648, according to the 2020 US Census. This is an increase from the census of 2010, which showed a population of 19,435. The City's state equalized value is \$515,952,190. The City's total equalized value of taxable property for tax year 2021 is \$357,431,161, an increase of \$12,025,160, or 3.48% of the prior year.

The City has four tax increment finance (TIF) districts. Over the past five years the TIF capture has increased an average of 57%. Additionally, the Ann Arbor-Ypsilanti SmartZone invests approximately \$450,000 in downtown Ypsilanti for promotion and development of high-tech businesses and corporations which has helped to fund the City's youth empowerment initiative. The DDA TIF revenues remain stable and grow modestly as the value of property continues to recover from its steep decline back in 2010-2013.

Ypsilanti's cultural offerings are rich and varied. A wide variety of museums, galleries, arts events, and musical attractions grace the City. Due to the pandemic, the City's annual Color Run and the Michigan Brewers Guild Summer Festival were canceled. However, the Annual Summer Movie Series was converted to the drive-in last year and was maintained in three separate districts featuring six total events. The John Lawrence Summer Jazz Festival was held in Riverside Park, bringing a concert series to the community. All events were well attended and held in compliance with Michigan Department of Health and Human Services (MDHHS) and Washtenaw County Health Department recommendations.

Successful street closures allowed restaurants to survive with significant traffic for outdoor dining options while providing a pedestrian thoroughfare that proved incredibly popular. Every weekend featured live music in two of the YDDA district street closure areas which was an important outlet for local musicians. Shifting this activity from our parks system also allowed us to protect the community as COVID-19 continues to be a serious threat; especially as parks now more than ever need to be accommodating to the immunocompromised and represent an important resource to preserve for community mental health.

To further support local businesses, the Ypsilanti Downtown Development Association (YDDA) administered over \$75,000 in YDDA TIF grants to support outdoor café build-outs and event programming over the last two years. The YDDA converted its building façade and rehabilitation funds to Outdoor Café Buildout grants to help support the new expenses incurred by businesses to construct outdoor cafes often for the first time. This was done at the height of the pandemic in coordination with the street closures and timed perfectly for when those places could reopen.

2021 has been a banner year for entrepreneurship in Ypsilanti as over a dozen new businesses have opened, activating key vacant or underutilized historic storefronts through the City. Closing out the remainder of a \$300,000 Façade Restoration Initiative Grant Projects awarded in 2018 took just less than two years to complete. This was a five transformational grant project funded by the Michigan Economic Development Corporation (MEDC). Several key buildings in our downtown district have been restored to their historic nature and activated for these new businesses to open in 2021.

The City accomplished “engaged” status in the Michigan Main Street (MMS) program. The program requires staff training and development plans that are consistent with the MMS strategies. By leveraging the existing work of the YDDA, City staff accomplished an “engaged” status with the MMS program that allows for more resources and technical assistance to be used locally for economic development in the future.

Economic Development staff continues to aggressively strategize for business growth and expansion in the City by offering numerous resources to businesses with financing opportunities. The City has earned and maintained its Redevelopment Ready Community status that creates technical funding opportunities, promotes City priority redevelopment sites, and promotes to developers the City’s transparent development processes. The City, along with the YDDA has sought funding and was awarded the Match on Main grant allowing the City to distribute funding to businesses during the COVID-19 shutdown. Currently the City is working to secure additional units of housing (affordable and market rate) to allow for all people to call Ypsilanti home.

Community Highlights

The City provides a full range of services to the community: police, fire, street maintenance, recycling, yard waste removal, elections, emergency preparedness and response, planning, support services, and other customer specific services. The City is responsible for the management and financing of these operations. Other services are provided through component units and joint venture entities such as the YDDA and YCUA.

Parkland is an important asset in the City. The City is responsible for the maintenance of a border-to-border trail that runs along the Huron River and several parks and tot lots throughout neighborhoods. While the City does not directly provide recreation programming, it has partnered with many dedicated community groups to ensure recreation is provided. These partnerships include friends groups that fundraise for and operate the Senior Center, Rutherford Community Pool, and Parkridge Community Center. In addition, there are neighborhoods, churches, schools, and other organizations that assist in providing numerous community events, gardens, park improvement projects, and recreation programming.

Freighthouse - The City resumed operational management of the Freighthouse during a precarious time just weeks before the COVID-19 pandemic hit Michigan. When the decision was made there was a consensus on City Council that the Freighthouse Friends group was not doing the best job making the space a public asset by holding community events, prices were too high for residents, and there wasn't enough accountability or reporting of finances. City Council recognized at the time how the Freighthouse could be used to generate revenue that might help reestablish the Parks and Recreation Department and provide that service again to the public.

The City was unable to rent the facility significantly until April 2021 due to the pandemic and faced an uphill climb resolving unfulfilled contracts and outstanding liabilities inherited from the Friends of the Freighthouse. We have managed to generate over \$50,000 to help support a daytime warming center Monday – Thursday from November 2021-March 2022 and provide robust support services. The Freighthouse is financially stable now and well-positioned with more than \$100,000 projected revenue in FY 2021-2022. With these additional resources, the City has already greatly expanded the number of community events by hosting holiday markets, blood drives, free concerts, and more. The City has lowered the fees for residents to make the space a community asset that can be shared locally as envisioned.

Senior Center - Staff continue to coordinate and provide meals and services to seniors during the pandemic. This center has proven to be an asset in bridging the digital divide experienced by seniors during COVID-19 and the emergence of the use of technology and the need to operate remotely. Seniors are being trained to use Microsoft Outlook and the internet to conduct business.

Parkridge Community Center - In the last two years, staff secured \$200,000 of CDBG funding to construct a new playground at Parkridge Park during the pandemic, which has proved incredibly popular. Several major capital improvements to Parkridge Community Center have been completed including new floors, indoor painting, ceiling tiles, furniture, and technology upgrades. The improvements are estimated to value over \$30,000 and were paid for with \$10,000 received from Washtenaw County Parks and Recreation, and \$10,000 from Washtenaw County United Way, including up to \$25,000 in donations from United Community Church.

With the help of Eastern Michigan University, the United Way, and other local groups, Ypsilanti Community Schools opened an in-person Learning Lab on January 11, 2021. The free Learning Lab at the Parkridge Community Center was available Monday - Thursday from 9 am to 3 pm for K- 5 students enrolled at Ypsilanti Community Schools. The lab accommodates up to 30 students at a time, and breakfast and lunch is also provided.

Staff recently submitted grant application to the National Endowment for the Arts for \$50,000 to support activation of the music studio. This grant will help us activate the music studio located at Parkridge and implement arts and music programming through Youth Arts Alliance. Activation of the studio will provide access to equipment that can be used to produce multi-media projects and promote skills development through Youth Arts Alliance programming.

Rutherford Pool - The Rutherford Pool Bathhouse renovations, funded by a Michigan Department of Natural Resources Trust Fund Grant of \$300,000, was completed in 2021, and the pool was able to reopen. The work included adding family bathrooms and renovating the dated structure.

Grants

MDEC Grant - The City was fortunate to be one of only 10 communities in the State to receive funding through the MEDC for a Community Development Fellowship which added capacity in the planning department in 2020 and 2021. The addition of Jada Tillison-Love over the last 15 months has allowed us to achieve redevelopment ready community recertification, translate planning documents to Spanish, and increase public participation.

Recycling and Infrastructure Grant - The City was awarded a Recycling and Infrastructure grant from the State of Michigan in 2020 to purchase public recycling containers in our downtown areas and city parks. The City was awarded \$73,440 in grant funds. The recycling containers have been purchased, and the City received them in November 2021.

SAW Grant - In 2018 the City received a Stormwater, Asset Management, and Wastewater grant to evaluate the City's storm sewer system and develop an asset management plan. The value of the grant is \$376,288 and the scope included items such as televising a portion of the City's storm sewer and purchasing asset management software. The consultant hired with the grant funding has completed the asset management plan for the City's storm sewer system, and the implementation of the asset management software is underway.

Department of Justice (DOJ) Grant - Staff applied for and was awarded a \$45,000 grant from the Department of Justice to fund COVID-19 related expenses and to provide PPE for residents through COVID-19 care packages. The care packages included masks, toilet paper, paper towel, hand sanitizer, and disinfectant. Over 1,000 care packages have been distributed through this program. Reimbursement for this grant program has been completed, and the project has been closed out as supplies have continue to trickle out to community partner agencies throughout 2021.

CARES Act Grant - CARES Act Grant was awarded and replaced part of our State Shared Revenue. Funds in the amount of \$262,804 were used for police wages (hazard pay) during COVID-19.

Major Initiatives

Forest Street Bridge Rehabilitation Project - The City's engineering consultant has identified several concerns regarding the condition of the Forest Street Bridge over the Huron River. In response, the City applied for and was awarded a grant under the Michigan Department of Transportation (MDOT) Local Bridge Program in order to perform the necessary repairs to the bridge in order to prevent its potential closure. The grant award is for \$1.245 million, and the City will be required to contribute a 10% match to the project and pay engineering costs. We are projecting that this project will be initiated and completed in the 2021 or 2022 construction season.

206-210 N Washington Sale - The City purchased the property at 206-210 N. Washington for affordable housing. The non-profit Avalon House was selected to be the developer of the project, and they are currently in the due diligence planning stages of this important redevelopment.

220 N. Park - On October 5, 2021, City Council approved an options agreement with Renovare Development. We are excited about the potential for more affordable housing in the City. Site plans and conceptual illustrations were made available to the community following months of public engagement sessions.

Policing Department Initiatives - The City has had limited staffing at the police department over the past few years. Recently with improved staffing levels and restructuring, the City has a new unit named the Community Oriented Policing Crime Reduction Unit (COPCRU). This unit will be tasked with addressing specific problems and investigations. The unit will be led by a Sergeant with three patrol officers assigned. They will also be responsible for outreach activities and engagement in non-law enforcement encounters.

The Ypsilanti Police Department (YPD) is also adding a Social Worker to the department. This person will be vital in directing people to the resources they need when they encounter the police, and follow-up with individuals for longer-term solutions related to community and mental health.

Parking Strategy Implementation - Parking enforcement and hourly payment requirements were suspended for much of 2020-2021 due to the global pandemic. When parking meter payment resumed in May 2021, vehicle drivers had the option to pay for parking via a new app, Passport. Also in May, the City launched paid parking in its Depot Town commercial district, using new multispace meters. Throughout the year, parking worked with businesses to establish convenient short-term parking spaces geared toward carry-out and pick-up trade, both for restaurants and retail uses, enabling safety-conscious customers to patronize the City's local businesses.

Peninsular Dam Removal - On May 18, 2021, City Council voted to establish an Ad-Hoc Committee purposed for public engagement on the project and meeting the commitments set forth in the Michigan Department of Natural Resources Fisheries Habitat Grant program. The City has taken great strides with the engagement plan and is in the final stages of the contract with our facilitator. We have held three public engagement workshops with specific constituent groups to ensure this engagement process is inclusive of stakeholders from within and beyond the city borders. Only a large townhall style meeting and final report remain as items left to be completed at this planning state.

IT Migration - Staff successfully completed the process of migration from Washtenaw County IT to Dewpoint. The change has provided important upgrades to our IT infrastructure and allows us to plan for capital improvements that will be needed over the next 5-10 years. The improved service and reliability of the Dewpoint team helps enable the Police Department, Fire Department, Department of Public Services, and City Hall to be more effective.

Master Plan - Staff has completed the Master Plan Update and City Council has approved the update along with a Sustainability Plan. Several community meetings were held to gather input, and the final product is available on the City website for review and reference over the next several years.

Process Improvements

Marijuana - The City has issued permits for recreational marijuana with expanded uses such as micro-businesses, designated consumption facilities. The City updated marijuana ordinance to include both medical and recreational marijuana processes and are in the process of fixing new issues with the ordinances.

Public Participation Plan - City Council adopted a Public Participation Plan outlining process to improve public engagement for development projects, and a Communications Manager was hired to help implement the plan. The City is in the early stages of refining its methods for communicating with the public and we hope to grow participation with the new added capacity.

Infrastructure Improvements

Ramp Program - The City annually completes approximately \$100,000 in sidewalk ramp improvements converting non-ADA compliant ramps into compliant sidewalk ramps. This past fiscal year the City improved ramps in areas near the Eastern Michigan University campus and Parkridge Community Center.

Oakwood/Spring Street Project - This fiscal year the City completed a road rehabilitation project on Oakwood Street between Congress and Sherman. As a part of this project the sidewalks ramps were converted to ADA compliant ramps and “bump outs” were added to improve pedestrian safety. The City also completed a project which removed an abandoned rail crossing on Spring Street and also repaired the adjacent sidewalk to that pavement area. Both projects were supported by outside funding with the Oakwood project being supported by the County Road Millage and the Spring Street rail removal being supported by the MDOT.

West Cross Street Improvements - There were two separate infrastructure projects on sections of West Cross street. The City completed a full road reconstruction on West Cross between Courtland and Wallace. This project included the addition of a bike lane, several ADA compliant sidewalk ramp replacements, and the installation of the City’s first Rapid Rectangular Flashing Beacon (RRFB) and a mid-block crossing near Estabrook Elementary school.

The other infrastructure project on West Cross was completed by the YCUA and the MDOT and the improvements were primarily between Huron Street and Summit Street. These improvements include several water system improvements including the removal of lead service lines, the installation of ADA compliant sidewalk ramps, and a rehabilitation of the road surface.

Border to Border Trail Improvements - The City partnered with Washtenaw County Parks and Recreation (WCPR) to widen an existing sidewalk portion of the Border-to-Border Trail on Grove Road from the Water Street Trail to I-94, improving almost a half mile of trail. The City and WCPR also repaved the existing trail in Frog Island Park, rebuilt an existing retaining wall to offer amphitheater-style seating overlooking the field, and added much-needed lighting to this important community space. Project costs were borne by WCPR for the trail work, and the City paid for the installation of lighting.

Major Future Projects

I-94 Bridge & Road Diet - The City of Ypsilanti is working with the Michigan Department of Transportation, the Charter Township of Ypsilanti, Washtenaw County Road Commission, Washtenaw County Parks and Recreation, and more to complete a long-needed pedestrian and bike connection on the Huron Street Bridge over I-94 that has divided the Ypsilanti community since its construction. This work is currently in the design phase, managed by MDOT, with anticipated construction beginning in early 2022.

This project will be coordinated with the planned addition of bike lanes and improved pedestrian crossings on Washtenaw, Hamilton, and Huron Streets through downtown Ypsilanti. These lanes are being added to provide much-needed bicycle infrastructure and connectivity as well as to improve traffic safety overall.

These projects will be preceded by the YCUA’s water service line and main replacement project within that same project area.

Huron River Drive Reconstruction - The City began the feasibility and design process for the planned 2023 reconstruction of Huron River Drive between Oakwood and LeForge.

Intergovernmental Agreements

- Riverside Arts Center Lease and Options Agreement - The lease and options agreement for the sale of Riverside Arts Center were signed, and rental payments are now being made to the YDDA with the option to purchase the building over the next six years. Combined with a recent state allocation to renovate the third floor of Riverside Arts Center, they are well positioned moving forward to continue the important work as a catalyst for arts and entertainment downtown.
- Intergovernmental Agreement approved for monetizing parking at Maple Street Lot - the YDDA and City reached agreement on a new IGA to help support the procurement of parking kiosks at Maple Street lot and the parking enforcement services of the City.
- Two-year extension of City/YDDA Staffing Agreement - The YDDA and City reached agreement on a two-year contract extension to support staffing with the Community and Economic Development Department. This ensures the continuity, leadership, and coordination necessary for the YDDA and City to work in concert.
- Recycle Ann Arbor - The City continues to work with Recycle Ann Arbor to provide recycling drop-off services to City residents. As a part of this contract, City residents are provided with a pass where they can get free entrance to the Recycle Ann Arbor drop off facility in Pittsfield Township. In addition, Recycle Ann Arbor provides drop-off containers for monthly recycling events held at the City's Department of Public Services facility on West Forest so residents can recycle glass, styrofoam, and aseptic containers.

Financial Outlook

The City Council and City Manager believe long-term financial planning is essential to ensuring sustainability for our community. The City remains in good financial condition as is demonstrated by the financial statements and schedules included in this report. The City has a staff of 105 full-time equivalent (FTE) and 14 part-time positions. In fiscal year ending 2021, there were 168 retirees. Personnel costs comprise a significant total of general fund expenses, including pension and other postemployment benefits (OPEB).

For fiscal year 2021, the City's general fund had a surplus of \$1.1 million increasing our fund balance to \$9.5 million with an unassigned fund balance of \$5.2 million. This surplus will help offset the projected shortfall for budget year 2021-2022 estimated to be at \$838 thousand. The unassigned fund balance is still over the recommended 10% amount of annual expenditures which is at average \$1.6 million for the City.

The City will be receiving the American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund grant from the Federal Government estimated to be at \$2.1 million. 50% will be received in 2021-2022 and 50% on 2022-2023. The use of this grant will be carefully studied and community input will be conducted.

There was a decrease in healthcare premium per employee cost, but the City's overall healthcare cost is expected to increase due to an increase in the number of employees. The City complies with the PA 152 Publicly Funded Health Insurance Contribution Act, and City Council has approved for 2022 to charge employees 15% of the illustrative rates which is based on active rates only and does not blend retiree rates. City administration believes that this rate is most beneficial for City employees and would help with employee retention.

The collective bargaining agreements for all four of the City's unions will expire fiscal year 2022. City administration will be negotiating contracts with these unions with the intention to collaborate and use the mutual gains approach.

One of the City's goal is to ensure that the City's pension fund will have enough money to cover the employees' pension in the future. MERS general employee pension system is stable at 128.74% funding. Police and Fire Pension System is at 61.56% funded as compared to 48.32% in the previous year due to good investment returns. The City is committed to contributing the Actuarially Determined Contribution for these systems and the City will continue to monitor and will make necessary adjustments if needed.

Acknowledgements

The preparation of this report on a timely basis was made possible by the dedicated services of Fiscal Services accounting staff and other City departments. I wish to express my appreciation and acknowledge those who assisted and contributed to the preparation of this report: Fiscal Services Director Rheagan Basabica and the Fiscal Services Department staff, Economic Development Director Joe Meyers, Department of Public Services Director Ron Akers, Community Development and YDDA Executive Director Christopher Jacobs, City Project Manager Bonnie Wessler, and Communications Manager Thomas Koch.

My hope is that you will find this document to be a useful tool in evaluating the City's financial health. Helping you and the public obtain a thorough understanding of the City's financial condition is important to us all. Should you have any questions, comments, concerns, or suggestions regarding this document or the information it contains, Rheagan Basabica and I are available to respond.

Respectfully submitted,

Frances McMullan, City Manager

[Signature omitted for security purposes]



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ypsilanti
Michigan**

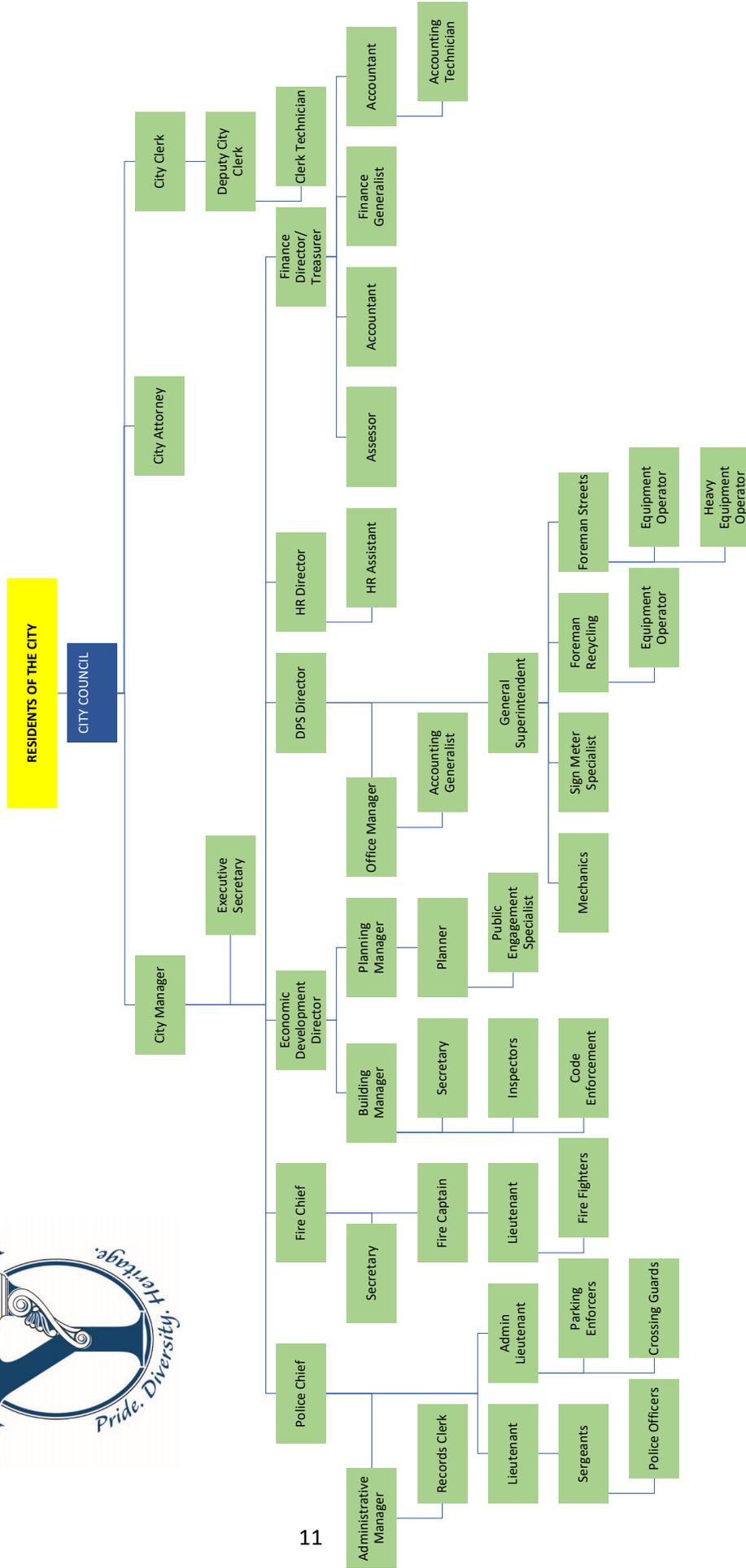
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF YPSILANTI ORGANIZATIONAL CHART 2020-2021



City of Ypsilanti, Michigan
List of Elected and Appointed Officials



CITY COUNCIL

Lois Allen-Richardson, Mayor
Nicole Brown, Mayor Pro-Tem, Ward 1

Brian Jones-Chance	Ward 1
Jennifer Symanns	Ward 2
Steve Wilcoxon	Ward 2
Anthony Morgan	Ward 3
Annie Somerville	Ward 3

CITY OFFICIALS

Frances McMullan, City Manager

Rheagan Basabica	Finance Director & City Treasurer
John Barr	City Attorney
Ronald Akers	Public Services Director
Tony DeGiusti	Fire Chief
Ken Hobbs	Police Chief
Joseph Meyers	Economic Development Director
Andrew Hellenga	City Clerk
Courtney Borden	City Assessor

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

January 28, 2022

Honorable Mayor and City Commission
City of Ypsilanti, Michigan

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Ypsilanti, Michigan, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Implementation of GASB Statement No. 84

As described in Note 20, the City implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*, in the current year. Accordingly, beginning net position of governmental activities and the beginning fund balance of the fiduciary funds was restated. Our opinion is not modified with respect to this matter.

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

Other 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 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Rehmann Johnson LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

As management of the *City of Ypsilanti, Michigan* (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

• Total net position	\$ (9,536,486)
• Change in total net position	3,211,926
• Fund balances, governmental funds	18,923,902
• Change in fund balances, governmental funds	1,791,194
• Unassigned fund balance, general fund	5,234,303
• Change in fund balance, general fund	1,100,959
• Installment debt outstanding	22,121,984
• Change in installment debt	2,803,943

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include legislative, general government, public safety, public works, public transportation, highways, streets, and bridges, culture and recreation, and community development. There were no business-type activities during the fiscal year.

The government-wide financial statements include not only the City itself (known as the primary government), but also three legally separate authorities – the Downtown Development Authority, Depot Town Downtown Development Authority, and the Economic Development Corporation – for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

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

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

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

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, major streets special revenue, capital improvement reserve, and 2013 revenue refunding bonds funds, each of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

Proprietary funds. The City maintains proprietary funds in the form of internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers compensation and the motor pool activities. All of the City's individual internal service fund data is provided in the form of combining statements elsewhere in this report.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This is limited to this management's discussion and analysis and the schedules for the pension and other postemployment benefits plans immediately following the notes to the financial statements.

The combining statements referred to earlier in connection with nonmajor funds are presented immediately following the required supplementary information.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$9,536,486 at the close of the most recent fiscal year.

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

	Net Position	
	Governmental Activities	
	2021	2020
Assets		
Current and other assets	\$ 31,820,955	\$ 37,232,881
Net pension asset	4,680,770	3,696,350
Capital assets, net	16,164,664	15,618,395
Total assets	52,666,389	56,547,626
Deferred outflows of resources	439,194	3,112,352
Liabilities		
Long-term debt	23,812,403	26,780,880
Other liabilities	1,541,622	2,139,675
Net pension liability	19,314,519	26,088,231
Net OPEB liability	12,313,718	14,163,296
Total liabilities	56,982,262	69,172,082
Deferred inflows of resources	5,659,807	943,668
Net position		
Net investment in capital assets	15,824,664	15,254,452
Restricted	11,143,309	10,035,651
Unrestricted (deficit)	(36,504,459)	(35,745,875)
Total net position	\$ (9,536,486)	\$ (10,455,772)

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

	Changes in Net Position	
	Governmental Activities	
	2021	2020
Revenues		
Program revenues:		
Charges for services	\$ 3,041,512	\$ 2,898,118
Operating grants and contributions	4,666,320	3,443,453
Capital grants and contributions	319,991	519,682
General revenues:		
Property taxes	12,216,350	11,348,696
Grants and contributions not restricted to specific programs	3,247,849	2,621,332
Other	104,823	348,210
Total revenues	23,596,845	21,179,491
Expenses		
Legislative	140,728	113,738
General government	2,641,628	2,656,313
Public safety	9,188,901	9,780,593
Public works	4,024,987	1,618,428
Public transportation	308,218	294,984
Highways, streets and bridges	2,205,971	2,945,099
Culture and recreation	620,355	272,872
Community development	544,410	594,942
Interest on long-term debt	709,721	654,247
Total expenses	20,384,919	18,931,216
Change in net position	3,211,926	2,248,275
Net position - beginning of year	(10,455,772)	(12,704,047)
Restatement - GASB 84	(2,292,640)	-
Net position - end of year	\$ (9,536,486)	\$ (10,455,772)

The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in fiscal year 2015 and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in fiscal year 2018. In addition to expanded disclosure requirements, the City is required to report its net pension asset/liability and net OPEB liability on the statement of net position.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

Governmental activities. Governmental activities increased the City's net position by \$3.2 million during fiscal year 2021 compared to an increase of \$2.2 million during fiscal 2020. Some significant elements of this increase are as follows:

- There was an approximately \$900,000 increase in property tax revenue from the City's new Pension and OPEB millage.
- There was an approximately \$600,000 increase in State Revenue Sharing and relief grants for assistance related to COVID-19.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$18.9 million, an increase of \$1.8 million from the prior year. Approximately 27.7 percent of this total amount, or \$5.2 million is available for spending at the government's discretion (unassigned fund balance). The remainder of fund balance is 1) nonspendable to indicate that it is not available for new spending because it must be maintained intact for inventories of approximately \$209,000, and prepaid expenditures of approximately \$74,000 2) restricted to indicate limitations on its use imposed by grants or legislation, which total \$7.2 million; and 3) committed which indicate funds that have self-imposed limitations, which total \$6.2 million. A summary of the nonspendable, restricted, and committed components of fund balance can be found in the notes to financial statements section of this report.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5.2 million, while total fund balance was \$9.5 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 32.3 percent of total general fund expenditures and transfers out while total fund balance represents 58.4 percent of total general fund expenditures and transfers out.

The fund balance of the City's general fund increased by \$1.1 million during the current fiscal year. This was largely due to an increase in intergovernmental revenue, delay of implementation on IT projects, and lower contractual service costs due to City closures.

The major streets special revenue fund's fund balance increased approximately \$844,000 from the prior fiscal year leaving a total surplus of \$3.4 million at fiscal year-end. This increase was largely due to projects in progress which were not fully completed during the current fiscal year and are projected to be completed in the following year.

The capital improvement reserve special revenue fund's fund balance decreased approximately \$366,000 from the prior fiscal year leaving a total surplus of approximately \$385,000 at fiscal year-end. This decrease was largely due to expenditures incurred for the completion of capital projects in the current year.

The 2013 revenue refunding special revenue fund's fund balance did not change from the prior fiscal year leaving a total surplus of approximately \$1.6 million at fiscal year-end. The only expenditures of this fund are regular debt service payments, and revenue is allocated to this fund each year to fund those payments.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements for internal service funds but in more detail.

Unrestricted net position of the internal service funds at the end of the year amounted to \$1.4 million. The internal service funds had a decrease in net position for the year of approximately \$3,000.

General Fund Budgetary Highlights

Differences between the original and final amended budgeted revenues totaled an increase \$1.1 million. These amendments were largely related to higher than projected state revenue sharing and a fully funded PA289 Fire Protection Reimbursement.

Actual revenues exceeded final amended budgeted amounts by \$1.1 million. This is largely due to unanticipated reimbursement revenue and higher than expected income from state revenue sharing, property tax revenue, and MTF revenue sharing payments.

Differences between the original and final amended budgeted expenditures totaled an increase of approximately \$767,000. These amendments were largely related to an increase for the Pen Dam project and increases in Police and Fire Hazard pay. Additionally, the parks and recreation budget increased approximately \$408,000 due to the construction of a playground at Parkridge Park which was not originally budgeted. The City received a grant to construct this park during the fiscal year, and the budget was amended to reflect the outlay for that project.

Actual expenditures were less than final amended budgeted amounts by approximately \$113,000. This is largely due to delay in the implementation of IT projects, lower contractual service costs, and lower employee leave payouts.

Capital Assets and Debt Administration

Capital assets. The net book value of the City's capital assets for its governmental activities as of June 30, 2021, amounted to \$16,164,664. This investment in capital assets includes land, construction in progress, infrastructure, buildings and improvements, and vehicles and equipment. The total net increase in the City's capital assets for the current fiscal year was \$546,269 or 3.5 percent.

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

- Completion of West Cross Project, SAW Grant Project, and 2019 City Road Projects.
- Installation of a new Department of Public Service (DPS) Hoist and Ypsilanti Fire Department (YFD) Grates and the purchase of three police vehicles as well as various other DPS equipment.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

	Capital Assets (Net)	
	Governmental Activities	
	2021	2020
Land	\$ 1,358,840	\$ 1,358,840
Construction in progress	1,123,657	823,343
Infrastructure	7,140,569	7,566,767
Buildings and improvements	4,300,490	3,929,575
Vehicles and equipment	2,241,108	1,939,870
Total	\$ 16,164,664	\$ 15,618,395

Additional information related to capital assets can be found in Note 7 to the financial statements.

Installment Debt Outstanding. At the end of the current fiscal year, the City had total debt outstanding of \$22,121,984. Of this amount, \$7,580,000 comprises debt backed by the full faith and credit of the government.

	Outstanding Debt	
	Governmental Activities	
	2021	2020
General obligation bonds	\$ 7,580,000	\$ 8,195,000
Revenue bonds	14,201,984	16,366,984
Installment purchase agreement	-	23,943
Direct borrowing	340,000	340,000
Total	\$ 22,121,984	\$ 24,925,927

The City made principal payments on existing agreements in the amount of \$2,803,943 during the current fiscal year.

The City has an “A2” rating from Moody’s Investor Service for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the City is \$51,595,219, which is significantly in excess of the City’s outstanding general obligation debt of \$7,580,000.

Additional information related to long-term debt can be found in Note 10 to the financial statements.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered in preparing the City’s budget for the 2021/2022 fiscal year:

- Revenues for all funds for next year are budgeted to be \$6.8 million lower than the current fiscal year amended budget. General fund budgeted revenues are expected to decrease by \$1.2 million due to decreases of \$433,000 from the PA 289 fire protection grant funding, \$125,000 in SAFER grant, and \$208,000 CDBG grant funding.

CITY OF YPSILANTI, MICHIGAN

Management's Discussion and Analysis

- For the tax year 2021, the City expects property values to increase by 7.55%. The City's operating mill has been reduced from 18.0298 to 17.6637 due to millage rollback. The City continues to look for many options to reduce costs or increase revenues. This is the fourth year the City will collect Water Street millage which pays partially for the Water Street debt. The City received approximately \$439,000 for the mental health and public safety millage funding from Washtenaw County and will continue to receive this funding until fiscal year 25-26. The City will continue to receive an approximate \$122,000 per year through 2024 from Washtenaw County for the 0.50 mill road levy for repair of roads, streets, bridges, and culverts.
- The City continues to comply with the City, Village, and Township Revenue Sharing (CVTRS) program to receive full CVTRS payments. The City implemented again the Public Act 52 (SB #7) by opting out and requiring employees to pay 15% based on the illustrative premium rates and the remainder paid by the City.
- The City's spending budget for all funds for next fiscal year is \$2.96 million less than the current year amended budget. This is largely due to completion in Major Street projects, YDDA project and Capital Improvement Project.
- The City took over the Freighthouse and is expecting revenue of \$80,000 per year. Also, the City will no longer handle the accounting for the Senior Center and will provide a \$6,000 per year contribution to pay part of their janitorial service and utilities.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 1 South Huron Street, 4th Floor, Ypsilanti, MI 48197.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF YPSILANTI, MICHIGAN

Statement of Net Position

June 30, 2021

	Primary Government	
	Governmental Activities	Component Units
Assets		
Pooled cash and investments	\$ 18,757,670	\$ 437,955
Receivables	11,589,190	7,183
Net pension asset	4,680,770	-
Other assets	1,474,095	-
Capital assets not being depreciated	2,482,497	53,200
Capital assets being depreciated, net	13,682,167	1,465,083
Total assets	52,666,389	1,963,421
Deferred outflows of resources		
Deferred pension amounts	404,711	-
Deferred OPEB amounts	34,483	-
Total deferred outflows of resources	439,194	-
Liabilities		
Accounts payable and accrued liabilities	1,345,166	21,210
Accrued interest payable	179,541	-
Unearned revenue	16,915	-
Long-term debt:		
Due within one year	3,408,479	75,000
Due in more than one year	20,403,924	160,000
Net pension liability (due in more than one year)	19,314,519	-
Net OPEB liability (due in more than one year)	12,313,718	-
Total liabilities	56,982,262	256,210
Deferred inflows of resources		
Deferred gain on bond refunding	106,829	-
Deferred pension amounts	5,090,068	-
Deferred OPEB amounts	462,910	-
Total deferred inflows of resources	5,659,807	-
Net position		
Net investment in capital assets	15,824,664	1,283,283
Restricted for:		
Highways and streets	4,964,616	-
Public safety	191,251	-
Public works	102,230	-
Public transportation	5,794	-
Debt service	653,175	-
Pension benefits	4,075,793	-
Land held for resale	1,150,450	-
Unrestricted (deficit)	(36,504,459)	423,928
Total net position	\$ (9,536,486)	\$ 1,707,211

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

CITY OF YPSILANTI, MICHIGAN

Statement of Activities

For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Legislative	\$ 140,728	\$ -	\$ -	\$ -	\$ (140,728)
General government	2,641,628	1,666,213	904,991	91,582	21,158
Public safety	9,188,901	1,375,299	713,499	-	(7,100,103)
Public works	4,024,987	-	-	-	(4,024,987)
Public transportation	308,218	-	-	-	(308,218)
Highways, streets and bridges	2,205,971	-	3,046,018	-	840,047
Culture and recreation	620,355	-	1,812	228,409	(390,134)
Community development	544,410	-	-	-	(544,410)
Interest on long-term debt	709,721	-	-	-	(709,721)
Total governmental activities	<u>20,384,919</u>	<u>3,041,512</u>	<u>4,666,320</u>	<u>319,991</u>	<u>(12,357,096)</u>
Total primary government	<u>\$ 20,384,919</u>	<u>\$ 3,041,512</u>	<u>\$ 4,666,320</u>	<u>\$ 319,991</u>	<u>\$ (12,357,096)</u>
Component units					
Downtown Development Authority	\$ 517,829	\$ 17,046	\$ 59,250	\$ -	\$ (441,533)
Depot Town Downtown Development Authority	358,373	-	16,750	-	(341,623)
Economic Development Corporation	40,096	-	-	-	(40,096)
Total component units	<u>\$ 916,298</u>	<u>\$ 17,046</u>	<u>\$ 76,000</u>	<u>\$ -</u>	<u>\$ (823,252)</u>

continued...

CITY OF YPSILANTI, MICHIGAN

Statement of Activities

For the Fiscal Year Ended June 30, 2021

	Primary Government	
	Governmental Activities	Component Units
Net revenues (expenses)	\$ (12,357,096)	\$ (823,252)
General revenues		
Property taxes	12,216,350	574,460
Grants and contributions not restricted to specific purposes	3,247,849	-
Unrestricted interest earnings	104,823	2,107
Total general revenues	<u>15,569,022</u>	<u>576,567</u>
Change in net position	3,211,926	(246,685)
Net position, beginning of year, as restated	<u>(12,748,412)</u>	<u>1,953,896</u>
Net position, end of year	<u>\$ (9,536,486)</u>	<u>\$ 1,707,211</u>

concluded.

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

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FUND FINANCIAL STATEMENTS

CITY OF YPSILANTI, MICHIGAN

Balance Sheet

Governmental Funds
June 30, 2021

	General	Major Streets	Capital Improvement Reserve	2013 Revenue Refunding Bonds	Nonmajor Governmental Funds	Totals
Assets						
Pooled cash and investments	\$ 9,217,599	\$ 3,157,413	\$ 240,013	\$ 1,627,203	\$ 2,949,155	\$ 17,191,383
Accounts receivable	750,436	650	-	-	4,689	755,775
Due from other governments	667,732	341,156	150,869	-	85,667	1,245,424
Land held for resale	11,110	-	-	-	1,150,450	1,161,560
Inventories	208,500	-	-	-	-	208,500
Prepaid items	73,858	-	-	-	-	73,858
Total assets	\$ 10,929,235	\$ 3,499,219	\$ 390,882	\$ 1,627,203	\$ 4,189,961	\$ 20,636,500
Liabilities						
Accounts payable	307,125	144,762	6,321	2,062	57,713	517,983
Accrued liabilities	572,924	2,504	-	-	6,154	581,582
Tax refunds payable	53,800	-	-	-	15,231	69,031
Unearned revenue	16,915	-	-	-	-	16,915
Total liabilities	950,764	147,266	6,321	2,062	79,098	1,185,511
Deferred inflows of resources						
Unavailable revenue	527,087	-	-	-	-	527,087
Fund balances						
Nonspendable	282,358	-	-	-	-	282,358
Restricted	-	3,351,953	-	-	3,895,104	7,247,057
Committed	3,934,723	-	384,561	1,625,141	215,759	6,160,184
Unassigned	5,234,303	-	-	-	-	5,234,303
Total fund balances	9,451,384	3,351,953	384,561	1,625,141	4,110,863	18,923,902
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,929,235	\$ 3,499,219	\$ 390,882	\$ 1,627,203	\$ 4,189,961	\$ 20,636,500

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

CITY OF YPSILANTI, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2021

Fund balances - total governmental funds	\$ 18,923,902
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore not reported in the funds.	
Capital assets not being depreciated	2,482,497
Capital assets being depreciated, net	13,682,167
Less capital assets accounted for in the internal service funds	(1,773,444)
Because the focus of governmental funds is on short-term financing, 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 revenue	527,087
Certain pension and OPEB-related amounts, such as the net pension liability / asset, net OPEB liability, and deferred 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 asset	4,680,770
Net pension liability	(19,314,519)
Deferred outflows related to the net pension liability / asset	404,711
Deferred inflows related to the net pension liability / asset	(5,090,068)
Net OPEB liability	(12,313,718)
Deferred outflows related to the net OPEB liability	34,483
Deferred inflows related to the net OPEB liability	(462,910)
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 in the statement of net position.	
Net position of governmental activities accounted for in the internal service funds	3,202,930
Certain liabilities and deferred inflows of resources, such as bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Unamortized deferred gain on bond refunding	(106,829)
Leases receivable from YCUA for debt-financed property	9,578,399
Bonds and installment contracts:	
General obligation bonds	(7,580,000)
Revenue bonds	(14,201,984)
Direct borrowing	(340,000)
Unamortized bond premium	(763,276)
Compensated absences	(927,143)
Accrued interest on long-term liabilities	(179,541)
Net position of governmental activities	<u>\$ (9,536,486)</u>

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

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2021

	General	Major Streets	Capital Improvement Reserve	2013 Revenue Refunding Bonds	Nonmajor Governmental Funds	Totals
Revenues						
Property taxes	\$ 10,341,090	\$ -	\$ -	\$ -	\$ 1,875,260	\$ 12,216,350
Licenses and permits	691,527	-	-	-	-	691,527
Intergovernmental	4,397,818	2,491,185	285,295	714,200	2,903,271	10,791,769
Charges for services	1,003,769	9,730	-	-	299,672	1,313,171
Fines and forfeits	56,781	-	-	-	-	56,781
Donations	73,209	-	-	-	-	73,209
Investment income	37,713	10,105	1,811	40,000	9,492	99,121
Miscellaneous	476,084	50	-	-	60,319	536,453
Total revenues	17,077,991	2,511,070	287,106	754,200	5,148,014	25,778,381
Expenditures						
Current:						
Legislative	140,728	-	-	-	-	140,728
General government	3,221,165	-	400,554	-	-	3,621,719
Public safety	10,322,511	-	292,670	-	2,500	10,617,681
Public works	592,692	-	-	-	1,586,965	2,179,657
Public transportation	-	-	-	-	308,218	308,218
Highways, streets and bridges	-	1,667,231	-	-	456,697	2,123,928
Culture and recreation	782,563	-	121,388	-	-	903,951
Community development	544,410	-	-	-	-	544,410
Debt service:						
Principal	-	-	-	660,000	2,120,000	2,780,000
Interest and fiscal charges	-	-	-	94,200	672,695	766,895
Total expenditures	15,604,069	1,667,231	814,612	754,200	5,147,075	23,987,187
Revenues over (under) expenditures	1,473,922	843,839	(527,506)	-	939	1,791,194
Other financing sources (uses)						
Transfers in	220,000	-	161,708	-	556,255	937,963
Transfers out	(592,963)	-	-	-	(345,000)	(937,963)
Total other financing sources (uses)	(372,963)	-	161,708	-	211,255	-
Net change in fund balances	1,100,959	843,839	(365,798)	-	212,194	1,791,194
Fund balances, beginning of year	8,350,425	2,508,114	750,359	1,625,141	3,898,669	17,132,708
Fund balances, end of year	\$ 9,451,384	\$ 3,351,953	\$ 384,561	\$ 1,625,141	\$ 4,110,863	\$ 18,923,902

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

CITY OF YPSILANTI, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Changes in Net Position of Governmental Activities
For the Fiscal Year Ended June 30, 2021

Net change in fund balances - total governmental funds	\$ 1,791,194
Amounts reported for <i>governmental activities</i> 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 expense.	
Capital assets purchased/constructed	2,279,481
Internal service fund capital assets purchased/constructed	(587,607)
Depreciation expense	(1,733,212)
Internal service fund depreciation expense	362,035
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.	
Unavailable revenue	435,117
Change in lease receivable from YCUA	(4,420,965)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term liabilities	2,780,000
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 bonds	(74,105)
Amortization of deferred gain on bond refunding	18,079
Amortization of bond premium	153,479
Change in net OPEB liability and related deferred amounts	910,315
Change in net pension liability / asset and related deferred amounts	1,290,019
Change in the accrual of compensated absences	11,055
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 net revenue (expense) of certain internal service funds is reported with governmental activities.	
Net operating loss from governmental activities accounted for in internal service funds	(6,865)
Interest revenue, net from governmental internal service funds	3,906
Change in net position of governmental activities	\$ 3,211,926

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

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - General Fund

For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 9,776,835	\$ 9,779,174	\$ 10,341,090	\$ 561,916
Licenses and permits	943,135	839,352	691,527	(147,825)
Intergovernmental	2,708,460	3,602,529	4,397,818	795,289
Charges for services	566,100	999,501	1,003,769	4,268
Fines and forfeits	50,000	50,000	56,781	6,781
Donations	53,051	92,040	73,209	(18,831)
Investment income	155,000	54,477	37,713	(16,764)
Miscellaneous	614,806	577,344	476,084	(101,260)
Total revenues	14,867,387	15,994,417	17,077,991	1,083,574
Expenditures				
Legislative - City Council	127,506	127,506	140,728	13,222
General government:				
City Manager	273,265	272,505	269,343	(3,162)
City Treasurer	110,740	111,740	111,323	(417)
Finance and accounting	594,326	585,326	416,554	(168,772)
City Clerk	223,190	251,092	276,427	25,335
Public building maintenance	307,766	306,085	203,436	(102,649)
Litigation and appeals	110,000	110,000	47,603	(62,397)
Assessing	106,590	106,590	101,306	(5,284)
Elections	83,669	85,743	69,281	(16,462)
General legal	220,053	280,053	220,017	(60,036)
Personnel legal	25,000	25,000	14,869	(10,131)
Human resources	212,964	212,964	202,524	(10,440)
Unallocated	1,017,479	1,051,723	1,288,482	236,759
Total general government	3,285,042	3,398,821	3,221,165	(177,656)
Public safety:				
Police	5,567,620	5,675,576	5,754,382	78,806
Fire	3,616,453	3,672,193	3,908,742	236,549
Ordinance enforcement	230,584	225,584	194,645	(30,939)
Building inspection	464,737	452,737	464,742	12,005
Total public safety	9,879,394	10,026,090	10,322,511	296,421

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - General Fund

For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Current (concluded):				
Public works:				
Public works department	\$ 164,943	\$ 229,114	\$ 151,288	\$ (77,826)
Street lighting	412,000	427,000	441,404	14,404
Total public works	<u>576,943</u>	<u>656,114</u>	<u>592,692</u>	<u>(63,422)</u>
Culture and recreation -				
Parks and recreation	<u>450,244</u>	<u>858,715</u>	<u>782,563</u>	<u>(76,152)</u>
Community development -				
Planning and development	<u>630,377</u>	<u>649,377</u>	<u>544,410</u>	<u>(104,967)</u>
Total expenditures	<u>14,949,506</u>	<u>15,716,623</u>	<u>15,604,069</u>	<u>(112,554)</u>
Revenues over (under) expenditures	<u>(82,119)</u>	<u>277,794</u>	<u>1,473,922</u>	<u>1,196,128</u>
Other financing sources (uses)				
Transfers in	220,000	220,000	220,000	-
Transfers out	<u>(422,037)</u>	<u>(592,963)</u>	<u>(592,963)</u>	<u>-</u>
Total other financing sources (uses)	<u>(202,037)</u>	<u>(372,963)</u>	<u>(372,963)</u>	<u>-</u>
Net change in fund balance	(284,156)	(95,169)	1,100,959	1,196,128
Fund balance, beginning of year	<u>8,350,425</u>	<u>8,350,425</u>	<u>8,350,425</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,066,269</u>	<u>\$ 8,255,256</u>	<u>\$ 9,451,384</u>	<u>\$ 1,196,128</u>

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

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Major Streets Fund

For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Intergovernmental	\$ 2,973,090	\$ 3,151,347	\$ 2,491,185	\$ (660,162)
Charges for services	7,000	7,000	9,730	2,730
Investment income	12,434	18,761	10,105	(8,656)
Miscellaneous	-	-	50	50
Total revenues	<u>2,992,524</u>	<u>3,177,108</u>	<u>2,511,070</u>	<u>(666,038)</u>
Expenditures				
Public works:				
Street construction	2,337,573	2,444,573	987,335	(1,457,238)
Routine maintenance	431,789	399,906	349,378	(50,528)
Routine maintenance - bridges	7,200	7,200	3,000	(4,200)
Traffic services	113,523	112,531	111,860	(671)
Trunkline maintenance	80,854	101,056	87,996	(13,060)
Winter maintenance	84,577	96,612	95,572	(1,040)
Administration	55,118	51,976	32,090	(19,886)
Total expenditures	<u>3,110,634</u>	<u>3,213,854</u>	<u>1,667,231</u>	<u>(1,546,623)</u>
Net change in fund balance	(118,110)	(36,746)	843,839	880,585
Fund balance, beginning of year	<u>2,508,114</u>	<u>2,508,114</u>	<u>2,508,114</u>	-
Fund balance, end of year	<u>\$ 2,390,004</u>	<u>\$ 2,471,368</u>	<u>\$ 3,351,953</u>	<u>\$ 880,585</u>

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

CITY OF YPSILANTI, MICHIGAN

Statement of Net Position

Proprietary Funds

June 30, 2021

	Governmental Activities
	Internal Service Funds
Assets	
Current assets:	
Pooled cash and investments	\$ 1,566,287
Accounts receivable	9,592
Inventories	30,177
Total current assets	<u>1,606,056</u>
Noncurrent assets -	
Capital assets being depreciated, net	<u>1,773,444</u>
Total assets	<u>3,379,500</u>
Liabilities	
Current liabilities:	
Accounts payable	175,361
Accrued liabilities	1,209
Total liabilities	<u>176,570</u>
Net position	
Investment in capital assets	1,773,444
Unrestricted	1,429,486
Total net position	<u>\$ 3,202,930</u>

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

CITY OF YPSILANTI, MICHIGAN

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

Proprietary Funds

For the Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
Operating revenues	
Charges for services	\$ 1,215,398
Operating expenses	
Salaries, taxes, and benefits	190,355
Gas, oil and fuel	82,054
Operation and maintenance	124,083
Contractual services and fees	165,900
Insurance	75,872
Benefits and claim payments	221,964
Depreciation	362,035
Total operating expenses	<u>1,222,263</u>
Operating loss	<u>(6,865)</u>
Nonoperating revenues (expenses)	
Interest income	7,514
Interest expense	<u>(3,608)</u>
Total nonoperating revenues (expenses)	<u>3,906</u>
Change in net position	(2,959)
Net position, beginning of year	<u>3,205,889</u>
Net position, end of year	<u><u>\$ 3,202,930</u></u>

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

CITY OF YPSILANTI, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
Cash flows from operating activities	
Receipts for interfund services provided	\$ 1,213,702
Payments to employees	(194,064)
Payments to vendors and claimants	(579,017)
	<hr/>
Net cash provided by operating activities	440,621
	<hr/>
Cash flows from capital and related financing activities	
Purchases of capital assets	(587,607)
Principal paid on long-term debt	(23,943)
Interest paid on long-term debt	(3,608)
	<hr/>
Net cash used in capital and related financing activities	(615,158)
	<hr/>
Cash flows from investing activities	
Interest and dividends	7,514
	<hr/>
Net change in pooled cash and investments	(167,023)
	<hr/>
Pooled cash and investments, beginning of year	1,733,310
	<hr/>
Pooled cash and investments, end of year	<u>\$ 1,566,287</u>

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CITY OF YPSILANTI, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2021

	Governmental Activities
	Internal Service Funds
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (6,865)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	362,035
Change in assets and liabilities that provided (used) cash:	
Accounts receivable	(1,696)
Inventories	(15,645)
Accounts payable	106,501
Accrued liabilities	(3,709)
	<hr/>
Net cash provided by operating activities	<u>\$ 440,621</u>

concluded.

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

CITY OF YPSILANTI, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2021

	Pension and Other Postemployment Benefits Trust Funds	Current Tax Collection Custodial Fund
Assets		
Pooled cash and investments	\$ 4,252,289	\$ 5,228
Investments, at fair value:		
U.S. agencies	1,922,212	-
U.S. treasuries	524,042	-
Corporate bonds	4,652,679	-
Domestic equities	18,499,418	-
International equities	2,824,794	-
Mutual funds	2,361,786	-
Real estate investment trusts	259,429	-
MERS retiree health funding vehicle	6,912,053	-
Money market accounts	567,727	-
Due from other governments	4,526	-
Prepaid items	60,270	-
Total assets	<u>42,841,225</u>	<u>5,228</u>
Liabilities		
Benefits payable	1,985,254	-
Due to other governments	-	5,228
Total liabilities	<u>1,985,254</u>	<u>5,228</u>
Net position		
Restricted for:		
Pension benefits	30,932,357	-
Other postemployment benefits	9,923,614	-
Total net position	<u>\$ 40,855,971</u>	<u>\$ -</u>

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

CITY OF YPSILANTI, MICHIGAN

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2021

	Pension and Other Postemployment Benefits Trust Funds	Current Tax Collection Custodial Fund
Additions		
Contributions:		
Employer	\$ 4,417,936	\$ 1,924,115
Plan members	239,284	-
Total contributions	<u>4,657,220</u>	<u>1,924,115</u>
Other revenue	<u>20,722</u>	<u>-</u>
Investment income:		
Net change in fair value of investments	8,981,374	-
Interest	<u>532,017</u>	<u>-</u>
Total investment income	9,513,391	-
Less: investment expense	<u>(179,620)</u>	<u>-</u>
Net investment income	<u>9,333,771</u>	<u>-</u>
Taxes collected for other governments	<u>-</u>	<u>14,485,500</u>
Total additions	<u>14,011,713</u>	<u>16,409,615</u>
Deductions		
Benefits	4,996,285	-
Refunds	193,979	-
Administration	63,530	-
Payments of taxes to other governments	<u>-</u>	<u>14,485,500</u>
Total deductions	<u>5,253,794</u>	<u>14,485,500</u>
Change in net position	8,757,919	1,924,115
Net position, beginning of year, as restated	<u>32,098,052</u>	<u>-</u>
Net position, end of year	<u>\$ 40,855,971</u>	<u>\$ 1,924,115</u>

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

CITY OF YPSILANTI, MICHIGAN

Combining Statement of Net Position

Discretely Presented Component Units

June 30, 2021

	Downtown Development Authority	Depot Town Downtown Development Authority	Economic Development Corporation	Totals
Assets				
Cash and cash equivalents	\$ 59,875	\$ 344,492	\$ 33,588	\$ 437,955
Receivables	6,668	515	-	7,183
Capital assets not being depreciated	-	-	53,200	53,200
Capital assets being depreciated, net	1,254,176	210,907	-	1,465,083
Total assets	<u>1,320,719</u>	<u>555,914</u>	<u>86,788</u>	<u>1,963,421</u>
Liabilities				
Accounts payable	13,775	2,705	-	16,480
Accrued liabilities	4,730	-	-	4,730
Long-term liabilities:				
Due within one year	75,000	-	-	75,000
Due more than one year	160,000	-	-	160,000
Total assets	<u>253,505</u>	<u>2,705</u>	<u>-</u>	<u>256,210</u>
Net position				
Net investment in capital assets	1,019,176	210,907	53,200	1,283,283
Unrestricted	48,038	342,302	33,588	423,928
Total net position	<u>\$ 1,067,214</u>	<u>\$ 553,209</u>	<u>\$ 86,788</u>	<u>\$ 1,707,211</u>

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

CITY OF YPSILANTI, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units

For the Fiscal Year Ended June 30, 2021

	Downtown Development Authority	Depot Town Downtown Development Authority	Economic Development Corporation	Totals
Expenses				
Community development	\$ 501,595	\$ 358,373	\$ 40,096	\$ 900,064
Interest and fiscal charges	16,234	-	-	16,234
Total expenses	<u>517,829</u>	<u>358,373</u>	<u>40,096</u>	<u>916,298</u>
Program revenues				
Charges for services	17,046	-	-	17,046
Operating grants and contributions	59,250	16,750	-	76,000
Total program revenues	<u>76,296</u>	<u>16,750</u>	<u>-</u>	<u>93,046</u>
Net revenues (expenses)	<u>(441,533)</u>	<u>(341,623)</u>	<u>(40,096)</u>	<u>(823,252)</u>
General revenues				
Property taxes	303,343	231,078	40,039	574,460
Interest income	520	1,454	133	2,107
Total general revenues	<u>303,863</u>	<u>232,532</u>	<u>40,172</u>	<u>576,567</u>
Change in net position	<u>(137,670)</u>	<u>(109,091)</u>	<u>76</u>	<u>(246,685)</u>
Net position, beginning of year	<u>1,204,884</u>	<u>662,300</u>	<u>86,712</u>	<u>1,953,896</u>
Net position, end of year	<u>\$ 1,067,214</u>	<u>\$ 553,209</u>	<u>\$ 86,788</u>	<u>\$ 1,707,211</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ypsilanti, Michigan (the “City”) was incorporated in 1858 and is located in Washtenaw County. The City operates under a Council-Manager form of government and provides the following services: legislative, general government, public safety, public works, public transportation, highways, streets, and bridges, culture and recreation, and community development.

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

Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City’s reporting entity because of the significance of their operational or financial relationship with the City. Each discretely presented component unit has a June 30 fiscal year end.

Discretely Presented Component Units

Discretely presented component units are entities that are legally separate from the City but for which the City is financially accountable, or their relationship with the City is such that exclusion would cause the City’s financial statements to be misleading or incomplete. The discretely presented component units, each with a June 30 fiscal year end, are as follows:

Downtown Development Authority - The Downtown Development Authority is responsible for correcting and preventing deterioration in the downtown district, encourages historical preservation and promotes economic growth within the district. The City Council appoints and may remove board members and approves the budget. Separate financial statements are not available.

Depot Town Downtown Development Authority - The Depot Town Downtown Development Authority is responsible for promoting development and preservation of the Depot Town Downtown Development Authority district. The City Council appoints and may remove board members and approves the budget. Separate financial statements are not available.

Economic Development Corporation - The Economic Development Corporation is responsible for providing means and methods to encourage and assist industrial and commercial development within the City. The City Council appoints and may remove board members and approves the budget. Separate financial statements are not available.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Fiduciary Component Units

City of Ypsilanti Police and Fire Employees Retirement System - is a single-employer defined benefit contributory pension plan which provides retirement, disability and death benefits for plan members and their beneficiaries in accordance with the City's pension ordinance. The System is included as a fiduciary component unit of the City because (1) the System is a legally separate entity; (2) the City Council appoints a voting majority of the Board of Trustees; and (3) the City makes contributions to the System on behalf of its participants. Plan amendments are under the authority of the City. Changes in required contributions are subject to collective bargaining agreements and approval by the City Council.

City of Ypsilanti MERS Retiree Health Funding Vehicle Other Postemployment Benefits Plan - is a single-employer defined benefit postemployment healthcare plan that provides health care benefits to certain full-time employees upon retirement, in accordance with labor agreements and/or the City Administrative Code, or in the case of AFSME and non-union personnel according to City Council resolution. The Plan is included as a fiduciary component unit of the City because: (1) the Plan is a legally separate entity; (2) the City Council appoints a voting majority of the trustees - in the case of the MERS RHFV the City Council is the Fiduciary for the plan with MERS acting as the program administrator; and (3) the City makes contributions to the Plan on behalf of its participants. The Plan provisions are established and may be amended by the City Council, subject to the City's various collective bargaining agreements.

Basis of Presentation

Government-wide and Fund Financial Statements

Government-wide Financial Statements. The statements of net position and activities display information about the primary government and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the City's *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The City did not have any business-type activities as of year end.

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 various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide, Proprietary and Fiduciary Fund Financial Statements. The government-wide, proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 City's internal service funds are charges to customers for sales and services. Operating expenses for 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.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, revenues are recognized when measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period, except for reimbursement-based grants which must be collected within one year. Property taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual.

Expenditures generally are recorded when a related fund liability is incurred, except for debt service expenditures, compensated absences, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases, if any, are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The City reports the following major governmental funds:

General fund. This 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.

Major streets special revenue fund. This fund is used to control the expenditures of motor fuel taxes which are earmarked by law for major street and highway purposes.

Capital improvement reserve capital projects fund. This fund accounts for activity related to various capital improvement projects.

2013 revenue refunding bonds capital projects fund. This fund accounts for activity related to various capital improvement projects. Finances come from a bond issuance.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Additionally, the City reports the following fund types:

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

The *debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets that are not being financed by proprietary funds.

The *internal service funds* are proprietary funds used to account for major machinery and equipment purchases and maintenance, as well as risk management services provided to other departments of the City on a cost reimbursement basis.

The *pension and other postemployment benefits trust funds* account for the activities of the Police and Fire Employees' Retirement system and the MERS Retiree Health Funding Vehicle Other Postemployment Benefits Plan, which accumulate resources for retirement and other postemployment benefit payments to qualified employees.

The *custodial fund* accounts for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. Custodial funds account for property tax collections.

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

Deposits and Investments

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers acceptances, and mutual funds composed of otherwise legal investments. The State's Pension Investment Act, as amended, authorizes the pension and other employee benefits trust funds to invest in common stocks, real estate, and various other investment instruments, subject to certain limitations.

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

Investments are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have established market values are reported at estimated fair value. Cash deposits are reported at carrying amounts, which reasonably approximates fair value.

Unrealized appreciation or depreciation on investments due to changes in fair value are recognized each year.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Receivables and Payables

All trade and delinquent property tax receivables are shown net of an allowance for uncollectibles, as applicable.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund receivables/payables (i.e., the current portion of interfund loans) or *advances to/from other funds* (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as *due to/from other funds*.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items when purchased in both government-wide and fund financial statements.

Assets Held for Sale

Assets held for sale, consisting of land held for sale by the City that is longer in use, are recorded at the lower of fair value or net book value.

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	Years
Infrastructure	15
Buildings and improvements	5-70
Vehicles and equipment	3-20

Notes to Financial Statements

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 position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to the net pension and other postemployment benefit assets/liabilities.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and compensatory time benefits, subject to certain limitations. Certain bargaining unit employees are also permitted to accumulate earned but unused sick leave. All vacation, compensatory time pay and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

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 or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt 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.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to 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. The City also reports deferred inflows for any deferred gain on bond refundings which are amortized over the remaining life of the bond issuance. In addition, the City reports deferred inflows of resources related to pension and other postemployment benefit assets/liabilities.

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension asset and liability and net OPEB 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 plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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, the City Council. A formal resolution of the City Council is required to establish, modify, or rescind a fund balance commitment. Authority rests with the City Council to assign fund balances. Assigned fund balances are reported in instances where the City Council has authorized for the making of such assignments. The general fund is the only fund that reports a positive unassigned fund balance amount. Governmental funds other than the general fund may find it necessary to report a negative unassigned fund balance if expenditures incurred for a specific purpose exceed the amounts that are restricted, committed, or assigned to that purpose. Unassigned fund balance is the residual classification used only for the general fund and any deficits reported in other governmental funds.

When the government incurs expenditures 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.

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. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. All annual appropriations lapse at year end, except for those approved by the City Council for carry forward. The annual budget for the next fiscal year is prepared by the City's management by June 1 of each year and adopted by the City Council no later than June 30 of each year (i.e., prior to the start of the next fiscal year); subsequent amendments are approved by the City Council.

Budgetary control is exercised at the department level; expenditures in excess of amounts appropriated at this level are a violation of Michigan law. The accompanying budget to actual comparisons are presented at a greater level of detail than the adopted budget for management analysis only.

Council reported budgeted amounts are as originally adopted or as amended by department revision or resolution. Supplemental budgetary appropriations were made during the year, the total of which was not significant in relation to the original appropriations.

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.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

During the year ended June 30, 2021, the City incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

	Final Budget	Actual	Budget Variance
General fund			
Current:			
Legislative -			
City council	\$ 127,506	\$ 140,728	\$ 13,222
General government:			
City Clerk	251,092	276,427	25,335
Unallocated	1,051,723	1,288,482	236,759
Public safety:			
Police	5,675,576	5,754,382	78,806
Fire	3,672,193	3,908,742	236,549
Building inspection	452,737	464,742	12,005
Public works -			
Street lighting	427,000	441,404	14,404
Local streets fund			
Current - Highways, streets, and bridges -			
Winter maintenance	78,436	84,940	6,504
Public safety fund			
Current -			
Public safety	-	2,500	2,500
Public transportation fund			
Current -			
Public transportation	307,468	308,218	750

4. CONSTRUCTION CODE FEES

The City oversees building construction in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. Beginning January 1, 2000, the law requires that collection of these fees be used only for construction costs, including an allocation of estimated overhead costs.

A summary of current fiscal year activity and the cumulative shortfall generated since January 1, 2000 is as follows:

Current year building permit revenue	\$ 282,244
Less related expenditures:	
Direct costs	451,742
Estimated indirect costs	44,344
Current year shortfall	<u>(213,842)</u>
Cumulative shortfall, beginning of year	<u>(627,312)</u>
Cumulative shortfall, end of year	<u>\$ (841,154)</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

5. DEPOSITS AND INVESTMENTS

Summary of Deposit and Investment Balances. Following is a reconciliation of deposit and investment balances as of June 30, 2021:

	Primary Government	Component Units	Total
Statement of Net Position			
Pooled cash and investments	\$ 18,757,670	\$ 437,955	\$ 19,195,625
Statement of Fiduciary Net Position			
Pooled cash and investments	4,257,517	-	4,257,517
Investments – pension and other postemployment benefits	38,524,140	-	38,524,140
Total	\$ 61,539,327	\$ 437,955	\$ 61,977,282
Deposits and investments			
Bank deposits (checking, savings, money market accounts, and certificates of deposit, due in less than one year)			\$ 5,059,093
Investments in securities, mutual funds and similar vehicles:			
City investment pool			18,391,574
Pension and other postemployment benefits trust funds			38,524,140
Cash on hand			2,475
Total			\$ 61,977,282

Deposits and Investments – Cash and Investment Pool

Custodial Credit Risk - Deposits. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2021, \$5,734,445 of the City's total bank balance of \$5,234,445 (total book balance was \$5,059,093) was exposed to custodial credit risk as it was uninsured and uncollateralized.

The City's investment 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.

Custodial Credit Risk - Investments. Following is a summary of the City's investments as of June 30, 2021:

Money market accounts	\$ 5,675
Certificates of deposit	1,998,177
Fixed income:	
Commercial paper	4,086,092
Corporate bonds	499,763
Government bonds	2,567,368
MILAF GovMIC investment pool	2,100,222
Michigan CLASS	7,134,277
Total	\$ 18,391,574

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that investment securities be held in third-party safekeeping by a designated institution and that the safekeeping agent follow the procedure of delivery vs. payment. As of June 30, 2021, none of the City's investments, excluding the money market accounts which are not subject to custodial credit risk, were exposed to risk since the securities are held in the City's name by the counterparty.

Credit Risk. Ratings are not required for money market accounts. The City's investment policy does not have specific limits in excess of State law on investment credit risk. The City's investments in fixed income securities were rated by Standard & Poor's ("S&P") or Moody's, as follows:

The City's investments in fixed income securities were rated by Standard & Poor's ("S&P") or Moody's, as follows:

Investment Rating	Amount
Aaa (Moody's)	\$ 2,567,368
A1+ (S&P)	1,541,501
A1 (S&P)	<u>3,044,354</u>
Totals	<u>\$ 7,153,223</u>

Concentration of Credit Risk. The City's investment policy does not address this risk. At June 30, 2021, the City's investment portfolio was concentrated as follows:

	Concentration	Amount
Commercial paper:		
Swedbank AB	8%	\$ 1,541,501
Lloyds bank	5%	999,997
China construction bank corporation	6%	1,018,964
Government bonds:		
Federal home loan mortgage corporation	6%	1,079,253
Federal home loan bank system	5%	990,520

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Interest Rate Risk. The City's investments in certificates of deposit, investment pools, and money market accounts are not subject to interest rate risk disclosures. The City's investment policy does not address interest rate risk. As of June 30, 2021, maturities of debt securities were as follows:

	Investment Maturities (fair value by years)				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
Fixed income:					
Commercial paper	\$ 4,086,092	\$ 4,086,092	\$ -	\$ -	\$ -
Corporate bonds	499,763	499,763	-	-	-
Government bonds	2,567,368	-	2,567,368	-	-
Certificates of deposit	1,998,177	-	1,998,177	-	-
	<u>\$ 9,151,400</u>	<u>\$ 4,585,855</u>	<u>\$ 4,565,545</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices (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 management's review of the type and substance of investments held by the City.

The City had the following recurring fair value measurements as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Fixed income:				
Commercial paper	\$ -	\$ 4,086,092	\$ -	\$ 4,086,092
Corporate bonds	-	499,763	-	499,763
Government bonds	-	2,567,368	-	2,567,368
Certificates of deposit	-	1,998,177	-	1,998,177
Money market funds	5,675	-	-	5,675
Total Investments at Fair Value	<u>\$ 5,675</u>	<u>\$ 9,151,400</u>	<u>\$ -</u>	<u>9,157,075</u>
Investments held at NAV				<u>9,234,499</u>
Total Investments				<u>\$ 18,391,574</u>

The fair value of the City's Level 1 investments is based on quotes from publicly traded securities markets, where available. The fair value of the City's Level 2 investments is determined primarily by a matrix pricing technique, which is used to value securities based on their relationship to benchmark quoted prices. Due to the inherent uncertainty of determining the fair value of investments that are not publicly traded, the fair value reported for these investments may differ significantly from the values that would have been used had a publicly traded market existed for such investments.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Investments in Entities that Calculate Net Asset Value per Share. The City holds share in Michigan CLASS and MILAF GovMIC whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

Deposits and Investments – Pension and Other Postemployment Benefits Trust Funds

The City maintains two pension trust funds (see Note 17) and one other postemployment benefits trust fund (see Note 18) where investments are maintained separately from the City’s pooled cash and investments and are subject to separate investment policies and state statutes. Accordingly, the required disclosures for the pension and other postemployment benefits trust funds’ deposits and investments are presented separately.

Deposits - The pension and other postemployment benefits trust funds do not maintain any checking or other demand/time deposit accounts other than their claims on the City's pooled cash and investments disclosed above.

Investments - The Michigan Public Employees Retirement Systems’ Investment Act, Public Act 314 of 1965, as amended, authorizes the pension and other postemployment benefit trusts to invest in stocks, government and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitations. The Retirement Boards have the responsibility and authority to oversee the respective investment portfolios. Various professional investment managers are contracted to assist in managing the trust funds’ assets. All investment decisions are subject to Michigan law and the investment policy established by each respective Retirement Board.

The pension and other postemployment benefits trust funds’ investments are held in various financial institutions or bank-administered trusts. Following is a summary of the funds’ investments as of June 30, 2021:

Investments at fair value, as determined by	
quoted market price	
Fixed income:	
U.S. agencies	\$ 1,922,212
U.S. treasuries	524,042
Corporate bonds -	
Domestic bonds	4,652,679
Equities:	
Domestic equities	18,499,418
International equities	2,824,794
Mutual funds	2,361,786
Real estate investment trusts (REIT)	259,429
Retiree health funding vehicle (MERS)	6,912,053
Money market funds	<u>567,727</u>
Total investments	<u><u>\$ 38,524,140</u></u>

Credit Risk. The pension and other postemployment benefits trust funds’ investment policy provides that a minimum of 70% of fixed income investments (U.S. agency securities and domestic corporate bonds) must be in the top three major grades as determined by Moody’s and the balance must be in the top four major grades.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

The pension and other postemployment benefits trust funds' investments in fixed income securities were rated by Standard & Poor's ("S&P"), as follows:

Investment Rating	Amount
AA	\$ 257,972
A	1,628,773
BAA	2,765,933
Not rated	<u>2,446,255</u>
Totals	<u>\$ 7,098,933</u>

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension and other postemployment benefits 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. The pension and other postemployment benefits trust funds' investment policy requires that investment securities be held in trust by a third-party institution in each fund's name. As such, although uninsured and unregistered, the pension and other postemployment benefits trust funds' investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department in each funds' name.

Short-term investments in money market funds are not subject to custodial credit risk.

Concentration of Credit Risk. The pension and other postemployment benefits trust funds' investment policies require that the securities of any one company or government agency should not exceed 5% of the total investment fair value of each individual pension and other postemployment benefit trust fund. At June 30, 2021, there were no concentrations in securities of any one issuer greater than 5% of investment fair value.

Interest Rate Risk. As of June 30, 2021, maturities of debt securities were as follows:

	Investment Maturities (fair value by years)				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. agencies	\$ 1,922,212	\$ -	\$ 1,164	\$ 3,225	\$ 1,917,823
U.S. treasuries	524,042	-	206,390	231,238	86,414
Corporate bonds - Domestic bonds	<u>4,652,679</u>	<u>205,580</u>	<u>1,860,535</u>	<u>1,384,262</u>	<u>1,202,302</u>
	<u>\$ 7,098,933</u>	<u>\$ 205,580</u>	<u>\$ 2,068,089</u>	<u>\$ 1,618,725</u>	<u>\$ 3,206,539</u>

The pension trust fund's policy regarding interest rate risk provides that fixed income maturities may not exceed 30 years; the pension trust's holdings comply with this requirement. The other postemployment benefits trust fund investment policies do not address interest rate risk.

Foreign Currency Risk. Foreign currency risk is the risk that significant fluctuations in exchange rates may adversely affect the fair value of an investment. The pension trust fund's exposure to foreign currency risk is limited to its underlying holdings of international equities via international exchange-traded equity funds.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

In addition to the above, the pension trust fund's holdings in mutual funds are primarily composed of underlying investments in international equities. The residual mutual fund underlying investments are in cash and cash equivalents, domestic equities, and alternatives.

The pension trust fund's investment policy restricts the amount of investment in foreign currency-denominated investments to 20% of total pension system investments; the pension trust's holdings comply with this requirement.

Fair Value Measurements. The pension and other postemployment benefits trust funds categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as determined by the investment advisors. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. 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 the funds. The investment manager will request the information from the fund manager, if necessary.

The pension and other postemployment benefits trust funds had the following recurring fair value measurements as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Fixed income:				
U.S. agencies	\$ -	\$ 1,922,212	\$ -	\$ 1,922,212
U.S. treasuries	524,042	-	-	524,042
Corporate bonds -				
Domestic bonds	-	4,652,679	-	4,652,679
Equities:				
Domestic equities	18,499,418	-	-	18,499,418
International equities	2,824,794	-	-	2,824,794
Mutual funds	2,361,786	-	-	2,361,786
Real estate investment trusts (REIT)	-	259,429	-	259,429
Retiree health funding vehicle (MERS)	6,912,053	-	-	6,912,053
Money market funds	567,727	-	-	567,727
Total Investments	\$ 31,689,820	\$ 6,834,320	\$ -	\$ 38,524,140

The fair value of the City's Level 1 investments is based on quotes from publicly traded securities markets, where available. The fair value of the City's Level 2 investments is determined primarily by a matrix pricing technique, which is used to value securities based on their relationship to benchmark quoted prices. Due to the inherent uncertainty of determining the fair value of investments that are not publicly traded, the fair value reported for these investments may differ significantly from the values that would have been used had a publicly traded market existed for such investments.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

6. RECEIVABLES

Receivables are comprised of the following at year end:

	Governmental Activities	Component Units
Accounts receivable	\$ 765,367	\$ 7,183
Leases receivable	9,578,399	-
Due from other governments	1,245,424	-
	<u>\$ 11,589,190</u>	<u>\$ 7,183</u>
Amount not expected to be collected within one year	\$ 7,312,138	\$ -

The largest component of the City's receivable balance is its outstanding leases receivable from YCUA. The City expects to collect \$2,220,000 of its receivable from YCUA in the next year in accordance with contractual payment schedules. The remaining lease receivable will be collected between 2023 and 2035.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

7. CAPITAL ASSETS

Capital assets activity of the primary government for the year ended June 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 1,358,840	\$ -	\$ -	\$ -	\$ 1,358,840
Construction in progress	823,343	817,803	-	(517,489)	1,123,657
	<u>2,182,183</u>	<u>817,803</u>	<u>-</u>	<u>(517,489)</u>	<u>2,482,497</u>
Capital assets being depreciated:					
Infrastructure	45,216,715	119,182	-	517,489	45,853,386
Buildings and improvements	8,533,241	575,723	-	-	9,108,964
Vehicles and equipment	9,162,101	766,773	(346,107)	-	9,582,767
	<u>62,912,057</u>	<u>1,461,678</u>	<u>(346,107)</u>	<u>517,489</u>	<u>64,545,117</u>
Less accumulated depreciation for:					
Infrastructure	(37,649,948)	(1,062,869)	-	-	(38,712,817)
Buildings and improvements	(4,603,666)	(204,808)	-	-	(4,808,474)
Vehicles and equipment	(7,222,231)	(465,535)	346,107	-	(7,341,659)
	<u>(49,475,845)</u>	<u>(1,733,212)</u>	<u>346,107</u>	<u>-</u>	<u>(50,862,950)</u>
Total capital assets being depreciated, net	<u>13,436,212</u>	<u>(271,534)</u>	<u>-</u>	<u>517,489</u>	<u>13,682,167</u>
Governmental activities capital assets, net	<u>\$ 15,618,395</u>	<u>\$ 546,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,164,664</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Component units					
Capital assets not being depreciated -					
Land	\$ 53,200	\$ -	\$ -	\$ -	\$ 53,200
Capital assets being depreciated -					
Buildings and improvements	3,693,036	-	-	-	3,693,036
Less accumulated depreciation for -					
Buildings and improvements	(2,151,256)	(76,697)	-	-	(2,227,953)
Total capital assets being depreciated, net	1,541,780	(76,697)	-	-	1,465,083
Component unit capital assets, net	<u>\$ 1,594,980</u>	<u>\$ (76,697)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,518,283</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	\$ 43,441
Public safety	94,100
Public works	6,515
Highways, streets, and bridges	1,104,234
Culture and recreation	122,887
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	362,035
Total depreciation expense - governmental activities	<u>\$ 1,733,212</u>
Component Units	
Community development	<u>\$ 76,697</u>

The City had approximately \$150,000 in outstanding construction commitments at June 30, 2021.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following at year end:

	Governmental Activities	Component Units
Accounts payable	\$ 693,344	\$ 16,480
Accrued liabilities	582,791	4,730
Tax refunds payable	69,031	-
	<u>\$ 1,345,166</u>	<u>\$ 21,210</u>

9. INTERFUND TRANSFERS

For the year ended June 30, 2021, interfund transfers consisted of the following:

	Transfers In			
	General Fund	Capital Improvement Reserve Fund	Nonmajor Governmental Funds	Total
Transfers Out				
General fund	\$ -	\$ 36,708	\$ 556,255	\$ 592,963
Nonmajor governmental funds	220,000	125,000	-	345,000
	<u>\$ 220,000</u>	<u>\$ 161,708</u>	<u>\$ 556,255</u>	<u>\$ 937,963</u>

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.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

10. LONG-TERM DEBT

General obligation bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued for the items listed below was \$12,380,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Fiscal Year Matures	Interest Rates	Original Amount	Amount
Governmental activities				
2016 Refunding	2031	2.02%-4.00%	\$ 12,380,000	\$ 7,580,000

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

Year	Governmental Activities	
	Principal	Interest
2022	\$ 635,000	\$ 252,636
2023	655,000	237,079
2024	680,000	219,395
2025	710,000	200,082
2026	730,000	179,209
2027-2031	4,170,000	501,279
	<u>\$ 7,580,000</u>	<u>\$ 1,589,680</u>

Revenue bonds. The City issues bonds where the income derived from the acquired or constructed assets is pledged to pay debt service. In this instance, the income is derived from the Ypsilanti Community Utilities Authority joint venture (see Note 23), which manages and operates the related water and wastewater systems. The original amount of revenue bonds issued in the current and prior years was \$35,052,984.

Purpose	Fiscal Year Matures	Interest Rates	Original Amount	Amount
Governmental activities				
2002-B Water/Sewer (DWRf)	2022	2.50%	\$ 485,000	\$ 30,000
2003-C Water/Sewer (DWRf)	2024	2.50%	785,000	145,000
2003-D Water/Sewer (DWRf)	2024	2.50%	5,300,000	970,000
2004-B Water/Sewer (DWRf)	2025	2.125%	6,330,000	1,490,000
2007 Water/Sewer (DWRf)	2027	2.125%	298,702	118,702
2008 Water/Sewer (DWRf)	2029	2.50%	434,253	199,253
2009 Water/Sewer (DWRf)	2029	2.50%	140,029	79,029
2012 Water/Sewer (DWRf)	2034	2.50%	2,900,000	2,045,000
2013 Water/Sewer Refunding	2028	2.0 - 4.0%	7,490,000	2,000,000
2015 Water/Sewer (DWRf)	2035	2.50%	450,000	330,000
2016 Water/Sewer Refunding	2031	1.39 - 4.0%	10,440,000	6,795,000
			<u>\$ 35,052,984</u>	<u>\$ 14,201,984</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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

Year	Governmental Activities	
	Principal	Interest
2022	\$ 2,220,000	\$ 437,176
2023	2,285,000	368,674
2024	2,360,000	291,674
2025	1,910,000	219,587
2026	1,585,000	156,755
2027-2031	3,206,984	209,067
2032-2035	635,000	20,596
	<u>\$ 14,201,984</u>	<u>\$ 1,703,529</u>

Notes from direct borrowings / placements - Installment purchase agreements. The City enters into installment purchase agreements for equipment and related capital assets. The repayment on the Biltmore agreement direct borrowing is contingent upon certain future events occurring between now and fiscal year 2031. The primary contingency stipulated by the contract is the City's sale of the former Biltmore property. The City's direct borrowings outstanding at year-end are as follows:

Purpose	Fiscal Year Matures	Interest Rates	Original Amount	Amount
Governmental activities				
Biltmore agreement	2031	N/A	<u>\$ 340,000</u>	<u>\$ 340,000</u>

The City's direct borrowing of \$340,000 related to the Biltmore settlement agreement matures on December 31, 2030.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Changes in long-term debt. Long-term debt activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental activities					
General obligation bonds	\$ 8,195,000	\$ -	\$ (615,000)	\$ 7,580,000	\$ 635,000
Revenue bonds	16,366,984	-	(2,165,000)	14,201,984	2,220,000
Notes from direct borrowings/ placements -					
Installment purchase agreements	23,943	-	(23,943)	-	-
Direct borrowings	340,000	-	-	340,000	-
Compensated absences	938,198	450,512	(461,567)	927,143	400,000
Deferred amounts for - Issuance premium	916,755	-	(153,479)	763,276	153,479
Total primary government	<u>\$ 26,780,880</u>	<u>\$ 450,512</u>	<u>\$ (3,418,989)</u>	<u>\$ 23,812,403</u>	<u>\$ 3,408,479</u>

Reductions to the City's general obligation bonds include the following:

Regularly scheduled principal payments	<u>\$ 615,000</u>
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Reductions from the City's revenue bonds include the following:

Regularly scheduled principal payments	<u>\$ 2,165,000</u>
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For the governmental activities, compensated absences are generally liquidated by the general fund.

Component unit general obligation bonds outstanding for the year ended June 30, 2021 were as follows:

Component Units	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>General obligation bonds:</i>					
Downtown Development 2004-A	\$ 305,000	\$ -	\$ (70,000)	\$ 235,000	\$ 75,000

The general obligation bonds have interest rates of 4.35% to 4.60%. The principal and interest requirements to retire the general obligation bonds are as follows:

Year	Component Units	
	Principal	Interest
2022	\$ 75,000	\$ 10,810
2023	80,000	7,360
2024	80,000	3,680
	<u>\$ 235,000</u>	<u>\$ 21,850</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

13. RISK MANAGEMENT

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased commercial insurance for medical claims and participates in the Michigan Municipal League Liability and Property Pool for claims relating to property and general liability and participates in the Michigan Municipal League Workers' Compensation Fund for workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

14. PROPERTY TAXES

The government's property taxes are levied each July 1 on the taxable valuation of property located in the City as of the preceding December 31, the lien date. Property taxes are payable without penalty and interest through September 14; as of February 14 of the succeeding year, unpaid real property taxes are sold to and collected by Washtenaw County. Assessed values, as established annually by the government and subject to acceptance by the County, are equalized by the State at an estimated 50% of current market value.

The taxable value of real and personal property in the City for the 2020 levy was \$345,406,001. The City's general operating tax rate for fiscal year 2021 was 18.0298 mills plus 2.6362 mills for sanitation, 2.0043 mills for streets, 0.9277 for public transportation, and 11.8150 mills for police and fire pension.

Property taxes are recognized in the fiscal year in which they are levied. Property taxes for the component units are derived from tax increment financing agreements with the various applicable taxing authorities. Under these arrangements, the tax increment finance entities receive the property taxes levied on the increment of current taxable values over the base year values on those properties located within the established tax increment financing district.

15. TAX ABATEMENTS

Tax abatements through industrial and commercial facilities tax exemption agreements provided in accordance with state statutes are generally made by discrete component units of the City, as opposed to by the primary government. Properties qualifying for these tax exemptions, as approved by the applicable governing body, are taxed at 50% of the millage rate applicable to the specified property. The amount of such abatements are not significant and have no impact on the current tax revenues of the primary government.

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this Act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. The City's Brownfield redevelopment authority had no activity during fiscal year 2021.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

16. CONTINGENT LIABILITIES

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

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

17. PENSION PLANS

Employees' Retirement System

General Information About the Plan

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

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers at 2.25%. Participants are considered to be fully vested in the plan after 10 years. Normal retirement age is 60 with early retirement at age 50 with 25 years of service, or age 55 with 15 years of service, depending on division/bargaining unit.

Employees Covered by Benefit Terms. At the December 31, 2020 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	51
Inactive employees entitled to but not yet receiving benefits	54
Active employees	<u>40</u>
Total membership	<u><u>145</u></u>

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

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Employer and employee contribution amounts or rates, by division/bargaining unit, were as follows for the year ended June 30, 2021:

Division/Bargaining Unit	Employer Contribution	Employee Contribution	Status
01 - General	\$34,497/month	0.00%	Closed
02 - Police/Fire	\$12,713/month	3.50%	Closed
03 - Gnrl 12/12 & Pol/Fi 7/16	8.50%	0.00%	Open
20 - Pol/Fi aft 7/16	7.94%	7.00%	Open

Net Pension Asset. The City's net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.35%, net of investment and administrative expense including inflation

The base mortality tables used are constructed as described below and are based on amount weighted sex distinct rates:

- Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120.
- Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120.
- Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the most recent actuarial experience study of 2014-2018.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	5.25%	3.15%
Global fixed income	20.0%	1.25%	0.25%
Private investments	<u>20.0%</u>	7.25%	1.45%
	<u>100.0%</u>		
Inflation			2.50%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return			<u><u>7.60%</u></u>

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2020 was 7.6%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Changes in Net Pension Asset

The components of the change in the net pension asset are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at December 31, 2019	\$ 15,787,424	\$ 19,483,774	\$ (3,696,350)
Changes for the year:			
Service cost	234,003	-	234,003
Interest	1,169,372	-	1,169,372
Differences between expected and actual experience	(350,087)	-	(350,087)
Changes in assumptions	482,752	-	482,752
Employer contributions	-	43,253	(43,253)
Employee contributions	-	103,080	(103,080)
Net investment income	-	2,412,858	(2,412,858)
Benefit payments, including refunds of employee contributions	(1,027,097)	(1,027,097)	-
Administrative expense	(8,803)	(8,803)	-
Other changes	-	(38,731)	38,731
Net changes	<u>500,140</u>	<u>1,484,560</u>	<u>(984,420)</u>
Balances at December 31, 2020	<u>\$ 16,287,564</u>	<u>\$ 20,968,334</u>	<u>\$ (4,680,770)</u>

Changes in assumptions. A 5-year experience study analyzing historical experience from 2013 through 2018 was completed in February 2020. In addition to changes to the economic assumptions which took effect with the fiscal year 2021 contribution rates, the experience study recommended updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Sensitivity of the Net Pension Asset to Changes in the Discount Rate. The following presents the net pension asset of the City, calculated using the discount rate of 7.6%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1% lower (6.6%) or 1% higher (8.6%) than the current rate:

1% Decrease (6.6%)	Current Discount Rate (7.6%)	1% Increase (8.6%)
\$ (2,878,179)	\$ (4,680,770)	\$ (6,197,242)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

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

For the year ended June 30, 2021, the City recognized pension expense of \$(47,291). The City reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ -	\$ 175,043	\$ (175,043)
Changes in assumptions	241,376	-	241,376
Net difference between projected and actual earnings on pension plan investments	-	698,146	(698,146)
	<u>241,376</u>	<u>873,189</u>	<u>(631,813)</u>
Contributions subsequent to the measurement date	26,831	-	26,831
Total	<u>\$ 268,207</u>	<u>\$ 873,189</u>	<u>\$ (604,982)</u>

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to the pension will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2022	\$ (75,521)
2023	46,841
2024	(409,656)
2025	<u>(193,477)</u>
Total	<u>\$ (631,813)</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Payable to the Pension Plan. At June 30, 2021, the City had no amounts payable for contributions to the pension plan.

For governmental activities, the obligations related to the total pension liability are generally liquidated by the general fund.

Police and Fire Pension System

General Information About the Plan

Plan Administration. The Police and Fire Retirement System is a single-employer defined benefit pension plan that is administered by the City Police and Fire Employees' Retirement System (the "System"); this plan covers all full-time police and fire employees of the City. The System provides retirement, disability, and death benefits to plan members and their beneficiaries. Cost of living adjustments are provided to members and beneficiaries. The System is included the City's financial report as a pension fiduciary component unit. Separate plan financial statements are also available for the System. Reports for the system can be obtained from the City's Finance Department, 1 South Huron Street, 4th Floor, Ypsilanti, MI 48197.

The financial statements of the System are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Investments that do not have established market values are reported at estimated fair values as determined by the custodian under the direction of the Retirement Board with the assistance of a valuation service. Administrative costs are financed through investment earnings.

Benefits provided. The System provides retirement, disability, and death benefits. Generally, retirement benefits are calculated as a percentage of the member's final average compensation (AFC) for a certain number of years times the member's years of service as summarized in the following table:

Eligibility	Benefits
20 or more years of service (25 years for Fire Chief) regardless of age or age 60 regardless of service.	Straight life pension equals 3.0% of three-year AFC times years of service for police and 3.0% of AFC times first 25 years of service, plus 1.0% of AFC times years of service in excess of 25 years, for fire. Additional benefit provisions apply to COAM members depending on hire dates.
25 or more years of service regardless of age for fire members hired after July 1, 2009	Straight life pension equals 2.5% of three-year AFC times years of service, with a 75% maximum.
25 or more years of service regardless of age for POAM/COAM members hired after July 1, 2009	Straight life pension equals 2.0% of three-year AFC times years of service.
Members hired after July 1, 2012	Same as members hired after July 1, 2009, except there is no annuity withdrawal options.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Retirees who are receiving benefits below the estimated federal and state poverty levels have their benefits increased up to the poverty level.

Management of the System is vested in the Retirement Board of the City Police and Fire Retirement System, which consists of five members: two that are elected (one each representing fire and police employees), two that are appointed by the City Council of the City and one that is the Treasurer of the City.

Employees Covered by Benefit Terms. At the June 30, 2020 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	122
Inactive employees entitled to but not yet receiving benefits	3
Active employees	<u>45</u>
Total membership	<u><u>170</u></u>

Contributions. The obligation to contribute to the System for these employees was established by City ordinances and state statute and requires a contribution from the employees of 10.0% of gross wages for plan members hired prior to July 1, 2009 and 5% of gross wages for plan members hired after July 1, 2009. The funding policy provides for periodic employer contributions at actuarially determined rates; the current rate is 61.56% of covered payroll.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2020 (rolled forward to June 30, 2021), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.0% - 8.5%, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation.
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation.
Mortality rate	PubS-2010 Health Retiree Mortality Table for males and females with fully generational projection using MP-2018.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2009 through June 30, 2017.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Deferred Retirement Option Program (DROP). In lieu of retiring and receiving a monthly benefit, an eligible participant may elect to participate in the DROP by making an irrevocable election to terminate employment with the City and retire upon ceasing participation in the DROP. The DROP election must specify the future retirement date which must be within the maximum time period permitted (typically 3 to 5 years, based on bargaining unit and hire date). Upon entry in the DROP, the participant ceases to accrue years of service in the defined benefit pension plan. The participant remains an employee of the City for all other purposes, but the retirement benefit payment is calculated, and payments commence into a separate, restricted account. These monthly payments, along with interest earnings thereon, are not distributed to the participant until employment has terminated. DROP activity for the fiscal year ended June 30, 2021 is as follows:

Beginning balance	\$	1,904,346
Credits		195,428
Interest		79,159
Distributions		(203,247)
Adjustments		6,500
Ending Balance	\$	<u>1,982,186</u>

Long-term expected rate of return. The long-term expected rate of return on pension System investments 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.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	50.0%	7.67%
Domestic fixed income	15.0%	4.80%
International equity	33.0%	7.20%
Money market funds	2.0%	2.30%
	<u>100.0%</u>	

Discount rate. A single discount rate of 7.0% was used to measure the total pension liability. The single discount rate was based on an expected rate of return on pension plan investments of 7.0%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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)
Balances at June 30, 2020	\$ 50,485,022	\$ 24,396,792	\$ 26,088,230
Changes for the year:			
Service cost	566,096	-	566,096
Interest	3,415,305	-	3,415,305
Differences between expected and actual experience	(263,557)	-	(263,557)
Employer contributions	-	2,493,821	(2,493,821)
Employee contributions	-	239,284	(239,284)
Net investment income	-	7,821,980	(7,821,980)
Benefit payments, including refunds of employee contributions	(3,955,990)	(3,955,990)	-
Administrative expense	-	(63,529)	63,529
Net changes	<u>(238,146)</u>	<u>6,535,566</u>	<u>(6,773,712)</u>
Balances at June 30, 2021	<u>\$ 50,246,876</u>	<u>\$ 30,932,358</u>	<u>\$ 19,314,518</u>

Sensitivity of the net pension liability to changes in the discount rate. Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it were calculated using a single discount rate that is 1% lower or 1% higher than the single discount rate:

	1% Decrease (6.0%)	Current Single Discount Rate (7.0%)	1% Increase (8.0%)
Plan net pension liability	\$ 25,066,185	\$ 19,314,518	\$ 14,649,824

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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

For the year ended June 30, 2021, the City recognized pension expense of \$1,440,968. At June 30, 2021, the City reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 21,802	\$ 179,669	\$ (157,867)
Changes in assumptions	114,702	-	114,702
Net difference between projected and actual earnings on pension plan investments	-	4,037,210	(4,037,210)
Total	<u>\$ 136,504</u>	<u>\$ 4,216,879</u>	<u>\$ (4,080,375)</u>

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

Year Ended June 30,	Amortization
2022	\$ (837,330)
2023	(941,844)
2024	(1,069,356)
2025	<u>(1,231,845)</u>
	<u>\$ (4,080,375)</u>

For governmental activities, the net pension liability is generally liquidated by the general fund.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

18. OTHER POSTEMPLOYMENT BENEFITS

MERS RHFV Defined Benefit Other Postemployment Benefits Plan

General Information About the Plan

Plan Administration. The City provides postemployment healthcare benefits to substantially all full-time employees, hired prior to 2010, who retire from the City under one of its two pension plans. The extent of the cost of those benefits paid by the City are dependent upon a variety of factors including hire date, retirement date, years of service and bargaining unit. The plan is treated as a single-employer defined benefit healthcare plan administered by the City; the plan utilizes a retirement health funding vehicle trust established with the Municipal Employees Retirement System of Michigan to invest plan assets. The plan was adopted and established by action of the City Council. The plan is reported as an other employee benefit trust fund in the accompanying financial statements. The plan does not issue a separate or stand-alone report.

The plan's financial statements are prepared using the accrual basis of accounting. Plan contributions are recognized in the period in which the contributions are due and the employer has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan Membership. At the June 30, 2020 valuation date, OPEB Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	151
Active plan members	<u>50</u>
Total membership	<u><u>201</u></u>

Benefits Provided. Retirees and their dependents may elect coverage under the City's health program for current active employees. Certain retirees have grandfathered benefit plans. The City pays a range of percentages of medical, dental and optical coverage for retirees, and in certain instances, contributions toward spouse/dependent coverage. a portion of the cost of coverage, depending on the retiree's hire date, years of service, and union affiliation, as applicable. Retirees must be at least 50 when separating from active employment and receiving pension benefits to be eligible. Retirees may elect for additional coverage at their cost. Retirees electing to opt-out of the health care plan are eligible to a stipend for coverage under another plan. City public safety employees hired on or after July 1, 2012, and all other City employees hired on or after July 1, 2010, are not eligible to receive coverage under this Plan.

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 not required to contribute to the Plan.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Investments

As permitted under the Public Employees Health Care Funds Public Act 149 of 1999, the City Council established a Public Employee Health Care Fund by adoption of a resolution. That resolution provides for the Michigan Employee's Retirement System (MERS) to act as Retiree Health Funding Vehicle (RHFV) Investment Fiduciary and Trustee. The City funds the RHFV Trust sub-fund to provide for health care benefits for eligible employees that qualify for such benefits as approved by the City Council and applicable collective bargaining agreements. The resolution also directs the Finance Director of the City to be its RHFV coordinator, which gives that person the authority to direct payment of fund monies to eligible employees, make investment allocations of the sub trust fund within MERS-approved portfolios and, in general, act on behalf of the City as it relates to the administrative duties relating to the fund. The City invests in the MERS Total Market Portfolio which is a diversified portfolio with the objective of providing current income and capital appreciation while minimizing the volatility of capital markets.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global fixed income	20.0%	0.25%	0.05%
Global equity	60.0%	3.15%	1.89%
Private markets	20.0%	1.45%	0.29%
	<u>100.0%</u>		
Inflation			2.50%
Risk factor adjustment			<u>2.27%</u>
Investment rate of return			<u><u>7.00%</u></u>

The long-term expected rate of return on other postemployment benefit plan investments is 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, 2021 have not been formally adopted but are closely monitored by the Board of Trustees.

Discount Rate. A single discount rate of 7.00% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020 (rolled forward to June 30, 2021), using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	3.5%
Retirement age	Graded by age and service
Healthcare cost trend rates	6.85% in 2020, grading to 4.5% in 2030

Although no specific price inflation assumptions are needed for the valuation, the 2.50% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

Mortality rates were according to the Pub-2010 base rates projected fully generationally with scale MP2020. Public Safety rate were assumed for Police and Firefighters and General rates were assumed for all others.

Changes in Net OPEB Liability

The components of the change in the net OPEB liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020	\$ 21,864,557	\$ 7,701,261	\$ 14,163,296
Changes for the year:			
Service cost	172,980	-	172,980
Interest	1,487,319	-	1,487,319
Differences between expected and actual experience	(53,250)	-	(53,250)
Employer contributions	-	1,924,115	(1,924,115)
Net investment income	-	1,511,790	(1,511,790)
Other revenue	-	20,722	(20,722)
Benefit payments, including refunds of employee contributions	(1,234,274)	(1,234,274)	-
Net changes	<u>372,775</u>	<u>2,222,353</u>	<u>(1,849,578)</u>
Balances at June 30, 2021	<u><u>\$ 22,237,332</u></u>	<u><u>\$ 9,923,614</u></u>	<u><u>\$ 12,313,718</u></u>

CITY OF YPSILANTI, MICHIGAN

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 7.0%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Plan net OPEB liability	\$ 15,241,307	\$ 12,313,718	\$ 9,927,633

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 6.85%, 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% lower (5.85%) or 1% higher (7.85%) than the current rate:

	1% Decrease (5.85% graded down to 3.5%)	Current Healthcare Cost Trend Rate (6.85% graded down to 4.5%)	1% Increase (7.85% graded down to 5.5%)
Plan net OPEB liability	\$ 9,947,838	\$ 12,313,718	\$ 15,213,412

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the City recognized OPEB expense of \$1,013,805. The City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 34,483	\$ 10,427	\$ 24,056
Net difference between projected and actual earnings on OPEB plan investments	-	452,483	(452,483)
	<u>\$ 34,483</u>	<u>\$ 462,910</u>	<u>\$ (428,427)</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

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

Year Ended June 30,	Amortization
2022	\$ (39,989)
2023	(69,688)
2024	(124,895)
2025	<u>(193,855)</u>
Total	<u>\$ (428,427)</u>

Payable to the OPEB Plan. At June 30, 2021, the City had no amounts payable for contributions to the OPEB plan.

For the governmental activities, the net OPEB liability is generally liquidated by the general fund.

MERS Health Care Savings Program

Plan Description. The City’s defined contribution OPEB plan (MERS Health Care Savings Program) provides certain health care benefits to plan members and legal dependents upon termination of employment. The MERS Health Care Savings Program became operational in June 2004 and was made available to all municipalities in Michigan. The employer-sponsored program provides medical reimbursement accounts to participants. Medical expenses are reimbursed, as defined in IRS Code Section 213, once participants terminate employment, are on medical leave for six months or longer, or are on disability from any public pension plan. There are four types of contributions that may be used in the program: 1) Basic Employer (tax-favored); 2) Mandatory Salary Reductions (tax-favored); 3) Mandatory Leave Conversions (tax-favored); and 4) Voluntary Employee Contributions (post-tax).

Contributions. City public safety employees hired on or after July 1, 2012, and all other City employees hired on or after July 1, 2010, are provided a health care savings account and the City will contribute \$150 per month to each fund. There are no contribution requirements for employees. For the fiscal year ended June 30, 2021, the City contributed \$160,974 to employee health care savings accounts.

Benefit Terms. Employees are vested in the employer contributions and earnings on those contributions after 3 years of service and become fully vested after completion 10 years of creditable service with the City.

Forfeiture Amounts. Nonvested employer contributions are forfeited upon termination of employment. Such forfeitures are used to cover future employer contributions, be directed to the City’s Retiree Health Funding Vehicle, or be equally distributed among all remaining active participants in the Plan.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

19. NET INVESTMENT IN CAPITAL ASSETS

Following is a summary of net investment in capital assets, as presented in the government-wide statement of net position:

	Governmental Activities
Capital assets:	
Capital assets not being depreciated	\$ 2,482,497
Capital assets being depreciated, net	<u>13,682,167</u>
	16,164,664
Less: long-term liabilities:	
Direct borrowings	<u>340,000</u>
Net investment in capital assets	<u>\$ 15,824,664</u>

The general obligation bonds were used to finance remediation activities on land held for resale. The DWRP revenue bonds' proceeds were contributed to the Ypsilanti Community Utilities Authority for various water and sewer improvements and construction on their infrastructure (see Note 23).

20. RESTATEMENT

The City adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, in the current year. As a result of this change, beginning net position of governmental activities was decreased by \$2,292,640, and beginning net position of the pension and other postemployment benefits trust funds was increased by \$7,701,261.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

21. FUND BALANCES

Following is a summary of the components of fund balances of the governmental funds as of June 30, 2021:

	General	Major Streets	Capital Improvement Reserve	2013 Revenue Bond	Nonmajor Governmental Funds	Total
Nonspendable						
Inventories	\$ 208,500	\$ -	\$ -	\$ -	\$ -	\$ 208,500
Prepaid items	73,858	-	-	-	-	73,858
	<u>282,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>282,358</u>
Restricted						
Highways and streets	-	3,351,953	-	-	1,612,663	4,964,616
Public safety	-	-	-	-	191,251	191,251
Public works	-	-	-	-	102,230	102,230
Public transportation	-	-	-	-	5,794	5,794
Debt service	-	-	-	-	832,716	832,716
Land held for resale	-	-	-	-	1,150,450	1,150,450
	<u>-</u>	<u>3,351,953</u>	<u>-</u>	<u>-</u>	<u>3,895,104</u>	<u>7,247,057</u>
Committed						
Active employees cumulative benefits	927,143	-	-	-	-	927,143
Energy efficiency conservation project	507,580	-	-	-	-	507,580
Peninsular dam	500,000	-	-	-	-	500,000
Train stop project	2,000,000	-	-	-	-	2,000,000
Capital projects	-	-	384,561	1,625,141	215,759	2,225,461
	<u>3,934,723</u>	<u>-</u>	<u>384,561</u>	<u>1,625,141</u>	<u>215,759</u>	<u>6,160,184</u>
Unassigned						
	<u>5,234,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,234,303</u>
Total fund balance	<u>\$ 9,451,384</u>	<u>\$ 3,351,953</u>	<u>\$ 384,561</u>	<u>\$ 1,625,141</u>	<u>\$ 4,110,863</u>	<u>\$ 18,923,902</u>

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

22. LAND HELD FOR RESALE

The City has been engaged in a multiyear contaminated property redevelopment project referred to as the Water Street Redevelopment Project. As a part of this project, involving funding from bond issues, federal grants and loans, and City resources, the City acquired various parcels of land in the Water Street area and undertook a process of preparing and marketing the property for resale. The property is reported by the City as land held for resale and recorded at acquisition cost and valued at the lower of cost or market (since it is not held as an investment or for investment purposes).

The City also owns approximately four acres of property located at 220 N. Park. The City acquired the property from tax reversion. The City has issued a request for proposals to sell the property for development.

23. JOINT VENTURE

The City is a member of the Ypsilanti Community Utilities Authority (YCUA), which provides water and wastewater services to the residents of the City, Ypsilanti Township, and other adjacent municipalities. The City appoints two of the five members of the joint venture's governing board. The joint venture does not involve an explicit, measurable equity interest; hence it is not recorded as an asset in the City's financial statements. Complete financial statements for YCUA can be obtained from its administrative offices at 2777 State Street, Ypsilanti, Michigan.

The City has issued various revenue bonds on behalf of YCUA. Proceeds from the issues are contributed to YCUA for various water and sewer improvements and construction. YCUA reimburses the City annually for debt service payments, with income derived from water and sewer use rates. The City has recorded a lease receivable on its government-wide statement of net position for the principal balance of the bonds drawn to date by YCUA, which is reported net of fund balance amounts in the related debt service funds maintained by the City.

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

24. COMBINING FINANCIAL INFORMATION - PENSION AND OTHER POSTEMPLOYMENT TRUST FUNDS

Financial statements for pension and other postemployment benefits trust funds are as follows:

	Pension and Other Postemployment Benefits Trust Funds Net Position		
	Police and Fire Employees' Retirement System Pension Trust Fund	Other Post- employment Benefits Trust Fund	Total
Assets			
Pooled cash and investments	\$ 1,305,524	\$ 2,946,765	\$ 4,252,289
Investments, at fair value:			
U.S. agencies	1,922,212	-	1,922,212
U.S. treasuries	524,042	-	524,042
Corporate bonds	4,652,679	-	4,652,679
Domestic equities	18,499,418	-	18,499,418
International equities	2,824,794	-	2,824,794
Mutual funds	2,361,786	-	2,361,786
Real estate investment trusts	259,429	-	259,429
MERS retiree health funding vehicle	-	6,912,053	6,912,053
Money market accounts	567,727	-	567,727
Due from other governments	-	4,526	4,526
Prepaid items	-	60,270	60,270
Total assets	32,917,611	9,923,614	42,841,225
Liabilities			
Benefits payable	1,985,254	-	1,985,254
Net position			
Restricted for:			
Pension benefits	30,932,357	-	30,932,357
Other postemployment benefits	-	9,923,614	9,923,614
Total Net Position	\$ 30,932,357	\$ 9,923,614	\$ 40,855,971

CITY OF YPSILANTI, MICHIGAN

Notes to Financial Statements

	Changes in Pension and Other Postemployment Benefits Net Position		
	Police and Fire Employees' Retirement System Pension Trust Fund	Other Post-employment Benefits Trust Fund	Total
Additions			
Contributions:			
Employer	\$ 2,493,821	\$ -	\$ 2,493,821
Plan members	239,284	-	239,284
Other postemployment	-	1,924,115	1,924,115
Total contributions	<u>2,733,105</u>	<u>1,924,115</u>	<u>4,657,220</u>
Other revenue	<u>-</u>	<u>20,722</u>	<u>20,722</u>
Investment income:			
Net change in fair value of investments	7,477,940	1,503,434	8,981,374
Interest	<u>523,661</u>	<u>8,356</u>	<u>532,017</u>
Total investment income	<u>8,001,601</u>	<u>1,511,790</u>	<u>9,513,391</u>
Less: investment expense	<u>(179,620)</u>	<u>-</u>	<u>(179,620)</u>
Net investment income	<u>7,821,981</u>	<u>1,511,790</u>	<u>9,333,771</u>
Total additions	<u>10,555,086</u>	<u>3,456,627</u>	<u>14,011,713</u>
Deductions			
Benefits	3,762,011	1,234,274	4,996,285
Refunds	193,979	-	193,979
Administration	<u>63,530</u>	<u>-</u>	<u>63,530</u>
Total deductions	<u>4,019,520</u>	<u>1,234,274</u>	<u>5,253,794</u>
Change in net position	<u>6,535,566</u>	<u>2,222,353</u>	<u>8,757,919</u>
Net position, beginning of year	<u>24,396,791</u>	<u>7,701,261</u>	<u>32,098,052</u>
Net position, end of year	<u>\$ 30,932,357</u>	<u>\$ 9,923,614</u>	<u>\$ 40,855,971</u>

25. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the City's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the City for providing emergency services to its citizens. At this time, management does not believe that any ongoing negative financial impact related to the pandemic, if any, would be material to the City.



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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Employees' Retirement System

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

	Fiscal Year Ended June 30,			
	2021	2020	2019	2018
Change in total pension liability				
Service cost	\$ 234,003	\$ 234,864	\$ 235,814	\$ 260,883
Interest	1,169,372	1,103,826	1,136,153	1,114,331
Differences between expected and actual experience	(350,087)	37,507	(80,784)	(231,608)
Changes of assumptions	482,752	462,057	-	-
Benefit payments, including refunds of member contributions	(1,027,097)	(1,031,038)	(906,156)	(810,433)
Other	(8,803)	58,096	-	-
Net change in total pension liability	<u>500,140</u>	<u>865,312</u>	<u>385,027</u>	<u>333,173</u>
Total pension liability, beginning	<u>15,787,424</u>	<u>14,922,112</u>	<u>14,537,085</u>	<u>14,203,912</u>
Total pension liability, ending (a)	<u>16,287,564</u>	<u>15,787,424</u>	<u>14,922,112</u>	<u>14,537,085</u>
Change in plan fiduciary net position				
Contributions - employer	43,253	32,835	33,752	38,443
Contributions - employee	103,080	100,383	107,886	112,810
Net investment income (loss)	2,412,858	2,413,922	(749,695)	2,348,356
Benefit payments, including refunds of member contributions	(1,027,097)	(1,031,038)	(906,156)	(810,433)
Administrative expense and other changes	(47,534)	(41,568)	(37,602)	(37,212)
Net change in plan fiduciary net position	<u>1,484,560</u>	<u>1,474,534</u>	<u>(1,551,815)</u>	<u>1,651,964</u>
Plan fiduciary net position, beginning	<u>19,483,774</u>	<u>18,009,240</u>	<u>19,561,055</u>	<u>17,909,091</u>
Plan fiduciary net position, ending (b)	<u>20,968,334</u>	<u>19,483,774</u>	<u>18,009,240</u>	<u>19,561,055</u>
City's net pension asset, ending (a)-(b)	<u>\$ (4,680,770)</u>	<u>\$ (3,696,350)</u>	<u>\$ (3,087,128)</u>	<u>\$ (5,023,970)</u>
Plan fiduciary net position as a percentage of the total pension liability	128.74%	123.41%	120.69%	134.56%
Covered payroll	\$ 2,045,964	\$ 2,037,810	\$ 2,031,338	\$ 2,202,714
City's net pension asset as a percentage of covered payroll	-228.78%	-181.39%	-151.98%	-228.08%

See notes to required supplementary information.



Fiscal Year Ended June 30,		
2017	2016	2015

\$ 270,060	\$ 297,939	\$ 261,667
1,130,555	1,026,796	1,018,946
(769,105)	27,391	-
-	758,423	-
(849,021)	(814,387)	(814,923)
-	32,088	-
<u>(217,511)</u>	<u>1,328,250</u>	<u>465,690</u>
<u>14,421,423</u>	<u>13,093,173</u>	<u>12,627,483</u>
<u>14,203,912</u>	<u>14,421,423</u>	<u>13,093,173</u>

37,997	16,098	-
120,245	118,023	109,007
1,886,365	(260,995)	1,089,980
(849,021)	(814,387)	(814,923)
(37,254)	(38,466)	(39,926)
<u>1,158,332</u>	<u>(979,727)</u>	<u>344,138</u>
<u>16,750,759</u>	<u>17,730,486</u>	<u>17,386,348</u>
<u>17,909,091</u>	<u>16,750,759</u>	<u>17,730,486</u>
<u>\$ (3,705,179)</u>	<u>\$ (2,329,336)</u>	<u>\$ (4,637,313)</u>

126.09%	116.15%	135.42%
\$ 2,263,584	\$ 2,440,537	\$ 2,116,057
-163.69%	-95.44%	-219.15%

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Police and Fire Pension Plan

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

	Fiscal Year Ended June 30,			
	2021	2020	2019	2018
Change in total pension liability				
Service cost	\$ 566,096	\$ 513,082	\$ 427,454	\$ 410,415
Interest	3,415,305	3,382,970	3,401,642	3,329,509
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(263,557)	79,724	(46,777)	989,272
Changes of assumptions	-	419,434	3,049,619	-
Benefit payments, including refunds of member contributions	(3,955,990)	(3,963,579)	(3,840,067)	(3,711,871)
Net change in total pension liability	<u>(238,146)</u>	<u>431,631</u>	<u>2,991,871</u>	<u>1,017,325</u>
Total pension liability, beginning	<u>50,485,022</u>	<u>50,053,391</u>	<u>47,061,520</u>	<u>46,044,195</u>
Total pension liability, ending (a)	<u>50,246,876</u>	<u>50,485,022</u>	<u>50,053,391</u>	<u>47,061,520</u>
Change in plan fiduciary net position				
Contributions - employer	2,493,821	2,026,131	1,517,865	1,466,261
Contributions - employee	239,284	218,505	200,724	171,520
Net investment income (loss)	7,821,980	843,733	923,634	2,087,588
Benefit payments, including refunds of member contributions	(3,955,990)	(3,963,579)	(3,840,067)	(3,711,871)
Administrative expense	(63,529)	(63,035)	(68,881)	(70,982)
Net change in plan fiduciary net position	<u>6,535,566</u>	<u>(938,245)</u>	<u>(1,266,725)</u>	<u>(57,484)</u>
Plan fiduciary net position, beginning	<u>24,396,792</u>	<u>25,335,037</u>	<u>26,601,762</u>	<u>26,659,246</u>
Plan fiduciary net position, ending (b)	<u>30,932,358</u>	<u>24,396,792</u>	<u>25,335,037</u>	<u>26,601,762</u>
City's net pension liability, ending (a)-(b)	<u>\$ 19,314,518</u>	<u>\$ 26,088,230</u>	<u>\$ 24,718,354</u>	<u>\$ 20,459,758</u>
Plan fiduciary net position as a percentage of the total pension liability	61.56%	48.32%	50.62%	56.53%
Covered payroll	\$ 3,204,912	\$ 3,171,434	\$ 2,794,588	\$ 2,844,954
City's net pension liability as a percentage of covered payroll	602.65%	822.60%	884.51%	719.16%

See notes to required supplementary information.



Fiscal Year Ended June 30,			
2017	2016	2015	2014
\$ 483,184	\$ 624,175	\$ 767,076	\$ 417,399
3,334,772	3,377,822	3,248,978	3,244,001
-	-	-	88,956
297,192	-	481,589	(212,827)
-	-	1,407,285	(203,836)
(4,585,964)	(4,425,057)	(3,806,050)	(3,078,288)
(470,816)	(423,060)	2,098,878	255,405
<u>46,515,011</u>	<u>46,938,071</u>	<u>44,839,193</u>	<u>44,583,788</u>
<u>46,044,195</u>	<u>46,515,011</u>	<u>46,938,071</u>	<u>44,839,193</u>
1,355,989	1,240,657	1,395,423	1,358,167
208,502	234,471	274,671	275,422
2,619,925	(253,617)	1,002,019	4,982,234
(4,585,964)	(4,425,057)	(3,806,050)	(3,078,288)
(72,546)	(67,345)	(59,069)	(60,012)
(474,094)	(3,270,891)	(1,193,006)	3,477,523
<u>27,133,340</u>	<u>30,404,231</u>	<u>31,597,237</u>	<u>28,119,714</u>
<u>26,659,246</u>	<u>27,133,340</u>	<u>30,404,231</u>	<u>31,597,237</u>
<u>\$ 19,384,949</u>	<u>\$ 19,381,671</u>	<u>\$ 16,533,840</u>	<u>\$ 13,241,956</u>
57.90%	58.33%	64.78%	70.47%
\$ 3,174,402	\$ 3,170,835	\$ 3,298,809	\$ 3,440,059
610.66%	611.25%	501.21%	384.93%

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Schedule of City Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Employees' Retirement System (MERS)					
6/30/2021	\$ 52,504	\$ 52,504	\$ -	\$ 2,585,092	2.03%
6/30/2020	35,139	35,139	-	2,407,228	1.46%
6/30/2019	31,043	31,043	-	2,337,851	1.33%
6/30/2018	31,699	31,699	-	2,463,975	1.29%
6/30/2017	41,680	41,680	-	2,336,356	1.78%
6/30/2016	48,530	48,530	-	2,350,653	2.06%
6/30/2015	-	-	-	2,116,057	0.00%
Police and Fire Pension					
6/30/2021	\$ 2,493,821	\$ 2,493,821	\$ -	\$ 3,204,912	77.81%
6/30/2020	2,026,131	2,026,131	-	3,171,434	63.89%
6/30/2019	1,517,865	1,517,865	-	2,794,588	54.31%
6/30/2018	1,466,261	1,466,261	-	2,844,954	51.54%
6/30/2017	1,355,989	1,355,989	-	3,174,402	42.72%
6/30/2016	1,240,657	1,240,657	-	3,170,835	39.13%
6/30/2015	1,395,423	1,395,423	-	3,298,809	42.30%
6/30/2014	1,347,529	1,358,167	(10,638)	3,440,059	39.48%

See notes to required supplementary information.

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Schedule of Investment Returns

Fiscal Year Ended	Annual Money- Weighted Rate of Return, Net of Investment Expense
Police and Fire Pension	
6/30/2021	31.77%
6/30/2020	3.56%
6/30/2019	3.92%
6/30/2018	8.35%
6/30/2017	10.34%
6/30/2016	-27.00%
6/30/2015	3.70%
6/30/2014	19.22%

See notes to required supplementary information.

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Other Postemployment Benefits Plan

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

	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Change in total OPEB liability					
Service cost	\$ 172,980	\$ 342,439	\$ 367,312	\$ 331,725	\$ 272,161
Interest	1,487,319	1,761,197	1,699,532	1,389,225	1,344,933
Changes of benefit terms	-	(2,162,005)	-	-	-
Differences between expected and actual experience	(53,250)	(2,292,169)	225,529	(1,792,674)	388,347
Changes of assumptions	-	(249,307)	-	4,358,987	3,631,280
Benefit payments, including refunds of member contributions	(1,234,274)	(1,391,112)	(1,431,762)	(1,330,100)	(1,063,766)
Net change in total OPEB liability	<u>372,775</u>	<u>(3,990,957)</u>	<u>860,611</u>	<u>2,957,163</u>	<u>4,572,955</u>
Total OPEB liability, beginning	<u>21,864,557</u>	<u>25,855,514</u>	<u>24,994,903</u>	<u>22,037,740</u>	<u>17,464,785</u>
Total OPEB liability, ending (a)	<u>22,237,332</u>	<u>21,864,557</u>	<u>25,855,514</u>	<u>24,994,903</u>	<u>22,037,740</u>
Change in plan fiduciary net position					
Contributions - employer	1,924,115	1,614,933	1,457,080	1,579,641	1,392,235
Contributions - member	-	-	-	-	-
Net investment income	1,511,790	174,251	218,970	396,722	398,295
Other revenue	20,722	-	-	-	-
Benefit payments, including refunds of member contributions	(1,234,274)	(1,391,112)	(1,431,762)	(1,330,100)	(1,063,766)
Net change in plan fiduciary net position	<u>2,222,353</u>	<u>398,072</u>	<u>244,288</u>	<u>646,263</u>	<u>726,764</u>
Plan fiduciary net position, beginning	<u>7,701,261</u>	<u>7,303,189</u>	<u>7,058,901</u>	<u>6,412,638</u>	<u>5,685,874</u>
Plan fiduciary net position, ending (b)	<u>9,923,614</u>	<u>7,701,261</u>	<u>7,303,189</u>	<u>7,058,901</u>	<u>6,412,638</u>
City's net OPEB liability, ending (a)-(b)	<u>\$ 12,313,718</u>	<u>\$ 14,163,296</u>	<u>\$ 18,552,325</u>	<u>\$ 17,936,002</u>	<u>\$ 15,625,102</u>
Plan fiduciary net position as a percentage of the total OPEB liability	44.63%	35.22%	28.25%	28.24%	29.10%
Covered payroll	\$ 1,836,749	\$ 2,158,140	\$ 4,493,655	\$ 4,341,696	\$ 4,499,309
City's net OPEB liability as a percentage of covered payroll	670.41%	656.27%	412.86%	413.11%	347.28%

See notes to required supplementary information.

CITY OF YPSILANTI, MICHIGAN

Required Supplementary Information

Other Postemployment Benefits Plan
Schedule of City Contributions

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 1,265,947	\$ 1,924,115	\$ (658,168)	\$ 1,836,749	104.76%
2020	1,614,933	1,614,933	-	2,158,140	74.83%
2019	1,457,080	1,457,080	-	4,493,655	32.43%
2018	1,579,641	1,579,641	-	4,341,696	36.38%
2017	1,434,981	1,434,981	-	4,499,309	31.89%

See notes to required supplementary information.

CITY OF YPSILANTI, MICHIGAN

Notes to Required Supplementary Information

Pension Information

GASB 67 was implemented in fiscal year 2014 for the Police and Fire Pension Plan, and GASB 68 in fiscal year 2015 for the Municipal Employees' Retirement System. This schedule is being built prospectively. Ultimately, ten years of data will be presented.

Municipal Employees' Retirement System

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2021:
Amounts reported as changes of assumptions resulted primarily from updates to demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.
- 2020:
The Plan experienced a change in actuarial assumptions, reducing the discount rate from 8.0% to 7.6% and salary increases were decreased from 3.75% to 3.0%.
- 2016:
The Plan experienced a change in actuarial assumptions, updating the mortality tables used from 1994 Group Annuity Mortality Table to the RP-2014 Health Mortality Table and a reduction in the salary increases from 4.5% to 3.75%.

Notes to Schedule of City Contributions - MERS

Valuation date December 31, 2018

Notes Actuarially determined contribution rates are calculated as of the December 31 that is 18 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry age normal
Amortization method:	Level percentage of payroll, open
Remaining amortization period:	20 years
Asset valuation method	5-year smoothed market
Inflation:	2.5%
Salary increases:	3.75%
Investment rate of return:	7.75%, net of investment and administrative expense including inflation
Retirement age:	Age 60
Mortality rates	50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables, and the RP-2014 Juvenile Mortality Tables.

CITY OF YPSILANTI, MICHIGAN

Notes to Required Supplementary Information

Police and Fire Pension Plan

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2020:
The Plan experienced a change in actuarial assumptions that included an update to mortality tables used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement.
- 2019:
The Plan experienced a change in actuarial assumptions that included a reduction in the discount rate assumption from 7.5% to 7.0% and a reduction in the salary increases assumption from 4.0% to 3.0%.
- 2015:
The Plan experienced a change in actuarial assumptions, updating the mortality tables used from RP-2000 Mortality Table to the RP-2014 Mortality Table.
- 2014:
The Plan implemented GASB Statement No. 67, resulting in a change in assumptions from those used previously under GASB Statement No. 25.

Notes to Schedule of City Contributions - Police and Fire

Valuation date June 30, 2019

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
Amortization method:	Level percentage of payroll, closed
Remaining amortization period:	19 years for 2019 valuation
Asset valuation method	5-year smoothed market
Inflation:	2.5%
Salary increases:	3.0% including inflation
Investment rate of return:	7.0%, net of pension plan investment expense, including inflation
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation.
Mortality rates	PubS-2010 Health Retiree Mortality Table for males and females with fully generational projection using MP-2018.

CITY OF YPSILANTI, MICHIGAN

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.

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2020:
Base mortality rates were changed from RP2014 to Pub-2010 with public safety rates assumed for police and firefighters and general rates assumed for others; mortality improvement scales were changed from MP2017 projected to 2018 to MP2019 projected fully generationally; and assumed health care cost inflation trend rates used were lowered.
- 2018:
The discount rate was increased from 6.5% to 7.0% and the mortality assumptions were updated to RP-2014 base rates projected to 2018 using improvement scale MP-2017.
- 2017:
The Plan implemented GASB Statement No. 74, resulting in a change in assumptions from those previously used under GASB Statement No. 45.

Notes to Schedule of City Contributions - OPEB

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	100% of unfunded liability as a level dollar amount, closed
Remaining amortization period	30 years (26 years remaining)
Asset valuation method	Fair value
Healthcare cost trend rates	6.85% for 2021, decreasing 0.5% per year to an ultimate rate of 4.5% for 2030 and later years
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Graded by age and service
Mortality rates	Probabilities of death for participants were according to the Pub-2010 base rates projected fully generationally with scale MP2020. Public Safety rate were assumed for Police and Firefighters and General rates were assumed for all others.
Expenses	Investment and other postemployment benefit plan administrative expenses are net of the investment returns

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

CITY OF YPSILANTI, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2021

	Special Revenue	Debt Service	Capital Projects	Totals
Assets				
Pooled cash and investments	\$ 1,894,434	\$ 13,024	\$ 1,041,697	\$ 2,949,155
Accounts receivable	520	4,169	-	4,689
Due from other governments	85,667	-	-	85,667
Land held for resale	-	-	1,150,450	1,150,450
Total assets	<u>\$ 1,980,621</u>	<u>\$ 17,193</u>	<u>\$ 2,192,147</u>	<u>\$ 4,189,961</u>
Liabilities				
Accounts payable	\$ 55,546	\$ 935	\$ 1,232	\$ 57,713
Accrued liabilities	6,154	-	-	6,154
Tax refunds payable	6,983	8,248	-	15,231
Total liabilities	<u>68,683</u>	<u>9,183</u>	<u>1,232</u>	<u>79,098</u>
Fund balances				
Restricted	1,911,938	8,010	1,975,156	3,895,104
Committed	-	-	215,759	215,759
Total fund balances	<u>1,911,938</u>	<u>8,010</u>	<u>2,190,915</u>	<u>4,110,863</u>
Total liabilities and fund balances	<u>\$ 1,980,621</u>	<u>\$ 17,193</u>	<u>\$ 2,192,147</u>	<u>\$ 4,189,961</u>

CITY OF YPSILANTI, MICHIGAN

Combining Statement of Revenues, Expenditures,

and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2021

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues				
Property taxes	\$ 1,186,077	\$ 689,183	\$ -	\$ 1,875,260
Intergovernmental	943,219	31,125	1,928,927	2,903,271
Charges for services	232,157	-	67,515	299,672
Investment income	7,691	966	835	9,492
Miscellaneous	60,319	-	-	60,319
Total revenues	2,429,463	721,274	1,997,277	5,148,014
Expenditures				
Current:				
Public safety	2,500	-	-	2,500
Public works	1,442,681	-	144,284	1,586,965
Public transportation	308,218	-	-	308,218
Highways, streets and bridges	456,697	-	-	456,697
Debt service:				
Principal retirement	-	645,000	1,475,000	2,120,000
Interest and fiscal charges	-	268,768	403,927	672,695
Total expenditures	2,210,096	913,768	2,023,211	5,147,075
Revenues over (under) expenditures	219,367	(192,494)	(25,934)	939
Other financing sources (uses)				
Transfers in	365,725	190,530	-	556,255
Transfers out	(345,000)	-	-	(345,000)
Total other financing sources (uses)	20,725	190,530	-	211,255
Net change in fund balances	240,092	(1,964)	(25,934)	212,194
Fund balances, beginning of year	1,671,846	9,974	2,216,849	3,898,669
Fund balances, end of year	\$ 1,911,938	\$ 8,010	\$ 2,190,915	\$ 4,110,863

CITY OF YPSILANTI, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2021

	Local Streets	Public Safety	Garbage and Rubbish Collection	Police
Assets				
Pooled cash and investments	\$ 1,536,746	\$ 123,873	\$ 102,026	\$ 64,351
Accounts receivable	520	-	-	-
Due from other governments	82,640	3,027	-	-
Total assets	<u>\$ 1,619,906</u>	<u>\$ 126,900</u>	<u>\$ 102,026</u>	<u>\$ 64,351</u>
Liabilities				
Accounts payable	\$ 5,502	\$ -	\$ 48,223	\$ -
Accrued payroll	1,741	-	2,467	-
Tax refunds payable	-	-	5,165	-
Total liabilities	<u>7,243</u>	<u>-</u>	<u>55,855</u>	<u>-</u>
Fund balances				
Restricted for:				
Highways and streets	1,612,663	-	-	-
Public safety	-	126,900	-	64,351
Public works	-	-	46,171	-
Public transportation	-	-	-	-
Total fund balances	<u>1,612,663</u>	<u>126,900</u>	<u>46,171</u>	<u>64,351</u>
Total liabilities and fund balances	<u>\$ 1,619,906</u>	<u>\$ 126,900</u>	<u>\$ 102,026</u>	<u>\$ 64,351</u>



Parking	Public Transportation	Totals
\$ 59,664	\$ 7,774	\$ 1,894,434
-	-	520
-	-	85,667
<u>\$ 59,664</u>	<u>\$ 7,774</u>	<u>\$ 1,980,621</u>
\$ 1,659	\$ 162	\$ 55,546
1,946	-	6,154
-	1,818	6,983
<u>3,605</u>	<u>1,980</u>	<u>68,683</u>
-	-	1,612,663
-	-	191,251
56,059	-	102,230
-	5,794	5,794
<u>56,059</u>	<u>5,794</u>	<u>1,911,938</u>
<u>\$ 59,664</u>	<u>\$ 7,774</u>	<u>\$ 1,980,621</u>

concluded.

CITY OF YPSILANTI, MICHIGAN

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

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2021

	Local Streets	Public Safety	Garbage and Rubbish Collection	Police
Revenues				
Property taxes	\$ -	\$ -	\$ 877,514	\$ -
Intergovernmental	504,699	438,520	-	-
Charges for services	2,700	-	-	-
Investment income	6,119	-	1,097	252
Miscellaneous	34,086	-	26,233	-
Total revenues	547,604	438,520	904,844	252
Expenditures				
Current:				
Public safety	-	2,500	-	-
Public works	-	-	1,098,357	-
Public transportation	-	-	-	-
Highways, streets and bridges	456,697	-	-	-
Total expenditures	456,697	2,500	1,098,357	-
Revenues over (under) expenditures	90,907	436,020	(193,513)	252
Other financing sources (uses)				
Transfers in	-	-	194,799	-
Transfers out	-	(345,000)	-	-
Total other financing sources (uses)	-	(345,000)	194,799	-
Net change in fund balances	90,907	91,020	1,286	252
Fund balances, beginning of year	1,521,756	35,880	44,885	64,099
Fund balances, end of year	\$ 1,612,663	\$ 126,900	\$ 46,171	\$ 64,351



Parking	Public Transportion	Totals
\$ -	\$ 308,563	\$ 1,186,077
-	-	943,219
229,457	-	232,157
-	223	7,691
-	-	60,319
<u>229,457</u>	<u>308,786</u>	<u>2,429,463</u>
-	-	2,500
344,324	-	1,442,681
-	308,218	308,218
-	-	456,697
<u>344,324</u>	<u>308,218</u>	<u>2,210,096</u>
<u>(114,867)</u>	<u>568</u>	<u>219,367</u>
170,926	-	365,725
-	-	(345,000)
<u>170,926</u>	<u>-</u>	<u>20,725</u>
56,059	568	240,092
-	5,226	1,671,846
<u>\$ 56,059</u>	<u>\$ 5,794</u>	<u>\$ 1,911,938</u>

concluded.

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual

Local Streets Special Revenue Fund
 For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Intergovernmental	\$ 465,148	\$ 504,699	\$ 39,551
Charges for services	4,500	2,700	(1,800)
Investment income	10,428	6,119	(4,309)
Miscellaneous	44,500	34,086	(10,414)
Total revenues	<u>524,576</u>	<u>547,604</u>	<u>23,028</u>
Expenditures			
Current -			
Highways, streets and bridges:			
Street construction	33,745	20,606	(13,139)
Street maintenance	322,017	297,104	(24,913)
Traffic services	48,481	41,485	(6,996)
Winter maintenance	78,436	84,940	6,504
Administration	15,546	12,562	(2,984)
Total expenditures	<u>498,225</u>	<u>456,697</u>	<u>(41,528)</u>
Net change in fund balance	26,351	90,907	64,556
Fund balance, beginning of year	<u>1,521,756</u>	<u>1,521,756</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 1,548,107</u></u>	<u><u>\$ 1,612,663</u></u>	<u><u>\$ 64,556</u></u>

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual
 Public Safety Special Revenue Fund
 For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Intergovernmental	\$ 375,000	\$ 438,520	\$ 63,520
Expenditures			
Current -			
Public safety	-	2,500	2,500
Revenues over expenditures	375,000	436,020	61,020
Other financing uses			
Transfers out	(345,000)	(345,000)	-
Net change in fund balance	30,000	91,020	61,020
Fund balance, beginning of year	35,880	35,880	-
Fund balance, end of year	<u>\$ 65,880</u>	<u>\$ 126,900</u>	<u>\$ 61,020</u>

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual

Garbage and Rubbish Collection Special Revenue Fund

For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Property taxes	\$ 874,182	\$ 877,514	\$ 3,332
Investment income	1,757	1,097	(660)
Miscellaneous	84,300	26,233	(58,067)
Total revenues	960,239	904,844	(55,395)
Expenditures			
Current -			
Public works	1,099,751	1,098,357	(1,394)
Revenues under expenditures	(139,512)	(193,513)	(54,001)
Other financing sources			
Transfers in	194,799	194,799	-
Net change in fund balance	55,287	1,286	(54,001)
Fund balance, beginning of year	44,885	44,885	-
Fund balance, end of year	<u>\$ 100,172</u>	<u>\$ 46,171</u>	<u>\$ (54,001)</u>

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual

Police Special Revenue Fund

For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Investment income	\$ 432	\$ 252	\$ (180)
Expenditures			
Current -			
Public safety	444	-	(444)
Net change in fund balance	(12)	252	264
Fund balance, beginning of year	64,099	64,099	-
Fund balance, end of year	<u>\$ 64,087</u>	<u>\$ 64,351</u>	<u>\$ 264</u>

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual
 Parking Special Revenue Fund
 For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Charges for services	\$ 210,000	\$ 229,457	\$ 19,457
Expenditures			
Current -			
Public works	380,926	344,324	(36,602)
Revenues under expenditures	(170,926)	(114,867)	56,059
Other financing sources			
Transfers in	170,926	170,926	-
Net change in fund balance	-	56,059	56,059
Fund balance, beginning of year	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 56,059</u>	<u>\$ 56,059</u>

CITY OF YPSILANTI, MICHIGAN

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual
 Public Transportation Special Revenue Fund
 For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues			
Property taxes	\$ 307,107	\$ 308,563	\$ 1,456
Investment income	361	223	(138)
Total revenues	307,468	308,786	1,318
Expenditures			
Current -			
Public transportation	307,468	308,218	750
Net change in fund balance	-	568	568
Fund balance, beginning of year	5,226	5,226	-
Fund balance, end of year	\$ 5,226	\$ 5,794	\$ 568

CITY OF YPSILANTI, MICHIGAN

Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2021

	2002-B Revenue Bonds	2016 Refunding Bonds Debt Service	2012 Refunding Bonds Debt Service	Totals
Assets				
Pooled cash and investments	\$ -	\$ -	\$ 13,024	\$ 13,024
Accounts receivable	-	4,169	-	4,169
Total assets	<u>\$ -</u>	<u>\$ 4,169</u>	<u>\$ 13,024</u>	<u>\$ 17,193</u>
Liabilities				
Accounts payable	\$ -	\$ 185	\$ 750	\$ 935
Tax refunds payable	-	3,897	4,351	8,248
Total liabilities	-	4,082	5,101	9,183
Fund balances				
Restricted for debt service	-	87	7,923	8,010
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 4,169</u>	<u>\$ 13,024</u>	<u>\$ 17,193</u>

CITY OF YPSILANTI, MICHIGAN

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

Nonmajor Debt Service Funds

For the Fiscal Year Ended June 30, 2021

	2002-B Revenue Bonds	2016 Refunding Bonds Debt Service	2012 Refunding Bonds Debt Service	Totals
Revenues				
Property taxes	\$ -	\$ 689,113	\$ 70	\$ 689,183
Intergovernmental	31,125	-	-	31,125
Investment income	-	952	14	966
Total revenues	<u>31,125</u>	<u>690,065</u>	<u>84</u>	<u>721,274</u>
Expenditures				
Debt service:				
Principal retirement	30,000	615,000	-	645,000
Interest and fiscal charges	1,125	266,893	750	268,768
Total expenditures	<u>31,125</u>	<u>881,893</u>	<u>750</u>	<u>913,768</u>
Revenues under expenditures	-	(191,828)	(666)	(192,494)
Other financing sources				
Transfers in	-	190,530	-	190,530
Net change in fund balances	-	(1,298)	(666)	(1,964)
Fund balances, beginning of year	-	1,385	8,589	9,974
Fund balances, end of year	<u>\$ -</u>	<u>\$ 87</u>	<u>\$ 7,923</u>	<u>\$ 8,010</u>

CITY OF YPSILANTI, MICHIGAN

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 June 30, 2021

	Sidewalk Improvement	2003-D Water and Sewer	2004-B Water and Sewer	2003-C Water and Sewer	2006 General Obligation
Assets					
Pooled cash and investments	\$ 215,759	\$ -	\$ -	\$ -	\$ -
Land held for resale	-	-	-	-	1,150,450
Total assets	<u>\$ 215,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,150,450</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances					
Restricted	-	-	-	-	1,150,450
Committed	215,759	-	-	-	-
Total fund balances	<u>215,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,150,450</u>
Total liabilities and fund balances	<u>\$ 215,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,150,450</u>

2007 Water and Sewer DWRP	2008 Water and Sewer DWRP	2009 Water and Sewer DWRP	Factory Street Pump Station	Water Main Bond DWRP	2016 Water and Sewer Refunding	Totals
\$ -	\$ -	\$ -	\$ 825,753	\$ -	\$ 185	\$ 1,041,697
-	-	-	-	-	-	1,150,450
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 825,753</u>	<u>\$ -</u>	<u>\$ 185</u>	<u>\$ 2,192,147</u>
\$ -	\$ -	\$ -	\$ 1,047	\$ -	\$ 185	\$ 1,232
-	-	-	824,706	-	-	1,975,156
-	-	-	-	-	-	215,759
-	-	-	824,706	-	-	2,190,915
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 825,753</u>	<u>\$ -</u>	<u>\$ 185</u>	<u>\$ 2,192,147</u>

CITY OF YPSILANTI, MICHIGAN

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

Nonmajor Capital Projects Funds

For the Fiscal Year Ended June 30, 2021

	Sidewalk Improvement	2003-D Water and Sewer	2004-B Water and Sewer	2003-C Water and Sewer	2006 General Obligation
Revenues					
Intergovernmental	\$ 50,000	\$ 338,125	\$ 390,434	\$ 49,188	\$ -
Charges for services	67,515	-	-	-	-
Investment income	835	-	-	-	-
Total revenues	118,350	338,125	390,434	49,188	-
Expenditures					
Current -					
Public works	144,284	-	-	-	-
Debt service:					
Principal retirement	-	310,000	355,000	45,000	-
Interest and fiscal charges	-	28,125	35,434	4,188	-
Total expenditures	144,284	338,125	390,434	49,188	-
Net change in fund balances	(25,934)	-	-	-	-
Fund balances, beginning of year	241,693	-	-	-	1,150,450
Fund balances, end of year	\$ 215,759	\$ -	\$ -	\$ -	\$ 1,150,450

2007 Water and Sewer DWRP	2008 Water and Sewer DWRP	2009 Water and Sewer DWRP	Factory Street Pump Station	Water Main Bond DWRP	2016 Water and Sewer Refunding	Totals
\$ 17,682	\$ 25,231	\$ 12,101	\$ 182,750	\$ 27,116	\$ 836,300	\$ 1,928,927
-	-	-	-	-	-	67,515
-	-	-	-	-	-	835
<u>17,682</u>	<u>25,231</u>	<u>12,101</u>	<u>182,750</u>	<u>27,116</u>	<u>836,300</u>	<u>1,997,277</u>
-	-	-	-	-	-	144,284
15,000	20,000	10,000	130,000	20,000	570,000	1,475,000
2,682	5,231	2,101	52,750	7,116	266,300	403,927
<u>17,682</u>	<u>25,231</u>	<u>12,101</u>	<u>182,750</u>	<u>27,116</u>	<u>836,300</u>	<u>2,023,211</u>
-	-	-	-	-	-	(25,934)
-	-	-	824,706	-	-	2,216,849
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 824,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,190,915</u>

CITY OF YPSILANTI, MICHIGAN

Combining Statement of Net Position

Internal Service Funds

June 30, 2021

	Motor Pool	Workers' Compensation	Totals
Assets			
Current assets:			
Pooled cash and investments	\$ 1,029,833	\$ 536,454	\$ 1,566,287
Accounts receivable	9,592	-	9,592
Inventories	30,177	-	30,177
Total current assets	<u>1,069,602</u>	<u>536,454</u>	<u>1,606,056</u>
Noncurrent assets -			
Capital assets being depreciated, net	1,773,444	-	1,773,444
Total assets	<u>2,843,046</u>	<u>536,454</u>	<u>3,379,500</u>
Liabilities			
Current liabilities:			
Accounts payable	132,766	42,595	175,361
Accrued liabilities	1,209	-	1,209
Total liabilities	<u>133,975</u>	<u>42,595</u>	<u>176,570</u>
Net position			
Investment in capital assets	1,773,444	-	1,773,444
Unrestricted	935,627	493,859	1,429,486
Total net position	<u>\$ 2,709,071</u>	<u>\$ 493,859</u>	<u>\$ 3,202,930</u>

CITY OF YPSILANTI, MICHIGAN

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

Internal Service Funds

For the Fiscal Year Ended June 30, 2021

	Motor Pool	Workers' Compensation	Totals
Operating revenues			
Charges for services	\$ 1,096,337	\$ 119,061	\$ 1,215,398
Operating expenses			
Salaries, taxes, and benefits	190,355	-	190,355
Gas, oil, and fuel	82,054	-	82,054
Operation and maintenance	124,083	-	124,083
Contractual services and fees	165,696	204	165,900
Insurance	75,872	-	75,872
Benefits and claim payments	-	221,964	221,964
Depreciation	362,035	-	362,035
Total operating expenses	<u>1,000,095</u>	<u>222,168</u>	<u>1,222,263</u>
Operating income (loss)	<u>96,242</u>	<u>(103,107)</u>	<u>(6,865)</u>
Nonoperating revenues (expense)			
Investment income	5,452	2,062	7,514
Interest expense	<u>(3,608)</u>	<u>-</u>	<u>(3,608)</u>
Total nonoperating revenue (expense)	<u>1,844</u>	<u>2,062</u>	<u>3,906</u>
Change in net position	98,086	(101,045)	(2,959)
Net position, beginning of year	<u>2,610,985</u>	<u>594,904</u>	<u>3,205,889</u>
Net position, end of year	<u>\$ 2,709,071</u>	<u>\$ 493,859</u>	<u>\$ 3,202,930</u>

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CITY OF YPSILANTI, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2021

	Motor Pool	Workers' Compensation	Totals
Cash flows from operating activities			
Receipts for interfund services provided	\$ 1,089,641	\$ 124,061	\$ 1,213,702
Payments to employees	(194,064)	-	(194,064)
Payments to vendors and claimants	(399,444)	(179,573)	(579,017)
Net cash provided by (used in) operating activities	<u>496,133</u>	<u>(55,512)</u>	<u>440,621</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	(587,607)	-	(587,607)
Principal paid on long-term lease	(23,943)	-	(23,943)
Interest paid on long-term lease	(3,608)	-	(3,608)
Net cash used in capital and related financing activities	<u>(615,158)</u>	<u>-</u>	<u>(615,158)</u>
Cash flows from investing activities			
Interest received on investments	5,452	2,062	7,514
Net change in pooled cash and investments	(113,573)	(53,450)	(167,023)
Pooled cash and investments, beginning of year	1,143,406	589,904	1,733,310
Pooled cash and investments, end of year	<u>\$ 1,029,833</u>	<u>\$ 536,454</u>	<u>\$ 1,566,287</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 96,242	\$ (103,107)	\$ (6,865)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	362,035	-	362,035
Change in operating assets and liabilities that provided (used) cash:			
Accounts receivable	(6,696)	5,000	(1,696)
Inventories	(15,645)	-	(15,645)
Accounts payable	63,906	42,595	106,501
Accrued liabilities	(3,709)	-	(3,709)
Net cash provided by (used in) operating activities	<u>\$ 496,133</u>	<u>\$ (55,512)</u>	<u>\$ 440,621</u>

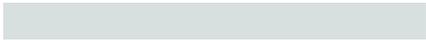
CITY OF YPSILANTI, MICHIGAN

Balance Sheet / Statement of Net Position

Downtown Development Authority Component Unit

June 30, 2021

	General	Capital Projects	
	Downtown Development Authority	Downtown Development Authority	Total
Assets			
Pooled cash and investments	\$ 59,875	\$ -	\$ 59,875
Receivables	6,668	-	6,668
Capital assets being depreciated, net	-	-	-
Total assets	\$ 66,543	\$ -	\$ 66,543
Liabilities			
Accounts payable	\$ 13,775	\$ -	\$ 13,775
Accrued liabilities	1,007	-	1,007
Long-term liabilities:			
Due within one year	-	-	-
Due more than one year	-	-	-
Total liabilities	14,782	-	14,782
Fund balance			
Unassigned	51,761	-	51,761
Total liabilities and fund balance	\$ 66,543	\$ -	\$ 66,543
Net position			
Net investment in capital assets			
Unrestricted			
Total net position			



Adjustments	Statement of Net Position
\$ -	\$ 59,875
-	6,668
<u>1,254,176</u>	<u>1,254,176</u>
<u>1,254,176</u>	<u>1,320,719</u>
-	13,775
3,723	4,730
75,000	75,000
<u>160,000</u>	<u>160,000</u>
<u>238,723</u>	<u>253,505</u>

1,019,176
<u>48,038</u>
<u>\$ 1,067,214</u>

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities

Downtown Development Authority Component Unit

For the Fiscal Year Ended June 30, 2021

	General	Capital Projects	
	Downtown Development Authority	Downtown Development Authority	Total
Revenues			
Property taxes	\$ 303,343	\$ -	\$ 303,343
Intergovernmental	40,500	-	40,500
Interest income	520	-	520
Miscellaneous	35,796	-	35,796
Total revenues	<u>380,159</u>	<u>-</u>	<u>380,159</u>
Expenditures/expenses			
Community development	442,341	-	442,341
Debt service:			
Principal	-	70,000	70,000
Interest and fiscal charges	-	13,925	13,925
Total expenditures/expenses	<u>442,341</u>	<u>83,925</u>	<u>526,266</u>
Revenues over (under) expenditures	<u>(62,182)</u>	<u>(83,925)</u>	<u>(146,107)</u>
Other financing sources (uses)			
Transfers in	-	83,925	83,925
Transfers out	(83,925)	-	(83,925)
Total other financing sources (uses)	<u>(83,925)</u>	<u>83,925</u>	<u>-</u>
Change in fund balance / net position	(146,107)	-	(146,107)
Fund balance / net position, beginning of year	<u>197,868</u>	<u>-</u>	<u>197,868</u>
Fund balance / net position, end of year	<u>\$ 51,761</u>	<u>\$ -</u>	<u>\$ 51,761</u>



Adjustments	Statement of Activities
\$ -	\$ 303,343
-	40,500
-	520
-	35,796
<hr/>	<hr/>
-	380,159
<hr/>	<hr/>
59,254	501,595
(70,000)	-
2,309	16,234
<hr/>	<hr/>
(8,437)	517,829
<hr/>	<hr/>
8,437	(137,670)
1,007,016	1,204,884
<hr/>	<hr/>
\$ 1,015,453	\$ 1,067,214
<hr/>	<hr/>

CITY OF YPSILANTI, MICHIGAN

Balance Sheet / Statement of Net Position

Depot Town Downtown Development Authority Component Unit

June 30, 2021

	Depot Town Downtown Development Authority	Adjustments	Statement of Net Position
Assets			
Pooled cash and investments	\$ 344,492	\$ -	\$ 344,492
Receivables	515	-	515
Capital assets being depreciated, net	-	210,907	210,907
Total assets	<u>\$ 345,007</u>	210,907	555,914
Liabilities			
Accounts payable	\$ 2,705	-	2,705
Fund balance			
Unassigned	<u>342,302</u>		
Total liabilities and fund balance	<u>\$ 345,007</u>		
Net position			
Investment in capital assets			210,907
Unrestricted			<u>342,302</u>
Total net position			<u>\$ 553,209</u>

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities

Depot Town Downtown Development Authority Component Unit

For the Fiscal Year Ended June 30, 2021

	Depot Town Downtown Development Authority	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 231,078	\$ -	\$ 231,078
Intergovernmental	4,500	-	4,500
Interest income	1,454	-	1,454
Miscellaneous	12,250	-	12,250
	<hr/>	<hr/>	<hr/>
Total revenues	249,282	-	249,282
Expenditures/Expenses			
Community development	340,930	17,443	358,373
	<hr/>	<hr/>	<hr/>
Change in fund balance / net position	(91,648)	(17,443)	(109,091)
Fund balance / net position, beginning of year	433,950	228,350	662,300
	<hr/>	<hr/>	<hr/>
Fund balance / net position, end of year	<u>\$ 342,302</u>	<u>\$ 210,907</u>	<u>\$ 553,209</u>

CITY OF YPSILANTI, MICHIGAN

Balance Sheet / Statement of Net Position

Economic Development Corporation Component Unit

June 30, 2021

	Economic Development Corporation	Adjustments	Statement of Net Position
Assets			
Pooled cash and investments	\$ 33,588	-	33,588
Capital assets not being depreciated	-	53,200	53,200
Total assets	<u>\$ 33,588</u>	<u>53,200</u>	<u>86,788</u>
Fund balance			
Unassigned	<u>\$ 33,588</u>		
Net position			
Investment in capital assets			53,200
Unrestricted			<u>33,588</u>
Total net position			<u>\$ 86,788</u>

CITY OF YPSILANTI, MICHIGAN

Statement of Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities

Economic Development Corporation Component Unit

For the Fiscal Year Ended June 30, 2021

	Economic Development Corporation	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 40,039	\$ -	\$ 40,039
Interest income	133	-	133
Total revenues	40,172	-	40,172
Expenditures/Expenses			
Community development	40,096	-	40,096
Change in fund balance / net position	76	-	76
Fund balance / net position, beginning of year	33,512	53,200	86,712
Fund balance / net position, end of year	<u>\$ 33,588</u>	<u>\$ 53,200</u>	<u>\$ 86,788</u>

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STATISTICAL SECTION

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CITY OF YPSILANTI, MICHIGAN

Statistical Section (Unaudited)

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.

CONTENTS	<u>Page</u>
-----------------	--------------------

Financial Trends (schedules 1 thru 4)	142
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being of the City have changed over time.

Revenue Capacity (schedules 5 thru 8)	150
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These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source; property taxes.

Debt Capacity (schedules 9 thru 13)	154
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information (schedules 14 and 15)	160
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (schedules 16 thru 19)	162
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These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF YPSILANTI, MICHIGAN

Net Position by Component

Last Ten Years

(accrual basis of accounting)

	2012	2013	2014 (1)	2015 (2)
Governmental activities				
Net investment in capital assets	\$ 16,911,390	\$ 15,636,305	\$ 16,524,392	\$ 16,749,695
Restricted	11,083,068	7,631,866	4,545,511	10,414,995
Unrestricted (deficit)	<u>(7,091,726)</u>	<u>(6,545,637)</u>	<u>(5,533,659)</u>	<u>(20,315,186)</u>
Total governmental activities net position	<u>\$ 20,902,732</u>	<u>\$ 16,722,534</u>	<u>\$ 15,536,244</u>	<u>\$ 6,849,504</u>

Source: City of Ypsilanti Finance Department

(1) The City implemented GASB 67 in FY2014. Information prior to FY2014 was not available to restate.

(2) The City implemented GASB 68 in FY2015. Information prior to FY2015 was not available to restate.

(3) The City implemented GASB 74 in FY2017. Information prior to FY2017 was not available to restate.

(4) Restricted net position was restated to correct the recognition of a reimbursable grant.

(5) The City implemented GASB 84 in FY2021. Information prior to FY2021 was not available to restate.

2016	2017 (3)	2018	2019 (4)	2020	2021 (5)
\$ 18,147,399	\$ 16,659,020	\$ 16,446,266	\$ 15,491,863	\$ 15,254,452	\$ 15,824,664
7,598,773	6,954,062	7,737,133	9,863,406	10,035,651	11,143,309
<u>(17,387,277)</u>	<u>(33,336,312)</u>	<u>(34,226,541)</u>	<u>(38,059,316)</u>	<u>(35,745,875)</u>	<u>(36,504,459)</u>
<u>\$ 8,358,895</u>	<u>\$ (9,723,230)</u>	<u>\$ (10,043,142)</u>	<u>\$ (12,704,047)</u>	<u>\$ (10,455,772)</u>	<u>\$ (9,536,486)</u>

CITY OF YPSILANTI, MICHIGAN

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2012	2013	2014	2015
Revenue				
Governmental activities:				
Program revenues:				
Charges for services	\$ 2,271,687	\$ 2,618,765	\$ 3,108,560	\$ 2,503,629
Operating grants and contributions	2,712,064	4,282,348	3,829,486	4,697,877
Capital grants and contributions	322,858	24,258	692,619	176,177
General revenues:				
Property taxes	10,555,401	10,309,164	10,656,453	10,606,608
Grants and contributions not restricted to specific programs	2,256,140	2,342,612	2,420,667	2,483,001
Unrestricted investment income (loss)	775,375	(13,260)	341,590	368,451
Other	-	-	-	-
Total governmental activities revenues	18,893,525	19,563,887	21,049,375	20,835,743
Expenses				
Governmental activities:				
Legislative	-	-	-	-
General government	2,866,101	2,083,855	1,690,255	2,894,307
Public safety	8,601,201	7,908,177	8,878,722	9,667,739
Public works and refuse collection	2,015,694	4,067,582	5,542,347	1,815,800
Public Transportation	262,320	308,564	275,386	268,428
Highways, streets, and bridges	2,823,389	3,921,320	3,143,348	3,732,864
Culture and recreation	367,484	408,367	366,668	419,667
Community development	184,244	292,867	255,416	361,966
Interest on long-term debt	2,329,834	2,095,288	2,103,523	1,858,619
Total governmental activities expenses	19,450,267	21,086,020	22,255,665	21,019,390
Special item				
Change in fair value of land held for resale	-	(1,995,335)	-	-
Change in net position	(556,742)	(3,517,468)	(1,206,290)	(183,647)

Source: City of Ypsilanti Finance Department.

(1) Restricted net position was restated to correct the recognition of a reimbursable grant.

	2016	2017	2018	2019 (1)	2020	2021
\$	3,023,987	\$ 2,779,735	\$ 2,916,478	\$ 2,713,669	\$ 2,898,118	\$ 3,041,512
	6,574,946	2,547,760	3,596,920	2,610,388	3,443,453	4,666,320
	1,525,918	59,983	628,205	196,966	519,682	319,991
	10,452,347	10,582,364	10,345,083	11,018,343	11,348,696	12,216,350
	2,555,299	3,033,942	2,755,507	2,693,174	2,621,332	3,247,849
	242,763	68,510	169,432	337,327	340,433	104,823
	-	-	46,255	173,598	7,777	-
	<u>24,375,260</u>	<u>19,072,294</u>	<u>20,457,880</u>	<u>19,743,465</u>	<u>21,179,491</u>	<u>23,596,845</u>
	-	-	-	-	-	140,728
	4,294,933	3,084,786	3,556,035	4,177,241	2,770,051	2,641,628
	10,198,973	8,961,050	9,749,189	11,316,595	9,780,593	9,188,901
	2,034,380	1,925,326	1,617,860	1,696,531	1,618,428	4,024,987
	316,471	282,793	283,372	289,809	294,984	308,218
	3,049,680	3,825,640	3,598,015	3,091,800	2,945,099	2,205,971
	911,753	1,095,758	517,317	529,135	272,872	620,355
	404,780	454,835	624,746	453,202	594,942	544,410
	1,654,899	1,218,241	831,258	850,057	654,247	709,721
	<u>22,865,869</u>	<u>20,848,429</u>	<u>20,777,792</u>	<u>22,404,370</u>	<u>18,931,216</u>	<u>20,384,919</u>
	-	(768,350)	-	-	-	-
	<u>1,509,391</u>	<u>(2,544,485)</u>	<u>(319,912)</u>	<u>(2,660,905)</u>	<u>2,248,275</u>	<u>3,211,926</u>

CITY OF YPSILANTI, MICHIGAN

Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2012	2013	2014 (1)	2015
General fund				
Nonspendable	\$ 344,707	\$ 329,819	\$ 348,324	\$ 393,356
Committed	4,378,434	6,008,192	4,631,779	5,260,352
Assigned	-	-	-	-
Unassigned	3,936,006	2,201,556	2,968,262	2,530,473
Total general fund	<u>\$ 8,659,147</u>	<u>\$ 8,539,567</u>	<u>\$ 7,948,365</u>	<u>\$ 8,184,181</u>
All other governmental funds				
Nonspendable	\$ 4,763,817	\$ 2,768,482	\$ 1,900,300	\$ 1,934,877
Restricted	4,869,060	5,327,431	3,069,197	5,979,102
Committed	1,411,547	1,061,201	2,916,471	753,262
Unassigned (deficit)	(23,938)	(168,166)	-	(34,577)
Total all other governmental funds	<u>11,020,486</u>	<u>8,988,948</u>	<u>7,885,968</u>	<u>8,632,664</u>
Total governmental funds	<u>\$ 19,679,633</u>	<u>\$ 17,528,515</u>	<u>\$ 15,834,333</u>	<u>\$ 16,816,845</u>

Source: City of Ypsilanti Finance Department.

(1) - A correction was made in All Other Governmental Funds to report an amount previously as unassigned to committed.

(2) - A correction was made in All Other Governmental Funds to correct the recognition of a reimburseable grant.

2016	2017	2018	2019 (2)	2020	2021
\$ 343,892	\$ 336,731	\$ 281,801	\$ 273,809	\$ 199,312	\$ 282,358
3,485,701	1,632,133	1,828,128	3,714,499	3,945,778	3,934,723
1,130,833	-	-	-	-	-
852,096	3,996,055	4,397,639	3,370,652	4,205,335	5,234,303
<u>\$ 5,812,522</u>	<u>\$ 5,964,919</u>	<u>\$ 6,507,568</u>	<u>\$ 7,358,960</u>	<u>\$ 8,350,425</u>	<u>\$ 9,451,384</u>
\$ 2,019,100	\$ -	\$ 1,131,950	\$ -	\$ -	\$ -
3,539,698	3,106,870	3,732,277	5,639,702	6,165,090	7,247,057
2,193,435	3,055,162	1,899,256	2,365,698	2,617,193	2,225,461
-	-	-	-	-	-
<u>7,752,233</u>	<u>6,162,032</u>	<u>6,763,483</u>	<u>8,005,400</u>	<u>8,782,283</u>	<u>9,472,518</u>
<u>\$ 13,564,755</u>	<u>\$ 12,126,951</u>	<u>\$ 13,271,051</u>	<u>\$ 15,364,360</u>	<u>\$ 17,132,708</u>	<u>\$ 18,923,902</u>

CITY OF YPSILANTI, MICHIGAN

Changes in Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Property taxes	\$ 10,555,401	\$ 10,309,164	\$ 10,656,453	\$ 10,606,608
Licenses and permits	734,250	748,417	648,881	867,227
Intergovernmental	6,678,576	7,112,100	6,851,138	9,076,428
Charges for services	448,341	733,730	417,906	475,814
Fines and forfeits	516,393	499,099	414,468	315,907
Investment income	413,204	(33,737)	182,666	270,174
Donations	-	-	-	-
Miscellaneous	680,652	671,558	1,710,943	1,193,807
Total revenues	<u>20,026,817</u>	<u>20,040,331</u>	<u>20,882,455</u>	<u>22,805,965</u>
Expenditures				
Current:				
Legislative	-	-	-	-
General government	3,092,617	3,257,591	3,216,108	3,525,523
Public safety	8,093,201	7,264,800	7,806,628	8,048,474
Public works	1,829,353	3,198,498	4,615,556	1,761,321
Public transportation	262,183	308,175	274,846	267,238
Highways, streets and bridges	1,740,226	1,806,267	1,476,912	2,318,364
Culture and recreation	300,134	284,251	1,136,746	309,980
Community development	75,033	92,208	32,448	55,522
Tax tribunal refunds	397,353	13,735	12,712	260,020
Debt service:				
Principal	3,175,000	3,340,000	3,535,000	3,665,000
Interest and fiscal charges	2,326,442	2,204,172	2,157,920	1,883,263
Bond issuance costs	-	-	-	-
Total expenditures	<u>21,291,542</u>	<u>21,769,697</u>	<u>24,264,876</u>	<u>22,094,705</u>
Excess of revenues over (under) expenditures	<u>(1,264,725)</u>	<u>(1,729,366)</u>	<u>(3,382,421)</u>	<u>711,260</u>
Other financing sources (uses)				
Transfers in	2,122,966	6,759,280	4,928,666	2,140,163
Transfers out	(1,930,857)	(6,470,040)	(4,717,299)	(2,084,574)
Sales of capital assets	-	-	-	-
Proceeds from issuance of debt	-	5,372,551	8,993,185	215,663
Premium and discounts on bonds	-	(83,208)	433,687	-
Payment to refunding escrow agent	-	(4,005,000)	(7,950,000)	-
Total other financing sources (uses)	<u>192,109</u>	<u>1,573,583</u>	<u>1,688,239</u>	<u>271,252</u>
Special item - change in market value of land held for resale	-	(1,995,335)	-	-
Net change in fund balances	<u>\$ (1,072,616)</u>	<u>\$ (2,151,118)</u>	<u>\$ (1,694,182)</u>	<u>\$ 982,512</u>
Debt service as a percentage of noncapital expenditures	<u>27.7%</u>	<u>26.3%</u>	<u>25.4%</u>	<u>26.7%</u>

Source: City of Ypsilanti Finance Department.

	2016	2017	2018	2019	2020	2021
\$	10,452,347	\$ 10,582,364	\$ 10,345,083	\$ 11,018,343	\$ 11,348,696	\$ 12,216,350
	822,818	880,933	1,061,002	1,071,663	947,988	691,527
	9,002,708	8,232,651	8,099,175	8,175,615	8,660,108	10,791,769
	471,898	635,838	483,949	563,582	972,785	1,313,171
	356,170	446,318	484,649	542,875	454,089	56,781
	178,039	42,641	132,749	270,543	275,910	99,121
	-	-	117,876	105,491	73,314	73,209
	1,434,652	769,796	634,418	754,965	594,725	536,453
	<u>22,718,632</u>	<u>21,590,541</u>	<u>21,358,901</u>	<u>22,503,077</u>	<u>23,327,615</u>	<u>25,778,381</u>
	-	-	-	-	-	140,728
	3,513,602	3,294,351	3,503,910	3,602,476	3,763,010	3,621,719
	7,954,140	7,853,131	8,500,480	8,303,137	9,256,206	10,617,681
	2,027,124	1,881,837	1,724,315	1,696,522	1,875,291	2,179,657
	315,229	282,327	283,544	287,313	294,896	308,218
	2,523,389	2,229,228	1,450,475	1,338,469	1,829,896	2,123,928
	2,174,842	1,048,105	413,267	758,355	1,061,290	903,951
	46,002	-	-	-	-	544,410
	49,000	(11,536)	(13,288)	71,746	(46,280)	-
	5,985,000	4,270,000	3,545,000	3,425,000	2,685,000	2,780,000
	1,781,392	1,412,552	1,017,275	926,750	839,958	766,895
	209,618	153,418	-	-	-	-
	<u>26,579,338</u>	<u>22,413,413</u>	<u>20,424,978</u>	<u>20,409,768</u>	<u>21,559,267</u>	<u>23,987,187</u>
	<u>(3,860,706)</u>	<u>(822,872)</u>	<u>933,923</u>	<u>2,093,309</u>	<u>1,768,348</u>	<u>1,791,194</u>
	4,614,790	1,610,549	1,442,333	1,323,410	1,224,141	937,963
	(4,614,790)	(1,610,549)	(1,442,333)	(1,323,410)	(1,224,141)	(937,963)
	-	-	210,177	-	-	-
	10,838,601	8,455,000	-	-	-	-
	60,015	1,122,195	-	-	-	-
	(10,290,000)	(9,423,777)	-	-	-	-
	<u>608,616</u>	<u>153,418</u>	<u>210,177</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	(768,350)	-	-	-	-
\$	<u>(3,252,090)</u>	<u>(1,437,804)</u>	<u>1,144,100</u>	<u>2,093,309</u>	<u>1,768,348</u>	<u>1,791,194</u>
	<u>33.4%</u>	<u>26.6%</u>	<u>22.5%</u>	<u>21.9%</u>	<u>17.2%</u>	<u>15.9%</u>

Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Tax Year	Fiscal Year Ended	Real Property (1)		Personal Property (1)		Total		Total Direct Tax Rate
		Taxable Value	(2) Assessed Value	Taxable Value	(2) Assessed Value	Taxable Value	(2) Assessed Value	
2020	2021	\$ 339,706,666	\$ 498,227,695	\$ 17,724,495	\$ 17,724,495	\$ 357,431,161	\$ 515,952,190	32.3395
2019	2020	327,514,401	461,807,500	17,891,600	17,891,600	345,406,001	479,699,100	35.4130
2018	2019	300,675,193	387,161,686	16,829,624	16,829,624	317,504,817	403,991,310	34.1423
2017	2018	289,053,202	376,271,300	16,896,400	16,896,400	305,949,602	393,167,700	33.5261
2016	2017	281,935,196	343,372,917	15,501,500	15,501,500	297,436,696	358,874,417	35.0727
2015	2016	278,428,012	313,904,850	16,897,689	16,897,689	295,325,701	330,802,539	34.9012
2014	2015	275,672,619	295,131,668	16,460,800	16,460,800	292,133,419	311,592,468	35.7735
2013	2014	271,120,783	283,777,190	18,493,812	18,493,812	289,614,595	302,271,002	36.4947
2012	2013	273,316,097	283,284,181	17,413,000	17,413,000	290,729,097	300,697,181	35.2060
2011	2012	290,163,934	309,315,255	19,030,100	19,030,100	309,194,034	328,345,355	33.6731

Source: City of Ypsilanti Assessing Division

(1) Includes properties subject to Industrial Facility Tax exemptions

(2) Estimated actual value equals the assessed value

Property Tax Rates - Direct and Overlapping
(rate per \$1,000 of taxable value)

Fiscal Year Ended June 30,	City	Ypsilanti Public Schools	State Education Tax	Washtenaw Intermediate School District	County	Washtenaw Community College	Ypsilanti District Library	Ann Arbor Area Transit Authority	Totals	
									Homestead	Non-Homestead
2021	35.4130	27.9712	6.0000	5.6625	7.2683	3.3538	1.8344	0.6880	70.1912	88.1912
2020	34.1423	27.9712	6.0000	5.3285	7.5911	3.3763	1.9338	0.6936	69.0368	87.0368
2019	33.5261	25.8579	6.0000	5.4109	6.2122	3.4267	2.7166	0.6860	65.9785	83.8364
2018	35.0727	25.9712	6.0000	5.4509	6.2432	3.4360	2.7660	0.6943	67.6631	85.6343
2017	34.9012	26.0000	6.0000	3.9745	6.3058	3.4576	2.7922	0.7000	66.1313	84.1313
2016	35.7735	25.0000	6.0000	3.9745	6.2838	3.4576	2.8110	0.7000	66.0004	84.0004
2015	36.4947	25.0000	6.0000	3.9745	5.7801	3.4576	2.8102	-	65.5171	83.5171
2014	35.2060	25.0000	6.0000	3.9745	5.7654	3.6376	2.7845	-	64.3680	82.3680
2013	33.6731	25.0000	6.0000	3.9745	5.7518	3.7176	2.7410	-	62.8580	80.8580
2012	30.8592	24.2000	6.0000	3.9745	5.7418	3.6856	2.1575	-	58.6186	76.6186

Components of City Millage Rate						
Fiscal Year Ended June 30,	General Operating	Sanitation	Streets	Public Transport	Police and Fire Pension	Total
2021	18.0298	2.6362	2.0043	0.9277	11.8150	35.4130
2020	18.3137	2.6778	2.0613	0.9424	10.1471	34.1423
2019	18.7386	2.7400	2.7189	0.9643	8.3643	33.5261
2018	18.9069	2.7647	4.5866	0.9730	7.8415	35.0727
2017	19.0211	2.7814	4.5787	0.9789	7.5411	34.9012
2016	19.0211	2.7814	4.6772	0.9789	8.3149	35.7735
2015	19.0211	2.7814	4.7904	0.9789	8.9229	36.4947
2014	19.0211	2.7814	5.0243	0.9789	7.4003	35.2060
2013	19.0211	2.7814	4.5685	0.9789	6.3232	33.6731
2012	19.0211	2.7814	3.9086	-	5.1481	30.8592

Source: City of Ypsilanti Finance Department

Principal Property Taxpayers

Current Year and Nine Years Ago
(amounts expressed in thousands)

Tax Year	2020			2011		
	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Dte Electric Company	\$ 7,114	1	1.99%	\$ 5,344	2	1.57%
Arbor One LLC	5,757	2	1.61%			
LeForge Station LLC	5,255	3	1.47%			
Forest Health Medical Center	2,479	4	0.69%			
River Drive Properties LLC	2,071	5	0.58%	3,278	6	0.96%
Forrest Knoll Apts	2,012	6	0.56%			
Ypsilanti Realty Holdings LLC	1,743	7	0.49%			
Erie Investments No.15 LLC	1,670	8	0.47%			
Cross Street Village	1,669	9	0.47%			
Fhmc Real Estate LLC	1,652	10	0.46%	4,313	4	1.27%
Penninsular Place				6,982	1	2.05%
Angstrom Capital				5,120	3	1.51%
Barnes & Barnes Properties				3,575	5	1.05%
University Housing Leforge				3,005	7	0.88%
Agree Limited Partnership				2,393	8	0.70%
Stewart Beal				1,954	9	0.57%
Asad Khailany				1,862	10	0.55%
	<u>\$ 31,422</u>		<u>8.79%</u>	<u>\$ 37,826</u>		<u>11.11%</u>

Source: City of Ypsilanti Assessing Division

Property Tax Levies and Collections
Last Ten Years

(1) Fiscal Year Ended June 30,	(2) Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		(3) Delinquent Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2021	\$ 10,264,516	\$ 9,784,388	95.32%	\$ 441,201	\$ 10,225,589	99.62%
2020	9,408,316	8,846,552	94.03%	561,765	9,408,316	100.00%
2019	8,510,864	7,931,411	93.19%	556,266	8,487,677	99.73%
2018	8,069,358	7,501,956	92.97%	567,402	8,069,358	100.00%
2017	7,976,943	7,464,410	93.57%	512,533	7,976,943	100.00%
2016	7,821,191	7,297,100	93.30%	524,091	7,821,191	100.00%
2015	7,951,839	7,463,299	93.86%	426,318	7,889,617	99.22%
2014	8,066,559	7,417,171	91.95%	589,092	8,006,263	99.25%
2013	7,604,343	6,860,589	90.22%	708,138	7,568,727	99.53%
2012	7,836,628	6,978,910	89.06%	726,765	7,705,675	98.33%

Source: City of Ypsilanti Treasury Division

(1) Property taxes are levied July 1 of the current fiscal year based on taxable property values as of the preceding December 31. Summer taxes become delinquent as of September 15. Winter Taxes become delinquent as of February 15. The City's delinquent real property taxes are purchased by the Washtenaw County Delinquent Uncollected Tax Revolving Fund. Uncollected Personal property taxes are sent to the Ypsilanti Credit Bureau on June 1 for collection.

(2) Includes Industrial Facility Tax.

(3) Includes settlement from Washtenaw County Delinquent Tax Revolving for purchase of delinquent real property taxes.

CITY OF YPSILANTI, MICHIGAN

Ratios of Outstanding Debt by Type

Last Ten Years

	2012	2013	2014	2015
Governmental activities				
General obligation bonds	\$ 23,080,000	\$ 21,640,000	\$ 19,925,000	\$ 18,125,000
Revenue bonds	29,921,984	29,389,535	28,612,720	26,963,383
Unamortized premium	-	-	402,709	371,731
Installment purchase agreements and direct borrowings	3,090,350	3,090,350	3,090,350	3,224,136
Total outstanding debt	<u>\$ 56,092,334</u>	<u>\$ 54,119,885</u>	<u>\$ 52,030,779</u>	<u>\$ 48,684,250</u>
Total taxable value	\$ 309,194,034	\$ 290,729,097	\$ 289,614,595	\$ 292,133,419
Ratio of total debt to taxable value	18.14%	18.62%	17.97%	16.67%
Total population	19,375	19,621	20,142	20,081
Total debt per capita	\$ 2,895	\$ 2,758	\$ 2,583	\$ 2,424
% of personal income	7.65%	6.76%	5.98%	5.52%
Personal income	\$ 733,518	\$ 800,948	\$ 870,175	\$ 882,098

Source: City of Ypsilanti Finance Department

Details regarding the City's debt can be found in the notes to the financial statements.

Unamortized premium applies only to revenue bonds.

Schedule 9
Unaudited

2016	2017	2018	2019	2020	2021
\$ 14,160,000	\$ 11,810,000	\$ 10,180,000	\$ 8,785,000	\$ 8,195,000	\$ 7,580,000
25,491,984	22,406,984	20,491,984	18,461,984	16,366,984	14,201,984
399,767	1,377,192	1,223,713	1,070,234	916,755	763,276
453,072	431,748	409,798	387,203	363,943	340,000
<u>\$ 40,504,823</u>	<u>\$ 36,025,924</u>	<u>\$ 32,305,495</u>	<u>\$ 28,704,421</u>	<u>\$ 25,842,682</u>	<u>\$ 22,885,260</u>
\$ 295,325,701	\$ 297,436,696	\$ 305,949,602	\$ 317,504,817	\$ 345,406,001	\$ 357,431,161
13.72%	12.11%	10.56%	9.04%	7.48%	6.40%
19,945	21,018	21,076	20,995	20,171	20,648
\$ 2,031	\$ 1,714	\$ 1,533	\$ 1,367	\$ 1,281	\$ 1,108
4.60%	3.77%	3.31%	2.82%	2.55%	2.30%
\$ 881,210	\$ 955,982	\$ 975,208	\$ 1,016,745	\$ 1,015,004	\$ 992,977

Ratios of General Bonded Debt Outstanding
Last Ten Years

Fiscal Year	Governmental Activities		Total Primary Government	% of Actual Taxable Value	Total Outstanding Debt Per Capita
	General Obligation Bonds	Less: Amount Restricted to Repaying Principal			
2021	\$ 7,580,000	\$ (8,010)	\$ 7,571,990	2.12%	\$ 367
2020	8,195,000	(9,974)	8,185,026	2.37%	406
2019	8,785,000	(8,502)	8,776,498	3.26%	474
2018	10,180,000	(196,611)	9,983,389	3.91%	553
2017	11,810,000	(190,375)	11,619,625	4.72%	701
2016	14,160,000	(179,174)	13,980,826	6.15%	895
2015	18,125,000	(150,642)	17,974,358	6.83%	981
2014	19,925,000	(156,184)	19,768,816	6.83%	1,012
2013	21,640,000	(1,788,071)	19,851,929	6.90%	1,101
2012	23,080,000	(1,744,330)	21,335,670	6.91%	1,173

Source: City of Ypsilanti Finance Department

Computation of Net Direct and Overlapping Debt
June 30, 2021

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Government	Net Amount Outstanding
Direct debt			
General obligation bonds	\$ 7,580,000	\$ -	\$ 7,580,000
Revenue bonds and unamortized premium (2)	14,965,260	12,515,414	2,449,847
Direct borrowings	340,000	-	340,000
	<u>22,885,260</u>	<u>12,515,414</u>	<u>10,369,847</u>
Net direct debt	<u>\$ 22,885,260</u>	<u>\$ 12,515,414</u>	<u>\$ 10,369,847</u>

	Net Debt Outstanding	Percentage Applicable to City of Ypsilanti	Share Applicable to City of Ypsilanti
Overlapping debt (1)			
School Districts:			
Ypsilanti School District	\$ 80,722,207	47.96%	\$ 21,182,538
Washtenaw County	35,562,299	0.09%	665,015
Intermediate School District	42,315,000	0.09%	799,754
Washtenaw Community College	6,520,000	1.36%	124,532
	<u>165,119,506</u>		<u>22,771,839</u>
Total overlapping debt	<u>\$ 165,119,506</u>		<u>22,771,839</u>
Total direct and overlapping debt			<u>\$ 33,141,686</u>

Source: City of Ypsilanti Finance Department and Municipal Advisory Council of Michigan

(1) Overlapping debt is calculated for an entity, based upon assessed values received from the State of Michigan, which determines the issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is apportioned based upon relative assessed values.

(2) These revenue bonds are being repaid from the revenue stream of another government; in this case, Ypsilanti Community Utilities Authority (YCUA) which is a joint venture that the City of Ypsilanti participates in as described in Notes 12 and 19 of the notes to the financial statements.

Legal Debt Margin
Last Ten Years

Legal debt margin calculation for 2021

Legal debt margin calculation for 2021

Assessed value (state equalized value) \$ 515,952,190

Debt limit (10% of state equalized value) 51,595,219

Net debt subject to limitation:

General obligation bonds 7,580,000

Legal debt margin \$ 44,015,219

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit As % of Debt Limit Ratio
2021	\$ 51,595,219	\$ 7,580,000	\$ 44,015,219	14.69%
2020	47,969,910	8,185,026	39,784,884	17.06%
2019	40,399,131	8,776,498	31,622,633	21.72%
2018	35,887,442	11,619,625	24,267,817	32.38%
2017	33,080,254	13,503,640	19,576,614	40.82%
2016	31,159,247	17,796,936	13,362,311	57.12%
2015	30,227,100	17,948,086	12,279,014	59.38%
2014	30,069,718	19,851,929	10,217,789	66.02%
2013	32,834,536	21,335,670	11,498,866	64.98%
2012	35,325,060	22,793,188	12,531,872	64.52%

Source: City of Ypsilanti Finance Department

Revenue Bonds Coverage - Sewer Enterprise Fund
Last Ten Fiscal Years

Fiscal Year Ended August 31,	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Total Debt Service Requirements (3)	Coverage
2020	\$ 40,919,422	\$ 32,299,790	\$ 8,619,632	\$ 5,657,855	152.35%
2019	40,805,221	31,849,174	8,956,047	6,916,928	129.48%
2018	43,994,684	29,758,749	14,235,935	6,496,119	219.15%
2017	42,326,307	32,898,538	9,427,769	6,923,769	136.17%
2016	39,405,150	32,304,067	7,101,083	6,431,896	110.40%
2015	36,497,656	29,589,319	6,908,337	7,925,358	87.17%
2014	35,000,803	27,676,654	7,324,149	5,544,573	132.10%
2013	34,042,779	27,922,287	6,120,492	5,844,681	104.72%
2012	34,764,666	27,565,394	7,199,272	4,509,206	159.66%
2011	33,586,953	26,167,217	7,419,736	5,683,760	130.54%

Source: Ypsilanti Community Utilities Authority (YCUA) annual comprehensive financial report. YCUA has an August 31 fiscal year end; as such, the 2021 report is not yet available.

- (1) Includes operating revenue, investment earnings, connect fees and debt service, and contributions.
- (2) Total operating expenses, excluding depreciation.
- (3) Includes bonds and capital leases applicable to YCUA as a whole.

Demographic and Economic Statistics

Last Ten Years

Fiscal Year	(1) Population	(2) Total Personal Income (in thousands)	(2) Per Capita Income	(3) School Enrollment	(4) Unemployment Rate
2021	20,648	\$ 17,873	\$ 49,228	3,417	6.8%
2020	20,171	17,643	50,320	3,656	7.6%
2019	20,995	18,446	25,160	3,642	4.4%
2018	21,076	15,203	46,271	3,713	5.3%
2017	21,018	14,686	45,484	3,536	4.9%
2016	19,945	14,425	44,182	3,649	5.3%
2015	20,081	14,578	43,927	3,952	6.6%
2014	20,142	14,363	43,202	4,307	6.3%
2013	19,621	14,183	40,821	3,158	7.6%
2012	19,375	14,411	37,859	3,466	6.2%

Year	(1) Population	(1) Median Age
2020	20,648	24
2010	19,435	24
2000	22,237	24
1990	24,846	24
1980	24,031	24
1970	29,538	24
1960	20,957	-
1950	18,302	-
1940	12,121	-

- (1) Estimate per SEMCOG and/or U.S. Census Bureau;
<https://www.census.gov/quickfacts/fact/dashboard/ypsilantcitymichigan,MI,US/PST045216>
- (2) Estimate from U.S. Department of Commerce, Bureau of Economic Analysis. (2013/14 data is not available, so used year 2013 data for Washtenaw County). (Total personal income=population * per capita income)
<http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=5#reqid=70&step=27&isuri=1&7022=20&7023=7&7024=non-industry&7025=5&7026=11460&7001=720&7028=-1&7083=levels&7029=20&7090=70&7031=5>
- (3) <https://www.mischooldata.org/historical-district-fte-pupil-counts>
(2021 Figure Based on Fall 20-21 data only)
- (4) http://ycharts.com/indicators/ypsilanti_mi_unemployment_rate

Principal Employers

Current Year and Nine Years Ago

Employer	2021			2012		
	(1) Total Employees	Rank	% of Total City Labor Force	Employees	Rank	% of Workforce
Eastern Michigan University	2,187	1	7.86%	1,942	1	16.94%
Ypsilanti Community Schools	700	2	2.52%	514	2	4.48%
Chartwell's Higher Education	214	3	0.77%			
Washtenaw County	206	4	0.74%	262	3	2.29%
Michigan Department of Health and Humar	183	5	0.66%			
Villa at Parkridge (Bortz Health Care)	125	6	0.45%			
City of Ypsilanti	118	7	0.42%	93	5	0.81%
Marsh Plating and Finishing Services	100	8	0.36%			
Ypsilanti Health Center	90	9	0.32%			
The Gilbert Residence	88	10	0.32%	72	7	0.63%
Bortz Health Care of Ypsilanti				148	4	1.29%
Forest Health Services				84	6	0.73%
Walgreens				57	8	0.50%
Fischer Honda				34	9	0.30%
Bird Brain				20	10	0.17%
	<u>4,011</u>		<u>14.42%</u>	<u>3,226</u>		<u>28.15%</u>

Source: Michigan Department of Technology, Management, and Budget
 City of Ypsilanti Finance Department
https://ycharts.com/indicators/ypsilanti_mi_labor_force

Employees by Department
By Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Mayor and City Council (1010)	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Administrative services										
City Manager (1720)	1.85	1.85	2.60	2.60	2.60	1.60	1.60	2.00	2.00	2.00
Human Resources (2700)	1.55	1.55	1.30	1.30	1.00	1.00	1.00	2.00	2.00	2.00
Ordinance Enforcement (341)	0.50	0.50	1.70	1.70	3.00	4.00	-	2.00	2.00	2.00
Building Inspection (3710)	3.35	3.25	2.20	2.20	-	-	4.00	4.50	4.50	5.00
Planning and Development (7210)	2.38	2.38	2.13	2.13	3.35	4.40	5.40	5.00	5.00	5.00
Freighthouse(7551)	-	-	-	-	-	-	-	-	-	1.00
	<u>9.63</u>	<u>9.53</u>	<u>9.93</u>	<u>9.93</u>	<u>9.95</u>	<u>11.00</u>	<u>12.00</u>	<u>15.50</u>	<u>15.50</u>	<u>17.00</u>
Citizen services										
Voters Registration, school, and county election (2621)	-	-	-	-	-	-	0.50	0.50	0.50	0.50
City Clerk (2150)	1.95	1.95	1.95	1.95	1.45	1.50	1.75	2.50	2.50	2.50
City Treasurer (2530)	1.34	1.34	1.34	1.68	1.50	1.00	2.00	1.50	0.50	0.50
	<u>3.29</u>	<u>3.29</u>	<u>3.29</u>	<u>3.63</u>	<u>2.95</u>	<u>2.50</u>	<u>4.25</u>	<u>4.50</u>	<u>3.50</u>	<u>3.50</u>
Administrative Hearing Bureau (3730)	<u>0.10</u>	<u>0.10</u>	<u>0.15</u>	<u>0.15</u>	<u>0.15</u>	<u>0.50</u>	<u>0.10</u>	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>
Fire services										
Administration (3370)	1.00	1.00	1.00	1.00	1.00	1.00	1.50	2.00	2.00	2.00
Suppression (3390)	18.50	16.00	16.00	16.00	19.00	18.00	15.00	14.00	18.00	13.00
	<u>19.50</u>	<u>17.00</u>	<u>17.00</u>	<u>17.00</u>	<u>20.00</u>	<u>19.00</u>	<u>16.50</u>	<u>16.00</u>	<u>20.00</u>	<u>15.00</u>
Fiscal services										
Finance - Accounting (1910)	3.03	3.03	3.03	3.03	3.00	4.00	4.00	5.73	6.50	4.50
Finance - Assessor (2570)	0.93	0.33	0.33	0.33	-	-	-	-	-	-
	<u>3.96</u>	<u>3.36</u>	<u>3.36</u>	<u>3.36</u>	<u>3.00</u>	<u>4.00</u>	<u>4.00</u>	<u>5.73</u>	<u>6.50</u>	<u>4.50</u>
Police services										
Administration (3050)	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.50	3.50	4.50
Field Services (3070)	28.00	24.00	28.26	29.26	29.95	27.00	25.00	27.00	30.00	32.00
COPS Grant	3.00	2.00	2.00	2.00	-	-	-	-	-	-
Parking Enforcement (3110)	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00
LAWNET Grant (312 and 316)	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
School Liaison Contract (317)	-	-	-	-	1.00	1.00	-	-	-	-
	<u>36.00</u>	<u>31.00</u>	<u>35.26</u>	<u>36.26</u>	<u>36.95</u>	<u>33.00</u>	<u>31.00</u>	<u>32.50</u>	<u>35.50</u>	<u>38.50</u>
Public services										
Parks, streets, building, parking lots, and garbage collection	17.00	17.00	17.00	16.00	16.00	17.00	17.27	16.00	20.00	20.00
Administration (4410)	3.88	3.81	3.88	3.88	4.00	4.00	4.00	4.00	4.00	4.00
	<u>20.88</u>	<u>20.81</u>	<u>20.88</u>	<u>19.88</u>	<u>20.00</u>	<u>21.00</u>	<u>21.27</u>	<u>20.00</u>	<u>24.00</u>	<u>24.00</u>
Total full-time employees	<u>93.36</u>	<u>85.09</u>	<u>89.87</u>	<u>90.21</u>	<u>93.00</u>	<u>91.00</u>	<u>89.12</u>	<u>94.29</u>	<u>105.06</u>	<u>102.56</u>
Total council and full-time employees	<u>100.36</u>	<u>92.09</u>	<u>96.87</u>	<u>97.21</u>	<u>100.00</u>	<u>98.00</u>	<u>96.12</u>	<u>101.29</u>	<u>112.06</u>	<u>109.56</u>

Source: City of Ypsilanti Finance Department

Operating Indicators by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety										
Police services:										
Number of uniform crime reporting	2,983	2,913	3,179	2,301	2,101	2,317	2,186	1,308	1,268	1,221
Number of traffic violations	3,609	3,024	3,528	1,779	1,257	1,881	1,374	1,008	1,551	870
Number of arrests	1,715	1,698	1,939	712	1,253	1,048	764	679	809	633
Number of parking violations	10,593	9,223	2,975	6,382	9,730	13,422	12,865	12,319	9,058	6,057
Fire services:										
Number of calls answered	600	639	690	545	712	2,300	2,437	2,291	2,037	1,743
Number of inspections conducted	400	384	264	325	513	171	113	17	5	72
Public Services										
Miles of local streets maintained	21.22	21.22	21.22	21.22	21.22	21.11	21.22	32.20	32.30	32.30
Miles of major streets maintained	32.44	32.44	32.44	32.44	32.44	32.44	32.33	21.22	21.22	21.22
Public Utilities										
Miles of water mains	58.66	58.66	58.66	53.74	59.00	59.00	70.00	70.00	70.00	70.50
Number of fire hydrants	663	663	663	663	663	663	663	663	663	679

Source: City of Ypsilanti Police, Fire, and Public Services Departments

Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police Services										
Police department building	1	1	1	1	1	1	1	1	1	1
Temporary detention cells	2	2	2	2	2	2	2	2	2	2
Vehicle patrol units:										
Police service automobiles	9	9	9	9	9	9	10	9	10	9
Unmarked police vehicles	7	7	7	7	8	8	7	7	7	7
Parking enforcement	2	2	2	2	2	2	2	1	2	2
Mobile command vehicle	1	1	1	1	1	1	1	1	1	1
Volunteer service vehicle	1	1	1	1	1	1	-	-	-	-
Fire Services										
Emergency services building	1	1	1	1	1	1	1	1	1	1
Vehicle units:										
Pumper truck	2	2	2	2	2	2	2	2	2	2
Pumper ladder truck	1	1	1	1	1	1	1	1	1	1
Jaws of life	1	1	1	1	1	1	1	1	1	1
Chief's city car	1	1	1	1	1	1	1	1	1	1
Fire Marshal's vehicle	-	-	-	-	-	-	-	-	-	1
Trailer	-	-	-	-	-	-	-	-	-	1
Pickup truck	2	2	2	2	2	2	2	2	2	-
Utility van	-	-	-	-	-	-	-	-	-	2
Administrative Services										
Crown Victoria - CH	1	1	-	-	-	-	-	-	-	-
Code Enforcement	-	-	-	-	-	-	-	-	2	2
Impala	1	1	1	1	1	1	1	1	1	-
Taurus - CM	1	1	1	1	1	1	1	1	1	-
Ford Escape 1	-	-	-	-	-	-	-	-	1	1
Ford Escape 2	-	-	-	-	-	-	-	-	1	1
Building enforcement vehicles	3	3	2	2	2	3	2	2	3	3
Public Services										
Passenger										
Crown Victoria	2	2	1	-	-	-	-	-	-	-
Escape	1	1	1	1	1	1	1	1	1	1
Van with Aerial Lift	1	1	-	-	-	-	-	-	-	-
Trucks:										
Pick-up	7	7	5	4	4	4	4	4	4	5
with Aerial Lift	1	1	2	1	1	1	1	1	1	1
Dump	11	11	9	7	7	6	7	7	7	10
with Grapple	1	1	1	1	1	1	1	1	1	2
Stake	6	6	3	3	3	4	3	3	3	2
with Aerial Lift	1	1	1	1	1	1	1	1	1	2
Recycle Truck	-	-	-	-	-	-	-	-	-	-
Packer Truck	4	4	3	3	3	4	3	3	3	4
Brush Chipper	1	1	1	1	1	1	1	1	1	1
Tractors:										
with Front Loader	1	1	-	-	-	1	-	-	-	-
with Front Loader/Rear Plow	1	1	1	1	1	1	-	-	-	-
with Bucket and Backhoe	1	1	-	-	-	-	-	-	-	-
with Drawn Rake	1	1	-	-	-	-	-	-	-	-
with Salt Spreader & Snow Plow	1	1	1	1	1	1	-	-	-	-
Garden	7	7	6	3	3	4	3	3	3	4
Wide Area Mower	1	1	1	1	1	1	1	1	1	1
Loader with Bucket	3	3	2	2	2	1	1	1	1	2
Rear Loader	1	1	1	1	1	1	1	1	1	-
	-	-	-	-	1	1	1	1	1	3

Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Equipment:										
Gas Tester	1	1	1	1	1	1	1	1	1	1
Arrowboard	2	2	2	2	2	2	2	2	2	2
Pump	2	2	2	2	2	1	2	1	2	2
Snow Blower	4	4	3	3	3	1	2	1	2	1
Traffic Counter	8	8	8	8	8	5	2	6	3	4
Star Drill	1	1	1	1	1	1	1	1	1	1
Trailer	4	4	4	4	4	4	4	4	4	5
Sign Driver	1	1	1	1	1	1	1	1	1	1
Auger	2	2	2	2	2	2	1	1	1	1
Street Sweeper	3	3	2	2	2	2	2	2	2	2
Compactor	1	1	1	1	1	1	1	1	1	1
Cement Mixer	1	1	1	1	1	1	1	1	1	1
Bituminous	1	1	1	1	1	-	1	-	1	1
Hyd. Sewer Cleaner	1	1	1	1	1	1	1	1	2	2
Compressor	-	-	2	2	1	1	1	2	2	2
Concrete Pavement Saw	2	2	2	2	2	2	2	2	2	2
Parking Lot Plow	-	-	2	2	2	2	2	2	2	2
Rear Plow	1	1	1	1	1	1	1	1	1	1
Dual Line Stripper	1	1	1	1	1	1	1	1	1	1
Leaf Blower	3	3	3	3	3	3	3	3	3	4
Weed Eater	11	11	11	11	12	12	12	11	11	13
Weed Eater (brush cutter)	1	1	1	1	1	1	1	2	2	2
Rotary Lawn Mower	2	2	1	1	1	1	1	1	1	2
Bush Hog	1	1	1	1	1	1	1	1	1	1
Generator	2	2	2	2	2	2	2	2	2	2
Compressor	2	2	1	-	1	1	1	3	3	2
Maint. Drawn Tracor Blade	1	1	1	1	1	1	1	1	-	-
Sod Cutter	1	1	1	1	1	-	1	-	-	-
Rotary Tiller	1	1	1	1	1	1	1	1	1	1
Chain Saw	12	12	12	12	12	12	12	12	12	11
Power Pruner	3	3	3	3	3	3	3	3	3	2
Chipper Box	1	1	-	-	-	1	1	1	1	1
Fork Lift	1	1	1	1	1	1	1	1	1	1
Roller	1	1	1	-	-	-	-	-	-	-
Pressure Washer	1	1	1	1	1	1	1	1	1	1
Portable Space Heater	1	1	1	1	1	1	1	1	1	1
Power MIG 255	1	1	1	1	1	1	1	1	1	1
Precision TIG 275	1	1	1	1	1	1	1	1	1	1
Row Boat	1	1	1	-	-	-	-	-	-	-
Sandblaster	1	1	1	1	1	1	1	1	1	1
Weed Eater/Hedge Trimmer	1	1	1	1	1	1	1	1	1	1
Edger/Trimmer/Weed Eater	-	-	1	1	1	1	1	1	1	1
Pallet Forks	-	-	-	-	1	1	1	1	1	1
Jackhammer	-	-	-	-	1	1	1	1	1	1
Backhoe	-	-	-	-	1	1	1	1	1	1
Stump Grinder	-	-	-	-	1	1	1	1	1	1
Snow Pusher Blade	-	-	-	-	1	1	1	1	1	2
Auger bit 24"	-	-	-	-	1	1	1	1	1	1
Auger bit 36"	-	-	-	-	1	1	1	1	1	1
Grader	-	-	-	-	1	1	1	1	1	1
Soil Conditioner	-	-	-	-	1	1	1	1	1	1
Brush Hog	-	-	-	-	1	1	1	1	1	1

Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Parks & Recreation										
Parks:										
Active	8	8	8	8	8	8	8	8	8	8
Inactive	1	1	1	1	1	1	1	1	1	1
Tot Lots	3	3	3	3	3	3	3	3	3	3
Park acreage:										
Active parks	81	81	81	81	81	81	81	81	81	81
Inactive	2	2	2	2	2	2	2	2	2	2
Tot Lots	2	2	2	2	1	2	2	2	2	2
Picnic areas	9	9	9	9	9	9	9	9	9	9
Buildings:										
Parkridge Community Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Concessions	1	1	-	-	-	-	-	-	-	-
Pavilions	9	9	9	9	9	9	9	9	9	9
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Amphitheater	1	1	1	1	1	1	1	1	1	1
Multiuse Trail	1	1	1	1	1	1	1	1	1	1
Park and Play Area Acreage										
Candy Cane Park	7	7	7	7	7	7	7	7	7	7
Carrie Mattingly Tot Lot	1	1	1	1	1	1	1	1	1	-
Charles Street Tot Lot	-	-	-	-	-	-	-	-	-	-
Edith Hefley Park	1	1	1	1	1	1	1	1	1	1
Frog Island Park	7	7	7	7	7	7	7	7	7	7
Gilbert Park	-	-	-	-	-	-	-	-	-	-
Parkridge Park Community Center	8	8	8	8	8	8	8	8	8	8
Peninsular Park	5	5	5	5	5	5	5	5	5	5
Prospect Park	10	10	10	10	10	10	10	10	10	10
Recreation Park/Pool/Senior Center	17	17	17	17	17	17	17	17	17	17
Riverside Park	14	14	14	14	14	14	14	14	14	14
Waterworks Park	13	13	13	13	13	13	13	13	13	13
Picnic										
Candy Cane Park	1	1	1	1	1	1	1	1	1	1
Parkridge Park Community Center	1	1	1	1	1	1	1	1	1	1
Peninsular Park	1	1	1	1	1	1	1	1	1	1
Prospect Park	2	2	2	2	2	2	2	2	2	2
Recreation Park/Pool/Senior Center	1	1	1	1	1	1	1	1	1	1
Riverside Park	1	1	1	1	1	1	1	1	1	1
Waterworks Park	1	1	1	1	1	1	1	1	1	1
Pavilions										
Recreation Park/Pool/Senior Center	1	1	1	1	1	1	1	1	1	1
Candy Cane Park	1	1	1	1	1	1	1	1	1	1
Prospect Park	2	2	2	2	2	2	2	2	2	2
Waterworks Park	1	1	1	1	1	1	1	1	1	1
Parkridge Park Community Center	1	1	1	1	1	1	1	1	1	1
Riverside Park	2	2	2	2	1	1	1	1	1	1
Peninsular Park	1	1	1	1	1	1	1	1	1	1

Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Attractions										
Eastern Michigan Campus	1	1	1	1	1	1	1	1	1	1
Farmer's Market / Freighthouse	1	1	1	1	1	1	1	1	1	1
Michigan Firehouse Museum	1	1	1	1	1	1	1	1	1	1
Riverside Arts Center	1	1	1	1	1	1	1	1	1	1
Ypsilanti Automotive Heritage Collection	1	1	1	1	1	1	1	1	1	1
Ypsilanti District Library	1	1	1	1	1	1	1	1	1	1
Ypsilanti Historical Museum	1	1	1	1	1	1	1	1	1	1
Ypsilanti Water Tower	1	1	1	1	1	1	1	1	1	1
Ypsilanti West Commerce Park	1	1	1	1	1	1	1	1	1	1

Source: City of Ypsilanti Finance Department

Schedule of Insurance

As of June 30, 2021

Type of Coverage Name of Company	Policy Period	Premium	Description
Michigan Municipal League Liability and Property Pool	8/01/20- 8/01/21	\$ 271,618	Covers general liability, police professional liability, and public officials errors & omissions. Limit of liability \$2,000,000.
Michigan Municipal League Liability and Property Pool	8/01/20- 8/01/21	70,756	Covers automobiles.
Michigan Municipal League Liability and Property Pool	8/01/20- 8/01/21	33,436	Covers buildings, attached property, and equipment.
Meadowbrook Insurance Group	8/30/20- 8/30/21	1,457	Covers commercial storage tank.
Blue Cross - Blue Shield, EHIM, Sun Life, Dearborn National, Guardian, UNUM, HEALTH EQUITY, HC Waivers	7/01/20 - 6/30/21	2,834,919	Employee and retiree benefits: health, dental, prescription, life, vision, and long-term disability.
MML Liability & Property Pool	7/01/20 - 7/01/21	170,377	Workers compensation and employees liability excess insurance policy for self insured combined specific and aggregate agreement. Part one - employer liability \$1,000,000, part two - workers compensation limit \$5,000,000, part two - employer liability \$1,000,000. Starting November 1, 2016, Workers compensation and employers liability coverage with statutory limits. Inside/outside premises, depositors forgery, money order/counterfeit paper coverages. \$100,000 liability limit.

Source: City of Ypsilanti Finance Department