

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

STATEMENTS OF NET POSITION
As of December 31, 2021 and 2020

ASSETS		
	2021	2020
CURRENT ASSETS		
Cash and investments	\$ 3,689,146	\$ 4,340,686
Accounts receivable	3,229,994	3,135,303
Due from City of Grand Rapids	18,505	133,387
Materials and supplies	613,402	659,088
Interest receivable	4,197	4,728
Prepaid expenses	129,278	272,089
Restricted cash and investments - current portion	1,605,313	582,657
Restricted accounts receivable - current portion	1,599,161	2,035,830
Total Current Assets	<u>10,888,996</u>	<u>11,163,768</u>
NONCURRENT ASSETS		
Restricted cash and investments - non-current portion	2,367,505	794,549
Restricted accounts receivable - non-current portion	11,815,292	13,235,844
Capital Assets		
Plant in service	121,221,320	119,878,304
Accumulated depreciation	(61,044,276)	(57,982,508)
Construction work in progress	262,286	1,170,453
Other Assets		
Other investments	-	10,000
Other long-term receivables	12,320	98,990
Regulatory assets	159,654	99,663
Non-utility property (net of amortization)	592,157	645,588
Financial assurance landfill closure	4,526,085	3,640,225
Total Noncurrent Assets	<u>79,912,343</u>	<u>81,591,108</u>
Total Assets	<u>90,801,339</u>	<u>92,754,876</u>
DEFERRED OUTFLOWS OF RESOURCES		
Service territory acquisition	185,580	219,917
Loss on refunding of debt	84,480	-
Pension	1,137,052	227,785
Total Deferred Outflows of Resources	<u>1,407,112</u>	<u>447,702</u>

LIABILITIES		
	<u>2021</u>	<u>2020</u>
CURRENT LIABILITIES		
Accounts payable	\$ 1,832,215	\$ 1,424,978
Due to City of La Prairie	12,930	13,399
Sales tax payable	105,664	58,216
Due to City of Grand Rapids	129,038	166,264
Accrued compensated absences	219,594	224,059
Unearned revenues	113,392	111,227
Accrued interest - lease obligation	-	6,943
Current portion of lease obligation	-	230,395
Accrued payroll	58,672	91,546
Current liabilities payable from restricted assets:		
Current portion of long-term debt	1,859,000	2,107,000
Accrued interest	170,729	187,198
Customer deposits	435,196	430,330
Total Current Liabilities	<u>4,936,430</u>	<u>5,051,555</u>
NONCURRENT LIABILITIES		
Long-term debt, net premium and discount	15,327,187	15,094,201
Customer advances for construction	-	2,500
Lease obligation	-	733,897
Accrued compensated absences	96,636	118,893
Net pension liability	1,580,066	2,320,242
Landfill closure/post closure costs	4,526,085	3,640,225
Total Noncurrent Liabilities	<u>21,529,974</u>	<u>21,909,958</u>
Total Liabilities	<u>26,466,404</u>	<u>26,961,513</u>
DEFERRED INFLOWS OF RESOURCES		
Demand payment deferral	12,915,642	14,681,597
Other deferred credits	34,772	37,909
Pension	1,558,185	176,770
Total Deferred Inflows of Resources	<u>14,508,599</u>	<u>14,896,276</u>
NET POSITION		
Net investment in capital assets	43,337,623	45,010,756
Restricted for		
Capital replacement	2,367,622	796,279
Debt service	1,170,000	-
Unrestricted	<u>4,358,203</u>	<u>5,537,754</u>
TOTAL NET POSITION	<u>\$ 51,233,448</u>	<u>\$ 51,344,789</u>

See accompanying notes to financial statements.

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended December 31, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Electric	18,212,360	\$ 15,331,223
Water	1,886,511	1,778,042
Wastewater collection	1,866,283	1,796,436
Wastewater treatment	3,354,423	3,591,588
Total Operating Revenues	<u>25,319,577</u>	<u>22,497,289</u>
OPERATING EXPENSES		
Production	591,648	543,700
Purchased power	13,611,143	11,069,792
Distribution/collection	1,996,952	1,440,341
Customer accounts	655,130	451,528
Administrative and general	1,724,030	1,675,285
Service center	164,112	144,214
Domestic wastewater treatment	553,020	514,032
Industrial wastewater treatment	3,406,594	3,640,009
Depreciation and amortization	3,321,732	3,461,853
Total Operating Expenses	<u>26,024,361</u>	<u>22,940,754</u>
OPERATING INCOME (LOSS)	<u>(704,784)</u>	<u>(443,465)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	15,677	30,745
Demand interest payments	445,886	486,434
Landfill contribution	110,000	110,000
Gain (loss) on property disposition	26,246	(547)
Interest expense	(538,572)	(589,496)
Bond fees	(3,750)	(4,995)
Amortization of debt premiums and discounts	(2,641)	(2,883)
Amortization of regulatory asset	(20,657)	(16,824)
Combined service center lease revenues	26,124	38,351
Grant revenue	84,329	145,672
City land improvements	(393,640)	-
Payment in lieu of taxes	(882,288)	(873,537)
Total Nonoperating Revenues (Expenses)	<u>(1,133,286)</u>	<u>(677,080)</u>
Income (Loss) Before Contributions	(1,838,070)	(1,120,545)
CAPITAL CONTRIBUTIONS - CONNECTION FEES	89,307	36,383
CAPITAL CONTRIBUTIONS - MUNICIPALITY	-	75,000
CAPITAL CONTRIBUTIONS	<u>1,637,422</u>	<u>2,397,726</u>
CHANGES IN NET POSITION	(111,341)	1,388,564
NET POSITION - Beginning of Year	<u>51,344,789</u>	<u>49,956,225</u>
NET POSITION - END OF YEAR	<u>51,233,448</u>	<u>\$ 51,344,789</u>

See accompanying notes to financial statements.

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 25,556,707	\$ 22,404,242
Combined service center lease revenues	26,124	38,351
Paid to suppliers for goods and services	(19,504,454)	(16,608,792)
Paid to employees for services	(2,866,516)	(2,690,366)
Net Cash Flows From Operating Activities	<u>3,211,861</u>	<u>3,143,435</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Demand interest payments	445,886	486,434
Landfill contributions	110,000	110,000
Principal payments on long-term debt - landfill	(110,000)	(110,000)
Non-capital grant received	84,329	145,672
Interest paid on long-term debt - landfill	(3,850)	(7,480)
City land improvements	(393,640)	-
Payment in lieu of taxes to City of Grand Rapids	(882,288)	(873,537)
Net Cash Flows From Noncapital and Related Financing Activities	<u>(749,563)</u>	<u>(248,911)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(634,230)	(3,322,387)
Capital contributions received	1,685,370	1,789,463
Capital lease payments	(964,292)	(256,747)
Principal payments on long-term debt	(2,104,415)	(1,929,001)
Proceeds from debt issue	2,031,632	-
Interest paid on long-term debt and lease payments	(558,499)	(605,447)
Net Cash Flows From Capital and Related Financing Activities	<u>(544,434)</u>	<u>(4,324,119)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	16,208	37,256
Sale of investments	1,384,000	1,629,000
Purchase of investments	(1,417,000)	(1,629,000)
Net Cash Flows From Investing Activities	<u>(16,792)</u>	<u>37,256</u>
Net Change in Cash and Cash Equivalents	1,901,072	(1,392,339)
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>3,608,892</u>	<u>5,001,231</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 5,509,964</u>	<u>\$ 3,608,892</u>

	2021	2020
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH		
FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (704,784)	\$ (443,465)
Adjustments to reconcile operating income (loss) to cash from operating activities		
Nonoperating revenue	22,374	33,356
Depreciation and amortization	3,321,732	3,461,853
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Accounts receivable	236,986	(77,266)
Other current assets	188,497	(125,568)
Other assets	(832,429)	221,783
Accounts payable	406,768	341,181
Other current liabilities	10,474	5,372
Other liabilities	(54,617)	9,058
Deferred inflows of resources	884,888	(170,090)
Pension related deferrals and liabilities	(268,028)	(112,779)
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 3,211,861	\$ 3,143,435
 RECONCILIATION OF CASH AND CASH EQUIVALENTS		
TO STATEMENTS OF NET POSITION		
Cash and investments	\$ 3,689,146	\$ 4,340,686
Restricted cash and investments - current portion	1,605,313	582,657
Restricted cash and investments	2,367,505	794,549
Other investments	-	10,000
Sub-totals	7,661,964	5,727,892
Less: Noncash equivalents	(2,152,000)	(2,119,000)
CASH AND CASH EQUIVALENTS	\$ 5,509,964	\$ 3,608,892
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Deposits to escrow for bond refunding	\$ 1,170,368	\$ -
Debt issuance costs paid by bond refunding	\$ 91,314	\$ -
Capital contributions - municipality	\$ -	\$ 75,000
Capital receivable from grant and customers	\$ 84,939	\$ 707,308

See accompanying notes to financial statements.

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

COMBINING SCHEDULE OF REVENUES AND EXPENSES

For the Year Ended December 31, 2021

	Electric	Water	Wastewater Collection	Wastewater Treatment	Totals
OPERATING REVENUES					
Utility revenues - city	\$ 13,722,670	\$ 1,633,096	\$ 1,552,917	\$ 3,354,423	\$ 20,263,106
Utility revenues - rural	1,840,226	37,877	293,596	-	2,171,699
Security lighting	61,567	-	-	-	61,567
Total Retail Sales	15,624,463	1,670,973	1,846,513	3,354,423	22,496,372
Purchased power adjustment pass-through	2,401,457	-	-	-	2,401,457
Total Utility Revenues	18,025,920	1,670,973	1,846,513	3,354,423	24,897,829
Other Operating Revenue					
Pole rentals	23,577	-	-	-	23,577
Other	148,569	213,862	18,094	-	380,525
Penalties	14,294	1,676	1,676	-	17,646
Total Operating Revenues	18,212,360	1,886,511	1,866,283	3,354,423	25,319,577
OPERATING EXPENSES					
Production	-	591,648	-	-	591,648
Purchased power	13,611,143	-	-	-	13,611,143
Distribution/collection	1,326,562	389,495	280,895	-	1,996,952
Customer accounts	436,018	122,931	96,181	-	655,130
Administrative and general	1,125,105	335,912	263,013	-	1,724,030
Service center	123,085	20,513	20,514	-	164,112
Domestic wastewater treatment	-	-	553,020	-	553,020
Industrial wastewater treatment	-	-	-	3,406,594	3,406,594
Depreciation and amortization	1,119,626	353,922	259,292	1,588,892	3,321,732
Total Operating Expenses	17,741,539	1,814,421	1,472,915	4,995,486	26,024,361
OPERATING INCOME (LOSS)	470,821	72,090	393,368	(1,641,063)	(704,784)
NONOPERATING REVENUES (EXPENSES)					
Investment income	15,677	-	-	-	15,677
Demand interest payments	-	-	-	445,886	445,886
Landfill contribution	-	-	-	110,000	110,000
Gain (loss) on property disposition	-	-	27,500	(1,254)	26,246
Interest expense	(29,861)	(28,643)	(17,471)	(462,597)	(538,572)
Bond fees	-	(992)	(233)	(2,525)	(3,750)
Amortization of debt premiums and discounts	-	(974)	(146)	(1,521)	(2,641)
Amortization of regulatory asset	(2,996)	(642)	(1,016)	(16,003)	(20,657)
Combined service center lease revenues	19,593	3,265	3,266	-	26,124
Grant revenue	84,329	-	-	-	84,329
City land improvements	(393,640)	-	-	-	(393,640)
Payment in lieu of taxes	(882,288)	-	-	-	(882,288)
Total Nonoperating Revenues (Expenses)	(1,189,186)	(27,986)	11,900	71,986	(1,133,286)
INCOME (LOSS) BEFORE CONTRIBUTIONS	\$ (718,365)	\$ 44,104	\$ 405,268	\$ (1,569,077)	\$ (1,838,070)

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

COMBINING SCHEDULE OF REVENUES AND EXPENSES

For the Year Ended December 31, 2020

	Electric	Water	Wastewater Collection	Wastewater Treatment	Totals
OPERATING REVENUES					
Utility revenues - city	\$ 13,017,390	\$ 1,531,862	\$ 1,470,730	\$ 3,591,588	\$ 19,611,570
Utility revenues - rural	1,745,715	35,249	300,251	-	2,081,215
Security lighting	60,075	-	-	-	60,075
Total Retail Sales	14,823,180	1,567,111	1,770,981	3,591,588	21,752,860
Purchased power adjustment pass-through	400,954	-	-	-	400,954
Total Utility Revenues	15,224,134	1,567,111	1,770,981	3,591,588	22,153,814
Other Operating Revenue					
Pole rentals	21,416	-	-	-	21,416
Other	75,804	209,774	24,298	-	309,876
Penalties	9,869	1,157	1,157	-	12,183
Total Operating Revenues	15,331,223	1,778,042	1,796,436	3,591,588	22,497,289
OPERATING EXPENSES					
Production	-	543,700	-	-	543,700
Purchased power	11,069,792	-	-	-	11,069,792
Distribution/collection	915,991	306,344	218,006	-	1,440,341
Customer accounts	297,957	88,418	65,153	-	451,528
Administrative and general	1,145,209	320,734	209,342	-	1,675,285
Service center	108,160	18,027	18,027	-	144,214
Domestic wastewater treatment	-	-	514,032	-	514,032
Industrial wastewater treatment	-	-	-	3,640,009	3,640,009
Depreciation and amortization	1,305,094	347,901	212,089	1,596,769	3,461,853
Total Operating Expenses	14,842,203	1,625,124	1,236,649	5,236,778	22,940,754
OPERATING INCOME (LOSS)	<u>489,020</u>	<u>152,918</u>	<u>559,787</u>	<u>(1,645,190)</u>	<u>(443,465)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	30,745	-	-	-	30,745
Demand interest payments	-	-	-	486,434	486,434
Landfill contribution	-	-	-	110,000	110,000
Grant revenues	145,672	-	-	-	145,672
Gain (loss) on property disposition	-	1,125	-	(1,672)	(547)
Interest expense	(21,351)	(28,771)	(16,107)	(523,267)	(589,496)
Bond fees	-	(1,132)	(605)	(3,258)	(4,995)
Amortization of debt premiums and discounts	-	(974)	(146)	(1,763)	(2,883)
Amortization of regulatory asset	-	-	(374)	(16,450)	(16,824)
Combined service center lease revenues	28,763	4,794	4,794	-	38,351
Payment in lieu of taxes	(873,537)	-	-	-	(873,537)
Total Nonoperating Revenues (Expenses)	(689,708)	(24,958)	(12,438)	50,024	(677,080)
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>\$ (200,688)</u>	<u>\$ 127,960</u>	<u>\$ 547,349</u>	<u>\$ (1,595,166)</u>	<u>\$ (1,120,545)</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

ELECTRIC DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Utility Revenues		
City residential	\$ 4,311,259	\$ 4,142,608
City commercial and light and power	9,411,411	8,874,782
Rural residential	1,213,463	1,182,228
Rural commercial and light and power	626,763	563,487
Security lighting	61,567	60,075
Total Retail Sales	<u>15,624,463</u>	<u>14,823,180</u>
Purchased power adjustment pass-through	2,401,457	400,954
Total Utility Revenues	<u>18,025,920</u>	<u>15,224,134</u>
Other Operating Revenues		
Pole rentals	23,577	21,416
Other	148,569	75,804
Penalties	14,294	9,869
Total Operating Revenues	<u>18,212,360</u>	<u>15,331,223</u>
OPERATING EXPENSES		
Purchased Power	<u>13,611,143</u>	<u>11,069,792</u>
Distribution Operations		
Supervision and engineering	88,820	89,308
Substations	6,334	5,580
Overhead and underground lines	366,055	91,108
Meters	75,208	79,910
Customer installations	22,802	13,129
Mapping	47,363	34,139
Small tools	30,801	17,833
Safety	30,613	29,396
Seminar/training	11,401	11,590
Stores and other	155,224	95,509
Distribution Maintenance		
Supervision and engineering	88,780	89,128
Locating expense	37,924	15,769
Substations	52,509	55,319
Overhead lines	236,987	174,777
Underground lines	22,259	98,188
Line transformers	-	778
Security lighting	5,047	1,173
Street lighting	-	2,158
Meters	42,513	4,168
Other	5,922	7,031
Total Distribution Expenses	<u>1,326,562</u>	<u>915,991</u>
Other Operating Expenses		
Customer accounts expense	436,018	297,957
Administrative and general	1,125,105	1,145,209
Depreciation - electric	933,748	1,123,497
Depreciation - other	106,360	103,727
Amortization - intangibles	45,181	43,533
Amortization - other	34,337	34,337
Service center	123,085	108,160
Total Other Operating Expenses	<u>2,803,834</u>	<u>2,856,420</u>
Total Operating Expenses	<u>17,741,539</u>	<u>14,842,203</u>
OPERATING INCOME	<u>470,821</u>	<u>489,020</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

ELECTRIC DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES (cont.)
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	\$ 15,677	\$ 30,745
Interest expense	(29,861)	(21,351)
Amortization of regulatory asset	(2,996)	-
Lease revenues combined service center	19,593	28,763
Grant revenue	84,329	145,672
City land improvements	(393,640)	-
Payment in lieu of taxes	<u>(882,288)</u>	<u>(873,537)</u>
Total Nonoperating Revenues (Expenses)	<u>(1,189,186)</u>	<u>(689,708)</u>
 INCOME (LOSS) BEFORE CONTRIBUTIONS	 <u>\$ (718,365)</u>	 <u>\$ (200,688)</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WATER DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES
 For the Years Ended December 31, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Utility Revenues		
City sales	\$ 1,633,096	\$ 1,531,862
Rural sales	37,877	35,249
Total Utility Revenues	1,670,973	1,567,111
Other Operating Revenues		
Miscellaneous service	213,862	209,774
Penalties	1,676	1,157
Total Operating Revenues	1,886,511	1,778,042
OPERATING EXPENSES		
Production		
Operations		
Operators wages	161,855	158,636
Water treatment expense	114,019	111,014
Power purchased	195,190	168,760
Other	26,250	18,573
Maintenance		
WTP buildings and grounds	17,906	6,761
Wells, pumps, mains	14,353	6,009
WTP equipment	51,511	62,363
DCS	8,183	6,954
Inspections	2,381	4,630
Total Production Expenses	591,648	543,700
Distribution		
Operations		
Supervision and engineering	43,108	29,361
Records	1,275	10,527
Inspections	11,359	6,325
Thaw and flush hydrants, etc.	8,054	4,932
Locating expense	13,630	21,105
Service on customer premises	46,238	7,372
Mapping	30,810	30,799
Small tools	3,465	3,412
Safety	14,826	9,000
Seminar/training	20,365	14,211
Other	378	57
Stores	24,983	15,074
Maintenance		
Towers and tanks	16,669	8,573
Booster station	2,563	303
Mains and hydrants	93,945	138,680
Services	43,923	9,019
Meters	8,584	(2,553)
Other	5,320	147
Total Distribution Expenses	389,495	306,344

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WATER DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES (cont.)
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OTHER OPERATING EXPENSES		
Customer accounts expense	\$ 122,931	\$ 88,418
Administrative and general	335,912	320,734
Depreciation - water	331,343	325,827
Depreciation - other	17,727	17,288
Amortization - intangibles	4,852	4,786
Service center	20,513	18,027
Total Other Operating Expenses	<u>833,278</u>	<u>775,080</u>
Total Operating Expenses	<u>1,814,421</u>	<u>1,625,124</u>
OPERATING INCOME	<u>72,090</u>	<u>152,918</u>
NONOPERATING REVENUES (EXPENSES)		
Gain (loss) on property disposition	-	1,125
Bond fees	(992)	(1,132)
Amortization of debt premiums and discounts	(974)	(974)
Amortization of regulatory asset	(642)	-
Interest expense - other	(28,643)	(28,771)
Lease revenues combined service center	3,265	4,794
Total Nonoperating Revenues (Expenses)	<u>(27,986)</u>	<u>(24,958)</u>
INCOME BEFORE CONTRIBUTIONS	<u>\$ 44,104</u>	<u>\$ 127,960</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WASTEWATER COLLECTION DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES
 For the Years Ended December 31, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Utility Revenues		
City	\$ 1,552,917	\$ 1,470,730
Rural	137,664	145,720
Septage haulers	155,932	154,531
Total Utility Revenues	1,846,513	1,770,981
Other Operating Revenues		
Other	18,094	24,298
Penalties	1,676	1,157
Total Operating Revenues	1,866,283	1,796,436
OPERATING EXPENSES		
Collection		
Operations		
Supervision and engineering	25,032	26,143
Inspections	1,012	330
Locating expense	10,100	9,877
Service on customer premises	556	424
Mapping	30,810	30,779
Small tools	2,059	919
Safety	4,076	3,467
Seminar/training	5,659	1,262
Other	95	87
Stores	5,400	3,056
Power purchased	15,439	14,327
Maintenance		
Lift stations	94,555	38,225
Mains	74,472	81,457
Services	4,733	7,323
Other	6,897	330
Total Collection Expenses	280,895	218,006
Domestic Wastewater Treatment		
Domestic plant	88,786	80,610
Domestic portion of secondary plant and service center	464,234	433,422
Total Domestic Treatment Expenses	553,020	514,032
Other Operating Expenses		
Customer accounts expense	96,181	65,153
Administrative and general	263,013	209,342
Depreciation - wastewater collection	236,713	190,015
Depreciation - other	17,727	17,288
Amortization - intangibles	4,852	4,786
Service center	20,514	18,027
Total Other Operating Expenses	639,000	504,611
Total Operating Expenses	1,472,915	1,236,649
OPERATING INCOME	393,368	559,787

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WASTEWATER COLLECTION DEPARTMENT
 DETAILED SCHEDULE OF REVENUES AND EXPENSES (cont.)
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
NONOPERATING REVENUES (EXPENSES)		
Gain (loss) on property disposition	\$ 27,500	\$ -
Interest expense	(17,471)	(16,107)
Bond fees	(233)	(605)
Amortization of debt premiums and discounts	(146)	(146)
Amortization of regulatory asset	(1,016)	(374)
Lease revenues combined service center	<u>3,266</u>	<u>4,794</u>
Total Nonoperating Revenues (Expenses)	<u>11,900</u>	<u>(12,438)</u>
INCOME BEFORE CONTRIBUTIONS	<u>\$ 405,268</u>	<u>\$ 547,349</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WASTEWATER TREATMENT FACILITY
 DETAILED SCHEDULE OF REVENUES AND EXPENSES
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Utility revenues	\$ 3,354,423	\$ 3,591,588
Total Operating Revenues	<u>3,354,423</u>	<u>3,591,588</u>
OPERATING EXPENSES		
Waste treatment service center	114,300	132,752
Wastewater treatment plant primary plant II	1,274,016	1,778,806
Screen house	253,188	265,116
Sludge disposal	557,333	429,248
Secondary treatment facility	1,207,757	1,034,087
Depreciation	<u>1,588,892</u>	<u>1,596,769</u>
Total Operating Expenses	<u>4,995,486</u>	<u>5,236,778</u>
OPERATING LOSS	<u>(1,641,063)</u>	<u>(1,645,190)</u>
NONOPERATING REVENUES (EXPENSES)		
Gain (loss) on property disposition	(1,254)	(1,672)
Interest expense	(462,597)	(523,267)
Demand interest payments	445,886	486,434
Landfill contribution	110,000	110,000
Bond fees	(2,525)	(3,258)
Amortization of regulatory asset	(16,003)	(16,450)
Amortization of debt premiums and discounts	<u>(1,521)</u>	<u>(1,763)</u>
Total Nonoperating Revenues (Expenses)	<u>71,986</u>	<u>50,024</u>
LOSS BEFORE CONTRIBUTIONS	<u>\$ (1,569,077)</u>	<u>\$ (1,595,166)</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WASTE TREATMENT SERVICE CENTER
 SCHEDULE OF EXPENSES
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
WASTE TREATMENT SERVICE CENTER BUILDING		
Supplies and tools	\$ 4,994	\$ 6,634
Administrative and engineering	15,266	32,301
Safety	176	3,032
Insurance	2,895	1,946
Telephone	4,221	3,911
Plant vehicles	14,689	13,340
Buildings and grounds	27,737	35,210
Maintenance	2,281	155
Wastewater collection services	264	307
Power purchased	50,048	45,491
Water purchased	<u>387</u>	<u>416</u>
TOTAL WASTE TREATMENT SERVICE CENTER EXPENSE	<u>\$ 122,958</u>	<u>\$ 142,743</u>
Industrial Portion	<u>\$ 114,300</u>	<u>\$ 132,752</u>
Domestic Portion	<u>\$ 8,658</u>	<u>\$ 9,991</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

WASTEWATER TREATMENT PLANT PRIMARY PLANT II
SCHEDULE OF EXPENSES

For the Years Ended December 31, 2021 and 2020

	2021	2020
WASTEWATER TREATMENT PLANT PRIMARY PLANT II		
Supervision	\$ 22,136	\$ 25,893
Operating labor	164,667	305,894
Group insurance	54,934	122,286
Life insurance	964	965
Dental insurance	2,902	3,897
Health savings account funding	13,375	14,352
Third party administrative cost	349	399
Other fringe costs	34,611	61,140
Legal	3,591	4,378
Long-term disability payments	2,823	2,887
Uniforms	24	362
Supplies and tools	5,428	3,666
Fuel	9	16
Administrative expense	124,065	146,898
Safety	9,077	11,083
Insurance	32,298	26,644
Seminars	2,463	2,644
Telephone expense	1,129	1,271
Permits and legal fees	828	802
Outside testing	29	1,750
Chemicals	420,336	664,585
Plant equipment/supplies	106,074	152,487
Maintenance inspections	903	1,694
Power purchased	264,485	218,528
Water purchased	6,516	4,285
TOTAL WASTEWATER TREATMENT PLANT PRIMARY PLANT II EXPENSE	\$ 1,274,016	\$ 1,778,806

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SCREEN HOUSE
 SCHEDULE OF EXPENSES
 For the Years Ended December 31, 2021 and 2020

	2021	2020
SCREEN HOUSE		
Supervision	\$ 6,147	\$ 7,105
Operating labor	25,687	25,416
Group insurance	11,093	17,058
Life insurance	154	154
Dental insurance	577	532
Health savings account funding	2,750	2,028
Other fringe costs	8,055	9,928
Supplies	823	278
Fuel	4,670	3,039
Administrative	17,719	24,527
Safety	1,492	1,796
Seminars	458	485
Insurance	3,963	4,882
Legal	735	876
DCS support contract	2,356	3,523
Screens - conv - spray water	4,177	12,007
Sewage pumps	9,108	3,926
Electric motors and controls	4,275	4,305
Instrumentation	2,938	3,011
Buildings and grounds	12,596	32,707
Maintenance inspection	556	1,171
Force main and manholes	739	3,152
Power purchased	118,448	94,791
Water purchased	13,672	8,419
 TOTAL SCREEN HOUSE EXPENSE	 \$ 253,188	 \$ 265,116

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SLUDGE DISPOSAL
SCHEDULE OF EXPENSES
For the Years Ended December 31, 2021 and 2020

	2021	2020
SLUDGE DISPOSAL		
Supervision	\$ 15,884	\$ 9,630
Truck driver labor	175,775	70,190
Group insurance	41,802	49,435
Life insurance	508	509
Dental insurance	2,314	1,615
Health savings account funding	9,625	5,954
Other fringe costs	21,139	3,545
Engineering-sludge landfill	14,604	3,620
Administrative	2,508	3,487
Seminars	1,777	-
Insurance	16,181	9,195
Permits and legal fees	400	400
Sludge placement	63,474	48,862
Miscellaneous landfill operations	45,172	54,071
Leachate collection	11,812	39,945
Solid waste tax	317	245
Sludge landfill amortization	53,430	53,430
Well monitoring	54,026	53,007
Purchased power	2,190	2,397
Sludge hauling trucks	24,395	19,711
 TOTAL SLUDGE DISPOSAL EXPENSE	 \$ 557,333	 \$ 429,248

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SECONDARY TREATMENT FACILITY
SCHEDULE OF EXPENSES

For the Years Ended December 31, 2021 and 2020

	2021	2020
SECONDARY TREATMENT FACILITY		
Supervision	\$ 24,588	\$ 28,419
Operating labor	63,892	101,660
Group insurance	36,682	60,779
Life insurance	439	439
Dental insurance	1,877	1,903
Health savings account funding	9,250	7,306
Other fringe costs	25,235	32,424
Long-term disability insurance	1,976	2,020
Supplies	1,691	608
Administrative	40,986	53,319
Safety	5,911	4,790
Seminars	2,665	1,431
Insurance	28,569	29,180
Permits	14,350	14,350
Outside testing	12,593	15,257
Legal	2,447	1,939
Telephone	1,129	1,265
Laboratory supplies	7,714	7,931
Chemicals	38,711	19,628
DCS support contract	2,356	3,196
Blowers - air system	7,835	23,245
Aerators	20,407	18,810
Secondary clarifiers	3,242	3,360
Waste activated sludge thickeners	1,581	4,505
Pumps	8,866	8,072
Chlorination system	7,191	2,182
Additive systems	-	76
Laboratory equipment	1,235	1,912
Plant vehicles	427	939
Electric motors and controls	12,091	3,750
Instrumentation	2,198	695
Buildings and grounds	25,930	39,440
Maintenance inspection	764	1,889
Power purchased	1,197,045	932,063
Water purchased	51,460	28,736
	<u>1,663,333</u>	<u>1,457,518</u>
TOTAL SECONDARY TREATMENT FACILITY EXPENSE	\$ 1,663,333	\$ 1,457,518
Industrial Portion	<u>\$ 1,207,757</u>	<u>\$ 1,034,087</u>
Domestic Portion	<u>\$ 455,576</u>	<u>\$ 423,431</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

COMBINED SCHEDULE OF ADMINISTRATIVE, GENERAL AND
CUSTOMER ACCOUNTS EXPENSE

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CUSTOMER ACCOUNTS EXPENSE		
Meter reading	\$ 12,339	\$ 5,653
Customer records and collection expense	611,763	430,646
Other	<u>31,028</u>	<u>15,229</u>
 Total Customer Accounts Expense	 <u>\$ 655,130</u>	 <u>\$ 451,528</u>
 ALLOCATION OF CUSTOMER ACCOUNTS EXPENSE		
Electric	\$ 436,018	\$ 297,957
Water	122,931	88,418
Wastewater collection	<u>96,181</u>	<u>65,153</u>
 Total Allocation of Customer Accounts Expense	 <u>\$ 655,130</u>	 <u>\$ 451,528</u>
 ADMINISTRATIVE AND GENERAL EXPENSE		
Administrative and general salaries	\$ 299,659	\$ 235,413
Office supplies and expense	43,412	31,355
Outside services employed	166,247	188,469
Property and liability insurance	171,064	106,479
Employees' pensions and benefits	833,272	894,895
Maintenance of general plant	15,861	15,275
Conservation improvement program	186,314	150,961
Other	<u>8,201</u>	<u>52,438</u>
 Total Administrative and General Expense	 <u>\$ 1,724,030</u>	 <u>\$ 1,675,285</u>
 ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSE		
Electric	\$ 1,125,105	\$ 1,145,209
Water	335,912	320,734
Wastewater collection	<u>263,013</u>	<u>209,342</u>
 Total Allocation of Administrative and General Expense	 <u>\$ 1,724,030</u>	 <u>\$ 1,675,285</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SCHEDULE OF CHANGES IN UTILITY PLANT As of December 31, 2021

	Balance 1-1-21	Increases	Decreases	Adjustments	Balance 12-31-21
ELECTRIC DEPARTMENT					
Distribution					
Land and land improvements	\$ 263,320	\$ -	\$ -	\$ -	\$ 263,320
Intangibles	26,570	62,789	-	-	89,359
Structures and improvements	411,762	-	-	-	411,762
Distribution system	27,585,611	428,089	63	-	28,013,637
Street and security lighting system	179,194	6,823	93	-	185,924
Machinery and equipment	1,974,605	23,003	-	-	1,997,608
Total Electric Department	<u>30,441,062</u>	<u>520,704</u>	<u>156</u>	<u>-</u>	<u>30,961,610</u>
WATER DEPARTMENT					
Production					
Land and land improvements	255,508	-	-	-	255,508
Structures and improvements	1,691,894	-	-	-	1,691,894
Wells, pumps and accessories	471,050	-	-	-	471,050
Water treatment plant equipment	2,156,261	29,083	9,230	-	2,176,114
Total Production	<u>4,574,713</u>	<u>29,083</u>	<u>9,230</u>	<u>-</u>	<u>4,594,566</u>
Distribution					
Distribution system	12,128,666	50,578	36,761	-	12,142,483
Intangibles	1,467	-	-	-	1,467
Machinery and equipment	244,957	4,200	-	-	249,157
Total Distribution	<u>12,375,090</u>	<u>54,778</u>	<u>36,761</u>	<u>-</u>	<u>12,393,107</u>
Total Water Department	<u>16,949,803</u>	<u>83,861</u>	<u>45,991</u>	<u>-</u>	<u>16,987,673</u>
WASTEWATER COLLECTION DEPARTMENT					
Distribution					
Land	75,041	-	-	-	75,041
Treatment plant	460,479	-	-	-	460,479
Collection system	5,805,071	38,409	-	-	5,843,480
Intangibles	2,804	-	-	-	2,804
Machinery and equipment	832,961	14,415	158,570	-	688,806
Total Wastewater Collection Department	<u>7,176,356</u>	<u>52,824</u>	<u>158,570</u>	<u>-</u>	<u>7,070,610</u>
WASTEWATER TREATMENT DEPARTMENT					
Land	773,038	-	-	-	773,038
Domestic treatment facility	2,308,506	-	-	(14,534)	2,293,972
Screen house	4,825,111	810,497	-	-	5,635,608
Industrial treatment facility	6,906,222	-	-	(195,784)	6,710,438
Industrial primary plant II	25,669,769	12,907	-	31,245	25,713,921
Sludge disposal	1,037,859	-	-	51,610	1,089,469
Service center building	3,020,956	2,790	-	38,110	3,061,856
Secondary treatment facility	14,553,236	35,249	8,359	89,353	14,669,479
Total Wastewater Treatment Department	<u>59,094,697</u>	<u>861,443</u>	<u>8,359</u>	<u>-</u>	<u>59,947,781</u>
GENERAL PLANT					
Land and improvements	597,924	-	-	-	597,924
Intangibles	505,340	7,178	-	-	512,518
Service center	4,669,451	-	-	-	4,669,451
Communications equipment	80,608	30,082	-	-	110,690
Automated meter read equipment	363,063	-	-	-	363,063
Total General Plant	<u>6,216,386</u>	<u>37,260</u>	<u>-</u>	<u>-</u>	<u>6,253,646</u>
Total Utility Plant in Service	119,878,304	1,556,092	213,076	-	121,221,320
Construction Work in Progress	<u>1,170,453</u>	<u>785,897</u>	<u>1,694,064</u>	<u>-</u>	<u>262,286</u>
TOTAL INVESTMENT IN UTILITY PLANT	<u>\$ 121,048,757</u>	<u>\$ 2,341,989</u>	<u>\$ 1,907,140</u>	<u>\$ -</u>	<u>\$ 121,483,606</u>

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SCHEDULE OF CHANGES IN ACCUMULATED DEPRECIATION
As of December 31, 2021

	Composite Depreciation Rates	Balance 1-1-21	Increases	Decreases	Adjustments	Balance 12-31-21	Percent of Plant Balance
ELECTRIC DEPARTMENT							
Distribution							
Intangibles		\$ 14,016	\$ 4,338	\$ -	\$ 8,856	\$ 27,210	
Structures and improvements		149,130	9,453	-	1	158,584	
Distribution system		11,618,688	817,257	63	(6,173)	12,429,709	
Street and security lighting system		47,536	6,599	93	1	54,043	
Machinery and equipment		1,696,556	77,785	-	(2,686)	1,771,655	
Total Electric Department	3.0%	13,525,926	915,432	156	(1)	14,441,201	46.6%
WATER DEPARTMENT							
Production							
Structures and improvements		1,134,434	32,570	-	-	1,167,004	
Wells, pumps and accessories		391,375	6,135	-	-	397,510	
Water treatment plant equipment		2,004,132	31,600	9,230	-	2,026,502	
Total Production		3,529,941	70,305	9,230	-	3,591,016	
Distribution							
Distribution system		4,856,926	247,029	36,761	(13,804)	5,053,390	
Intangibles		1,467	-	-	-	1,467	
Machinery and equipment		183,031	14,010	-	-	197,041	
Total Distribution		5,041,424	261,039	36,761	(13,804)	5,251,898	
Total Water Department	2.0%	8,571,365	331,344	45,991	(13,804)	8,842,914	52.1%
WASTEWATER COLLECTION DEPARTMENT							
Distribution							
Treatment plant		260,600	11,757	-	-	272,357	
Collection system		1,920,384	134,026	-	-	2,054,410	
Intangibles		2,804	-	-	-	2,804	
Machinery and equipment		253,687	90,932	158,570	-	186,049	
Total Wastewater Collection Department	3.3%	2,437,475	236,715	158,570	-	2,515,620	35.6%
WASTEWATER TREATMENT DEPARTMENT							
Domestic treatment facility		930,000	93,758	-	405,912	1,429,670	
Screen house		2,267,480	99,415	-	(278,962)	2,087,933	
Industrial treatment facility		6,873,182	42,679	-	(626,781)	6,289,080	
Industrial primary plant II		5,289,285	914,554	-	3,604,144	9,807,983	
Sludge disposal		250,112	60,315	-	220,680	531,107	
Service center building		223,945	112,971	-	655,081	991,997	
Secondary treatment facility		14,402,700	265,200	7,105	(3,980,074)	10,680,721	
Total Wastewater Treatment Department	2.7%	30,236,704	1,588,892	7,105	-	31,818,491	53.1%
GENERAL PLANT							
Intangibles		387,915	50,547	-	-	438,462	
Service center		2,636,263	135,589	-	-	2,771,852	
Communications equipment		68,621	6,222	-	-	74,843	
Automated meter read equipment		118,239	22,654	-	-	140,893	
Total General Plant	3.4%	3,211,038	215,012	-	-	3,426,050	54.8%
TOTAL ACCUMULATED DEPRECIATION	2.7%	\$ 57,982,508	\$ 3,287,395	\$ 211,822	\$ (13,805)	\$ 61,044,276	50.4%

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

SCHEDULE OF CONTRIBUTIONS TO THE CITY OF GRAND RAPIDS
For the Years Ended December 31, 2021 and 2020

	<u>2021 Payment in Lieu of Taxes</u>	<u>2020 Payment in Lieu of Taxes</u>
CASH		
Annual cash payment	\$ 868,000	\$ 868,000
LABOR AND MATERIALS PROVIDED		
Miscellaneous city services	<u>14,288</u>	<u>5,537</u>
TOTAL CONTRIBUTIONS	<u>\$ 882,288</u>	<u>\$ 873,537</u>

This schedule does not include:

1. Administrative costs
2. Employee benefits
3. Water used for City purposes
4. Improvements to City land made by the utility