

City of Plainwell



"The Island City"

Brad Keeler, Mayor
Lori Steele, Mayor Pro-Tem
Cathy Green, Council Member
Roger Keeney, Council Member
Randy Wisnaski, Council Member

Department of Administration Services
211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821 Fax: 269-685-7282
Web Page Address: www.plainwell.org

AGENDA

Plainwell City Council

Monday, December 22, 2025 - 7:00PM
Plainwell City Hall Council Chambers

1. **Call to Order**
2. **Invocation**
3. **Pledge of Allegiance**
4. **Roll Call**
5. **Approval of Minutes** – 12/08/2025 Regular Meeting
6. **Public Comments**
7. **County Commissioner Report**
8. **Agenda Approval**
9. **Mayor's Report**
10. **Recommendations and Reports:**
 - A. **City – Annual Financial Statement Audit Presentation**

Council will consider accepting and placing on file the audited financial statements for the City of Plainwell as of and for the year ended June 30, 2025. Siegfried Crandall, PC will present the final audited statements.
 - B. **City – Resolutions 2026-01 through 2026-05**

Council will consider adopting Resolutions 2026-01 through 2026-05 as presented: 2026 Ordinance Enforcement Officers, 2026 Council Meeting Dates, 2026 Employee Holiday Dates, 2026 Street Flag Date and 2026 Guidelines for Poverty Exemptions
 - C. **City – Resolution 2025-22 – On-Premises Tasting Permit**

Council will consider approving Resolution 2025-22 as presented, which recommends approval of a On-Premises Tasting Permit for Deep Well Brewing LLC by the Michigan Liquor Control Commission.
 - D. **City – Classic Auto Factory Mill Lease Discussion**

Council will discuss and review a lease agreement with Classic Auto Factory for the Mill Complex.
 - E. **City – Mill Development Discussion**

Council will discuss and review currently proposed development plans for the Mill Complex.
11. **Communications:** The November 2025 Investment and Fund Balance Reports, the November Department of Public Safety and Water Renewal Reports and the 11/11/2025 DDA/BRA/TIFA meeting minutes.
12. **Accounts Payable** - \$230,233.86
13. **Public Comments**
14. **Staff Comments**
15. **Council Comments**
16. **Adjournment**

Agenda Subject to Change

Note: All public comment limited to two minutes, when recognized please rise and give your name and address.
Plainwell is an equal opportunity provider and employer

MINUTES
Plainwell City Council
December 08, 2025

1. Mayor Keeler called the regular meeting to order at 7:00pm in City Hall Council Chambers.
2. Invocation: Given by Brian Warren from Lighthouse Baptist Church.
3. Pledge of Allegiance was given by all present.
4. Roll Call: Present: Mayor Brad Keeler, Mayor Pro Tem Lori Steele and Councilmembers Randy Wisnaski and Cathy Green.
Absent: Councilmember Roger Keeney
A motion by Wisnaski, seconded by Steele, to excuse Councilmember Keeney from tonight's proceedings. On a voice vote, all in favor. Motion passed.
5. Approval of Minutes:
A motion by Steele, seconded by Wisnaski, to accept and place on file the Council Meeting Minutes of the 11/24/2025 regular meeting. On a voice vote, all voted in favor. Motion passed.
6. Public Comment: None.
7. County Commissioner Report: None.
8. Agenda approval:
A motion by Steele, seconded by Wisnaski, to approve the Agenda for the December 08, 2025 meeting as presented. On a voice vote, all voted in favor. Motion passed.
9. Mayor's Report: The food was great at the Christmas party, and the Tree Lighting Ceremony went really well.
10. Recommendations and Reports:
 - A. Director Callahan discussed the purchase of four sets of new fire gear. The new gear replaces gear that is more than ten years old, and expired.
A motion by Steele, seconded by Wisnaski, to approve the purchase of four sets of fire gear from MES for \$9,036.00. On a roll call vote, all voted in favor. Motion passed.
 - B. City Manager Lakamper discussed the development of the Mill property. He discussed the four main proposals: the housing development, the lease agreement with Classic Auto Factory for the remaining buildings, the Plainwell Auto land purchase and new building and Mill 17's green space and parking lot proposal. He shared that MEDC (Bosch Architects) are working on a concept Mill property site plan that includes the Plainwell Auto Building, parking lots for Mill 17 and Classic Auto Factory with buffers, a green space and a road for access to the rear of the Mill property. When completed, the concept plan will be shared at a public meeting. Council discussed Mill 17's parking lot proposal, and the potential problems with having exclusivity on nights and weekends.
11. Communications:
A motion by Steele, seconded by Wisnaski, to accept and place on file the September 9, 2025 Parks & Tree meeting minutes. On a voice vote, all voted in favor. Motion passed.
12. Accounts Payable:
A motion by Wisnaski, seconded by Steele, that the bills be allowed and orders drawn in the amount of \$319,077.84 for payment of the same. On a roll call vote, all voted in favor. Motion passed.
13. Public Comments: Cathy Burnham discussed using an existing tree in Hick's Park for the City Christmas Tree rather than cutting and transporting a tree each year.
Dale Burnham thanked DPW for snow removal, and thanked the City for the Christmas party. He stated his concerns with allowing Mill 17 exclusivity on what would otherwise be considered a public parking lot.
14. Staff Comments:
Personnel Coordinator/Deputy Treasurer Kersten had nothing to report.

Superintendent Nieuwenhuis reminded everyone to be careful of frozen pipes. Open cupboard doors, turn the heat up and/or use heat tape on pipes. Residents are responsible to clear snow from sidewalks.

MINUTES
Plainwell City Council
December 08, 2025

Director Callahan reminded everyone that there is no overnight parking from 2am-5am until March 31-2026. DPS is working toward accreditation with Michigan Law Enforcement Accreditation Council. The annual Shop with a Hero event is scheduled for 12/17/2025 at Meijer.

Clerk Leonard reported had nothing to report.

City Manager Lakamper discussed a letter from a resident commending PSOs Bruce and Welcher for their compassion and professionalism. He stated that the City Assessor had appraised the 1-acre parcel of city owned land on N. Main St at \$43,000. There will be a meeting on 12/17/2025 with GHD to discuss PFAS findings on Parcel 4. The Christmas party was a success and it was good to see everyone.

15. Council Comments:

Councilmember Green thanked DPW for snow removal, and wished everyone happy holidays.

Mayor Pro Tem Steele thanked all the staff who helped with the Christmas party, sharing it was wonderful and she got some good pictures. The parade went well. Connie and Cory (the horses) behaved themselves, and the band was great.

Councilmember Wisnaski thanked everyone for the party.

16. Adjournment:

A motion by Steele, seconded by Wisnaski, to adjourn the meeting at 8:10pm. On a voice vote, all voted in favor. Motion passed.

Minutes respectfully
submitted by,
JoAnn Leonard
City Clerk

MINUTES APPROVED BY CITY COUNCIL
December 22, 2025

JoAnn Leonard, City Clerk



"The Island City"

MEMORANDUM

211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821
Fax: 269-685-7282

TO: City Council / Justin Lakamper, City Manager
FROM: Brian Kelley, Contracted City Employee
DATE: December 22, 2025
SUBJECT: Audited Financial Statements as of and for the year ended June 30, 2025

SUGGESTED MOTION: I motion to accept and place on file the audited financial statements for the City of Plainwell as of and for the year ended June 30, 2025.

BACKGROUND INFORMATION: Section 7.10 of the Plainwell City Charter requires an annual audit of all city accounts by qualified accountants experienced in municipal accounting. The firm Siegfried Crandall, PC has provided auditing services for many years and has completed its work for the most recent fiscal year.

ANALYSIS: The audit fieldwork was performed in October, 2025. The auditors were provided over 220 workpapers prepared by staff as well as a draft copy of the financial statements for audit. The fieldwork was done in accordance with professional standards and with full cooperation of staff and city administration. The auditors will present the final audited financial statements with an unmodified opinion, with means the financial statements are presented fairly, in all material respects. This is the best type of opinion the financial statements can receive.

BUDGET IMPACT: There is no impact to the budget at this time.

City of Plainwell
Allegan County, Michigan

FINANCIAL STATEMENTS

Year ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Plainwell, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plainwell, Michigan (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As discussed in Note 18 to the financial statements, the City adopted GASB Statement No. 101, *Compensated Absences*, during the current fiscal year. Our opinions are not modified with respect to this matter.

Responsibilities of Management 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required supplementary information

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

Supplementary information

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

Siegfried Crandall P.C.

December 15, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Plainwell's (the City) financial performance provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$1,049,527 as a result of this year's activities. The net position of the governmental activities increased by \$375,623 and the net position of the business-type activities increased by \$673,904.
- Of the \$16,964,093 total net position reported, \$2,799,209 (16.5 percent) is unrestricted, or available to be used at the Council's discretion, without constraints established by debt covenants, enabling legislation, or other legal requirements.
- The General Fund's unassigned fund balance at the end of the fiscal year was \$1,193,548, which represents 44 percent of the actual total General Fund expenditures for the current fiscal year.

Overview of the financial statements

The City's annual report is comprised of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents additional information. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.
 - Governmental fund statements explain how government services, like general government and public safety were financed in the short-term, as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the government operates like a business, such as the sewer and water systems.
 - Fiduciary funds statements provide information about the financial relationships in which the City acts solely as a custodian for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by sections of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

A comparative analysis of the basic financial statements for 2025 and 2024 is also presented.

Government-wide financial statements

The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position (the difference between the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources) is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall financial health of the City, you need to consider additional nonfinancial factors, such as changes in the City's property tax base and the condition of the City's capital assets.

The government-wide financial statements are divided into three categories:

- *Governmental activities* - Most of the City's basic services are included here, such as public safety services and general government. Property taxes and state grants finance most of these activities.
- *Business-type activities* - The City charges fees to customers to help it cover the costs of certain services it provides. The City's sewer and water systems and airport operations are reported here.
- *Component units* - The City includes other entities in its report - the Plainwell Tax Increment Finance Authority, the Plainwell Brownfield Redevelopment Authority, and the Plainwell Downtown Development Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

Fund financial statements

The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and bond agreements.
- The City Council establishes other funds to control and manage money for particular purposes (like the Fire Reserve and Capital Improvement funds) or to show that it is properly using certain taxes and other revenues (like property taxes collected for solid waste and motor fuel taxes collected for the street funds).

The City has three types of funds:

- *Governmental funds.* Most of the City's basic services are included in its governmental funds, which focus on (1) how cash, and other financial assets that can be readily converted to cash, flows in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information that explains the relationship between them.
- *Proprietary funds.* Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds statements, like the government-wide statements, provide both long-term and short-term financial information.
 - The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.
 - The City uses an internal service fund (the other type of proprietary fund) to report activities that provide services for the City's other programs and activities. The City's internal service fund is its Equipment Fund that manages the City's fleet of vehicles and equipment.
- *Fiduciary funds.* These funds are used to account for the collection and disbursement of resources, primarily taxes, for the benefit of parties outside the City. The City is responsible for ensuring that the assets reported in the fiduciary funds are used for their intended purposes. The City's fiduciary balances and activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position

Total net position at the end of the fiscal year was \$16,964,093 compared to \$15,914,566 at the end of the prior year. Of this total, \$13,255,569 represents a net investment in capital assets and \$909,315 is restricted for various purposes. Consequently, unrestricted net position was \$2,799,209, or 16.5 percent of the total.

Condensed financial information
Net position

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 2,740,111	\$ 2,515,180	\$ 2,783,079	\$ 4,647,947	\$ 5,523,190	\$ 7,163,127
Capital assets	<u>7,242,436</u>	<u>7,156,906</u>	<u>11,927,087</u>	<u>10,078,122</u>	<u>19,169,523</u>	<u>17,235,028</u>
Total assets	<u>9,982,547</u>	<u>9,672,086</u>	<u>14,710,166</u>	<u>14,726,069</u>	<u>24,692,713</u>	<u>24,398,155</u>
Deferred outflows of resources	<u>133,019</u>	<u>206,848</u>	<u>32,565</u>	<u>48,482</u>	<u>165,584</u>	<u>255,330</u>
Current and other liabilities	<u>1,579,057</u>	<u>1,631,657</u>	<u>509,274</u>	<u>965,095</u>	<u>2,088,331</u>	<u>2,596,752</u>
Long-term debt	<u>1,436,174</u>	<u>1,489,866</u>	<u>4,103,780</u>	<u>4,348,249</u>	<u>5,539,954</u>	<u>5,838,115</u>
Total liabilities	<u>3,015,231</u>	<u>3,121,523</u>	<u>4,613,054</u>	<u>5,313,344</u>	<u>7,628,285</u>	<u>8,434,867</u>
Deferred inflows of resources	<u>213,621</u>	<u>246,320</u>	<u>52,298</u>	<u>57,732</u>	<u>265,919</u>	<u>304,052</u>
Net position:						
Net investment in capital assets	<u>5,806,262</u>	<u>5,667,040</u>	<u>7,449,307</u>	<u>5,729,873</u>	<u>13,255,569</u>	<u>11,396,913</u>
Restricted	<u>909,315</u>	<u>868,406</u>	<u>-</u>	<u>-</u>	<u>909,315</u>	<u>868,406</u>
Unrestricted (deficit)	<u>171,137</u>	<u>(24,355)</u>	<u>2,628,072</u>	<u>3,673,602</u>	<u>2,799,209</u>	<u>3,649,247</u>
Total net position	<u>\$ 6,886,714</u>	<u>\$ 6,511,091</u>	<u>\$ 10,077,379</u>	<u>\$ 9,403,475</u>	<u>\$ 16,964,093</u>	<u>\$ 15,914,566</u>

As described in Note 18 to the financial statements, the City adopted the provisions of GASB Statement No. 101, *Compensated Absences*, during fiscal year 2025. In connection with the adoption of this Statement, the City restated opening net position reducing it by \$424,305 (\$321,805 for governmental activities and \$102,500 for business-type activities) related to the increase in compensated absence liabilities.

Changes in net position

The City's total revenues were \$6,529,807. Approximately 46 percent of the City's revenue comes from utility charges, 25 percent from property taxes, and another 13 percent was from operating grants and contributions. Approximately 8 percent of the City's total revenue comes from state shared revenue.

The total cost of the City's programs, covering a wide range of services, totaled \$5,480,280. Approximately 36 percent of the City's costs relates to the provision of utility services. Public safety and public works costs account for 27 and 14 percent of the City's total expenses, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Condensed financial information

Changes in net position

	Governmental activities		Business-type activities		Totals	
	2025	2024	2025	2024	2025	2024
Program revenues:						
Charges for services	\$ 251,559	\$ 193,413	\$ 3,014,065	\$ 2,409,677	\$ 3,265,624	\$ 2,603,090
Grants and contributions:						
Operating	845,816	770,035	15,640	22,910	861,456	792,945
Capital	-	-	-	1,204,753	-	1,204,753
General revenues:						
Property taxes	1,655,338	1,580,791	-	-	1,655,338	1,580,791
State shared revenue	517,458	516,538	-	-	517,458	516,538
Franchise fees	38,124	43,132	-	-	38,124	43,132
Unrestricted interest income	94,915	94,088	78,400	57,812	173,315	151,900
Other	18,492	422,674	-	10,233	18,492	432,907
Total revenues	<u>3,421,702</u>	<u>3,620,671</u>	<u>3,108,105</u>	<u>3,705,385</u>	<u>6,529,807</u>	<u>7,326,056</u>
Expenses:						
General government	788,188	879,462	-	-	788,188	879,462
Public safety	1,502,351	1,410,741	-	-	1,502,351	1,410,741
Public works	789,935	255,941	-	-	789,935	255,941
Community and economic development	110,993	69,172	-	-	110,993	69,172
Health and welfare	10,322	9,992	-	-	10,322	9,992
Recreation and culture	201,122	232,767	-	-	201,122	232,767
Interest on long-term debt	51,557	53,181	-	-	51,557	53,181
Sewer	-	-	1,446,629	1,403,547	1,446,629	1,403,547
Water	-	-	517,903	510,372	517,903	510,372
Airport	-	-	61,280	74,917	61,280	74,917
Total expenses	<u>3,454,468</u>	<u>2,911,256</u>	<u>2,025,812</u>	<u>1,988,836</u>	<u>5,480,280</u>	<u>4,900,092</u>
Change in net position before transfers	(32,766)	709,415	1,082,293	1,716,549	1,049,527	2,425,964
Transfers	<u>408,389</u>	<u>378,352</u>	<u>(408,389)</u>	<u>(378,352)</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>\$ 375,623</u>	<u>\$ 1,087,767</u>	<u>\$ 673,904</u>	<u>\$ 1,338,197</u>	<u>\$ 1,049,527</u>	<u>\$ 2,425,964</u>
Net position, end of year	<u>\$ 6,886,714</u>	<u>\$ 6,511,091</u>	<u>\$ 10,077,379</u>	<u>\$ 9,403,475</u>	<u>\$ 16,964,093</u>	<u>\$ 15,914,566</u>

Governmental activities

Governmental activities increased the City's net position by \$375,623 in the current year compared to a \$1,087,767 increase in the prior year. Revenues decreased by \$198,969 and expenses increased by \$543,212, causing the smaller increase in net position in the current year. The decrease in revenues was due to one-time land sales in the prior year. The increase in expenses was primarily due to a large infrastructure project in the current year.

The total cost of governmental activities this year was \$3,454,468. After subtracting the direct charges to those who directly benefited from the programs (\$251,559), and operating grants and contributions (\$845,816), the "public benefit" portion covered by property taxes, state revenue sharing, and other general revenues was \$2,357,093.

Business-type activities

Business-type activities increased the City's net position by \$673,904 in the current fiscal year compared to an increase of \$1,338,197 in the prior year. Net position increased in both years as rates are set to cover the full cost of operations. The prior year increase was unusually high due to the recognition of capital contributions in the amount of \$1,204,753.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS**Governmental funds**

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,387,982, an increase of \$90,336 in comparison with the prior year. Of the total fund balances, \$909,315 is restricted for various purposes, and \$285,119 is assigned. The remaining fund balance, in the amount of \$1,193,548, is unassigned, meaning that it is available for spending at the Council's discretion.

The General Fund is the primary operating fund of the City. At the end of the fiscal year, its fund balance was \$1,331,536, an increase of \$1,441 during the fiscal year, as revenues and other financing sources were sufficient to cover expenditures in the current year.

The Major Street Fund experienced an increase in fund balance of \$299,543, as the fund's revenues exceeded expenditures in anticipation of a major street project planned for Summer 2026. The fund balance at the end of the fiscal year was \$489,931 and is restricted for future street preservation costs of the City's major streets.

Proprietary funds

The Sewer Fund experienced an increase in net position of \$58,566. The Sewer Fund revenues were adjusted to ensure customer charges cover all operating expenses, including depreciation, which amounted to \$354,502. Total net position is \$5,476,543 at year end of which \$1,398,128 is unrestricted.

The Water Fund experienced an increase in net position of \$622,126. The Water Fund experienced an increase because customer charges have been set to cover all operating expenses, including depreciation, which amounted to \$143,699 in the current year. Total net position is \$4,493,836 at year end of which \$1,199,816 is unrestricted.

General Fund budgetary highlights

The City amended both the revenue and expenditure portions of the budget to reflect anticipated changes in the nature and extent of revenues and expenditures. Total revenues were increased by \$172,015 to reflect unanticipated revenue sources which included \$40,000 in permit fees, \$60,200 in federal grants, \$12,000 in state grants, \$14,000 in charges for service, \$10,000 in contributions, and \$35,815 for investment income. Total expenditures were increased by \$259,973, primarily for buildings and grounds related costs (\$70,814) and community planning (\$42,000).

Total revenues were \$77,228 less than the final budgeted amounts, primarily due to a state grant project, increased charges for service, and contributions received. Total expenditures were \$253,226 less than the final appropriated amount, primarily due to project and operational cost savings. These variances, along with a \$5,479 insurance recovery, resulted in a \$335,933 positive budget variance due to a \$1,441 increase in fund balance compared to a budgeted decrease of \$334,492.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to \$18,795,523, net of accumulated depreciation. This investment includes a broad range of assets, including land, buildings, equipment, and sewer and water facilities.

	<i>Governmental activities</i>	<i>Business-type activities</i>	<i>Totals</i>
Land	\$ 637,052	\$ 48,196	\$ 685,248
Infrastructure	4,053,808	11,504,891	15,558,699
Buildings and improvements	1,898,708	-	1,898,708
Equipment and vehicles	652,868	-	652,868
Totals	<u>\$ 7,242,436</u>	<u>\$ 11,553,087</u>	<u>\$ 18,795,523</u>

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

- Several local streets were replaced
- New sewer infrastructure and replacement of water infrastructure in one entire neighborhood
- the Motor Pool added equipment totaling \$65,890

More detailed information about the City's capital assets is presented in Note 6 of the notes to the basic financial statements.

Debt administration

At the end of the fiscal year, the City had long-term debt outstanding in the amount of \$5,539,954, as follows:

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Totals</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
Capital improvement bonds	\$ 1,017,760	\$ 1,040,760	\$ -	\$ -	\$ 1,017,760	\$ 1,040,760
General obligation bonds	418,000	447,000	-	-	418,000	447,000
Note payable	414	2,106	-	-	414	2,106
Revenue bonds	-	-	4,103,780	4,348,249	4,103,780	4,348,249
Totals	<u>\$ 1,436,174</u>	<u>\$ 1,489,866</u>	<u>\$ 4,103,780</u>	<u>\$ 4,348,249</u>	<u>\$ 5,539,954</u>	<u>\$ 5,838,115</u>

The net decrease in debt amounted to \$298,161, resulting from timely payments of principal for all obligations. Other long-term obligations represent accrued compensated absences and the net OPEB liability in the amounts of \$447,649 and \$1,255,612, respectively. More detailed information about the City's long-term liabilities is presented in Note 9 of the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Property taxes continue to be the main source of revenue for the City. Over the past decade, Plainwell has grappled with a loss in revenue due to changes to Personal Property Tax (PPT) collection and declining property values. Prior to 2013, the City's personal property tax revenue historically approximated 12 percent of the City's General Fund revenue. Since 2017, much of the uncertainty regarding the elimination of business personal property tax revenue has subsided, and the City's taxable values have begun to increase. The replacement Statewide Essential Services Assessment has reduced revenues to the General Fund, requiring minor adjustments to certain services in the General Fund. Looking forward, the revenue reductions should continue to be minor. City Administration reviews the properties to make sure values are appropriately assessed and taxed.

In regards to the City's overall property values, from 2011 to 2015 the City experienced a negative trend relative to taxable value (see table below). Additionally, the gap between Assessed Value and Taxable Value decreased every year from 2006 to 2013. This is an important fiscal indicator because if the assessed value of the City "sets" to what the taxable value is, any loss in property valuations will result in a loss of tax revenue. The larger the gap, the less susceptible we are to dramatic property fluctuations.

REAL PROPERTY VALUATION 2014-2025						
Year	2014	2015	2016	2017	2018	2019
Assessed value	\$ 75,050,100	\$ 79,871,200	\$ 89,124,700	\$ 92,829,700	\$ 95,227,900	\$ 99,136,700
Taxable value	\$ 71,751,138	\$ 71,774,722	\$ 73,638,624	\$ 75,248,381	\$ 77,379,288	\$ 80,239,366
Difference	\$ 3,298,962	\$ 8,096,478	\$ 15,486,076	\$ 17,581,319	\$ 17,848,612	\$ 18,897,334
Percent difference	4.40%	10.14%	17.38%	18.94%	18.74%	19.06%
Inflation rate multiplier	1.6%	1.6%	0.3%	0.9%	2.1%	2.4%
Year	2020	2021	2022	2023	2024	2025*
Assessed value	\$ 103,887,100	\$ 111,271,200	\$ 120,532,450	\$ 133,617,000	\$ 151,521,300	\$ 170,353,600
Taxable value	\$ 82,998,976	\$ 85,305,303	\$ 89,406,131	\$ 96,587,206	\$ 103,715,656	\$ 109,874,791
Difference	\$ 20,888,124	\$ 25,965,897	\$ 31,126,319	\$ 37,029,794	\$ 47,805,644	\$ 60,478,809
Percent difference	20.11%	23.34%	25.82%	27.71%	31.55%	35.50%
Inflation rate multiplier	1.9%	1.4%	3.3%	5.0%	5.0%	3.1%

* Original values as of May 1, 2025 - no adjustments for Board of Review entered yet

In a positive development, the City's gap between assessed and taxable value has steadily increased since 2013 from a low of 2.38 percent to a 2025 estimate of 35.5 percent. We anticipate this gap to be in excess of 34% in 2025, based on preliminary estimates.

The City continues to counter stagnant growth with cost cutting measures, when possible. The City adopted a policy that all employees pay a 20 percent match on health care premium costs. Additionally, cost-cutting measures have been instituted, including contribution caps from the City regarding retirement, privatization of some services, as well as reductions in labor costs through attrition. The City continues to evaluate labor needs as more employees become eligible for retirement.

Additionally, the City continues to closely monitor its health care insurance providers to ensure affordability. Each year, the available plans are reviewed to minimize increased costs to the city and to the employees. The City most recently changed providers in 2016 and holds as a priority to maintain quality coverage for the staff and their families.

In recent years, it has been the City Council's decision that property taxes will not be raised to deal with fluctuations in revenues or expenditures; we do not foresee a change in this position. Due to the Headlee Rollback, the City's total millage rate has been slightly reduced beginning in 2017.

Millage	2020	2021	2022	2023	2024	2025
General Fund Operating	12.5162	12.5162	12.4421	12.2890	12.2175	11.9743
Capital Improvement	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Fire Reserve	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Solid Waste	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000
	<u>15.8162</u>	<u>15.8162</u>	<u>15.7421</u>	<u>15.5890</u>	<u>15.5175</u>	<u>15.2743</u>

The City Council instituted a yearly cost of living increase to be applied to both water and sewer utility charges. This change provided adequate funding for the operations of both utility funds. The most recent private rate study was completed in Fiscal Year 2024, and those rates were adequate to fund planned upgrades to the water and sewer infrastructure, with annual increases recommended to accommodate the utility's needs.

Part of the City's economic plan revolves on the redevelopment of two vacant properties: the former Plainwell Paper Mill and a 50-acre industrial park expansion. In 2018, the EPA and the responsible party began clean-up of contaminated soil on the Mill property, which was largely completed in 2021, leaving approximately 15 acres of developable land. The Mill Site is the largest non-industrial property in the City and is currently being marketed to potential developers for both house and commercial purposes, which would grow the tax base and increase the city's population.

In 2022, the City acquired 50 acres of farm land and added it to the James R Higgs Industrial Park in order to grow the industrial tax base and employment opportunities in the City. During fiscal year 2024, 25 acres were sold to industrial users for redevelopment. Construction on a 15-acre site began in fiscal year 2025. The remaining 25 acres remain available to accommodate multiple new industrial businesses.

The City's Downtown area continues to thrive with several new businesses having opened between 2021 and 2025 with the majority of the anchor businesses remaining. Overall vacancy remains low.

For budget year 2024/2025, the City continued to minimize capital projects to ensure responsible planning of projects related to a post-pandemic economy. The City continues to devote substantial time streamlining processes to increase efficiencies in workloads, thereby minimizing cost increases.

The City remains vigilant in the analysis of cost challenges including public safety, road funding, solid waste management, equipment rentals, staff turnovers and reassignments, and health care costs. The City remains proud its business community, both industrial and commercial, is thriving, with several industrial expansions being planned.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

Justin Lakamper, City Manager
211 North Main Street
Plainwell, MI 49080

Phone: (269) 685-6821

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

June 30, 2025

	Primary government			Component units		
	Governmental activities	Business-type activities	Totals	Tax Increment Finance Authority	Brownfield Redevelopment Authority	Downtown Development Authority
ASSETS						
Current assets:						
Cash	\$ 1,318,957	\$ 2,139,025	\$ 3,457,982	\$ 30,741	\$ 4,358	\$ 125,510
Investments	1,184,720	79,833	1,264,553	253,416	-	72,119
Receivables	249,207	542,045	791,252	-	-	-
Inventory	-	3,867	3,867	-	-	-
Internal balances	(18,309)	18,309	-	-	-	-
Total current assets	2,734,575	2,783,079	5,517,654	284,157	4,358	197,629
Noncurrent assets:						
Receivables	5,536	374,000	379,536	-	-	-
Assets held for resale - redevelopment property	-	-	-	-	857,338	-
Capital assets not being depreciated	637,052	48,196	685,248	-	-	-
Capital assets, net of depreciation	6,605,384	11,504,891	18,110,275	-	-	-
Total noncurrent assets	7,247,972	11,927,087	19,175,059	-	857,338	-
Total assets	9,982,547	14,710,166	24,692,713	284,157	861,696	197,629
DEFERRED OUTFLOWS OF RESOURCES - OPEB	133,019	32,565	165,584	-	-	-
LIABILITIES						
Current liabilities:						
Payables	201,506	179,234	380,740	898	2,588	455
Unearned revenue	4,330	-	4,330	-	-	931
Compensated absences - current portion	162,000	51,000	213,000	4,400	5,900	1,600
Bonds and notes payable - current portion	54,414	215,000	269,414	-	-	-
Total current liabilities	422,250	445,234	867,484	5,298	8,488	2,986
Noncurrent liabilities:						
Compensated absences	202,549	32,100	234,649	-	-	-
Net other postemployment benefits liability	1,008,672	246,940	1,255,612	-	-	-
Bonds and notes payable - due in more than one year	1,381,760	3,888,780	5,270,540	-	668,493	-
Total noncurrent liabilities	2,592,981	4,167,820	6,760,801	-	668,493	-
Total liabilities	3,015,231	4,613,054	7,628,285	5,298	676,981	2,986
DEFERRED INFLOWS OF RESOURCES - OPEB	213,621	52,298	265,919	-	-	-
NET POSITION						
Net investment in capital assets	5,806,262	7,449,307	13,255,569	-	857,338	-
Restricted for:						
Public safety	7,244	-	7,244	-	-	-
Public works	809,881	-	809,881	-	-	-
Community and economic development	66,027	-	66,027	-	-	-
Recreation and culture	26,163	-	26,163	-	-	-
Unrestricted (deficit)	171,137	2,628,072	2,799,209	278,859	(672,623)	194,643
Total net position	\$ 6,886,714	\$ 10,077,379	\$ 16,964,093	\$ 278,859	\$ 184,715	\$ 194,643

See notes to financial statements

STATEMENT OF ACTIVITIES

Year ended June 30, 2025

Functions/Programs	Program revenues				Net (expenses) revenues and changes in net position					
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government			Component units		
					Governmental activities	Business-type activities	Totals	Tax Increment Finance Authority	Brownfield Redevelopment Authority	Downtown Development Authority
Primary government										
Governmental activities:										
General government	\$ 788,188	\$ 81,887	\$ 7,988	\$ -	\$ (698,313)		\$ (698,313)			
Public safety	1,502,351	81,542	18,299	-	(1,402,510)		(1,402,510)			
Public works	789,935	88,130	760,617	-	58,812		58,812			
Community and economic development	110,993	-	-	-	(110,993)		(110,993)			
Health and welfare	10,322	-	-	-	(10,322)		(10,322)			
Recreation and culture	201,122	-	58,912	-	(142,210)		(142,210)			
Interest on long-term debt	51,557	-	-	-	(51,557)		(51,557)			
Total governmental activities	<u>3,454,468</u>	<u>251,559</u>	<u>845,816</u>	<u>-</u>	<u>(2,357,093)</u>		<u>(2,357,093)</u>			
Business-type activities:										
Sewer	1,446,629	1,716,144	-	-		\$ 269,515	269,515			
Water	517,903	1,237,936	15,640	-		735,673	735,673			
Airport	61,280	59,985	-	-		(1,295)	(1,295)			
Total business-type activities	<u>2,025,812</u>	<u>3,014,065</u>	<u>15,640</u>	<u>-</u>		<u>1,003,893</u>	<u>1,003,893</u>			
Total primary government	<u>\$ 5,480,280</u>	<u>\$ 3,265,624</u>	<u>\$ 861,456</u>	<u>\$ -</u>	<u>(2,357,093)</u>	<u>1,003,893</u>	<u>(1,353,200)</u>			
Component units										
Tax Increment Finance Authority	\$ 38,226	\$ -	\$ -	\$ -				\$ (38,226)	\$ -	\$ -
Brownfield Redevelopment Authority	124,887	-	112,000	-				-	(12,887)	-
Downtown Development Authority	60,588	-	-	-				-	-	(60,588)
Total component units	<u>\$ 223,701</u>	<u>\$ -</u>	<u>\$ 112,000</u>	<u>\$ -</u>				<u>(38,226)</u>	<u>(12,887)</u>	<u>(60,588)</u>
General revenues:										
Property taxes					1,655,338	-	1,655,338	28,514	36,990	87,624
State shared revenue					517,458	-	517,458	-	-	-
Local community stabilization revenue					-	-	-	90,530	-	7,643
Cable television franchise fees					38,124	-	38,124	-	-	-
Unrestricted interest income					94,915	78,400	173,315	12,429	437	6,742
Miscellaneous					7,513	-	7,513	-	-	10,554
Insurance recoveries					8,067	-	8,067	-	-	-
Gain on sales of capital assets					2,912	-	2,912	-	-	-
Transfers					408,389	(408,389)	-	-	-	-
Total general revenues, insurance recoveries, gain on sales of capital assets and transfers					<u>2,732,716</u>	<u>(329,989)</u>	<u>2,402,727</u>	<u>131,473</u>	<u>37,427</u>	<u>112,563</u>
Changes in net position					<u>375,623</u>	<u>673,904</u>	<u>1,049,527</u>	<u>93,247</u>	<u>24,540</u>	<u>51,975</u>
Net position, as previously reported					6,832,896	9,505,975	16,338,871	199,112	168,875	151,068
Change in accounting principle - adoption of GASB 101					<u>(321,805)</u>	<u>(102,500)</u>	<u>(424,305)</u>	<u>(13,500)</u>	<u>(8,700)</u>	<u>(8,400)</u>
Net position, as restated					<u>6,511,091</u>	<u>9,403,475</u>	<u>15,914,566</u>	<u>185,612</u>	<u>160,175</u>	<u>142,668</u>
Net position - ending					<u>\$ 6,886,714</u>	<u>\$ 10,077,379</u>	<u>\$16,964,093</u>	<u>\$ 278,859</u>	<u>\$ 184,715</u>	<u>\$ 194,643</u>

See notes to financial statements

BALANCE SHEET - governmental funds

June 30, 2025

	<u>General</u>	<u>Major Streets</u>	<u>Nonmajor funds</u>	<u>Total governmental funds</u>
ASSETS				
Cash	\$ 313,650	\$ 451,627	\$ 382,832	\$ 1,148,109
Investments	990,700	14,304	179,716	1,184,720
Receivables	156,945	66,056	31,742	254,743
Total assets	<u>\$ 1,461,295</u>	<u>\$ 531,987</u>	<u>\$ 594,290</u>	<u>\$ 2,587,572</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Payables	\$ 125,429	\$ 39,350	\$ 12,172	\$ 176,951
Due to other funds	-	2,706	15,603	18,309
Unearned revenue	4,330	-	-	4,330
Total liabilities	<u>129,759</u>	<u>42,056</u>	<u>27,775</u>	<u>199,590</u>
Fund balances:				
Restricted for:				
Public safety - drug forfeitures	7,244	-	-	7,244
Public works - street improvements and maintenance	-	489,931	319,950	809,881
Community and economic development - revolving loans	-	-	66,027	66,027
Recreation and culture - pickleball courts	26,163	-	-	26,163
Assigned for:				
Employee benefits	104,581	-	-	104,581
Capital acquisitions	-	-	180,538	180,538
Unassigned	1,193,548	-	-	1,193,548
Total fund balances	<u>1,331,536</u>	<u>489,931</u>	<u>566,515</u>	<u>2,387,982</u>
Total liabilities and fund balances	<u>\$ 1,461,295</u>	<u>\$ 531,987</u>	<u>\$ 594,290</u>	<u>\$ 2,587,572</u>

Reconciliation of the balance sheet to the statement of net position:

Total fund balance - total governmental funds \$ 2,387,982

Amounts reported for *governmental activities* in the statement of net position (page 15) are different because:

Capital assets used in *governmental activities* are not financial resources and, therefore, are not reported in the funds. 6,818,950

Deferred outflows of resources, related to the OPEB plan, relate to future years, and are not reported in the funds. 133,019

Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Interest payable (16,913)
Compensated absences (351,349)
Other postemployment benefit obligation, net (1,008,672)

Long-term debt, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. (1,436,174)

Deferred inflows of resources, related to the OPEB plan, relate to future years, and are not reported in the funds. (213,621)

The assets and liabilities of the internal service fund are included in the *governmental activities* in the statement of net position. 573,492

Net position of *governmental activities* \$ 6,886,714

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**BALANCES - governmental funds**

Year ended June 30, 2025

	<i>General</i>	<i>Major Streets</i>	<i>Nonmajor funds</i>	<i>Total governmental funds</i>
REVENUES				
Property taxes	\$ 1,369,783	\$ -	\$ 351,243	\$ 1,721,026
Licenses and permits	98,536	-	-	98,536
Federal grants	62,761	-	-	62,761
State grants	568,744	418,445	159,445	1,146,634
Intergovernmental	-	75,393	28,883	104,276
Charges for services	30,967	-	-	30,967
Fines and forfeitures	6,362	-	-	6,362
Interest and rentals	64,778	6,171	25,096	96,045
Other	49,249	4,186	89,130	142,565
Total revenues	<u>2,251,180</u>	<u>504,195</u>	<u>653,797</u>	<u>3,409,172</u>
EXPENDITURES				
Current:				
General government	780,671	-	6,142	786,813
Public safety	1,448,067	-	-	1,448,067
Public works	87,254	207,240	781,275	1,075,769
Community and economic development	115,461	-	-	115,461
Health and welfare	10,322	-	-	10,322
Recreation and culture	217,760	-	-	217,760
Debt service:				
Principal	30,692	-	23,000	53,692
Interest	12,955	-	39,028	51,983
Total expenditures	<u>2,703,182</u>	<u>207,240</u>	<u>849,445</u>	<u>3,759,867</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(452,002)</u>	<u>296,955</u>	<u>(195,648)</u>	<u>(350,695)</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	5,479	2,588	-	8,067
Transfers in	447,964	-	-	447,964
Transfers out	-	-	(15,000)	(15,000)
Net other financing sources (uses)	<u>453,443</u>	<u>2,588</u>	<u>(15,000)</u>	<u>441,031</u>
NET CHANGES IN FUND BALANCES	<u>1,441</u>	<u>299,543</u>	<u>(210,648)</u>	<u>90,336</u>
FUND BALANCES - BEGINNING	<u>1,330,095</u>	<u>190,388</u>	<u>777,163</u>	<u>2,297,646</u>
FUND BALANCES - ENDING	<u>\$ 1,331,536</u>	<u>\$ 489,931</u>	<u>\$ 566,515</u>	<u>\$ 2,387,982</u>

See notes to financial statements

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - governmental funds (Continued)**

Year ended June 30, 2025

Reconciliation of the statement of revenues, expenditures, and
changes in fund balances to the statement of activities:

Net change in fund balance - total governmental funds (page 18) \$ 90,336

Amounts reported for *governmental activities* in the statement of
activities (page 16) are different because:

Capital assets:

Assets acquired	399,283
Provision for depreciation	(281,458)

Long-term debt:

Retirements	53,692
-------------	--------

Changes in other assets/liabilities:

Net decrease in interest payable	426
Net decrease in compensated absences	33,808
Net increase in other postemployment benefit obligation, net	34,978

Changes in deferred outflows of resources and deferred inflows of resources related to OPEB obligation:

Net decrease in deferred outflows of resources	(73,829)
Net decrease in deferred inflows of resources	32,699

The net expenses of the internal service fund are reported with *governmental activities*. 85,688

Change in net position of *governmental activities* \$ 375,623

STATEMENT OF NET POSITION - proprietary funds

June 30, 2025

	<i>Business-type activities</i>				<i>Governmental activities</i>
	<i>Enterprise funds</i>				<i>Internal service</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	
ASSETS					
Current assets:					
Cash	\$ 1,081,594	\$ 1,032,784	\$ 24,647	\$ 2,139,025	\$ 170,848
Investments	79,833	-	-	79,833	-
Receivables	160,224	378,270	3,551	542,045	-
Inventory	-	-	3,867	3,867	-
Total current assets	<u>1,321,651</u>	<u>1,411,054</u>	<u>32,065</u>	<u>2,764,770</u>	<u>170,848</u>
Noncurrent assets:					
Receivables - long term assessments	374,000	-	-	374,000	-
Advances to other funds	15,603	2,706	-	18,309	-
Capital assets not being depreciated - land	400	17,346	30,450	48,196	-
Capital assets, net of depreciation	<u>6,644,278</u>	<u>4,814,191</u>	<u>46,422</u>	<u>11,504,891</u>	<u>423,486</u>
Total noncurrent assets	<u>7,034,281</u>	<u>4,834,243</u>	<u>76,872</u>	<u>11,945,396</u>	<u>423,486</u>
Total assets	<u>8,355,932</u>	<u>6,245,297</u>	<u>108,937</u>	<u>14,710,166</u>	<u>594,334</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred OPEB amounts	<u>19,260</u>	<u>13,305</u>	<u>-</u>	<u>32,565</u>	<u>-</u>
LIABILITIES					
Current liabilities:					
Payables	91,705	86,492	1,037	179,234	7,642
Compensated absences - current portion	39,000	11,500	500	51,000	7,900
Bonds payable - current portion	<u>170,000</u>	<u>45,000</u>	<u>-</u>	<u>215,000</u>	<u>-</u>
Total current liabilities	<u>300,705</u>	<u>142,992</u>	<u>1,537</u>	<u>445,234</u>	<u>15,542</u>
Noncurrent liabilities:					
Compensated absences	24,700	7,000	400	32,100	5,300
Net other postemployment benefits liability	146,050	100,890	-	246,940	-
Bonds payable - due in more than one year	<u>2,396,263</u>	<u>1,492,517</u>	<u>-</u>	<u>3,888,780</u>	<u>-</u>
Total noncurrent liabilities	<u>2,567,013</u>	<u>1,600,407</u>	<u>400</u>	<u>4,167,820</u>	<u>5,300</u>
Total liabilities	<u>2,867,718</u>	<u>1,743,399</u>	<u>1,937</u>	<u>4,613,054</u>	<u>20,842</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB amounts	<u>30,931</u>	<u>21,367</u>	<u>-</u>	<u>52,298</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	4,078,415	3,294,020	76,872	7,449,307	423,486
Unrestricted	<u>1,398,128</u>	<u>1,199,816</u>	<u>30,128</u>	<u>2,628,072</u>	<u>150,006</u>
Total net position	<u>\$ 5,476,543</u>	<u>\$ 4,493,836</u>	<u>\$ 107,000</u>	<u>\$ 10,077,379</u>	<u>\$ 573,492</u>

See notes to financial statements

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - *proprietary funds*

Year ended June 30, 2025

	Business-type activities				Governmental activities
	Enterprise funds				Internal service
	Sewer	Water	Nonmajor	Totals	
OPERATING REVENUES					
Charges for services	\$ 1,678,936	\$ 856,685	\$ 55,501	\$ 2,591,122	\$ 296,325
Other	37,208	381,251	4,484	422,943	56,564
Total operating revenues	1,716,144	1,237,936	59,985	3,014,065	352,889
OPERATING EXPENSES					
Administration	240,222	36,735	57,012	333,969	-
Treatment	669,524	145,603	-	815,127	-
Collection	105,629	138,385	-	244,014	-
Costs of interfund services	-	-	-	-	165,662
Depreciation	354,502	143,699	4,268	502,469	81,427
Total operating expenses	1,369,877	464,422	61,280	1,895,579	247,089
OPERATING INCOME (LOSS)	346,267	773,514	(1,295)	1,118,486	105,800
NONOPERATING REVENUE (EXPENSES)					
Gain on sales of capital assets	-	-	-	-	2,912
State grant	-	15,640	-	15,640	-
Interest revenue	44,867	33,042	491	78,400	1,551
Interest and fees expense	(76,752)	(53,481)	-	(130,233)	-
Net nonoperating revenue (expenses)	(31,885)	(4,799)	491	(36,193)	4,463
INCOME (LOSS) BEFORE TRANSFERS	314,382	768,715	(804)	1,082,293	110,263
TRANSFERS OUT	(255,816)	(146,589)	(5,984)	(408,389)	(24,575)
CHANGES IN NET POSITION	58,566	622,126	(6,788)	673,904	85,688
NET POSITION, as previously reported	5,503,577	3,887,610	114,788	9,505,975	499,504
Change in accounting principle - adoption of GASB 101	(85,600)	(15,900)	(1,000)	(102,500)	(11,700)
NET POSITION, as restated	5,417,977	3,871,710	113,788	9,403,475	487,804
NET POSITION - ENDING	\$ 5,476,543	\$ 4,493,836	\$ 107,000	\$10,077,379	\$ 573,492

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds

Year ended June 30, 2025

	Business-type activities				Governmental activities
	Enterprise funds				Internal service
	Sewer	Water	Nonmajor	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,731,935	\$ 931,020	\$ 57,073	\$2,720,028	\$ -
Receipts from interfund services provided	-	-	-	-	352,889
Payments to suppliers	(1,053,516)	(266,445)	(51,680)	(1,371,641)	(119,724)
Payments to employees	(326,423)	(103,057)	(4,058)	(433,538)	(41,865)
Internal activity - payments to other funds	(14,621)	(17,364)	(3,033)	(35,018)	-
Net cash provided by (used in) operating activities	<u>337,375</u>	<u>544,154</u>	<u>(1,698)</u>	<u>879,831</u>	<u>191,300</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State grants	-	15,640	-	15,640	-
Collections on advances to other funds	3,804	2,680	-	6,484	-
Transfers out	(255,816)	(146,589)	(5,984)	(408,389)	(24,575)
Net cash used in noncapital financing activities	<u>(252,012)</u>	<u>(128,269)</u>	<u>(5,984)</u>	<u>(386,265)</u>	<u>(24,575)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of capital assets	-	-	-	-	19,670
Acquisition of capital assets	(725,331)	(1,252,103)	-	(1,977,434)	(65,890)
Principal paid on capital debt	(175,000)	(50,000)	-	(225,000)	-
Interest and fees paid on capital debt	(84,632)	(62,530)	-	(147,162)	-
Net cash provided by (used in) capital and related financing activities	<u>(984,963)</u>	<u>(1,364,633)</u>	<u>-</u>	<u>(2,349,596)</u>	<u>(46,220)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	31,852	20,302	491	52,645	1,551
Sale of investments	817,277	832,334	-	1,649,611	-
Net cash provided by (used in) investing activities	<u>849,129</u>	<u>852,636</u>	<u>491</u>	<u>1,702,256</u>	<u>1,551</u>
NET CHANGE IN CASH	<u>(50,471)</u>	<u>(96,112)</u>	<u>(7,191)</u>	<u>(153,774)</u>	<u>122,056</u>
CASH - BEGINNING	<u>1,132,065</u>	<u>1,128,896</u>	<u>31,838</u>	<u>2,292,799</u>	<u>48,792</u>
CASH - ENDING	<u>\$ 1,081,594</u>	<u>\$ 1,032,784</u>	<u>\$ 24,647</u>	<u>\$2,139,025</u>	<u>\$ 170,848</u>

See notes to financial statements

STATEMENT OF CASH FLOWS - proprietary funds (Continued)

Year ended June 30, 2025

	<i>Business-type activities</i>				<i>Governmental activities</i>
	<i>Enterprise funds</i>				<i>Internal service</i>
	<i>Sewer</i>	<i>Water</i>	<i>Nonmajor</i>	<i>Totals</i>	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 346,267	\$ 773,514	\$ (1,295)	\$ 1,118,486	\$ 105,800
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	354,502	143,699	4,268	502,469	81,427
Changes in assets and liabilities:					
Receivables	15,791	(306,916)	(2,912)	(294,037)	-
Prepays	-	-	(69)	(69)	-
Inventory	-	-	860	860	-
Payables	(339,762)	(70,277)	(2,250)	(412,289)	4,773
Compensated absences	(47,000)	(1,100)	(300)	(48,400)	(700)
Other postemployment obligation, net	1,377	951	-	2,328	-
Decrease in deferred outflows	9,414	6,503	-	15,917	-
Decrease in deferred inflows	(3,214)	(2,220)	-	(5,434)	-
Net cash provided by (used in) operating activities	<u>\$ 337,375</u>	<u>\$ 544,154</u>	<u>\$ (1,698)</u>	<u>\$ 879,831</u>	<u>\$ 191,300</u>

See notes to financial statements

STATEMENT OF FIDUCIARY NET POSITION - *custodial funds*

June 30, 2025

	<i>Tax Collection</i>	<i>General Custodial</i>
ASSETS		
Cash	\$ -	\$ 16,171
LIABILITIES		
Due to others	-	16,171
NET POSITION		
Restricted for individuals and other governments	\$ -	\$ -

See notes to financial statements

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - *custodial funds*

Year ended June 30, 2025

	<u><i>Tax Collection</i></u>	<u><i>General Custodial</i></u>
ADDITIONS		
Property taxes collected for other governments	\$ 4,010,161	\$ -
DEDUCTIONS		
Property taxes distributed to other governments	<u>4,010,161</u>	<u>-</u>
NET CHANGE IN FIDUCIARY NET POSITION	-	-
NET POSITION - BEGINNING	<u>-</u>	<u>-</u>
NET POSITION - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Plainwell, Michigan (the City), conform to accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles) as applicable to governmental units. The following is a summary of the more significant accounting policies.

Reporting entity:

As required by generally accepted accounting principles, these financial statements present the City (the primary government) located in Allegan County, and its component units described below, for which the City is financially accountable. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government. Separate financial statements for the component units have not been issued, as management believes that these financial statements, including disclosures, contain complete information so as to constitute a fair presentation of the component units.

Discretely presented component units:

Tax Increment Financing Authority - The Authority was established pursuant to Public Act 450 of 1980, as amended, to finance infrastructure improvements within the City's industrial park.

Brownfield Redevelopment Authority - The Authority was established pursuant to Public Act 381 of 1996, as amended, to promote the revitalization of environmentally distressed areas within the City.

Downtown Development Authority - The Authority was established pursuant to Public Act 197 of 1975, as amended, to correct and prevent deterioration and promote economic growth within the downtown district.

Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement focus, basis of accounting, and financial statement presentation:

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (continued):

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

State grants, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

The Major Street Fund, a special revenue fund, accounts for state gas and weight tax revenues that are restricted for expenditures related to maintaining and improving the City's major streets.

The City reports the following major enterprise funds:

The Sewer Fund accounts for activities of the City's sewage collection systems and treatment plant.

The Water Fund accounts for activities of the City's water distribution system.

Additionally, the City reports the following nonmajor governmental funds:

The special revenue funds are used to account for the specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The capital projects funds are used to account for the accumulation and disbursement of resources for the construction of governmental fund capital assets.

The nonmajor enterprise fund, the Airport Fund, is used to account for a certain operation of the City that is financed by charges for the services provided.

The internal service fund, a proprietary fund, is used to account for vehicle and equipment management services provided to other departments of the City on a cost-reimbursement basis.

The City also reports custodial funds which account for assets held by the City in a fiduciary capacity for other governments and organizations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Measurement focus, basis of accounting, and financial statement presentation (continued):*

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds relate to charges to customers for sales and services. Operating expenses for proprietary 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.

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity:

Cash and investments - Cash is 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 reported at fair value, with changes in value recognized in the operating statement of each fund which holds investments. Realized and unrealized gains and losses are included in investment income. Pooled investment income is allocated proportionately to all funds and component units.

Receivables - In general, outstanding balances between funds are reported as "advances from/to other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories - The costs of inventories are recorded as assets when purchased and charged to expenses when used. Inventories, reported in the proprietary funds, are valued at the lower of cost or market. Cost is determined under the first-in, first-out method.

Capital assets - Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g., streets and sewer and water systems), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. The City has elected to use the prospective method of accounting for infrastructure assets, whereby it will capitalize its infrastructure assets beginning July 1, 2003.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 - 50 years
Equipment	3 - 25 years
Vehicles	4 - 20 years
Sewer and water systems	50 years
Streets	20 - 40 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity (continued):

Deferred outflows of resources - The statement of net position and the proprietary funds statement of net position include a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The related expense will not be recognized until a future event occurs. The City has an item that is included in this category relating to the OPEB liability that is discussed in Note 11. No deferred outflows of resources affect the governmental funds financial statements.

Unearned revenue - Unearned revenue represents resources which have been received but not yet earned.

Compensated absences - It is the City's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Compensated absences are accrued when earned in the government-wide and proprietary funds financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end, if any.

Postemployment benefits other than pensions (OPEB) - For purposes of measuring the net OPEB liability and OPEB expenses, information about the fiduciary net position of the City of Plainwell Retiree Healthcare 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.

Deferred inflows of resources - The statement of net position and the proprietary funds statement of net position include a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The related revenues will not be recognized until a future event occurs. The City has an item that is included in this category relating to the OPEB liability that is discussed in Note 11. The governmental funds financial statements include a deferred inflow related to unavailable insurance recoveries.

Net position - Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. The City reports three categories of net position, as follows: (1) *Net investment in capital assets* consists of net capital assets reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets; (2) *Restricted net position* is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations, such as federal or state laws or buyers of the City's debt. Restricted net position is reduced by liabilities related to the restricted assets; (3) *Unrestricted net position* consists of all other net position that does not meet the definition of the above components and is available for general use by the City.

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

Fund equity - In the fund financial statements, governmental funds report restricted fund balance when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws and regulations of other governments. The City Council has delegated the authority to assign fund balance to the City Manager. Unassigned fund balance is the residual classification for the General Fund. When the City incurs an expenditure for purposes for which various fund balance classifications can be used, it is the City's policy to use the restricted fund balance first, followed by assigned fund balance, and, finally, unassigned fund balance.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity (continued):

Property tax revenue recognition - Property taxes are levied as of July 1 on property values assessed as of December 31 of the prior year. The billings are due on or before August 15, at which time the bill becomes delinquent and penalties and interest may be assessed by the City. Property tax revenue is recognized in the year for which taxes have been levied and become available. The City levy date is July 1, and, accordingly, the total levy is recognized as revenue in the current year.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for governmental funds. The budget document presents information by fund, function, department, and line-item. The legal level of budgetary control adopted by the governing body is the activity level. All annual appropriations lapse at the end of the fiscal year.

Excess of expenditures over appropriations - The following schedule sets forth the reportable budget variance:

<u>Fund</u>	<u>Function</u>	<u>Activity</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Primary government:					
General	Community and economic development	Planning	\$ 92,148	\$ 115,461	\$ 23,313

NOTE 3 - CASH AND INVESTMENTS

Cash and investments, as of June 30, 2025, are classified in the accompanying financial statements as follows:

	<u>Governmental activities</u>	<u>Business- type activities</u>	<u>Total primary government</u>	<u>Custodial funds</u>	<u>Total component units</u>	<u>Totals</u>
Cash	\$ 1,318,957	\$ 2,139,025	\$ 3,457,982	\$ 16,171	\$ 160,609	\$ 3,634,762
Investments	1,184,720	79,833	1,264,553	-	325,535	1,590,088
Totals	<u>\$ 2,503,677</u>	<u>\$ 2,218,858</u>	<u>\$ 4,722,535</u>	<u>\$ 16,171</u>	<u>\$ 486,144</u>	<u>\$ 5,224,850</u>

Cash and investments as of June 30, 2025, consist of the following:

Cash on hand	\$ 1,164
Deposits with financial institutions	3,633,598
Investments	<u>1,590,088</u>
Total	<u>\$ 5,224,850</u>

NOTE 3 - CASH AND INVESTMENTS (Continued)

Deposits - Michigan Compiled Laws, Section 129.91 (Public Act 20 of 1943, as amended) and the City's investment policy authorize the City to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations that have an office in Michigan. The City's deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the City will not be able to recover its deposits. The City's investment policy does not specifically address custodial credit risk for deposits. As of June 30, 2025, \$171,085 of the City's bank balances of \$3,633,598 including those of the component units, was exposed to custodial credit risk because it was uninsured and uncollateralized. Due to the use of pooled accounts, it is not practicable to allocate custodial credit risk between the primary government and its component units.

Investments - State statutes and the City's investment policy authorize the City to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper rated within the two highest rate classifications, which mature not more than 270 days after the date of purchase; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds composed of otherwise legal investments, and f) investment pools organized under the local government investment pool act.

Investments in entities that calculate net asset value per share - The City holds shares in an investment pool where the fair value of the investment is measured on a recurring basis using net asset value per share of the investment pool as a practical expedient. At June 30, 2024, the fair value, unfunded commitments, and redemption rules of that investment are as follows:

	<i>Michigan CLASS Pool</i>			
	<i>Governmental activities</i>	<i>Business-type activities</i>	<i>Component units</i>	<i>Total</i>
Fair value at June 30, 2025	\$ 1,184,720	\$ 79,833	\$ 325,535	\$ 1,590,088
Unfunded commitments				none
Redemption frequency				n/a
Notice period				none

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 treasury agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. The pool 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.

NOTE 4 - RECEIVABLES

Receivables as of June 30, 2025, for the City's individual major funds and nonmajor funds, in the aggregate, were as follows:

<i>Fund</i>	<i>Accounts</i>	<i>Assessments</i>	<i>Inter- governmental</i>	<i>Loans</i>	<i>Totals</i>
Primary government:					
Governmental:					
General	\$ 36,555	\$ -	\$ 120,390	\$ -	\$ 156,945
Major Street	517	-	65,539	-	66,056
Nonmajor	-	-	23,375	8,367	31,742
Total governmental	<u>\$ 37,072</u>	<u>\$ -</u>	<u>\$ 209,304</u>	<u>\$ 8,367</u>	<u>\$ 254,743</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,536</u>	<u>\$ 5,536</u>
Proprietary:					
Sewer	\$ 160,224	\$ 374,000	\$ -	\$ -	\$ 534,224
Water	378,270	-	-	-	378,270
Nonmajor	3,551	-	-	-	3,551
Total proprietary	<u>\$ 542,045</u>	<u>\$ 374,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 916,045</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ 374,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,000</u>

The General Fund receivable balance includes an allowance for uncollectible accounts of \$9,676 due to the aging of invoices that have not been collected.

NOTE 5 - ASSETS HELD FOR RESALE - REDEVELOPMENT PROPERTY

The Brownfield Redevelopment Authority, a component unit of the City, has acquired property for the purpose of economic development. The assets are reported at historic cost. The Authority intends to resell the property to private-sector developers. The proceeds of the potential sale of the property will be transferred to the City's General Fund, which principally financed the acquisition.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Governmental activities:				
Capital assets not being depreciated - land	\$ 637,052	\$ -	\$ -	\$ 637,052
Capital assets being depreciated:				
Streets and sidewalks	4,159,002	355,569	-	4,514,571
Land improvements	2,333,835	6,149	-	2,339,984
Buildings and improvements	2,808,944	-	-	2,808,944
Equipment and vehicles	2,961,098	103,455	(104,808)	2,959,745
Subtotal	12,262,879	465,173	(104,808)	12,623,244
Less accumulated depreciation for:				
Streets and sidewalks	(1,103,559)	(117,093)	-	(1,220,652)
Land improvements	(1,516,641)	(63,455)	-	(1,580,096)
Buildings and improvements	(847,774)	(62,458)	-	(910,232)
Equipment and vehicles	(2,275,051)	(119,879)	88,050	(2,306,880)
Subtotal	(5,743,025)	(362,885)	88,050	(6,017,860)
Total capital assets being depreciated, net	6,519,854	102,288	(16,758)	6,605,384
Governmental activities capital assets, net	\$ 7,156,906	\$ 102,288	\$ (16,758)	\$ 7,242,436

Depreciation expense was charged to the City's governmental functions, as follows:

Governmental activities:	
General government	\$ 51,697
Public safety	76,455
Public works	147,102
Recreation and culture	6,204
Depreciation on internal service fund assets	81,427
Total governmental activities	\$ 362,885

NOTE 6 - CAPITAL ASSETS (Continued)

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Business-type activities:				
Capital assets not being depreciated - land	\$ 48,196	\$ -	\$ -	\$ 48,196
Capital assets being depreciated:				
Sewer system	15,916,057	725,331	(12,227)	16,629,161
Water system	7,434,032	1,252,103	-	8,686,135
Airport	225,474	-	-	225,474
Subtotal	23,575,563	1,977,434	(12,227)	25,540,770
Less accumulated depreciation for:				
Sewer system	(9,642,608)	(354,502)	12,227	(9,984,883)
Water system	(3,728,245)	(143,699)	-	(3,871,944)
Airport	(174,784)	(4,268)	-	(179,052)
Subtotal	(13,545,637)	(502,469)	12,227	(14,035,879)
Total capital assets being depreciated	10,029,926	1,474,965	-	11,504,891
Business-type activities capital assets, net	\$ 10,078,122	\$ 1,474,965	\$ -	\$ 11,553,087

NOTE 7 - PAYABLES

Payables as of June 30, 2025, for the City's individual major funds and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Payroll and fringes</u>	<u>Interest</u>	<u>Totals</u>
Primary government:				
Governmental:				
General	\$ 57,537	\$ 67,892	\$ -	\$ 125,429
Major Streets	36,190	3,160	-	39,350
Nonmajor	<u>7,839</u>	<u>4,333</u>	<u>-</u>	<u>12,172</u>
Total governmental	<u>\$ 101,566</u>	<u>\$ 75,385</u>	<u>\$ -</u>	<u>\$ 176,951</u>
Proprietary:				
Sewer	\$ 54,941	\$ 15,540	\$ 21,224	\$ 91,705
Water	64,159	6,058	16,275	86,492
Nonmajor	<u>685</u>	<u>352</u>	<u>-</u>	<u>1,037</u>
Total proprietary	<u>\$ 119,785</u>	<u>\$ 21,950</u>	<u>\$ 37,499</u>	<u>\$ 179,234</u>
Internal service	<u>\$ 5,405</u>	<u>\$ 2,237</u>	<u>\$ -</u>	<u>\$ 7,642</u>
Component units:				
Tax Increment Finance Authority	<u>\$ -</u>	<u>\$ 898</u>	<u>\$ -</u>	<u>\$ 898</u>
Brownfield Redevelopment Authority	<u>\$ 26</u>	<u>\$ 2,562</u>	<u>\$ -</u>	<u>\$ 2,588</u>
Downtown Development Authority	<u>\$ -</u>	<u>\$ 455</u>	<u>\$ -</u>	<u>\$ 455</u>

NOTE 8 - INTERFUND BALANCES AND TRANSFERS

At June 30, 2025, the composition of interfund balances was as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Fund</u>	<u>Payable</u>
Sewer	\$ 15,603	Nonmajor governmental	\$ 15,603
Water	<u>2,706</u>	Major Street	<u>2,706</u>
	<u>\$ 18,309</u>		<u>\$ 18,309</u>

The Sewer and Water funds provided advances to the street funds (governmental funds) to finance a portion of street preservation costs in prior years. The advances are expected to be repaid over time, with interest, at 1%.

NOTE 8 - INTERFUND BALANCES AND TRANSFERS (Continued)

A summary of interfund transfers for the year ended June 30, 2025, is as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Fund</u>	<u>Transfers out</u>
		Sewer	\$ 255,816
		Water	146,589
		Airport	5,984
		Equipment	<u>24,575</u>
General	\$ 432,964		432,964
General	<u>15,000</u>	Nonmajor governmental	<u>15,000</u>
Total	<u>\$ 447,964</u>	Total	<u>\$ 447,964</u>

The proprietary funds transferred \$432,964 to the General Fund as part of the City's payment in lieu of taxes (PILOT) program. The payments are classified as transfers as the transaction does not involve an exchange for services.

The Fire Reserve Fund, a nonmajor governmental fund, transferred \$15,000 to the General Fund to provide support for fire equipment purchases recorded in the General Fund.

NOTE 9 - LONG-TERM LIABILITIES

Long-term liabilities at June 30, 2025, are comprised of the following:

Governmental activities:

Bonds payable:

\$1,350,000 2012 Capital Improvement bonds - payable in annual installments ranging from \$16,000 to \$64,000, plus interest at 3.75%; final payment due February 2051	\$ 1,017,760
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\$500,000 2022 General Obligation Limited Tax bonds - payable in annual installments ranging from \$25,000 to \$41,000, plus interest ranging from 2.18% to 3.10%; final payment due June 2037	418,000
--	---------

Note payable:

\$8,165 2020 installment purchase agreement - payable in monthly installments of \$143, including interest at 1.94%; final payment due September 2025	<u>414</u>
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Total bonds and notes payable	1,436,174
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Compensated absences	<u>364,549</u>
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Total governmental activities	<u><u>\$ 1,800,723</u></u>
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Business-type activities:

Bonds payable:

\$3,865,000 2012 Sewer Supply System Revenue bonds (SRF) - payable in annual installments ranging from \$100,000 to \$170,000, plus interest at 2.50%; final payment due October 2033	\$ 1,370,000
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\$2,615,000 2024 General Obligation Limited Tax bonds - payable in annual installments ranging from \$80,000 to \$195,000, plus interest ranging from 4.00% to 5.00%; final payment due March 2044	2,525,000
--	-----------

Premium - 2024 Bonds	<u>208,780</u>
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Total business-type activities bonds payable	4,103,780
--	-----------

Compensated absences	<u>83,100</u>
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Total business-type activities	<u><u>\$ 4,186,880</u></u>
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Component units:

Note payable:

\$690,000 2022 EGLE Loan to Brownfield Redevelopment Authority - payable in annual installments of \$67,500, including interest at 1.50%; final payment due September 2036	\$ 668,493
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Compensated absences:

Tax Increment Finance Authority	4,400
Brownfield Redevelopment Authority	5,900
Downtown Development Authority	<u>1,600</u>

Total component units	<u><u>\$ 680,393</u></u>
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All debt is secured by the full faith and credit of the City and considered direct borrowing or direct placement debt.

NOTE 9 - LONG-TERM LIABILITIES (Continued)

Long-term liability activity for the year ended June 30, 2025, was as follows:

	<i>Beginning balance</i>	<i>Net change</i>	<i>Reductions</i>	<i>Ending balance</i>	<i>Amounts due within one year</i>
Primary government:					
Governmental activities:					
2012 Capital improvement bonds	\$ 1,040,760	\$ -	\$ (23,000)	\$ 1,017,760	\$ 24,000
2022 General obligation bonds	447,000	-	(29,000)	418,000	30,000
2020 Installment purchase agreement	2,106	-	(1,692)	414	414
Total bonds and note	1,489,866	-	(53,692)	1,436,174	54,414
Compensated absences	399,057	(34,508)	-	364,549	162,000
	<u>\$ 1,888,923</u>	<u>\$ (34,508)</u>	<u>\$ (53,692)</u>	<u>\$ 1,800,723</u>	<u>\$ 216,414</u>
Business-type activities:					
2012 Sewer revenue bonds	\$ 1,505,000	\$ -	\$ (135,000)	\$ 1,370,000	\$ 135,000
2024 General obligation bonds	2,615,000	-	(90,000)	2,525,000	80,000
Total bonds	4,120,000	-	(225,000)	3,895,000	215,000
Premium - 2024 bonds	228,249	-	(19,469)	208,780	-
Total long-term debt	4,348,249	-	(244,469)	4,103,780	215,000
Compensated absences	131,500	(48,400)	-	83,100	51,000
	<u>\$ 4,479,749</u>	<u>\$ (48,400)</u>	<u>\$ (244,469)</u>	<u>\$ 4,186,880</u>	<u>\$ 266,000</u>
Component units:					
Brownfield Redevelopment Authority:					
2022 note payable	\$ 690,000	\$ -	\$ (21,507)	\$ 668,493	\$ -
Compensated absences:					
Tax Increment Finance Authority	\$ 14,900	\$ (10,500)	\$ -	\$ 4,400	\$ 4,400
Brownfield Redevelopment Authority	\$ 10,200	\$ (4,300)	\$ -	\$ 5,900	\$ 5,900
Downtown Development Authority	\$ 9,100	\$ (7,500)	\$ -	\$ 1,600	\$ 1,600

NOTE 9 - LONG-TERM LIABILITIES (Continued)

Debt service requirements at June 30, 2025, with the exception of compensated absences and other postemployment benefits, are as follows:

	<i>Governmental activities</i>		<i>Business-type activities</i>		<i>Component units</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
Year ended June 30:						
2026	\$ 54,414	\$ 50,299	\$ 215,000	\$ 35,789	\$ -	\$ -
2027	56,000	50,567	230,000	32,414	65,396	-
2028	58,000	46,767	235,000	28,976	56,350	9,046
2029	59,000	44,896	245,000	25,414	57,195	8,201
2030	61,000	42,983	250,000	105,977	58,053	7,343
2031 - 2035	337,000	183,659	1,240,000	441,605	303,591	23,390
2035 - 2039	269,000	127,141	750,000	247,350	127,908	2,885
2040 - 2044	227,000	85,196	730,000	74,600	-	-
2045 - 2049	275,000	39,246	-	-	-	-
2050 - 2054	39,760	1,490	-	-	-	-
Totals	<u>\$ 1,436,174</u>	<u>\$ 672,244</u>	<u>\$ 3,895,000</u>	<u>\$ 992,125</u>	<u>\$ 668,493</u>	<u>\$ 50,865</u>

NOTE 10 - DEFINED CONTRIBUTION PENSION PLAN

The City contributes to the City of Plainwell Group Pension Plan (the Plan), a defined contribution pension plan, for all its full-time employees. The Plan is administered by a third-party administrator.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council. For each employee in the pension plan, the City is required to contribute 8% to 11% of covered payroll to an individual employee's account. Employees are not required to make contributions to the pension plan. For the year ended June 30, 2025, the City recognized pension expense of \$174,599.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in City contributions and earnings on City contributions immediately. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended June 30, 2025, there were no forfeitures.

As of June 30, 2025, the City reported a \$7,095 accrued liability as part of the contributions to the Plan.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS*Plan description:*

The City of Plainwell Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by the City, which provides medical insurance benefits to eligible retirees. Eligible recipients include retirees with union affiliation who have reached age 55 or 60, depending on their union affiliation, and have worked at least 25 years for the City upon their retirement. The Plan was established by the City and can be amended at its discretion. The plan does not issue a separate stand-alone financial statement.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits provided:

Police employees:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,500); Medicare eligible: Support of supplemental insurance cost up to \$500 per month

SEIU members:

Retired prior to 7/1/2007:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,500); Medicare eligible - single medical coverage

Retired after 7/1/2007:

Pre-65: Single medical coverage and an annual HSA contribution to cover out-of-pocket medical costs (currently up to \$3,500); Medicare eligible: None

Retiree contributions:

Police - 20% of medical premium

SEIU member retired prior to 7/1/2007 - None

SEIU member retired after to 7/1/2007 - 20% of medical premium

As of June 30, 2025, Plan membership Plan consisted of the following:

Active participants	14
Retirees and beneficiaries receiving benefits	<u>5</u>
Total participants	<u>19</u>

Contributions:

The City of Plainwell Retiree Medical Plan was established and is being funded under the authority of the City and under agreements with the unions representing various classes of employees. The Plan's funding policy is that the employer will make benefit payments from general operating funds. There are no long-term contracts for contributions to the plan.

Net OPEB liability:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	Not applicable
Payroll increases	4.00%
Investment rate of return	6.28%
20-year Aa Municipal bond rate	4.81%
Mortality	Pub-2016 General and Safety Employees and Retirees, headcount weighte, IRS 2024 Adjusted Scale MP-2021

The discount rate used to measure the total OPEB liability was 4.81%. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the “depletion date”), projected benefits were discounted as a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability. The discount rate used for the June 30, 2025 liability was 4.21%.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the net OPEB liability:

	<i>Increase (decrease)</i>		
	<i>Total OPEB liability</i>	<i>Plan fiduciary net position</i>	<i>Net OPEB liability (asset)</i>
	<i>(a)</i>	<i>(b)</i>	<i>(a) - (b)</i>
Balances at June 30, 2024	\$ 1,332,138	\$ 43,876	\$ 1,288,262
Changes for the year:			
Service cost	33,054	-	33,054
Interest	56,888	-	56,888
Experience (Gains)/Losses	(50,196)	-	(50,196)
Change in assumptions	(29,316)	-	(29,316)
Contributions to OPEB trust	-	9,949	(9,949)
Contributions - employer	-	27,901	(27,901)
Net investment income	-	5,483	(5,483)
Benefit payments	(27,901)	(27,901)	-
Administrative expenses	-	(253)	253
Net changes	(17,471)	15,179	(32,650)
Balances at June 30, 2025	\$ 1,314,667	\$ 59,055	\$ 1,255,612

Plan fiduciary net position as a percentage of total OPEB liability 4.5%

Sensitivity of the net OPEB liability to changes in the discount rate:

The following schedule presents the net OPEB liability of the City, calculated using the discount rates 1% higher and lower than the current rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability	\$ 1,364,525	\$ 1,255,612	\$ 1,160,830

Sensitivity of the net OPEB liability to changes in the trend rate:

The following schedule presents the net OPEB liability of the City, calculated using healthcare cost trend rates 1% higher and lower than the current rate:

	<u>1% decrease</u>	<u>Current rate</u>	<u>1% increase</u>
Net OPEB liability	\$ 1,218,052	\$ 1,255,612	\$ 1,455,857

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB Plan:

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of \$56,811. At June 30, 2025, the City reported the following deferred outflows of resources and deferred inflows of resources related to OPEB:

	<u>Outflows</u>	<u>Inflows</u>
Experience (gains)/losses	\$ 139,656	\$ 112,535
Investment earnings (gains)/losses	-	2,996
Change in assumptions	<u>25,928</u>	<u>150,388</u>
Total	<u>\$ 165,584</u>	<u>\$ 265,919</u>

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

<u>Year Ended June 30,</u>	<u>Amount recognized</u>
2026	\$ (29,913)
2027	(32,669)
2028	(28,335)
2029	(9,418)
2030	-
Thereafter	-

Total OPEB liability by participant status:

	<u>Police</u>	<u>SEIU</u>	<u>Total OPEB Liability</u>
Active participants	\$ 727,648	\$ 231,908	\$ 959,556
Inactive participants receiving benefits	<u>260,744</u>	<u>94,367</u>	<u>355,111</u>
Total	<u>\$ 988,392</u>	<u>\$ 326,275</u>	<u>\$ 1,314,667</u>

NOTE 12 - PROPERTY TAX REVENUE

The 2024 taxable valuation of the City was \$110,579,056 on which ad valorem taxes levied consisted of 14.2175 mills for operating purposes and 1.3000 mills for solid waste removal, raising \$1,513,328 for operating purposes and \$138,369 for solid waste removal. These amounts are recognized in the fund financial statements as property tax revenue.

NOTE 13 - CONSTRUCTION CODE ACT

A summary of construction code enforcement transactions for the year ended June 30, 2025, is as follows:

Cumulative excess of revenues, beginning of year	\$ -
Revenues	\$ 58,609
Expenses	<u>58,609</u>
Excess of revenues over expenses	<u>\$ -</u>
Cumulative excess of revenues, end of year	<u>\$ -</u>

NOTE 14 - RESTRICTED NET POSITION

In the government-wide statement of net position, the governmental activities report restricted net position in the amount of \$909,315. Of this amount, \$7,244 is restricted by enabling legislation for public safety expenditures and \$809,881 is restricted by enabling legislation for public works expenditures.

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss to general liability, property and casualty, workers' compensation, and employee health and medical claims. The risks of loss arising from general liability, building contents, workers' compensation, employee medical, and casualty are managed through purchased commercial insurance. For all risks of loss, there have been no significant reductions in insurance coverage from coverage provided in prior years. Also, in the past three years, settlements did not exceed insurance coverage.

The Tax Increment Finance Authority, a component unit of the City, has adopted a tax increment financing plan (the Plan) that allows the Authority (the Authority) to expend tax increment revenues for purposes of furthering the development program contemplated in the Plan. At June 30, 2025, the Authority's fund balance was \$278,859. The Authority intends to use the available equity to complete the development program. However, any funds remaining after completion of the development program shall revert proportionately to the respective taxing entities, including the City, from which the tax increment revenues were derived.

NOTE 16 - CONTINGENT LIABILITY

The City has a reimbursement agreement with a developer associated with the City's Plainwell Paper Mill redevelopment project. In accordance with the agreement, the City must make annual payments to the developer amounting to 75% of the current year's tax capture for the brownfield redevelopment district. At June 30, 2025, the City is contingently liable for payments to the developer in the amount of \$83,624.

NOTE 17 - CONSTRUCTION COMMITMENT

As of June 30, 2025, the City has an active construction project for water, sewer and street infrastructure:

	<i>Project authorization</i>	<i>Expended through June 30, 2025</i>	<i>Committed</i>
Old Orchard	<u>\$ 3,658,558</u>	<u>\$ 3,510,145</u>	<u>\$ 148,413</u>

The commitment, in the amount of \$148,413, is being funded from bond proceeds received in March 2024 and included in net position in the Water and Sewer funds, as well as cash reserves in the Local Street Fund, a nonmajor governmental fund.

NOTE 18 - CHANGE IN ACCOUNTING PRINCIPLE

During the year ended June 30, 2025, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB Statement No. 101 replaces GASB 16, *Accounting for Compensated Absences*. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements. As a result of implementing GASB Statement No. 101, beginning net position has been restated, as follows:

	<i>Governmental activities</i>	<i>Sewer Fund</i>	<i>Water Fund</i>	<i>Airport Fund</i>	<i>Business-type activities</i>
Beginning of year, as previously reported	\$ 6,832,896	\$ 5,503,577	\$ 3,887,610	\$ 114,788	\$ 9,505,975
Change in accounting principle	<u>(321,805)</u>	<u>(85,600)</u>	<u>(15,900)</u>	<u>(1,000)</u>	<u>(102,500)</u>
Beginning of year, as restated	<u>\$ 6,511,091</u>	<u>\$ 5,417,977</u>	<u>\$ 3,871,710</u>	<u>\$ 113,788</u>	<u>\$ 9,403,475</u>

NOTE 19 - UPCOMING ACCOUNTING PRONOUNCEMENT

The Governmental Accounting Standards Board (GASB) issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. This statement is effective for fiscal years ending June 30, 2026, and after. This statement establishes new accounting and financial reporting requirements, or modifies existing requirements, related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; and budgetary comparison information.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE - General Fund

Year ended June 30, 2025

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
REVENUES				
Property taxes:				
Operating levy	\$ 1,303,043	\$ 1,303,043	\$ 1,300,754	\$ (2,289)
Administration fees	58,953	58,953	58,815	(138)
Other	9,000	9,000	10,214	1,214
Total property taxes	<u>1,370,996</u>	<u>1,370,996</u>	<u>1,369,783</u>	<u>(1,213)</u>
Licenses and permits:				
Code inspection fees	16,000	56,000	38,124	(17,876)
Cable franchise fees	40,000	40,000	60,412	20,412
Total licenses and permits	<u>56,000</u>	<u>96,000</u>	<u>98,536</u>	<u>2,536</u>
Federal grant	-	60,200	62,761	2,561
State grants:				
State shared revenue	513,867	513,867	517,458	3,591
Local community stabilization	-	7,500	7,988	488
Other	11,000	15,500	43,298	27,798
Total state grants	<u>524,867</u>	<u>536,867</u>	<u>568,744</u>	<u>31,877</u>
Charges for services	<u>2,550</u>	<u>16,550</u>	<u>30,967</u>	<u>14,417</u>
Fines and forfeitures	<u>1,000</u>	<u>1,000</u>	<u>6,362</u>	<u>5,362</u>
Interest and rentals:				
Interest	24,933	60,748	62,097	1,349
Rentals	3,800	3,800	2,681	(1,119)
Total interest and rentals	<u>28,733</u>	<u>64,548</u>	<u>64,778</u>	<u>230</u>
Other:				
Contributions	1,500	11,500	31,231	19,731
Miscellaneous	16,291	16,291	18,018	1,727
Total other	<u>17,791</u>	<u>27,791</u>	<u>49,249</u>	<u>21,458</u>
Total revenues	<u>2,001,937</u>	<u>2,173,952</u>	<u>2,251,180</u>	<u>77,228</u>

BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)

Year ended June 30, 2025

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
EXPENDITURES				
General government:				
Legislative - City Council	\$ 10,789	\$ 11,004	\$ 11,064	\$ (60)
Elections	57,584	59,584	59,876	(292)
Administration	448,127	448,127	407,095	41,032
Assessor	26,925	27,925	26,589	1,336
Building and grounds	233,449	304,263	276,047	28,216
Total general government	776,874	850,903	780,671	70,232
Public safety:				
Department of Public Safety:				
Police protection	1,320,036	1,349,911	1,283,300	66,611
Fire protection	194,907	190,283	164,767	25,516
Total public safety	1,514,943	1,540,194	1,448,067	92,127
Public works:				
Street lighting	51,600	54,600	52,784	1,816
Environmental project engineering	30,000	126,179	34,470	91,709
Total public works	81,600	180,779	87,254	93,525
Community and economic development:				
Planning	50,148	92,148	115,461	(23,313)
Health and welfare - ambulance	10,642	10,642	10,322	320
Recreation and culture:				
Parks	169,532	180,046	172,172	7,874
Flowers and beautification	35,397	41,897	35,165	6,732
Special events	13,652	16,152	10,423	5,729
Total recreation and culture	218,581	238,095	217,760	20,335
Debt service - principal	30,692	30,692	30,692	-
Debt service - interest	12,955	12,955	12,955	-
Total expenditures	2,696,435	2,956,408	2,703,182	253,226

BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)

Year ended June 30, 2025

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (694,498)</u>	<u>\$ (782,456)</u>	<u>\$ (452,002)</u>	<u>\$ 330,454</u>
OTHER FINANCING SOURCES				
Transfers in:				
Sewer Fund	255,816	255,816	255,816	-
Water Fund	146,589	146,589	146,589	-
Airport Fund	5,984	5,984	5,984	-
Equipment Fund	24,575	24,575	24,575	-
Fire Reserve Fund	15,000	15,000	15,000	-
Total transfers in	<u>447,964</u>	<u>447,964</u>	<u>447,964</u>	<u>-</u>
Insurance recoveries	<u>-</u>	<u>-</u>	<u>5,479</u>	<u>5,479</u>
Total other financing sources	<u>447,964</u>	<u>447,964</u>	<u>453,443</u>	<u>5,479</u>
NET CHANGES IN FUND BALANCES	(246,534)	(334,492)	1,441	335,933
FUND BALANCES - BEGINNING	<u>1,330,095</u>	<u>1,330,095</u>	<u>1,330,095</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,083,561</u>	<u>\$ 995,603</u>	<u>\$ 1,331,536</u>	<u>\$ 335,933</u>

BUDGETARY COMPARISON SCHEDULE - Major Street Fund

Year ended June 30, 2025

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
State grants	\$ 417,003	\$ 417,003	\$ 418,445	\$ 1,442
Intergovernmental	34,000	34,000	75,393	41,393
Interest	1,800	1,800	6,171	4,371
Other	-	-	4,186	4,186
Total revenues	<u>452,803</u>	<u>452,803</u>	<u>504,195</u>	<u>51,392</u>
EXPENDITURES				
Public works:				
Preservation	284,487	302,039	151,896	150,143
Traffic services	5,231	7,231	6,992	239
Winter maintenance	42,589	42,589	33,866	8,723
Administration	21,208	21,208	14,486	6,722
Total expenditures	<u>353,515</u>	<u>373,067</u>	<u>207,240</u>	<u>165,827</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	99,288	79,736	296,955	217,219
OTHER FINANCING SOURCES				
Insurance recoveries	-	-	2,588	2,588
NET CHANGES IN FUND BALANCES	99,288	79,736	299,543	219,807
FUND BALANCES - BEGINNING	<u>190,388</u>	<u>190,388</u>	<u>190,388</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 289,676</u>	<u>\$ 270,124</u>	<u>\$ 489,931</u>	<u>\$ 219,807</u>

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS

June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:								
Service cost	\$ 33,054	\$ 30,730	\$ 34,949	\$ 33,123	\$ 35,750	\$ 33,085	\$ 32,504	\$ 30,001
Interest	56,888	54,979	53,504	28,328	30,453	35,371	34,974	33,311
Difference between expected and actual experience	(50,196)	(19,174)	(31,726)	448,292	(19,311)	(169,289)	(45,916)	(45,878)
Changes in assumptions	(29,316)	(21,250)	7,322	(368,578)	10,413	78,141	-	40,834
Benefit payments, including refunds	(27,901)	(27,296)	(27,155)	(22,232)	(16,170)	(12,116)	(5,730)	(4,957)
Net change in total OPEB liability	(17,471)	17,989	36,894	118,933	41,135	(34,808)	15,832	53,311
Total OPEB liability, beginning of year	1,332,138	1,314,149	1,277,255	1,158,322	1,117,187	1,151,995	1,136,163	1,082,852
Total OPEB liability, end of year	<u>\$ 1,314,667</u>	<u>\$ 1,332,138</u>	<u>\$ 1,314,149</u>	<u>\$ 1,277,255</u>	<u>\$ 1,158,322</u>	<u>\$ 1,117,187</u>	<u>\$ 1,151,995</u>	<u>\$ 1,136,163</u>
Plan fiduciary net position:								
Contributions to OPEB trust	\$ 9,949	\$ 10,829	\$ 15,528	\$ 6,573	\$ 3,578	\$ 1,959	\$ -	\$ -
Contributions - employer	27,901	27,296	27,155	22,232	16,170	12,116	5,730	4,957
Net investment income (loss)	5,483	4,471	1,842	(1,335)	734	5	-	-
Benefit payments, including refunds	(27,901)	(27,296)	(27,155)	(22,232)	(16,170)	(12,116)	(5,730)	(4,957)
Administrative expenses	(253)	(178)	(73)	(32)	(23)	(2)	-	-
Net change in plan fiduciary net position	15,179	15,122	17,297	5,206	4,289	1,962	-	-
Plan fiduciary net position, beginning of year	43,876	28,754	11,457	6,251	1,962	-	-	-
Plan fiduciary net position, end of year	<u>\$ 59,055</u>	<u>\$ 43,876</u>	<u>\$ 28,754</u>	<u>\$ 11,457</u>	<u>\$ 6,251</u>	<u>\$ 1,962</u>	<u>\$ -</u>	<u>\$ -</u>
City's net OPEB liability, end of year	<u>\$ 1,255,612</u>	<u>\$ 1,288,262</u>	<u>\$ 1,285,395</u>	<u>\$ 1,265,798</u>	<u>\$ 1,152,071</u>	<u>\$ 1,115,225</u>	<u>\$ 1,151,995</u>	<u>\$ 1,136,163</u>
Plan fiduciary net position as a percent of of total OPEB liability	4.49%	3.29%	2.19%	0.90%	0.54%	0.18%	0.00%	0.00%
Covered payroll	\$ 1,119,036	\$ 1,065,545	\$ 1,042,714	\$ 885,520	\$ 808,254	\$ 915,725	\$ 961,353	\$ 939,692
City's net OPEB liability as a percentage of covered payroll	112.2%	120.9%	123.3%	142.9%	142.5%	121.8%	119.8%	120.9%

Note: This schedule is being built prospectively after the implementation of GASB 75 in fiscal year 2018.

Ultimately, ten years of data will be presented.

SCHEDULE OF CITY OPEB CONTRIBUTIONS

Year Ended June 30, 2025 (schedule is built prospectively upon implementation of GASB 75)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined employer contributions:								
Service cost (with interest)	\$ 43,531	\$ 39,833	\$ 44,083	\$ 37,422	\$ 40,083	\$ 37,688	\$ 33,479	\$ 30,901
Amortization of unfunded liability	<u>215,795</u>	<u>189,693</u>	<u>186,748</u>	<u>145,989</u>	<u>127,135</u>	<u>120,322</u>	<u>151,325</u>	<u>128,817</u>
Actuarially determined employer contribution	259,326	229,526	230,831	183,411	167,218	158,010	184,804	159,718
Employer contributions	<u>37,850</u>	<u>38,125</u>	<u>42,683</u>	<u>28,805</u>	<u>19,748</u>	<u>14,075</u>	<u>5,730</u>	<u>4,957</u>
Contribution deficiency	<u>\$ 221,476</u>	<u>\$ 191,401</u>	<u>\$ 188,148</u>	<u>\$ 154,606</u>	<u>\$ 147,470</u>	<u>\$ 143,935</u>	<u>\$ 179,074</u>	<u>\$ 154,761</u>
Covered payroll	<u>\$ 1,119,036</u>	<u>\$ 1,065,545</u>	<u>\$ 1,042,714</u>	<u>\$ 885,520</u>	<u>\$ 808,254</u>	<u>\$ 915,725</u>	<u>\$ 961,353</u>	<u>\$ 939,692</u>
Contributions as a percentage of covered payroll	3.4%	3.6%	4.1%	3.3%	2.4%	1.5%	0.6%	0.5%

Methods and assumptions used to determine actuarial determined contribution:

Valuation date June 30, 2024

Measurement date June 30, 2025

Actuarial methods:

Cost method Entry age normal (level percent of compensation)

Asset valuation method Market value

Actuarial assumptions:

Discount rate 4.21% for 2025 contribution; 4.81% for 2025 liability and 2026 contribution

Payroll inflation 4.00%

Return on plan assets 6.28%

Mortality rates Pub-2016 General and Safety Employees and Retirees, headcount weighted;
IRS 2024 Adjusted Scale MP-2021

Termination rates None

Retirement rates Employees are assumed to retire when first eligible for plan benefits

Marital assumption Not applicable

Monthly Post-65 Medical Cost \$302.50 supplemental premium with \$40.40 prescription plan

Medical trend rates 7.25% in first year, 7.5% for second year, then graded down to 4.5% by 0.25% per year - pre-65 costs;
5.50% in first year, 5.75% for second year, then graded down to 4.5% by 0.25% per year - post-65 costs

Monthly per-capita costs valued See rates in table below:

<u>Age</u>	<u>Rate</u>
55	847.71
56	886.87
57	926.40
58	968.60
59	989.50
60	1,031.70
61	1,068.19
62	1,092.14
63	1,122.17
64	1,140.42

Assumption changes since prior valuation:

Medical trend tables updated that second-year trend increases by 0.25% rather than decreasing by the anticipated 0.25%

Discount rate updated from 4.21% to 4.81%

Mortality tables changed from Public General and Public Safety 2010 Employee and Healthy Retiree, Headcount weighted

Note: This schedule is being built prospectively after the implementation of GASB 75 in fiscal year 2018.

Ultimately, ten years of data will be presented.

SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET - nonmajor governmental funds

June 30, 2025

	<i>Special revenue funds</i>			<i>Capital projects funds</i>		
	<i>Local Street</i>	<i>Solid Waste</i>	<i>Revolving Loan</i>	<i>Fire Reserve</i>	<i>Capital Improvements</i>	<i>Totals</i>
ASSETS						
Cash and investments	\$ 183,590	\$ 35,689	\$ 57,660	\$ 40,635	\$ 65,258	\$ 382,832
Investments	55,855	49,216	-	37,323	37,322	179,716
Receivables	23,375	-	8,367	-	-	31,742
Total assets	<u>\$ 262,820</u>	<u>\$ 84,905</u>	<u>\$ 66,027</u>	<u>\$ 77,958</u>	<u>\$ 102,580</u>	<u>\$ 594,290</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Payables	\$ 10,251	\$ 1,921	\$ -	\$ -	\$ -	\$ 12,172
Due to other funds	15,603	-	-	-	-	15,603
Total liabilities	<u>25,854</u>	<u>1,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,775</u>
Fund balances:						
Restricted for:						
Public works	236,966	82,984	-	-	-	319,950
Community and economic development	-	-	66,027	-	-	66,027
Assigned for capital acquisitions	-	-	-	77,958	102,580	180,538
Total fund balances	<u>236,966</u>	<u>82,984</u>	<u>66,027</u>	<u>77,958</u>	<u>102,580</u>	<u>566,515</u>
Total liabilities and fund balances	<u>\$ 262,820</u>	<u>\$ 84,905</u>	<u>\$ 66,027</u>	<u>\$ 77,958</u>	<u>\$ 102,580</u>	<u>\$ 594,290</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - nonmajor governmental funds**

Year ended June 30, 2025

	<i>Special revenue funds</i>			<i>Capital projects funds</i>		
	<i>Local Street</i>	<i>Solid Waste</i>	<i>Revolving Loan</i>	<i>Fire Reserve</i>	<i>Capital Improvements</i>	<i>Totals</i>
REVENUES						
Property taxes	\$ -	\$ 138,369	\$ -	\$ 106,437	\$ 106,437	\$ 351,243
Assessments	-	88,130	-	-	-	88,130
State grants	157,510	957	-	489	489	159,445
Intergovernmental	28,883	-	-	-	-	28,883
Interest	12,090	4,424	1,171	2,993	4,418	25,096
Other	200	-	800	-	-	1,000
Total revenues	198,683	231,880	1,971	109,919	111,344	653,797
EXPENDITURES						
Current:						
General government	-	-	-	113	6,029	6,142
Public works	487,575	213,700	-	-	80,000	781,275
Debt service:						
Principal	-	-	-	23,000	-	23,000
Interest	-	-	-	39,028	-	39,028
Total expenditures	487,575	213,700	-	62,141	86,029	849,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(288,892)	18,180	1,971	47,778	25,315	(195,648)
OTHER FINANCING USES						
Transfers out	-	-	-	(15,000)	-	(15,000)
NET CHANGES IN FUND BALANCES	(288,892)	18,180	1,971	32,778	25,315	(210,648)
FUND BALANCES - BEGINNING	525,858	64,804	64,056	45,180	77,265	777,163
FUND BALANCES - ENDING	\$ 236,966	\$ 82,984	\$ 66,027	\$ 77,958	\$ 102,580	\$ 566,515

BALANCE SHEET - component units

June 30, 2025

	<i>Tax Increment Finance Authority</i>	<i>Brownfield Redevelopment Authority</i>	<i>Downtown Development Authority</i>
ASSETS			
Cash	\$ 30,741	\$ 4,358	\$ 125,510
Investments	<u>253,416</u>	<u>-</u>	<u>72,119</u>
Total assets	<u>\$ 284,157</u>	<u>\$ 4,358</u>	<u>\$ 197,629</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Payables	\$ 898	\$ 2,588	\$ 455
Unearned revenue	<u>-</u>	<u>-</u>	<u>931</u>
Total liabilities	898	2,588	1,386
Fund balances - unassigned	<u>283,259</u>	<u>1,770</u>	<u>196,243</u>
Total liabilities and fund balances	<u>\$ 284,157</u>	<u>\$ 4,358</u>	<u>\$ 197,629</u>
Reconciliation of the balance sheet to the statement of net position:			
Total fund balances	\$ 283,259	\$ 1,770	\$ 196,243
Amounts reported for the <i>component units</i> in the statement of net position (page 15) are different because:			
Certain assets of the <i>component units</i> are not current financial resources and, therefore, are not reported in the funds.	-	857,338	-
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
Compensated absences	(4,400)	(5,900)	(1,600)
Note payable	<u>-</u>	<u>(668,493)</u>	<u>-</u>
Net position of the <i>component units</i>	<u>\$ 278,859</u>	<u>\$ 184,715</u>	<u>\$ 194,643</u>

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCES - *component units*

Year ended June 30, 2025

	<i>Tax Increment Finance Authority</i>	<i>Brownfield Redevelopment Authority</i>	<i>Downtown Development Authority</i>
REVENUES			
Property taxes	\$ 28,514	\$ 36,990	\$ 87,624
State grant	90,530	-	7,643
Intergovernmental	-	112,000	-
Interest	12,429	437	6,742
Other	-	-	10,554
Total revenues	131,473	149,427	112,563
EXPENDITURES			
Current - Public works	48,726	129,187	68,088
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	82,747	(1,267)	44,475
FUND BALANCES - BEGINNING	200,512	3,037	151,768
FUND BALANCES - ENDING	\$ 283,259	\$ 1,770	\$ 196,243
Net change in fund balance	\$ 82,747	\$ (1,267)	\$ 44,475
Amounts reported for <i>component units</i> in the statement of activities (page 16) are different because:			
Long-term debt - payment of principal	-	21,507	-
Net decrease in compensated absences	10,500	4,300	7,500
Change in net position of <i>component units</i>	\$ 93,247	\$ 24,540	\$ 51,975

BUDGETARY COMPARISON SCHEDULE - Tax Increment Finance Authority

Year ended June 30, 2025

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 31,371	\$ 31,371	\$ 28,514	\$ (2,857)
State grant	89,257	89,257	90,530	1,273
Interest	<u>3,330</u>	<u>3,330</u>	<u>12,429</u>	<u>9,099</u>
Total revenues	<u>123,958</u>	<u>123,958</u>	<u>131,473</u>	<u>7,515</u>
EXPENDITURES				
Public works	<u>52,422</u>	<u>52,422</u>	<u>48,726</u>	<u>3,696</u>
NET CHANGES IN FUND BALANCES	71,536	71,536	82,747	11,211
FUND BALANCES - BEGINNING	<u>200,512</u>	<u>200,512</u>	<u>200,512</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 272,048</u></u>	<u><u>\$ 272,048</u></u>	<u><u>\$ 283,259</u></u>	<u><u>\$ 11,211</u></u>

BUDGETARY COMPARISON SCHEDULE - Brownfield Redevelopment Authority

Year ended June 30, 2025

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 36,967	\$ 36,967	\$ 36,990	\$ 23
Intergovernmental	110,000	122,000	112,000	(10,000)
Interest	-	-	437	437
	<u>146,967</u>	<u>158,967</u>	<u>149,427</u>	<u>(9,540)</u>
Total revenues				
EXPENDITURES				
Public works	146,210	139,703	129,187	10,516
Debt service - principal	-	21,507	21,507	-
	<u>146,210</u>	<u>161,210</u>	<u>150,694</u>	<u>10,516</u>
Total expenditures				
NET CHANGES IN FUND BALANCES	757	(2,243)	(1,267)	976
FUND BALANCES - BEGINNING	<u>3,037</u>	<u>3,037</u>	<u>3,037</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 3,794</u>	<u>\$ 794</u>	<u>\$ 1,770</u>	<u>\$ 976</u>

BUDGETARY COMPARISON SCHEDULE - Downtown Development Authority

Year ended June 30, 2025

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
REVENUES				
Property taxes	\$ 87,859	\$ 87,859	\$ 87,624	\$ (235)
State grant	7,536	7,536	7,643	107
Interest	2,000	2,000	6,742	4,742
Other	<u>6,885</u>	<u>6,885</u>	<u>10,554</u>	<u>3,669</u>
Total revenues	<u>104,280</u>	<u>104,280</u>	<u>112,563</u>	<u>8,283</u>
EXPENDITURES				
Public works	<u>87,314</u>	<u>88,342</u>	<u>68,088</u>	<u>20,254</u>
NET CHANGES IN FUND BALANCES	16,966	15,938	44,475	28,537
FUND BALANCES - BEGINNING	<u>151,768</u>	<u>151,768</u>	<u>151,768</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 168,734</u>	<u>\$ 167,706</u>	<u>\$ 196,243</u>	<u>\$ 28,537</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
 \$1,350,000 2012 CAPITAL IMPROVEMENT BONDS (PUBLIC SAFETY BUILDING)**

June 30, 2025

<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>August 1</i>	<i>February 1</i>			
2026	\$ 19,083	\$ 19,083	2/01/26	\$ 24,000	\$ 62,166
2027	18,633	18,633	2/01/27	25,000	62,266
2028	18,164	18,164	2/01/28	26,000	62,328
2029	17,677	17,677	2/01/29	27,000	62,354
2030	17,171	17,171	2/01/30	28,000	62,342
2031	16,646	16,646	2/01/31	29,000	62,292
2032	16,102	16,102	2/01/32	30,000	62,204
2033	15,539	15,539	2/01/33	31,000	62,078
2034	14,958	14,958	2/01/34	33,000	62,916
2035	14,339	14,339	2/01/35	34,000	62,678
2036	13,701	13,701	2/01/36	35,000	62,402
2037	13,046	13,046	2/01/37	36,000	62,092
2038	12,371	12,371	2/01/38	38,000	62,742
2039	11,658	11,658	2/01/39	39,000	62,316
2040	10,927	10,927	2/01/40	41,000	62,854
2041	10,158	10,158	2/01/41	42,000	62,316
2042	9,371	9,371	2/01/42	44,000	62,742
2043	8,546	8,546	2/01/43	45,000	62,092
2044	7,702	7,702	2/01/44	47,000	62,404
2045	6,821	6,821	2/01/45	49,000	62,642
2046	5,902	5,902	2/01/46	51,000	62,804
2047	4,946	4,946	2/01/47	53,000	62,892
2048	3,952	3,952	2/01/48	55,000	62,904
2049	2,921	2,921	2/01/49	57,000	62,842
2050	1,852	1,852	2/01/50	59,000	62,704
2051	745	745	2/01/51	39,760	41,250
	<u>\$ 292,931</u>	<u>\$ 292,931</u>		<u>\$ 1,017,760</u>	<u>\$ 1,603,622</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
\$3,865,000 2012 SEWER SUPPLY SYSTEM REVENUE BONDS**

June 30, 2025

<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>October 1</i>	<i>April 1</i>			
2026	\$ 18,738	\$ 17,051	10/01/25	\$ 135,000	\$ 170,789
2027	17,051	13,613	10/01/26	140,000	170,664
2028	13,613	11,801	10/01/27	145,000	170,414
2029	11,801	9,926	10/01/28	150,000	171,727
2030	9,926	8,051	10/01/29	150,000	167,977
2031	8,051	6,113	10/01/30	155,000	169,164
2032	6,113	4,113	10/01/31	160,000	170,226
2033	4,113	2,051	10/01/32	165,000	171,164
2034	2,051	-	10/01/33	170,000	172,051
	<u>\$ 91,457</u>	<u>\$ 72,719</u>		<u>\$ 1,370,000</u>	<u>\$ 1,534,176</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
\$500,000 2022 GENERAL OBLIGATION LIMITED TAX BONDS**

June 30, 2025

<i><u>Fiscal period</u></i>	<i><u>Interest requirements</u></i>	<i><u>Maturity date</u></i>	<i><u>Principal</u></i>	<i><u>Total requirements</u></i>
2026	\$ 12,132	06/01/26	\$ 30,000	\$ 42,132
2027	11,302	06/01/27	31,000	42,302
2028	10,439	06/01/28	32,000	42,439
2029	9,543	06/01/29	32,000	41,543
2030	8,640	06/01/30	33,000	41,640
2031	7,707	06/01/31	34,000	41,707
2032	6,741	06/01/32	35,000	41,741
2033	5,743	06/01/33	36,000	41,743
2034	4,696	06/01/34	37,000	41,696
2035	3,604	06/01/35	38,000	41,604
2036	2,464	06/01/36	39,000	41,464
2037	<u>1,271</u>	06/01/37	<u>41,000</u>	<u>42,271</u>
	<u>\$ 84,282</u>		<u>\$ 418,000</u>	<u>\$ 502,282</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
 \$2,615,000 2024 GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2024**

June 30, 2025

<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>September 1</i>	<i>March 1</i>			
2026	\$ 57,875	\$ 57,875	03/01/26	\$ 80,000	\$ 195,750
2027	55,875	55,875	03/01/27	90,000	201,750
2028	53,625	53,625	03/01/28	90,000	197,250
2029	51,375	51,375	03/01/29	95,000	197,750
2030	49,000	49,000	03/01/30	100,000	198,000
2031	46,500	46,500	03/01/31	105,000	198,000
2032	43,875	43,875	03/01/32	115,000	202,750
2033	41,000	41,000	03/01/33	115,000	197,000
2034	38,125	38,125	03/01/34	125,000	201,250
2035	35,000	35,000	03/01/35	130,000	200,000
2036	31,750	31,750	03/01/36	135,000	198,500
2037	28,375	28,375	03/01/37	145,000	201,750
2038	24,750	24,750	03/01/38	150,000	199,500
2039	21,000	21,000	03/01/39	160,000	202,000
2040	17,800	17,800	03/01/40	160,000	195,600
2041	14,600	14,600	03/01/41	170,000	199,200
2042	11,200	11,200	03/01/42	180,000	202,400
2043	7,600	7,600	03/01/43	185,000	200,200
2044	3,900	3,900	03/01/44	195,000	202,800
	<u>\$ 633,225</u>	<u>\$ 633,225</u>		<u>\$ 2,525,000</u>	<u>\$ 3,791,450</u>

**SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -
\$690,000 STATE REMEDIATION & REDEVELOPMENT DIVISION BROWNFIELD LOAN**

June 30, 2025

<i><u>Fiscal period</u></i>	<i><u>Interest requirements</u></i>	<i><u>Maturity date</u></i>	<i><u>Principal</u></i>	<i><u>Total requirements</u></i>
2026	\$ -	09/07/25	\$ -	\$ -
2027	-	09/07/26	65,396	65,396
2028	9,046	09/07/27	56,350	65,396
2029	8,201	09/07/28	57,195	65,396
2030	7,343	09/07/29	58,053	65,396
2031	6,472	09/07/30	58,924	65,396
2032	5,589	09/07/31	59,808	65,396
2033	4,692	09/07/32	60,705	65,396
2034	3,781	09/07/33	61,615	65,396
2035	2,857	09/07/34	62,540	65,396
2036	1,919	09/07/35	63,478	65,396
2037	966	09/07/36	64,430	65,396
	<u>\$ 50,866</u>		<u>\$ 668,493</u>	<u>\$ 719,359</u>

City of Plainwell
Resolution No. 2026-01

WHEREAS, the Plainwell City Council has adopted Ordinance Number 236 creating the Ordinance Enforcement Officer Ordinance, and

WHEREAS, the Plainwell City Council must, by resolution, appoint individuals to act as Ordinance Enforcement Officers.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS: That the following individuals are hereby appointed as Ordinance Enforcement Officers for 2026:

Name of Appointee	Title or Position	Department
Justin Lakamper	City Manager	Administration
Kevin Callahan	Public Safety Director	Department of Public Safety
John Varley	Public Safety Deputy Director	Department of Public Safety
James R. Pell	Public Safety Officer	Department of Public Safety
Jeffrey S. Welcher	Public Safety Officer	Department of Public Safety
Michael Bruce	Public Safety Officer	Department of Public Safety
Joseph C. Culver	Public Safety Officer	Department of Public Safety
Brady Roberts	Public Safety Officer	Department of Public Safety
Don McGehee	Public Safety Officer / Ordinance Officer	Department of Public Safety
Debora VanHouten	Ordinance / Records	Department of Public Safety
David Rantz	Firefighter	Department of Public Safety
Michael L. Pallett	Firefighter	Department of Public Safety
David W. Kuitert	Firefighter	Department of Public Safety
Spencer Brignall	Firefighter	Department of Public Safety
Anthony Banas	Firefighter	Department of Public Safety
Nathan N. Nash	Firefighter	Department of Public Safety
Ronald R. Farr	Firefighter	Department of Public Safety
Devin Thomas	Firefighter	Department of Public Safety
Brandon Cook	Firefighter	Department of Public Safety
Dakota Dunklee	Firefighter	Department of Public Safety
Steven Longcore	Firefighter	Department of Public Safety
Bud Smith	Firefighter	Department of Public Safety
Robert Nieuwenhuis	Superintendent	Department of Public Works
Luke Keyzer	Superintendent	Wastewater Treatment Plant
JoAnn Leonard	City Clerk	Administration

BE IT STILL FURTHER RESOLVED THAT terms as Ordinance Enforcement Officers do not expire except upon adoption of a new resolution, which supersedes this resolution, or upon termination of employment.

YES:
NO:
ABSENT:

Resolution Declared Adopted this 22nd day of December, 2025.

JoAnn Leonard, City Clerk

CERTIFICATE:

I the undersigned, the duly qualified Clerk of the City of Plainwell, Allegan County Michigan, do hereby certify the forgoing is true and complete copy of a Resolution adopted by the City Council of the City of Plainwell, Michigan, at a regular meeting of the City Council on the 22nd day of December, 2025.

JoAnn Leonard, City Clerk

City of Plainwell
Resolution No. 2026-02

A RESOLUTION REGARDING THE 2026 MEETINGS OF THE PLAINWELL CITY COUNCIL

WHEREAS, pursuant to Section 5(2) of Act 267 of 1976, the Open Meetings Act, the Plainwell City Council must establish and post notice of its regularly scheduled meetings; and

WHEREAS, regular City Council meetings are held at 7:00pm local time, on the second and fourth Monday nights in the Plainwell City Hall Council Chambers located at 211 N. Main Street, Plainwell, Michigan, unless otherwise stated; and

WHEREAS, a regular meeting may be re-scheduled or a special meeting scheduled upon eighteen (18) hours posted notice; and

WHEREAS, questions regarding meetings should be directed to the City Clerk at 211 N. Main Street, Plainwell, Michigan by calling 269-685-6821 during regular business hours;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

That the Plainwell City Council Regular Meetings for 2026 are scheduled for the following dates:

January	12	and	26
February	09	and	23
March	09	and	23
April	13	and	27
May	11	and	26
June	08	and	22
July	13	and	27*
August	10	and	24
September	14	and	28
October	12	and	26*
November	09	and	23
December	14	and	28

*** The July 27 and October 26 meetings will be held at the Plainwell Public Safety building, located at 119 Island Ave. Plainwell, Michigan**

YES:

NO:

ABSENT:

Adopted: December 22, 2025

JoAnn Leonard, City Clerk

The City Council for the City of Plainwell and all Boards and Commissions for the City of Plainwell will comply with the spirit and intent of the Americans with Disabilities Act. We will provide support and make reasonable accommodations to assist people with disabilities to access and participate in our programs, facilities and services. Please contact us if you need further information at 269-685-6821, Monday through Friday from 8am – 4pm.

City of Plainwell
Resolution No. 2026-03

A RESOLUTION REGARDING THE 2026 HOLIDAY DATES APPROVED AS HOLIDAYS FOR ALL CITY EMPLOYEES:

WHEREAS, the City of Plainwell Personnel Rules and Regulations, as amended, carefully details the holiday days which are approved for all City employees; and

WHEREAS, as required in Section 8 Employee Policy Handbook, Time off, Section C, Holidays, the City Council is hereby requested to approve these specific dates for such holidays for the calendar year of 2026;

NOW, THEREFORE, BE IT RESOLVED THAT the Plainwell City Council hereby approves and mandates the holiday days and dates as follows with no deviations unless approved by the City Council:

New Year's Eve	Wednesday	December 31	2025
New Year's Day	Thursday	January 01	2026
Martin Luther King Jr. Day	Monday	January 19	2026
Good Friday	Friday	April 03	2026
Memorial Day	Monday	May 25	2026
Independence Day	Friday	July 03	2026
Labor Day	Monday	September 07	2026
Thanksgiving Day	Thursday	November 26	2026
Day after Thanksgiving	Friday	November 27	2026
Christmas Eve	Thursday	December 24	2026
Christmas Day	Friday	December 25	2026

YES:

NO:

ABSENT:

Adopted: December 22, 2025

JoAnn Leonard, City Clerk

Resolution 2026-04
City of Plainwell

A RESOLUTION REGARDING THE 2026 DATES APPROVED AS DATES THE PLAINWELL CITY STREET FLAGS WILL BE FLOWN:

WHEREAS, the City of Plainwell City Council details the Dates which are approved to fly the Street flags, and

WHEREAS, the City Council is hereby requested to approve these specific dates for such street flags to be flown for the calendar year of 2026,

NOW, THEREFORE, BE IT RESOLVED THAT the Plainwell City Council hereby approves and mandates the Flag days and dates as follows:

Holiday / Event	Day	Date
Martin Luther King Day	3 rd Monday	January 19, 2026
Presidents' Day	3 rd Monday	February 16, 2026
Peace Officers Memorial Day	Thursday	May 14, 2026 (1/2 staff)
Armed Forces Day	3 rd Saturday	May 16, 2026
Memorial Day	Last Monday	May 25, 2026
Flag Day	Saturday	June 14, 2026
Independence Day	Saturday	July 04, 2026
Labor Day	1 st Monday	September 07, 2026
Patriot Day	Friday	September 11, 2026
Veterans' Day	Wednesday	November 11, 2026
Pearl Harbor Day	Monday	December 07, 2026
Also for any State or Federal Election Day.		

YES:

NO:

ABSENT:

Adopted: December 22, 2025

JoAnn Leonard, City Clerk

Resolution 2026-05
City of Plainwell
Allegan County, Michigan

GUIDELINES FOR POVERTY EXEMPTIONS

At a regular meeting of the Plainwell City Council, held in the Plainwell City Hall Council Chambers, 211 North Main Street, Plainwell, MI on December 22, 2025 at 7:00 PM.

The following resolution was offered by Councilmember _____ and was supported by Councilmember _____:

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Council; and

WHEREAS, the principal residence of persons who the Assessor and Board of Review determine by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the City of Plainwell adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household.

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) File an application with the Assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year.
- 3) File a claim reporting that the combined assets of all persons do not exceed the current asset guidelines. Assets include but are not limited to; real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last meeting of the Board of Review in December. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following are the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines for 2026 Assessments

<u>Number of Persons Residing in the Principal Residence</u>	<u>Poverty Guidelines Annual allowable income</u>
1 person	\$15,650
2 persons	\$22,150
3 persons	\$26,650
4 persons	\$32,150
5 persons	\$37,650
6 persons	\$43,150
7 persons	\$48,650
8 persons	\$54,150
Each additional person, add	\$5,500

Maximum Asset Standards

To be eligible for a poverty exemption, the applicant and all persons residing in the principal residence/homestead (combined) must not have assets that exceed the Maximum Asset Standards, excluding the principal residence, one vehicle, and monies received pursuant to MCL 206.520 (homestead property tax credit). Assets include, but are not limited to; real estate other than the principle residence, personal property, recreational vehicles, checking/savings accounts, stocks, bonds, life insurance, retirement funds, etc.

The Maximum Asset Standards are as follows:

<u>Number of Persons Residing in the Principal Residence</u>	<u>Maximum Total Assets</u>
1 person	\$25,000
2 persons	\$31,000
3 persons	\$37,500
4 persons	\$43,750
5 persons	\$50,000
6 persons	\$56,250
7 persons	\$62,500
8 persons	\$68,750
9 or more persons	\$75,000

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

Amount of Exemption: Public act 253 of 2020 requires that Poverty Exemptions be granted only in the percentages stated below. The Board of Review shall follow these guidelines in granting or

denying a poverty exemption. If the Board of Review determines that a person claiming a poverty exemption qualifies under the eligibility requirements of these guidelines, the Board of Review shall grant the exemption in whole or in part, as follows:

1. A full exemption equal to a 100% reduction in taxable value for the tax year in which the exemption is granted.
2. A partial exemption equal to one of the following:
 - a) A 50% reduction in taxable value for the tax year in which the exemption is granted.
 - b) A 25% reduction in taxable value for the tax year in which the exemption is granted.

The Board of Review shall not grant an exemption in any other amount under these guidelines unless the City has received approval from the State Tax Commission to grant exemptions in any other percentage reduction, and which shall be applied in a form and manner prescribed by the State Tax Commission.

THE FOLLOWING INCOME FIGURES WILL BE USED TO DETERMINE THE AMOUNT OF EXEMPTION FOR A SINGLE PERSON HOUSEHOLD:

\$15,650 AND UNDER: 100% EXEMPTION

\$15,651 TO \$19,563: 50% EXEMPTION

\$19,564 TO \$23,476: 25% EXEMPTION

HOUSEHOLDS WITH MULTIPLE RESIDENTS WILL BE CALCULATED BY THE BOARD OF REVIEW AND ASSESSOR IN THE SAME MANNER AS ESTABLISHED ABOVE.

RESOLUTION DECLARED ADOPTED by the Plainwell City Council on December 22, 2025.

Ayes:

Nays:

Absent:

JoAnn Leonard, City Clerk

CERTIFICATE:

I the undersigned being the duly qualified Clerk of the City of Plainwell, Allegan County Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Plainwell, Michigan, at a regular meeting held on the 22nd day of December 2025.

JoAnn Leonard, City Clerk



"The Island City"

MEMORANDUM

211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821
Fax: 269-685-7282

To: Mayor and City Council
FROM: Justin Lakamper, City Manager
DATE: December 22nd, 2025
SUBJECT: Deep End Brewing LLC – Tasting Room

SUGGESTED MOTION: I motion to recommend an On-Premises Tasting Room Permit for Deep End Brewing LLC.

BACKGROUND INFORMATION: Sophia Adamson of Deep End Brewing has purchased the old Energy Mill building and plans on turning into a micro-brewery with an on premises tasting room. This would allow her to sell the beer and wine that she produces to be sold in an on premises bar. This is what Mosaic Distillery and Doster Brewing have done. As part of her application to the Michigan Liquor Control Commission the City must pass a resolution recommending her on-premises tasting room permit.

ANALYSIS: If the City is in favor of adding a new micro-brewery, this resolution will be required as part of that process. I recommend supporting this motion.

BUDGET IMPACT: None

ATTACHMENTS: Local Government Unit Approval for On-Premises Tasting Room Resolution

*Carlin Edwards Brown
Grobbel & Bellanca PLLC*

Attorneys & Counselors at Law

John B. Carlin, Jr. (1939-2018)
Scott D. Edwards (Of
Counsel)
Michael J. Brown
Steven J. Grobbel
James V. Bellanca, III

6017 West St. Joe Hwy., Suite 202
Lansing, Michigan 48917
P. (517) 321-4617
F. (517) 321-4642
www.cebhlaw.com

Metro Detroit/Oakland County
2055 Orchard Lake Road
Sylvan Lake, Michigan 48320
P. (248) 816-5000
F. (248) 816-5115
Northern Michigan
145 North Otsego Avenue
Gaylord, Michigan 49735
P. (989) 251-1041
F. (989) 688-5901

December 10, 2025

Plainwell City Council
Attn: JoAnn Leonard, City Clerk
211 N. Main St.
Plainwell, MI 49080

Re: Application for On-Premises Tasting Room Permit (In conjunction with new Micro Brewer)
Applicant: Deep End Brewing LLC
Address: 712 E. Bridge St. Plainwell, MI 49080 Allegan County

Dear Ms. Leonard:

On behalf of our client Deep End Brewing LLC, we are applying to the City of Plainwell for approval to operate an On-Premises Tasting Room in conjunction with a new Micro Brewer license to be located at: 712 E. Bridge St. Plainwell, Michigan 49080 Allegan County.

The Michigan Liquor Control Commission ("MLCC") requires local governing body approval for a On-Premises Tasting Room license. Pursuant to MLCC regulations, a Micro Brewer with an On-Premises Tasting Room Permit is licensed to manufacture beer and sell that beer for consumption on the premises, for off-premise consumption (take out), directly to licensed retail accounts or to a wholesaler for distribution.

We are enclosing the Local Government Approval (LCC-106a) forms required by the MLCC.

Thank you for your assistance in this matter. Please don't hesitate to contact our office if you need any additional information.

Very truly yours,

CARLIN EDWARDS BROWN
GROBBEL & BELLANCA PLLC

Michael J. Brown

Michael J. Brown
Direct: 517-321-4616
e-mail: MBrown@cebhlaw.com

**City of Plainwell
Resolution 2025-22**

**A RESOLUTION DECLARING LOCAL GOVERNMENTAL UNIT APPROVAL FOR
ON-PREMISES TASTING ROOM PERMIT**

Present: Mayor Brad Keeler, Mayor Pro Tem Lori Steele and Councilmembers Roger Keeney, Randy Wisnaski and Cathy Green

Absent: None

At a regular meeting of the Plainwell City Council called to order by Mayor Keeler on December 22nd, 2025 at 7:00pm, the following resolution was offered:

Moved by Councilmember _____ and supported by Councilmember _____, that the application from Deep End Brewing LLC for a On-Premises Tasting Room Permit to be located at 712 E. Bridge St. Plainwell, MI 49080 is recommended by this body for consideration and approval by the Michigan Liquor Control Commission.

AYES:

NAYS:

ABSENT:

I hereby certify that the forgoing is true and is a complete copy of the resolution offered and adopted by the Plainwell City Council at a regular meeting held on December 22nd, 2025.

Adopted: December 22nd, 2025

JoAnn Leonard, City Clerk



Local Government Approval For On-Premises Tasting Room Permit
(Authorized by MCL 436.1536)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new On-Premises Tasting Room Permit application.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ council/board
(regular or special) (name of township, city, village)
called to order by _____ on _____ at _____
the following resolution was offered: (date) (time)
Moved by _____ and supported by _____
that the application from DEEP END BREWING LLC (Sophia Adamson)
(name of applicant - if a corporation or limited liability company, please state the company name)

for a **NEW ON-PREMISES TASTING ROOM PERMIT**

to be located at: 712 E. Bridge St. Plainwell, Michigan 49080 Allegan County

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)
approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the
council/board at a _____ meeting held on _____
(regular or special) (date) (name of township, city, village)

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Overnight deliveries: 2407 N. Grand River Avenue, Lansing, MI 48906
Fax to: 517-763-0059



"The Island City"

MEMORANDUM

211 N. Main Street
Plainwell, Michigan 49080
Phone: 269-685-6821
Fax: 269-685-7282

To: Mayor and City Council
FROM: Justin Lakamper, City Manager
DATE: December 22nd, 2025
SUBJECT: CAF Mill Lease - Discussion

SUGGESTED MOTION: N/A

BACKGROUND INFORMATION: We have been negotiating with Classic Auto Factory for the last several months. We now have a lease which both parties are generally in favor of. It follows the terms that have been previously presented to the Council.

Highlights of the lease:

- They will lease the entirety of the Mill.
- 50-year lease for 1 dollar per year
- They are responsible for all costs including paying our insurance premium and all renovation
- They can purchase the building for a period of up to 15 years.
- They must purchase the building if they can obtain insurance that is not more than 1.5 times the amount that the City's policy is.
- They can't purchase, or otherwise take ownership, of the building if they haven't completed the improvement requirements.

ANALYSIS: Generally, I am in favor of the lease as presented. The only aspect that they changed from our original draft is that they removed the personal guarantee. Our attorneys are strongly recommending that we include the personal guarantee, which I will push for. Additionally, the list of improvements does not entirely spell out the improvements that they will conduct on the façade.

BUDGET IMPACT: None

ATTACHMENTS: Lease

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made as of _____, 20____ (the "Lease Date") between the CITY OF PLAINWELL, a Michigan municipal corporation, whose address is 211 North Main Street, Plainwell, Michigan 49080 (the "Landlord"), and _____, a _____ whose address is _____ (the "Tenant") (the Landlord and Tenant are collectively called the "Parties").

1. Description of Leased Premises. Landlord does hereby lease the to Tenant real property commonly known as buildings 3, 11, 11a, 10, 12, 15, and 16 as depicted on the attached Exhibit A (the "Premises") according to the terms of this Lease. This Lease is subject to encumbrances, conditions, covenants, easements, restrictions and rights-of-way of record, and affecting the Premises, to such matters as might be disclosed by survey and to zoning ordinances and other laws, ordinances and regulations applicable to the Premises.

2. Premises As-Is. Tenant's execution of this Lease shall constitute an acknowledgment by Tenant of its acceptance of the Premises in its "as is" condition. The Premises are leased to Tenant in its present "as is" condition without representation, warranty, or covenant (expressed or implied) by Landlord and subject to the presence or absence of any environmental condition on the Premises or any property in the vicinity of the Premises. Tenant has examined the Premises and all improvements to it and has found them satisfactory for all purposes. Landlord has not made, nor shall be deemed to have made, any representation or warranty, express or implied or otherwise, including but not limited to any warranty of merchantability or fitness for a particular purpose or of habitability with respect to the premises, or any fixture or other item constituting a portion of them.

3. Term. The term of this Lease will begin on _____, 20____ (the "Commencement Date") and continue for fifty (50) years thereafter (the "Term"), unless sooner terminated as stated herein.

4. Rent.

(a) Base Rent. Tenant will pay Landlord "Base Rent" for the Lease Term at the rate of One (\$1.00) Dollar per year. Base Rent will be paid by Tenant to Landlord on or before January 15 of each year of the Term. Rent for any partial year will not be prorated.

(b) Additional Rent. Any sum other than Base Rent that Tenant must pay to Landlord under this Lease is "Additional Rent" which is due and payable within ten (10) days after demand by Landlord to Tenant.

(c) Rent. "Rent" means all Base Rent and all Additional Rent, collectively.

(d) No Setoff or Claim. All Rent and any other sums payable under this Lease by Tenant will be paid without setoff, counterclaim, recoupment, abatement, suspension, or deduction. This Lease will not terminate, nor will Tenant have any right to terminate this Lease, nor will Tenant be entitled to any abatement, deduction, deferment or reduction of Rent, nor will Tenant's obligations under this Lease be affected by any interference with the Tenant's use of the Premises not caused by Landlord. It is the parties' intention that Tenant's obligations under this Lease are separate and independent covenants and agreements, that the Base Rent and all other sums payable by Tenant will continue to be payable in all events, and that the Tenant's obligations will continue unaffected, unless the requirement to pay or perform the same is terminated pursuant to an express provision of this Lease.

(e) Late Payments. Other remedies for nonpayment of Rent notwithstanding, any installment of Rent that is not paid within five days of the date due is subject to a late charge equal to 5% of the amount due. Any installment of Rent not paid within fifteen days from the date due will accrue interest at eight (8%) percent per month until paid in full. These amounts are Additional Rent.

(f) Application and Terms. Payments received from Tenant will be applied by Landlord first, to any unpaid late charge; second, to accrued interest; third, to Additional Rent; and fourth, to Base Rent.

5. Tenant Improvements. Tenant shall complete at its sole cost and expense, all items required under the list of tenant improvements attached hereto as Exhibit C (the "Tenant Improvements"). The Tenant Improvements shall be completed by the deadlines outlined on the attached Exhibit C. In making the Tenant Improvements, the Tenant shall comply with all applicable requirements of this Lease, including, but not limited to, those outlined in Section 14 "Alterations". Once construction of the Tenant Improvements have been commenced, Tenant may not exercise an express right of termination under this Lease. .

6. General Statement on Costs. It is agreed that all costs of the Premises will be the responsibility of Tenant for the full Term, and that the parties have agreed upon the amount of Base Rent in light of this fact. Without limitation, Tenant will be solely responsible for all utilities as stated in Section 8, for all maintenance and repair as stated in Section 9, for all insurance costs as stated in Section 10, and for all taxes as stated in Section 11.

7. Option to Purchase.

(a) Grant of Option. Landlord hereby grants to Tenant the exclusive option (the "Option") to purchase the Premises upon the terms and conditions set forth in this section and in the Option to Purchase Agreement attached hereto as Exhibit B (the "Option Agreement").

(b) Condition Precedent. As a condition precedent to Tenant's right to exercise the Option, Tenant must have fully and satisfactorily completed, at its sole cost and expense, all items required under the list of tenant improvements attached hereto as Exhibit C (the "Tenant Improvements"). Completion shall be deemed to have occurred only when Landlord has provided written confirmation that all Tenant Improvements have been completed to Landlord's reasonable satisfaction and in compliance with this Lease.

(c) Terms of Purchase. The specific terms, conditions, and procedures governing the purchase of the Premises pursuant to the Option shall be as set forth in the Option Agreement. In the event of any conflict between this Lease and the Option Agreement, the Option Agreement shall control with respect to the purchase of the Premises only.

(d) Recording. Tenant may, at its sole cost and expense, record a memorandum or short form of the Option Agreement with the appropriate county recording office.

(e) Termination of Option. The Option shall automatically terminate and be of no further force or effect if: (i) Tenant fails to complete the Tenant Improvements as required herein; (ii) Tenant defaults under any term of this Lease and fails to cure within applicable cure periods; or (iii) Tenant fails to exercise the Option in accordance with the terms of the Option Agreement.

8. Obligation to Purchase. The Parties acknowledge that the Tenant would purchase the Premises but for its inability to procure property insurance on a commercially reasonable basis. On an annual basis, the Tenant shall contact two (2) insurance companies to make a good faith effort to obtain property insurance on a commercially reasonable basis. "Commercially reasonable basis" as used in this

section means an annual premium no greater than fifty percent (50%) of the annual premium paid by the City for property insurance on the Premises. On the annual anniversary of the Commencement Date, the Tenant shall provide the Landlord with written evidence that it has attempted to obtain property insurance in compliance with this Section. If the Tenant is able to procure property insurance on a commercially reasonable basis, the Tenant shall be obligated to purchase the Premises from the Landlord. The purchase price shall be one dollar (\$1) and the closing shall occur within sixty (60) days. At the closing, the Landlord shall convey title by quit-claim deed with all closing costs and expenses allocated in the same manner as other commercial transactions in the region. If the Tenant fails to close on the purchase of the Premises under this Section 8, it shall be deemed a Default under this Lease.

9. Utilities and Other Premises Costs. Tenant shall be responsible for and pay any and all utilities and like expenses (including janitorial and rubbish and trash disposal) to be supplied to the Premises. This includes any work or repair required to service or distribution lines not paid for by the utility provider. Landlord will have no obligations or liability with respect to utilities whatsoever. Landlord reserves the right during the Term to grant easements for public utility purposes on, over, or below the Premises without any abatement in Rent, provided that said easements do not unreasonably interfere with the use of the Premises by Tenant or the operation of the business conducted by Tenant in the Premises.

10. Repair and Maintenance. Tenant, at its sole cost and expense, shall keep and maintain the Premises, including without limitation the building, structural components, roof, foundation, exterior walls, interior walls, floors, windows, doors, loading areas, mechanical systems (including HVAC), plumbing, electrical, lighting, fire protection and life safety systems, and all other improvements and appurtenances located on or serving the Premises, in good order, condition, and repair, whether ordinary or extraordinary, foreseen or unforeseen. Tenant shall make all necessary repairs, replacements, and restorations, whether structural or nonstructural, interior or exterior, and shall promptly perform all maintenance and preventive care necessary to maintain the Premises in a first-class condition consistent with comparable properties.

Landlord shall have no obligation to maintain, repair, or replace any portion of the Premises, or any equipment, systems, or facilities therein, and Tenant expressly waives any right to require Landlord to do so. Tenant shall promptly notify Landlord of any damage to the Premises and shall diligently complete all required repairs or replacements at Tenant's sole cost. All repairs and replacements shall be in quality and class equal to or better than the current work or installation and shall comply with all applicable laws, ordinances, codes, rules, and regulations.

11. Insurance. Tenant shall have in place and maintain the following insurance coverages for the entire Term:

(a) Property Insurance. The Landlord shall procure and maintain "all risk" property casualty insurance, in an amount not less than one hundred (100%) percent of the replacement cost of the Premises (including any and all buildings). Such policy will name the Landlord as the primary insured party and will name the Tenant as an additional insured only to the extent of its interest in the Premises. The proceeds of such insurance must be used for the repair or replacement of the Premises, except that if not so applied or if this Lease is terminated following a casualty, the proceeds will be paid to Landlord. Such property insurance will cover the building and improvements only, and Landlord will have no obligation to cover any personal property, automobiles, or other items of the Tenant stored on maintained on the Premises. The Tenant shall be responsible for all premiums, deductibles, or other costs associated with the property insurance and the same shall be payable as Additional Rent.

(b) Liability Insurance. Tenant must procure and maintain, at its sole expense, general liability insurance applying to the use and occupancy of the Premises and the business operated by Tenant. Such insurance must have a minimum coverage of Two Million and no/100 (\$2,000,000.00) Dollars per occurrence and be written to apply to all bodily injury, property damage, contractual liability under this Lease, and personal injury losses and must be endorsed to include Landlord and its agents, beneficiaries, partners, employees, and any deed of trust holder or mortgagee of Landlord or any ground lessor as additional insureds.

(c) Other. Tenant will maintain other all insurance coverages as required by law (worker's compensation for example, as applicable).

(d) Policy Requirements. All insurance required to be maintained by Tenant must be issued by insurance companies authorized to do insurance business in the state of Michigan and rated not less than A-VII in Best's Insurance Guide and a Standard and Poor's claims paying ability rating of not less than AA, reasonably acceptable to Landlord. A certificate of insurance (or, at Landlord's option, copies of the applicable policies) evidencing the insurance required under this section must be delivered to Landlord by the commencement of the Term. No such policy may be subject to cancellation or material modification without thirty (30) days prior written notice to Landlord and to any deed of trust holder, mortgagee or ground lessor designated by Landlord to Tenant. Tenant must furnish Landlord with a replacement certificate with respect to any insurance not less than thirty (30) days prior to the expiration of the current policy. Tenant may provide the insurance required by this section pursuant to blanket policies, but only if such blanket policies expressly provide coverage to the Premises and the Landlord as required by this Lease.

(e) Waiver of Recovery. Each party waives any right of recovery against the other for injury or loss covered by insurance, to the extent of the injury or loss covered by such insurance. Any insurance to be provided by Tenant under this Lease must contain a clause denying the insurer any right of subrogation against Landlord.

(f) Failure to Insure. If Tenant fails to maintain any insurance which Tenant is required to maintain pursuant to this section, Tenant is liable to Landlord for any loss or cost resulting from such failure to so maintain. Tenant may not self-insure against any risks required to be covered by insurance without Landlord's prior written consent, which shall not be unreasonably withheld (so long as the coverage and payment ability is equal to or greater than that which would be obtained from an insurance company under this section).

12. Taxes. Tenant is solely responsible for and shall pay all taxes, assessments and other such governmental charges levied or assessed upon or against the Premises for the entire Term, prior to their due date and as and when due according to the invoice, levy, assessment or other applicable document. Tenant will also be solely responsible for all personal property taxes on any property about the Premises. Landlord will have no obligation to pay any taxes or assessments related to the Premises for the Term, all of which will be Tenant's responsibility. If Landlord is invoiced as the property owner by any governmental entity, Landlord will relay the invoice to Tenant for payment. Tenant will supply Landlord with proof of payment of all taxes within ten (10) days after demand.

13. Use. Tenant shall use and occupy the Premises solely for vehicle storage, service and sales (the "Permitted Uses"). Any other use requires Landlord's prior written consent not to be unreasonably withheld.

14. Alterations. Tenant may make reasonable alterations, installations, additions or improvements (any are "Alterations") to the Premises with the Landlord's prior written consent, not to be unreasonably withheld; provided that the Tenant shall make the Tenant Improvements. All work must be

completed with licensed contractors at Tenant's sole expense and in full compliance with all governmental authorities having jurisdiction thereof (permitting, etc.). All Alterations (except trade fixtures) made or affixed to the Premises shall, unless Landlord elects otherwise in written notice to Tenant, become the property of Landlord and remain upon, and be surrendered with the Premises at the termination of this Lease. Landlord may also require that Alterations be removed by Tenant upon termination of this Lease (which Landlord will notify Tenant of at the time the Alterations are approved by Landlord), in which case Tenant will so remove the Alterations and restore the Premises to their pre-Alteration condition upon vacating the Premises. Tenant will provide Landlord with as-built plans and specifications for all material Alterations.

15. Liens. If any contractor's, material supplier's, or other lien or attachment is filed against the Premises for work claimed to have been done for or materials claimed to have been furnished to Tenant, it shall be discharged by Tenant within fifteen (15) days thereafter, at Tenant's sole cost. Tenant may notice within such fifteen (15) day period its intent to dispute the lien provided that (also within such fifteen (15) days) Tenant deposits with Landlord the sum which is in dispute (sufficient to pay and discharge the lien) along with a copy of the lien. If disputed, Tenant may thereafter dispute the lien during which time the Landlord will not pay the lien unless and until Tenant notices its approval to use the funds to pay the lien, provided that in all cases Landlord may pay the lien in the time necessary to avoid any negative action against the Premises (such as a forfeiture, levy, or other such action). If Tenant does not dispute the lien and Tenant fails to discharge such mechanic's lien or attachment within said fifteen (15) day period, Landlord may (but is not obligated to) pay and discharge the same on Tenant's behalf without inquiring into the validity of said lien or attachment.

16. Damage or Destruction. If the Premises shall be rendered untenantable by fire or other casualty, then Landlord shall, to the extent of available insurance proceeds, use reasonable efforts to make the Premises tenantable as speedily as possible, and, during the period of untenability, the Base Rent shall be abated in whole or in part, according to the portion of the Premises which is rendered untenantable, except that there shall be no abatement of Base Rent for any fire or other casualty which is caused by the negligent acts or omissions of Tenant or its agents, employees, invitees, licensees, contractors, or subcontractors and further, there shall be no abatement of Base Rent for the time required to replace or repair any of Tenant's property regardless of other circumstances. Tenant is solely responsible to repair and restore the damage to Tenant's trade fixtures, furniture, and furnishings. Subject to the rights of the holder of any mortgage of the Premises, the entire amount of any insurance proceeds resulting from such damage or destruction to the Premises must be paid to Landlord, except that Tenant may receive insurance proceeds for policies covering only Tenant's personal property which have not become fixtures. Notwithstanding the foregoing, if the Premises is substantially damaged and is rendered substantially untenantable by fire or other cause, and the same is in the last two (2) years of the Term, then Landlord may, within thirty (30) days after such fire or other cause, terminate this Lease by giving Tenant five (5) days notice of such termination in writing and Tenant must vacate the Premises and surrender the same to Landlord prior to expiration of such five (5) day period.

17. Right of Landlord to Perform. All obligations of Tenant under this Lease must be performed by Tenant at Tenant's sole cost and expense. However, if Tenant fails to pay any sum of money (other than Rent) or fails to perform any other act required of it hereunder, Landlord may, but is not be obligated to, make any payment or perform any such other act on Tenant's behalf and at Tenant's cost. Any sums so paid by Landlord and all necessary incidental costs, together with interest thereon at the rate of eight (8%) percent per month from the date of such payment, are payable to Landlord by Tenant as Additional Rent. The foregoing includes but is not limited to obtaining insurance, payment of any taxes, utilities, liens, etc.

18. Floor Load. Tenant may not place a load upon any floor of the Premises exceeding the floor load per square foot it was designed to carry and is permitted by law without Landlord's prior written approval.

19. Tenant's Property. Tenant will bring or keep property upon the Premises solely at its own risk, and Landlord is not liable for any damages or theft to Tenant's property. Any insurance carried on Tenant's personal property must be separately identifiable from and above and beyond that carried by Tenant under Section 10.

20. Laws and Requirements. Tenant shall, at its sole cost and expense, comply with all laws, orders, ordinances and regulations of federal, state and municipal authorities and with any direction made pursuant to law that shall impose any order or duty upon Landlord or Tenant with respect to Tenant's occupancy, the use or manner of use of the Premises, otherwise as to the Premises, or required by reason of Tenant's request, action, or a breach of any of Tenant's obligations hereunder.

21. Assignment and Subletting. Tenant will not sublease, assign or pledge all or any portion of the Premises or this Lease without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Any act or attempted assignment in violation of the foregoing is void. No consent by Landlord to any sublease, assignment, or pledge relieves Tenant from obtaining Landlord's written consent to any further sublease, assignment, or pledge.

22. Default by Tenant. The following is a default of this Lease by Tenant: (i) failure to pay any Rent or any other payment required to be made by Tenant under this Lease as and when due and the continuation of such failure for seven (7) days after said due date; or (ii) the failure by Tenant to observe or perform any other provision of this Lease to be observed or performed by Tenant, if such failure continues for fifteen (15) days after written notice by Landlord to Tenant alleging such breach; (iii) failure to complete the Tenant Improvements; (iv) the making by Tenant of any general assignment for the benefit of creditors, the filing by or against Tenant of a petition under any federal or state bankruptcy or insolvency laws (unless, in the case of a petition filed against Tenant, the same is dismissed within thirty (30) days after filing), the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets at the Premises or Tenant's interest in this Lease or the Premises when possession is not restored to Tenant within thirty (30) days, or the attachment, execution or other seizure of substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease or the Premises, if such seizure is not discharged within thirty (30) days; or (v) the abandonment of the Premises by Tenant, which shall be deemed to have occurred if Tenant ceases business operations at the Premises and fails to occupy or conduct business therein for a continuous period of twelve (12) months. The following shall not be a default of this Lease by Tenant provided that a written notice of termination is received by Landlord within one-hundred and eighty (180) days of the Lease Date: (i) termination of the Lease based upon an inspection of the buildings on the Premises or (ii) termination of the Lease based upon Tenant's inability to obtain a Michigan vehicle dealer's license

(a) Landlord's Rights upon Tenant Default. In the event of any default by Tenant as provided above, Landlord may terminate this Lease or Tenant's right to possession of the Premises without terminating this Lease.

i. Termination. If Landlord terminates this Lease, Landlord is entitled to receive from Tenant: (i) any unpaid Rent which has been earned at the time of such termination; plus (ii) the unpaid Rent earned after termination of the Lease until the time of judgment; plus (iii) the value at the time of award (computed by discounting such amounts at six [6%] percent per month) of the amount of the unpaid Rent for the balance of the Term; plus (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's defaults under this Lease or which in the ordinary course

of things would be likely to result from such default; plus (v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law. Landlord will attempt to mitigate its damages by using commercially reasonable efforts to lease the Property.

ii. Continued Lease after Default. If Landlord does not elect to terminate this Lease as provided in subsection (a)(i) above, Landlord may from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease. Without limiting the foregoing, Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due.

(b) Reletting. Upon a default, Landlord may but is not required to relet all or part of the Premises. In the event Landlord at its sole discretion elects to relet the Premises the proceeds of any reletting will be applied first to cover Landlord's reasonable costs and expenses of such reletting (including without limitation, reasonable costs and expenses of retaking or repossessing the Premises, removing persons and property, securing new tenants, including expenses for redecoration, alterations and other costs in connection with preparing the Premises for the new tenant, and Landlord's cost to maintain and operate the Premises) and receivers' fees incurred in connection with the appointment of and performance by a receiver to protect the Premises and Landlord's interest under this Lease and any necessary or reasonable alterations; second, to the payment of any indebtedness of Tenant to Landlord other than Rent due and unpaid under this Lease; third, to the payment of Rent due and unpaid under this Lease; and the residue, if any, may be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant is not entitled to receive any portion of such residue.

(c) Remedies. None of the foregoing will be deemed to limit Landlord's remedies or options, or operate as a waiver of any rights to indemnification or other rights. All of Landlord's remedies are cumulative and are not intended to be exclusive of any other remedies or means of redress. In addition to the other remedies provided in this Lease, Landlord is entitled to a restraint by injunction of the violation or attempted or threatened violation of any of the terms of this Lease.

23. Default by Landlord. Landlord's failure to perform or observe any of its obligations under this Lease shall constitute a default by Landlord under this Lease only if such failure continues for a period of fifteen (15) days (or the additional time, if any, that is reasonably necessary promptly and diligently to cure the failure) after Landlord receives written notice from Tenant specifying the default. The notice must give in reasonable detail the nature and extent of the failure and identify the Lease provision(s) containing the obligation(s). If Landlord defaults in the performance of any of its obligations under this Lease (after notice and opportunity to cure as provided in this subsection), Tenant may pursue any remedies available to it under law.

24. Abandonment. If Tenant abandons the Premises before the expiration of the Lease Term, such action shall constitute a default under this Lease. "Abandons" or "Abandonment" as used in this section 24 means Tenant vacates or ceases business operations at the Premises for a period of one year or more, removes substantially all of its personal property or trade fixtures, or otherwise indicates an intention not to continue occupancy, without Landlord's prior written consent. In the event of abandonment, Landlord may, at its option and without waiving any rights or remedies, enter and take possession of the Premises, relet the Premises on such terms as Landlord deems commercially reasonable, and recover from Tenant (i) all Rent and other sums due and payable under this Lease through the date of reletting, (ii) the costs of repossession, repair, and reletting (including, without limitation, brokerage commissions and reasonable attorneys' fees), and (iii) any deficiency between the Rent due under this

Lease for the remainder of the Lease Term and the net amounts actually received by Landlord from reletting.

25. Tenant shall not be released from liability for Rent or other obligations under this Lease unless and until Landlord has executed a new lease for the Premises and the Lease Term has otherwise expired. Landlord shall have no obligation to mitigate damages beyond making commercially reasonable efforts to relet the Premises.

26. No Implied Waiver or Satisfaction. No acceptance by Landlord of a lesser sum than the Rent then due may be deemed to be other than on account of the earliest installment of such Rent due, nor may any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other remedy in the Lease provided. The delivery of keys to any employee of Landlord or to Landlord's agent or any employee of Landlord does not operate as a termination of this Lease or a surrender of the Premises.

27. Surrender of Possession. Upon the expiration or termination of this Lease, whether by lapse of time, operation of law or pursuant to the provisions of this Lease, Tenant must remove all of its personal property from the Premises and surrender possession of the Premises to Landlord in good condition, reasonable wear and tear excepted. If Tenant fails to remove all of its personal property upon the expiration or termination of this Lease, Landlord may, following ten (10) days prior written notice, at its election in its discretion: (a) treat such failure or refusal as an offer by Tenant to transfer title to such personal property to Landlord, in which event title passes under this Lease as a bill of sale, or (b) treat such failure or refusal as conclusive evidence, on which Landlord may rely absolutely, that Tenant has forever abandoned such personal property. In either event, Landlord may, with or without accepting title to such personal property, keep or remove, store, destroy, discard, sell, or otherwise dispose of all or any part in any manner that Landlord chooses without incurring liability to Tenant or to any other person. Costs incurred by Landlord in dealing with abandoned property will be due as Additional Rent.

28. Holding Over. Tenant acknowledges that its holding over beyond the time of the termination or expiration of this Lease will cause Landlord additional expense. If Tenant remains in possession of the Premises after the termination or expiration of this Lease, Tenant acquires no rights with respect to the Premises. Tenant must, however, pay Landlord as liquidated damages for all periods of holdover one hundred fifty percent of the amount of Rent, both Base Rent and Additional Rent, which would have been due for a like period of occupancy during the Term. The provisions of this clause do not operate as an acceptance of the holdover by Tenant or a waiver by Landlord of any right it may otherwise enjoy. Additionally, Tenant will be responsible for any damages Landlord suffers by reason of Tenant's holding over (such as Landlord losing a new tenant or incurring expense with an incoming tenant due to such holdover).

29. Eminent Domain. If all or a material part of the Premises (such that Tenant can no longer reasonably operate at the Premises) is taken or condemned by any competent authority for any public use or purpose, Landlord may terminate this Lease as of the date of the actual taking, without apportionment to Tenant of any portion of the award or damages. Otherwise, this Lease remains in full force and effect without apportionment to Tenant of any portion of the award or damages, provided that the Base Rent will decrease proportionately based on the amount of square feet taken from the Premises as a result of such taking. In the event of a termination pursuant to this section, Base Rent will be apportioned to the date of such taking. If the leasehold interest vested in Tenant by this Lease is condemned or taken, Landlord's obligations under this Lease terminate as of the date of such condemnation or taking. Tenant may recover the value of its leasehold so long as it does not diminish Landlord's award.

30. Environmental Laws; Indemnification.

(a) Definitions.

i. “Environmental Laws” means and includes all now and hereafter existing statutes, laws, ordinances, codes, regulations, rules, rulings, orders, decrees, directives, policies and requirements by any federal, state or local governmental authority regulating, relating to, or imposing liability or standards of conduct concerning public health and safety or the environment, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980; the Solid Waste Disposal Act; the Federal Water Pollution Control Act of 1972; the Emergency Planning and Community Right-To-Know Act of 1986; the Clean Air Act of 1966; the Occupational Safety and Health Act of 1970; the Safe Drinking Water Act of 1974; all amendments to any of the foregoing; any similar laws enacted by the state of Michigan (including without limitation the Natural Resources and Environmental Protection Act of the state of Michigan and all related laws and regulations), as amended.

ii. “Hazardous Materials” means any materials, substances, chemicals, or wastes, including, without limitation, petroleum (including crude oil or any fraction thereof), polychlorinated biphenyls, radioactive materials, and asbestos-containing materials, which are regulated under or pursuant to Environmental Laws.

iii. “Handle” (and all other variations of this word) means any installation, handling, generation, storage, treatment, use, disposal, discharge, release, manufacture, refinement, presence, migration, emission, abatement, removal, transportation, or any other activity of any type in connection with or involving Hazardous Materials.

iv. “Responsible Party” means Tenant, and any party acting for or through Tenant, including its subtenants and its assignees, and their respective contractors, clients, officers, directors, employees, agents, licensees, and invitees, or any of them, as the case may be.

(b) Tenant shall be solely responsible for all Hazardous Materials on or about the Premises arising from Tenant’s acts or operations. During the Term, no Hazardous Materials may be Handled on or about the Premises, except for normal quantities of materials customarily used in the ordinary course of business operations. Tenant agrees that any Hazardous Materials must be Handled at all times in full compliance with all applicable Environmental Laws. Upon execution of this Lease, Tenant, at its sole cost and expense, shall obtain and complete a Phase I Environmental Site Assessment and, if recommended by the Phase I, a Phase II Environmental Site Assessment, as well as a Baseline Environmental Assessment (BEA) in accordance with applicable Michigan law (collectively, the “Environmental Due Diligence”). Tenant shall promptly provide Landlord with complete copies of all such reports and assessments upon completion. The Tenant shall have the right to terminate this Lease by written notice to Landlord for a period of one hundred eighty (180) days after the Lease Date if any of Landlord’s Environmental Due Diligence is not satisfactory in Tenant’s sole discretion.

(c) In addition to the obligation of Tenant to indemnify Landlord pursuant to this Lease, Tenant must at its sole cost and effort promptly take all actions required by any federal, state or local governmental agency or political subdivision, or necessary for Landlord to make full economic use of any portion of the Premises, which requirements or necessity arises from Tenant’s Hazardous Materials upon or about any portion of the Premises. Such actions include, but are not limited to, the investigation of the environmental condition of any portion of the Premises, the preparation of any feasibility studies or reports and the performance of any cleanup, remedial, removal or restoration work. Tenant must take all actions necessary to restore any

portion of the Premises to the condition existing prior to the introduction of Tenant's Hazardous Materials, notwithstanding any less stringent standards or remediation allowable under applicable Environmental Laws. Tenant must nevertheless obtain Landlord's written approval prior to undertaking any actions required by this section, which approval may not be unreasonably withheld so long as such actions would not potentially have a material adverse long term or short term effect on any portion of the Premises.

(d) Tenant agrees to execute affidavits containing representations from time to time at Landlord's request conveying Tenant's best knowledge and belief regarding the presence of Hazardous Materials in or at the Premises.

(e) Landlord discloses to the Tenant that as of the Lease Date the Premises is a "facility" as defined in part 201 as further described in a certain Environmental Protection Easement and Declaration of Restrictive Covenant executed March 16, 2025 and recorded at Liber 2811, Page 594 with the Allegan County Register of Deeds, a copy of which was provided to Tenant.

(f) NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO A DECLARATION OF RESTRICTIVE COVENANT DATED MARCH 16, 2025, AND RECORDED WITH THE ALLEGAN COUNTY REGISTER OF DEEDS AT LIBER 2811, PAGE 594.

(g) Tenant acknowledges and agrees that Landlord reserves the right to modify, amend, supplement, or add additional covenants or restrictions to the Premises; provided said covenants or restrictions do not materially interfere with the Permitted Uses. Tenant shall promptly upon the request of the Landlord execute any instruments or consents necessary to effectuate the provisions of this subsection (g).

31. Indemnification. Tenant shall protect, indemnify, hold harmless and defend Landlord, and its elected officials, directors, officers, agents and employees, successors and assigns, from and against:

(a) any and all losses, costs, damages, liability or expense as incurred (including but not limited to actual attorneys' fees and legal costs) arising out of or related to any claim, suit or judgment brought by or in favor of any person or persons for damage, loss or expense due to, but not limited to, bodily injury, including death, or property damage sustained by such person or persons which arises out of, is occasioned by or is in any way attributable to the use or occupancy of the Premises by Tenant or the acts or omissions of Tenant or its agents, employees, contractors, clients, invitees or subtenants except to the extent caused by the negligence of Landlord. Such loss or damage includes, but is not limited to, any injury or damage to, or death of, Landlord's employees or agents or damage to the Premises;

(b) any breach of this Lease by Tenant; and

(c) all environmental damages which arise from Tenant's Hazardous Materials, as defined in Section 29. The term "environmental damages" includes (i) all related claims, judgments, damages, penalties, fines, costs, liabilities, and losses; (ii) all sums paid for settlement of claims, fines, penalties, attorneys' fees, consultants' fees and experts' fees; and (iii) all costs incurred by Landlord in connection with investigation, testing, or remediation relating to Tenant's Hazardous Materials (including any requested by any governmental agency or lender) whether or not required by Environmental Laws, necessary for Landlord to make full economic use of the Premises, or otherwise required under this Lease. To the extent that Landlord is strictly liable under any Environmental Laws, Tenant's obligation to Landlord and the other indemnitees under

the foregoing indemnification is likewise without regard to fault on Tenant's part with respect to the violation of any Environmental Law which results in liability to the indemnitee. Tenant's obligations and liabilities pursuant to this section survive the expiration or earlier termination of this Lease.

32. Access to Premises. Landlord may enter upon the Premises for the purpose of inspecting them, preventing waste, loss or destruction, or enforcing any of its rights or powers under this Lease. Whenever possible, Landlord must give notice (oral or written) at least twenty-four (24) hours prior to entry. Landlord is neither liable nor responsible for any loss to Tenant or Tenant's business that may occur by reason of such entry. Throughout the Term, Landlord may enter the Premises at reasonable hours for the purpose of showing them to prospective mortgagees and tenants. Landlord may also during the final Lease Year place upon the Premises the usual notices of "For Sale" "To Let" and "For Rent," which notices Tenant must permit to remain thereon. In the case of an emergency, if Tenant is not present to open and permit an entry into the Premises, Landlord or Landlord's agents may enter the same by master key or, if necessary to the protection of life or property, forcibly. In no event are Tenant's obligations under this Lease affected by any such entry.

33. Subordination; Attornment; Estoppel Certificate. This Lease is subject and subordinate to the interests of the holders of any notes secured by mortgages on the Premises, now or in the future, and to all ground or underlying leases and to all renewals, modifications, consolidations, replacements and extensions thereof provided that Tenant's quiet enjoyment hereunder will not be disturbed so long as Tenant is not in default beyond any applicable cure period. Upon request of the holder of any note secured by a mortgage on the Premises, Tenant must provide written confirmation that no action taken by such holder to enforce said mortgage terminates this Lease or invalidates or constitutes a breach of any of its provisions, and Tenant must attorn to such mortgagee, or to any purchaser of the Premises at any foreclosure sale, or sale in lieu of foreclosure, for the balance of the Term on all the terms and conditions contained in this Lease, provided that any such mortgagee provides to Tenant a non-disturbance agreement in standard form. While the provisions of this section are self-executing, Tenant and all persons affected thereby must execute such documents necessary to affirm or give notice of such subordination and attornment. Further, Tenant must within ten (10) business days of Landlord's request deliver to Landlord, or anyone designated by Landlord, a certificate stating and certifying as of its date (i) the date to which Rent and other charges under this Lease have been paid, (ii) whether or not there are then existing any setoffs or defenses against the enforcement of any of the agreements, terms, covenants or conditions of this Lease on the part of Tenant to be performed or complied with (and, if so, specifying the same), and (iii) if such be true, that this Lease is unmodified and in full force and effect and Landlord is not in default under any provision of this Lease. Landlord will, at Tenant's request, certify to Tenant's lender that it has no interest in Tenant's personal property and will permit Tenant's lender to occupy the Premises at the then-current rental rate following Tenant's default for a reasonable period for the purpose of removing or selling Tenant's personal property from the Premises.

34. Subordination of Leasehold Mortgage. Tenant shall have the right, subject to Landlord's prior written consent, to encumber its leasehold interest under this Lease with a leasehold mortgage, deed of trust, or similar security instrument in favor of a bona fide lender ("Leasehold Mortgage"). Notwithstanding the foregoing, any such Leasehold Mortgage shall be expressly subordinate and subject in all respects to the terms and conditions of this Lease and to the rights of Landlord hereunder, including, without limitation, the right to terminate this Lease as provided herein.

35.

36. Miscellaneous.

(a) No Broker. Each party represents to the other that no salesperson, agent, broker or other third party was involved in this Lease to whom either party could incur liability for a commission or other compensation. Each party agrees to indemnify the other party and hold the other party harmless against any breach of the indemnifying party's representations in this section.

(b) Notices. Any notice under this Lease must be in writing sent by personal delivery, certified or registered mail or overnight courier service to the party at its address as set forth in the first paragraph of this Lease. Any such notice is deemed effective when delivered personally, on the date of delivery if mailed by overnight courier or certified or registered mail, and on the second business day following the date of mailing by standard post. Either party may change its address for notices by giving written notice of such change from time to time. Notice may also be given by email, provided that the email is only effective when acknowledged by the recipient.

(c) No Waiver. The failure of either party to enforce any covenant or condition of this Lease is not a waiver of such covenant or condition or of the right of either party to enforce each and every covenant and condition of this Lease. No provision of this Lease may be deemed to have been waived unless such waiver is in writing and signed by the person against whom the waiver is claimed. All rights and remedies of Landlord under this Lease are cumulative, and none exclude any other rights or remedies allowed by law.

(d) Successors and Assigns. The covenants, conditions, and agreements contained in this Lease bind and inure to the benefit of Landlord and Tenant and their respective successors and assigns.

(e) Quiet Enjoyment. Landlord covenants and agrees with Tenant that upon Tenant's paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be performed and observed, Tenant may peaceably and quietly enjoy the Premises during the Term.

(f) Entire Agreement; Amendment. This Lease represents the entire agreement between the parties. It may not be amended, altered or modified unless in a writing signed by both parties (without limitation, no oral modifications are permitted or will be binding upon the Landlord).

(g) Choice of Law; Severability. This Lease is governed by and will be construed in accordance with the laws of the State of Michigan. The invalidation of one or more terms of this Lease does not affect the validity of the remaining terms.

(h) Expenses of Enforcement. If Landlord, in connection with any default by Tenant, makes any expenditure or incurs any obligations for the payment of money, including, but not limited to, reasonable attorneys' fees and costs incurred in instituting, prosecuting or defending any action or proceeding, such sums so paid or obligations incurred, together with interest, are deemed to be Additional Rent and must be paid by Tenant to Landlord. Further, if either party brings any claim or action against the other for a default of this Lease, and is successful in such action or claim, the losing party will pay the costs and attorneys fees incurred by the winning party in bringing and prosecuting such claim or action, and otherwise enforcing this Lease.

(i) Financial Statements. Tenant will provide its financial statements (whatever the Tenant produces for its accounting, bookkeeping, and tax needs) to Landlord upon request.

(j) Third Parties. There are no third-party beneficiaries to this Lease.

- (k) Time of Essence. Time is of the essence with respect to this Lease.
- (l) Unpaid Rent. Tenant's obligation to pay Rent and all other charges due hereunder that have accrued but are unpaid survives the expiration or termination of the Lease.

Intentionally left blank; signatures on the following page.

DRAFT

IN WITNESS WHEREOF, Landlord and Tenant have caused their respective representatives to execute this Lease as of the date first set forth above.

“TENANT”:

By: _____
Its: _____

“LANDLORD”:

CITY OF PLAINWELL, a Michigan municipal
corporation:

By: Brad Keeler
Its: Mayor

By: JoAnn Leonard
Its: City Clerk

EXHIBIT A
Legal Description

DRAFT

EXHIBIT B
Option to Purchase Real Estate Agreement

DRAFT

EXHIBIT C
Tenant Improvements

- New roof building 16 with compromised decking fixed
- Facade work building 15 and 16: X amount of square feet facing on existing cinder block, 3 replacement windows
- Façade work building 10 and 11: As needed tuckpointing for structural integrity
- Onsite fire extinguishers within 75 feet of your position-there does not seem to be a specific law overseeing placement
- Interior lighting throughout level 1 (level 1 defined by elevator delineation, there is a B, 1, and 2)
- All holes in floor level 1 closed or properly secured to not be a hazard
- All gas lines level 1 properly installed, old gas systems removed, and existing space heaters replaced as needed.
- All electrical old cable removed from level 1.
- Vehicle ramps into building 11, OSHA compliant
- A customer entrance with handicap ramp, OSHA compliant
- All remaining exterior windows to be resealed
- A working employee bathroom with toilet and sink
- All loose hazardous garbage materials clean and cleared. Loose defined as not installed, left on the floor.
-

OK

DRAFT

Investment Activity Report



City of Plainwell

Investment Portfolio Detail - Unaudited

at: 11/30/2025

Denise Wilcox, Finance Director/Treasurer

I verify that this investment portfolio is in conformity with Michigan laws and the City's Investment Policy as approved by City Council.

Insert Signature: **Denise Wilcox**
Digitally signed by Denise Wilcox
Date: 2025.12.09 15:38:34 -05'00'

	Investment Type	CUSIP	Principal Purchase	Monthly Interest Earned	Institution or Bank	Contact Name and Number	Purchase Date	Maturity Date	Yield	Remaining Days to Maturity
1	Pooled Investment*	N/A	\$1,995,720	\$6,590.02	Michigan Class	Jeff Anderson - 616.244.9376	03/28/2016		4.07%	
2	180-Day CD Renewal	N/A	\$253,362	\$789.29	Northstar Bank	Julie Smith - 810.329.7104	09/30/2025	12/29/2025	3.75%	29
3	365-Day CD	N/A	\$256,976	\$898.73	Grand River Bank	Christy Vierzen - 616.259.1322	06/10/2025	06/09/2026	4.27%	191
4	365-Day CD (expired, new 7 Month CD)	N/A	\$92,583	\$3,940.58	First National Bank of America	Doug Johnson - 616.538.6040	11/16/2024	11/16/2025	4.19%	-14
5	7 Month CD (Renewal of CD listed Above)		\$96,523	\$0.00	First National Bank of America	Angie Hicks - 616.538.6041	11/16/2025	06/16/2026	4.05%	198
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										

Total Investments: \$2,602,579.94 \$9,286.78 = Monthly investment interest

Average Yield: 4.07%

Cash Activity for the Month

Cash, beginning of month: \$4,264,185.91

Cash, end of month: \$4,039,774.72

Cash and Investments, end of month: \$6,642,354.66 \$14,322.57 = Total monthly interest earned

Justin Lakamper, City Manager


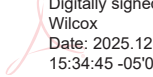
I verify that this investment portfolio is in conformity with Michigan laws and the City's Investment Policy as approved by City Council.

Insert Signature: **Justin Lakamper**
Digitally signed by Justin Lakamper
Date: 2025.12.18 09:32:58 -05'00'

** Funds 701 and 703 not included - Trust & Agency and Tax

ESTIMATED CASH BALANCE/FUND BALANCE REPORTMONTH ENDED: **11/30/2025**% OF FISCAL YEAR: **16.99%***** - Amounts taken from audited financial statements as of June 30, 2024****** - OPEB listing on this worksheet is included in the General Fund for financial statement purposes******* - These amounts are taken directly from the End of Month Financial Statement provided to Council**

AUDITED FIGURES AS OF MOST RECENT AUDIT *			CURRENT YEAR PERFORMANCE - UNAUDITED ***		ESTIMATED FUND BALANCE (AUDIT FB + ACT REV - ACT EXP)	TOTAL RECONCILED CASH AND INVESTED FUNDS	CURRENT YEAR AMENDED BUDGET EXP	EXPENSE BUDGET USED
FUND	CASH AND INVESTED FUNDS BALANCE	FUND BALANCE	ACTUAL REVENUE YTD - CASH BASIS	ACTUAL EXPENSE YTD - CASH BASIS				
General	1,182,116	1,241,074	1,801,171	1,089,944	1,952,301	1,931,299	3,092,881	35.24%
Major Streets	160,731	190,388	113,431	116,096	187,723	489,496	407,121	28.52%
Local Streets	554,419	525,858	41,158	80,022	486,994	213,732	186,056	43.01%
Solid Waste	66,416	64,804	231,512	90,057	206,260	224,420	227,027	39.67%
Brownfield BRA	40,631	3,037	67,615	62,324	8,328	5,060	145,904	42.72%
Tax Increment TIFA	202,979	200,512	99,109	12,285	287,336	370,076	54,533	22.53%
Downtown DDA	154,012	151,768	100,440	17,188	235,020	279,494	128,724	13.35%
Revolving Loan	51,169	64,056	1,926	400	65,582	59,186	10,000	4.00%
Capital Improvement	42,150	77,265	110,729	33,426	154,567	179,834	92,125	36.28%
Fire Reserve	45,180	45,180	109,912	25,426	129,666	162,395	77,294	32.90%
Airport	31,838	33,648	31,675	35,715	29,608	22,266	92,298	38.70%
Sewer	2,016,160	1,979,501	736,911	845,936	1,870,476	1,118,134	2,024,030	41.79%
Water	1,948,490	1,762,953	597,422	327,437	2,032,938	1,258,062	821,195	39.87%
Motor Pool / Equipment	48,792	43,723	124,494	76,180	92,038	211,510	230,495	33.05%
OPEB**	136,231	89,021	25,040	12,308	101,753	117,313	58,781	20.94%
	6,681,314	6,472,788	4,192,545	2,824,744	7,840,589	6,642,278	7,648,464	36.93%

Justin Lakamper, City Manager	Denise Wilcox, Finance Director/Treasurer
I verify that I have reviewed the revenue and expenditure financial summary attributed to my department and to the best of my knowledge the report is accurate.	I verify that I have reviewed the revenue and expenditure financial summary attributed to my department and to the best of my knowledge the report is accurate.
Insert Signature:  Justin Lakamper <small>Digitally signed by Justin Lakamper Date: 2025.12.18 09:33:31 -05'00'</small>	Insert Signature:  Denise Wilcox <small>Digitally signed by Denise Wilcox Date: 2025.12.09 15:34:45 -05'00'</small>

R



PLAINWELL PUBLIC SAFETY

Police, Fire and Medical First Responder Services

MONTHLY REPORT

November 2025

Prepared by Director Kevin Callahan

Classification of Crimes Reported

File Class	CRIMES AGAINST PERSON	November	Year to Date
900	Murder and Non-Negligent Manslaughter	0	0
1000	Kidnapping	0	0
1100	Sexual Assault	3	18
1200	Robbery	0	0
1300	Aggravated & Non-Aggravated Assault	7	70
PROPERTY CRIMES			
2000	Arson	0	2
2100	Extortion	0	0
2200	Burglary	2	12
2300	Larceny	2	41
2400	Motor Vehicle Theft	0	9
2500	Forgery/Counterfeiting	0	1
2600	Fraudulent Activities	1	20
2700	Embezzlement	0	0
2800	Stolen Property - Buying, receiving	0	0
2900	Damage to Property	5	25
3500	Violation of Controlled Substances Act	0	4
MORALS/DECENCY CRIMES			
3600	Sex Offenses (Other than Sexual Assault)	0	0
3700	Obscenity	1	3
3800	Family Offenses	0	11
4100	Liquor Violations	0	1
PUBLIC ORDER CRIMES			
4800	Obstructing Police - Offenses Which Interfere with Investigations	0	0
4900	Escape/Flight - Fleeing and Eluding a Officer's Custody	0	1
5000	Obstructing Justice	4	31
5200	Weapons Offenses	1	4
5300	Public Peace	7	85
5400	Traffic Investigations - Any Criminal Traffic Complaints	3	38
5500	Health and Safety	7	201
5600	Civil Rights	0	0
5700	Invasion of Privacy	0	28
6200	Conservation Law Violation	0	0
7300	Miscellaneous Criminal Offense	0	0
GENERAL NON-CRIMINAL			
9100	Juvenile/Minor/School Complaints	4	59
9200	Civil Custody	0	3
9300	Traffic Non-Criminal (Reports Only - Does not include Citations Issued)	13	66
9400	False Alarm Activation	4	38
9500	Fires (Other than Arson)	1	13
9700	Accidents, All Other	5	58
9800	Inspections, Unfounded FIRS	0	0
9900	General Assistance (All Except Other Police Agencies)	82	974
9911 & 9912	General Assistance (Other Police Agencies)	69	739
FIRS	Medical First Responder	40	381

Plainwell Department of Public Safety

Complaints/Activities for November 2025

ARRESTS

CUSTODIAL ARRESTS

5 *An individual taken into custody for a criminal offense and jailed for that offense.*

ARREST COUNTS

8 *Criminal complaints or cases cleared by the custodial arrest or issuance of a warrant(s).*

TRAFFIC ENFORCEMENT & CITATIONS

HAZARDOUS CITATIONS

9 *Uniform Law Citations issued by officers to individuals for moving traffic violations. (Drag racing, Speeding, etc.)*

NON-HAZARDOUS CITATIONS

6 *Uniform Law Citations issued by officers to individuals for NON-moving traffic violations. (Registration, Equipment, Etc.)*

DRUNK DRIVING CITATIONS

0 *This is an activity that we specifically monitor that would normally be considered a hazardous citation.*

PARKING CITATIONS

13 *Citations issued in violation of city ordinance. This would include Overnight Parking, Time Limitation Parking, etc.*

VERBAL WARNINGS

9 *Traffic enforcement where no citation was issued but warnings were given.*

TOTAL TRAFFIC CITATIONS/WARNINGS

37

COMPLAINTS

ORIGINAL DISPATCH COMPLAINTS

249 *Complaints that are call in or the officer is dispatched to by Allegan County Central Dispatch (911) or our business office.*

PATROL INITIATED COMPLAINTS

12 *Complaints observed by the officer while on patrol or came to their attention by personal observation.*

TOTAL COMPLAINTS

261

OTHER ACTIVITIES

MOTORISTS ASSISTS

13 *Motorist contacts caused by mechanical breakdown or similar problem.*

PROPERTY INSPECTIONS

0 *Checks of homes or business specifically requested by a home or business owner.*

MOTOR VEHICLE ACCIDENTS

14 *Total motor vehicle accidents both on public roads or private property.*

COMMERCIAL BUILDING SECURITY CHECK

1,795 *Nightly security inspections of business' conducted by officers to assure windows and doors are locked.*

FOUND UNSECURED

0 *The number of business' found unlocked or unsecured.*

Plainwell Department of Public Safety |

Scheduled Hours By Activity for November 2025

The categories listed below are based on law enforcement related activities and the hours that scheduled road patrol personnel spend in the 4 major areas.

TOTAL ROAD PATROL HOURS SCHEDULED FOR THE MONTH

The Hours officers are scheduled for road patrol or other uniformed functions. These are fixed shifts which generally carry assigned duties.

Totals of all the below mentioned areas.

HOURS SPENT INVESTIGATING OR HANDLING CRIMINAL COMPLAINTS

The Hours Scheduled for criminal investigations of complaints that are in violation of a criminal law that an individual could be arrested and jailed for.

Examples include: Burglaries, Robberies, Drunk Driving, All Sex Offenses, Alcohol Offenses, Larcenies, Etc.

HOURS SPENT INVESTIGATING OR HANDLING NON-CRIMINAL COMPLAINTS

The Hours Scheduled for Calls for Service or Complaints that require investigation but are not criminal in nature.

Examples include: Auto Accidents, Accidental Fires, Traffic Citations, Property Inspections, Etc.

HOURS SPENT ON SUPPORT OR PERIPHERAL ACTIVITIES

The Hours Scheduled for required duties however are not criminal or non-criminal in nature and are supporting functions.

Examples include: Report Writing, Court, Directed Patrol, Foot Patrol, On Duty Training, Transport of Paperwork to the Court, Evidence to the Crime Lab, Etc.

TOTAL UNOBLIGATED PATROL HOURS

The Hours of Scheduled Road Patrol left over that officers are not assigned to an activity or working on a complaint.

Examples include: General Preventive Patrol, Building Security Checks, Etc.

Note: This also includes any break time the officers take during their shift.

TOTAL HOURS OBLIGATED TO DUTIES, COMPLAINTS, INVESTIGATIONS, ETC.

It is recommended by the International Association of Chiefs of Police (IACP) that no more than 65% to 70% of an officers time on duty, be obligated to complaints, investigations, activities or assigned responsibilities. The rationale behind this is to assure that officers are available for emergencies without unreasonable delay and provide for preventive and traffic patrol duties.

Total Hours
927

Percentage of Total Hours
4.28%

40 4.28%

204 22.06%

312 33.67%

371 39.99%

556 60.01%



November Reports for Plainwell Department of Public Safety

PRIORITY 1 ASSISTS OUTSIDE OF JURISDICTION

The Plainwell Department of Public Safety was dispatched to **69** calls for assistance outside the city limits of Plainwell by Allegan County Central Dispatch.

These calls were classified as Priority 1 Assists.

Fire Suppression/Call Out Incident Report

Date	Dispatch Time	Arrival Time	Location	Incident Type	Actions Taken	Apparatus	PSO	POC
11/02/2025	01:23	01:42	N/B US 131 / 57 mm	Assist Martin Fire Dept - Vehicle Accident	Control Traffic	C5, E11, E17, T63	1	6
11/03/2025	15:56	18:58	1149 M-89	Care Fire	Cancelled	C5	4	5
11/04/2025	16:27	16:30	320 Brigham St	EMS Call	Emergency Medical Services	N/A	3	4
11/06/2025	09:03	09:12	1286 Timber Oaks Ct	EMS Call	Emergency Medical Services, Other	T63	1	2
11/06/2025	17:04	17:06	320 Brigham St	EMS Call	Emergency Medical Services, Other	C5, C6, S62	3	4
11/08/2025	18:31	18:40	119 Island Ave	Assist GPF - EMS Call	Emergency Medical Services, Other	N/A	0	1
11/10/2025	05:27	05:40	US 131 N/B @ River/Allegan St	Multi-Vehicle Accidents	Control Traffic	C6, E11	1	2
11/11/2025	08:25	08:39	M-89 /Doster Rd	Assist GPF - Multi-Vehicle Accidents	Control Traffic	C6, E11	1	3
11/14/2025	14:29	14:47	19 Drake Ct/Doster Rd	Assist GPF - Grass Fire	Extinguish	E17, T63	1	3
11/15/2025	19:54	20:04	S/B US 131 / 106 th Ave	Vehicle Accident	Control Traffic	C4, E11, T63	3	2
11/17/2025	06:36	06:42	112 Warrant St	EMS Call	Emergency Medical Services, Other	C6, S62	2	2
11/21/2025	10:59	11:01	371 12 th St	Fire Alarm	Investigate /Disregarded	C2, C6	3	3
11/23/2025	20:04	20:11	622 Allegan St	EMS Call	Emergency Medical Services, Other	N/A	2	4

11/23/2025	21:52	21:58	610 Miller Rd	Assist GPF - Structure Fire	Extinguish, Investigate	C5, E11, E17, T63	4	5
11/25/2025	16:44	16:51	US 131 49 mm SB	Assist GPF - Vehicle Accident	Control Traffic	C5, E11	1	3
11/25/2025	16:44	16:54	US 131 47 mm / 102 nd Ave	Assist GPF - Vehicle Accident	Control Traffic	E17	1	2
11/25/2025	17:53	17:58	229 Roberts St	Power Line Down	Standby, Control Traffic	E11	0	4
11/28/2025	22:29	22:83	371 8 th St	Assist GPF - Building Fire	Control Traffic, Extinguish	C5, E17, T63	2	5
11/30/2025	07:55	08:06	106 W Grant St	Possible Structure Fire/Power Line Down	Investigate	C2, C6, E11, T63	4	7

Calls for Service at Plainwell Schools

Plainwell High School: 2
684 Starr Road

Gilkey School: 1
707 S. Woodhams Street

Plainwell Middle School: 3
720 Brigham Street

Starr Elementary: 2
601 School Drive

Early Childhood Development: 0
307 E. Plainwell Street

Renaissance School: 0
798 E. Bridge Street

Admin, Maintenance & Bus Garage: 0
600 School Drive

Ordinance Report

We had 6 Ordinance Complaints.

This is a breakdown of the Ordinance Violations for the month of November 2025:

- (1) - Burning - Wood/Leaves.
- (5) - Loose leaves put out after DPW cleanup.

Water Renewal
Superintendent: Luke Keyzer
November 2025



Significant Department Actions and Results

Semi annual lift station cleaning done.
Annual generator preventive maintainence done.

Pending Items (including CIP) FY 24/25

- Duperon Screen Replacement
- Duperon Drive Replacement
- Odor study
- YSI DO Probe Replacement
- Wakefiels Lift Station upgrade

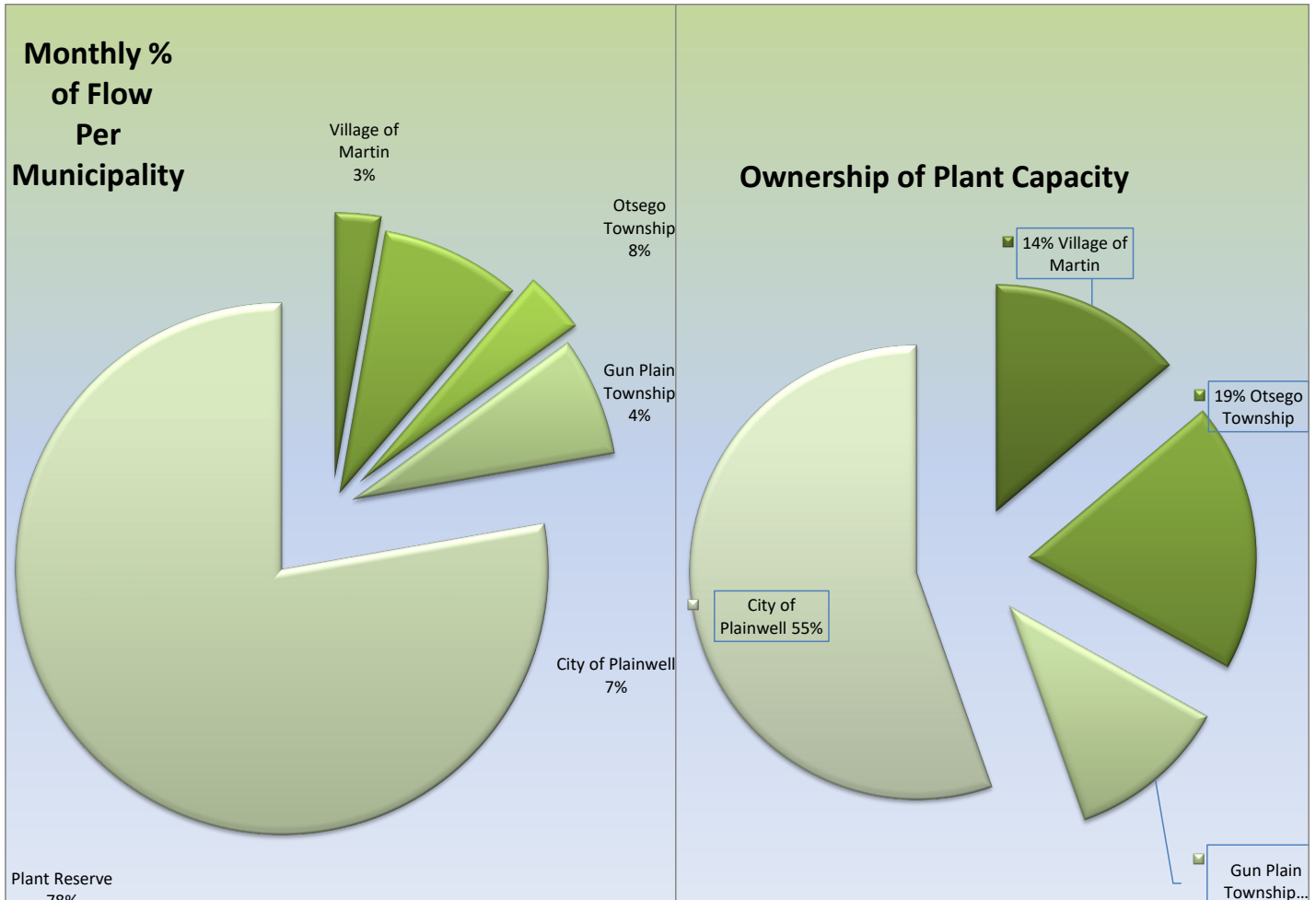
Expenditure Summary/Issues

<u>(budgeted)</u>	(completed)
\$62,500	
\$25,000	
\$30,215	
21,610	
<u>\$20,000</u>	
\$159,325	

Monthly Flow Data

Our permitted volume of treatment is 1,300,000 gallons per day. The table and graph below shows the breakdown of average monthly flow from our customer communities, the percent ownership of our customer communities.

	Total Gallons	Permitted Daily Flow Gallons	Reserve	Ownership of Plant Capacity
Village of Martin	806,785			
Gun River MH Park	300,000			
US 131 Motor Sports Park	0			
Total:	1,106,785			
AVG. DAILY:	38,165	180,000	79%	14%
Otsego Township	3,422,098			
AVG. DAILY:	118,003	250,000	53%	19%
Gun Plain Township	1,050,000			
Ridderman Gas Station	15			
USA Earthworks	2,000			
North Point Church	2,000			
North 10th Street	240,956			
Gores Addition	221,000			
TOTAL	1,515,971			
AVG. DAILY	7,621	150,000	95%	12%
City of Plainwell	2914341			
AVG. DAILY:	94011.00	720,000	87%	55%
Avg. Daily Plant Flow from entire service district	0.28			



State Required Reporting Compatible Pollutants

MI State Requirement	City Benchmark	Monthly Avg. Reported/MDEQ
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Carbonaceous Biochemical oxygen demand (CBOD-5):

25 mg/l	15	8.24
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This test measures the amount of oxygen consumed by bacteria during the decomposition of organic materials. Organic materials from wastewater treatment facility act as a food source for bacteria.

TOTAL SUSPENDED SOLIDS (TSS):

30 mg/l	15	8
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Includes all particles suspended in water which will not pass through a filter. As levels of TSS increase, a water body begins to lose its ability to support a diversity of aquatic life.

PHOSPHORUS (P):

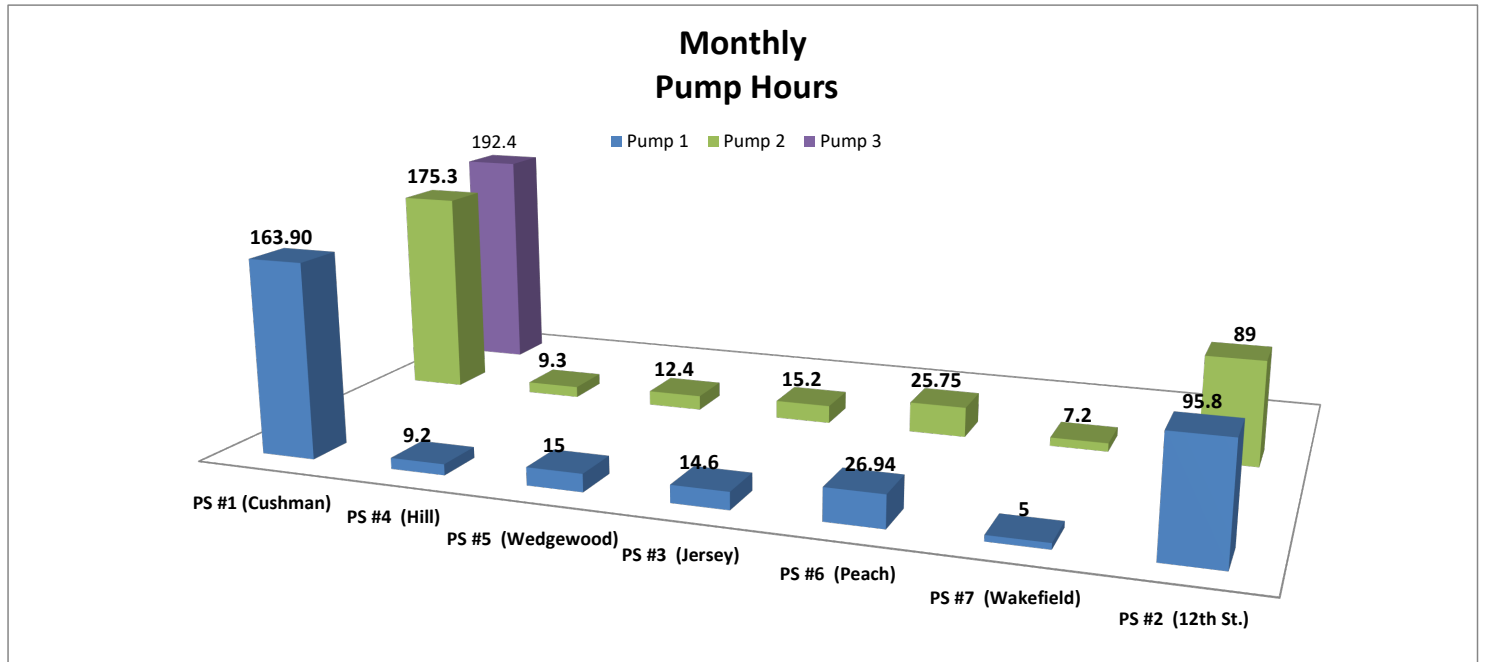
1.0 mg/l	0.45	0.35
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Controlling phosphorous discharges is a key factor in preventing eutrophication of surface waters. Eutrophication is caused by water enrichment of inorganic plant nutrients. Eutrophication negatively effects water bodies due to increases in algal blooming, causing excessive plant growth which depletes dissolved oxygen in the river which is necessary for aquatic life to survive.

Total Coliform (COLI):

200counts/ml	50	3
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A group of bacteria found in soil, on vegetation and in large numbers in the intestine of warm-blooded animals, including humans. Water is not a natural medium for coliform organisms and their presence in water is indicative of some type of contamination.



Pumps convey the waste where gravity sewers cannot, run times are a indicator of how the station is operating and being maintained.

MINUTES
Plainwell BRA DDA TIFA
November 11, 2025

1. Chairman Larabel called the meeting to order at 7:31am in City Hall Council Chambers.
2. Pledge of Allegiance was given by all present.
3. Roll Call: Present: Nick Larabel, Adam Hopkins, Cathy Green, Jim Turley, David Steffen (7:34am), Randy Wisnaski, and Justin Lakamper (7:32am) Excused: Paul Rizzo
4. Approval of Minutes:
A motion by Wisnaski, seconded by Turley, to accept and place on file the BRA DDA TIFA Meeting Minutes of the 10/14/2025 meeting. On a voice vote, all voted in favor. Motion passed.
5. Public Comment: None.
6. Chairman's Report: None.
7. Recommendations and Reports:
 - A. **A motion by Hopkins, seconded by Wisnaski, confirming BRA payables for October 2025 in the amount of \$16,348.46. On a voice vote, all in favor. Motion passed.**
 - B. **A motion by Green, seconded by Larabel, confirming DDA payables for October 2025 in the amount of \$690.49. On a voice vote, all in favor. Motion passed.**
 - C. **A motion by Larabel, seconded by Hopkins, confirming TIFA payables for October 2025 in the amount of \$24.90. On a voice vote, all in favor. Motion passed.**
 - D. City Manager Lakamper discussed the sale of one acre of Mill property to Plainwell Auto for a new building. He shared the site plan and building design provided by MEDC for the project, and discussed the location on the lot and how it fits in with the rest of the Mill Building development.
8. Communications:
The October 2025 Summary and Detail Financial Reports, City Council Meeting minutes from 9/22/2025 and 10/13/2025 and the 10/08/2025 Mill Development Workshop were reviewed.
9. Public Comment: None.
10. Staff Comment: Lakamper provided an update on building 2, stating that the insurance company has estimated a \$540k payout after depreciation. This should be enough to cover demolition of the building. Lakamper discussed a draft agreement from Darius, the owner of Classic Auto Factory (CAF). Since Darius will be leasing the buildings while Plainwell remains the owner, the City will need to closely follow his progress to ensure EPA compliance. Larabel inquired about transfer of ownership from the City to CAF as a means to limit risk and liability for the City. Lakamper shared that the draft agreement is a 50-year lease, with a 5-year renovation timeline. Ownership transfer triggers are built in to the agreement, one of which is the ability for CAF to obtain insurance. Lakamper stated he continues to work with BizEX Ventures, the potential new owners of Buildings 17 and 18. At the moment, discussion is centered on parking for the wedding venue. He shared that the auto auction business has withdrawn their offer to purchase the 28-acre parcel in Industrial Park, stating that the site was too small to meet their inventory needs.
11. Board Member Comments: Larabel discussed a letter the City had received from Weyerhaeuser, stating that PFAS had been detected in several locations on the Mill site. Weyerhaeuser would like the City to put Mill property development on hold while they investigate further. There will be a follow up meeting with Weyerhaeuser in December.
12. Adjournment:
A motion by Green, seconded by Turley, to adjourn the meeting at 8:51am. On a voice vote, all voted in favor. Motion passed.

Submitted by: JoAnn Leonard, City Clerk

12/18/2025

INVOICE APPROVAL BY INVOICE REPORT FOR CITY OF PLAINWELL
 INVOICE ENTRY DATES 12/05/2025 - 12/18/2025
 BOTH JOURNALIZED AND UNJOURNALIZED
 BOTH OPEN AND PAID

Vendor Code	Vendor Name	Description	Amount
	Invoice		
000004	PLAINWELL AUTO SUPPLY INC		
	755006	DPW - AIR ADAPTER(2)/AIRCHUCK SHOP AB	31.47
	755278	DPW - PLOW FLUID AB	8.29
TOTAL FOR: PLAINWELL AUTO SUPPLY INC			39.76
000009	CONSUMERS ENERGY		
	2025.11 2	CITY WIDE ELECTRIC NOVEMBER 2025	3,935.78
TOTAL FOR: CONSUMERS ENERGY			3,935.78
000138	AMERICAN OFFICE SOLUTIONS		
	40761878	DPS - COPIER LEASE/USAGE NOVEMBER 2025	159.33
TOTAL FOR: AMERICAN OFFICE SOLUTIONS			159.33
000153	FLEIS & VANDENBRINK INC		
	76150	FINAL PROFESSIONAL SERVICES INDUSTRIAL PARK EXPAN	55,247.08
TOTAL FOR: FLEIS & VANDENBRINK INC			55,247.08
000392	MICHIGAN MUNICIPAL TREASURERS ASSOC		
	13688	ADMIN - 2026 MEMBERSHIP DW/AK JL	198.00
TOTAL FOR: MICHIGAN MUNICIPAL TREASURERS ASSOC			198.00
000499	CITY OF OTSEGO		
	0000002716	ADMIN - 2025 W2 FORM BLANKS/ENVELOPES AK	21.31
TOTAL FOR: CITY OF OTSEGO			21.31
000843	B & C TROPHY		
	1242	ADMIN - LOGO SHIRTS RN JL	144.90
TOTAL FOR: B & C TROPHY			144.90
001748	REPUBLIC SERVICES		
	0249-008724810	DPW - TWO CONTAINERS DECEMBER 2025 (OVERAGE WI	433.12
	0249-008725101	WR - TWO CONTAINERS DECEMBER 2025	250.00
TOTAL FOR: REPUBLIC SERVICES			683.12
001854	MODEL FIRST AID		
	00000138171	DPW - LENS CLEANING TISSUE/BURN DRESSING RN	34.35
TOTAL FOR: MODEL FIRST AID			34.35
002030	DRUG SCREEN PLUS INC		

	25NOV1339	ADMIN - SCREENING GILLILAND AK	47.00
TOTAL FOR: DRUG SCREEN PLUS INC			47.00
002116	CHARTER COMMUNICATIONS		
	005582801120125	CITY HALL INTERNET/TV DECEMBER 2025	266.44
	005583601	DPW/WR INTERNET DECEMBER 2025	149.99
TOTAL FOR: CHARTER COMMUNICATIONS			416.43
002767	MICHIGAN MUNICIPAL EXECUTIVES		
	2026	ADMIN - 2026 WINTER INSTITUTE REG JL	460.00
TOTAL FOR: MICHIGAN MUNICIPAL EXECUTIVES			460.00
003024	BRIAN KELLEY		
	1013	TREASURY/FINANCE SUPPORT NOVEMBER 2025 JL	1,875.00
TOTAL FOR: BRIAN KELLEY			1,875.00
004814	WILLIAMS & WORKS		
	101733	NOVEMBER 2025 PLANNING/ZONING ASSIST HSG COMPL	183.00
TOTAL FOR: WILLIAMS & WORKS			183.00
004837	MUNIWEB		
	1297	NOVEMBER 2025 WEB HOSTING/RES SCHEDULING	250.00
TOTAL FOR: MUNIWEB			250.00
004855	PLAINWELL ACE HARDWARE		
	21417	DPW - MISC FASTENERS(4)/DRILL BIT CHRISTMAS MS	27.53
	21498	DPW - IMPACT DRILL/BATTERY RN	298.00
	21526	DPW - U-POST(2) SHOP AB	13.98
	21527	DPW - BLUE MISS DIG PAINT AB	9.99
	21533	DPW - WIRE LAMP(4)/CONNECTOR/2 WIRW PLUG CHRIS	13.73
	21535	DPW - OUTLET FOR CHRISTMAS TREE(3) DR	11.97
	21537	DPW - GFCI COVER(3)/BOX(3) CHRISTMAS TREE DR	44.94
	21543	DPW - CONDUIT(3) CHRISTMAS AB	23.97
	21549	DPW - BATTERIES/CONNECTOR(10)/2 WIRE PLUG(8) CHR	69.81
	21550/1	DPW - RETURN - EXT CORDS/CONNECTORS/PLUGS MS	(26.89)
	21555	DPW - ICICLE LIGHTS 6'(6) CMAS JF	71.94
	21558	DPW - EXT CORDS(4) CMAS AS	27.96
	21560	DPW - RETURN ICICLE(1)/PURCHASE EXT CORD(4) CMAS	130.97
	21562	DPW - ADAPTER GRND(2)/EXT CORD CMAS AS	12.57
	21568/1	DPW - RETURN GFCI BOX(3)/COVER(3) CMAS DR	(44.94)
TOTAL FOR: PLAINWELL ACE HARDWARE			685.53
004858	FERGUSON WATERWORKS		
	0235751	DPW - 5-1/4 EDDY BREAKFLANGE KIT(3) (1 FOR ACCIDEN	1,209.80
TOTAL FOR: FERGUSON WATERWORKS			1,209.80
004886	REPUBLIC SERVICES		

	0249-008727935	DECEMBER 2025 CITY WIDE RECYCLE	4,993.09
TOTAL FOR: REPUBLIC SERVICES			4,993.09
004902	BLOOM SLUGGETT PC		
	27516	NOVEMBER 2025 PROFESSIONAL SERVICES JL	6,223.50
TOTAL FOR: BLOOM SLUGGETT PC			6,223.50
005012	UNITED BANK		
	121225FEE	RETURNED ACH PAYMENT FEE	7.50
	121625FEE	RETURNED ACH PAYMENT FEE	7.00
	2025.12.09 3:17	ACH FEE UB PRENOTE	7.00
	2025.12.10 1:33	ACH FEES TAX DIST/AP	7.00
	2025.12.18	ACH FEES TAX DISTRIBUTION	7.00
TOTAL FOR: UNITED BANK			35.50
005015	CHECKALT-KLIK		
	234878	ELOCKBOX FEES NOVEMBER 2025	149.56
TOTAL FOR: CHECKALT-KLIK			149.56
005047	STAPLES, INC.		
	6049968191	ADMIN - MARGIN TABS/CLOROX WIPES RB	26.26
	6049968192	ADMIN - MARGIN TABS B/O RB	9.56
TOTAL FOR: STAPLES, INC.			35.82
005235	CLEMENS CUSTOM CONCRETE LLC		
	1014	DPW - TEAR OUT/REPLACE HICKS ST SIDEWALK DUE TO C	2,800.00
TOTAL FOR: CLEMENS CUSTOM CONCRETE LLC			2,800.00
005237	GUARDIAN NETWORK SOLUTIONS		
	GNS159107TDFW	ADMIN - 2026 ANNUAL VEEAM ESSENT/VIPRE ENDPOINT	3,057.50
TOTAL FOR: GUARDIAN NETWORK SOLUTIONS			3,057.50
999999	10TH STREET SALOON		
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	20.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	45.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	105.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	50.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	80.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	415.00
	2025.12	DDA - LADIES LOOT REIMBURSEMENT DW	125.00
TOTAL FOR: PLAINWELL FLOWERS			840.00
AAESAACH	ALLEGAN AREA EDUCATION SVC AGENCY		
	120625.AAESA	DISTRIBUTE TY2025 COLLECTIONS W/E 12.06.2025	14,121.22
	121325.AAESA	DISTRIBUTE TY2025 COLLECTIONS W/E 12.13.2025	19,989.40
TOTAL FOR: ALLEGAN AREA EDUCATION SVC AGENCY			34,110.62

ACACH	ALLEGAN COUNTY TREASURER		
	120625.COUNTY	DISTRIBUTE 2025 TAX COLLECTIONS W/E 12/06/2025	5,477.98
	121325.COUNTY	DISTRIBUTE 2025 TAX COLLECTIONS W/E 12/13/2025	7,836.07
TOTAL FOR: ALLEGAN COUNTY TREASURER			13,314.05
<hr/>			
PCSACH	PLAINWELL COMMUNITY SCHOOLS		
	120625.PCS	DISTRIBUTE TY2025 COLLECTIONS W/E 12.06.2025	38,729.39
	121325.PCS	DISTRIBUTE TY2025 COLLECTIONS W/E 12.13.2025	56,403.79
TOTAL FOR: PLAINWELL COMMUNITY SCHOOLS			95,133.18
<hr/>			
RDLACH	RANSOM DISTRICT LIBRARY		
	120625.LIBRARY	DISTRIBUTE TY2025 COLLECTIONS W/E 12.06.2025	1,662.10
	121325.LIBRARY	DISTRIBUTE TY2025 COLLECTIONS W/E 12.13.2025	2,108.75
TOTAL FOR: RANSOM DISTRICT LIBRARY			3,770.85
<hr/>			
SOMEFT	STATE OF MICHIGAN		
	103125.SALES	NOVEMBER 2025 SALES TAX RETURN	179.80
TOTAL FOR: STATE OF MICHIGAN			179.80
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TOTAL - ALL VENDORS			230,233.86

INVOICE AUTHORIZATION**Person Compiling Report**

I verify that to the best of my knowledge the attached invoice listing is accurate and the procedures in place to compile this invoice listing has been followed.

Insert Signature: **Roxanne Branch** Digitally signed by Roxanne Branch
Date: 2025.12.18 09:53:27 -05'00'

Denise Wilcox, Finance Director/Treasurer

I verify that I have reviewed the expenditures and to the best of my knowledge the attached invoice listing is accurate and matches invoices physically authorized by Department Heads.

Insert Signature: **Denise Wilcox** Digitally signed by Denise Wilcox
Date: 2025.12.18 09:59:17 -05'00'

Luke Keyzer, Water Renewal Plant Supt.

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature: **Luke Keyzer** Digitally signed by Luke Keyzer
Date: 2025.12.18 10:27:24 -05'00'

Kevin Callahan, Public Safety Director

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature: **Kevin A Callahan** Digitally signed by Kevin A Callahan
Date: 2025.12.18 12:25:50 -05'00'

Bob Nieuwenhuis, Public Works Supt.

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature: **Robert Nieuwenhuis** Digitally signed by Robert Nieuwenhuis
Date: 2025.12.19 07:43:21 -05'00'

Justin Lakamper, City Manager

I verify that I have reviewed the expenditures attributed to my department and to the best of my knowledge the attached invoice listing is accurate and complies with the City's purchasing policy.

Insert Signature: **Justin Lakamper** Digitally signed by Justin Lakamper
Date: 2025.12.18 10:30:45 -05'00'

Reports & Communications:

A. Annual Financial Statement Audit Presentation

Section 7.10 of the Plainwell City Charter requires an annual audit of all city accounts by qualified accounts experienced in municipal accounting. The firm Siegfried Crandall, PC has provided auditing services for Plainwell for many years, and will present the city's audited financial statements as of June 30, 2025 to Council.

Recommended action: Consider accepting and placing on file the audited financial statements as of and for the year ended June 30, 2025.

B. City – Resolutions 2026-01 through 2026-05

At the end of each year, the City Council adopts resolutions that set dates, designate various employees for certain duties, and provide poverty exemption information for the upcoming year. Resolutions 2026-01 through 2026-05 designate Ordinance Enforcement Officers, set Council meeting dates, approve Employee Holidays, set Street Flag dates and provide poverty exemption guidelines for 2026.

Recommended action: Consider approving Resolutions 2026-01 through 2026-05 as presented.

C. City – Resolution 2025-22 – On-Premises Tasting Permit

An on-premises tasting permit is a license that allows alcohol manufacturers to sell and serve their products for consumption at a tasting room located on their licensed premises. In Michigan, the application requires recommendation from the local governing unit. Deep Well Brewing LLC is applying for an On-Premise Tasting Permit for their location at 712 E. Bridge St. in Plainwell.

Recommended action: Consider approving Resolution 2025-22 as presented, which recommends approval of a On-Premises Tasting Permit for Deep Well Brewing LLC by the Michigan Liquor Control Commission.

D. City – Classic Auto Factory Lease Agreement Discussion

We have been negotiating with Classic Auto Factory for the last several months. We now have a lease which both parties are generally in favor of. It follows the terms that have been previously presented to the Council.

Highlights of the lease:

- They will lease the entirety of the Mill.
- 50-year lease for 1 dollar per year
- They are responsible for all costs including paying our insurance premium and all renovation
- They can purchase the building for a period of up to 15 years.
- They must purchase the building if they can obtain insurance that is not more than 1.5 time the amount that the Cities policy is.
- They can't purchase, or otherwise take ownership, of the building if they haven't completed the improvement requirements.

Recommended action: Discussion

E. City – Mill Development Discussion

Council will discuss and review currently proposed development plans for the Mill Complex.

Recommended action: Discussion

Reminder of Upcoming Meetings

- January 07, 2026 – Planning Commission – 6:30pm
- **January 12, 2026 – Plainwell City Council – 7:00pm**
- January 13, 2026 – Plainwell DDA/BRA/TIFA – 7:30am
- January 13, 2026 – Parks & Trees – 4:00pm
- January 21, 2026 – Planning Commission– 6:30pm

Agenda Subject to Change

Note: All public comment limited to two minutes, when recognized please rise and give your name and address.

Plainwell is an equal opportunity provider and employer