



**CITY OF ZEELAND**  
**City Council Work-Study Session**  
**Agenda**  
**City Hall – Council Chambers, 2<sup>nd</sup> Floor, 21 South Elm**  
**December 15, 2025, 6:00 p.m.**

**DISCUSSION ITEMS:**

1. Electric and Water Terms of Service
2. Fiscal Year '25/'26 Audit Review
3. Edger Attachment Purchase
4. Lawrence Park Bowl Painting and Caulking Bid Award
5. Mandu Escapes, LLC Liquor License Transfer
6. Redistricting Ordinance
7. HealthSource Wellness Contract
8. 2026 Goal Setting Dates
9. WMAA Appointment – Mayor Pro-Tem Gruppen

**UPCOMING BUSINESS:**

**OLD BUSINESS:**

Vacancies on Boards/Commissions:  
Board of Construction Appeals (1)  
Nominating Commission (5)

**ANNOUNCEMENTS:**



**CITY OF ZEELAND**  
**City Council Regular Meeting**  
**Agenda**  
**City Hall – Council Chambers, 2<sup>nd</sup> Floor, 21 South Elm**  
**December 15, 2025, 7:00 p.m.**

**CALL TO ORDER:**

Invocation – Pastor Mark Timmer, Third Christian Reformed Church  
Pledge of Allegiance to the Flag  
Excuse absent members (by motion and reason)  
Approve additions/deletions to the Agenda  
Consent Agenda (page 2)  
Public Comment/Visitors  
Communications  
City Manager's Report

**PUBLIC HEARING:**

**7:10 P.M. - Mandu Escapes, LLC Liquor License Application**

**ACTION ITEMS:**

1. Mandu Escapes, LLC Liquor License Transfer and Restaurant Contract Agreement
2. Fiscal Year '25/'26 Annual Comprehensive Financial Report Acceptance
3. Ordinance 1047, Electric Terms of Service
4. Ordinance 1048, Water Terms of Service
5. Resolution for Electric Terms of Service
6. Resolution for Water Terms of Service
7. Lawrence Park Bowl Caulking and Painting Bid Award
8. Edger Attachment Purchase
9. Ordinance 1049, Redistricting Ordinance
10. HealthSource Wellness Contract
11. 2026 Goal Setting Dates
12. Airport Authority Appointment – Mayor Pro-Tem Gruppen

**REPORTS FROM CITY COUNCIL MEMBERS**

**ANNOUNCEMENTS**

## **CONSENT AGENDA**

All items listed on the consent agenda are considered to be routine and will be enacted by one motion with a roll call vote. There will be no separate discussion of these items unless a council member, a member of the administrative staff or a citizen so requests, in which event the item will be removed from the consent agenda and considered separately in its normal sequence on the regular agenda.

1. Approve minutes of the Regular City Council meeting of December 1, 2025,
2. Approve minutes of the City Council Work Study meeting of December 1, 2025,

TO: Mayor Van Dorp and City Council Members

FROM: Andrew M. Boatright, General Manager

SUBJECT: ZBPW Water and Electric Terms of Service

CC: December 15, 2025 City Council Agenda

DATE: December 12, 2025

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Over the past several months, Zeeland Board of Public Works staff have undertaken a comprehensive review and update of the existing “Rules and Regulations” governing both electric and water utility services. This effort was initiated to modernize these long-standing documents, ensuring they accurately reflect current utility practices, operational procedures, and regulatory standards.

The outcome of this effort is the development of the newly titled “Terms of Service” for Water and Electric. The new Terms replace the prior Rules and Regulations, reorganizing and clarifying the material to make it more consistent with today’s customer service standards and municipal utility best practices. The structure and language have been streamlined to enhance clarity, improve accessibility for customers, and better communicate the rights, responsibilities, and obligations of both the customer and the utility.

The following is a summary of key content updates in the newly developed Terms of Service documents for Water and Electric:

- A more comprehensive glossary has been added to define key terms such as “critical care customer”, “medical emergency”, “eligible senior citizen”, “tenant”, and so on.
- The Terms now include detailed criteria and certification procedures for customers qualifying as critical care or medical emergency households. The policy specifies documentation requirements, renewal timelines, and allowable postponement periods for shut-off, ensuring fair and consistent application. These additions ensure consistent application of policies and compliance with applicable regulations.
- The new Terms includes enhanced language clarifying procedures for service disconnection and restoration. Details include the required notification process, payment arrangements, and reconnection procedures. Customer protections for senior citizens, low-income households, and medical or critical-care customers are consolidated into a single, clear policy.
- The new Terms provide clear guidance for properties served by master meters, specifying that the landlord or management authority is the customer of record and fully responsible for payment of all utility charges.
- The new Terms include explicit references to cross-connection and backfeed prevention requirements under the ZBPW’s water cross connection and electrical safety and interconnection standards.

As part of this initiative, staff request approval of companion legislation that removes the former “Rules and Regulations” and “Fees and Charges” sections from the Zeeland City Code and enables future revisions of the Terms of Service documents to be accomplished by Resolution of the Board of Commissioners and City Council. This approach will streamline the update process, allowing more timely administrative revisions while maintaining appropriate oversight and transparency.

If approved, the new Terms of Service would become effective January 1, 2026. At their December 9, 2025 regular meeting, the Board of Commissioners approved recommending this legislation for City Council consideration.

**Recommendation**

(Note: Separate Council action is requested for each action item in the order listed below.)

- Approve Ordinance No. 1047 (Electric) to Amend Sections 40-74 through 40-77 and Sections 40-97 through 40-102 of Volume I of The Code of the City of Zeeland, Michigan.
- Approve Ordinance No. 1048 (Water) to amend Section 40-124 and Section 40-125 and to Repeal Sections 40-147 through 40-155 of Volume I of The Code of the City of Zeeland, Michigan.
- Approve the Resolution to adopt the Electric Terms of Service effective January 1, 2026
- Approve the Resolution to adopt the Water Terms of Service effective January 1, 2026

Attachments: Ordinance No. 1047  
Ordinance No. 1048  
Resolution - Adoption of Electric Terms of Service  
Resolution - Adoption of Water Terms of Service  
ZBPW Electric Terms of Service effective January 1, 2026  
ZBPW Water Terms of Service effective January 1, 2026

**CITY OF ZEELAND**

**ORDINANCE NO. 1047**

(An ordinance to Amend Sections 40-74 through 40-77  
and Sections 40-97 through 40-102 of Volume I of  
The Code of the City of Zeeland, Michigan)

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of  
Ottawa, Michigan, held in the Zeeland City Hall in said City on December \_\_\_\_, 2025, at 7:00 o'clock P.M.,

Local Time.

PRESENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

The following preamble and ordinance were offered by Council Member  
\_\_\_\_\_ and supported by Council Member \_\_\_\_\_ :

WHEREAS, the Board of Public Works has reviewed the terms for providing electric service to  
its customers;

AND WHEREAS, it is recommended that various fees and scheduled be adopted and made  
available to its customers and potential customers in a document which is entitled “Electric Terms of  
Service”;

AND WHEREAS, the Electric Terms of Service will be approved by the Board of Public Works  
and by a resolution of the City Council and the updating of the Electric Terms of Service will be more  
expediently changed if changes are adopted by a resolution of the City Council;

AND WHEREAS, to make the necessary changes, various sections of the Zeeland City Code  
must be amended;

AND WHEREAS, the public will be able to access the Electric Terms of Service on the BPW's website and from the staff of the Board of Public Works.

THE CITY OF ZEELAND ORDAINS.

Section 1. Sections 40-74 through 40-77 and Sections 40-97 through 40-102 of Volume I of The Code of the City of Zeeland, Michigan are hereby amended to read in their entirety as follows:

**"Sec. 40-74. Electrical service charges.**

(a) *Residential service (rate A).*

- (1) *Availability.* Open to any customer desiring service for domestic and farm uses, which include only those purposes which are usual in individual private family dwellings, or separately metered apartments, and in the usual appurtenant buildings served through the residential meter. This rate is not available for commercial or industrial service, or for resale purposes.

Residences in conjunction with commercial or industrial enterprises, homes or dormitories for groups other than private family units, apartment buildings or multiple dwellings, and mobile homes in courts may take service on this rate only under terms and conditions contained in the city board of public works, hereinafter referred to as BPW, standard rules and regulations.

- (2) *Nature of service.* Alternating current, 60 hertz, single phase, 120/240 nominal volts.
- (3) *Monthly rate.* The monthly rate is the sum of the service charge, the energy optimization fee, the energy charge, and the fuel and purchased power cost adjustment, as such charges and adjustments are defined hereafter.
- a. Service charges: \$13.50 per customer per month.
  - b. Energy optimization fee: \$0.50 per customer per month.
  - c. Energy charge: 7.94¢ per kilowatt hour for all kilowatt hours.
- (4) *Power cost adjustment.* A power cost adjustment shall be applied to all kilowatt-hours in accordance with the Power Cost Adjustment (PCA) Rider electric service schedule.
- (5) *Minimum charge.* The sum of the service charge and the energy optimization fee which are included in the monthly rate are the minimum charge.
- (6) *Term and form of contract,* Open order. No written application or contract required.
- (7) *Terms of service.* Service governed by BPW's standard terms of service and shall be as is established by a resolution which has been approved by the City Council. Service for single-phase motors may be included under this rate, provided the individual capacity of such motors does not exceed three horsepower, nor the total capacity of ten horsepower, without the specific consent of the BPW.

Where the BPW elects to measure the service on the primary side of the transformers, three percent will be deducted for billing purposes from the energy measurements thus made.

(b) *General secondary service (rate B).*

- (1) *Availability.* Open to any customer desiring secondary voltage service. This rate is also available for service to any customer where the city board of public works, hereinafter referred to as BPW, elects to provide one transformation from the available primary distribution voltage to another primary voltage desired by the customer. This rate is not available for auxiliary or standby service, for street lighting service or for resale purposes.
- (2) *Nature of service.* Alternating current, 60 hertz, single-phase or three-phase, the particular nature of the voltage in each case to be determined by the BPW.
- (3) *Monthly rate.* The monthly rate is the sum of the service charge, the energy optimization fee, the energy charge, and the fuel and purchased power cost adjustment, as such charges and adjustments are defined hereafter.
  - a. Service charge: \$31.50 per customer per month.
  - b. Energy optimization fee: \$3.50 per customer per month.
  - c. Energy charge: 9.288¢ per kilowatt hour.
- (4) *Power cost adjustment.* A power cost adjustment shall be applied to all kilowatt-hours in accordance with the Power Cost Adjustment (PCA) Rider electric service schedule.
- (5) *Minimum charge.* The sum of the service charge and the energy optimization fee which are included in the monthly rate are the minimum charge.
- (6) *Term and form of contract.* Open order. No written application or contract required.
- (7) *Terms of service.* Service governed by BPW's standard terms of service and shall be as is established by a resolution which has been approved by the City Council.

When the service is three phase, three wire, lighting may be included provided the customer furnishes all transformation facilities required for such purpose, and so arranges the lighting circuits as to avoid excessive unbalance of the three-phase load. When the service is single phase or four wire, three phase, the single-phase individual motor capacity shall not exceed three horsepower, nor the total single phase motor capacity ten horsepower, without the specific consent of the BPW.

Where the BPW elects to measure the service on the primary side of the transformers, three percent will be deducted for billing purposes from the energy measurements thus made.

(c) *General secondary service (rate C).*

- (1) *Availability.* Open to any customer desiring secondary voltage service where the billing demand is five kilowatts or more. This rate is also available for service to any customer where the city board of public works, hereinafter referred to as BPW, elects to provide one transformation from the available primary distribution voltage to another primary voltage desired by the BPW. This rate is not available for street lighting service or for resale purposes.
- (2) *Nature of service.* Alternating current, 60 hertz, single-phase or three-phase, the particular nature of the voltage in each case to be determined by the BPW.
- (3) *Monthly rate.* The monthly rate is the sum of the capacity charge, the energy optimization fee, the energy charge, the fuel and purchased power cost adjustment, as such charges and adjustments are defined hereafter.
  - a. Capacity charge: \$14.00 per kilowatt.
  - b. Monthly facilities charge: \$45.00.
  - c. Energy optimization fee: \$32.50 per customer per month.
  - d. Energy charge: 5.10¢ per kilowatt hour.

- (4) *Power cost adjustment.* A power cost adjustment shall be applied to all kilowatt-hours in accordance with the Power Cost Adjustment (PCA) Rider electric service schedule.
- (5) *Minimum charge.* The sum of the capacity charge and the energy optimization fee which are included in the monthly rate are the minimum charge.
- (6) *Billing demand.* The billing demand shall be the kilowatts supplied during the period of maximum use in the billing month, but not less than 60 percent of the highest billing demand of the preceding 11 months, nor less than five kilowatts.

The BPW reserves the right to make special determination of the billing demand and/or minimum charge should equipment which creates high demands of momentary duration be included in the customer's installation.

- (7) *Adjustment for power factor.* When the power factor during the period of maximum use in a billing month is less than 80 percent lagging, the BPW reserves the right to increase the capacity charge for such billing month in the ratio that 80 percent bears to such power factor. The BPW may, at its option, determine the power factor by test or by permanently installed measuring equipment.
- (8) *Term and form of contract.* No written application or contract is required. A minimum term of one year is required.
- (9) *Terms of service.* Service governed by BPW's standard terms of service and shall be as is established by a resolution which has been approved by the City Council.

When the service is three phase, three wire, lighting may be included, provided the customer furnishes all transformation facilities required for such purposes and so arranges the lighting circuits as to avoid excessive unbalance of the three phase load. When the service is single phase, or four wire, three phase, the single-phase individual motor capacity shall not exceed three horsepower, nor the total single-phase motor capacity shall not exceed three horsepower, nor the total single-phase motor capacity ten horsepower, without the specific consent of the BPW.

Where the BPW elects to measure the service on the primary side of the transformers, three percent will be deducted for billing purposes from the demand and energy measurements thus made.

(d) *Commercial and industrial primary service (rate D).*

- (1) *Availability.* Open to any customer desiring primary voltage services for commercial or industrial use where the billing demand is 25 kilowatts or more. This rate is not available for street lighting service or for resale purposes.
- (2) *Nature of service.* Alternating current, 60 hertz, single-phase, the particular nature of the voltage in each case to be determined by the city board of public works, hereinafter referred to as BPW.
- (3) *Monthly rate.* The monthly rate is the sum of the capacity charge, the energy optimization fee, the energy charge, and the fuel and purchased power cost adjustment, as such charges and adjustments are defined hereafter.
  - a. Capacity charge: \$12.00 per kilowatt.
  - b. Monthly facilities charge: \$100.00.
  - c. Energy optimization fee: \$0.00065 per kilowatt hour.
  - d. Energy charge: 5.188¢ per kilowatt hour.
- (4) *Power cost adjustment.* A power cost adjustment shall be applied to all kilowatt-hours in accordance with the Power Cost Adjustment (PCA) Rider electric service schedule.

- (5) *Minimum charge.* The sum of the capacity charge and the energy optimization fee which are included in the monthly rate are the minimum charge.
  - (6) *Billing demand.* The billing demand shall be the kilowatts supplied during the 15-minute period of maximum use in the billing month, but not less than 60 percent of the highest billing demand of the preceding 11 months, nor less than 25 kilowatts.
  - (7) *Adjustment for power factor.* This rate may require a determination of the average power factor maintained by the customer during the billing period. Such average power factor will be determined through metering of lagging kilowatt hours to kilowatt hours which will then be converted to the average power factor for the billing period by using the appropriate conversion factor. Whenever the average power factor during the billing period is above .899 or below .800, the capacity charge will be adjusted as follows:
    - a. If the average power factor during the billing period is .900 or higher, the capacity charge will be reduced by two percent. This credit shall not in any case be used to reduce the prescribed minimum charge or the capacity charge when based upon 60 percent of the highest billing demand of the preceding 11 months.
    - b. If the average power factor during the billing period is less than .800, the capacity charge will be increased by the ratio that .800 bears the customer's average power factor during the billing period.
  - (8) *Term and form of contract.* No written application or contract is required. A minimum term of one year is required.
  - (9) *Terms of service.* Service governed by BPW's standard terms of service and shall be as is established by a resolution which has been approved by the City Council.
- (e) *Experimental electric vehicle charging station rate (rate E).*
- (1) *Availability.* Open to any customer using a public BPW electric vehicle charging station for the purpose of using said station for electric vehicle charging.  
 Public BPW electric vehicle charging station means an installation including vehicle supply cable connector(s), internal relays and contact designed specifically for the purpose of delivering from a supply source to a plug-in electric vehicle. This equipment meets or exceeds the following codes, standards, and recommended practices:  
 National Electric Code Article 625, UL2594, UL2231-1, UL2231-2, NFPA 70, SAE J1772
  - (2) *Nature of service.* Alternating current, 60 hertz, single-phase, 120/240 nominal volts.
  - (3) *Monthly rate.* The monthly rate is the sum of the energy charge and the fuel and purchased power cost adjustment, as such charges and adjustments are defined hereafter.
    - a. Energy charge: 10¢ per kilowatt hour.
  - (4) *Minimum charge.* The minimum charge is \$0.00 if no energy is used.
  - (5) *Terms and form of contract.* Open order. No written application or contract required.
  - (6) *Terms of service.* Service governed by BPW's standard terms of service and shall be as is established by a resolution which has been approved by the City Council.
- (f) *Net metering service rider (rate NM).*
- (1) *Availability.* The purpose of this rider is to enable BPW customers who generate electricity using qualified renewable energy sources to connect to the BPW's electric distribution system and to send electricity back to the BPW electric distribution system at times when their on-site

generation exceeds their own use. Customers served under this rider must also take service from the BPW under an otherwise applicable standard rate. The BPW net metering program and offering of this rider, will be in effect and available until the total nameplate capacity of all participating generators is equal to a maximum program limit of one percent of the BPW peak load for the preceding calendar year.

- (2) *Conditions of service.* A qualifying "net metering" facility is an electrical generating facility that complies with all of the following requirements:
- a. Customer must generate electricity using a renewable energy resource including but not limited to: biomass, solar, photovoltaic or wind. Other renewable energy resources must be approved in advance.
  - b. Generating facility must be located on customer's premises.
  - c. Is intended primarily to offset all or part of customer's own electric load requirements.
  - d. Is designed and installed to operate in parallel with the BPW's system without adversely affecting the operation of the equipment and service to the BPW and its customers.
  - e. Does not present a safety hazard to BPW personnel or the customer.
  - f. Installation complies with all requirements in the "expedited generator interconnection requirements" or "generator interconnection requirements" as appropriate, and all documents referred therein.
  - g. BPW personnel shall be provided access to the generation facility during normal business hours and during all emergency situations.
  - h. If the project is proven to be a source of electrical interference, and interference exceeds generally accepted industry standards, the generator owner shall be responsible to eliminate the interference.
  - i. Generation systems will be sized not to exceed customer's annual electric needs for the location of renewable system.
  - j. Must complete all applicable interconnect applications.
  - k. Upon acceptance of an interconnect application, contracts must be executed before the net metering facility may be interconnected.
  - l. Customer is responsible to ensure proposed generation equipment and installation meet all applicable federal, state and local laws, regulations, ordinances and zoning requirements before acquiring and installing generating equipment.
  - m. BPW at its discretion will make final determination of the acceptable size of the renewable energy generating system eligible for this rider.
- (3) *Monthly rate.* The monthly rate is the sum of all applicable charges calculated based on the applicable rate for all capacity, energy, fuel and purchased power cost adjustment along with applicable fees and charges.

All "net metering" customers will also be billed a monthly service charge of \$5.00 per month to recover the costs associated with operating the net metering program.

- (4) *Monthly credits.* For all customer classes except "residential," monthly credits shall be calculated for all energy delivered by the customer to the BPW, based on the energy costs avoided by the BPW as a result of the customer's participation. The per unit value of the energy avoided by the BPW shall be determined as the monthly average "system cost" as defined in the BPW's average fuel and purchase power cost adjustment calculation for the period the

credit is applied. Residential "net metering" as defined in the "expedited generator interconnection requirements" shall be credited at the full retail rate.

- (5) *Net energy billing terms and conditions.* The BPW shall measure the net electricity produced or consumed by the customer during each billing period, in accordance with BPW's normal metering practices.

If the electricity supplied by the BPW to the customer exceeds the electricity generated and delivered into the BPW's electric system by the customer during the billing period, or any portion thereof, then the customer shall be billed at the rate under which the customer takes service for electricity supplied by the BPW. The customer shall also be billed the appropriate customer charge paid by other customers in the same rate class for each meter and any other charges, such as capacity, billing demand, reactive power and any other charges applicable to energy use and applicable adjustments and fees.

If the electricity generated and delivered into the BPW's electric system by the customer during the billing period, or any portion thereof, exceeds the electricity supplied by the BPW to the customer, then the customer shall be:

- a. Billed for the appropriate customer charge as other customers in the same rate class for each meter and other charges including but not limited to: capacity, billing demand, reactive power and any other charges applicable to energy use and applicable adjustments and fees; and
  - b. Credited for the net excess kilowatt-hours generated and delivered into the BPW's electric system by the customer during the billing period, with this kilowatt-hour credit appearing on the customer's bill for the following period(s) as an off-set for the period's consumption. The kilowatt-hour credit will be used to offset any future consumption with the consumption credit not to be carried forward for more than 12 monthly billing cycles.
  - c. Any remaining unused kilowatt-hour credit accumulated by the customer during a continuous 12-month period shall be granted to the BPW without any compensation in June of each year.
- (6) *Terms of service.* This rider is subject to the BPW Terms of Service and shall be as is established by a resolution which has been approved by the City Council and all provisions of the standard rate under which the customer takes service. This rider is subject to provisions of: the generator interconnection application, submitted by the customer; the interconnection agreement to be executed prior to initiating service under this rider; the net metering agreement to be executed prior to initiating service under this rider; the generator interconnection requirements or expedited generator interconnection requirements, as appropriate; an interconnection study agreement; contact list; the BPW's rate schedules, customer-generator service policies, and general rules and regulations, all of which may be modified by the BPW from time to time.

(g) *Voluntary green pricing standard program (rate G).*

- (1) *Availability.* This program is available to electric utility customers desiring to voluntarily secure an additional amount of renewable energy, but the availability of this rate may be limited.
- (2) *Monthly rate.* Charges for renewable energy secured under this program are in addition to the charges for electricity consumed as calculated under the applicable rate. Available quantities of renewable energy are 100 kilowatt-hour (kWh) blocks\*\* or in ten percent increments\*\* of the total monthly consumption per customer account.
  - a. Renewable energy charge adder: \$0.00939 per kilowatt hour.

- (3) *Terms and conditions.* Renewable energy provided under this program is applicable only to an individual customer account and will not be aggregated across multiple customer accounts. The minimum term available to all customers is 12 continuous complete billing periods. Customer must commit to either a whole number of one hundred kilowatt-hour blocks or a percentage of usage in ten percent increments. A written application is required.
  - (4) *Terms of service.* Service under this rate is subject to the BPW terms of service and shall be as is established by a resolution which has been approved by the City Council.
- (h) *Voluntary green pricing high volume electricity usage program (rate LG).*
- (1) *Availability.* This program is available to high volume electricity usage customers desiring to voluntarily secure renewable energy\* and whose average monthly electricity usage is no less than 10,000 kilowatt-hours (kWh). Availability may be limited.
  - (2) *Monthly rate.* Charges for renewable energy secured under this program are in addition to the charges for electricity consumed as calculated under the applicable rate. Available quantities of renewable energy are either 100 percent\*\* or 50 percent\*\* of total monthly kilowatt-hour consumption per customer account.
- Renewable energy charge adder: \$0.00750 per kilowatt-hour.
- (3) *Terms and conditions.* Renewable energy provided under this program is applicable only to an individual customer account and will not be aggregated across multiple customer accounts. The minimum program term available to all customers is 12 continuous complete billing periods, and written notice of cancelation must be provided no less than 30 days in advance to exit the program. A written application is required.
  - (4) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution a resolution which has been approved by the City Council.
- (i) *User fees.* The above referenced electric charges are found to be user fees. Such electric charges serve a regulatory purpose of ensuring that electricity is used and rationed in accordance with the needs of a customer for such a commodity. The charges are proportionate to the costs of providing electricity to customers. In addition, it is noted that electric customers can voluntarily control the amount of their bills since electric customers have the ability to control their use of electricity and they determine the size of their own electrical service.

\* Renewable energy credits (RECs) eligible for retirement in the State of Michigan's MIRECs program will be used as the means of administering the program.

\*\* The actual renewable energy charges applied under this program will be calculated to include the renewable contribution included in BPW's standard rates, but no less than 15 percent.

Note: RECs will be retired by the Zeeland BPW on behalf of the customer or transferred to the customer's MIRECS or compatible account if so directed. Specific retirement or documentation requirements shall be provided in writing and accepted by BPW staff in advance.”

**“Sec. 40-75. Electrical rates, liens.**

Electrical rates and liens shall be charged as established by a resolution which has been approved by the City Council.”

**“Sec. 40-76. Electric service fees and charges schedule.**

Electrical service fees and charges rates shall be charged as established by a resolution which has been approved by the City Council.”

**“Sec. 40-77. Street lighting policy and service charges.**

(a) *Street lighting service (rate S).*

- (1) *Availability.* Street lighting is available to any political subdivision for street lighting service for any system consisting of one or more luminaires where the board of public works (BPW) has an existing distribution system with secondary voltage available. Luminaires may be installed with no limitation as to spacing between luminaires. Where a line extension is required to serve one or more luminaires, the BPW will furnish 350 linear feet of secondary line extension per luminaire served from such extension, and the political subdivision shall be liable for the costs of the secondary line extension after such first 350 linear foot extension.
- (2) *Nature of service.* The BPW will furnish, install, own, operate and maintain all equipment comprising the street lighting system and will supply unmetered energy.
- (3) *Monthly rate.* The monthly rate per luminaire with a standard fixture and setting shall be computed based on the following provisions:

Luminaire fixture	Monthly charge
<i>High pressure sodium luminaire</i>	
100 W	\$9.20
150 W	\$9.82
250 W	\$11.58
400 W	\$15.36
1,000 W	\$20.42
<i>Mercury vapor luminaire</i>	
100 W	\$6.46
175 W	\$7.39
250 W	\$10.60
400 W	\$22.49
1,000 W	\$22.49
<i>LED luminaire</i>	
1-40W	\$7.29
41-100W	\$7.76
101-200W	\$11.89
201-300W	\$15.87

- (4) *Customer contribution.* Monthly rates are based on fixtures normally installed and stocked by the BPW, and installed utilizing normal construction techniques. The BPW may upon customer request and at its option, install a street lighting system not covered in the rates above. Such request will be subject to a contribution in aid of construction for both the installation and the future maintenance of a nonstandard lighting system. The monthly charge for a nonstandard lighting system will be calculated and determined based upon the operational costs of such a system.
- (5) *Terms of service.* Service shall be governed by the BPW's terms of service and shall be as is established by a resolution which has been approved by the City Council.”

**“Sec. 40-97. Commercial electric vehicle charging station rate (rate EVC).**

- (a) *Availability.* This rate is available to any customer desiring commercial electric vehicle charging service for customers with a separately metered charging station (e.g. level 2 or DC fast charging). This rate is not available for resale purposes.
- (b) *Nature of service.* This service is alternating current, 60 hertz, single or three phase. The secondary voltage is determined by the Zeeland Board of Public Works (ZBPW).
- (c) *Monthly rate.* Shall be computed in accordance with the following charges:

Facilities charge – single phase	\$45.00 per month
Facilities charge – three phase	\$100.00 per month
Capacity charge	\$3.85 per kilowatt (kW) of billing demand
Energy charge	\$0.10294 per kilowatt-hour (kWh)

- (d) *Minimum bill.* The sum of the capacity charge, plus energy optimization fee (as defined in the energy optimization surcharge fee.)
- (e) *Billing demand.* The billing demand shall be the kW supplied during the 15-minute period of maximum use during the month, but not less than 60 percent of the highest billing demand established during the preceding 11 months, nor less than five kilowatts.
- (f) *Metering.* Where the ZBPW elects to measure the service on the primary side of the transformers, the metered kilowatt hour thus measured will be reduced by three percent for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter, the consumptions as registered by the different meters will not be combined for billing purposes but will be computed and billed separately.
- (g) *Power factor.* When the power factor during the period of maximum use in a billing month is less than 80 percent lagging, the ZBPW reserves the right to increase the capacity charge for such billing month in the ratio that 80 percent bears to such power factor. The ZBPW may, at its option, determine the power factor by test or by permanently installed measuring equipment.
- (h) *Power cost adjustment.* A power cost adjustment shall be applied to all kilowatt-hours in accordance with the Power Cost Adjustment (PCA) Rider electric service schedule.
- (i) *Energy optimization fee.* This rate is subject to the energy optimization fee as defined on a separate rate schedule and incorporated herein by this reference.
- (j) *Rules and regulations.* Service under this rate is subject to the ZBPW rules and regulations for electric service incorporated herein by this reference.”
- (j) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution which has been approved by the City Council.”

**“Sec. 40-98. Economic development rate (rate ED).**

- “(a) *Availability.* This rate schedule is applicable to new or expanding commercial or industrial customers with a new load of 250 kilowatts or greater and with an annual load factor of 50 percent

or higher. Service under this schedule is limited to a total aggregated load of 15 megawatt. This rate is not applicable for standby, supplemental, or resale services.

New or expanding customers are defined as:

- (1) Businesses that are newly locating in BPW's service area. Businesses that are relocating an existing load within BPW's service area are NOT eligible.
  - (2) Existing accounts that have been inactive (100 kilowatt hour usage or less per month) for 18 months or longer.
  - (3) Existing accounts that are adding a load that is 250 kilowatts or greater than the customer's historical bills from the most recent past 12 months. The discount is applicable to the new load portion of a customer's usage. The new load is to be separately metered. The customer is responsible for metering costs to separately meter the new load. Existing usage will be charged under applicable rate schedule.
- (b) *Nature of service.* This service is alternating current, 60 hertz, three phase service. The secondary voltage is determined by the Zeeland Board of Public Works (BPW).
- (c) *Monthly rate.* Shall be computed in accordance with the following charges. The applicable monthly energy charge and demand charge under the customer's applicable rate schedule will be reduced as follows. The energy cost adjustment (ECA) is excluded from the discount.

Description	General secondary (c)	C&I primary (d)
Year 1	17.8%	13.1%
Year 2	14.2%	10.4%
Year 3	10.6%	7.7%
Year 4	7.0%	5.0%
Year 5	3.4%	2.3%

- (d) *Term.* Service under this schedule requires a contract between BPW and the customer. The total term of the contract shall be five years.
- (e) *Charges.* All applicable charges under the customer's rate schedule shall apply. Other surcharges, fees, and taxes imposed by agencies having jurisdiction apply to schedule ED customers. Other applicable BPW fees and schedules also apply to schedule ED customers.
- (f) *Approval.* Application of this rate schedule shall be subject to the approval of the City Council.
- (g) *Contract.* The customer must sign a standard BPW economic development rate contract in order for the rates under this schedule to be applicable.
- (h) *Minimum bill.* The sum of the capacity charge, (minimum billing demand of five kilowatts), plus energy optimization fee (as defined in the energy optimization surcharge fee.)
- (i) *Billing demand.* The billing demand shall be the kilowatts supplied during the 15-minute period of maximum use during the month, but not less than 60 percent of the highest billing demand established during the preceding 11 months.
- (j) *Metering.* Where the BPW elects to measure the service on the primary side of the transformers, the metered kilowatt hours thus measured will be reduced by three percent for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter, the consumptions as registered by the different meters will not be combined for billing purposes, but will be computed and billed separately.

- (k) *Power factor.* When the power factor during the period of maximum use in a billing month is less than 80 percent lagging, the BPW reserves the right to increase the capacity charge for such billing month in the ratio that 80 percent bears to such power factor. The BPW may, at its option, determine the power factor by test or by permanently installed measuring equipment.
- (l) *Fuel and purchased power cost adjustment.* This rate is subject to a fuel and purchased power cost adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.
- (m) *Energy optimization fee.* This rate is subject to the energy optimization fee as defined on a separate rate schedule and incorporated herein by this reference.
- (n) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution which has been approved by the City Council.”

**“Sec. 40-99. Standby rate (rate SB).**

- (a) *Availability.* Available for use by qualifying small power production facilities and qualifying cogeneration facilities certified as qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (PURPA).
- (b) *Monthly rate.* The monthly charge is the sum of the charges listed below for secondary, primary, or sub-transmission service times the subscribed capacity of the generating unit(s) standby power is being provided for.

Secondary service customer	\$4.97 per kW
Primary service customer	\$4.41 per kW
Sub-transmission service customer	\$2.23 per kW

- (c) *Term.* The obligations of both parties commence when the BPW begins to supply service and continues until the BPW receives written notice of a request to discontinue service.
- (d) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution which has been approved by the City Council.”

**“Sec. 40-100. Supplemental power (rate SP).**

- (a) *Availability.* Available for use by qualifying small power production facilities and qualifying cogeneration facilities certified as qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (PURPA).
- (b) *Nature of service.* This rate applies when customer generation does not, on a regular basis, provide all power requirements of the customer's facility.
- (c) *Monthly rate.* BPW will provide supplemental power at the BPW published rates applicable for the amount and nature of the supplemental power being provided.
- (d) *Term.* The obligations of both parties commence when the BPW begins to supply service and continues until the BPW receives written notice of a request to discontinue service.
- (e) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution which has been approved by the City Council.”

**“Sec. 40-101. Maintenance power/unscheduled outages (rate MP).**

- (a) *Availability.* Available for use by qualifying small power production facilities and qualifying cogeneration facilities certified as qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (PURPA).

- (b) *Nature of service.* For scheduled customer-owned generation outages or derates for maintenance or other services.
- (c) *Monthly rate.*
  - (1) Energy charge (kilowatt hour) will be based on the BPW published rates applicable for the amount and nature of the maintenance power being provided.
  - (2) Demand charges:
    - a. If the outage is approved by BPW (scheduled outage) no demand charges will be assessed on the standby portion of the customer's load.
    - b. If the outage is not approved by BPW (unscheduled outage), the applicable supplemental demand charge will be assessed.
- (d) *Term.* The obligations of both parties commence when the BPW begins to supply service and continues until the BPW receives written notice of a request to discontinue service.
- (e) *Terms of service.* Service under this rate is subject to the terms of service and shall be established by a resolution which has been approved by the City Council. Written notice must be provided to the BPW designated contact at least five business days in advance of the maintenance event.”

**“Sec. 40-102. Large industrial time of use rate (rate LI-TOU).**

- (a) *Availability.* This rate is available to any customer desiring primary voltage time of use service for commercial or industrial use where the billing demand is 5,000 kilowatts or more. The rate is not available for street lighting or for resale purposes.
- (b) *Nature of service.* This service is alternating current, 60 hertz, single or three phase. The primary voltage is determined by the Zeeland Board of Public Works (BPW).
- (c) *Monthly rate.* Shall be computed in accordance with the following charges:

Facilities charge	\$100.00 per month
Capacity charge	\$5.20 per kW
Non-summer (October—May)	
On-peak energy	\$0.0807 per kilowatt-hour (kWh)
Off-peak energy	\$0.0462 per kilowatt-hour (kWh)
Summer (June—September)	
Critical-peak energy	\$0.2852 per kilowatt-hour (kWh)
On-peak energy	\$0.1045 per kilowatt-hour (kWh)
Off-peak energy	\$0.0447 per kilowatt-hour (kWh)

- (d) *Schedule of time periods.* Except where otherwise provided, the following critical, on, and off-peak schedule shall apply Monday through Friday (except holidays designated by the utility). Weekends and holidays are off-peak.

On-peak hours	9:00 a.m. to 8:00 p.m.
Off-peak hours	8:00 p.m. to 9:00 a.m.
Critical-peak hours	12:00 p.m. to 3:00 p.m.

- (e) *Minimum bill.* The sum of the capacity charge, plus energy optimization fee (as defined in the energy optimization surcharge fee.)
- (f) *Billing demand.* The billing demand shall be the kilowatts supplied during the 15-minute period of maximum use during the month, but not less than 60 percent of the highest billing demand established during the preceding 11 months.
- (g) *Metering.* Where the BPW elects to measure the service on the primary side of the transformers, the metered kWh thus measured will be reduced by three percent for billing purposes to adjust for transformer losses. Where the customer receives service through more than one meter, the consumptions as registered by the different meters will not be combined for billing purposes, but will be computed and billed separately.
- (h) *Power factor.* When the power factor during the period of maximum use in a billing month is less than 80 percent lagging, the BPW reserves the right to increase the capacity charge for such billing month in the ratio that 80 percent bears to such power factor. The BPW may, at its option, determine the power factor by test or by permanently installed measuring equipment.
- (i) *Fuel and purchased power cost adjustment.* This rate is subject to a fuel and purchased power cost adjustment factor added to the above energy charges and calculated as defined on a separate rate schedule incorporated herein by this reference.
- (j) *Energy optimization fee.* This rate is subject to the energy optimization fee as defined on a separate rate schedule and incorporated herein by this reference.
- (k) *Terms of service.* Service under this rate is subject to the terms of service and shall be as is established by a resolution which has been approved by the City Council. ”

Section 2. All Ordinances or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 3. This Ordinance shall take effect immediately upon publication thereof and is hereby declared to be an Emergency Ordinance.

This Ordinance is hereby adopted on the \_\_\_\_ day of December, 2025, at a Regular Meeting of the Zeeland City Council, with the following vote:

AYES: Council Members \_\_\_\_\_

\_\_\_\_\_

NAYS: Council Members \_\_\_\_\_

\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_

City of Zeeland

By: \_\_\_\_\_  
Richard J. Van Dorp III, Mayor

By: \_\_\_\_\_  
Kristi DeVerney, Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of Ordinance No. \_\_\_\_\_ which was duly adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December \_\_\_\_, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act. I hereby certify that the above Ordinance known as Ordinance No. \_\_\_\_\_ or a summary of such Ordinance was published in the Zeeland Record on the \_\_\_\_\_ day of December, 2025.

\_\_\_\_\_  
Kristi DeVerney, Clerk

**CITY OF ZEELAND**

**ORDINANCE NO. 1048**

(An ordinance to Amend Section 40-124 and Section 40-125  
and to Repeal Sections 40-147 through 40-155 of Volume I of  
The Code of the City of Zeeland, Michigan)

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of  
Ottawa, Michigan, held in the Zeeland City Hall in said City on December \_\_\_\_, 2025, at 7:00 o'clock P.M.,  
Local Time.

PRESENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

The following preamble and ordinance were offered by Council Member  
\_\_\_\_\_ and supported by Council Member \_\_\_\_\_ :

WHEREAS, the Board of Public Works has reviewed the terms for providing water service to its  
customers;

AND WHEREAS, it is recommended that various fees and scheduled be adopted and made  
available to its customers and potential customers in a document which is entitled “Water Terms of  
Service”;

AND WHEREAS, the Water Terms of Service will be approved by the Board of Public Works  
and by a resolution of the City Council and the updating of the Water Terms of Service will be more  
expediently changed if changes are adopted by a resolution of the City Council;

AND WHEREAS, to make the necessary changes, various sections of the Zeeland City Code  
must be amended and/or repealed;

AND WHEREAS, the public will be able to access the Water Terms of Service on the BPW's website and from the staff of the Board of Public Works.

THE CITY OF ZEELAND ORDAINS.

Section 1. Section 40-124 and Section 40-125 of Volume I of The Code of the City of Zeeland, Michigan are hereby amended to read in their entirety as follows:

**“Sec. 40-124. Water department service rules, and regulations.**

Terms of service of the water service contract for every person, firm, organization or entity which is supplied with water from the board of public works shall be established by a resolution which has been approved by the City Council.”

**“Sec. 40-125. Water service fees and charges schedule.**

Water service fees and charges shall be established by a resolution which has been approved by the City Council.”

Section 2. Section 40-145 through Section 40-155 of Volume I of The Code of the City of Zeeland, Michigan are hereby repealed in their entirety.

Section 3. All Ordinances or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 4. This Ordinance shall take effect immediately upon publication thereof and is hereby declared to be an Emergency Ordinance.

This Ordinance is hereby adopted on the \_\_\_\_ day of December, 2025, at a Regular Meeting of the Zeeland City Council, with the following vote:

AYES: Council Members \_\_\_\_\_  
\_\_\_\_\_

NAYS: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_

City of Zeeland

By: \_\_\_\_\_  
Richard J. Van Dorp III, Mayor

By: \_\_\_\_\_  
Kristi DeVerney, Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of Ordinance No. \_\_\_\_\_ which was duly adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December \_\_\_\_, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act. I hereby certify that the above Ordinance known as Ordinance No. \_\_\_\_\_ or a summary of such Ordinance was published in the Zeeland Record on the \_\_\_\_\_ day of December, 2025.

\_\_\_\_\_  
Kristi DeVerney, Clerk

**RESOLUTION**

(Adoption of Electric Terms of Service)

**City of Zeeland  
County of Ottawa, Michigan**

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of Ottawa, Michigan, held in the City Hall in said City on December \_\_\_\_, 2025, at 7:00 o'clock p.m., Local Time.

PRESENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

The following preamble and resolution were offered by Council Member \_\_\_\_\_ and supported by Council Member \_\_\_\_\_.

WHEREAS, the Board of Public Works has reviewed its terms and conditions for connecting to the electrical distribution system of the Zeeland Board of Public works and for purchasing electricity from the Zeeland Board of Public Works;

AND WHEREAS, the Electric Terms of Service have been reviewed by the Board of Public Works such Terms of Service will be made available to the public in both print and electronic formats;

AND WHEREAS, the Electric Terms of Service are necessary to operate a reliable electric utility and to provide information to customers as to enrollment procedures, discontinuation requests, reasons for suspension of service, payment obligations; billing information, deposits, service charges and liens, shut-off policies, payment plan alternatives, dispute resolution procedures and other miscellaneous information;

AND WHEREAS, the Electric Terms of Service will promote the public welfare and will promote the public safety since the Electric Terms of Service also provide for service in hardship and in emergency conditions.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The attached Electric Terms of Service are hereby adopted and approved in their entirety.

The attached Electric Terms of Service will become effective on January 1, 2026.

2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Council Members \_\_\_\_\_

\_\_\_\_\_

NAYS: Council Members \_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Kristi DeVerney, Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of a Resolution adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December \_\_\_\_, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Kristi DeVerney, Clerk

**ELECTRIC TERMS OF SERVICE ATTACHMENT**

**RESOLUTION**

(Adoption of Water Terms of Service)

**City of Zeeland  
County of Ottawa, Michigan**

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of Ottawa, Michigan, held in the City Hall in said City on December \_\_\_\_, 2025, at 7:00 o'clock p.m., Local Time.

PRESENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

The following preamble and resolution were offered by Council Member \_\_\_\_\_ and supported by Council Member \_\_\_\_\_.

WHEREAS, the Board of Public Works has reviewed its terms and conditions for connecting to the water distribution system of the Zeeland Board of Public works and for purchasing water from the Zeeland Board of Public Works;

AND WHEREAS, the Water Terms of Service have been reviewed by the Board of Public Works and such Terms of Service will be made available to the public in both print and electronic formats;

AND WHEREAS, the Water Terms of Service are necessary to operate a reliable water utility and to provide information to customers as to enrollment procedures, discontinuation requests, reasons for suspension of service, payment obligations, landlord obligations, billing information, deposits, service charges and liens, shut-off policies, payment plan alternatives, dispute resolution procedures and other miscellaneous information;

AND WHEREAS, the Water Terms of Service will promote the public welfare and will promote the public safety since the Water Terms of Service also provide for service in hardship and in emergency conditions.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The attached Water Terms of Service are hereby adopted and approved in their entirety.

The attached Water Terms of Service will become effective on January 1, 2026.

2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Council Members \_\_\_\_\_  
\_\_\_\_\_

NAYS: Council Members \_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Kristi DeVerney, Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of a Resolution adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December \_\_\_\_, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Kristi DeVerney, Clerk

## **WATER TERMS OF SERVICE ATTACHMENT**



# Electric Terms of Service

Effective January 1, 2026

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# 1. General Terms of Service

## A. Definitions

**Commercial Customer:** A classification used for businesses not involved with the direct manufacture of durable goods. A classification is also used for multiple family residential structures with two (2) or more units or structures that are metered but is not a Dwelling Unit.

**Critical Care Customer:** A Customer who requires, or has a household member who requires, home medical equipment or a life support system, and who have provided appropriate documentation to ZBPW identifying the equipment or system and certifying that an interruption of service would be immediately life threatening.

**Customer:** A purchaser of electrical and/or water services supplied by ZBPW, and/or wastewater service supplied by the City of Zeeland.

**Dwelling Unit:** A single room, suite or groups of rooms or suites with accommodations to sleep, eat, and has a bathroom.

**Energy Improvement Program/Energy Waste Reduction (EWR) Program:** The Energy Improvement Program Fee is designed to recover ZBPW Energy Waste Reduction (EWR) plan costs as allowed by law.

**Estimated Consumption:** Consumption calculation based on prior use of the service, or the operating characteristics of the building and equipment used.

**Fuel and Purchased Power Cost Adjustment:** the amount of kWh by which the applicable rates shall be adjusted for billing each month. The adjustment will be applied monthly based on a 12-month rolling average.

**Heating Season: November 1 through April 15**

**Industrial Customer:** A classification for businesses directly involved with manufacturing goods or services for sale as an organized action.

**Low Income Customer:** A Customer whose household income does not exceed the published percentage of the poverty level, as established by the State of Michigan or the United States Department of Health and Human Services (DHHS), or who receives any of the following: assistance from a state emergency relief fund, food stamps, or Medicaid.

**Medical Emergency:** An existing medical condition of a Customer, or member of the Customer's household, as defined and certified by a physician or public health official on official stationery or company-provided form, that will be aggravated by lack of utility service.

**Meter Reading:** Electronic or manual effort to read the amount of electricity or water used by a Customer.

**Meter Constant:** A fixed value used to convert Meter Readings into Customer energy use.

**Monthly Rate:** The charges, fees and unit prices as established by ZBPW's rate-making body and the quantities to which they apply.

**Multi-Dwelling Structure or Multi-Dwelling Unit (MDU):** A building containing 2 or more Dwelling Units, including but not limited to apartments, condominiums, or senior housing projects.

**Person:** Any individual, corporation, partnership, company, limited liability corporation, organization or governmental entity.

**Premises:** A tract of land including its buildings.

**Rate:** the charges, fees, and unit prices as established by ZBPW/City of Zeeland and the quantities to which they apply.

**Residential Customer:** A classification reserved for one- and two-family residential structures and other multiple family structures where each Dwelling Unit is individually metered. Residential structures must accommodate a place to sleep, eat and have a bathroom.

**Senior Citizen:** A Customer who is 65 years of age or older and advises ZBPW of his or her eligibility.

**Service/Facility Charge:** A monthly fixed charge that covers the expenses to maintain and service a Customer's account. This includes billing, metering, and Customer service. The Service/Facility charge also funds a portion of the capital investments in equipment, structures, and meters as well as engineering and construction services.

**Service Point:** The point at which the ZBPW or the City of Zeeland has agreed to provide utility services.

**Tenant:** Person(s) named responsible for the one or more utilities under an executed lease or similar document.

**ZBPW:** When used in these Terms of Service, ZBPW is an abbreviation for Zeeland Board of Public Works.

## 2. General Provisions

All national and state statutes and regulations that govern the provision of utility services apply and supersede the terms of service contained in this document. All local ordinances and codes of the governmental units within the service territory of ZBPW also govern the services provided by ZBPW where applicable.

**A Customer that commences and/or maintains electric service with ZBPW agrees to abide by all ZBPW Electric Terms of Service and Rates.** All Rates are subject to revision at any time upon approval by the ZBPW Board of Commissioners and Zeeland City Council.

### A. Obligations

The obligations of both parties commence when ZBPW begins to supply service and continues until either party has received from the other any form of communication (i.e. email, telephone call, or written notice) to discontinue service. After notice is given, service may continue until a reasonable time when ZBPW can disconnect service, not to exceed ten (10) days. These Terms of Service shall be followed unless otherwise specified in a contractual agreement or as identified in the Terms of Service for each utility offering.

## B. Continuity of Service

The ZBPW supplies 60 Hertz current throughout its service area. ZBPW and the City of Zeeland will use ordinary diligence in providing utility service but do not guarantee constant or continuous service. By applying for utility service, each Customer shall be deemed to have agreed that:

1. Notwithstanding any other provision in these rules, the ZBPW may interrupt, curtail, or suspend electric service to all or some of its Customers with or without notice, for inspection, repair, maintenance, alteration or change on the Customer's premises or elsewhere, and shall have no duty, obligation, or responsibility, for or by such interruption or suspension of service, or any damage or loss resulting therefrom; and
2. ZBPW shall have no duty, liability, or obligation for or by any reason of responsibility for Customer's losses or damages due to service interruptions, phase failure or reversal, or variations in service characteristics, or the use of the ZBPW equipment and facilities on a Customer's premises, or other conditions and causes beyond the ZBPW control.

## 3. New Service Requirements

The following information may be required to establish a new service.

### A. Residential Service

- Full Name
- Service Address via a mortgage/property tax statement or executed lease (add)
- Mailing Address if different from Service Address
- Telephone Number
- Email Address
- State or Governmental issued Identification (i.e. Driver's License, Military ID, Passport)

### B. Business Service

- Legal Business Name and Tax ID Number (as registered in Michigan)

- Type of Business
- Tax Status (Taxable, Tax Exempt or partial Tax Exempt, documentation will be required)
- Telephone Number
- Email Address
- Contact Name(s)
- Owner or Business Agent Name
- Mailing Address if different from Service Address

A new Customer must contact the ZBPW within ten (10) business days of commencing service to set up their account. Failure to do so may result in the disconnection of service until the account has been properly established. A new Customer account may not be established for a service location if a delinquent Customer account holder resides at the same premises or is listed as a tenant on a new premise (service location) as the new Customer, unless the balance due and owing for the delinquent Customer account holder is paid in full and a deposit is collected according to Section 5G. Account Security Deposits.

A Service Transfer Fee (as defined in the ZBPW Schedule of Fees and Charges) shall be applied to all new accounts, both City and Township. The Service Transfer Fee will be added to the first bill. Rental property accounts reverting to the landlord will be exempt from this fee.

## **4. Service/Facility Charge**

All active accounts will be billed with the Service/Facility Charge based on account type and size. Service must be completely disconnected or suspended to eliminate the service/facility charge. Disconnect/Reconnect fees may apply.

### **A. Discontinuation of Service**

All requests for a discontinuation of service shall be made through ZBPW Customer Service. Discontinuation of service is subject to applicable fees and charges.

## **B. Suspension of Service**

All requests for suspension of service shall be made through ZBPW Customer Service. Except as otherwise set forth herein, ZBPW shall not issue credits for service lapses due to vacations or other non-use of service. Notwithstanding the foregoing, a residential Customer may request a suspension of service, which will be honored for a minimum period of three (3) months and a maximum period of six (6) months. The Customer shall provide ZBPW with the date the suspension of service shall commence and the date the suspension of service shall be lifted so that services resume. Only one suspension of service shall be allowed per 12-month period. Service charges shall not be prorated for Customer-requested suspension of service.

# **5. Responsibility for Payment of Bill**

## **A. General**

Each ZBPW Customer is responsible for paying all utility bills as rendered on or before the due date shown thereon. Bills are rendered monthly. Bills will be distributed by mail or electronically to all Customers at least fourteen (14) days before the due date shown on the bills. ZBPW is not responsible for bills lost in the mail. It is the Customer's responsibility to ensure timely payment of their bill, regardless of delivery issues. Failure to receive a bill does not exempt the Customer from payment obligations or potential late fees. The Customer remains responsible for payment of the bills until the Customer orders service to be discontinued and ZBPW has had reasonable time to secure a final Meter Reading. If a bill remains unpaid ZBPW shall have the right to discontinue service as defined in the Shut-Off Policy (Section 6).

## **B. Non-Sufficient Funds/Fraud**

Customers who have two (2) returned payments within a twelve-month period will be required to make payments via cash or credit card for the next twelve months. Customers who commit check or credit card fraud will be required to pay via cash only.

## **C. Requests for Billing History Data**

ZBPW will provide Customers with their billing history at no charge, provided the information is currently stored on an active database. Customer requests for billing history that is no longer on an active database will be subject to record retention schedules and to payment of hourly fees based on the average burdened hourly wage of the ZBPW employee assigned to perform the research and compilation of the data.

## **D. Michigan Sales Tax**

Bills for electric service are subject to Michigan State Sales Tax. Customers may file a request for exemption from the application of sales tax and request reimbursement if less than 120 days of lapsing coverage, in accordance with the laws of the State of Michigan and the rules of the Michigan State Department of Treasury. In the event the required exemption documentation is not obtained within 120 days from date of sale, the Customer shall make its own refund inquiries directly to the State Department of Treasury.

## **E. Estimated Consumption**

While it is ZBPW standard to read meters monthly, readings may be estimated when conditions warrant. Until reconciled by an actual reading, bills rendered on estimated consumption have the same force and effect as bills rendered on actual meter readings. If for any reason all consumption used cannot be registered accurately, the unmetered portion shall be estimated by ZBPW based on prior consumption or the operating characteristics of the building and equipment.

## F. Receipt of Payment

Full and partial payments will be applied in the following manner:

1. To the oldest outstanding arrears
2. 65% to the remaining outstanding electric account.
3. 15% to the remaining outstanding water account.
4. 20% to the remaining outstanding wastewater account.
5. On-bill loan account
6. All other fees and services

Payment assistance received from third party providers will be applied to appropriate services as designated by the provider.

## G. Late Charges

A late payment charge of 1.5% of the amount in arrears will be assessed when next month's bill is rendered. The late payment charge will not apply to any penalty portion of the Customer's bill. Customers may request a late charge waiver under extenuating circumstances.

## H. Billing Errors

Errors in billing can occur for a variety of reasons. In some cases, the error can be clearly identified and quantified, while in other cases the error can only be estimated. This policy establishes the rules for handling errors in billing. This policy does not apply to theft or unauthorized use of service or estimated bills.

Errors in billing can be caused, but are not limited to, any of the following reasons:

1. An incorrect meter read whether by person or electronically.
2. An incorrect Meter Constant.

3. Installation of the incorrect metering equipment.
4. An incorrect calculation of the applicable rate.
5. A meter switched by the utility or a utility representative.
6. An incorrect application of the rate schedule.
7. A meter error (failure to measure or accurately record all usage).
8. Another similar act or omission by the utility in determining the amount of a Customer's bill.

An undercharge or overcharge that is caused by a non-registering meter, an estimated meter read, or a Customer read is not considered a billing error.

If an error in billing occurs and results in overcharging a Customer, ZBPW shall refund or credit the overcharge based on the actual time the overcharge occurred within the 36-month period immediately preceding the discovery of the error. Refunds to Customers will normally be made promptly upon discovery of the error.

If an error in billing occurs and results in undercharging a Customer, the Customer is responsible for the undercharged amount for up to the 12-month period immediately preceding the discovery of the error. Amounts due to ZBPW from the Customer will be subject to normal collection policies, procedures, and practices. A Customer may request and be granted a payment plan up to the number of months used to calculate the undercharged amount.

## **G. Account Security Deposits**

Security deposits shall be determined as follows:

1. The standard residential security account deposit will be applied according to the current ZBPW Schedule of Fees and Charges.
2. The ZBPW shall require the standard residential account security deposit for all residential accounts serving leased residential properties, including mobile home parks, and for Customers who have filed for bankruptcy and continue to live in their homes.

3. Moreover, if any residential account has been disconnected for nonpayment, an additional deposit equal to the standard residential security deposit will be required each time any residential account is disconnected for nonpayment before service will be reconnected.
4. The ZBPW may require an account security deposit of up to two (2) times the average monthly billing for commercial or industrial accounts.
5. An additional standard deposit will be required for properties in Holland Charter and Zeeland Charter Townships which elect to exempt properties from the potential utility non-payment lien through the Notice of Lease provisions in the Township's utility lien ordinances.

ZBPW will refund deposits of \$1.00 or more to all Customers who have voluntarily terminated service and paid all charges due. Refunds under \$1.00 will not be refunded due to associated processing costs.

## **H. Lien as a Security for the Collection of Service Charges**

Except as otherwise provided or limited by state law, ZBPW shall have as security for the collection of all charges for utility services as authorized by the Revenue Bond Act of 1933, as amended, a lien upon the premises to which such services were supplied. Such liens shall become effective immediately upon the distribution or supplying of such service or services to such premises. The term "charges for utility service" shall mean the rates, fees, rentals, and all other charges for furnishing such service and all repairs, maintenance, and alterations of such service which the ZBPW determines to be the responsibility of the service Customer.

## **A. Placement on Tax Rolls**

### **I. City of Zeeland**

Except as otherwise provided by State law, all unpaid charges for utility services furnished to any such premises, which on the 31<sup>st</sup> day of March each year, have remained unpaid for a period of three (3) months, or more, shall be reported by the Clerk per Zeeland City Charter Sec.13.25 to the City Council at the first meeting thereof in the month of April. The Council

thereupon shall order the publication in a newspaper published in the city, of notice to all owners of property within the city that all unpaid utility charges which have remained unpaid for a period of three (3) months or more prior to the 31<sup>st</sup> day of March, and which have not been paid by the 30<sup>th</sup> day of April, shall be assessed upon the city's tax roll against the premises to which the utility services, for which unpaid charges accrued, were supplied or furnished; and that such charges shall be collected in the same manner as the city taxes and said tax roll.

## **II. Holland and Zeeland Townships**

The Townships agree to assist and cooperate with the ZBPW in collecting delinquent charges for utility services provided to ZBPW Customers in the township. Specifically, if the General Manager of the ZBPW certifies in writing to the Township(s) on or before September 15<sup>th</sup> those charges for utility service(s) which are delinquent six (6) months or more on August 31, then the Township(s) will enter a lien for such charges on the Township tax roll for that year against the premises to which utility service has been provided.

## **III. Protection of Landlord, Notice of Lease and Security**

### **Deposit**

If the owner of a premise which receives services provided by the ZBPW shall lease the premises to a tenant who is responsible under the lease for the payment of the charges for specified services, and the property owner notifies ZBPW in writing of the lease agreement by an affidavit of lease (including a copy of the lease executed by the owner and their tenant), then the charges for electric services provided to such leased premises shall not become a lien against the premises after the date ZBPW receives notice. Immediately after filing of such notice, ZBPW shall render no further service to the premises until it receives a security deposit as security for the payment of the electric charges from the tenant (or an individual or entity acting on behalf of the tenant).

## **6. Shut-Off Policy**

This policy applies generally to all Customers of the ZBPW who receive ZBPW electric or water service. Policy statements that apply solely to Residential Customers are noted. It is the policy

of ZBPW to conform to all requirements of [Michigan Legislature - Section 460.9g](#) (the "Act") with regard to residential utility shutoffs.

## A. General Requirements

### I. Proper Shut-Off

Subject to the other requirements of this policy, ZBPW may shut off service to a Customer for any of the following reasons:

1. The Customer has not paid a delinquent account that accrued within the last six (6) years.
2. The Customer has failed to provide a deposit or guarantee as required by ZBPW.
3. The Customer has engaged in unauthorized use of ZBPW's service.
4. The Customer has failed to comply with the terms and conditions of a payment plan entered into with ZBPW in accordance with ZBPW's rules.
5. The Customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.
6. The Customer misrepresented his or her identity for the purpose of obtaining ZBPW service or put service in another person's name without the permission of the other person.
7. The Customer has violated any rules of the provider so as to adversely affect the safety of the Customer or other persons or the integrity of ZBPW's system.
8. A person living in the Customer's residence meets both of the following:
  - a. Has a delinquent account for service with the ZBPW within the past six years but remains unpaid, and
  - b. The Customer lived in the person's residence when all or part of the debt was incurred. The ZBPW may transfer the prorated amount of the debt to the Customer's account based upon the length of time that the Customer resided in the person's residence so long as the Customer was not a minor at the time.

## II. Improper Shutoff

ZBPW may not shut off service to a Customer for any of the following reasons:

1. The Customer has not paid for concurrent service received at a separate metering point, residence, or service location.
2. The Customer has not paid for service at premises not occupied by the Customer unless:
  - a. The Customer supplies a written notarized statement that the premises is unoccupied,
  - b. The premises is occupied, and the occupant agrees, in writing, to the shutoff of service,
  - c. It is not feasible to provide service to the occupant as a Customer without a major revision of existing distribution facilities, or
  - d. It is feasible to provide service to the occupant as a Customer without a major revision of existing distribution facilities and the occupant refuses to put the account in their name.

## III. Service Shutoff Resulting in Death or Serious Injury

### a. Notification

ZBPW shall notify the Michigan Public Service Commission (Commission) of any shutoff of service that results in the death or serious injury of a residential Customer. ZBPW shall supply the Commission any relevant information regarding the death or serious injury, including, the procedures followed during the shut off.

## B. Notice

Except where a shut-off is necessary to maintain service quality, prevent damage to the relevant distribution system, or prevent damage to property, ZBPW shall not shut off service prior to sending a notice to the Customer by first-class mail not less than ten (10) days before the date of the proposed shut-off. ZBPW shall maintain a record of the date the notice was sent.

## **C. Permissible Shutoff**

ZBPW may shut off service to a Customer on the date specified in the notice of shutoff or at a reasonable time following that date. If ZBPW does not shut off service and mails a subsequent notice, then ZBPW shall not shut off service before the date specified in the subsequent notice. Shutoff shall occur only between the hours of 8:00 a.m. and 2:00 p.m. Monday through Thursday. No disconnections shall be permitted on a legal holiday or on the day before a legal holiday.

## **D. Termination of Service**

ZBPW, upon approval of the Zeeland City Council, may adopt a termination of electric service policy establishing the terms and conditions under which electric service to any Customer may be suspended, discontinued, or terminated. In the event a termination of service requirement is adopted by state law, which is applicable to ZBPW, ZBPW shall not adopt a policy which is less restrictive than applicable statutory provisions.

Termination of services are subject to applicable service charges.

## **E. Shutoff When Restoration Services Are Not Available**

ZBPW shall not shut off service on a day, or a day immediately preceding a day when the services of ZBPW are not available to the general public for the purpose of restoring service.

## **F. Contact to Customer**

### **I. Generally**

For involuntary shutoff of electric or water or services, at least one day before the service shutoff, ZBPW shall make no less than one attempt, in addition to the notice of shutoff, to contact the Customer by one or more of the following methods:

1. A personal or automated telephone call where direct contact is made with a member of the Customer's household, or a message is recorded on an answering machine or voicemail.
2. First-class mail.
3. A personal visit to the Customer.
4. A written notice left at or on the Customer's door.
5. Any other method approved by the Michigan Public Service Commission for regulated utilities.

## **II. Remote Shutoff**

For an involuntary shutoff using a meter with a remote shutoff capability, any notice shall state that the disconnection of the service will be done remotely and that a provider representative will not return to the Premises before disconnection.

## **III. Documentation; Contact by Telephone**

ZBPW shall document all attempts to contact the Customer. If contact is made by telephone, ZBPW shall inform the Customer or other responsible person that the shut-off of service is imminent and of the steps necessary to avoid shut-off.

## **F. Restoration**

ZBPW shall restore service upon a Customer's request when the cause for the shutoff has been cured or credit arrangements satisfactory to ZBPW have been made.

If the Customer qualifies for restoration and his or her household contains a meter that must be restored manually, ZBPW shall make reasonable efforts to restore service to the Customer within eight hours of the utility's receipt of complete payment. If the meter has remote restoration capability, service shall be restored on the first working day after the Customer requests restoration, except in the case of documented equipment failure.

## **G. Charges for Shutoff and Restoration**

Following disconnection of service, the entire past due ZBPW charges as well as applicable reconnection charges and an additional security deposit (as applicable) must be collected in full prior to reconnection. Personal checks and EFT/ACH will not be accepted for payment following disconnection.

## **H. Critical Care and Medical Emergency Residential Customers**

### **I. Postponement**

For electric and water service, ZBPW will postpone shutoff of service for up to 21 days if a Customer is a Critical Care Customer or has a certified medical emergency. To qualify for a postponed disconnection for medical reasons, a medical certification form must be completed by a medical doctor or public health official and submitted to the ZBPW prior to disconnection. The Customer shall identify the period during which the shutoff will aggravate the medical emergency. If the Customer provides additional documentation or certification, ZBPW will postpone the shutoff for additional periods of up to 21 days for a total of not more than 63 days in any 12-month period per household member. Annually, shutoff extensions totaling more than 126 days per household will not be given.

### **II. Restoration**

If a shutoff of service has occurred without postponement being obtained, ZBPW will restore the service upon presentation of the appropriate documentation or certification. The service shall continue for up to 21 days. If the Customer provides additional documentation or certification, ZBPW will postpone the shutoff for additional periods of up to 21 days for a total of not more than 63 days.

### **III. Other Protections**

Application for this protection does not prohibit a ZBPW Customer from applying for separate protections.

## **IV. Deferred Payment Plan**

Any Customer, prior to termination, may establish a deferred payment plan to avoid termination of utility service, under the condition that the Customer signs a written agreement with the utility which specifies that:

1. The Customer will make regular payments in amounts acceptable to ZBPW for all charges of the Customer until all outstanding charges are paid in full and
2. The Customer acknowledges that the utility services shall be terminated without any further notification should the Customer fail to comply with the terms of the agreement and
3. The late charges shall be assessed during the deferment period on any applicable utility charges.
4. ZBPW is not required to enter into a subsequent payment until a Customer has complied with the terms of any existing or previous agreements. If the Customer has defaulted on the terms and conditions of a payment agreement within the last twelve (12) months, ZBPW is not required to enter into a subsequent payment plan.

## **I. Active-Duty Military Customers**

Active-Duty Military Customers are residential households where:

1. The household income is reduced because the Customer of record, or the spouse or domestic partner of the Customer of record, is called to full-time active military service by the President of the United States or the Governor of the State of Michigan during a time of declared national or state emergency or war, and
2. Assistance is needed by the residential household to maintain service, and
3. The residential household has notified the provider of the need for assistance and has proven verification of the call to active-duty status.

## **I. Shutoff Prohibited**

ZBPW shall not shut off service to an active-duty military Customer during their service for a period of up to ninety (90) days. In its sole discretion, ZBPW can provide one or more extensions to the active-duty military Customer.

## **II. Notification**

An active-duty military Customer shall notify ZBPW of the end of his or her active-duty status as soon as that status is known.

## **III. Duty Not Void**

Unless waived by the ZBPW, this shutoff protection does not void or limit the obligation of the active-duty military Customer to pay for services received during his or her time of service.

## **IV. Payment Plan**

In the event an active-duty military Customer receives assistance, ZBPW shall:

1. Establish a payment plan requiring minimum monthly payments that allows the active-duty military Customer to pay any past amounts due over a reasonable time period not to exceed one year, and
2. Provide a qualifying Customer with information regarding any governmental, ZBPW, or other assistance programs, and
3. Provide active-duty military Customers with access to existing information on ways to minimize or conserve their service usage.

# **7. Utility Customer Dispute**

## **A. Complaint**

A utility Customer may dispute the correctness of all or part of the current amount shown on a utility bill. A utility Customer shall not be entitled to dispute the correctness of all or part of the amount if all or part of the amount was the subject of a previous dispute.

## B. Procedure

The procedure for utility Customer disputes shall be as follows:

(Within 30 days of the date such bill is issued, the utility Customer shall notify the utility, orally or in writing, that they dispute all or part of the current amount shown on a utility bill, stating as completely as possible the basis for the dispute.

If the utility determines that the present dispute is untimely or that the utility Customer previously disputed the correctness of all or part of the amount shown, the utility shall notify the Customer stating that the present dispute is untimely or invalid. The utility shall then proceed as if the Customer had not notified the utility of the present dispute.

If the utility determines that the present dispute is not untimely or invalid, the utility, within three working days after receipt of the Customer's notice, shall arrange an informal meeting between the utility Customer and an official of the utility.

Based on the utility's records, the Customer's allegations and all other relevant materials available to the official, the official shall resolve the dispute, attempting to do so in a manner satisfactory to both the utility and the Customer.

Within three working days of completion of the meeting, the official shall notify the Customer of his decision resolving the dispute.

If the decision is unsatisfactory to the Customer, the Customer, within three working days of his notification of the official's decision, may request a hearing before a utility hearing examiner.

The hearing before the examiner shall be held within five working days of the utility's receipt of the Customer's request.

At the hearing, the utility and the Customer shall be entitled to present all information that is, in the hearing examiner's view, relevant and material to the dispute.

Based on the hearing, the examiner, within three working days of the completion of the hearing, shall issue his decision resolving the dispute. His decision shall be final and binding on the utility and the Customer.

The hearing examiner shall be the General Manager of the ZBPW for appeals regarding water and electric charges. The hearing examiner shall be the City Manager for appeals regarding waste water disposal charges. An appropriate interim official may be designated by the hearing examiner to address disputes in their absence.

Utilization of this dispute procedure shall not relieve a utility Customer of their obligation to timely and completely pay all other undisputed utility charges and the undisputed portion of the amount which is the subject of the present dispute. Failure to timely and completely pay all such undisputed amounts shall subject the utility Customer to all applicable late charges and to termination of utility service.

## 8. E-Services Privacy, Terms & Conditions

Please view our website for the most up to date privacy policy, terms, conditions and cookies associated with e-services. [zeelandbpw.com/privacy-policy](http://zeelandbpw.com/privacy-policy)

Any questions regarding the privacy policy or terms and conditions should be directed to [info@zeelandbpw.com](mailto:info@zeelandbpw.com).

## 9. Theft

ZBPW will investigate cases of suspected theft and fraud. All cases, where there is sufficient evidence, will be turned over to the City of Zeeland Police Department, Ottawa County Sheriff's Office, and/or the City Attorney.

ZBPW will attempt to recover all charges that were intentionally avoided or not paid, plus all monthly-acrued late fees. In addition, six (6) percent over prime rate recovery charge will be

assessed to charges, fees and penalties. All costs relating to the investigation and remediation of theft of services will be assessed to the account.

If the actual amount of service lost to the theft or diversion cannot be determined, the amount will be estimated using previous account history. If neither the actual amount of service nor an estimated amount of service for the particular account can be determined, the account shall be assessed the average usage for the class of service prorated to the time the theft or diversion occurred. There is no limitation on the time period for which past charges will be assessed.

Other actions, civil or criminal, will be decided by the General Manager of the ZBPW and/or City Attorney, as appropriate.

## **10. Miscellaneous Provisions**

### **A. Other Remedies**

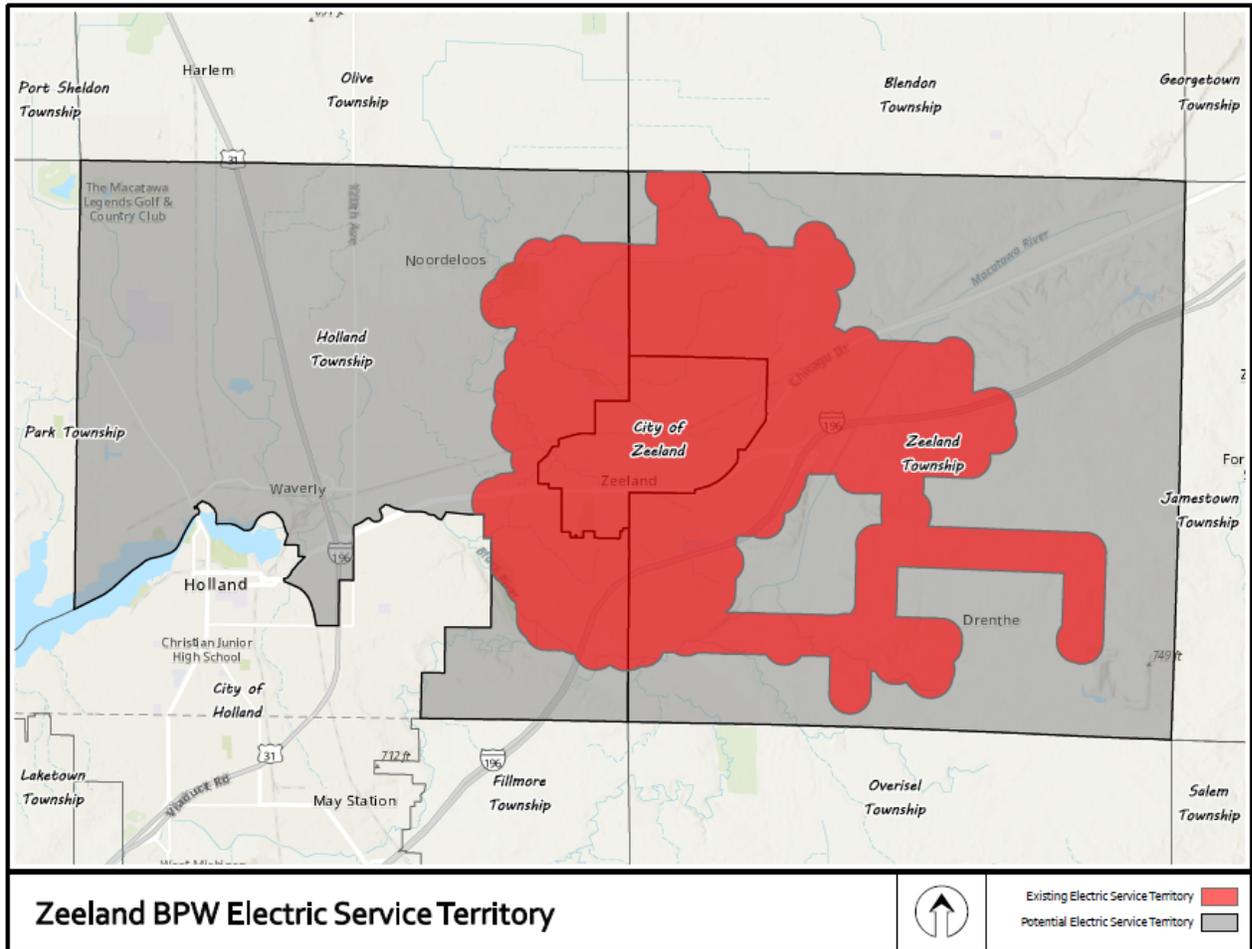
The implementation of Terms of Service does not preclude ZBPW from pursuing any of its legal rights, including the right to place liens of property granted to ZBPW, whether by statute, charter, or other power.

### **B. Forms**

ZBPW may develop any forms or documents needed to implement services so long as the developed forms or documents are consistent with the Terms of Service.

# 11. Electric Service Area

Please use the link below to view a map and description of the ZBPW electric service territory:  
(<https://zeelandbpw.com/electric/>)



# 12. Definitions

**Accessible:** Capable of being reached; within reach of ZBPW staff.

**Ampere:** Unit of electrical current.

**Contiguous Parcels:** Pieces of real estate that are adjoined or adjacent to each other and share a common boundary, not separated by a public street.

**Demand:** The maximum amount of electrical energy that is being consumed at a given time. It is measured in both Kilowatts and Kilovolt-Amperes.

**Distribution Line:** That portion of ZBPW's system which delivers Primary and Secondary Voltage from transformation points on the electric system to the Customer.

**Electric Power:** A term used in the electric industry to mean inclusive power and energy, expressed in Kilowatts and Kilowatt-Hours.

**Energy:** That which does or is capable of doing work. It is measured in terms of the work it is capable of doing; electric energy is usually measured in Kilowatt Hours (kWh).

**Hertz (Hz):** Cycle per second.

**Horsepower (hp):** Unit of mechanical power equivalent to 746 watts of electrical power.

**Kilovolt-Ampere (kVA):** Unit of apparent electrical power which at 100% Power Factor is equivalent to one Kilowatt.

**Kilowatt (kW):** One thousand Watts.

**Kilowatt-Hour (kWh):** Unit of electrical energy equivalent to the use of one Kilowatt for one hour. The Kilowatt-Hour is used to measure and track consumption on utility bills.

**Load:** The amount of Power or Kilovolt-Amperes delivered at a given point.

**Load Factor:** The average Power divided by the peak Power over a period of time.

**Line Extension Policy:** a policy which establishes a maximum level of utility investment in the event that upgrades, construction, or extension of facilities are required to provide service to new load connecting to the ZBPW system.

**Point of Interconnection:** The point at which the Customer's electrical conductors connect with ZBPW's distribution system.

**Power:** The rate at which electrical energy is transferred by an electric circuit measured in Kilowatts (kW).

**Power Factor (P.F. or PF):** Ratio of real Power flowing to the Load (watts) to apparent Power in the circuit (volt-amps), expressed in a percentage (%).

**Primary Voltage:** Nominal Voltage of 7,200 Volts or 12,470 Volts.

**Qualified Facility (QF):** A cogeneration or small power production facility that meets certain ownership, operating, and efficiency criteria established pursuant to the Public Utility Regulatory Policies Act (PURPA).

**Riser Pole:** Pole where the transition takes place between underground and overhead facilities. May be primary or secondary.

**Secondary Voltage:** Nominal voltage of 480 volts or less.

**Service Entrance Conductors:** The Customer-owned conductors between the Customer's main disconnecting device and the termination of ZBPW's service conductors.

**Service Upgrade:** Replacement of a service panel, meter socket or transformer to a unit with a larger capacity rating, or any Customer change that requires ZBPW to increase the size of its service conductor to the Service Location for an existing Customer.

**Volt:** Unit of electrical force.

**Watt:** Represents a basic unit of electricity. It's a small unit of measurement used to describe the electric consumption of individual devices or small appliances.

**Weather Head** – The point where overhead electrical wires from the utility connect to the home's service entrance. It is typically shaped to prevent rainwater from entering the conduit, protecting the electrical connections from moisture.

# 13. Service Conditions

## A. Description of Service

### I. Available Voltages

1. Single phase 120/240-volt three wire or 120-volt two-wire service is available.
2. Three phases, four wire 120/208 volt, four wire 120/240 volt, or 277/480 volt may be made available for commercial and industrial services. Three phase residential services are available at ZBPW discretion.
3. Primary Voltage service at 7,200/12,470 volt, three phase, four wire, is available. All equipment necessary for the protection of the Customer's equipment and the control of electricity shall be located on the Customer's side of the Point of Interconnection and shall be furnished, installed, and maintained by the Customer. Point of Interconnection shall be at the Customer's electrical connection to ZBPW's metering equipment (Grounded Wye).
4. The ZBPW is not required to provide more than one electric service to a Customer's premises. In cases where ZBPW permits an additional electric service, the Customer shall pay the additional costs involved.
5. If a Customer desires a three-phase voltage different from the established voltage in the area, it may be furnished at the ZBPW's option. In such cases, the Customer may incur extra costs involved. In such cases where there is more than one established voltage in the area, the ZBPW shall determine which voltage will be furnished and any applicable costs.

### II. Access to Premises

Employee(s) of ZBPW shall have the right to enter upon the Premises of any electric Customer at any time during normal business hours for the purpose of meter examination, testing, changing and/or moving any electrical equipment, meters, apparatus, and/or wiring, making a connected load count, or measuring the Customer's maximum electric Demand.

### **III. Customer Responsibility—Electric Meters**

Each Customer shall have the responsibility for installing electric metering sockets to permit ZBPW to connect its meter or metering system to the city electric distribution system. The meter socket, meter, or metering device shall be and remain Accessible to employees of ZBPW and must be maintained in front of and to both sides of the meter for installation, operation, testing, and replacement. ZBPW may promulgate additional rules and regulations regarding the technical requirements and specifications for connection to metering devices.

In the event ZBPW should change its meters or implement an alternate meter reading system, the Customer, upon not less than thirty (30) days' notice, shall arrange for the necessary electrical installation, including but not limited to the replacement of electric meter sockets, in order to make the Customer connection compatible with the new meters or alternate meter reading system.

ZBPW may offer an installment payment of costs or other financial incentive to the Customer for the conversion of the Customer equipment in order to construct and install compatible metering sockets and equipment for the meters or metering system of ZBPW. The terms of the installment payment of costs or other financial incentive shall be incorporated into a resolution as adopted, from time to time, by the Commissioners of Zeeland Board of Public Works and/or the Zeeland City Council, which shall specify the assistance available to Customers.

In the event a Customer fails to pay for the conversion of the electric metering socket and/or equipment, ZBPW shall have the right to enter on the Premises and arrange for such connection work to be done and place a lien on the Customer Premises for such costs and installation. The installation of necessary metering sockets shall be subject to all rights and remedies as permitted by law and charter for the establishment and priority of a lien as permitted by law.

### **IV. Trimming of Trees and Obstructions**

All vegetation maintenance performed by ZBPW follows pruning standards approved by the American National Standards for Line Clearance. Our goal is to retain the health of trees and other vegetation, as we clear lines to ensure Customer safety and system reliability. We strive

to complete a tree trimming maintenance cycle throughout our service area every three years in order to provide clearance for power lines.

ZBPW shall have the right, privilege, and authority to trim trees, overhanging branches, hedges, shrubs, or other obstructions which might endanger the safety or interfere with the construction, operation, and maintenance of any poles, cross-arms, wires, conductors, insulators, or other electrical fixtures, devices, or apparatus of ZBPW. By acceptance of electric service from ZBPW, each electric Customer shall be deemed conclusively to have granted such right, privilege, and authority to ZBPW; and if any electric Customer thereafter should challenge or object to the exercise of such service in the general utility function of ZBPW, service to such Customer may be refused and/or discontinued for that reason alone.

## **B. Right of Way and Easement Restoration**

ZBPW utility equipment (fire hydrants, poles, transformers, etc.) is often located in the road right-of-way or in easements provided on Customer property. Landscaping (lawns, shrubs, trees, flowers, plants, stone, mulch, etc.) shall not be located so as to prevent access to ZBPW utility equipment. In the event this policy is disregarded and installed landscaping is disturbed during the course of work to maintain and/or replace ZBPW utility equipment, ZBPW shall not be held responsible for repair or replacement of disturbed landscaping, trees, fencing, structures, or other items placed in the right of way. Restoration of work to maintain, repair or replace components in the right of way or designated utility easement is limited to replacement of any disturbed streets, driveways, curbs, sidewalks or parking lots and reseeded of turf areas for erosion control. For designated utility easements restoration of paved surfaces is limited to those incorporated into the easement or in existence at the time of execution of the easement.

Trees and tree limbs can sometimes bring down poles and conductors during storms and severe weather. When this happens, problem trees will be cut so ZBPW can make needed repairs to restore service. The tree debris, brush and wood may be left on the Customer's

property during storm events. ZBPW does not pick up brush or cut wood as a result of storm damage.

## 14. Use of Service

Electricity is supplied to a Customer for exclusive use on the premises to which it is delivered by ZBPW. Service may not be shared with another, sold to another, or transmitted off the premises without written permission of ZBPW.

Customers may install their own check meter for tenants, lessees, or other persons, to whom ultimately the service is distributed in order to apportion the usage for monthly billing purposes. Additionally, the renting of premises, with the cost of service included in the rental as an incident of tenancy, will not be considered a resale of such services.

### A. Customer Equipment

The Customer is responsible for ensuring that their wiring and equipment meet all the requirements of the latest edition of the National Electric Code. ZBPW may deny or terminate service to any Customer whose wiring or equipment constitutes a hazard to ZBPW employees, equipment, or its service to others.

The Customer shall install and maintain the necessary devices to protect their equipment against service interruptions, phase loss, variations in voltage and other disturbances in ZBPW electric transmission and distribution system, as well as the necessary devices to protect ZBPW system equipment against overload caused by the Customer's equipment.

### B. Equipment on Poles

It is the intent of ZBPW to provide a safe working environment for its employees and additional parties with whom ZBPW has a pole attachment agreement by regulating the attachment of Customer-owned equipment to ZBPW poles.

1. Customer-owned equipment shall not be installed on ZBPW poles for new installations.

2. ZBPW will furnish and install a service pedestal adjacent to the pole for connection to Customer's underground service conductors. The service pedestal will be the service point and will be the demarcation point between the ZBPW distribution system and the Customer's underground facilities.
3. An external disconnect and internal/external protection device on Customer side of Point of Interconnection is required.

Upon replacement of a pole, ZBPW, at its discretion, may either relocate Customer owned facilities to the new pole, or remove the Customer owned facilities from the pole and establish the service point as a service pedestal installed adjacent to the pole. ZBPW will inform the Customer of the needed relocation and determine a mutually agreeable location for the Customer-owned equipment.

1. Customers shall obtain approval of the service point and meter location before starting installation of a new or additional service entrance. ZBPW is responsible for installing the underground service conductors from ZBPW service point to their service equipment.
2. Modifications to Customer owned facilities must comply with the requirements of the current edition of the National Electric Code.

Any exceptions to the above requirements must be approved by ZBPW.

## **C. Power Quality**

The Customer shall use the service so as not to cause interference, affect voltage, affect frequency, add harmonics, or cause other disturbances to the ZBPW electric system or another Customer's service. If ZBPW notifies the Customer of such a condition, the Customer shall discontinue operation of equipment causing such condition until a correction has been made. If the Customer does not remedy the condition within ZBPW requested time frame, ZBPW will discontinue service until the Customer has remedied the situation and has paid fees for investigations and reconnections.

The Customer will be charged for all costs associated with alterations to ZBPW electric system required to continue proper operation in conjunction with the Customer's equipment. In determining the existence of disturbances, ZBPW will rely on the latest revision of all pertinent

IEEE and ANSI Standards. ZBPW may also use other appropriate standards or criteria in determining disturbances to the ZBPW electric system.

## **D. Tampering with a Metering Device**

An electric Customer of ZBPW shall not tamper with any ZBPW equipment; install or have installed any wiring, connection, apparatus, or other device which prevents the electric meter or metering system from registering or recording properly all energy used; or to be used; or which enables such Customer to obtain or use any electric energy without the same having been registered properly by any electric meter or metering device of ZBPW.

This section shall supplement and not be in lieu of any provision of state law, including but not limited to MCL 750.282.

A Meter Tampering fee shall be charged in any instance where it is found that a meter or any part of ZBPW owned electric equipment has been tampered with, regardless of if theft of electricity occurred or not. This fee shall include both the cost of repair and an applicable service call charge.

# **15. Metering**

## **A. General**

All energy sold to Customers will be measured by a meter owned and maintained by ZBPW. In locations where it is impractical to meter, such as street lighting or some temporary special installations, consumption will be calculated and billed according to a ZBPW approved monthly rate.

## **B. Installation/Ownership**

The Customer is responsible for installing and maintaining a metering socket(s). Approved one position metering sockets will be provided to the Customer at no charge by ZBPW. ZBPW approved utility grade metering sockets with two or more positions will be procured by the Customer (Sockets rated for more than 200A will be procured by the Customer).

ZBPW shall maintain the transformer rated meters, sockets, potential and current transformers, and metering cabinet.

Customers shall furnish, install, own, and maintain all other service equipment, wiring, and conduits from the Weather Head of an overhead service connection or from the Point of Interconnection of an underground service connection. See Section 15. I. Primary Metering guidelines for equipment ownership details for primary metered Customers.

## **C. Metering Specifications**

1. 120/240 Volt single phase service, 200 Ampere or less, shall use 4 jaw meter socket. 120/208 Volt single phase service, 200 Ampere or less, shall use 5 jaw meter socket with neutral terminal fifth jaw in the 6 o'clock position in the meter socket. 400 Ampere service shall use class 320 self-contained socket. If single phase service is needed greater than 400 Ampere, transformer metering shall be installed.
2. 120/208 Volt, 120/240 Volt, and 277/480 Volt three phase service, 200 Ampere or less, shall use 7 terminal self-contained meter socket. 400 Ampere service shall use class 320 - 7 terminal self-contained socket. Services larger than 400 Ampere will be measured with instrument rated meter at the Point of Interconnection with the Customer. All 3 phases must be supplied to the meter socket for proper meter operation.
3. 200A meter sockets shall be furnished by ZBPW. The Customer is responsible for installation, wiring connections, and maintenance of the meter socket.
4. 400 Ampere service shall use class 320 - 7 terminal self-contained socket provided by the customer. The Customer is responsible for installation, wiring connections, and maintenance of the meter socket.
5. Metering installations not covered by paragraphs 1, 2, 3, or 4 as shown above or variations to the above specifications shall be approved in advance by the ZBPW Transmission and Distribution Department.

## **D. Equipment Location**

ZBPW requires that all electric metering devices be accessible for inspection and maintenance at any time. As such, all metering equipment shall be located outdoors unless otherwise approved by ZBPW. Metering equipment may not be behind debris, locked fences, gates, or

obstructions. Decks, walls, vegetation, or any obstruction are not permitted within 36 inches of any ZBPW electrical equipment per the latest revision of the National Electric Code.

ZBPW may require metering equipment to be relocated if the current location does not meet accessibility standards.

ZBPW may approve the installation of metering equipment indoors when there is no suitable outdoor location. Indoor locations shall remain accessible to ZBPW and must be kept free of obstructions.

All metering locations shall meet the clearance requirements specified in the National Electric Code.

Meter sockets, meter connection boxes, and instrument transformer enclosures shall not be used as junction boxes for supplying the Customer's branch circuits or grounding conductor termination. No wiring other than service entrance and bonding conductors shall be run through this equipment.

The height of a single meter panel shall not be less than three feet nor more than five and one-half feet above finished grade or floor level.

For stacked multiple meter socket panels, the lowest meter shall not be less than two feet from the floor for indoor locations. For outdoor locations, the installed meter centerlines shall be a minimum of thirty inches from finished grade and a maximum of seventy-two inches from finished grade and shall be limited to a maximum four-meter stack.

## **E. Multiple Occupancy Buildings**

The metering equipment for multiple occupancy buildings, where several floors, apartments, stores, etc. are rented separately, shall be grouped in a ZBPW approved location where they will be Accessible at all times to ZBPW service employees. Metering equipment in multiple occupancy buildings shall be plainly marked with permanent tags identifying the portion of the building served. Such identification is the responsibility of the owner and must be verified prior to meter installation. If identification changes after meter installation or verification does not

occur, any billing discrepancies are the responsibility of the owner. Refer to Section 14. Use of Service for further information on the prohibition of resale of electricity in multiple occupancy buildings.

## **F. Separate Disconnect**

Customers shall provide a separate disconnect for utility and emergency purposes for each service that is not a self-contained metered service in multi-occupancy buildings that are installed or upgraded after January 1, 2019. The disconnect shall be Accessible to emergency and utility personnel, capable of interrupting the Customer Load, and lockable by the utility. The disconnect and access to it shall be maintained by the property owner.

Transformer rated services without separate disconnects that are delinquent accounts shall provide a separate disconnect within 90 days of disconnection notice. Failure to do so will result in discontinuation of services until remedied.

## **G. Meter Calibration Request**

Upon Customer request and subject to applicable fees, ZBPW may check meter calibration to ensure it is within the permitted accuracy limits of plus or minus two percent. Inaccurate meters will be repaired or replaced.

## **H. Damaged Meter**

The Customer shall be held liable for damage to the meter from acts of carelessness, negligence, or willful damage. This includes damage caused by ice buildup or falling ice. ZBPW will repair or replace any meter so damaged, and the cost shall be billed to the Customer.

## **I. Primary Metering Guidelines**

Customers served with Primary Voltages choose to own and maintain their transformer(s). Customers with individual services requiring transformation above 1,000 kVA are required to be primary metered. The following guidelines will apply:

## **I. Zeeland Board of Public Works Responsibilities**

ZBPW will furnish, install and maintain the primary service and metering equipment and cabinet in accordance with the applicable rates and extension policies. "Primary Service" is defined as the utility's overhead drop or underground lateral conductors from the last pole, switchgear or other ZBPW structure to the Customer's property line.

ZBPW shall install the primary service to the Customer's property line or pre-determined location and make final connections at the metering cabinet or overhead rack. Primary metering may be pad mounted or on a Riser Pole (as specified by the ZBPW).

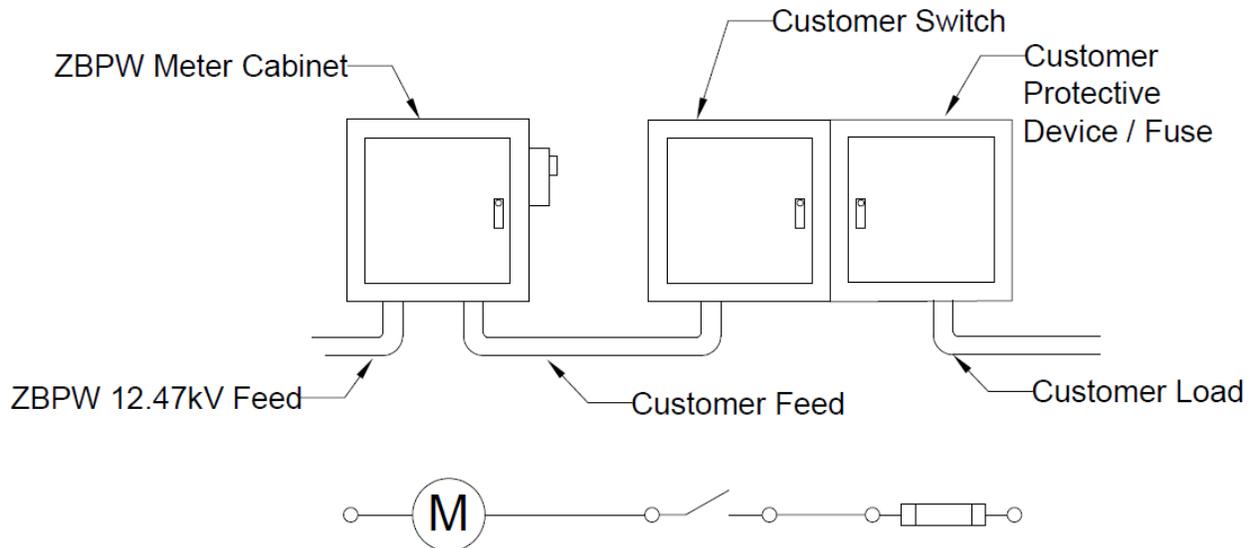
## **II. Primary Metering Customer**

The Customer shall apply to ZBPW for proposed primary service and obtain approval of the location, equipment, and design before starting installation of the service entrance. Customers shall submit a plan view drawing of the installation and shop drawings of switchgear to ZBPW for approval prior to finalizing orders for service equipment to avoid delays and unnecessary expense for the Customer and ZBPW.

Service entrance equipment located at the service point shall include a three-phase, gang-operated load break disconnection means and overcurrent protection. The disconnect shall be located to provide visible open and operating capabilities to both the Customer and ZBPW.

Any exceptions to the above requirements must be approved by ZBPW.

The Customer shall furnish and install cables up to the metering cabinet, as specified in the



"APPLICATION FOR AN EXTENSION OF ELECTRIC LINES" contract. A two-hole NEMA standard lug shall be provided for each conductor including the neutral bus.

## J. Transformer Purchase Procedure

In the event that a ZBPW Customer would like to purchase a ZBPW-owned transformer, the following guidelines are established.

1. In the event that an ZBPW Customer is without electricity due to failure of a Customer owned transformer, the Customer may purchase a transformer from the ZBPW inventory in order to restore Power to their facility, as long as there is adequate inventory to meet ZBPW system needs. ZBPW will then order an equivalent replacement to replenish inventory and the Customer will pay for the replacement transformer including sales tax, delivery charges and 10% service charge.
2. If a Customer desires to purchase a ZBPW-owned transformer that is currently in service at the Customer's site, ZBPW may offer the transformer for sale to the Customer for the fair market value of the unit. The market value will be determined by ZBPW based upon the value of used transformers that are currently for sale, but the value shall not be less than 25 percent of the price of the unit when it was purchased new. If the Customer accepts the market price and documents the intent to purchase, ZBPW will declare the transformer surplus and offer it for sale to the Customer for the established price plus any sales tax that may be required.

3. ZBPW provides no guarantee or warranty on the transformer unit or its installation. All Customer owned primary metered and transformer installations must comply with ZBPW primary metering policy and National Electric Code requirements. The Customer is responsible for transformer size requirements and may be required to replace the transformer in order to comply with the National Electric Code.

## 16. Selection of Rates

The Customer will be placed on the rate schedule deemed appropriate by the ZBPW for the applicable class of service. This classification may not necessarily result in the lowest available rate for the Customer. Commercial and Industrial rate (e.g., Rates B, C, and D) determinations are based on the average or peak demand, load factor, annual energy consumption, time-of-use patterns, power factor, voltage level of service, and other relevant usage characteristics. Rate assignment will occur at the time service is initiated, or within a reasonable time after a change of account or a new service request.

In some cases, a Customer may be eligible to receive service under two or more applicable rates. ZBPW will evaluate the options and determine the rate based on the best information available at the time. The final responsibility for selecting the appropriate rate rests solely with ZBPW.

In the event a Customer is eligible for more than one rate, they may not change from the assigned rate to another until at least twelve (12) months have elapsed. This restriction may not be circumvented by temporarily terminating service. ZBPW may waive this provision if it determines that a rate change is necessary for a permanent rather than temporary or seasonal advantage.

No credits or back-billed amounts will be issued when rates are changed. The new rate will become effective as of the date the change is implemented.

### A. Residential Electric Vehicle Charging

ZBPW offers rebates for residential Level 2 EV chargers through the ZBPW Retail Energy Improvement Program (to comply with the Clean and Renewable Energy and Energy Waste Reduction Act, 2008 Public Act ("PA") 295, MCL 460.1001 et seq., as amended).

The Time-of-Use Rate for Residential Customers possessing a Plug-In Electric Vehicle is a required rate for all Customers receiving a rebate from ZBPW for a Level 2, 240V AC, Electric Vehicle (EV) charger installed at their residence. The rate shall be applied to energy use during on, mid, and off-peak time periods as defined on the approved rate sheet.

Level 2 charging is defined as providing 208-240-volt single phase alternating current energy to an onboard battery of an electric motor vehicle that is registered and operable on public highways in the State of Michigan. Low-speed electric vehicles, including golf carts, are not eligible to take service under this rate, even if licensed to operate on public streets.

Customers shall not back-feed or transmit stored energy from the electric vehicle's battery to ZBPW's distribution system.

## B. Non-Residential Electric Vehicle Charging

Electric vehicle chargers owned by Customers for commercial purposes shall be installed on either the Customer's internal electric system, where the Customer's rate shall apply to all energy usage provided to the charging stations, or under a separately metered commercial electric vehicle charging service as described in the Commercial Electric Vehicle Charging Station Rate EVC.

The provision of electric vehicle charging service for which there is no direct per kWh charge shall not be considered resale of service as described in Section 14.

# 17. Distribution Line Extensions

A Line Extension Policy by which **Error! Reference source not found.** will extend electric lines and facilities to serve Applicants that have made a written application for electric service within the retail service area of the **Error! Reference source not found.** is as follows:

1. In the event that upgrading, construction, or extension of facilities is required to provide service to the Applicant, the **Error! Reference source not found.** will furnish the

facilities required, but not to exceed a cost greater than the allowable construction credit established for the service classification being applied for, unless the Customer makes an in-aid-to-construction contribution.

2. The estimated construction investment shall include the costs of materials, equipment, engineering, and labor, including administration overheads, fringe benefits, and the costs of service transformers and metering equipment, needed to complete the construction to the service point for the Customer. Charges for service conductor and installation as well as the connection fee (if applicable) shall be separately assessed. The estimated construction investment will include only the non-betterment costs of the construction required to provide service to the Customer. A non-betterment cost excludes the costs of replacement or addition of facilities solely for the benefit and at the election of the **Error! Reference source not found.**
3. Where the estimated construction investment exceeds the established allowable construction credit, the **Error! Reference source not found.** will receive from the Customer an "In-Aid-To-Construction" contribution. The in-aid-to-construction contribution will be determined as the monetary difference of the non-betterment portion of the estimated construction investment less the allowable construction credit established by this policy.
4. The allowable construction credits established by this policy are as follows:
  - a. The service furnished to a Customer of the **Error! Reference source not found.** is subject to the following maximum contributions to serve the load. Cost in excess of the amounts listed below are subject to an in-aid-to-construction contribution.

---

Rate Class	Maximum Utility Investment per Customer	Key
Residential	\$ 2,021	Res
Residential Development	1,527	Res
General Secondary (B)	0.132	Per Annual kWh
General Secondary (C)	23.46	Per Annual kW
C&I Primary (D)	11.01	Per Annual kW
Commercial Charging Secondary Service	13.99	Per Annual kW
Commercial Charging Primary	11.67	Per Annual kW
<b><u>Economic Development Rider</u></b>		
General Secondary (C)	20.87	Per Annual kW
C&I Primary (D)	9.85	Per Annual kW

- Customers who make connections under this policy are required to sign a five-year contract with the **Error! Reference source not found.** for service under the proposed rate. Customers are not allowed to change rates during the five-year period without prior approval of the **Error! Reference source not found.** The **Error! Reference source not found.** may assess a charge equal to the difference between the amount of time serviced under the rate and the remaining time on the five-year contract:

For Example: If the initial cost of connection was \$10,000 and Customer(s) disconnect(s) after four years, the following charge will be assessed:  $1/5 \text{ times } 10,000 = \$2,000$  charge to the Customer.

- Customers with an existing service who are requesting an upgrade of the facilities to serve additional load, the **Error! Reference source not found.** will contribute the following amounts based on the additional (new) load.

---

Rate Class	Utility	
	Investment	Basis
Residential	\$ 0.2267	Per Annual kWh
Residential Development	0.1713	Per Annual kWh
General Secondary (B)	0.1315	Per Annual kWh
General Secondary (C)	23.46	Per Annual kW
C&I Primary (D)	11.01	Per Annual kW
Commercial Charging Secondary Serv	13.99	Per Annual kW
Commrcial Charging Primary	11.67	Per Annual kW
<b><u>Economic Development Rider</u></b>		
General Secondary (C)	20.87	Per Annual kW
C&I Primary (D)	9.85	Per Annual kW

**(Amount times the estimated annual usage of new load)**

7. A development period of five (5) years will apply to all extensions which require an in-aid-to-construction contribution. This five-year development period will commence with the date service is first supplied to the Customer.

The General Manager shall be responsible for administration of this policy for Zeeland Board of Public Works investment below \$100,000. Zeeland Board of Public Works investments exceeding \$100,000 shall require approval of the Board of Commissioners.

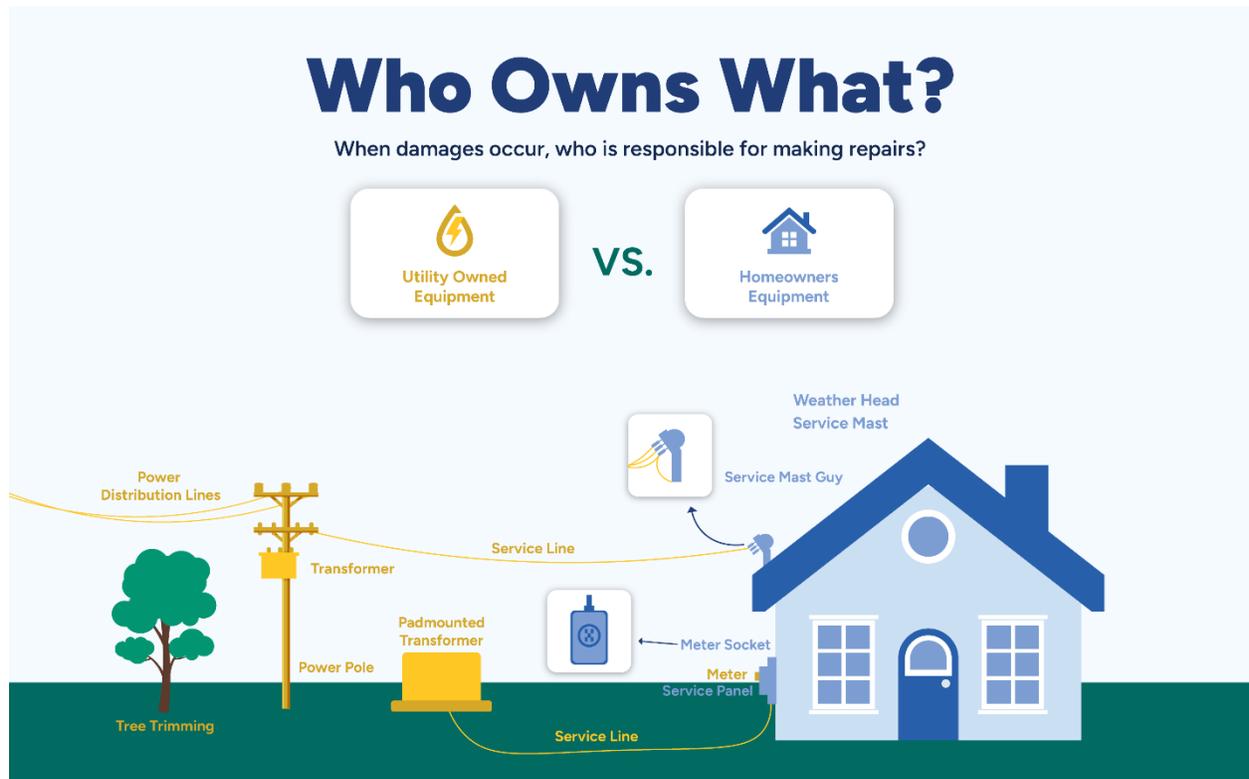
The Board of Commissioners of the Zeeland Board of Public Works shall be responsible for the periodic review of this program to determine if the policy continues to meet the objectives of the City of Zeeland.

## **A. Residential**

ZBPW will install, own, and maintain all electric lines and equipment up to the Weather Head of the building.

The Customer will install, own, and maintain the secondary service from the Weather Head through the electric meter and all internal residential wiring. The Customer or their representative will provide all needed easements for the line extension. In addition, they must

provide specifications on electric Loads, site plans, and other information needed to properly install service.



**Meter:** Measures the amount of electricity your home consumes, typically in kilowatt-hours (kWh). Utilities use meter readings to determine your monthly bill.

**Meter Socket:** The mounting device or enclosure on the exterior of your home where the electric meter is installed. It connects the incoming power lines to your home's electrical system and securely holds the meter in place.

**Padmounted Transformer:** A ground-level, enclosed transformer used in underground utility systems. It reduces high-voltage electricity from distribution lines to a lower voltage suitable for residential or commercial use.

**Pole-Mounted Transformer:** Typically mounted on a utility pole and steps down high-voltage electricity from distribution lines to a lower voltage suitable for residential or commercial use.

**Service Line:** Delivers electricity from the utility's distribution system to the customer's meter.

**Service Mast:** The vertical metal conduit or pipe mounted on your home that carries overhead electrical wires down to the meter. It provides a secure and protected path for electrical service entrance wires.

**Service Panel (Breaker Box):** The central point inside your home where incoming electricity is divided into individual circuits. It contains circuit breakers or fuses that protect each electrical circuit.

**Weather Head:** The point where overhead electrical wires from the utility connect to the home's service entrance. It is typically shaped to prevent rainwater from entering the conduit, protecting the electrical connections from moisture.

## **B. Commercial and Industrial**

ZBPW will install, own, and maintain the electric lines and equipment up to the Point of Interconnection.

The Customer will install, own, and maintain the electric lines and equipment from the Point of Interconnection through the wiring in their facility.

The Customer or their representative will provide all needed easements for the service extension. In addition, they must provide specifications on electric Loads, site plans, and other information needed to properly install service.

## **C. Underground Extensions**

All new and upgraded services shall be underground, unless determined by ZBPW.

### **I. Residential**

ZBPW will install, own, and maintain all electric lines and equipment up to and including the service pedestal. This equipment shall include, but not be limited to, the primary distribution cable, transformer, transformer pad, secondary cable to the pedestal, secondary cable to the meter socket and the distribution pedestal. Equipment shall be located in the right-of-way, the

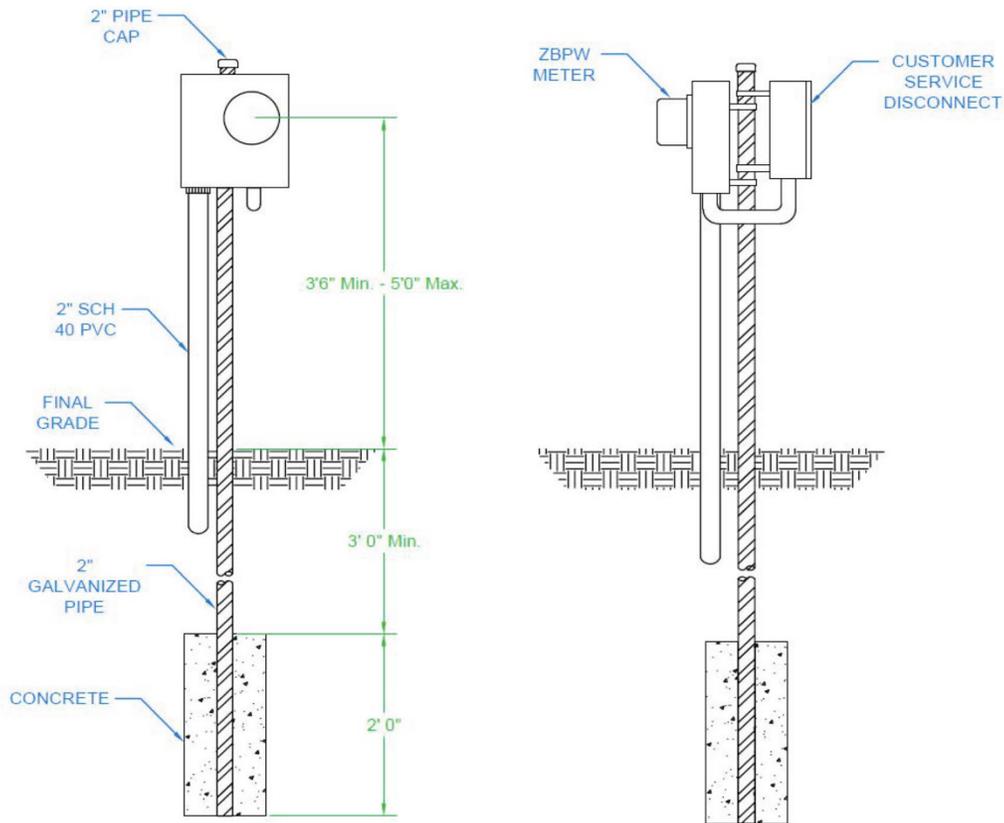
Customer's property, or on an easement on the Customer's property as prescribed by the ZBPW Transmission & Distribution Department.

The Customer will install, own, and maintain the secondary service from electric meter socket, through their electric meter and all wiring beyond that point.

The Customer will provide all needed easements. The Customer will also provide specifications on all electric Loads, site plans, grading, and any other underground lines.

1. For mobile homes in parks with individual services, ZBPW will own, install, and maintain an underground service to its termination in a ZBPW meter socket. (See diagram below)
2. The socket will normally be mounted on a supporting structure, referred to as a pedestal. The pedestal is owned, installed, and maintained by the mobile home park owner, along with the required service disconnect box.
3. The pedestal and its location must have prior design approval from ZBPW.
4. ZBPW will furnish the meter socket and any service conduit to the meter socket for pedestal installation.
5. Pre-manufactured pedestals must be pre-approved before installing.
6. Individual mobile homes, basement homes, well houses, and other structures as designated by the ZBPW, require a customer-owned service pedestal or pole to support the ZBPW's service conductors, Customer's service conductors, and equipment and the ZBPW's meter.
7. For mobile homes attached to a permanent foundation that are considered a permanent dwelling, a metering pedestal is not required, and the meter socket shall be attached to the permanent structure as required by the ZBPW.

## Mobile Home Electrical Metering Standard



### Installation Notes:

1. Minimum burial depth for conduit shall comply with NEC requirements.
2. Concrete footing minimum: 2' deep x 6" diameter.
3. Conduits shall be Schedule 40 PVC unless noted.
4. Galvanized support pipe: 3' min. embedded above concrete footing.
5. Meter & disconnect height: 3'6"-5' above grade.
6. All installations shall comply with NEC and ZBPW specifications.
7. ZBPW will provide 200A meter socket and 2" conduit necessary for service entrance.

### Revision History

Date	Version	Description
08/29/2025	1.0	Initial Release

## II. Commercial and Industrial

ZBPW will install, own, and maintain electric lines and equipment up to and including the transformer. Any ZBPW owned three phase pad mounted transformer shall be located within

25 feet of a drivable surface suitable for truck access. A drivable surface suitable for truck access shall be defined as asphalt paving, concrete, or a gravel four season road that is provided by the Customer or developer, where the surface is Accessible to a driveway, parking lot, or public roadway. If the Customer chooses to own their transformer, ZBPW will install, own, and maintain electric lines and equipment up to and including a metering cabinet that is installed on the primary side of the transformer.

The Customer will install, own, and maintain all secondary service conductors and equipment from the transformer serving their facility. If the Customer owns this transformer, the Customer will install, own, and maintain all conductors and equipment from the primary metering cabinet to their facility.

The Customer will provide acceptable easements. The Customer will also provide specifications on electric Loads, site plans, grading, and any other information needed in order to properly install underground lines.

## **D. Trenching and Duct**

The owner, developer, or Customer shall be required to provide, at no expense to ZBPW, rough grading (within six inches of finished grade) prior to the installation of ZBPW's facilities so that underground electric distribution system and street lighting cables can be properly installed in relation to the finished grade. Owner, developer, or Customer shall install and maintain permanent survey stakes indicating property lines, at no expense to ZBPW, after rough grading, and prior to the installation of ZBPW facilities.

# **18. Temporary Services**

ZBPW will provide temporary electric service for construction purposes, shows, vendors, events, and other non-recurring purposes in accordance with the following terms: Temporary service cannot be used as a permanent service or be connected for more than one year. Temporary connections lasting more than one year must receive prior approval by ZBPW as part of the application for service process. ZBPW has the right to determine whether the temporary service is overhead or underground.

## A. Guidelines

1. Application for temporary service must be made by the property owner or building contractor if for construction purposes. A valid address for the temporary service and the permanent billing address of the Customer must be provided.
2. The requesting Customer will be responsible for installation and line extension fees. Usage will be billed to the Customer under an applicable ZBPW rate.
3. All temporary installations must be inspected for code compliance prior to being energized. ZBPW must receive notice of the inspection from the recognized inspection agency. Customers will inform ZBPW when the service may be disconnected. Customers will provide access, easements, specifications on electrical Loads, site plans, or any additional information needed to properly install and provide temporary service.
4. ZBPW must approve the service location.

## B. Underground Installation Specifications

1. ZBPW will own and maintain the service pedestal or pad mount transformer from which temporary service will be provided. ZBPW will make the final connection of the Customer's underground service conductors in the pedestal or transformer.
2. The Customer will furnish and install underground service conductors from the service to the ZBPW pedestal or transformer. The conductors must be of sufficient length to reach the supply terminals of ZBPW equipment.
3. Conductors must be installed and buried within one (1) foot of the pedestal or transformer.
4. The Customer will have existing underground utilities located before the installation of the underground temporary service or conductors by calling the "MISS DIG" one-call locating system at 1-800-482-7171.

## C. Temporary Service Fees

1. Where overhead service can be supplied from existing facilities by installation of a single span of service drop conductors, or underground service can be supplied from an existing pedestal or transformer, a temporary electric service charge will be billed to the Customer.

2. Where it is necessary to install a temporary overhead transformer to provide service, a temporary overhead transformer charge will be billed to the Customer.
3. Where it is necessary to install a temporary pad mounted transformer to provide service, a temporary pad mounted transformer charge will be billed to the Customer.
4. Temporary installations not covered in paragraphs 1 through 3 above shall require a ZBPW Electric Transmission & Distribution engineering estimate to determine cost of providing service. The Customer will be charged for the installation and removal of the required temporary line extension.
5. Where a portion of a temporary line installation can be used as part of a permanent line extension, the cost of that portion will be evaluated as a permanent line extension subject to ZBPW Distribution System Extension section above.

## 19. Relocation of Utility Facilities

It is the intent of ZBPW to cooperate with public and private developers in relocating its electric facilities within a public right-of-way or existing easement when requested by a developer. The cost for such relocation shall be borne by the developer, shared with the developer, or absorbed by ZBPW as determined in the following guidelines.

1. ZBPW shall relocate its facilities consistent with the request provided that the relocation can be accomplished within approved design standards and governing codes. ZBPW shall not be obligated to relocate its facilities inconsistent with such standards and codes.
2. Private developers shall be responsible for the full cost, including administrative and overhead costs, for the relocation of ZBPW facilities within public rights-of-way or existing easement. When facility relocation is requested as part of a new development that will generate new revenue for ZBPW, and the relocation is authorized by ZBPW engineering personnel as being required to complete the project, the relocation costs will be considered as part of the installation costs and will be addressed by Line Extension Policy in Section 17. Any relocation that is cosmetic in nature or of a personal preference, and not required for the delivery of electricity, is solely the responsibility of the developer.

3. ZBPW shall absorb the cost of relocation when requested by the unit of government responsible for the public right-of-way or existing easement in order for that unit of government to carry out a general public improvement.
4. The cost of relocation of ZBPW facilities in the public right-of-way or existing easement shall be borne by the government unit requesting the relocation if the development is for proprietary purposes as opposed to governmental purposes.
5. If the unit of government forces ZBPW out of the right-of-way or existing easement, the cost of the relocation shall be borne by the governmental unit.

## **A. Street Lighting**

ZBPW may install street lighting in areas served by its distribution system subject to the governing entity's approval, ZBPW approved standards, and the ZBPW rate schedule. ZBPW may provide underground street lighting in areas directly served by underground distribution systems according to the following rules:

1. Where applicable, street lighting facilities including standards, luminaires, cables, and associated facilities will be installed after curb and gutter installation.
2. Underground conduits shall be installed under all drivable surfaces.
3. Where applicable, a reasonable effort should be made by the governing entity and its contractor to coordinate the installation of conduits during road and driveway construction.
4. Conduits will be installed across all quadrants of intersections where streetlights are proposed at locations to be specified by the ZBPW Transmission & Distribution Department. ZBPW's Transmission & Distribution Department may reduce or increase the number of conduits to meet the conditions of the system or site.
5. Where concrete is continuous between curb and sidewalk and or property line, conduits shall be installed from light to light. Handholes will be installed at each light standard. The number of conduits installed will be specified by ZBPW's Transmission & Distribution Department.
6. Standards and poles will be installed three (3) feet behind the back of curb or drivable surface and six (6) feet from any curb radius or driveway. Exceptions shall be approved by ZBPW's Transmission & Distribution Department.

## B. Security Lighting

Upon a Customer's request, ZBPW will install security light(s) on a Customer's property, at a fixed monthly rate, subject to the following rules. Rates and service definition can be found in the ZBPW rate schedules.

1. ZBPW will furnish and install a complete dusk-to-dawn lighting fixture, including one span of wire not exceeding 160 feet, without the Customer incurring an installation charge. Distances greater than 160 feet of wire and/or requiring pole will be charged to the Customer as an installation charge. The unit will be controlled by a photoelectric cell. Switches are not permitted. Any applicable state and federal taxes will be added to the Customer fees indicated in the rate schedule. No discount will apply for security lights.
2. The Customer will grant an easement, at no cost to ZBPW, for necessary pole(s) and the right of ingress and egress to service the lighting unit.
3. The Customer will agree to pay the monthly charges indicated in the rate schedule for a minimum of forty-eight (48) months. If the service is disconnected at the Customer's request at any time in that forty-eight (48) month period, the balance that would be billed for the remaining portion of that minimum period will become immediately due. The amount due will be calculated as the number of months remaining multiplied by the monthly rate in effect at the time of the disconnection.

## 20. Use of Electric Poles and Equipment

ZBPW's poles, wires, and equipment, together with any interconnections thereof, are the exclusive property of ZBPW, and the service connection of a Customer's premises to them does not entitle the Customer to any use of them, except as permitted by the ZBPW and as necessary for the delivery of ZBPW's service to the Customer.

The use of any part of ZBPW's electric distribution system without prior ZBPW approval is expressly prohibited.

## **A. Authorized Attachments**

ZBPW may enter into a pole attachment agreement providing joint use of certain of its poles. The use of any pole by anyone without first having entered into a written agreement with ZBPW is prohibited. Any applicant desiring to attach to a ZBPW pole must follow the pole attachment application processes and pole make ready processes of the ZBPW, complete the applications, sign required agreements and agree to pay all reasonable and established charges. Processes, applications, and agreements are available upon request. Only approved and certified contractors are authorized to attach equipment on ZBPW poles.

## **B. Unauthorized Use and Removal**

The unauthorized attachment (including painting or marking) of any signs, banners, lines, cables, equipment, or any other matter to ZBPW's poles or equipment is prohibited.

Authorization may be granted by ZBPW designated representative based upon purposes permitted by Michigan state law and requirements of governmental authority for the health, safety, or welfare of the general public.

ZBPW may remove or cause to be removed, without notice, any unauthorized foreign matter from its poles at the expense of the Customer, the person(s) attaching the unauthorized matter or, in the event neither can be identified, the individual, firm, or organization which appears to be the primary sponsor, user or beneficiary of the unauthorized matter. ZBPW will observe reasonable precautions to prevent any damage resulting from such removal but will not be liable for any damage thereto.

## **21. PURPA Qualifying Facilities**

The ZBPW permits Customers to install distributed generation systems that meet the requirements of the Public Utility Regulatory Policies Act of 1978 (PURPA). All installations shall conform to the latest applicable rules specifying terms, conditions and interconnection requirements.

## **A. Availability**

Applies to Customers who own and/or operate an Electric Power generating facility using cogeneration or fuels derived from biomass, waste, or renewable energy sources, and which is a 'Qualifying Facility' (QF) as prescribed by rules of PURPA.

ZBPW may, at its own discretion, limit the cumulative total nameplate generating capacity of all QFs interconnected to the distribution system.

## **B. Application and Enrollment**

Customer shall make a formal application for interconnecting a QF by completing an application available via the ZBPW. In addition to submitting an interconnect application, the Customer must pay required application fees and agree to pay all ZBPW costs associated with evaluating and interconnecting the QF.

After ZBPW has completed the evaluation with an interconnection study, and approved the proposed interconnection, the Customer will be required to enter into an "Interconnection and Operating Agreement."

## **C. Interconnection Requirements**

The interconnection must be in compliance with PURPA and Federal Energy Regulatory Commission (FERC) rules and regulations. ZBPW shall own and install any interconnection facilities on the utility side of the meter required for the QF. However, costs associated with the installation and maintenance of the QF, including the interconnection evaluation, costs of connection, switching and metering, transmission and distribution, safety provisions, control devices, and any administration costs incurred by ZBPW directly related to the installation and maintenance of the QF are the responsibility of the Customer. Additionally, the Customer shall pay for the actual cost of relocating and/or rearranging existing facilities to allow interconnected QFs.

The QF shall be subject, at all reasonable times, to an inspection by an ZBPW authorized representative and shall comply with the electrical parameters identified in the latest edition

of The Institute of Electrical and Electronic Engineers "Standards for Interconnecting Distributed Resources with Electric Power Systems" (IEEE Standard 1547). This includes, but is not limited to, requirements related to voltage regulation, reactive power capability and power factor control, frequency regulation, voltage and frequency ride-through performance, protection coordination and fault detection, synchronization, grounding methods, harmonic distortion limits, electromagnetic interference, islanding detection and prevention, and interoperability and communication capabilities.

The QF must cease parallel operation upon notification by the ZBPW during system outages and other emergency or abnormal conditions if such operation is determined to be unsafe, interferes with the supply of service to others, or interferes with system operation or maintenance. In the event that the QF damages ZBPW's system, the Customer shall be solely responsible for all costs associated with the repair and/or replacement of the damaged portion or equipment.

The ZBPW shall not be liable to the Customer or any other person for any loss, injury, damage, casualty, fees or penalties, asserted on the basis of any theory, arising from, related to or caused by the construction, installation, operation, maintenance or repair of the QF, and associated equipment and wiring, except to the extent of its own gross negligence or willful misconduct, but only to the extent permitted by law. Neither by inspection nor non-rejection nor in any other way does the ZBPW give any warranty, expressed or implied as to the adequacy, safety or other characteristics of any equipment, wiring or devices, installed on the Customer's premises, including the QF.

The Customer shall indemnify and hold harmless the ZBPW, its commissioners, managers, employees, agents, consultants, attorneys and assigns from and against any and all losses, claims, damages, costs, demands, fines, judgments, penalties, payments and liabilities, together with any costs and expenses (including attorneys' fees) incurred in connection with, resulting from, relating to or arising out of the construction, installation, operation, maintenance and repair of the QF, including the Customer's failure to comply with the Interconnection requirements or any abnormality or failure in the operation of the QF, or any adverse impact to the ZBPW's system or its other Customers.

# D. Standby Service

Qualifying Facilities under this section may elect to purchase any or all standby services at the rates described below.

- 1. **Standby Rate (SB)** – Monthly charge applied to the subscribed nameplate capacity (kW) of QF for which ZBPW provides back up service.
- 2. **Supplemental Power (SP)** – Monthly charge based upon Customer’s rate due to QF not providing, on a regular basis, all Power requirements
- 3. **Maintenance Power/Unscheduled Outages (MP)** – Daily charge on kW for subscribed nameplate capacity if Customer schedules maintenance during the On-Peak time period.

# 22. Zeeland Board of Public Works Fee Schedule

<b>Electric Utility Miscellaneous Charges</b>		
<b>Type</b>	<b>Charge</b>	<b>When applied</b>
Non-sufficient funds (NSF) charge	\$30.00	Per occurrence
Service Transfer Fee	\$10.00 (water) \$15.00 (electric)	New account assessed at 1 <sup>st</sup> billing

<b>Electric Utility Fees and Charges</b>			
<b>Type</b>	<b>During (?)</b>	<b>Charge</b>  M-F 7:30 a.m. – 3:30 p.m.	<b>Charge</b>  After 3:30 p.m.
Reconnection fee for non-payment	Disconnect	\$55.00	Additional \$65.00
	Reconnect	\$55.00	
Reconnection fee for meter tampering	Disconnect	\$100.00	\$100.00
	Reconnect	\$100.00	\$100.00
Voluntary disconnect fee  (each occurrence)	Disconnect	Up to \$55.00	\$75.00
	Reconnect	\$55.00	\$75.00

<b>Description</b>	<b>When Applied</b>	<b>Charge</b>	<b>Per</b>
Meter Tampering	When discovered. (Damaged equipment will result in additional charge for the meter plus Meter Tampering Charge.)	\$500.00	-
Damaged Meter	When discovered.	Materials and labor costs	-
Temporary service fee		\$110.00 plus electricity cost. Additional charges are possible to cover construction costs.	Each service installation

**Electric Utility  
Fees and Charges (continued)**

Description	When Applied	Charge	Per
Flat Rate Service	Non-Residential services that Zeeland BPW determines meet flat rate criteria. (Streetlights, Cable Boosters, Tornado Sirens, etc.)	Varies - based on cost to serve	Each service installation
Non-transmitting meter provision	Residential customers may have the option to choose a non-transmitting meter.	\$110.00 one-time initial fee \$10.00 per month	Waived in circumstances where provision applies to both electric and water meters at the same location.
Customer-requested service investigation or meter reading		\$110.00  No charge for any valid metering issue.	Each occurrence

**Electric Utility  
Fees and Charges (continued)**

Description	When Applied	Charge
Security deposit – Residential	For each rental unit acct <b>without</b> landlord affidavit of billing responsibility and lease/regulations copy	\$100.00
	For each rental unit account <b>with</b> a landlord affidavit of billing responsibility and lease/regulations copy	\$200.00
	For each residential customer following each reconnect occurrence for non-payment	\$100.00
Security deposit – Commercial/Industrial	ZBPW may require a security deposit for Commercial and Industrial accounts	Two (2) times average monthly billing
Winter construction premium (all services)	To all underground installation charges between November 15 and April 1	\$1.75 per foot additional charge
Pole attachment fee	Annual fee	Per pole attachment agreement

<b>Single family residential service</b>		
<b>Description</b>	<b>When Applied</b>	<b>Charge</b>
Overhead distribution to overhead service	New service when requested by customer	\$200.00 connection fee plus wire over 100 feet and equipment charges
Underground service	New service or existing overhead to underground service conversion - when requested by customer	\$200.00 connection fee & \$5.64 per trench foot or \$10.64 per boring foot
Mobile home (within mobile home park)	New service when requested by customer and within mobile home park	\$200.00 connection fee— ZBPW installs wire to service point
Multi-family residential service (2—4 units)	New service—Developer furnishes and installs wire from meter(s) to service point  New service – ZBPW furnishes and installs wire from meter(s) to service point.	\$100.00 per unit connection fee  \$100.00 per unit connection fee plus \$8.38 per trench foot or \$12.43 per boring foot.
<b>Commercial / Industrial Service</b>		
<b>Description</b>	<b>When Applied</b>	<b>Charge</b>
Overhead distribution to overhead service	New single phase service when requested by customer	\$250.00 connection fee plus wire over 100 feet and equipment charges
	New three-phase service when requested by customer	\$400.00 connection fee plus wire over 100 feet and equipment charges

<b>Commercial / Industrial Service</b>		
<b>Description</b>	<b>When Applied</b>	<b>Charge</b>
Overhead distribution to underground service	New service single-phase when requested by customer	\$250.00 connection fee \$8.38 per trench foot or \$12.43 per boring foot
	New service three-phase when requested by customer	\$450.00 connection fee & \$14.07 per trench foot or \$19.27 per boring foot
	Existing service single-phase change when requested by customer	\$250.00 connection fee & \$8.38 per trench foot or \$12.43 per boring foot
	Existing service three-phase change when requested by customer	\$450.00 connection fee & \$14.07 per trench foot or \$19.27 per boring foot
Relocations, damages, etc.	Requested relocations and/or damages	At cost
Underground distribution to underground service	New service single-phase when requested by customer	\$250.00 connection fee plus \$8.38 per trench foot or \$12.43 per boring foot
	New service three-phase when requested by customer	\$500.00 connection fee plus \$14.07 per trench foot or \$19.27 per boring foot
	Existing service single-phase change when requested by customer	\$250.00 connection fee & \$8.38 per trench foot or \$12.43 per boring foot
	Existing service three-phase change when requested by customer	\$500.00 connection fee & \$14.07 per trench foot or \$19.27 per boring foot



# Water Terms of Service

Effective January 1, 2026

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# 1. General Terms of Service

## A. Definitions

**Commercial Customer:** A classification used for businesses not involved with the direct manufacture of durable goods. A classification is also used for multiple family residential structures with two (2) or more units or structures that are metered by not a dwelling unit.

**Corporation Stop:** A valve that connects the service line to the Water Main. It is tapped directly into the main and controls flow from the main into the service line.

**Critical Care Customer:** A Customer who requires, or has a household member who requires, home medical equipment or a life support system, and who have provided appropriate documentation to ZBPW identifying the equipment or system and certifying that an interruption of service would be immediately life threatening.

**Curb Stop:** A water service line valve that is used to shut-off water service without having to access the Customer premise. The valve is typically located seven feet (7') inside the public right-of-way or at the edge of the Water Main easement.

**Curb Box:** a vertical cast-iron pipe extending from curb or sidewalk level down to the shutoff (Curb Stop) at the water-main connection.

**Customer:** A purchaser of electrical and water services supplied by ZBPW, and/or wastewater service supplied by the City of Zeeland.

**Dwelling Unit:** A single room, suite or groups of rooms or suites with accommodations to sleep, eat, and have a bathroom.

**Estimated Consumption:** Consumption calculation based on prior use of the service, or the operating characteristics of the building and equipment used.

**Industrial Customer:** A classification for businesses directly involved with manufacturing goods or services for sale as an organized action.

**Landowner:** the person(s), legal entity, or authorized representative who holds legal title to the property receiving water service, as recorded in the official property records of the applicable jurisdiction. Where property ownership is vested in a business entity, trust, association, or governmental body, the landowner shall be that entity, acting through its authorized agent. The landowner may designate a property management company or other duly authorized agent to act on their behalf in establishing and managing the service account. However, the landowner remains ultimately responsible for compliance with all Terms of Service, including payment of charges, fees, and penalties, regardless of any delegation to a management company or agent.

**Low Income Customer:** A customer whose household income does not exceed the published percentage of the poverty level, as established by the State of Michigan and/or United States Department of Health and Human Services (DHHS), or who receives any of the following: assistance from a state emergency relief fund, food stamps, or Medicaid.

**Medical Emergency:** An existing medical condition of a customer, or member of the Customer's household, as defined and certified by a physician or public health official on official stationery or company-provided form, that will be aggravated by lack of utility service.

**Meter Horn:** The device that holds the meter between the two (inlet and outlet) shut-off ball valves within the structure.

**Meter Constant:** multiplier or factor that relates the meter dial or digital reading to the actual volume of water consumed.

**Meter Reading:** Electronic or manual effort to read the amount of water or electricity used by a Customer.

**Monthly Rate:** The charges, fees and unit prices as established by ZBPW's rate-making body and the quantities to which they apply.

**Multi-Dwelling Structure or Multi-Dwelling Unit (MDU):** A building containing 2 or more Dwelling Units, including but not limited to apartments, condominiums, or senior housing projects.

**Person:** Any individual, corporation, partnership, company, limited liability corporation, organization or governmental entity.

**Premises:** A tract of land including its buildings.

**Rate:** the charges, fees, and unit prices as established by ZBPW/City of Zeeland and the quantities to which they apply.

**Readiness To Serve Charge:** A monthly fixed charge that covers the expenses to maintain and service a customer's account. This includes billing, metering, and customer service. The Service/Facility charge also funds a portion of the capital investments in equipment, structures, and meters as well as engineering and construction services.

**Residential Customer:** A classification reserved for one- and two-family residential structures and other multiple family structures where each Dwelling Unit is individually metered. Residential structures must accommodate a place to sleep, eat and have a bathroom.

**Senior Citizen:** A Customer who is 65 years of age or older and advises ZBPW of his or her eligibility.

**Service Location:** The point at which the ZBPW or the City of Zeeland has agreed to provide utility services.

**Tenant:** Any person or entity that occupies premises under lease, rental agreement, or similar arrangement. In the case of master-metered properties, the Landowner shall be deemed the customer of record and shall be responsible for all charges incurred for water service supplied through the master meter. The ZBPW shall not be responsible for the distribution or allocation of water costs among tenants of master-metered properties.

**Water Main:** The city's way of bringing water access to buildings or homes.

**Water Meter:** Measures the amount of water used in your home or business, typically measured in cubic feet or gallons. Utilities use meter readings to determine your monthly bill.

**ZBPW:** When used in these Terms of Service, ZBPW is an abbreviation for Zeeland Board of Public Works.

## 2. General Provisions

All national and state statutes and regulations that govern the provision of utility services apply and supersede the terms of service contained in this document. All local ordinances and codes of the governmental units within the service territory of ZBPW also govern the services provided by ZBPW where applicable.

**A Customer that commences service with ZBPW agrees to abide by all ZBPW Terms of Service and Rates.** All Rates are subject to revision at any time upon approval by the ZBPW Board of Directors and Zeeland City Council.

### A. Obligations

The obligations of both parties commence when ZBPW begins to supply service and continues until either party has received from the other any form of communication (i.e. email, telephone call, or written notice) to discontinue service. After notice is given, service may continue until a reasonable time when ZBPW can disconnect service, not to exceed ten (10) days. These Terms of Service shall be followed unless otherwise specified in a contractual agreement or as identified in the Terms of Service for each utility offering.

### B. Continuity of Service

ZBPW and the City of Zeeland will use ordinary diligence in providing utility service but does not guarantee constant or continuous service. By applying for utility service, each Customer shall be deemed to have agreed that ZBPW:

1. May interrupt or suspend service at any time, either with or without notice, for inspection, repair, maintenance, alteration, or change on the Customer's premises or elsewhere; and

2. Shall have no duty, obligation, responsibility, or obligation for or by reason of any such interruption or suspension of service, or for any damage or loss resulting therefrom.

## 3. New Service Requirements

The following information may be required to establish a new service.

### A. Residential Service

- Full Name
- Service Address via a mortgage/property tax statement or executed lease
- Mailing Address if different from Service Address
- Telephone Number
- Email Address
- State or Governmental issued Identification (i.e. Driver's License, Military ID, Passport)

### B. Business Service

- Legal Business Name and Tax ID Number (as registered in Michigan)
- Type of Business
- Tax Status (Taxable, Tax Exempt or partial Tax Exempt, documentation will be required)
- Telephone Number
- Email Address
- Contact Name(s)
- Owner or Business Agent Name
- Mailing Address if different from Service Address

A new Customer must contact the ZBPW within business 10 days of commencing service to set up their account. Failure to do so may result in the disconnection of service until the account has been properly established. A new Customer account may not be established for a service location if a delinquent Customer account holder resides at the same Premises or is listed as a Tenant on a new premise (service location) as the new Customer, unless the balance due and owing for the delinquent Customer account holder is paid in full and a deposit is collected according to Section 5. F. Account Security Deposits.

## **4. Readiness to Serve**

All active accounts will be billed the Readiness To Serve Charge based on account type and size. Service must be completely disconnected or suspended to eliminate the readiness to serve charge. Disconnect/Reconnect fees may apply.

### **A. Discontinuation of Service**

All requests for a discontinuation of service shall be made through ZBPW Customer Service. Discontinuation of service is subject to applicable fees and charges.

### **B. Suspension of Service**

All requests for suspension of service shall be made through ZBPW Customer Service. Except as otherwise set forth herein, ZBPW shall not issue credits for service lapses due to vacations or other non-use of service. Notwithstanding the foregoing, a residential Customer may request a suspension of service, which will be honored for a minimum period of three (3) months and a maximum period of six (6) months. The Customer shall provide ZBPW with the date the suspension of service shall commence and the date the suspension of service shall be lifted so that services resume. Only one suspension of service shall be allowed per 12-month period. Readiness to Serve charges shall not be prorated for Customer requested suspension of service.

# 5. Responsibility for Payment of Bill

## A. General

Each ZBPW Customer is responsible to pay all utility bills as rendered on or before the due date shown thereon. Bills are rendered monthly. Bills will be distributed by mail or electronically to all Customers at least fourteen (14) days before the due date shown on the bills. ZBPW is not responsible for bills lost in the mail. It is the Customer's responsibility to ensure timely payment of their bill, regardless of delivery issues. Failure to receive a bill does not exempt the Customer from payment obligations or potential late fees. The Customer remains responsible for payment of the bills until the Customer orders service to be discontinued and ZBPW has had reasonable time to secure a final meter reading. If a bill remains unpaid ZBPW shall have the right to discontinue service as defined in the Shut Off Policy (Section 6).

## B. Non-Sufficient Funds/Fraud

Customers who have two (2) returned payments within a twelve-month period will be required to make payments via cash or credit card for the next twelve months. Customers who commit check or credit card fraud will be required to pay via cash only.

## C. Requests for Billing History Data

ZBPW will provide Customers with their billing history at no charge, provided the information is currently stored on an active database. Customer requests for billing history that is no longer on an active database will be subject to record retention schedules and to payment of hourly fees based on the average burdened hourly wage of the ZBPW employee assigned to perform the research and compilation of the data.

## **D. Michigan Sales Tax**

Bills for electric service are subject to Michigan State Sales Tax. Customers may file a request for exemption from the application of sales tax and request reimbursement if less than 120 days of lapsing coverage, in accordance with the laws of the State of Michigan and the rules of the Michigan State Department of Treasury. In the event the required exemption documentation is not obtained within 120 days from date of sale, the Customer shall make its own refund inquiries directly to the State Department of Treasury.

## **E. Estimated Consumption**

While it is ZBPW standard to read meters monthly, readings may be estimated when conditions warrant. Until reconciled by an actual reading, bills rendered on estimated consumption have the same force and effect as bills rendered on actual meter readings. If for any reason all consumption used cannot be registered accurately, the unmetered portion shall be estimated by ZBPW based on prior consumption or the operating characteristics of the building and equipment.

## **F. Receipt of Payment**

Full and partial payments will be applied in the following manner:

1. To the oldest outstanding arrears.
2. 65% to the remaining outstanding electric account.
3. 15% to the remaining outstanding water account.
4. 20% to the remaining outstanding wastewater account.
5. On-bill loan account (if applicable).
6. All other fees and services.

Payment assistance received from third party providers will be applied to appropriate services as designated by the provider.

## G. Late Charges

A late payment charge of 1.5% of the amount in arrears will be assessed when next month's bill is issued. The late payment charge will not apply to any penalty portion of the Customer's bill. Customers may request a late charge waiver under extenuating circumstances.

## H. Billing Errors

Errors in billing can occur for a variety of reasons. In some cases, the error can be clearly identified and quantified, while in other cases the error can only be estimated.

This policy establishes the rules for handling errors in billing. This policy does not apply to theft or unauthorized use of service or estimated bills.

Errors in billing can be caused by any of the following:

1. An incorrect meter read whether by person or electronically.
2. An incorrect Meter Constant.
3. Installation of the incorrect metering equipment.
4. An incorrect calculation of the applicable rate.
5. A meter switched by the utility or a utility representative.
6. An incorrect application of the rate schedule.
7. A meter error (failure to measure or accurately record all usage).
8. Another similar act or omission by the utility in determining the amount of a Customer's bill.

An undercharge or overcharge that is caused by a non-registering meter, an estimated meter read, or a Customer read is not considered a billing error.

If an error in billing occurs and results in overcharging a Customer, ZBPW shall refund or credit the overcharge based on the actual time the overcharge occurred within the 36-month period immediately preceding the discovery of the error.

If an error in billing occurs and results in undercharging a Customer, the Customer is responsible for the undercharged amount for up to the 12-month period immediately preceding the discovery of the error. Amounts due to ZBPW from the Customer will be subject to normal collection policies, procedures and practices. A Customer may request and be granted a payment plan up to the number of months used to calculate the undercharge amount.

## **I. Account Security Deposits**

ZBPW requires account security deposits from all Tenants and Residential Customers of mobile home parks. ZBPW shall not provide services to the premises until it receives a security deposit from the Tenant, or an individual or entity acting on behalf of the Tenant.

Security deposits shall be determined as follows:

1. The standard residential security account deposit will be applied according to the current ZBPW Schedule of Fees and Charges.

The ZBPW shall require the standard residential account security deposit for all residential accounts serving leased residential properties, including mobile home parks, and for Customers who have filed for bankruptcy and continue to live in their homes.

Moreover, if any residential account has been disconnected for nonpayment, an additional deposit equal to the standard residential security deposit will be required each time any residential account is disconnected for nonpayment before service will be reconnected.

2. The ZBPW may require an account security deposit of up to two (2) times the average monthly billing for commercial or industrial accounts.
3. The amount of the deposit required as a condition of providing, restoring, or continuing residential, commercial or industrial service due to shut-off for nonpayment shall be determined as follows:
  - a. If the Customer has been disconnected once within the last three years, then the deposit shall be two (2) times the average or estimated monthly billing for the premises.
  - b. If the Customer has been disconnected twice within the last three years, then the deposit shall be three (3) times the average or estimated monthly billing for the premises.
  - c. If the Customer has been disconnected three times within the last three years, then the deposit shall be four (4) times the average or estimated monthly billing for the premises.
  - d. If the Customer has been disconnected more than three times within the last three years, then the deposit shall be six (6) times the average or estimated monthly billing for the premises.
4. The amount of the deposit required as a condition of providing, restoring, or continuing residential, commercial or industrial service due to unauthorized use, diversion, or interference shall be four (4) times the average monthly bill for the Premises.
5. ZBPW may also require payment of the delinquent account and approved charges as a condition of providing, restoring, or continuing service if the prior account is in the Customer's or applicant's name, is delinquent and owed to ZBPW and accrued within the last six (6) years.
6. An additional standard deposit will be required for properties in Holland Charter and Zeeland Charter Townships which elect to exempt properties from the potential utility

non-payment lien through the Notice of Lease provisions in the Township's utility lien ordinances.

ZBPW will refund deposits of \$1.00 or more to all Customers who have voluntarily terminated service and paid all charges due. Refunds under \$1.00 will not be refunded due to associated processing costs.

## **J. Lien as a Security for the Collection of Service Charges**

Except as otherwise provided or limited by state law, the city shall have as security for the collection of all charges for utility services as authorized by the Revenue Bond Act of 1933, as amended, a lien upon the Premises to which such services were supplied. Such liens shall become effective immediately upon the distribution or supplying of such service or services to such Premises. The term "charges for utility service" shall mean the rates, fees, rentals and all other charges for furnishing such service and all repairs, maintenance and alterations of such service which the city determines to be the responsibility of the service Customer.

## **K. Placement on Tax Rolls**

### **1. City of Zeeland**

Except as otherwise provided by State law, all unpaid charges for utility services furnished to any such premises, which on the 31st day of March each year, have remained unpaid for a period of three (3) months, or more, shall be reported by the City Clerk per Zeeland City Charter Sec.13.25 to the City Council at the first meeting thereof in the month of April. The Council thereupon shall order the publication in a newspaper published in the city, of notice to all owners of property within the city that all unpaid utility charges which have remained unpaid for a period of three (3) months or more prior to the 31st day of March, and which have not been paid by the 30th day of April, shall be assessed upon the city's tax roll against the premises to which the utility services, for which unpaid charges accrued, were supplied or furnished; and that such charges shall be collected in the same manner as the city taxes and said tax roll.

## **2. Holland and Zeeland Townships**

The Townships agree to assist and cooperate with the ZBPW in collecting delinquent charges for utility services provided to ZBPW customers in the township. Specifically, if the General Manager of the ZBPW certifies in writing to the Township(s) on or before September 15th those charges for utility service(s) which are delinquent six (6) months or more on August 31, then the Township(s) will enter a lien for such charges on the Township tax roll for that year against the premises to which utility service has been provided.

## **L. Protection of Landlord, Notice of Lease and Security Deposit**

If the owner of a premise which receives services provided by the ZBPW shall lease the premises to a tenant who is responsible under the lease for the payment of the charges for specified services, and the property owner notifies ZBPW in writing of the lease agreement by an affidavit of lease (including a copy of the lease executed by the owner and their tenant), then the charges for electric services provided to such leased premises shall not become a lien against the premises after the date ZBPW receives notice. Immediately after filing of such notice, ZBPW shall render no further service to the premises until it receives a security deposit as security for the payment of the electric charges from the tenant (or an individual or entity acting on behalf of the tenant).

## **6. Shut-Off Policy**

This policy applies generally to all Customers of the ZBPW who receive ZBPW electric or water services. Policy statements that apply solely to Residential Customers are noted. It is the policy of ZBPW to conform to all requirements of [Michigan Legislature - Section 460.9g](#) (the "Act") with regard to residential utility shutoffs.

# A. General Requirements

## I. Proper Shut-Off

Subject to the other requirements of this policy, ZBPW may shut off service to a Customer for any of the following:

1. The Customer has not paid a delinquent account that accrued within the last six (6) years.
2. The Customer has failed to provide a deposit or guarantee as required by ZBPW.
3. The Customer has engaged in unauthorized use of ZBPW's service.
4. The Customer has failed to comply with the terms and conditions of a payment plan entered into with ZBPW in accordance with ZBPW's rules.
5. The Customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.
6. The Customer misrepresented his or her identity for the purpose of obtaining ZBPW service or put service in another person's name without the permission of the other person.
7. The Customer has violated any rules of the provider so as to adversely affect the safety of the Customer or other persons or the integrity of ZBPW's system.
8. A person living in the Customer's residence meets both of the following:
  - a. Has a delinquent account for service with the ZBPW within the past -six years but remains unpaid, and
  - b. The Customer lived in the person's residence when all or part of the debt was incurred. The ZBPW may transfer the prorated amount of the debt to the Customer's account based upon the length of time that the Customer resided in the person's residence so long as the Customer was not a minor at the time.

## II. Improper Shut-Off

ZBPW may not shut off service to a Customer for any of the following:

1. The Customer has not paid for concurrent service received at a separate metering point, residence, or service location.
2. The Customer has not paid for service at premises not occupied by the Customer unless:
  - a. The Customer supplies a written notarized statement that the premises is unoccupied,
  - b. The premises is occupied, and the occupant agrees, in writing, to the shut off of service,
  - c. It is not feasible to provide service to the occupant as a Customer without a major revision of existing distribution facilities, or
  - d. It is feasible to provide service to the occupant as a Customer without a major revision of existing distribution facilities and the occupant refuses to put the account in their name.

## **B. Notice**

Except where a shut-off is necessary to maintain service quality, prevent damage to the relevant distribution system, or prevent damage to property, ZBPW shall not shut off service prior to sending a notice to the Customer by first-class mail not less than 10 days before the date of the proposed shut-off. ZBPW shall maintain a record of the date the notice was sent.

## **C. Permissible Shut-Off**

ZBPW may shut off service to a Customer on the date specified in the notice of shutoff or at a reasonable time following that date. If ZBPW does not shut off service and mails a subsequent notice, then ZBPW shall not shut off service before the date specified in the subsequent notice. Shutoff shall occur only between the hours of 8:00 a.m. and 2:00 p.m. Monday through Thursday. No disconnections shall be permitted on a legal holiday or on the day before a legal holiday.

## **D. Termination of Service**

ZBPW, upon approval of the Zeeland City Council, may adopt a termination of water service policy establishing the terms and conditions under which water service to any Customer may be suspended, discontinued, or terminated. In the event a termination of service requirement is adopted by state law, which is applicable to ZBPW, ZBPW shall not adopt a policy which is less restrictive than applicable statutory provisions.

Termination of services are subject to applicable service charges.

## **E. Shut-Off When Restoration Services Are Not Available**

ZBPW shall not shut off service on a day, or a day immediately preceding a day when the services of ZBPW are not available to the general public for the purpose of restoring service.

## **F. Contact to Customer**

### **I. Generally**

For involuntary shut-off of electric or water, at least one day before the service shut-off, ZBPW shall make no less than one attempt, in addition to the notice of shut-off, to contact the Customer by one or more of the following methods:

1. A personal or automated telephone call where direct contact is made with a member of the Customer's household, or a message is recorded on an answering machine or voicemail.
2. First-class mail.
3. A personal visit to the Customer.
4. A written notice left at or on the Customer's door.
5. Any other method approved by the Michigan Public Service Commission for regulated utilities.

## **II. Remote Shut-Off**

For an involuntary shut-off using a meter with a remote shut-off capability, any notice shall state that the disconnection of the service will be done remotely and that a provider representative will not return to the Premises before disconnection.

## **III. Documentation - Contact by Telephone**

ZBPW shall document all attempts to contact the Customer. If contact is made by telephone, ZBPW shall inform the Customer or other responsible person that shut-off of service is imminent and of the steps necessary to avoid shut-off.

## **G. Restoration**

ZBPW shall restore service upon a Customer's request when the cause for the shut-off has been cured or credit arrangements satisfactory to ZBPW have been made.

If the Customer qualifies for restoration and his or her household contains a meter that must be restored manually, ZBPW shall make reasonable efforts to restore service to the Customer on the day requested, and no later than one working day after the Customer's request. If the meter has remote restoration capability, service shall be restored on the first working day after the Customer requests restoration, except in the case of documented equipment failure.

## **H. Charges for Shut-Off and Restoration**

ZBPW will assess the Customer charges once a disconnect order has been issued and the meter has been disconnected and restored. Please refer to the fee schedule for applicable charges. Personal checks and EFT/ACH will not be accepted for payment following disconnection.

# **I. Critical Care and Medical Emergency Residential Customers**

## **I. Postponement**

For electric and water service, ZBPW will postpone shut-off of service for up to 21 days if a Customer is a Critical Care Customer or has a Medical Emergency. The Customer shall identify the period during which the shut-off will aggravate the medical emergency. If the Customer provides additional documentation or certification ZBPW will postpone the shut-off for additional periods of up to 21 days for a total of not more than 63 days in any 12-month period per household member. Annually, shutoff extensions totaling more than 126 days per household will not be given.

## **II. Restoration**

If a shut-off of service has occurred without postponement being obtained, ZBPW will restore the service upon presentation of the appropriate documentation or certification. The service shall continue for up to 21 days. If the Customer provides additional documentation or certification, ZBPW will postpone the shut-off for additional periods of up to 21 days for a total of not more than 63 days.

## **III. Other Protections**

Application for this protection does not prohibit a ZBPW Customer from applying for separate protections.

### **A. Deferred Payment Plan**

Any Customer, prior to termination, may establish a deferred payment plan to avoid termination of utility service, under the condition that the Customer signs a written agreement with the utility which specifies that:

1. The Customer will make regular payments in amounts acceptable to ZBPW for all charges of the Customer until all outstanding charges are paid in full, and

2. The Customer acknowledges that the utility services shall be terminated without any further notification should the Customer fail to comply with the terms of the agreement, and
3. The late charges shall be assessed during the deferment period on any applicable utility charges.
4. ZBPW is not required to enter into a subsequent payment agreement until the Customer has complied with the terms of any existing or previous agreements. If the Customer has defaulted on the terms and conditions of a payment agreement within the last twelve (12) months, ZBPW is not required to enter into a subsequent payment plan.

## **J. Active-Duty Customers**

Active-Duty Customers are residential households where:

1. The household income is reduced because the Customer of record, or the spouse of the Customer of record, is called to full-time active military service by the President of the United States or the Governor of the State of Michigan during a time of declared national or state emergency or war, and
2. Assistance is needed by the residential household to maintain service, and
3. The residential household has notified the provider of the need for assistance and has proven verification of the call to active-duty status.

### **I. Shut Off Prohibited**

ZBPW shall not shut off service to an active-duty Customer during his or her service for a period of up to Ninety (90) days. In its sole discretion, ZBPW can provide one or more extensions to the active-duty Customer.

### **II. Notification**

An active-duty Customer shall notify ZBPW of the end of his or her active-duty status as soon as that status is known.

### **III. Duty Not Void**

Unless waived by the provider, this shut-off protection does not void or limit the obligation of the active-duty Customer to pay for services received during his or her time of service.

### **IV. Payment Plan**

In the event an active-duty Customer receives assistance, ZBPW shall:

1. Establish a payment plan requiring minimum monthly payments that allows the active-duty Customer to pay any past amounts due over a reasonable time period not to exceed one year, and
2. Provide a qualifying Customer with information regarding any governmental, ZBPW, or other assistance programs, and
3. Provide active-duty Customers with access to existing information on ways to minimize or conserve their service usage.

## **7. Complaint Resolution**

### **A. Complaint**

In the event that a ZBPW Customer believes that ZBPW is in violation of this policy or, [Michigan Legislature - Section 460.9g](#) and that the Customer's service was shut off without merit, the Customer shall have the opportunity to file a complaint with ZBPW Customer Service.

## **B. Initial Review**

Upon a Customer's filing of a complaint, ZBPW Customer Service shall review the decision to shut off the Customer's service in a timely manner. If Customer Service finds that the service was improperly shutoff, it shall restore service to the customer. If Customer Service finds that the shutoff was proper, it shall refer the complaint to the General Manager, or in his/her absence, the manager on premise, for a final determination regarding the shutoff.

## **C. Final Review**

If the General Manager, or in his/her absence, the manager on premise, finds that the service was improperly shut off, ZBPW shall restore service to the Customer. If the General Manager, or in his/her absence, the manager on premise, finds that the shutoff was proper, ZBPW shall issue a written decision via first-class mail or other reliable means of delivery.

# **8. E-Services Privacy, Terms & Conditions**

Please view our website for the most up to date privacy policy, terms, conditions and cookies associated with e-services. ([zeelandbpw.com/privacy-policy](http://zeelandbpw.com/privacy-policy)).

Any questions regarding the privacy policy or terms and conditions should be directed to [info@zeelandbpw.com](mailto:info@zeelandbpw.com).

## **9. Theft**

ZBPW will investigate cases of suspected theft and fraud. All cases, where there is sufficient evidence, will be turned over to the City of Zeeland Police Department, Ottawa County Sheriff's Office and/or the City Attorney.

ZBPW will attempt to recover all charges that were intentionally avoided or not paid, plus all monthly-accrued late fees. In addition, six (6) percent over prime rate recovery charge will be

assessed to charges, fees and penalties. All costs relating to the investigation and remediation of theft of services will be assessed to the account.

If the actual amount of service lost to the theft or diversion cannot be determined, the amount will be estimated using previous account history. If neither the actual amount of service nor an estimated amount of service for the particular account can be determined, the account shall be assessed the average usage for the class of service prorated to the time the theft or diversion occurred. There is no limitation on the time period for which past charges will be assessed.

Other actions, civil or criminal, will be decided by the General Manager of the ZBPW and/or City Attorney, as appropriate.

## **10. Miscellaneous Provisions**

### **A. Other Remedies**

The implementation of Terms of Service does not preclude ZBPW from pursuing any of its legal rights, including the right to place liens of property, granted to ZBPW, whether by statute, charter or other power.

### **B. Forms**

ZBPW may develop any forms or documents needed to implement services so long as the developed forms or documents are consistent with the Terms of Service.

### **C. Right of Way and Easement Restoration**

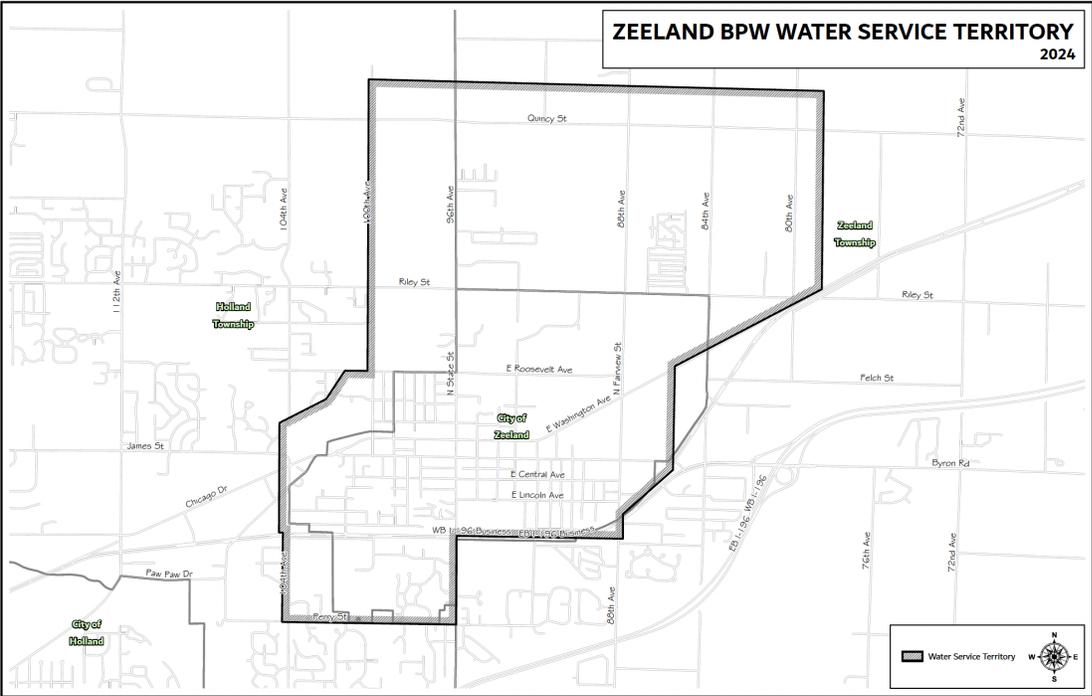
ZBPW utility equipment (fire hydrants, poles, transformers, etc.) is often located in the road rights-of-way or in easements provided on Customer property. Landscaping (lawns, shrubs,

trees, flowers, plants, stone, mulch, etc.) shall not be located so as to prevent access to ZBPW utility equipment. In the event this policy is disregarded, and installed landscaping is disturbed during the course of work to maintain and/or replace ZBPW utility equipment, ZBPW shall not be responsible for repair or replacement of disturbed landscaping, trees, fencing, structures or other items placed in the right-of-way or easement. Restoration of work to maintain, repair or replace components in the right-of-way or designated utility easement is limited to replacement of any disturbed streets, driveways, curbs, sidewalks or parking lots and reseeding of turf areas for erosion control. For designated utility easements, restoration of paved surfaces is limited to those incorporated into the easement, or in existence at the time of execution of the easement.

# 11. Water Service Area

Please use the link below to view a map and description of the ZBPW water service territory:

[zeelandbpw.com/water](http://zeelandbpw.com/water)



# 12. Definitions

**Assessment:** Payment required due to a public work that has benefited a parcel.

**Appurtenances:** Any device, piping, equipment, or accessory connected to the distribution system that is used for the delivery of water or maintenance of the system.

**Corporation Stop:** A valve that connects the service line to the Water Main. It is tapped directly into the main and controls flow from the main into the service line.

**Curb Stop:** A water service line valve that is used to shut-off water service without having to access the Customer premise. The valve is typically located seven feet (7') inside the public right-of-way or at the edge of the Water Main easement.

**Curb Box:** a vertical cast-iron pipe extending from curb or sidewalk level down to the shutoff (Curb Stop) at the water-main connection.

**Cross-Connection:** A physical interconnection, arrangement or condition of the Customer's plumbing through which the potable water furnished by ZBPW's Water Distribution System could become contaminated if backflow takes place.

**Customer Piping:** A piping system owned or controlled by the Customer that conveys water from the Service Location throughout the Customer's Premises.

**Demand:** The rate of water delivered at a given point.

**Facilities:** A general term which includes devices, associated structures and the like used as a part of or in connection with a water installation such as pipes, fittings, valves, fire hydrants, associated structures and the like.

**Fire Protection Service:** Pipes, valves, backflow devices and appurtenances installed from the Water Main to the customer's premises for the sole purpose of providing water for firefighting on the served premises.

**Meter Setting:** Pipes, valves and appurtenances that house the water meter.

**Meter Transmitter Unit (MTU/MXU):** A device connected to each water meter that automatically transmits water usage data to the ZBPW at regular intervals, typically every 12 hours or less. This unit enables remote meter reading and supports efficient monitoring of water consumption.

**Private Fire Hydrant:** The hydrant and appurtenances owned and maintained by the Customer, installed on Customer Piping on private property to provide water primarily for firefighting purposes.

**Public Fire Hydrant:** The hydrant and appurtenances owned and maintained by the ZBPW, installed on public Water Mains within public right-of-way or in ZBPW approved easements to provide water primarily for firefighting purposes for public benefit.

**Service Stub:** A piping system owned or controlled by the Customer that convey water from the Service Location throughout the Customer's Premises.

**Service Connection:** The point at which the water service line is connected to the ZBPW water distribution system.

**Trench:** A cut in the ground in which cables, pipes, etc. are installed.

**Water Distribution System:** The system of Water Mains, pipes, pumps, motors, fittings, tanks, valves, fire hydrants and all equipment and appurtenances thereto, necessary to distribute water to customer water services.

**Water Main:** A pipe owned and maintained by the ZBPW installed in a public rights-of-way or easements that conveys water to a Customer water service or to a fire hydrant.

# 13. Service Conditions

## A. Description of Service

ZBPW produces and distributes potable water, meeting standards established by the Michigan Department of Environment, Great Lakes, and Energy (EGLE), for public use throughout its service area.

ZBPW provides two types of services: metered service and non-metered service. Nonmetered services are designed for the sole purpose of supplying water to fire protection services.

ZBPW is responsible for and will maintain all of the Water Distribution System within the City of Zeeland and in portions of the townships served by the water system, which portions shall be defined by legal agreements between the ZBPW and the townships. The Water Distribution System consists of all Water Mains that are available to supply water to more than one water Customer service line.

## B. Financing for Water Line Improvements

Refer to Section 40-123 of the City of Zeeland Codified Ordinances.

## C. Access

ZBPW's authorized personnel or agents shall have access to the Customer's Premises at all reasonable hours for all purposes necessary to operate and maintain water service, including without limitation:

1. Install, inspect, observe, read, repair, maintain, test or remove its meters or MXU's.
2. Install, operate and maintain other ZBPW equipment or Facilities.
3. Inspect Fire Service installations, Customer Piping, and backflow devices.
4. Survey for cross connection hazards.

5. Determine the connected water Demand.

If, for any reason beyond its control, ZBPW is unable to read a meter, operate, maintain or make inspection, including but not limited to, reasons such as Premises being locked or meter being inaccessible, then after due written notice to the customer, the water service may be disconnected until such time as arrangements have been made to permit access for ZBPW inspection and approval and the customer has paid the appropriate disconnection and reconnection fees.

## **D. Service Interruption**

ZBPW shall not be liable for interruptions in the service including without limitation, variations in the service characteristics, or for any loss or damage of any kind or character occasioned thereby, due to causes or conditions beyond the ZBPW's reasonable control. Water service may be restricted or discontinued for repairs to Water Mains, fire hydrants, Customer's service connection or associated Appurtenances.

## **E. Customer Responsibilities**

The customer shall, at the customer's own risk and expense, furnish, install and keep in good and safe condition all equipment that may be required for receiving, controlling, applying, and utilizing water.

### **I. Protection of Customer's Equipment**

The customer shall be responsible for installing suitable safety switches, alarms, low pressure or water-flow cut-offs, etc., on all equipment which depends upon water services for protection against damage or failure. This equipment protects against any possible interruption of flow or drop in pressure in the ZBPW's water supply. No claim shall be made against the ZBPW for interruption of water supply.

### **II. Water Service Connection Applications**

New connections to the Water Main require approval from the local municipal authority. New water service connection applications are issued by ZBPW and can be completed online via the ZBPW website ([zeelandbpw.com](http://zeelandbpw.com)) or via an application form obtained at the ZBPW Administrative Office. For connections in the Townships, service applications and plumbing permits are issued at the respective township office. Plumbing permits in the City are issued by the Community Development Department at City Hall.

The service application shall be supplemented with plans, specifications, or other information when requesting a water service connection that is larger than 2" or when requested by ZBPW due to non-standard site conditions.

The applicant is responsible for payment of any charges or fees incurred for connecting to the water system in accordance with the Fee Schedule.

## **14. Use of Service**

Water is supplied for the exclusive use on the premises to which it is delivered. Service may not be shared with another, sold to another, or transmitted off the premises without the written permission of the ZBPW.

The renting of a premises, with the cost of service included in the rental as an incident of tenancy, will not be considered a resale of such services.

No person except authorized fire department personnel and such other people as determined by ZBPW shall operate and/or take water from a fire hydrant, Fire Service, or any other unmetered connection, unless otherwise approved by ZBPW. Any other use of fire hydrants requires installation of a hydrant meter and backflow prevention device obtained from ZBPW. A hydrant meter rental application must be submitted and approved by ZBPW, and the Customer shall pay all fees in accordance with the Fee Schedule.

## **A. Customer Piping and Equipment**

The Customer is responsible for all service piping downstream of the ZBPW owned shutoff valve. For domestic services this valve is typically located near the edge of the right-of-way. For Fire Protection Services the delineation of ownership shall be after the first shutoff valve from the Water Main.

ZBPW may deny or terminate service to any Customer whose water piping or equipment constitutes a hazard to water quality, the ZBPW's employees, ZBPW equipment, or its service to others.

Alterations to the Customer water service or associated equipment are prohibited without a plumbing permit acquired from the local municipality having jurisdiction.

If the Customer piping is found to be leaking before the meter, the Customer will be notified and is subject to shut off. If the leak is causing damage to property (i.e. washing out or eroding the soils, causing flooding or dangerous icy conditions, etc.) then ZBPW will shut off water to the service immediately. The Customer is responsible for maintaining awareness of their internal plumbing conditions and promptly notifying ZBPW of any leaks from the ZBPW owned water meters. ZBPW shall not be liable for excessive damage caused to private property from long-term leakage due to the failure of the Customer to check the condition of the water meter.

## **B. Water Quality and Disturbances**

The Customer shall operate equipment in a manner that does not cause surges, backpressure, water hammer or other problems in the water distribution system or to other Customers. If ZBPW notifies the Customer of such a condition, the Customer shall discontinue operation of equipment causing such condition until a correction has been made. If the Customer does not remedy the condition within ZBPW requested time frame, ZBPW will discontinue service until the Customer has remedied the situation and has paid fees for reconnections.

## C. Termination of Service

In the case of utility termination due to building demolition, partial or full basement installation, foundation replacement or house moving, the following steps have been established:

1. A Request for Utility Service Termination must be completed by the Customer or the agent.
2. All services must be terminated at the Water Main unless otherwise approved by ZBPW. If termination at the Water Main requires excavation in public right-of-way, a fee will be assessed to the Customer or agent in accordance with the Water Utility Fee Schedule.
3. City Customers must request a permit for building demolition, partial or full basement installation, foundation replacement or house moving from the City's Community Development Department. Township Customers must request a permit from their township of residence.
4. Advanced notice of seven (7) business days is required for scheduling ZBPW water service terminations.
5. Permits for building demolition, partial or full basement installation, foundation replacement, or house moving will not be issued until the utility termination has been completed.
6. The applicant, owner, or agent will be billed for the service based on the Fee Schedule.

## D. Disconnection and Resumption of Service

ZBPW requires that Customers requesting additional services for disconnecting and/or resumption of water services be billed according to ZBPW fee schedule to cover the cost of these services. Among the services performed which incur additional costs are: disconnects and resumption for non-payment; seasonal disconnects and resumption; and Customer

requests for service during non-business hours (unless they are for emergency repairs on ZBPW equipment).

Seasonal disconnects and resumption will involve the shut-off of the service at the Curb Stop. Service crews will only remove the meter and plug the lines if the meter is exposed to the elements. The Customer is responsible for winterizing the water meter along with the remainder of the plumbing in the home but may not remove the meter.

The Customer is required to pay all normal water charges until the date of disconnection.

Disconnections and resumption of water service shall be accomplished only by ZBPW services personnel. It is strongly recommended that a Customer be available at the premises at the time the water is turned on or off. The water service technician may decide, at their discretion, not to perform the service requested in the absence of the Customer. This decision will be based on the potential damage that may occur due to faulty plumbing within the building or due to the possibility of freezing if the building is not properly winterized. ZBPW will not be held liable for damage occurring during disconnects/resumes as the result of faulty plumbing within the customer's home or business, or as the result of improper winterization of the Customer's plumbing.

After receiving training and approval to do so by ZBPW, businesses or organizations with adequately trained staff may seasonally remove irrigation meters with notification to ZBPW. Meters shall be labeled and tagged with the size and location of the meter and reinstalled in the exact same location and in the same manner as its previous configuration.

If a disconnection of water service is made due to non-compliance with any terms by the Customer, any labor or material to disconnect or resume the water service shall be charged to the Customer.

All charges due for the disconnection of water service must be paid by the Customer before the water service will be resumed.

## **E. Water Use Reduction Plan**

The Water Use Reduction Plan is to be implemented during times of unusually high peak water Demands, water shortage, or severe drought and consists of five stages which may be implemented at any level depending on the severity of the situation.

Restrictions may be increased or decreased at any time as conditions warrant. Decisions regarding the stage to be implemented will be made based on the judgment of ZBPW staff.

### **I. Public Awareness**

Customers will be informed of the possibility of restricted water use and asked to restrict their use of water voluntarily.

### **II. Odd-Even Lawn Sprinkling**

All Customers whose addresses end in an odd number will be allowed to sprinkle any time only on odd numbered dates; Customers with even-number addresses may sprinkle any time only on even numbered dates.

### **III. Odd-Even Sprinkling—Midnight to Noon**

Same as above, except all permitted sprinkling activity must occur between the hours of midnight and noon. All sprinkling, regardless of address, will be prohibited from noon to midnight.

### **IV. Total Ban on Sprinkling and Non-essential Use of Water**

Non-essential use of water examples include:

- Non-commercial car washes
- Washing of exterior surfaces (i.e. driveways, homes, and walks)
- Other non-essential uses as determined by ZBPW

If it is determined water use restrictions are necessary, the limitation or prohibition shall take effect immediately.

## 15. Metering

All Customers connected to the water system shall install a meter of such size as may be approved by ZBPW. The meter shall be installed by the ZBPW Water Department. The Customer or licensed plumber shall be responsible for installing Meter Horn and inlet/outlet ball valves provided by ZBPW, in a suitable location for the meter where it will be protected from freezing. The meter must be easily accessible for reading.

All meters shall be sealed at the time of installation. No seal shall be altered or broken except with the authorization of ZBPW.

Meters moved for the convenience of the Customer are to be relocated at the Customer's expense and in accordance with the procedures for the installation of a new meter. ZBPW reserves the right to meter any service and to apply the established metered rates. All meter installations must be inspected and approved by ZBPW before service may be provided.

For residential Customers requiring irrigation service, the installation shall be a single meter of sufficient size to serve both the household and an irrigation system. The minimum monthly charge will apply to the particular size meter installed. Wastewater charges are calculated in accordance with Section 40-126 of the City of Zeeland Codified Ordinances.

All service connections, except Fire Services, shall be metered. Meters shall be set horizontally in a clean, easily accessible and suitable place.

All meters and MTUs/MXUs installed by ZBPW shall remain the property of the ZBPW. ZBPW reserves the right to size such metering equipment.

Meter costs are charged for initial installations to recover the first-time expense of the meter. Meters replaced due to normal wear and age are not charged to the Customer.

## A. Temporary Metering

Temporary metered water service is available to contractors and others for construction. The applicant shall pay the current installation charge for the meter size requested and shall be responsible for protecting the meter from damage, freezing, cross connections, and backflow events. Such installations must be made in a manner so that unauthorized persons cannot remove the meter or interfere with its proper registration of the water taken from the service. Charges for water furnished through a temporary service connection shall be at the established rates. Temporary construction metering receives the benefit of avoiding Meter Equivalent Connection fees, however, Assessments may still be required.

## B. Meter Location

1. A proper location for each meter shall be provided by the Customer. The location shall be readily accessible and well-ventilated. Such space shall be kept free from all obstructions, fixtures, etc. within a distance of three (3) feet from the meter. A clear overhead space of at least six (6) feet shall be provided. For overall space requirements of the meter connection, check with ZBPW. The location must be approved by authorized ZBPW personnel. The Customer must provide a proper location for the MTU/MXU on the outside of the building, as well as access to run wiring from the meter to the MTU/MXU and must maintain easy accessibility to the MTU/MXU for purposes of reading it.
2. The Customer shall install ZBPW-provided ball valves at the inlet and outlet sides of the Meter Horn and shall maintain them in good repair. For services two (2) inches in diameter and smaller, the valves must be water/oil/gas (WOG) ball valves. For larger services the valves must be of the resilient wedge type open left (OL).
3. A meter shall be provided for each service line entering a building.

Where, because of the number of tenants, it is the desire of the building owner to meter each tenant's water separately, a meter manifold may be permitted by the ZBPW, provided:

1. A metering room is made available by the owner for housing the water meters. Said room shall have access via common space (i.e. not through a private apartment or unit). The metering room and a key for the door shall be provided by the Customer at their expense.
2. The Customer and/or owner installs a valve on the inlet and outlet side of each meter-setting.
3. The Customer and/or owner installs a valve at the point where the primary feed line enters each apartment or office.
4. That each meter serves only one office or apartment unit with no interconnecting piping allowed between units.

Where water service is provided to a property with multiple tenants, but service is supplied through a single water meter, the Landowner shall be the sole account holder of record. The water utility will not establish individual tenant accounts under a shared meter arrangement.

1. All bills for service under a single water meter shall be issued to the Landowner. The Landowner is fully responsible for timely payment of all charges, fees, and penalties associated with the service, regardless of any private agreements between the Landowner and tenants regarding reimbursement or cost allocation.
2. The utility shall have no responsibility for billing tenants individually or for mediating disputes between tenants and the Landowner regarding allocation of water service costs. Any sub-billing arrangement shall be the sole responsibility of the Landowner.
3. Nonpayment of charges by the Landowner may result in service disconnection for the entire premises, regardless of the number of tenants served. The utility will not provide continuation of service to tenants individually under a single meter account.

4. In the event of a change of property ownership, the new owner must promptly apply to establish service in their name. Until such application is made and approved, the prior owner remains liable for all charges.
5. It is the responsibility of the Landowner to notify tenants of the service arrangement and the consequences of delinquency. The utility assumes no obligation to provide direct notice to tenants in multi-tenant properties served by a single meter.

## **C. Meter Horns and Ball Valves**

ZBPW requires the use of Meter Horns for five-eighths inch (5/8”), three-fourths inch (3/4”) and one inch (1”) meter installations. These requirements pertain to new service installations, service replacements and installation of additional meters. The Meter Horn and ball valves are provided by ZBPW. .

See ZBPW's Design and Construction Standards for additional details.

## **D. Maintenance of Meters, Meter Connections and MTUs**

ZBPW shall maintain all standard water meters and MTUs/MXUs. The Customer, however, shall be held liable for protecting the meter and MTU/MXU from damage including, but not limited to, damage by freezing, heat, construction, building renovations, and negligence or willful damage by the owner, tenants, or contractors. Any meter or MTU/MXU so damaged shall be repaired by ZBPW, and the cost thereof shall be billed to the Customer. The Customer shall also be responsible for a service call charge in addition to the meter replacement charge.

No person shall tamper with any meter or MTU/MXU or remove or break any seal placed on a meter. Evidence that such tampering has occurred will result in the charging of a tampering fee.

## **E. Bypasses Around Meters**

Bypasses may be plumbed around large commercial or industrial meters with prior written approval from ZBPW. If the bypass also bypasses the principal backflow preventer, then the bypass must also have adequate backflow prevention. The bypass must have a lockable valve and ZBPW will install its own lock on the bypass valve. Tampering with the lock will result in immediate termination of services and result in a ZBPW Utility Theft Investigation.

## **F. Upsizing/Downsizing Meters**

Customers wishing to increase or decrease the size of their meter may make a request to ZBPW for the new meter size. ZBPW will review the request and will review Demand data provided from the Customer. ZBPW reserves the right to size the meter according to Customer water Demand. A fee is charged for this service. The Customer is responsible for hiring a plumbing contractor to install an appropriately sized meter horn prior to the installation of the new meter.

Upsizing a meter requires additional charges, provided a larger meter was not at this address in the past fifteen (15) years. Refer to the ZBPW schedule of Water Service Fees and Charges.

# **16. Application of Rates**

## **A. Charges**

ZBPW shall from time to time establish charges for the use of and connection to the city water system. All users are required to pay the applicable rates for connection to the system and for water use. Refer to the ZBPW schedule of Water Service Fees and Charges.

## **B. User Responsibility for Charges**

Any persons, association, or corporation who takes possession of premises where water supply has been shut off by ZBPW and uses water without proper application for water service shall be responsible for all charges for water service. The amount of such charges shall be determined by ZBPW either by meter reading or on the basis of calculated consumption for the time water was used. Meter usage on vacant accounts will default to the last known user.

## **C. Connection Fees**

For more details on charges for water connections fees please refer to the ZBPW schedule of Water Service Fees and Charges.

# **17. Services**

All water service connections to Water Mains must comply with the standards and specifications set forth by the ZBPW and the Michigan Plumbing Code. All such lines and connections must be inspected either by ZBPW personnel or the local licensed plumbing inspector to ensure compliance. See ZBPW's Design and Construction Standards for additional details.

All Customer service connections are for the exclusive use of the building in which the service is connected and shall not be shared with or extended by the Customer to another building.

ZBPW shall not be responsible for damage to Customer property caused by spigots, faucets, valves, and other equipment that are open when water is turned on at the Curb Box.

The Customer shall keep their own service pipe from the Curb Stop in the right-of-way to the meter in good repair and free from leaks at their own expense. Note: If the service pipe has been previously or is currently connected to a lead gooseneck and the service pipe is galvanized on the Customer's side of the Curb Stop, the ZBPW will replace the service pipe in

accordance with Section 17. D. Water Service Line Replacement as Required by the Lead and Copper Rule.

## **A. Installation of Service Lines**

1. All locations of water service lines shall be approved by ZBPW.
2. The installation of all water services shall be under the direction of and subject to approval by ZBPW. Only duly authorized persons shall be permitted to install a service connection from ZBPW's main to the Customer's premises.
3. Each separate building must have its own water service connection to the distribution main. Any deviations from this policy must have written approval from the ZBPW.
4. The Customer shall pay for all labor and material required for the installation of service pipe from the Water Main to the Customer's water meter location.
5. Each service shall consist of a Corporation Stop, necessary tubing or piping and curb stop complete with service box. New connections will be supplied Curb Boxes at no charge by ZBPW.
6. Customer service connections shall be installed from the Water Main to the customer's building in the most direct manner consistent with good engineering practice. The pipe comprising the connection shall cross only that legally described property upon which the building to be served is located unless an easement approved by ZBPW is acquired.
7. Property owners are allowed to connect to an existing water Service Stub outside of the right of way whether they are licensed plumbers or not, as long as it is their own service. The private property owner is not allowed to alter or interfere with that portion of the service owned by ZBPW.
8. At the time the new service is installed, all existing unused services must be terminated and abandoned. Such terminations must be inspected and approved by ZBPW personnel. Refer to Section 6. D. Termination of Service

9. All water service Facilities work performed in the public right-of-way or dedicated easement must be inspected and approved by ZBPW. Installation of water leads shall be done in accordance with ZBPW specifications.
10. Water lines from the house to the main shall not be backfilled until inspection and approval has been given by the local licensed plumbing inspector and/or ZBPW designated resource.
11. As encountered, a Customer, plumber, or contractor working on a private side service replacement or repair will be billed for any damage and removal of sand and debris from Customer meters after restoration of water service.

## **B. Maintenance of Service Connection, Thawing of Services**

It is the intent of the ZBPW that all underground water pipes in the right-of-way from the Water Main to the Customer's property line or Curb Stop whichever comes first, be maintained by the ZBPW. This maintenance includes repair of leaking water service, Curb Box maintenance, and Curb Stop replacement.

In case of frozen water lines within the right-of-way, the ZBPW shall provide a thawing service according to the following policy:

1. ZBPW will respond to requests to thaw frozen services.
2. If the freezing occurs in the portion of the water service belonging to the ZBPW (i.e. from the main to the curb stop) the Customer will not be charged for thawing.
3. ZBPW will bear the cost of lowering its portion of the water service if the freezing problem has been caused by the shallow depth of the service.

4. ZBPW may authorize the Customer to run water to prevent additional freezing until the replacement can be made. The additional water used will be deducted from the Customer's utility bill.
5. If the freezing occurs after ZBPW has lowered the water service from the main to the curb stop, the Customer will be responsible for the cost of thawing the service.
6. If the freezing problem is in the Customer's portion of the service, the expense of rectifying the problem, should the Customer choose to do so, is the responsibility of the Customer.
7. Any damage caused to the Customer's portion of the service as a result of freezing and/or thawing must be repaired at the Customer's expense.

A water customer whose current service is in sound working order, but who wants a larger service installed, must absorb the entire cost of replacement from the Water Main to the building. The customer's plumbing contractor must terminate the old service at the Water Main at the time replacement occurs.

A leaking service in the right-of-way between the curb stop and the Water Main shall be terminated and replaced by the same size service, but not less than one inch (1") diameter. ZBPW will be responsible for the work and absorb the cost.

If a customer elects to replace their portion of the water service due to inadequate flow caused by blockage in old pipes, ZBPW, upon application by the customer, will replace the portion of the water service from the main to the Curb Stop thus ensuring adequate flow throughout the service. ZBPW will replace the service provided that the portion of the service from the main to the curb is approximately the same age as the Customer's portion and that ZBPW confirms the low flow conditions.

ZBPW shall not be responsible for any loss or damage caused by improper installation of such water equipment or the negligence, want of proper care or wrongful act of the Customer or any of their tenants, agents, employees or contractors in installing, maintaining, using, operating, or interfering with such equipment.

## **C. Control of Water Service**

No person other than an employee of the ZBPW, or a licensed plumber authorized by the ZBPW, shall open or close the shut off valve (Curb Stop in the right-of-way) on the Customer's service connection.

## **D. Water Service Line Replacement as Required by the Lead and Copper Rule**

Certain water services maintained by the ZBPW meet the definition of a lead service line in accordance with R 325.10410 of 2018 MR 11 (effective June 14, 2018), adopted by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) pursuant to Section 5 of the Public Act 399 of 1976, MCL 325.1005 (Lead and Copper Rule or "LCR"). The LCR defines a lead service line as either a service line which is made of lead or any lead pigtail, lead gooseneck, or other lead fitting that is connected to the service line, or both.

The ZBPW, pursuant to the LCR, is responsible for installing a new non-lead service line at the ZBPW's expense. The customer must Execute an access agreement allowing the ZBPW, its employees, agents, or contractors to enter on the property to construct and install the new non-lead service line.

Customers who refuse to comply with either option may have service shut off after proper notice as described in Section 6. Shutoff Policy of the General Terms of Service.

After installation of the new, non-lead service line, the responsibility of the Customer and the ZBPW shall revert to the responsibilities prior to the installation of the new, non-lead service line. After the expiration of any warranty period, the Customer shall hold the City harmless and free from any claim or liability of damage done in the performance of the water service line replacement.

## **E. Fire Protection Service**

Unmetered water service for the sole purpose of fire protection is available. A flat monthly rate, based on the size of the service and other factors, shall be charged for such services.

A Fire Protection Service connection will be furnished only if adequate provision is made to prevent the use of water from such service for purposes other than fire extinguishing or maintenance of the firefighting system. Size of the service connection to the main shall be subject to the approval of ZBPW.

Connections for domestic use must be made outside of the building, upstream of any post indicator valve and/or backflow preventer on the Fire Protection Service and require the installation of a separate curb stop and valve box.

A minimum of a double check valve assembly is required on all new fire protection services. For combined domestic water/fire protection services with fire department pumper connections and/or jockey pump, the installation of a reduced pressure backflow preventer is required.

See ZBPW's Design and Construction Standards for additional details.

## **I. Fire Hydrant Use**

ZBPW may approve the use of fire hydrants for purposes other than fire protection and distribution system maintenance. Such purposes may include provision of a temporary water service for construction, irrigation, drinking fountains, and swimming pools.

A person who wishes to apply for permission to use a fire hydrant must complete an application online. Approval of the application is at the sole discretion of ZBPW.

All water drawn from a fire hydrant will be metered using a temporary meter provided by ZBPW. The user will be charged a rate according to the fee schedule for water use.

A rental charge will be required for the use of the hydrant and the backflow prevention device. Rental rates will be charged according to the Fee schedule.

## **a. Metered Hydrant Usage Rules**

1. Hydrants must be fully opened and controlled with a meter valve.
2. Any persons using water from a fire hydrant must use RPZ Backflow Prevention and/or HBVB for connections 1 inch and smaller either provided by or approved by ZBPW.
3. The customer is responsible for the cost of repair or replacement due to loss of or damage to hydrants and equipment issued and will be charged a replacement fee for any equipment not returned to ZBPW in usable condition.
4. If a user does not comply with the above usage rules, ZBPW may prohibit them from further use of hydrants.
5. Hydrants must be visible and kept clear of vegetation and obstructions that would impede their use.

## **II. Private Fire Hydrants**

1. Private hydrants are not permitted without ZBPW and local fire department approval.
2. Private hydrants must be painted all red within City of Zeeland city limits and painted yellow within ZCT and HCT, if installed.
3. Private hydrants must be operational at all times and must be maintained in accordance with the requirements of the local Fire Marshal.
4. Private hydrants must be visible and kept clear of vegetation and obstructions that would impede their use.
5. Weep drains in private hydrants must be plugged.
6. Private hydrants may only be used for fire system maintenance if a ZBPW issued hydrant meter and backflow preventer are used.

7. All water drawn from a private hydrant will be metered using a temporary meter provided by ZBPW. The user will be charged a rate according to the fee schedule for water use.
8. A rental charge will be required for the use of the hydrant and the backflow prevention device. Rental rates will be charged according to the current fee schedule.
9. Construction of Private Fire Hydrants and Main to follow current ZBPW design and construction standards for potable Water Main construction.

### **III. Remote Fire Department Connections**

The ZBPW Water Department shall inspect the piping installation for remote fire department connections. All new remote fire department connection installations require backflow prevention in accordance with the Michigan Plumbing Code and the most recent edition of the State of Michigan Department of Environment, Great Lakes, and Energy (EGLE) Cross Connection Rules Manual.

### **IV. Automated Sprinkler System**

If an automated sprinkler system is installed the local building official will inspect and approve the plans, internal piping and installation of the required backflow preventer. The local building official will require records of a flow test on the public main for supply pressures and flow rates. The flow test shall have been conducted recently and reflect current system conditions.

#### **a. Backflow Preventer**

1. Installation shall be the appropriate double check valve assembly, or a reduced pressure zone assembly. Double Check Detector Assemblies (DCDA) and Reduced Pressure Detector Assemblies (RPDA) are not allowed since ZBPW does not read the detector meters.
2. Backflow preventers are not required on the fire suppression system for deluge, pre-action or dry pipe systems. However, if a remote fire department connection with a ball drip valve is installed on one of these systems, backflow prevention will be required.

3. Installation per ASSE Seal Authorizations including direction of flow (horizontal, vertical flow up, etc.). Assembly must include listed valves and test cocks.
4. Backflow preventer shall be tested (Michigan Plumbing Code 312.9.2) at time of installation with copy submitted to ZBPW and tested at regular intervals thereafter in accordance with the ZBPW Cross Connection Control Program.

## 18. Booster Pumps

Where the Customer uses a booster pump to increase pressure to the Customer's internal plumbing, the pump shall be of such capacity to maintain the suction side of the pump at or above 20 psi.

The Customer shall suitably pipe, valve and protect all booster pumps such that the boosted pressure will not cause backflow into ZBPW's Water Distribution System. All booster pumps having a capacity that could propagate pressure waves in the distribution system during start-up and shut-down shall have modulating valves installed on the discharge so that start-up or shut-down pressure surges will not be generated back into ZBPW's Water Distribution System.

## 19. Cross-Connection Control

The purpose of this section is to promote and protect the public health, safety, and welfare by the prevention and elimination of cross connections which have been recognized as the cause of public health problems due to the hazard caused to drinking water quality. This purpose shall result in the protection of the public potable water supply served by the ZBPW from the possibility of contamination or pollution by isolating within Customers' internal distribution systems, such contaminants or pollutants which could backflow or back siphon into the public water system. The City adopts by reference the Water Supply Cross Connection Rules of the State of Michigan, being MAC R 325.11401 to R 325.11407. See City of Zeeland Codified Ordinances, Chapter 40, Article IV. Water. Division 2. Cross Connections with Public Water Systems.

Any user of water from the ZBPW water supply system shall comply with the ZBPW Cross-Connection Control Program.

Cross-Connections of the public water supply system including, but not limited to, the following are prohibited:

- Between a public water supply system and a secondary water supply
- By submerged inlet
- Between a lawn sprinkling system and the public water supply system
- Between a public water supply system and piping which may contain sanitary waste or a chemical contaminant
- Between a public water supply system and piping immersed in a tank or vessel which may contain a contaminant

ZBPW shall have the authority to inspect any premises to determine the presence of an existing cross-connection. If a Cross-Connection is discovered, the expense of its elimination shall be that of the property owner on which such Cross-Connection exists. The amount of time allowed for completion of the necessary corrections shall be determined by the degree of hazard involved.

Any user of the ZBPW water supply system shall obtain approval from ZBPW for any proposed corrective action or protective device before use or installation. No person or persons shall remove a backflow prevention device without permission of ZBPW.

When a secondary water supply is used in addition to the public water supply, exposed public water and secondary water piping shall be identified by distinguishing colors or metal tags. These identifying markings shall be maintained so that each pipe may be traced readily in its entirety. Identifying piping adequately will make it necessary to protect the public water supply at the service line valve in a manner acceptable to ZBPW.

ZBPW shall discontinue water service after reasonable notice to any person owning any property where a Cross-Connection in violation of this ordinance exists. The Customer may also be responsible for a service call or shut-off fee as appropriate. If the correction has not

been made in such time as ordered, ZBPW shall physically separate the ZBPW water supply from such piping system in such a manner that the two systems cannot again be connected by an unauthorized person. ZBPW may take such other precautionary measures as necessary to eliminate any danger of contamination to the ZBPW water supply system. Service to such property shall not be restored until such Cross-Connection has been eliminated.

Any person causing contamination of the water supply due to backflow shall indemnify ZBPW for any additional expenses, including attorney fees, and costs caused by such a backflow, or any other pertinent factors.

## **A. Installation of Backflow Prevention Devices**

The Customer will be required to install a backflow prevention device on a Customer water service when the ZBPW determines that an unprotected Cross-Connection exists. The backflow prevention device shall be purchased, installed, tested and maintained by the Customer. The Customer must obtain ZBPW's approval of the type and manufacturer of the device. The Customer shall install the device at the termination of the Customer water service at the outlet side of the secondary valve and shall be installed in accordance with good design practice. Unprotected bypasses are not permitted.

If, in the opinion of ZBPW, the building use represents an extreme hazard, or that multiple hazards exist within the building, or Customer Piping (internal or external) is too complex to provide for reasonable inspection, or there exists a high potential for future cross connections, a backflow prevention device may be required at the service location, in addition to internal protection.

## **B. Inspection and Maintenance of Backflow Prevention Devices**

The Customer shall permit access for inspection by ZBPW of any backflow prevention devices and all internal plumbing with reasonable prior notice.

Backflow prevention devices must be installed in an area that will permit easy access for inspection, testing, and maintenance. ZBPW shall specify inspection and testing of all backflow prevention devices on a regular schedule. If a device is found to be defective, the Customer shall repair or replace the equipment as necessary within thirty days. The Customer shall then notify ZBPW of compliance. Test results shall be sent to the ZBPW Water Department. ZBPW will conduct a follow up inspection to ensure compliance.

## **C. Compliance**

The Customer must immediately correct any potentially hazardous backflow condition found during an inspection of internal plumbing. Failure to take adequate corrective action may result in termination of water service.

## **D. Severe Hazard Locations**

Customer water services serving the following Facilities must be protected against backflow. A safe air gap or reduced pressure backflow preventer is generally specified for the following uses:

- Hospitals, clinics, sanitariums and biological research centers
- Morgues, funeral homes and other places with autopsy Facilities
- Waste-treatment plants (both solid and liquid waste)
- Chemical plating plants
- Industrial plants having complex plumbing systems not visually traceable in their entirety
- Premises with an auxiliary water supply
- Premises where inspection is restricted
- Laboratories
- Marinas

- Food and beverage processing plants
- Petroleum processing or storage plants
- Radioactive material processing plants
- Premises with reclaimed water systems
- Facilities using treated water for process purposes
- Car Washes

## **E. Secondary Supplies**

A Customer's potable water plumbing cannot be connected to any well-water or surface water source, or to any water storage tank not approved by ZBPW.

## **F. Violations**

Any person or Customer found guilty of violating any of the provisions of this division or any written order of the board of public works, in pursuance thereof, shall be responsible for a municipal civil infraction.

# 20. Zeeland Board of Public Works Fee Schedule

<b>Miscellaneous Charges</b>		
<b>Type</b>	<b>Charge</b>	<b>When applied</b>
Non-sufficient funds (NSF) charge	\$30.00	Per occurrence
Service Transfer Fee	\$10.00 (water) \$15.00 (electric)	New account assessed at 1 <sup>st</sup> billing

<b>Water Utility Fees and Charges</b>			
<b>Type</b>	<b>During (?)</b>	<b>Charge M-F 7:30 a.m. – 3:30 p.m.</b>	<b>Charge After 3:30 p.m.</b>
Reconnection fee	Disconnect Reconnect	\$40.00 \$40.00	Additional \$70.00
Reconnection fee for meter tampering	Disconnect Reconnect	\$75.00 \$75.00	\$75.00 \$75.00
Seasonal sprinkling	Disconnect Reconnect	\$75.00 \$75.00	\$75.00 \$75.00
Customer-requested service investigation or meter reading	Per each occurrence after the first in any calendar year. No charge for any valid metering issue.	\$75.00	\$150.00

Description	When Applied	Charge	Notes
Meter Tampering	When discovered. (Damaged equipment will result in additional charge for the meter plus Meter Tampering Charge.)	\$500.00	
Damaged Meter Replacement	When discovered	Materials and labor costs	
Relocations, damages, etc.	Requested relocation and/or damages	Materials and labor costs	
Non-transmitting meter provision	Residential service customers have the option to choose non-transmitting meter	\$75.00 up front charge and a monthly charge of \$10.00 per month	Waived in circumstances where provision applies to both electric and water meters at the same location.
Hydrant meter/RPZ permit fee	For each request to use water from a hydrant in the water distribution system	\$100.00 includes 2-day rental and up to 15,000 gallons of water	All water over 15,000 gallons is charged the current commodity rate.
Hydrant meter permit fee	Each occurrence	\$75.00 per month	(1 day to 31 days) 32 days = 2 months fee
Security deposit— Residential	For each rental unit account without landlord affidavit of billing responsibility and lease copy	\$25.00	
	For each rental unit account with a landlord affidavit of billing responsibility and lease copy	\$50.00	
	For each residential customer following each reconnect occurrence for non-payment	\$25.00	

Description	When Applied	Charge	Notes
Security deposit— Commercial/Industrial	ZBPW may require a security deposit for commercial and industrial accounts	Two times average monthly billing	
Water connection fee—Individual service		<i>Meter size(inches)</i>	<i>Fee per meter</i>
		5/8"	\$5,398.00
		3/4"	\$8,096.00
		1"	\$13,494.00
		1½"	\$26,988.00
		2"	\$43,180.00
		3"	\$80,963.00
Water connection fee—Individual service		4"	\$134,938.00
		6"	\$269,877.00
		8"	\$431,803.00
		10"	\$620,716.00
Water connection fee—Subdivision service		<i>Meter size (inches)</i>	<i>Fee per meter</i>
		5/8"	\$2,481.00
		3/4"	\$3,722.00
		1"	\$6,203.00
		1½"	\$12,405.00
		2"	\$19,848.00
		3"	\$37,216.00
		4"	\$62,026.00

Description	When Applied	Charge	Notes
		6"	\$124,053.00
		8"	\$198,484.00
		10"	\$285,321.00
Additional meter	For additional meters or replacement of damaged meter(s).	<i>Meter size (inches)</i>	<i>Meter cost</i>
		5/8"	\$495.00
		3/4"	\$540.00
		1"	\$590.00
		1 1/2"	\$1,195.00
		2"	\$1,420.00
Additional meter	For additional meters or replacement of damaged meter(s).	3"	\$1,825.00
		4"	\$2,195.00
		6"	\$4,220.00
		8"	\$6,335.00
		10"	\$7,470.00
Termination of service at Water Main	Building demolition, partial or full basement installation, foundation replacement or house moving	\$2,500	



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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INTEROFFICE MEMORANDUM

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TO: Mayor Klynstra and City Council Members  
FROM: Kevin Plockmeyer, ACM of Infrastructure/City Services and Finance  
SUBJECT: Accept Annual Comprehensive Financial Report for FY2024-2025  
DATE: December 12, 2025  
CC: City Council Work Study and Action Items December 15, 2025

---

At the December 15, 2025 City Council meeting representatives from Brickley DeLong, will present the audit findings for the fiscal year that ended June 30, 2025. As presented in the attached Annual Comprehensive Financial Report and as will be presented by Brickley DeLong, the City of Zeeland had another sound fiscal year. As such, the City received an unqualified opinion which is the best opinion an audit can receive. The auditors and finance department staff all contributed to smooth and well-managed procedures in order to make this opinion possible. Along with the Annual Comprehensive Financial Report, following this cover memo is a brief presentation of the financial position of the City and the financial results of Fiscal Year 2024-25. As Council will note, the statements are marked as draft. This note is present because they have not been accepted by City Council. Once this happens, the statements will be considered final and ready for publication. We would not expect anything to change between the draft and final versions of the statements.

Recommendation: City Council accept the Fiscal Year 2024-2025 Annual Comprehensive Financial Report as presented.

---

Kevin Plockmeyer, ACM of Infrastructure/City Services and Finance

FEEL THE ZEEL

# Fiscal Year 2025 – Year in Review



# Governmental Fund Revenues

- We budgeted \$11,889,905 in revenues (not including transfers)
- We received \$14,370,978 In revenues (not including transfers)
- Difference of \$2,481,073
  - Received \$1,724,740 in additional Personal Property Tax Reimbursement Revenue than we budgeted
  - \$1,132,143 in realized and unrealized interest revenue.
  - \$800,000 less grant revenue due to timing grant receipt from State of Michigan for Church Street Project
  - Received \$181,879 in additional State of Michigan Funding than we budgeted
  - Received \$34,141 in additional Library Contributions than we budgeted
  - Received \$74,340 in additional property tax revenue
  - Remaining Differences were a result of minor differences over a number of accounts

# Governmental Fund Expenditures

- We budgeted \$19,119,604 in expenditures
- We had \$15,197,910 in expenditures
- Actual expenditures were \$3,921,694 less than budgeted

# Capital Outlay Differences

- We budgeted \$7,456,448 in capital outlay expenditures in Fiscal Year 2025, and only spent \$4,733,789 a difference of \$2,722,659 including the following items:
  - \$2,391,940 fewer costs due to timing differences of the Church and Taft Street reconstruction projects
  - \$96,433 fewer costs due to delaying the milling and resurfacing of Colonial south of McKinley
  - \$241,662 fewer costs due to the timing of the Hoogland Park project

# Operational Expenditure Differences

- Wage Related Expenditures (Full-Time and Part-Time Wages and Fringe Benefits) were \$411,904 less than budgeted for Fiscal Year 2025
  - Full-Time Wages were \$53,512 less than budgeted largely due to the less than expected impact of hiring a second a full-time firefighter, vacancies in the Clerk's Office, and a retirement in the Finance Department.
  - Part-Time wages were \$133,354 less than budgeted due to part-time employees not being compensated when they take time off, usage of part-time uncertified police officers, staffing changes in the Police Department, actual paid-on-call fire hours being less than budgeted.
  - Overtime was \$48,198 less than budgeted due to usage by the police and fire departments and usage during the winter months for plowing purposes.
  - Our Workers Compensation insurance was \$44,931 less than budgeted
  - The remaining \$131,909 is in the areas of Fees and Per Diems, Health Insurance, FICA taxes, Retirement Plan Contributions, and Long-Term Disability insurance as these items are multipliers of the areas highlighted above or were insignificant differences

# Operational Expenditure Differences, Cont.

- After considering wages and capital outlay, other operating expenditures were \$787,131 less than our Fiscal Year 2024-25 budgeted amounts including some of the following items:
  - \$34,546 less than budgeted due to the timing of the delivery of the Financial Sustainability Report
  - \$119,308 less than budgeted transfers to the IT Fund due to billable hours and timing of capital projects
  - \$52,510 less than budgeted was spent on contracted services for street and sidewalk maintenance
  - \$30,000 less due to the delay in pursuing a HRIS system.
  - \$50,000 less than budget due to not completing a Master Plan update in FY25.
  - \$30,000 less than budgeted due to not updating the traffic signal at State and Roosevelt during FY25.
  - \$35,997 in less salt than expected purchased in FY25.
  - \$56,062 due to the digitization of the Zeeland Record project carrying over into FY26.
  - \$50,000 due to the delay in studying a Recreation Center.
  - The remaining \$328,708 can't be attributed to any other large differences between budget expenditures and actual expenditures, but more to the mindset of a little bit here and a little bit there adds up to a lot. With over 50 budgeted activities that contain operational type items, this budget difference averages to just over \$6,500 per activity of savings in operational expenditures.

# Fund Balance Changes

- Budgeted for an overall Governmental Fund Balance decrease of \$7,229,699
- Actual Governmental Fund Balanced decreased \$826,932 to \$20,328,679
  
- Budgeted for a General Fund fund balance decrease of \$657,120
- Actual General Fund fund balance increased \$386,340 to \$6,591,244

# Fiscal Year 2025 – Year in Review



City Council  
City of Zeeland  
Zeeland, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Zeeland for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you during our conference on October 1, 2025. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Zeeland are described in Note A to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2025. We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting City of Zeeland's financial statements were:

Management's estimate of the compensated absences liability is based on unused compensated absences at year end, union contracts, and experience.

The estimates used to calculate the net pension liability and the related deferred inflows/outflows of resources are based on average life expectancies, age of retirement, and net return of invested assets.

Management's estimate of the net other post-employment benefits liability (OPEB) is based on average life expectancies, age of retirement, net return of invested assets, and expected future health care costs.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

## **Significant Audit Matters—Continued**

### *Qualitative Aspects of Accounting Practices—Continued*

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of significant pension and other post-employment benefit obligations in Note M and N and their impact on the government's net position.

The financial statement disclosures are neutral, consistent and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. During the year, the City implemented a new accounting pronouncement, GASB 101—*Compensated Absences*, but determined that the effects of implementation were immaterial to the financial statements. Management decided to pass on restating beginning balances for the compensated absences liability, resulting in an overstatement of expenses in the following opinion units:

- Governmental Activities: \$119,508
- Business-type Activities: \$111,552
- Electricity Fund: \$82,896
- Water Fund: \$11,641
- Clean Water Fund: \$17,015
- Aggregate Remaining Funds: \$11,256

Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgement, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

## **Significant Audit Matters—Continued**

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated January 1, 2027.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the entity’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the entity’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### *Other Matters*

We applied certain limited procedures to the required supplementary information (RSI), which is required and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining nonmajor and individual fund financial statement and budgetary information for nonmajor funds, which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

City Council  
City of Zeeland  
Page 4

**Significant Audit Matters—Continued**

*Restriction on Use*

This information is intended solely for the information and the use of the City Council and management of City of Zeeland and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Muskegon, Michigan  
January 1, 2027

DRAFT

City of Zeeland  
Ottawa County, Michigan

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the Year Ended June 30, 2025



**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
CITY OF ZEELAND, MICHIGAN  
For the Fiscal Year Ended June 30, 2025**

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**CITY COUNCIL**

**Richard VanDorp III – Mayor**

Sally Gruppen

Phung Lam

Amy Langland

Mary Beth Timmer

Andrew Bult

Rebecca Perkins

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**PREPARED BY  
CITY OF ZEELAND FINANCE DEPARTMENT**



City of Zeeland

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**INTRODUCTORY SECTION**

DRAFT



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

December 10, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Zeeland:

The City Charter and State law require that the City publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Zeeland for the fiscal year ended June 30, 2025.

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

The City of Zeeland's financial statements have been audited by Brickley DeLong, PC, an independent firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Zeeland for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Zeeland's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. An unmodified opinion is the best opinion that an organization can receive on its financial statements. The independent auditor's report is presented as the first component of the financial section of this report.

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

## Profile of the Government

The City of Zeeland, incorporated in 1907, is in Western Michigan, approximately 25 miles west of Grand Rapids. The population of Zeeland is 5,719 within the City's three-square miles. Many more people reside in numerous new housing developments surrounding the City, and the City is an employment center with many world-class manufacturing facilities within its borders. A strong work ethic is evident in the quality work force in the area, and pride is apparent in the upkeep of homes and businesses. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council, which consists of a mayor and six-member council. The City Council is responsible, among other things, for setting policies, approving ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager and department heads are responsible for carrying out the policies and ordinances of the governing council. The mayor and council members are elected at large. Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected every two years for a two-year term.

The City of Zeeland provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; recreational activities and cultural events; public improvements; planning; zoning and general administrative services. The Board of Public Works, which entails the Electric Utility Fund and Water Utility Fund is not a legally separate component unit but is reported separately from governmental activities. These business-type activities are reported separately because they rely to a significant extent on fees and charges for support, whereas the governmental activities are normally supported by taxes and intergovernmental revenues. The City Council appoints its five-member board and approves rates for user charges, their budget, and any bond issuance authorizations. The legal liability for any general bonded debt remains with the City. The Electric Utility and Water Utility Funds are presented as a proprietary fund type. The Clean Water Utility Fund is directly controlled by the City Council and does not fall under the Board of Public Works. It is also reported as a proprietary fund type and combined under business-type activities.

The City maintains budgetary controls. An annual budget is adopted in accordance with the legal requirements set forth in the Uniform Budgeting Act, State of Michigan P.A. 621 of 1978 as well as the City Charter. The annual budget serves as the foundation for the City of Zeeland's financial planning and control. All departments of the City of Zeeland are required to submit requests for appropriations to the City Manager. These requests form the basis for the development of a proposed budget. On or before March 31, the proposed budget is presented by the city manager to the City Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than their first regular meeting in May. The budget is prepared by fund, function, activity (i.e. assessor, police patrol) and line item. The budget is appropriated at the activity level. Expenditures may not legally exceed budget appropriations at the activity level within the fund, department, and activity. Department heads may adjust line items within the activity; however, only the City Council has the authority to amend the total activity budget. Transfers of appropriations between activities require approval of the City Council. Unexpended amounts lapse at year end; however, funding for committed capital projects is generally re-appropriated as part of the following year's budget. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted. The General Fund comparison can be found in the required supplementary information section of the financial statements. For other governmental funds this comparison can be found in the other supplemental information section of the financial statements.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Zeeland operates.

### **Local Economy**

The City is an industrial and commercial oriented community serving as a principal business, marketing and cultural center for the surrounding suburban and agricultural area. Industrial and commercial valuations comprise 70% of the City's ad valorem tax base of \$560,070,481 (Taxable Value FY 2025). Additional tax base is provided from the industrial facilities tax (IFT) on property valued at \$36,814,770 and levied at one-half the regular property tax rate.

Zeeland's industrial composition is well diversified, with some 60 industries located within the corporate limits employing over 11,000 persons. Included are such well-known corporations as Herman Miller, Inc., an international leader in the manufacturing of office systems furniture; Howard Miller Clock Company, one of the largest producers of grandfather clocks in the world; Gentex Corporation, a manufacturer of transportation equipment for the auto and aerospace industry; Reckitt, a large producer of nutritional infant formula; ODL, a maker of door glass and skylights; Aurorium Chemicals, a large manufacturer of chemicals; and Consumer's Energy, an electric generating plant with a 935-megawatt simple and combined cycle turbine facility.

In addition to industrial employers, over 200 commercial and service businesses employing more than 1,000 persons are located within the City. Over 3,000 people volunteer their time in our schools, churches, hospital, nursing homes, and service organizations.

The unemployment rate increased in Ottawa County (Zeeland's Metropolitan Statistical Area (MSA)) to 4.8% from 4.1% while the State of Michigan increased from 4.7% to 5.3% (October 2025). The City of Zeeland remains optimistic that its commercial and industrial tax bases will continue to thrive.

For its part, the City in conjunction with its Board of Public works continues to spur the local economy with numerous capital improvement projects involving streets, parks, and City buildings in 2025. The estimated economic impact of these projects is not insignificant with the estimated project amounts being over \$10 million dollars. Included in this investment is a major streetscape project for the Downtown District to complement the investment being made by the private sector in the district.

### **Long-Term Financial Planning and Major Initiatives**

The City's financial health remains strong and there remains optimism for the long-term financial health of Zeeland. Indicators such as General Fund Balance, Debt Ratios, Pension, and OPEB liabilities all provide positive benchmarks compared with many other local units of government.

The City's fund balance across all Governmental Funds has been increasing over the past 13 years. Starting with a combined fund balance at the end of Fiscal Year 2008 of \$6,012,385 the combined governmental fund balance has grown to a balance of \$21,468,017 in Fiscal Year 2025, a growth of \$15,455,632. During this same time period the City has been invested over \$44 Million in Park, Streets, and Building capital improvement projects. The General Fund Balance of \$7,082,373 also represents 66% of General Fund Expenditures and Transfers, a number that is well within the City's Fund Balance Policy.

The City's Debt ratio is also well within the confines set by the State of Michigan. The State of Michigan mandates that the City's debt cannot exceed 10% of its State Equalized Value. At the end of Fiscal Year 2025, the City's debt limit was \$81,913,030. The City has outstanding debt of \$1,595,000, or 1.95% of this legal debt limit.

The City's Pension and OPEB plans are also well-funded compared to that of its peers. The average Pension Plan in the State of Michigan is 71% funded ([mackinac.org/pensions](http://mackinac.org/pensions)). The City of Zeeland's Pension Plan is currently 118.7% funded. This funding status is calculated using the most current mortality tables, an investment rate of return of 5.60%, and the plan is closed to new hires. The City's OPEB plan is fully funded and maintains a funding status of 165.60%. This plan is also closed to new employees and uses the most current mortality tables and an assumed rate of return of 5.01%. The assumptions made by these plans and the funding status paint a picture that leads to long-term financial health for the City.

A major challenge for the City that will have long-term financial planning implications is the City's adjustment to the ongoing phase out of the state's personal property tax. A phase-out of personal property tax began in 2014. The timeline for the complete phase out is scheduled as follows:

- Beginning January 1, 2014, industrial and commercial businesses will be able to be exempted from personal property tax if the total value of their personal property in a tax collecting unit is \$80,000 (true cash value) or less.
- Beginning January 1, 2016, all new business personal property, all personal property purchased before 2006 and after 2012 will be exempt from personal property tax.
- On the first of January in subsequent years, personal property purchased before 2007 will be exempt on January 1, 2017; personal property purchased before 2008 will be exempt on January 1, 2018; and so on, with the phase out complete by 2023.

For Fiscal Year 2025, the result of this phase out of personal property taxes was approximately \$1,231,000. While the State of Michigan did fully reimburse this amount and more in 2025, only 29.7866% of this lost revenue is guaranteed to be refunded, while the remaining portion is funded on a year-by-year basis. Prior to the phasing in of this legislation, Personal Property Taxes accounted for over 30% of the City's tax revenue. The uncertainty surrounding the amount of reimbursement for this lost tax revenue has caused the City to exercise caution when setting budgets as it embraces this new funding mechanism.

In addition to the phase out of Personal Property Taxes, the City does continue to consider the budgetary implications that would be caused by the departure of the City's largest taxpayers. While there is no immediate concern, the City continues to plan around the concentration of its tax base.

The City continues to monitor its operational expenses to account for the uncertainty it sees in the future, but also understands that it must continue to reinvest in the community in order to fortify the quality of life our constituents' desire and have come to expect. The City annually sets a Strategic Action Plan that addresses short, mid and long-term goals and the City also maintains a six-year Capital Improvement Program which serves as a planning document to ensure that our facilities, equipment, and infrastructure are well maintained and in peak operating condition. Major capital expenditures that the City plans to undertake in the upcoming year are the continued work on the Clean Water Plant expansion, electric and water utility improvements, street and sidewalk improvements and park improvements. In total, for Fiscal Year 2025/2026 the City and Board of Public Works plan to invest \$14 million in capital projects. Finally, the City will continue to pursue action steps that have been outlined in our 2025 Strategic Plan in the areas of financial stability, policy and services, economic and community development, infrastructure, organizational development, and culture, parks, and recreation. A detailed listing of this Strategic Action Plan can be found on the City's website [www.cityofzeeland.com](http://www.cityofzeeland.com).

## Awards and Acknowledgements

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Zeeland for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of State and local government financial reports.

To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR, whose contents conform to program standards. This report satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. The City of Zeeland has achieved a Certificate of Achievement for the last thirty consecutive years. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would also like to express our appreciation to all the employees of the City who assisted and contributed to this report. Credit must also be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Zeeland's finances.

Respectfully submitted,



Timothy R. Klunder  
City Manager



Kevin Plockmeyer  
Finance Director

**FINANCIAL SECTION**

DRAFT

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the City Council  
City of Zeeland  
Zeeland, Michigan

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Zeeland, Michigan, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Zeeland, Michigan's basic financial statements as listed in the table of 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, each major fund, and the aggregate remaining fund information of the City of Zeeland, Michigan 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 of Zeeland, Michigan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

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

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 of Zeeland, Michigan'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 of Zeeland, Michigan'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 of Zeeland, Michigan'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 schedules, and pension and other postemployment benefits information 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 of Zeeland, Michigan's basic financial statements. The combining nonmajor and individual fund financial statements and budgetary information for nonmajor funds 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 combining nonmajor and individual fund financial statements and budgetary information for nonmajor funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

## Management's Discussion and Analysis

As management of the City of Zeeland, Michigan, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found prior to the financial section.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities at the close of the most recent fiscal year by \$227,818,695 (*net position*). Of this amount, \$99,292,014 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$8,953,759. This increase is largely attributable to market driven gains on the City's investments and a larger than expected reimbursement for lost personal property tax revenue from the State of Michigan.
- As of the close of the current fiscal year, the City of Zeeland's governmental funds reported combined ending fund balances of \$21,468,017, an increase of \$312,406 in comparison with the prior year. Approximately 83% of the fund balance, \$17,909,616 is *available for spending* at the City's discretion (*committed, assigned and unassigned fund balances*).
- At the end of the current fiscal year, fund balance of the General Fund was \$7,082,373 or 66% of total FY 2025 General Fund expenditures and transfers out.

### Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, community and economic development, and culture and recreation. The business-type activities of the City include electric, water, and clean water operations.

The location of the government-wide financial statements can be found in the table of contents.

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

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

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

The City maintains seventeen (17) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Municipal Streets Fund, and Snowmelt Construction Fund, which are considered to be major funds. The City of Zeeland has fourteen (14) non-major funds and three (3) major funds. These include the General Fund, nine (9) special revenue funds, six (6) capital projects funds and one (1) permanent fund. The permanent fund is used to record the activity of the Cemetery Trust. Data from the fourteen (14) non-major governmental funds are combined into a single aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. Budgetary comparison statements have been provided herein to demonstrate compliance with those budgets.

The location of the governmental fund financial statements can be found in the table of contents.

**Proprietary funds.** The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its electric, water and clean water operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle and equipment maintenance activities, information technology, building maintenance activities and health-care insurance. Because these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of the internal service funds have been included within *governmental activities* in the government-wide statement of net position.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric, Water, and Clean Water Utility funds, all of which are major funds of the City. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The location of the proprietary fund financial statements can be found in the table of contents.

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

The City of Zeeland Defined Benefit Pension Trust Fund accounts for the activities of the City's defined benefit pension plan for eligible employees and the Retiree Health Benefits Trust Fund accounts for the activities of the City's Other Post-Employment Benefits (OPEB) Plan for eligible employees. In addition, the City maintains custodial funds to account for tax collections and related payments owed to third parties.

The location of the fiduciary fund financial statements can be found in the table of contents.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The location of the notes to the financial statements can be found in the table of contents.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* presenting the City of Zeeland's budgetary comparison schedules for its General Fund. Information concerning the City of Zeeland's defined benefit pension plan schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of investment returns, and the City's other post-employment benefits schedule of changes in the net OPEB liability and related ratios, schedule of contributions, and schedule of investment returns are presented as well. The location of the required supplementary information can be found in the table of contents.

The combining statements referred to earlier in connection with the non-major governmental funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information. The location of the combining statements and individual non-major governmental fund budgetary comparison schedules can be found in the table of contents.

Immediately following the combining statements is a statistical section which provides certain information pertaining to general government revenues, expenditures, tax revenues and collections, demographics, and other statistical data.

## **Government-wide Financial Analysis**

**Net Position** - As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Zeeland, assets and deferred outflows of resources exceeded liabilities by \$227,818,695 at the close of the most recent fiscal year.

The largest portion of the City's net position (54%) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### City of Zeeland's Net Position

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 29,149,555	\$ 27,556,569	\$ 82,314,130	\$ 77,410,488	\$ 111,463,685	\$ 104,967,057
Capital assets	36,971,617	35,689,027	87,503,215	86,491,242	124,474,832	122,180,269
Total assets	66,121,172	63,245,596	169,817,345	163,901,730	235,938,517	227,147,326
Deferred outflows of resources	-	-	-	342	-	342
Total assets and deferred outflows of resources	66,121,172	63,245,596	169,817,345	163,902,072	235,938,517	227,147,668
Long-term debt outstanding	140,000	280,000	1,512,000	1,640,000	1,652,000	1,920,000
Net pension liability	-	-	-	31,440	-	31,440
Other liabilities	1,640,048	1,390,645	3,272,516	3,650,908	4,912,564	5,041,553
Total liabilities	1,780,048	1,670,645	4,784,516	5,322,348	6,564,564	6,992,993
Deferred inflows of resources	403,909	90,273	1,151,349	1,199,466	1,555,258	1,289,739
Total liabilities and deferred inflows of resources	2,183,957	1,760,918	5,935,865	6,521,814	8,119,822	8,282,732
Net position:						
Net investment in capital assets	36,684,155	34,725,599	85,533,361	84,200,399	122,217,516	118,925,998
Restricted	6,000,652	5,581,750	308,513	173,657	6,309,165	5,755,407
Unrestricted	21,252,408	21,177,329	78,039,606	73,006,202	99,292,014	94,183,531
Total net position	\$ 63,937,215	\$ 61,484,678	\$ 163,881,480	\$ 157,380,258	\$ 227,818,695	\$ 218,864,936

An additional portion of the City's net position (2.76%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$99,292,014) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**Change in Net Position** - The City of Zeeland's net position increased by \$8,953,759 during the current fiscal year. This increase in net position is broken down as a \$2,452,537 increase in governmental activities and a \$6,501,222 increase in business-type activities.

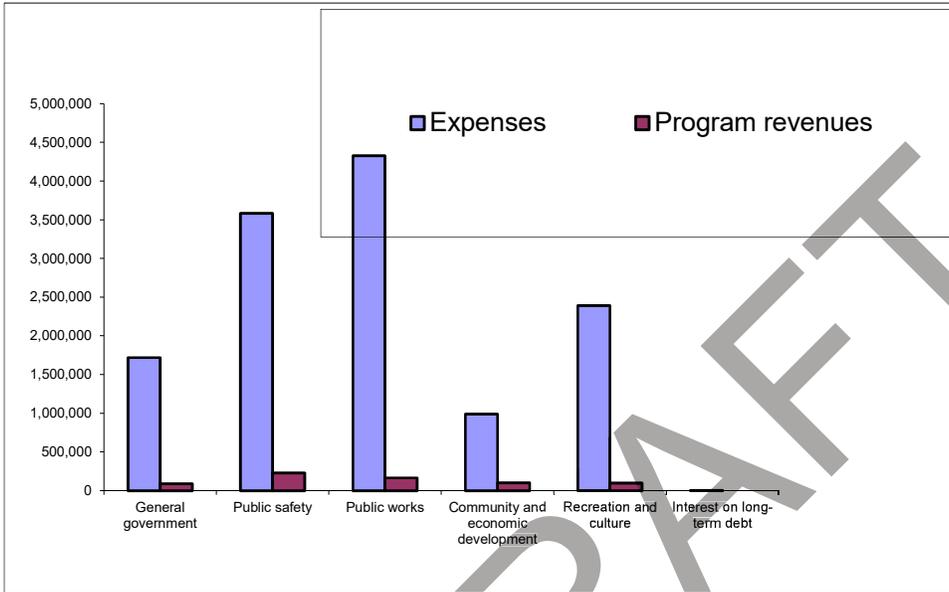
### City of Zeeland's Changes in Net Position

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Program revenues						
Charges for services	\$ 558,217	\$ 490,076	\$ 47,464,796	\$ 45,688,225	\$ 48,023,013	\$ 46,178,301
Operating grants and contributions	123,874	240,716	-	-	123,874	240,716
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	6,986,809	6,553,614	-	-	6,986,809	6,553,614
State shared revenues/grants	5,189,710	4,881,405	-	-	5,189,710	4,881,405
Investment earnings (loss)	1,476,627	1,261,825	4,757,697	4,870,040	6,234,324	6,131,865
Gain on sale of capital assets	102,576	432,735	240,971	6,257	343,547	438,992
Other	105,702	106,390	-	-	105,702	106,390
<b>Total revenues</b>	<b>14,543,515</b>	<b>13,966,761</b>	<b>52,463,464</b>	<b>50,564,522</b>	<b>67,006,979</b>	<b>64,531,283</b>
Program expenses						
General government	1,718,615	1,382,580	-	-	1,718,615	1,382,580
Public safety	3,583,778	2,904,869	-	-	3,583,778	2,904,869
Public works	4,327,623	3,708,308	-	-	4,327,623	3,708,308
Community and economic development	989,547	364,526	-	-	989,547	364,526
Culture and recreation	2,390,555	2,183,000	-	-	2,390,555	2,183,000
Interest on long-term debt	5,250	8,625	-	-	5,250	8,625
Electric	-	-	36,935,819	35,116,535	36,935,819	35,116,535
Water	-	-	5,280,685	4,999,654	5,280,685	4,999,654
Clean water	-	-	2,821,348	2,861,823	2,821,348	2,861,823
<b>Total expenses</b>	<b>13,015,368</b>	<b>10,551,908</b>	<b>45,037,852</b>	<b>42,978,012</b>	<b>58,053,220</b>	<b>53,529,920</b>
Changes before transfers	1,528,147	3,414,853	7,425,612	7,586,510	8,953,759	11,001,363
Transfers	924,390	884,015	(924,390)	(884,015)	-	-
Change in net position	2,452,537	4,298,868	6,501,222	6,702,495	8,953,759	11,001,363
Net position - beginning	61,484,678	57,185,810	157,380,258	150,677,763	218,864,936	207,863,573
<b>Net Position - ending</b>	<b>\$ 63,937,215</b>	<b>\$ 61,484,678</b>	<b>\$ 163,881,480</b>	<b>\$ 157,380,258</b>	<b>\$ 227,818,695</b>	<b>\$ 218,864,936</b>

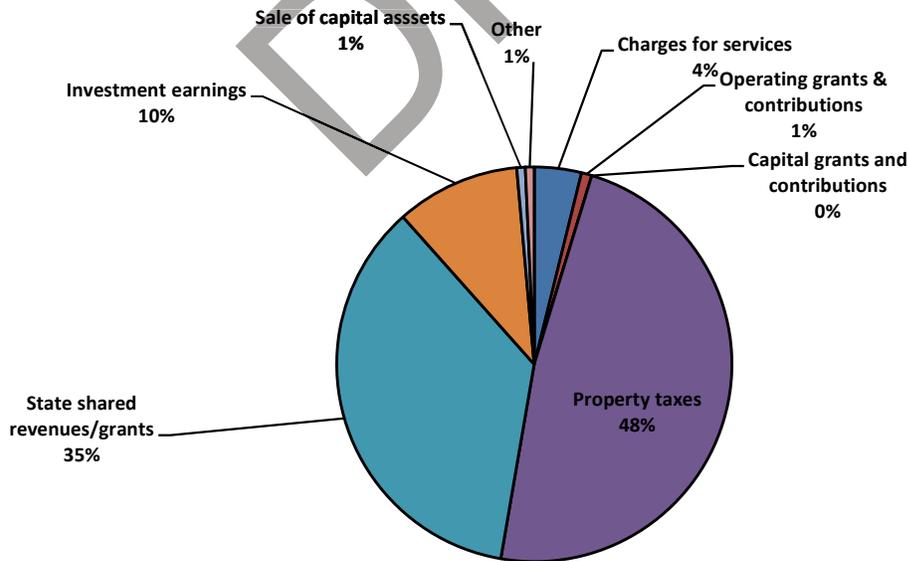
**Governmental activities.** - Governmental activities increased the City’s net position by \$2,452,537. Total net revenues increased by \$576,754. This overall increase in revenues is a result of unrealized gains on the City’s investments in 2025 and an increase in property tax revenues.

Total expenses in FY25 increased by \$2,463,460 largely due to increased expenditures in the area of public works for costs associated with large infrastructure projects for streets and sidewalks and public safety in order to account for ongoing operational needs and the addition of full-time firefighters.

**Expenses and Program Revenues – Governmental Activities**

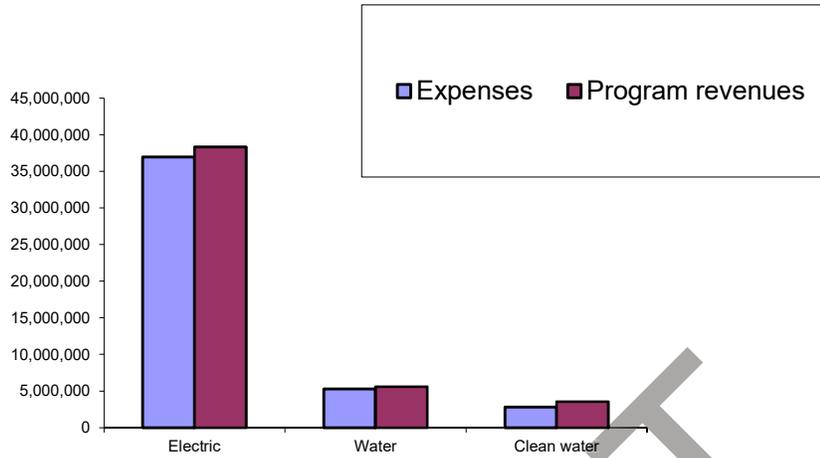


**Revenues by Source – Governmental Activities**

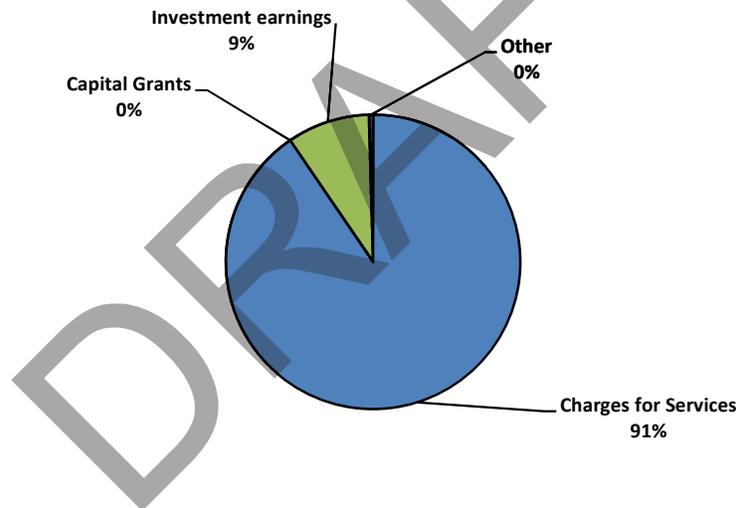


**Business-type activities.** Business-type activities increased the City of Zeeland’s net position by \$6,501,222. This increase was largely driven by the \$4,757,697 of unrealized gains on the City’s investments.

**Expenses and Program Revenues-Business-type Activities**



**Revenues by Source – Business-type Activities**



**Financial Analysis of the Government’s Funds**

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

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

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$21,468,017, an increase of \$312,406 from the prior year. Approximately 83% of this amount (\$17,909,616) constitutes *unrestricted fund balances (either committed, assigned or unassigned)*, which is available for spending at the government’s discretion. The remainder of fund balance is *either non-spendable* - \$1,562,150 permanent corpus of Cemetery trust or *restricted* - \$1,996,551 for specific purposes.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year the total fund balance of the General Fund was \$7,082,373 (\$64,421 - non-spendable, \$1,154,613 - assigned, \$5,863,339 – unassigned). As a measure of the General Fund’s liquidity, it may be useful to compare this fund balance to total fund expenditures and transfers out. The total fund balance (\$7,082,373) represented 66% of the fiscal year’s total General Fund expenditures and transfers out (\$10,716,154). The fund balance of the City’s General Fund decreased by \$173,507 during the current fiscal year compared to an increase of \$818,718 in the prior year.

The Municipal Streets Fund accounts for and reports grants and other resources that are restricted for use on major and local streets capital projects. It also accounts for transfers from the General Fund that are assigned for major and local streets capital projects. The fund balance of the Municipal Streets Fund increased by \$1,285,859 during the current fiscal year compared to a decrease of \$147,174 in the prior year.

The Snowmelt Construction Fund is used to account for monies set aside by the City to construct an expanded snowmelt system. The primary funding source is transfers from the General Fund and other governmental funds. The fund balance of the Snowmelt Construction Fund decreased by \$2,241,758 in the current fiscal year compared to a decrease of \$2,177,306 in the prior year.

**Proprietary funds.** The City’s proprietary funds provide the same type of information found in the government-wide financial statements (business-type activities), but in more detail.

Unrestricted net position of the Electric, Water, and Clean Water Utility funds at the end of the year amounted to \$55,426,377, \$12,446,787, and \$9,612,720, respectively. Increases in the Electric, Water, and Clean Water Utility funds net position during the current year were \$4,653,076, \$958,821, and \$895,042, respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City’s business-type activities.

### **General Fund Budgetary Highlights**

Not considering additional transfer-in revenue and transfer-out expenditures, total actual General Fund revenues were \$510,061 or 6.6% more than budgeted revenues. Factors contributing to these increased revenues include the recognition of \$45,258 of additional property tax collections and \$396,563 in additional investment earnings. Besides these items, most other items were close to their budgeted revenue.

Generally speaking, actual expenditures were less than original budgeted expenditures, except for a couple of instances. The budget was modified by \$49,000 to account for additional contracted services for the City’s downtown parking lots. Additionally, the Fire Department budget was amended by \$140,000 to account for the addition of a full-time firefighter.

### **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 amounted to \$124,474,832 (net of accumulated depreciation, not including liabilities associated with the assets). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and street and sidewalks. The City’s investment in capital assets for the current fiscal year increased \$1,282,590 for governmental activities and increased \$1,011,973 for business-type activities.

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

- Street, path, park, and cemetery construction amounted to approximately \$4,110,000
- Electrical, water, and sewer system improvements amounted to approximately \$6,015,000

Additional information on the City’s capital assets can be found in Note G of the Notes to the Financial Statements.

**City of Zeeland's Capital Assets**  
(net of depreciation)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Land	\$ 1,887,445	\$ 2,366,781	\$ 2,228,189	\$ 2,228,189	\$ 4,115,634	\$ 4,594,970
Construction in progress	1,235,817	6,462,996	3,035,088	8,875,122	4,270,905	15,338,118
Land improvements	1,546,360	1,665,253	369,297	475,659	1,915,657	2,140,912
Buildings and improvements	5,527,681	5,920,298	-	-	5,527,681	5,920,298
Systems	-	-	81,567,347	74,527,575	81,567,347	74,527,575
Machinery, equipment, vehicles	2,318,941	2,621,189	303,294	384,697	2,622,235	3,005,886
Infrastructure	24,455,373	16,652,510	-	-	24,455,373	16,652,510
<b>Total</b>	<b>\$ 36,971,617</b>	<b>\$ 35,689,027</b>	<b>\$ 87,503,215</b>	<b>\$ 86,491,242</b>	<b>\$ 124,474,832</b>	<b>\$ 122,180,269</b>

**Long-term debt.** At the end of the current fiscal year, the City had total outstanding debt of \$2,226,000. Of this amount, \$1,595,000 comprises debt backed by the full faith and credit of the government, of which \$1,455,000 is to be repaid from Clean Water Fund revenue sources.

**City of Zeeland's Outstanding Debt**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 140,000	\$ 280,000	\$ 1,455,000	\$ 1,640,000	\$ 1,595,000	\$ 1,920,000
Compensated absences	324,000	201,714	307,000	214,424	631,000	416,138
<b>Total</b>	<b>\$ 464,000</b>	<b>\$ 481,714</b>	<b>\$ 1,762,000</b>	<b>\$ 1,854,424</b>	<b>\$ 2,226,000</b>	<b>\$ 2,336,138</b>

In April of 2014, the City of Zeeland’s general obligation (GO) debt was upgraded from an AA- rating to AA with a stable outlook. Moody’s Investors Service assigned an Aa2 for the City’s GO Unlimited Tax and an Aa3 for its GO Limited Tax debt. Moody’s reaffirmed these ratings in 2024 and 2025.

The Zeeland Board of Public Work’s electric utility revenue bonds maintained an A- rating with a stable outlook from Standard & Poor’s. Both the electric and water utilities hold a bond rating of A1 from Moody’s Investor Service.

State statutes limit the amount of general obligation debt the City may issue to 10 percent of the state equalized value of taxable property in the City. The current debt limitation for the City is \$81,913,030, which is significantly in excess of the City’s outstanding general obligation debt.

Additional information on the City’s long-term debt can be found in Note I of the Notes to the Financial Statements.

## **Economic Factors and Next Year's Budgets and Rates**

- Industry within the City of Zeeland continues to be very stable and is expected to grow within the community.
- General Fund revenue for Fiscal Year 2025-2026 is projected to be \$10,252,827, an increase of \$277,741 from budgeted Fiscal Year 2024-2025.
- General Fund operating expenditures for Fiscal Year 2025-2026 are projected to be \$8,090,104 (does not include Other Financing Uses), an increase of \$57,898 from Fiscal Year 2024-2025.
- The Fiscal Year 2025-2026 budget retains the millage rate of 11.1354 mills.
- Fiscal Year 2025-2026 General Fund budget projects a decrease in fund balance of \$597,097 in order to fund large-scale capital improvement projects.
- Capital projects planned in Fiscal Year 2025-2026 total over \$14 million. Major projects include \$2.3 million in street and sidewalk improvements, \$9 million in public utility improvements, and over \$2.0 million in equipment, technology, park, cemetery and building improvements.
- The Fiscal Year 2025-2026 budget does not include any debt financing for these improvements.
- A 3.5% increase in the Clean Water Utility customer service charges became effective July 1, 2025.
- A 4.9% water rate increase will be effective January 1, 2026.
- The Electric Utility rates maintained an overall neutral rate for the 2025-2026 budget for the general population.

## **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Finance Director, 21 South Elm Street, Zeeland, MI 49464.

City of Zeeland  
**STATEMENT OF NET POSITION**  
June 30, 2025

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets			
Cash and investments	\$ 24,766,214	\$ 37,834,095	\$ 62,600,309
Assets managed by others	1,656,266	-	1,656,266
Receivables			
Accounts	35,347	5,084,652	5,119,999
Leases	-	80,000	80,000
Interest	145,212	279,028	424,240
Due from other governmental units	326,602	48,406	375,008
Internal balances	(553,722)	553,722	-
Inventories	-	1,728,603	1,728,603
Prepaid items	252,379	2,048,150	2,300,529
Deposits with MPPA	-	6,167,600	6,167,600
Deposits with MPIA	-	27,159,603	27,159,603
Total current assets	<u>26,628,298</u>	<u>80,983,859</u>	<u>107,612,157</u>
Noncurrent assets			
Leases receivable, less amounts due within one year	-	1,021,758	1,021,758
Net pension asset	1,672,025	96,205	1,768,230
Net other postemployment benefits asset	849,232	212,308	1,061,540
Capital assets, net			
Nondepreciable	3,123,262	5,263,277	8,386,539
Depreciable	33,848,355	82,239,938	116,088,293
Total noncurrent assets	<u>39,492,874</u>	<u>88,833,486</u>	<u>128,326,360</u>
Total assets	<u>66,121,172</u>	<u>169,817,345</u>	<u>235,938,517</u>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF NET POSITION—CONTINUED**  
June 30, 2025

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	\$ 1,256,233	\$ 986,300	\$ 2,242,533
Due to other governmental units	24,815	1,859,038	1,883,853
Customer deposits	-	177,178	177,178
Bonds and other obligations, due within one year	383,000	415,250	798,250
Total current liabilities	1,699,048	3,437,766	5,136,814
Noncurrent liabilities			
Bonds and other obligations, less amounts due within one year	81,000	1,346,750	1,427,750
Total liabilities	1,780,048	4,784,516	6,564,564
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to leases	-	1,101,758	1,101,758
Related to pension	266,999	15,363	282,362
Related to other postemployment benefits	136,910	34,228	171,138
Total deferred inflows of resources	403,909	1,151,349	1,555,258
Total liabilities and deferred inflows of resources	2,183,957	5,935,865	8,119,822
<b>NET POSITION</b>			
Net investment in capital assets	36,684,155	85,533,361	122,217,516
Restricted			
Pension and other postemployment benefits	2,521,257	308,513	2,829,770
Streets and highways	1,072,833	-	1,072,833
Library	271,778	-	271,778
Brownfield activities	4,475	-	4,475
Perpetual care			
Nonexpendable	1,562,150	-	1,562,150
Expendable	568,159	-	568,159
Unrestricted	21,252,408	78,039,606	99,292,014
Total net position	<b>\$63,937,215</b>	<b>\$ 163,881,480</b>	<b>\$ 227,818,695</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2025

Functions/Programs	Program Revenue		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities						
General government	\$ 1,718,615	\$ 89,787	\$ -	\$ (1,628,828)	\$ -	\$ (1,628,828)
Public safety	3,583,778	229,029	-	(3,354,749)	-	(3,354,749)
Public works	4,327,623	137,226	28,122	(4,162,275)	-	(4,162,275)
Community and economic development	989,547	4,700	95,752	(889,095)	-	(889,095)
Culture and recreation	2,390,555	97,475	-	(2,293,080)	-	(2,293,080)
Interest on long-term debt	5,250	-	-	(5,250)	-	(5,250)
Total governmental activities	13,015,368	558,217	123,874	(12,333,277)	-	(12,333,277)
Business-type activities						
Electric	36,935,819	38,319,947	-	-	1,384,128	1,384,128
Water	5,280,685	5,590,514	-	-	309,829	309,829
Clean water	2,821,348	3,554,335	-	-	732,987	732,987
Total business-type activities	45,037,852	47,464,796	-	-	2,426,944	2,426,944
Total government	<b>\$ 58,053,220</b>	<b>\$ 48,023,013</b>	<b>\$ 123,874</b>	<b>(12,333,277)</b>	<b>2,426,944</b>	<b>(9,906,333)</b>
General revenues						
Property taxes				6,986,809	-	6,986,809
Franchise fees				41,557	-	41,557
Grants and contributions not restricted to specific programs				5,189,710	-	5,189,710
Unrestricted investment earnings (loss)				1,476,627	4,757,697	6,234,324
Miscellaneous				64,145	-	64,145
Gain on sale of capital assets				102,576	240,971	343,547
Transfers				924,390	(924,390)	-
Total general revenues and transfers				14,785,814	4,074,278	18,860,092
Change in net position				2,452,537	6,501,222	8,953,759
Net position at beginning of year				61,484,678	157,380,258	218,864,936
Net position at end of year				<b>\$ 63,937,215</b>	<b>\$ 163,881,480</b>	<b>\$ 227,818,695</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**BALANCE SHEET**  
 Governmental Funds  
 June 30, 2025

	<b>General Fund</b>	<b>Municipal Streets Fund</b>	<b>Snowmelt Construction Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and investments	\$ 7,171,478	\$ 2,501,006	\$ 895,373	\$ 9,811,834	\$ 20,379,691
Assets managed by others	-	-	-	1,656,266	1,656,266
Receivables					
Accounts	24,319	-	-	9,195	33,514
Interest	14,938	18,411	6,929	74,078	114,356
Due from other governmental units	124,190	81	-	202,332	326,603
Prepaid items	64,421	-	-	15,261	79,682
Total assets	<b>\$ 7,399,346</b>	<b>\$ 2,519,498</b>	<b>\$ 902,302</b>	<b>\$ 11,768,966</b>	<b>\$ 22,590,112</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 121,863	\$ 182,736	\$ 95,944	\$ 441,781	\$ 842,324
Accrued liabilities	178,783	-	-	49,322	228,105
Due to other governmental units	16,327	-	-	339	16,666
Unearned revenues— expenditure-driven grants	-	-	-	35,000	35,000
Total liabilities	316,973	182,736	95,944	526,442	1,122,095
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	64,421	-	-	15,261	79,682
Perpetual care	-	-	-	1,562,150	1,562,150
Restricted					
Streets and highways	-	-	-	1,072,157	1,072,157
Brownfield activities	-	-	-	4,475	4,475
Library	-	-	-	271,778	271,778
Perpetual care	-	-	-	568,159	568,159
Assigned					
Public safety	76,405	-	-	-	76,405
Legal defense	491,130	-	-	-	491,130
Streets and highways	-	2,336,762	-	-	2,336,762
Personal property tax stabilization	-	-	-	3,394,293	3,394,293
Shopping area redevelopment	-	-	-	76,587	76,587
Library	-	-	-	496,548	496,548
Snowmelt operations	-	-	-	749,063	749,063
Capital projects	-	-	806,358	3,032,053	3,838,411
Subsequent year's budget appropriation of fund balance	587,078	-	-	-	587,078
Unassigned	5,863,339	-	-	-	5,863,339
Total fund balances	7,082,373	2,336,762	806,358	11,242,524	21,468,017
Total liabilities and fund balances	<b>\$ 7,399,346</b>	<b>\$ 2,519,498</b>	<b>\$ 902,302</b>	<b>\$ 11,768,966</b>	<b>\$ 22,590,112</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION**  
 June 30, 2025

Total fund balance—governmental funds \$ 21,468,017

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.

Cost of capital assets	\$ 60,324,259	
Accumulated depreciation	<u>(27,146,714)</u>	33,177,545

Long-term liabilities in governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds and notes payable	(140,000)	
Compensated absences	(295,000)	
Net pension liability and related deferred outflows/inflows of resources	1,405,026	
Net other postemployment benefits liability and related deferred outflows/inflows of resources	<u>712,322</u>	1,682,348

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the Statement of Net Position.

Net position of the internal service funds	8,163,027	
Internal balances representing the cumulative difference between actual costs and amounts charged to business-type activities	<u>(553,722)</u>	<u>7,609,305</u>

Net position of governmental activities		<u><b>\$ 63,937,215</b></u>
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The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
 Governmental Funds  
 For the year ended June 30, 2025

	<b>General Fund</b>	<b>Municipal Streets Fund</b>	<b>Snowmelt Construction Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Property taxes	\$ 6,539,798	\$ 389,082	\$ -	\$ 57,929	\$ 6,986,809
Licenses and permits	268,142	-	-	-	268,142
Intergovernmental revenues					
State	733,813	-	-	3,934,705	4,668,518
Local	-	-	-	545,629	545,629
Charges for services	103,350	-	-	208,056	311,406
Fines and forfeitures	36,450	-	-	-	36,450
Investment earnings (loss)	499,063	114,837	50,942	602,038	1,266,880
Other	112,641	-	-	159,504	272,145
<b>Total revenues</b>	<b>8,293,257</b>	<b>503,919</b>	<b>50,942</b>	<b>5,507,861</b>	<b>14,355,979</b>
<b>EXPENDITURES</b>					
Current					
General government	1,552,499	-	-	-	1,552,499
Public safety	3,532,516	-	-	-	3,532,516
Public works	1,192,708	-	-	1,710,504	2,903,212
Community and economic development	268,861	-	-	156,379	425,240
Culture and recreation	800,584	-	-	1,143,975	1,944,559
Debt service					
Principal	140,000	-	-	-	140,000
Interest and fees	5,250	-	-	-	5,250
Capital outlay	39,000	358,060	3,077,436	1,005,191	4,479,687
<b>Total expenditures</b>	<b>7,531,418</b>	<b>358,060</b>	<b>3,077,436</b>	<b>4,016,049</b>	<b>14,982,963</b>
Excess of revenues over (under) expenditures	761,839	145,859	(3,026,494)	1,491,812	(626,984)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from sale of capital assets	-	-	-	15,000	15,000
Transfers in	2,249,390	1,500,000	784,736	1,692,452	6,226,578
Transfers out	(3,184,736)	(360,000)	-	(1,757,452)	(5,302,188)
<b>Total other financing sources (uses)</b>	<b>(935,346)</b>	<b>1,140,000</b>	<b>784,736</b>	<b>(50,000)</b>	<b>939,390</b>
Net change in fund balances	(173,507)	1,285,859	(2,241,758)	1,441,812	312,406
Fund balances at beginning of year	7,255,880	1,050,903	3,048,116	9,800,712	21,155,611
Fund balances at end of year	<b>\$ 7,082,373</b>	<b>\$ 2,336,762</b>	<b>\$ 806,358</b>	<b>\$ 11,242,524</b>	<b>\$ 21,468,017</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2025

Net change in fund balances—total governmental funds \$ 312,406

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

Governmental funds report outlays for capital assets as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	\$ (2,685,845)	
Capital outlay	<u>4,545,824</u>	1,859,979

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) on net position.

In the Statement of Activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the remaining un depreciated cost of the capital assets sold.		(479,336)
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The issuance of long-term debt provides current financial resources to governmental funds, but increases liabilities in the Statement of Net Position. Repayment of debt is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position.

Repayment of principal on long-term debt		140,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	(117,289)	
Change in net pension liability and related deferred outflows/inflows of resources	(134,346)	
Change in net other postemployment benefits liability and related deferred outflows/inflows of resources	<u>279,682</u>	28,047

The internal service fund is used by management to charge the costs of equipment used to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.

Change in net position of the internal service fund	585,724	
Change in internal balances representing the current year difference between actual costs and amounts charged to business-type activities	<u>5,717</u>	<u>591,441</u>

Change in net position of governmental activities		<u><u>\$ 2,452,537</u></u>
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The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF NET POSITION**  
Proprietary Funds  
June 30, 2025

	<u>Business-type Activities - Enterprise Funds</u>				<b>Governmental Activities - Internal Funds</b>
	<u>Electricity Utility</u>	<u>Water Utility</u>	<u>Clean Water Utility</u>	<u>Total</u>	
<b>ASSETS</b>					
Current assets					
Cash and investments	\$ 16,643,965	\$ 11,848,471	\$ 9,341,659	\$ 37,834,095	\$ 4,386,523
Receivables					
Accounts	4,012,895	751,587	320,170	5,084,652	-
Leases	-	80,000	-	80,000	-
Interest	124,655	96,748	57,625	279,028	32,687
Due from other governmental units	-	-	48,406	48,406	-
Inventories	1,637,787	90,816	-	1,728,603	-
Prepaid items	2,005,005	7,949	35,196	2,048,150	172,696
MPPA deposits	6,167,600	-	-	6,167,600	-
MPIA deposits	27,159,603	-	-	27,159,603	-
Total current assets	<u>57,751,510</u>	<u>12,875,571</u>	<u>9,803,056</u>	<u>80,430,137</u>	<u>4,591,906</u>
Noncurrent assets					
Leases receivable, less amounts due within one year	-	1,021,758	-	1,021,758	-
Net pension asset	35,461	11,820	48,924	96,205	-
Net OPEB asset	106,154	31,846	74,308	212,308	-
Capital assets					
Land	1,691,050	226,433	310,706	2,228,189	225,000
Construction in progress	1,174,800	293,766	1,566,522	3,035,088	157,184
Land improvements	558,008	137,718	751,783	1,447,509	10,794
Buildings, improvements, and systems	89,007,845	35,853,433	37,725,536	162,586,814	2,342,130
Machinery and equipment	1,883,222	325,302	308,902	2,517,426	5,877,439
Less accumulated depreciation	(52,187,970)	(15,699,640)	(16,424,201)	(84,311,811)	(4,818,475)
Net capital assets	<u>42,126,955</u>	<u>21,137,012</u>	<u>24,239,248</u>	<u>87,503,215</u>	<u>3,794,072</u>
Total noncurrent assets	<u>42,268,570</u>	<u>22,202,436</u>	<u>24,362,480</u>	<u>88,833,486</u>	<u>3,794,072</u>
Total assets	<u>100,020,080</u>	<u>35,078,007</u>	<u>34,165,536</u>	<u>169,263,623</u>	<u>8,385,978</u>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF NET POSITION—CONTINUED**  
Proprietary Funds  
June 30, 2025

	<u>Business-type Activities - Enterprise Funds</u>			<u>Total</u>	<u>Governmental Activities - Internal Funds</u>
	<u>Electricity Utility</u>	<u>Water Utility</u>	<u>Clean Water Utility</u>		
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	\$ 204,938	\$ 75,954	\$ 448,859	\$ 729,751	\$ 150,623
Accrued liabilities	163,187	43,196	50,166	256,549	35,179
Due to other governmental units	1,609,430	233,273	16,335	1,859,038	8,149
Customer deposits	138,296	18,206	20,676	177,178	-
Bonds and other obligations, due within one year	166,500	21,000	227,750	415,250	21,750
Total current liabilities	2,282,351	391,629	763,786	3,437,766	215,701
Noncurrent liabilities					
Bonds and other obligations, less amounts due within one year	55,500	7,000	1,284,250	1,346,750	7,250
Total liabilities	2,337,851	398,629	2,048,036	4,784,516	222,951
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to leases	-	1,101,758	-	1,101,758	-
Related to pension	5,663	1,888	7,812	15,363	-
Related to other postemployment benefits	17,114	5,134	11,980	34,228	-
Total deferred inflows of resources	22,777	1,108,780	19,792	1,151,349	-
Total liabilities and deferred inflows of resources	2,360,628	1,507,409	2,067,828	5,935,865	222,951
<b>NET POSITION</b>					
Net investment in capital assets	42,091,460	21,080,145	22,361,756	85,533,361	3,794,072
Restricted for pension and other postemployment benefits	141,615	43,666	123,232	308,513	-
Unrestricted	55,426,377	12,446,787	9,612,720	77,485,884	4,368,955
Total net position	<u>\$ 97,659,452</u>	<u>\$ 33,570,598</u>	<u>\$ 32,097,708</u>	163,327,758	<u>\$ 8,163,027</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time				553,722	
Net position of business-type activities				<u>\$ 163,881,480</u>	

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
Proprietary Funds  
For the year ended June 30, 2025

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Electricity Utility</b>	<b>Water Utility</b>	<b>Clean Water Utility</b>	<b>Total</b>	
<b>OPERATING REVENUES</b>					
Charges for services	\$ 38,173,772	\$ 5,430,440	\$ 3,497,750	\$ 47,101,962	\$ 5,222,794
Other	96,423	112,435	4,435	213,293	-
Total operating revenues	38,270,195	5,542,875	3,502,185	47,315,255	5,222,794
<b>OPERATING EXPENSES</b>					
Electric production and purchases	26,319,017	-	-	26,319,017	-
Water purchases	-	2,424,267	-	2,424,267	-
Waste treatment	-	-	863,459	863,459	-
Transmission and distribution	5,939,574	867,454	248,867	7,055,895	-
Customer accounts	360,458	164,722	126,402	651,582	-
General and administrative	1,436,710	739,239	412,954	2,588,903	40,308
Insurance premiums and claims	-	-	-	-	1,699,281
Operations	-	-	-	-	2,523,549
Depreciation	2,871,319	1,082,168	1,134,317	5,087,804	671,254
Total operating expenses	36,927,078	5,277,850	2,785,999	44,990,927	4,934,392
Operating income (loss)	1,343,117	265,025	716,186	2,324,328	288,402
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings (loss)	3,654,180	656,686	446,831	4,757,697	209,746
Connection fees	49,752	47,639	52,150	149,541	-
Gain (loss) on sale of capital assets	251,500	(10,529)	-	240,971	87,576
Interest expense	-	-	(41,208)	(41,208)	-
Total nonoperating revenues (expenses)	3,955,432	693,796	457,773	5,107,001	297,322
Income (loss) before transfers	5,298,549	958,821	1,173,959	7,431,329	585,724
<b>TRANSFERS</b>					
Transfers out	(645,473)	-	(278,917)	(924,390)	-
Change in net position	4,653,076	958,821	895,042	6,506,939	585,724
Net position at beginning of year	93,006,376	32,611,777	31,202,666	156,820,819	7,577,303
Net position at end of year	<b>\$ 97,659,452</b>	<b>\$ 33,570,598</b>	<b>\$ 32,097,708</b>	<b>\$ 163,327,758</b>	<b>\$ 8,163,027</b>
Net change in net position for total enterprise funds				\$ 6,506,939	
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise funds				(5,717)	
Change in net position of business-type activities				<b>\$ 6,501,222</b>	

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF CASH FLOWS**  
Proprietary Funds  
For the year ended June 30, 2025

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Funds</u>
	<u>Electricity Utility</u>	<u>Water Utility</u>	<u>Clean Water Utility</u>	<u>Total</u>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 36,712,182	\$ 4,924,724	\$ 3,419,941	\$ 45,056,847	\$ -
Receipts from interfund services provided	468,240	66,111	15,614	549,965	5,222,863
Payments to suppliers	(32,890,585)	(3,396,871)	(686,052)	(36,973,508)	(3,112,483)
Payments to employees	(2,734,947)	(634,913)	(817,996)	(4,187,856)	(682,445)
Payment for interfund services used	(771,221)	(341,213)	(249,636)	(1,362,070)	(380,237)
Net cash provided by (used for) operating activities	783,669	617,838	1,681,871	3,083,378	1,047,698
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers out	(645,473)	-	(278,917)	(924,390)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Connection fees	49,752	47,639	52,150	149,541	-
Purchases of capital assets	(3,902,573)	(1,407,419)	(936,203)	(6,246,195)	(573,201)
Principal paid on capital debt	-	-	(185,000)	(185,000)	-
Interest paid on capital debt	-	-	(42,413)	(42,413)	-
Proceeds from sale of capital assets	251,500	-	-	251,500	87,576
Net cash provided by (used for) capital and related financing activities	(3,601,321)	(1,359,780)	(1,111,466)	(6,072,567)	(485,625)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Investment earnings (loss)	3,635,879	635,973	432,317	4,704,169	197,489
Net increase (decrease) in cash and investments	172,754	(105,969)	723,805	790,590	759,562
Cash and investments at beginning of year	16,471,211	11,954,440	8,617,854	37,043,505	3,626,961
Cash and investments at end of year	<b>\$ 16,643,965</b>	<b>\$ 11,848,471</b>	<b>\$ 9,341,659</b>	<b>\$ 37,834,095</b>	<b>\$ 4,386,523</b>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ 1,343,117	\$ 265,025	\$ 716,186	\$ 2,324,328	\$ 288,402
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation expense	2,871,319	1,082,168	1,134,317	5,087,804	671,254
Change in assets and liabilities					
Accounts receivable	(1,089,773)	(552,040)	(59,620)	(1,701,433)	69
Due from other governmental units	-	-	(7,010)	(7,010)	-
Inventories	(371,256)	1,139	-	(370,117)	-
Prepaid items	(1,480,473)	(2,519)	(4,404)	(1,487,396)	23,727
Accounts payable	(581,309)	(2,710)	(23,781)	(607,800)	53,434
Accrued liabilities	66,649	103	(76,291)	(9,539)	10,676
Due to other governmental units	25,395	(173,328)	2,474	(145,459)	136
Net cash provided by (used for) operating activities	<b>\$ 783,669</b>	<b>\$ 617,838</b>	<b>\$ 1,681,871</b>	<b>\$ 3,083,378</b>	<b>\$ 1,047,698</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF NET POSITION**  
 Fiduciary Funds  
 June 30, 2025

	<b>Pension and Other Post- Employment Trust Funds</b>	<b>Custodial Funds</b>
	\$	\$
<b>ASSETS</b>		
Cash	-	7,494
Investments		
Money market funds	173,887	-
Mutual fund bonds	5,348,189	-
Mutual fund equities	8,344,563	-
Receivables	20,479	-
Total assets	13,887,118	7,494
<b>LIABILITIES</b>		
Due to other governmental units	-	7,494
<b>NET POSITION</b>		
Restricted		
Pension benefits	11,207,337	-
Other postemployment benefits	2,679,781	-
	<b>\$ 13,887,118</b>	<b>\$ -</b>

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The accompanying notes are an integral part of this statement.

City of Zeeland  
**STATEMENT OF CHANGES IN NET POSITION**  
 Fiduciary Funds  
 For the year ended June 30, 2025

	<b>Pension and Other Post- Employment Trust Funds</b>	<b>Custodial Funds</b>
<b>ADDITIONS</b>		
Property tax collections for other governments	\$ -	\$ 19,418,939
Other collections for third parties	-	1,545
Employer contributions	19,813	-
Plan member contributions	2,103	-
Investment earnings		
Interest and dividends	598,464	-
Net increase in the fair value of investments	733,954	-
Total investment earnings	1,332,418	-
Less investment expense	2,066,372	-
Net investment earnings	1,320,338	-
Total additions	1,342,254	19,420,484
<b>DEDUCTIONS</b>		
Payments of property taxes to other governments	-	19,418,939
Other payments to third parties	-	1,545
Benefit payments	856,376	-
Administrative and other expenses	50,705	-
Total deductions	907,081	19,420,484
Change in net position	435,173	-
Net position at beginning of year	13,451,945	-
Net position at end of year	<b>\$ 13,887,118</b>	<b>\$ -</b>

The accompanying notes are an integral part of this statement.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

The City is a municipal corporation governed by an elected mayor and six-member City Council and is administered by a city manager appointed by the City Council. Generally accepted accounting principles require that if the City is considered to be financially accountable for other organizations, those organization should be included in the City's financial statements. Since no organizations met this criterion, none are included in the financial statements.

**Basis of Presentation—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. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's utility function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

The City reports the following major governmental funds:

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

The Municipal Streets Fund accounts for and reports grants and other resources that are restricted for use on major and local streets capital projects. It also accounts for transfers from the General Fund that are assigned for major and local streets capital projects.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Basis of Presentation—Government-wide and Fund Financial Statements—Continued**

The Snowmelt Construction Fund is used to account for monies set aside by the City to construct an expanded snowmelt system.

The City reports the following three major proprietary funds:

The Electricity Utility Fund accounts for the electricity utility sales and costs associated with the generation, purchase, transmission, and distribution of electricity.

The Water Utility Fund accounts for the operation and maintenance of the City's water distribution system, including storage tanks, pumping stations, distribution mains and services, and related equipment. Water is purchased from the City of Holland Board of Public Works for storage and distribution to Zeeland's customers.

The Clean Water Utility Fund accounts for the operation of the City's wastewater collection system, lift stations, and treatment facility.

Additionally, the City reports the following fund types:

The Internal Service Funds account for building maintenance services; information technology services; major machinery, equipment, and vehicle purchases and maintenance; and health care insurance services provided to other departments of the City on a cost reimbursement basis.

The Pension and Other Postemployment Benefits Trust Funds are used to report resources that are administered through irrevocable trusts for the benefit of City employees and retirees.

The Custodial Funds are used to remit resources collected for the benefit of others, including property taxes, escrows, and similar deposits.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Only the portion of special assessments receivable due within 60 days of the end of the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***Cash and Investments***

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

Investments for the City are reported at fair value (generally based on quoted market prices).

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued**

***Cash and Investments—Continued***

The City has adopted an investment policy in compliance with State of Michigan statutes. Those statutes authorize the City to invest in obligations of the United States, certificates of deposit, prime commercial paper, securities guaranteed by United States agencies or instrumentalities, United States government or federal agency obligation repurchase agreements, bankers' acceptances, state-approved investment pools and certain mutual funds.

The Pension and Other Postemployment Benefit Trust Funds are held in trust by third party investment firms and are subject to the investment policies of those firms and to State of Michigan statutes allowing diverse investments in stocks, corporate and government bonds, mortgages, real estate, and other investments.

For the purpose of the statement of cash flows, the City considers all assets held in the cash and investment pool to be cash and cash equivalents because the investments are not identifiable to the specific funds and the assets can be withdrawn at any time, similar to a demand deposit account.

***Inventories and Prepaid Items***

All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased in the business-type activities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***Leases Receivable***

The City is a lessor for certain noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements for each lease.

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

Key estimates and judgements include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The City uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of a lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued**

***Capital Assets***

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years.

As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Years</u>
Land improvements	5-20
Buildings and improvements	5-40
Vehicles and equipment	3-25
Infrastructure and systems	15-50

***Defined Benefit Plan***

The City offers a single-employer defined benefit pension plan (Plan) to its employees. The City records a net pension liability (asset) for the difference between the total pension liability calculated by the actuary and the Plan’s fiduciary net position. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Other Postemployment Benefit Costs***

The City offers a single-employer defined benefit retiree healthcare benefits to retirees. The City records a net other postemployment benefit (OPEB) liability for the difference between the total OPEB liability calculated by the actuary and the OPEB Plan’s fiduciary net position. For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued**

***Deferred Outflows/Inflows of Resources***

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City also reports unavailable revenues from one source: leases. These amounts are long-term leases entered into by the City in which the City is the lessor. These amounts are recognized as revenue over the term of the lease agreements.

***Net Position Flow Assumption***

Sometimes the government 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 of net position to report as restricted and unrestricted in the government-wide and proprietary fund 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 Balance Flow Assumptions***

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund 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 fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

***Fund Balance Policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitation on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by formal action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken (another formal action) to remove or revise the limitation.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued**

***Fund Balance Policies—Continued***

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance represents the residual amount for the General Fund that is not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

The City has a minimum fund balance policy requiring total unrestricted fund balances in the General Fund to be greater than 25 percent of the prior year's revenues or the sum of the top two taxpayers' total annual City tax, whichever is higher. When the General Fund fund balance falls below the minimum range, the City will replenish deficiencies by following measures detailed in the policy, which generally call for cutting or delaying capital expenditures, then cutting operating expenditures, and finally raising rates and charges for services and, if necessary, property tax millage rates.

**Revenues and Expenditures/Expenses**

***Program Revenues***

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Property Taxes***

All trade and property tax receivables are shown net of allowance for uncollectibles.

The City bills and collects its own property taxes and also collects taxes for the county, school and State of Michigan. Taxes are levied and lien on each December 1 on the taxable valuation of property (as defined by state statutes located in the Local Governmental Unit as of the preceding December 31. Uncollected real property taxes as of March 1 are turned over by the City to the County for collection. The County advances the City all these delinquent real property taxes. The delinquent personal property taxes remain the responsibility of the City. The City recognizes all available revenue from the current tax levy. Available means within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 2024 state taxable value for real/personal property of the City totaled approximately \$566,793,000. The ad valorem taxes levied consisted of 11.1354 and .0993 mills for the City's general operating and airport operations, respectively. These amounts are recognized in the General Fund and the West Michigan Airport Authority Fund.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued**

**Revenues and Expenditures/Expenses —Continued**

***Compensated Absences***

City employees are granted vacation and sick leave in varying amounts based on length of service and employee group. The liability for these compensated absences is accrued when incurred in the government-wide and proprietary fund financial statements. The current portion of this liability is estimated based on historical trends. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

***Proprietary Funds Operating and Nonoperating Revenues and Expenses***

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 are charges to customers for sales and services. The Clean Water Utility and Water Utility funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and special revenue funds.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the department level for the General Fund and all other funds.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE C—DEPOSITS AND INVESTMENTS**

As of June 30, 2025, the City had the following investments:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Weighted Average Maturity (Months)</b>	<b>S&amp;P/ Moody's</b>	<b>Percent</b>
U.S. government securities	\$ 12,363,030	9	Aaa	17.7 %
U.S. agency obligations	33,997,638	17	AA+	49.0
Municipal bonds	5,743,889	2	AA- to AAA	8.2
External investment pool	3,720,272	1	AAAm	5.3
Pension trust				
Money market funds	173,887	1	AAAm	0.2
Mutual fund bonds	5,348,189	N/A	N/A	7.7
Mutual fund equities	5,664,782	N/A	N/A	8.1
OPEB trust				
Mutual fund equities	2,679,781	N/A	N/A	3.8
Total fair value	<u>\$ 69,691,468</u>			<u>100.0 %</u>
Portfolio weighted average maturity		<u>N/A</u>		

The City voluntarily invests certain excess funds in an external investment pool (Pool). The Pool is an external investment pool of “qualified” investments for Michigan municipalities. The Pool is not regulated nor registered with the SEC. The fair value of the City’s investments is the same as the value of the Pool’s shares.

**Deposit and Investment Risks**

***Interest Rate Risk***

The City has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City’s investments in U.S. government securities and U.S. agency obligations are limited to an investment mix with a weighted average maturity not to exceed five years. The City’s investment policy further limits the City’s investments in repurchase agreements to those with a termination date of 90 days or less, collateralized by securities with maturities not to exceed ten years. Investments in negotiable certificates of deposits are limited to those with a maturity not to exceed three years from the date of trade settlement.

***Credit Risk***

State law limits investments in commercial paper and corporate bonds to the two highest classifications issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices.

***Concentration of Credit Risk***

The City does not have a concentration of credit risk policy. Concentration of credit risk is the risk of loss attributed to the magnitude of the City investments in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The City has more than 5 percent of its investments in the following securities:

<b>Security</b>	<b>Percent of Total Investments</b>
Federal Farm Credit Banks Funding Corporation obligations	21.7%
Federal Home Loan Banks obligations	24.9%

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE C—DEPOSITS AND INVESTMENTS—Continued**

**Deposit and Investment Risks—Continued**

***Custodial Credit Risk – Deposits***

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2025, \$5,723,137 of the City's bank balance of \$7,223,137 was exposed to custodial credit risk because it was uninsured and uncollateralized.

***Custodial Credit Risk – Investments***

The City does not have a custodial credit risk policy for investments. This is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

***Foreign Currency Risk***

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. At June 30, 2025, \$494,324 of the City's total investment portfolio was held in international equity mutual funds.

**NOTE D—ASSETS MANAGED BY OTHERS**

As allowed by MCL 123.874 and MCL 128.4, the City is permitted to place monies in community foundations.

**The Funds**

The City has two funds with the Holland/Zeeland Community Foundation (Community Foundation).

***Cemetery Perpetual Care Fund***

The City of Zeeland Cemetery Perpetual Care Fund was established by the City primarily to be used for the care and maintenance of the cemeteries that are operated by the City. The amounts deposited are required to be held in perpetuity by the Community Foundation except that the Community Foundation shall annually authorize two distributions of interest and other earnings to the municipality for care and maintenance of the cemetery.

***Howard Miller Library Endowment Fund***

The Howard Miller Library Endowment Fund was established after the Community Foundation received monies from donors intended to be used for library services within the City of Zeeland. The agreement with the Community Foundation allows the use of the Fund's income in accordance with the Community Foundation's spending policy and principal in certain circumstances.

The Community Foundation invests the contributions to the funds in various types of marketable equity and debt securities, U.S. Treasuries, commercial paper, and certificates of deposit. The majority of investments are uninsured and uncollateralized.

**Reporting of the Assets of the Funds**

The investments held at the Community Foundation, which were contributed by the City to the funds along with the earnings on these investments, are reported at fair value as assets of the City. The contributions to these funds made by third party donors directly to the Community Foundation have been excluded from the assets of the City.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE D—ASSETS MANAGED BY OTHERS—Continued**

**Summary of the Community Foundation Funds**

A summary of revenues, expenses, and changes in the assets at fair value of the funds for the year ended June 30, 2025 follows:

	<b>Cemetery Perpetual Care Fund</b>	<b>Howard Miller Library Endowment Fund</b>	<b>Totals</b>
<b>Revenues</b>			
Contributions	\$ 52,715	\$ 2,185	\$ 54,900
Dividends and interest	20,712	18,790	39,502
Realized and unrealized gain (loss) on investments	113,013	101,919	214,932
	<u>186,440</u>	<u>122,894</u>	<u>309,334</u>
<b>Expenses</b>			
Distributions	-	54,263	54,263
Administration fees	14,365	12,754	27,119
	<u>14,365</u>	<u>67,017</u>	<u>81,382</u>
Revenues over expenses	172,075	55,877	227,952
Total assets at beginning of year	<u>1,484,191</u>	<u>1,389,440</u>	<u>2,873,631</u>
Total assets at end of year	1,656,266	1,445,317	3,101,583
Less assets recorded as those of the Foundation	<u>-</u>	<u>(1,445,317)</u>	<u>(1,445,317)</u>
Assets reported on the Balance Sheet/Statement of Net Position	<u><b>\$ 1,656,266</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 1,656,266</b></u>

The Board of Trustees of the Community Foundation has the power to modify any restriction or condition on the distribution of fund for any specified charitable purpose or to a specified organization if, in the sole judgement of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served. The authority to modify restrictions is sometimes referred to as “variance power” and is a legal standard imposed on all community foundations.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE E—FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

**Money market funds:** Valued at amortized cost, which approximates fair value.

**U.S. government securities, U.S. agency obligations, municipal bonds, mutual fund bonds, and mutual fund equities:** Valued at the closing price reported on the active market on which the individual securities are traded.

**External investment pools and assets managed by others:** The assets are valued based upon the City's allocable share of the Michigan CLASS and Holland/Zeeland Community Foundation (Pools) pooled investment portfolios. The allocable shares are based on the value of the underlying assets owned by the Pools, minus their liabilities.

The assets managed by others are valued monthly by the Pools and are allocated based upon each organization's calculated share of the Pools' pooled investment portfolio. Each entity with an interest within the pooled investments receives statements from the Pools indicating the additions to the investments (via contributions), withdrawals from the investments, and the investment returns allocated via a unitization process. The City calculates the fair value of its share of the pooled investment assets held by the Pools based on the estimated fair value of the underlying assets. The Pools control the investments and make all management and investment decisions.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE E—FAIR VALUE MEASUREMENTS—Continued**

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the City’s assets at fair value on a recurring basis as of June 30, 2025:

	<b>Assets at Fair Value as of June 30, 2025</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
U.S. government securities	\$ 12,363,030	\$ -	\$ -	\$ 12,363,030
U.S. agency obligations	33,997,638	-	-	33,997,638
Municipal bonds	5,743,889	-	-	5,743,889
External investment pool	-	3,720,272	-	3,720,272
Pension trust				
Money market funds	173,887	-	-	173,887
Mutual fund bonds	5,348,189	-	-	5,348,189
Mutual fund equities	5,664,782	-	-	5,664,782
OPEB trust				
Mutual fund equities	-	2,679,781	-	2,679,781
Assets managed by others	-	1,656,266	-	1,656,266
<b>Total assets at fair value</b>	<b>\$ 63,291,415</b>	<b>\$ 8,056,319</b>	<b>\$ -</b>	<b>\$ 71,347,734</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE F—LEASES**

**Leases Receivable**

The City leases the right to use space on water towers owned by the City to various third parties as part of multiple separate lease agreements for the operation of cell phone antennas. These lease terms are generally for 5 years with automatic renewals and the City receives annual payments of \$102,687, increasing each year depending on the terms of each agreement. The City recognized \$78,857 in lease revenue and \$23,830 in interest revenue related to these leases during the year ended June 30, 2025. The City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2025, the balance of the deferred inflow of resources was \$1,101,758.

The future minimum payments to be received for these leases are as follows:

Year Ending June 30,	Business-type Activities	
	Principal	Interest
2026	\$ 80,449	\$ 22,238
2027	84,988	20,614
2028	86,703	18,899
2029	88,453	17,149
2030	55,035	15,364
2031-2035	309,349	59,307
2036-2040	220,246	30,074
2041-2044	176,535	8,997
	<b>\$ 1,101,758</b>	<b>\$ 192,642</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE G—CAPITAL ASSETS**

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

	<b>Balance July 1, 2024</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2025</b>
<b>Governmental activities:</b>				
<b>Capital assets, not being depreciated:</b>				
Land	\$ 2,366,781	\$ -	\$ 479,336	\$ 1,887,445
Construction in progress	6,462,996	4,267,441	9,494,620	1,235,817
Total capital assets, not being depreciated	8,829,777	4,267,441	9,973,956	3,123,262
<b>Capital assets, being depreciated:</b>				
Land improvements	4,554,198	62,923	15,310	4,601,811
Buildings and improvements	14,807,230	59,294	-	14,866,524
Vehicles and equipment	7,088,447	388,723	185,513	7,291,657
Infrastructure	32,506,401	9,835,264	3,288,113	39,053,552
Total capital assets, being depreciated	58,956,276	10,346,204	3,488,936	65,813,544
<b>Less accumulated depreciation:</b>				
Land improvements	2,888,945	181,816	15,310	3,055,451
Buildings and improvements	8,886,932	451,911	-	9,338,843
Vehicles and equipment	4,467,258	690,971	185,513	4,972,716
Infrastructure	15,853,891	2,032,401	3,288,113	14,598,179
Total accumulated depreciation	32,097,026	3,357,099	3,488,936	31,965,189
Total capital assets, being depreciated, net	26,859,250	6,989,105	-	33,848,355
Capital assets, net	<b>\$ 35,689,027</b>	<b>\$ 11,256,546</b>	<b>\$ 9,973,956</b>	<b>\$ 36,971,617</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE G—CAPITAL ASSETS—Continued**

	<b>Balance July 1, 2024</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2025</b>
<b>Business-type activities:</b>				
<b>Capital assets, not being depreciated:</b>				
Land	\$ 2,228,189	\$ -	\$ -	\$ 2,228,189
Construction in progress	8,875,122	5,714,736	11,554,770	3,035,088
Total capital assets, not being depreciated	11,103,311	5,714,736	11,554,770	5,263,277
<b>Capital assets, being depreciated:</b>				
Land improvements	1,468,248	-	20,739	1,447,509
Buildings, improvements, and systems	152,337,106	11,855,502	1,605,794	162,586,814
Equipment	2,473,729	94,838	51,141	2,517,426
Total capital assets, being depreciated	156,279,083	11,950,340	1,677,674	166,551,749
<b>Less accumulated depreciation:</b>				
Land improvements	992,589	106,362	20,739	1,078,212
Buildings, improvements, and systems	77,809,531	4,805,201	1,595,265	81,019,467
Equipment	2,089,032	176,241	51,141	2,214,132
Total accumulated depreciation	80,891,152	5,087,804	1,667,145	84,311,811
Total capital assets, being depreciated, net	75,387,931	6,862,536	10,529	82,239,938
Capital assets, net	<b>\$ 86,491,242</b>	<b>\$ 12,577,272</b>	<b>\$ 11,565,299</b>	<b>\$ 87,503,215</b>

**Depreciation**

Depreciation expense was charged to functions as follows:

**Governmental activities:**

General government	\$ 88,465
Public safety	138,073
Public works	2,007,985
Culture and recreation	451,322
Internal Service Fund depreciation is charged to the various programs based on their usage of the assets	671,254
	<b>\$ 3,357,099</b>

**Business-type activities:**

Electricity Utility	\$ 2,871,319
Water Utility	1,082,168
Clean Water Utility	1,134,317
	<b>\$ 5,087,804</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE H—INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Interfund Transfers:**

	Transfers In:				Total	Purpose
	General Fund	Municipal Streets Fund	Snowmelt Construction Fund	Other Governmental Funds		
<b>Transfers Out:</b>						
General Fund	\$ -	\$ 1,500,000	\$ 784,736	\$ 900,000	\$ 3,184,736	Transfers for capital improvements and library operations
Municipal Streets Fund	-	-	-	360,000	360,000	Transfer for capital improvements
Electricity Utility Fund	645,473	-	-	-	645,473	Transfer of payments in lieu of taxes
Clean Water Utility Fund	278,917	-	-	-	278,917	Transfer of payments in lieu of taxes
Other governmental funds	1,325,000	-	-	432,452	1,757,452	Transfers for PPT reimbursements and capital projects
<b>Total</b>	<b>\$ 2,249,390</b>	<b>\$ 1,500,000</b>	<b>\$ 784,736</b>	<b>\$ 1,692,452</b>	<b>\$6,226,578</b>	

**NOTE I—LONG-TERM DEBT**

**Summary of Changes in Long-Term Liabilities**

The following is a summary of long-term liabilities activity for the City for the year ended June 30, 2025.

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
<b>Governmental activities:</b>					
Public placement debt					
General obligation bonds	\$ 280,000	\$ -	\$ 140,000	\$ 140,000	\$ 140,000
Compensated absences*	201,714	122,286	-	324,000	243,000
Governmental activities long-term liabilities	<b>\$ 481,714</b>	<b>\$ 122,286</b>	<b>\$ 140,000</b>	<b>\$ 464,000</b>	<b>\$ 383,000</b>
<b>Business-type activities:</b>					
Public placement debt					
General obligation bonds	\$ 1,640,000	\$ -	\$ 185,000	\$ 1,455,000	\$ 185,000
Compensated absences*	214,424	92,576	-	307,000	230,250
Business-type activities long-term liabilities	<b>\$ 1,854,424</b>	<b>\$ 92,576</b>	<b>\$ 185,000</b>	<b>\$ 1,762,000</b>	<b>\$ 415,250</b>

\*The change in the compensated absences liability is presented as a net change.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE I—LONG-TERM DEBT—Continued**

**Public Placement Debt**

**General Obligation Debt**

The City has issued general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation debt is a direct obligation and pledges the full faith and credit of the City. This debt is generally issued as serial bonds with varying amounts of principal maturing each year.

General obligation debt outstanding as of June 30, 2025 is as follows:

	<b>Interest Rate</b>	<b>Date of Maturity</b>	<b>Balance</b>
<b>Governmental activities:</b>			
Public placement debt:			
General obligation bonds:			
2015 Capital Improvement Bonds	2.5%	October 2025	<b>\$ 140,000</b>
 <b>Business-type activities:</b>			
Public placement debt:			
General obligation bonds:			
2019 Refunding Bonds	2.75% - 3.1%	October 2029	\$ 690,000
2015 Capital Improvement Bonds	2.5%	April 2037	765,000
			<b>\$ 1,455,000</b>

For governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund.

Annual debt service requirements to maturity for debt outstanding as of June 30, 2025 follow:

<b>Year Ending June 30,</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Public Placement Debt</b>		<b>Public Placement Debt</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2026	\$ 140,000	\$ 1,750	\$ 185,000	\$ 37,528
2027	-	-	185,000	32,513
2028	-	-	200,000	27,255
2029	-	-	200,000	21,625
2030	-	-	210,000	15,700
2031-2035	-	-	330,000	43,125
2036-2037	-	-	145,000	5,500
	<b>\$ 140,000</b>	<b>\$ 1,750</b>	<b>\$ 1,455,000</b>	<b>\$ 183,246</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE J—OTHER INFORMATION**

**Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters for which the government carries commercial insurance. The City manages its liability and property risk by participating in the Michigan Municipal League (MML), a public entity risk pool providing property and liability coverage to its participating members. The City pays an annual premium to MML for its insurance coverage. The MML is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence-based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. In addition, the Electric Utility and Water Utility Funds obtain commercial insurance coverage for general liability and property loss. The Electric Utility and Water Utility Funds are self-insured for claims not exceeding \$25,000. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City manages its workers' compensation risk by participating in the Michigan Municipal Workers' Compensation Fund (MMWCF), a public entity risk pool providing workers' compensation coverage to its participating members. The City pays an annual premium to MMWCF for its workers' compensation coverage. The MMWCF is self-sustaining through member premiums and provides statutory workers' compensation coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

The City carries commercial insurance for employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Contingencies**

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

**Commitments**

The City has several contracts for various capital projects as of June 30, 2025 with a remaining amount of \$5,984,678, to be paid out of available funds as follows:

<b>Fund</b>	<b>Amount</b>
City Park Improvement	\$ 997,878
Municipal Streets	2,616,383
Clean Water Utility Fund	1,258,515
Building Maintenance Fund	9,700
Motor Pool Fund	1,102,202
	<b>\$ 5,984,678</b>

**Related Party**

The City has entered into a contract in the amount of \$8,404,780 for snowmelt and streetscape projects, which were completed during the year ended June 30, 2025, with a contractor that is owned and operated by the spouse of a City Council member.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE K—POWER SALES CONTRACT AND PROJECT CONTRACT**

The City of Zeeland through its Board of Public Works (BPW) entered into an agreement with the Michigan Public Power Agency (MPPA), a public body political and corporate of the State of Michigan created in 1978. The MPPA was formed to undertake the planning, financing, development, acquisition, construction, improvement, operations, and maintenance of projects to supply electric power and energy for present or future needs of its members. Each of the MPPA's participating members is a municipal corporation organized under the laws of the State of Michigan and owns and operates a municipal electric system. As of June 30, 2024, the MPPA had 22 full participating members and 7 associate members.

In January 1983, the MPPA entered into a participation agreement with the Detroit Edison Company providing for the sale to the MPPA of an undivided ownership interest (37.22%) in the Belle River Unit No. 1 coal-fired electric generating facility, part of a two-unit 1,395 megawatt (MW) generating station located in St. Clair County, MI. Unit 1 of the facility was placed in commercial operation in 1984, followed by Unit 2 in 1985. Pursuant to the Reliability Exchange provisions of the Belle River Participation Agreement, MPPA is entitled to 18.61% of the electric capacity and energy produced from each of the Belle River Units No. 1 and 2. The MPPA initially financed the purchase of its portion of the Belle River plant by issuing \$590,000,000 of Project Revenue Bonds. In 2025 and 2026, the Belle River plant will be converted from coal to natural gas, extending the useful operating life of the facility.

The BPW has entered into a Power Sales Contract and a Project Support Contract with the MPPA whereby the MPPA will sell and the BPW will purchase its entitlement share (11.3MW or 4.94% of the MPPA's interest) of energy and capacity from the Belle River plant. During fiscal year 2025, approximately 63.8 million kWh (approximately 13.9% of the system's needs) were provided to Zeeland from the Belle River project. The BPW also has a Power Sales Contract through the MPPA where the BPW will purchase its entitlement share (7.5MW or 20.27% of the MPPA's interest) of energy and capacity from the AMP Fremont Energy Center (AFEC) located in Fremont, Ohio. During the fiscal year 2025 approximately 45.1 million kWh (approximately 9.8% of the system's needs) were provided to Zeeland from the AFEC project.

The BPW has a Power Purchase Agreement (PPA) through MPPA where the BPW will purchase its entitlement share (2.281MW or 7.31% of the MPPA's interest) of energy and capacity from the Beebe Wind Farm, located in Gratiot County, MI, and will purchase its entitlement share (12.2MW or 19.37% of the MPPA's interest) of energy and capacity from the Pegasus Wind Farm, located in Tuscola County, MI. During the fiscal year 2025, approximately 42.5 million kWh (approximately 9.3% of the system's needs) were provided to Zeeland from the Beebe and Pegasus Wind Farms.

In 2018, the BPW entered into a PPA through MPPA committing to purchase its entitlement share (6.4MW or 16.0% of the MPPA's interest) of energy and capacity from Phase 1 of the Assembly Solar LLC facility, located in Shiawassee County, MI. In mid-2019, a PPA for Phase 2 of that facility was executed, resulting in an additional 7.8MW (19.37% of MPPA's interest). These facilities achieved commercial operation in December of 2020 and 2021 respectively, delivering approximately 29.7 million kWh, or approximately 6.5% of the BPW's requirements during fiscal year 2025. Similarly, in 2018, the BPW entered into a PPA through MPPA committing to purchase its entitlement share (8.0MW or 16.0% of MPPA's interest) of energy and capacity from the Invenergy Calhoun Solar facility located in Calhoun County, MI. That project achieved commercial operation in April of 2023, delivering approximately 13.7 million kWh, or approximately 3% of the BPW's requirements during fiscal year 2025.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE K—POWER SALES CONTRACT AND PROJECT CONTRACT—Continued**

In 2021, the BPW entered into a renewable Power Purchase Agreement through MPPA committing to purchase its entitlement share (2.9MW or 11.6% of MPPA's interest) of energy, capacity, and renewable attributes from the Brandt Woods Solar project located in Calhoun County, MI, an agreement which was subsequently amended. The project achieved commercial operation in March of 2025, delivering approximately 1.8 million kWh or approximately 0.4% of the BPW's energy requirements in fiscal year 2025.

Purchase Power Agreements (PPA's) through MPPA have been signed with project developers for two additional utility-scale solar projects currently under development, with commercial operation anticipated within the next two years. Updates will be provided as those projects are completed.

The aforementioned contracts require the BPW to charge rates for electric power, sufficient to provide revenues adequate to meet its obligations under the agreements. Payments made under the Power Sales Contract are operating expenses of the electric system. Payments made under the Project Support Contract are made after payment of operation and maintenance expenses of the electric system and after debt service payments of the electric system.

Under the provisions of the MPPA bonding resolution, neither the State of Michigan nor any political subdivision thereof, other than the MPPA, nor any Participant or any other nonparticipating Member of MPPA is obligated to pay the principal of, premium, if any, or interest on the project revenue bonds and neither the full faith and credit or the taxing power of the State of Michigan or any such Participant or nonparticipating Member is pledged to the payment of the principal of, premium, if any, or interest on the project revenue bonds. The MPPA does not have any taxing powers.

**NOTE L—TAX ABATEMENTS**

**Industrial Facilities Exemption**

The City entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Developments Act, (known as the Industrial Facilities Exemptions or IFTs) PA 198 of 1974, as amended. The IFTs provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high-tech facilities. Properties qualifying for IFT status are taxed at half the local property tax millage rate applicable to other real and personal property in the City for a term of one to twelve years as determined by the City.

For the year ended June 30, 2025, the City abated property taxes revenues totaling \$179,507 under this program.

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**Defined Benefit Pension Plan**

***Plan Description***

The City's single-employer defined benefit pension plan, the City of Zeeland Pension Plan (Plan) provides certain retirement and death benefits to plan members and beneficiaries. The Plan is a single-employer defined benefit plan administered by the City of Zeeland Pension Plan Committee (Committee). The benefits are provided under collective bargaining agreements and at the discretion of the Committee. The Plan does not issue a publicly available report.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued**

**Defined Benefit Pension Plan—Continued**

***Benefits Provided***

The Plan covers all full-time employees hired prior to July 1, 2000, and those who are covered by a collective bargaining agreement that does not provide for participation in the defined contribution plan. Otherwise, the Plan is closed to new entrants.

Retirement benefits for plan participants are calculated as 2.25 percent of average monthly compensation multiplied by years of benefit service for police (with increase to 2.5 percent available with additional after tax contributions); and 2 percent of average monthly compensation multiplied by years of benefit service for all others. Average monthly compensation is based on the five highest paid consecutive plan years out of the last ten plan years. Benefits are payable at normal retirement age, with reduced benefits available at the early retirement date of age 55 with 10 years of credited service. The pre-retirement death benefit is equal to 50 percent of the benefit that would have been payable to the participant under the Joint and 50 percent Survivor form of payment, had the participant terminated employment the day before death occurred.

***Employees Covered by Benefit Terms***

As of June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	32
Inactive employees entitled to but not yet receiving benefits	7
Active employees	<u>2</u>
Total employees covered by Plan	<u><u>41</u></u>

***Contributions***

The City retains an actuary to determine the annual contribution. The City is required to contribute amounts at least equal to the actuarially determined rate. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Police Department members are required to contribute 1.12 percent of their compensation to the plan. No other member contributions are required.

For the year ended June 30, 2025, the City had an annual flat-dollar employer contribution to the Plan of \$19,813 in lieu of a percentage of covered payroll, as the Plan is closed to new employees. Member contributions for the Plan were \$2,103.

***Net Pension Liability (Asset)***

The City's net pension liability (asset) was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an annual actuarial valuation as of that year.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued**

**Defined Benefit Pension Plan—Continued**

***Actuarial Assumptions***

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.3 percent
Salary increases	3.0 percent
Investment rate of return	5.6 percent

Mortality rates used were the Pub-2016 Public Retirement Plans Mortality Tables for General Employees (annuitant and non-annuitant, sex-distinct) with the 2024 IRS Adjusted Improvement Scale MP-2021.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Target Gross Rate of Return</u>	<u>Long-Term Expected Gross Rate of Return</u>	<u>Inflation Assumption</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	37.5%	7.25%	2.72%	2.30%	1.85%
International equity	12.5%	6.35%	0.79%	2.30%	0.51%
Fixed income	49.0%	4.20%	2.06%	2.30%	0.93%
Cash	1.0%	3.20%	0.03%	2.30%	0.01%
<b>Total</b>	<b><u>100.0%</u></b>		<b><u>5.60%</u></b>		<b><u>3.30%</u></b>

***Discount Rate***

The discount rate used to measure the total pension liability as of June 30, 2025 was 5.60 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the most recent recommended contribution expressed as a percentage of covered payroll. Based on those assumptions, the Plan’s fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the “depletion date”), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total pension liability. The discount rate used to value the total pension liability at the beginning of the year was 5.84 percent.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued**

**Defined Benefit Pension Plan—Continued**

*Changes in the Net Pension Liability (Asset)*

	<u>Increase (Decrease)</u>		<u>Net Pension Liability (Asset) (a)- (b)</u>
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Position (b)</u>	
Balance at July 1, 2024	\$ 9,379,886	\$ 10,951,904	\$ (1,572,018)
Changes for the year			
Service cost	32,727	-	32,727
Interest	527,300	-	527,300
Difference between expected and actual experience	109,229	-	109,229
Changes in assumptions	156,941	-	156,941
Contributions - employer	-	19,813	(19,813)
Contributions - employee	-	2,103	(2,103)
Net investment income (loss)	-	1,021,182	(1,021,182)
Administrative expenses	-	(20,689)	20,689
Benefit payments including refund of employee contributions	(766,976)	(766,976)	-
Net changes	59,221	255,433	(196,212)
Balance at June 30, 2025	<b>\$ 9,439,107</b>	<b>\$ 11,207,337</b>	<b>\$(1,768,230)</b>
Plan fiduciary net position as a percentage of total pension liability			118.73%

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 5.6 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.6 percent) or 1-percentage-point higher (6.6 percent) than the current rate:

	<u>1% Decrease (4.60%)</u>	<u>Current Discount Rate (5.60%)</u>	<u>1% Increase (6.60%)</u>
	City's net pension liability (asset)	\$ (868,105)	\$ (1,768,230)

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued**

**Defined Benefit Pension Plan—Continued**

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

For the year ended June 30, 2025, the City recognized pension expense of \$88,886. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual net investment income	\$ -	\$ 282,362

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2026	\$ 207,939
2027	(235,144)
2028	(174,366)
2029	(80,791)

***Payables to the Pension Plan***

At June 30, 2025, the City did not have a payable to the Plan.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE M—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued**

**Defined Contribution Pension Plan**

The City also maintains a defined contribution plan, the City of Zeeland Defined Contribution Plan (Plan), administered through ICMA for its full-time employees hired after the defined benefit plan was closed to new participants.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council as determined by negotiated labor contracts. The City contributes 8 percent of a qualified employees' annual compensation each year. Employees are not permitted to contribute to the plan. For the year ended June 30, 2025, City contributions to the plan were \$647,149.

Employees are not vested in their rights to City contributions and earnings on City contributions. 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, forfeitures were \$7,271.

At June 30, 2025, the City did not have a payable to the Plan.

**Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time City employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

The Plan has created a trust for the exclusive benefit of the Plan's participants and beneficiaries under rules provided in Internal Revenue Code Section 401(f).

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS**

**Retiree Healthcare Plan**

***Plan Description***

The City's single-employer defined benefit OPEB Plan, the City of Zeeland Retiree Medical Plan (OPEB Plan), provides healthcare benefits to certain employees and their spouses upon retirement. The Plan is a single-employer defined benefit plan administered by the City Council. The benefits are provided under collective bargaining agreements and at the discretion of the City Council. The OPEB Plan does not issue a publicly available report.

***Benefits Provided***

The OPEB Plan provides medical and prescription coverage for eligible retirees and their spouses for the life of the retiree. Eligible employees are those hired prior to July 1, 2009 who are participants in either the City of Zeeland Defined Benefit Pension Plan or the City of Zeeland Defined Contribution Plan and have both reached age 62 and worked at least 10 years for the City on or before June 30, 2010. Among employees who did not reach age 62 and complete at least 10 years of service before June 30, 2010, eligible employees are those who have reached the age of 65 and worked at least 15 years for the City.

The City pays a capped amount towards medical premiums for eligible retirees which is adjusted annually for the cost of coverage from the prior calendar year.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS—Continued**

**Retiree Healthcare Plan—Continued**

***Employees Covered by Benefit Terms***

At the June 30, 2025 valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	27
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>9</u>
Total employees covered by OPEB Plan	<u><u>36</u></u>

***Contributions***

The OPEB Plan’s funding policy is that the City will maintain 100 percent funding of the OPEB liability. There are no long-term contracts for contributions to the OPEB Plan. The OPEB Plan has no legally required reserves. For the year ended June 30, 2025, the City made no payments for postemployment healthcare benefits for current retirees. The City made no contributions to the OPEB Plan trust.

***Net OPEB Liability (Asset)***

The City’s net OPEB liability (asset) was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2025.

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City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS—Continued**

**Retiree Healthcare Plan—Continued**

*Actuarial Assumptions*

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions:

Inflation	Included in investment rate of return
Salary increases	3.0 percent
Investment rate of return	6.44 percent (including inflation)
20-year Aa Municipal bond rate	4.81 percent

*Mortality*

Mortality rates were as set forth in the Public General and Public Safety 2016 Employee and Healthy Retirees, headcount weighted, IRS 2024 adjusted MP-2021 improvement scale.

*Investment Rate of Return*

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Gross Rate of Return</u>
Equities	51.8%	3.96%
Multi-asset	5.5%	0.47%
Fixed income	42.7%	2.01%
Total	<b>100.0%</b>	<b>6.44%</b>

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS—Continued**

**Retiree Healthcare Plan—Continued**

*Actuarial Assumptions—Continued*

*Discount Rate*

The discount rate used to measure the total OPEB liability was 5.01 percent. The projection of cash flows used to determine the discount rate assumed that the City will make no further contributions to the trust. Based on this assumption, the OPEB Plan’s assets were projected to be sufficient to make projected future benefit payments of current plan members. 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”, not applicable for this plan), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. Although the calculated discount rate was 6.44 percent, the City has elected to use a more conservative approach and keep the discount rate at 5.01 percent. This discount rate is used to determine the total OPEB liability. The discount rate used to calculate the liability at the beginning of the year was 5.01 percent.

*Changes in the Net OPEB Liability (Asset)*

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Position (b)</b>	<b>Net OPEB Liability (Asset) (a)-(b)</b>
Balance at July 1, 2024	\$ 1,867,557	\$ 2,500,041	\$ (632,484)
Changes for the year			
Service cost	7,038	-	7,038
Interest	91,679	-	91,679
Difference between expected and actual experience	(250,018)	-	(250,018)
Changes of assumptions	(8,615)	-	(8,615)
Net investment income (loss)	-	271,696	(271,696)
Administrative expenses	-	(2,556)	2,556
Benefit payments including refund of employee contributions	(89,400)	(89,400)	-
Net changes	(249,316)	179,740	(429,056)
Balance at June 30, 2025	<b>\$ 1,618,241</b>	<b>\$ 2,679,781</b>	<b>\$ (1,061,540)</b>

Plan fiduciary net position as a percentage of total OPEB liability 165.60%

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS—Continued**

**Retiree Healthcare Plan—Continued**

***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate***

The following presents the net OPEB liability (asset) of the City, calculated using the discount rate of 5.01 percent, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.01 percent) or 1-percentage-point higher (6.01 percent) than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
City's net OPEB liability (asset)	\$ (901,770)	\$ (1,061,540)	\$ (1,198,316)

***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rate***

The following presents the net OPEB liability (asset) of the City, calculated using the healthcare cost trend rate of 3 percent, as well as what the City's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (2 percent) or 1-percentage-point higher (4 percent) than the current rate:

	<b>1% Decrease</b>	<b>Current Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
City's net OPEB liability (asset)	\$ (1,197,382)	\$ (1,061,540)	\$ (903,930)

***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB Plan's fiduciary net position is not available in a separately issued financial report. For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the City's fiduciary net position have been determined on the same basis as they are reported by the City. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Zeeland  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2025

**NOTE N—OTHER POSTEMPLOYMENT BENEFITS—Continued**

**Retiree Healthcare Plan—Continued**

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

For the year ended June 30, 2025, the City recognized OPEB expense of (\$349,603). At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual net investment income	\$ -	\$ <b>171,138</b>
	-	\$ <b>171,138</b>

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2026	\$ (2,143)
2027	(77,125)
2028	(62,119)
2029	(29,751)

***Payables to the OPEB Plan***

At June 30, 2025, the City did not have a payable to the OPEB Plan.

**REQUIRED SUPPLEMENTARY INFORMATION**

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City of Zeeland  
Required Supplementary Information  
**BUDGETARY COMPARISON SCHEDULE**  
General Fund  
For the year ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property taxes	\$ 6,494,540	\$ 6,494,540	\$ 6,539,798	\$ 45,258
Licenses and permits	185,300	240,300	268,142	27,842
Intergovernmental revenues—State	749,106	749,106	733,813	(15,293)
Charges for services	83,000	83,000	103,350	20,350
Fines and forfeitures	26,250	26,250	36,450	10,200
Investment earnings (loss)	102,500	102,500	499,063	396,563
Other	87,500	87,500	112,641	25,141
Total revenues	7,728,196	7,783,196	8,293,257	510,061
<b>EXPENDITURES</b>				
Current				
General government				
City Council	73,829	73,829	69,657	4,172
Mayor	20,729	20,729	21,087	(358)
City manager	237,781	237,781	239,011	(1,230)
Finance and tax administration	281,882	281,882	226,829	55,053
Clerk	170,780	170,780	160,290	10,490
Information technology	356,536	356,536	286,494	70,042
Board of review	4,102	4,102	3,257	845
Assessor	208,671	208,671	191,310	17,361
Elections	23,143	23,143	20,244	2,899
Attorney	12,106	21,106	20,639	467
Public relations	60,000	60,000	59,975	25
General services	167,500	167,500	159,050	8,450
Personnel administration	66,098	66,098	67,509	(1,411)
Other	26,500	30,000	27,147	2,853
Total general government	1,709,657	1,722,157	1,552,499	169,658
Public safety				
Police administration	760,338	760,338	694,170	66,168
Police patrol	1,172,907	1,172,907	1,112,488	60,419
Fire department	1,386,534	1,526,534	1,353,012	173,522
Building and zoning	308,831	363,831	372,846	(9,015)
Total public safety	3,628,610	3,823,610	3,532,516	291,094
Public works				
Sidewalks	246,976	246,976	220,155	26,821
Stormwater management	46,038	46,038	27,265	18,773
Roads, streets, and bridges	39,390	39,390	41,984	(2,594)
Street lighting	50,000	50,000	47,172	2,828
Parking	239,103	288,103	280,373	7,730
Tree management	14,076	15,751	15,290	461
City clean-up	125,877	125,877	119,789	6,088
Cemetery	409,582	409,582	359,499	50,083
MACC transit	65,000	82,000	81,181	819
Total public works	1,236,042	1,303,717	1,192,708	111,009

City of Zeeland  
Required Supplementary Information  
**BUDGETARY COMPARISON SCHEDULE—CONTINUED**  
General Fund  
For the year ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Community and economic development				
Planning	\$ 158,951	\$ 158,951	\$ 105,584	\$ 53,367
Construction board of appeals	1,115	1,115	426	689
Zoning board of appeals	9,695	9,695	1,287	8,408
Economic development	189,657	189,657	161,564	28,093
Total community and economic development	359,418	359,418	268,861	90,557
Culture and recreation				
Parks	440,132	440,132	408,771	31,361
Splashpad	76,253	76,253	57,376	18,877
Community center	343,841	343,841	334,437	9,404
Total culture and recreation	860,226	860,226	800,584	59,642
Debt service				
Principal	140,000	140,000	140,000	-
Interest	5,250	5,250	5,250	-
Total debt service	145,250	145,250	145,250	-
Capital outlay	93,000	93,000	39,000	54,000
Total expenditures	8,032,203	8,307,378	7,531,418	775,960
Excess of revenues over (under) expenditures	(304,007)	(524,182)	761,839	1,286,021
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,249,390	2,249,390	2,249,390	-
Transfers out	(2,600,000)	(3,185,000)	(3,184,736)	264
Total other financing sources (uses)	(350,610)	(935,610)	(935,346)	264
Net change in fund balance	<b><u>\$ (654,617)</u></b>	<b><u>\$ (1,459,792)</u></b>	(173,507)	<b><u>\$ 1,286,285</u></b>
Fund balance at beginning of year			7,255,880	
Fund balance at end of year			<b><u>\$ 7,082,373</u></b>	

Note: Both budgets and actual figures are prepared in accordance with accounting principles generally accepted in the United States of America

City of Zeeland  
Required Supplementary Information  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ 32,727	\$ 35,269	\$ 41,042	\$ 53,562	\$ 40,169	\$ 41,077	\$ 41,957	\$ 53,470	\$ 56,964	\$ 72,843
Interest	527,300	515,495	479,197	518,838	547,828	543,108	525,118	523,640	503,721	503,522
Differences between expected and actual experience	109,229	178,294	(29,845)	(23,991)	144,286	90,070	19,701	146,855	(86,353)	175,029
Changes in assumptions	156,941	(479,773)	(901,954)	674,552	542,297	85,692	(390,519)	-	1,064,896	122,919
Benefit payments, including refunds of employee contributions	(766,976)	(690,211)	(703,562)	(694,520)	(675,647)	(678,563)	(707,427)	(661,647)	(634,676)	(604,295)
Net change in total pension liability	59,221	(440,926)	(1,115,122)	528,441	598,933	81,384	(511,170)	62,318	904,552	270,018
Total pension liability at beginning of year	9,379,886	9,820,812	10,935,934	10,407,493	9,808,560	9,727,176	10,238,346	10,176,028	9,271,476	9,001,458
Total pension liability at end of year (a)	<b>\$ 9,439,107</b>	<b>\$ 9,379,886</b>	<b>\$ 9,820,812</b>	<b>\$ 10,935,934</b>	<b>\$ 10,407,493</b>	<b>\$ 9,808,560</b>	<b>\$ 9,727,176</b>	<b>\$ 10,238,346</b>	<b>\$ 10,176,028</b>	<b>\$ 9,271,476</b>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions—employer	\$ 19,813	\$ 48,973	\$ 51,352	\$ 67,845	\$ 84,960	\$ 460,441	\$ 986,318	\$ 992,172	\$ 861,437	\$ 329,543
Contributions—employee	2,103	1,952	1,954	3,404	3,616	3,204	3,243	3,056	3,465	3,433
Net investment income (loss)	1,021,182	1,024,024	762,557	(1,578,892)	2,348,860	735,159	722,412	599,573	783,137	131,817
Benefit payments, including refunds of employee contributions	(766,976)	(690,211)	(703,562)	(694,520)	(675,647)	(678,563)	(707,427)	(661,647)	(634,676)	(604,295)
Administrative expenses	(20,689)	(27,028)	(26,575)	(17,346)	(34,123)	(40,538)	(46,392)	(45,656)	(50,764)	(35,568)
Net change in plan fiduciary net position	255,433	357,710	85,726	(2,219,509)	1,727,666	479,703	958,154	887,478	962,599	(175,070)
Plan fiduciary net position at beginning of year	10,951,904	10,594,194	10,508,468	12,727,977	11,000,311	10,520,608	9,562,454	8,674,976	7,712,377	7,887,447
Plan fiduciary net position at end of year (b)	<b>\$ 11,207,337</b>	<b>\$ 10,951,904</b>	<b>\$ 10,594,194</b>	<b>\$ 10,508,468</b>	<b>\$ 12,727,977</b>	<b>\$ 11,000,311</b>	<b>\$ 10,520,608</b>	<b>\$ 9,562,454</b>	<b>\$ 8,674,976</b>	<b>\$ 7,712,377</b>
City's net pension liability (asset) at end of year (a)-(b)	<b>\$ (1,768,230)</b>	<b>\$ (1,572,018)</b>	<b>\$ (773,382)</b>	<b>\$ 427,466</b>	<b>\$ (2,320,484)</b>	<b>\$ (1,191,751)</b>	<b>\$ (793,432)</b>	<b>\$ 675,892</b>	<b>\$ 1,501,052</b>	<b>\$ 1,559,099</b>
Plan fiduciary net position as a percentage of the total pension liability	118.73%	116.76%	107.87%	96.09%	122.30%	112.15%	108.16%	93.40%	85.25%	83.18%
Covered payroll	\$ 187,769	\$ 174,292	\$ 232,084	\$ 216,487	\$ 381,567	\$ 346,002	\$ 347,544	\$ 328,416	\$ 394,851	\$ 526,928
City's net pension liability as a percentage of covered payroll	-941.70%	-901.95%	-333.23%	197.46%	-608.15%	-344.43%	-228.30%	205.80%	380.16%	295.88%

**Notes to Schedule**

The following were significant changes to actuarial assumptions:

2023 Valuation - The investment rate of return assumption was increased from 4.5 to 5.42 percent.

2024 Valuation - The investment rate of return assumption was increased from 5.42 to 5.84 percent, and the improvement scale was changed from MP-2021 to 2024 IRS adjusted scale MP-2021.

2025 Valuation - The investment rate of return assumption was decreased from 5.84 to 5.6 percent, and the post-retirement mortality rates changed from Pub-2010 to Pub-2016.

City of Zeeland

Required Supplementary Information

**PENSION SYSTEM SCHEDULE OF CONTRIBUTIONS**

Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202,623	\$ 395,473	\$ 359,919	\$ 371,006
Contributions in relation to the actuarially determined contribution	19,813	48,973	51,352	67,845	84,960	460,441	986,318	992,172	861,437	329,543
Contribution deficiency (excess)	<b>\$ (19,813)</b>	<b>\$ (48,973)</b>	<b>\$ (51,352)</b>	<b>\$ (67,845)</b>	<b>\$ (84,960)</b>	<b>\$ (460,441)</b>	<b>\$ (783,695)</b>	<b>\$ (596,699)</b>	<b>\$ (501,518)</b>	<b>\$ 41,463</b>
Covered payroll	\$ 187,769	\$ 174,292	\$ 232,084	\$ 216,487	\$ 381,567	\$ 346,002	\$ 347,544	\$ 328,416	\$ 394,851	\$ 526,928
Contributions as percentage of covered payroll	<b>10.6%</b>	<b>28.1%</b>	<b>22.1%</b>	<b>31.3%</b>	<b>22.3%</b>	<b>133.1%</b>	<b>283.8%</b>	<b>302.1%</b>	<b>218.2%</b>	<b>62.5%</b>

**Notes to Schedule**

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, 2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal (level percentage of compensation)
Amortization method	Spread gain/loss
Remaining amortization period	4 years
Asset valuation method	Equal to fair value of assets
Inflation	2.30 percent
Salary increases	3.0 percent
Investment rate of return	5.6 percent, net of investment and administrative expenses
Retirement age	55-62 years of age depending on years of service and collective bargaining agreement
Mortality	Pub-2016 Public Retirement Plans Mortality Tables for General Employees with MP-2021 improvement scale

City of Zeeland

Required Supplementary Information

**PENSION SYSTEM SCHEDULE OF INVESTMENT RETURNS**

Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	9.66%	9.98%	7.50%	-12.73%	21.97%	7.07%	7.46%	6.80%	10.04%	1.70%

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**City of Zeeland**  
**Required Supplementary Information**  
**RETIREE HEALTHCARE SYSTEM SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS**

Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
<b>TOTAL OPEB LIABILITY</b>									
Service cost	\$ 7,038	\$ 7,012	\$ 12,866	\$ 19,916	\$ 15,997	\$ 15,735	\$ 19,889	\$ 26,901	\$ 25,706
Interest	91,679	94,023	109,084	101,136	107,827	106,388	102,506	93,941	86,995
Differences between expected and actual experience	(250,018)	(38,570)	(339,064)	(39,339)	44,657	(9,978)	(5,158)	(12,418)	-
Changes of assumptions	(8,615)	(19,906)	5,764	(159,524)	379,939	-	(18,800)	(196,791)	113,027
Benefit payments, including refunds of employee contributions	(89,400)	(89,400)	(77,426)	(80,438)	(86,015)	(88,819)	(92,950)	(69,500)	(85,640)
Net change in total OPEB liability	(249,316)	(46,841)	(288,776)	(158,249)	462,405	23,326	5,487	(157,867)	140,088
Total OPEB liability at beginning of year	1,867,557	1,914,398	2,203,174	2,361,423	1,899,018	1,875,692	1,870,205	2,028,072	1,887,984
Total OPEB liability at end of year (a)	\$ 1,618,241	\$ 1,867,557	\$ 1,914,398	\$ 2,203,174	\$ 2,361,423	\$ 1,899,018	\$ 1,875,692	\$ 1,870,205	\$ 2,028,072
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions-employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,840	\$ 10,935	\$ 26,421	\$ 91,066
Net investment income (loss)	271,696	275,601	184,139	(265,413)	460,553	91,136	111,936	126,595	192,931
Benefit payments, including refunds or employee contributions	(89,400)	(89,400)	(77,426)	(80,438)	(86,015)	(88,819)	(92,950)	(69,500)	(85,640)
Administrative expense	(2,556)	(2,330)	(2,256)	(2,575)	(2,327)	(2,208)	(2,171)	(2,181)	(1,723)
Other	-	-	(11,974)	(8,962)	(3,385)	(10,165)	-	-	(1)
Net change in plan fiduciary net position	179,740	183,871	92,483	(357,388)	368,826	(6,216)	27,750	81,335	196,633
Plan fiduciary net position at beginning of year	2,500,041	2,316,170	2,225,687	2,581,075	2,212,249	2,218,465	2,190,715	2,109,380	1,912,747
Plan fiduciary net position at end of year (b)	\$ 2,679,781	\$ 2,500,041	\$ 2,316,170	\$ 2,223,687	\$ 2,581,075	\$ 2,212,249	\$ 2,218,465	\$ 2,190,715	\$ 2,109,380
City's net OPEB liability (asset) at end of year (a)-(b)	\$ (1,061,540)	\$ (632,484)	\$ (401,772)	\$ (20,513)	\$ (219,652)	\$ (313,231)	\$ (342,773)	\$ (320,510)	\$ (81,308)
Plan fiduciary net position as a percentage of the total OPEB liability	165.60%	133.87%	120.99%	100.93%	109.30%	116.49%	118.27%	117.14%	104.01%
Covered payroll	\$ 807,756	\$ 780,432	\$ 870,963	\$ 870,330	\$ 1,033,597	\$ 1,065,340	\$ 1,070,573	\$ 1,377,623	\$ 1,422,733
City's net OPEB liability as a percentage of covered payroll	-131.42%	-81.04%	-46.13%	-2.36%	-21.25%	-29.40%	-32.02%	-23.27%	-5.71%

**Notes to Schedule**

Additional data is not available and will be provided in subsequent years.

The following were significant changes to actuarial assumptions:

2025 Valuation - Mortality base rates updated from Public 2010 to Public 2016.

City of Zeeland

**REQUIRED SUPPLEMENTARY INFORMATION**  
**RETIREE HEALTHCARE SYSTEM SCHEDULE OF CONTRIBUTIONS**

Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,337)	\$ (706)	\$ 14,373
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	3,840	10,935	26,421	91,066
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,840)	\$ (51,272)	\$ (27,127)	\$ (76,693)

Covered employee payroll	\$ 807,756	\$ 780,432	\$ 870,963	\$ 870,030	\$ 1,033,597	\$ 1,065,340	\$ 1,070,573	\$ 1,377,623	\$ 1,422,733
Contributions as percentage of covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	1.0%	1.9%	6.4%

**Notes to Schedule**

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, 2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal (level percentage of compensation)
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	4 years
Asset valuation method	Equal to fair value of assets
Inflation	2.5 percent
Salary increases	3.0 percent
Investment rate of return	6.44 percent (including inflation), net of administrative and investment expenses
Retirement age	65 years of age
Mortality	Mortality rates were as set forth in the Public General and Public Safety 2016 Employee and Healthy Retiree, headcount weighted, IRS 2024 adjusted MP-2021 improvement.

Additional data is not available and will be provided in subsequent years.

City of Zeeland

**REQUIRED SUPPLEMENTARY INFORMATION**  
**RETIREE HEALTHCARE SYSTEM SCHEDULE OF INVESTMENT RETURNS**

Last Ten Fiscal Years (Amounts were determined as of June 30 of each fiscal year)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	11.07%	12.14%	8.46%	-10.47%	21.26%	4.20%	5.21%	6.07%	10.08%

**Notes to Schedule**

Additional data is not available and will be provided in subsequent years

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**OTHER SUPPLEMENTAL INFORMATION**

## DESCRIPTION OF OTHER GOVERNMENTAL FUNDS

### Special Revenue Funds

The special revenues funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.

Major Street – to account for gas and weight allocations to the City by the Michigan Department of Transportation for construction and maintenance of major streets within the City.

Local Street – to account for gas and weight allocations to the City by the Michigan Department of Transportation for construction and maintenance of local streets within the City.

West Michigan Airport Authority – to account for a special tax levy to support operations of the West Michigan Airport Authority.

Brownfield Development Authority – to account for administrative revenues and expenditures related to future Brownfield Development Authority tax increment financing projects.

Personal Property Tax Stabilization – to distribute revenues collected to stabilize potential over- and under-funding of future personal property tax reimbursements.

Library – to receive restricted state revenue sharing, library penal fines, etc. Monies expended from this fund must be for authorized library purposes.

Library Endowment – to receive restricted earnings from a privately established endowment fund. Monies expended from this fund must be for authorized library purposes.

Shopping Area Redevelopment Board – to account for the economic development activities in the downtown area.

Snowmelt Operations – to account for special assessments and other revenues earmarked for the operation of a snowmelt system in the downtown area.

**DESCRIPTION OF  
OTHER GOVERNMENTAL FUNDS—CONTINUED**

**Capital Projects Funds**

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital assets other than those financed by proprietary funds and trust funds.

City Park Improvement – to account for monies set aside for future improvements to all city parks.

City Building – to account for monies set aside for the purchase and/or construction of capital facilities budgeted in the current year of the City’s 6-year capital improvement program which are not accounted for by proprietary funds, trust funds, projects financed through special assessments, and street construction improvements financed by Act 51 funds.

Downtown Vision – to account for monies set aside for the implementation of projects consistent with the City’s Downtown Vision Plan.

I-196 Business Loop Crossing – to account for the construction of a pedestrian crossing over the I-196 Business Loop.

**Permanent Funds**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government’s programs.

Cemetery Perpetual Care – to account for charges for services collected and investment income earned and to account for transfers to the General Fund to partially cover cemetery care expenses.

City of Zeeland  
**COMBINING BALANCE SHEET**  
 Other Governmental Funds  
 June 30, 2025

	<b>Total Other Governmental Funds</b>	<b>Other Special Revenue Funds</b>	<b>Other Capital Projects Funds</b>	<b>Permanent Fund - Perpetual Care</b>
<b>ASSETS</b>				
Cash and investments	\$ 9,811,834	\$ 6,185,049	\$ 3,156,226	\$ 470,559
Assets managed by others	1,656,266	-	-	1,656,266
Receivables				
Accounts	9,195	9,195	-	-
Interest	74,078	44,063	26,531	3,484
Due from other governmental units	202,332	202,332	-	-
Prepaid items	15,261	15,261	-	-
Total assets	<b>\$ 11,768,966</b>	<b>\$ 6,455,900</b>	<b>\$ 3,182,757</b>	<b>\$ 2,130,309</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 441,781	\$ 291,077	\$ 150,704	\$ -
Accrued liabilities	49,322	49,322	-	-
Due to other governmental units	339	339	-	-
Unearned revenues—expenditure-driven grants	35,000	35,000	-	-
Total liabilities	526,442	375,738	150,704	-
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	15,261	15,261	-	-
Perpetual care	1,562,150	-	-	1,562,150
Restricted				
Streets and highways	1,072,157	1,072,157	-	-
Brownfield activities	4,475	4,475	-	-
Library	271,778	271,778	-	-
Perpetual care	568,159	-	-	568,159
Assigned				
Personal property tax stabilization	3,394,293	3,394,293	-	-
Shopping area redevelopment	76,587	76,587	-	-
Library	496,548	496,548	-	-
Snowmelt operations	749,063	749,063	-	-
Capital projects	3,032,053	-	3,032,053	-
Total fund balance	11,242,524	6,080,162	3,032,053	2,130,309
Total liabilities and fund balances	<b>\$ 11,768,966</b>	<b>\$ 6,455,900</b>	<b>\$ 3,182,757</b>	<b>\$ 2,130,309</b>

City of Zeeland  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
 Other Governmental Funds  
 For the year ended June 30, 2025

	<b>Total Other Governmental Funds</b>	<b>Other Special Revenue Funds</b>	<b>Other Capital Projects Funds</b>	<b>Permanent Fund - Perpetual Care</b>
<b>REVENUES</b>				
Property taxes	\$ 57,929	\$ 57,929	\$ -	\$ -
Intergovernmental revenues				
State	3,934,705	3,934,705	-	-
Local	545,629	545,629	-	-
Charges for services	208,056	156,806	-	51,250
Investment earnings (loss)	602,038	275,307	183,738	142,993
Other	159,504	159,504	-	-
<b>Total revenues</b>	<b>5,507,861</b>	<b>5,129,880</b>	<b>183,738</b>	<b>194,243</b>
<b>EXPENDITURES</b>				
Current				
Public works	1,710,504	1,710,504	-	-
Community and economic development	156,379	156,379	-	-
Culture and recreation	1,143,975	1,143,975	-	-
Capital outlay	1,005,191	370,867	634,324	-
<b>Total expenditures</b>	<b>4,016,049</b>	<b>3,381,725</b>	<b>634,324</b>	<b>-</b>
Excess of revenues over (under) expenditures	1,491,812	1,748,155	(450,586)	194,243
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	15,000	15,000	-	-
Transfers in	1,692,452	1,192,452	500,000	-
Transfers out	(1,757,452)	(1,557,452)	(200,000)	-
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>(350,000)</b>	<b>300,000</b>	<b>-</b>
Net change in fund balances	1,441,812	1,398,155	(150,586)	194,243
Fund balances at beginning of year	9,800,712	4,682,007	3,182,639	1,936,066
Fund balances at end of year	<b>\$ 11,242,524</b>	<b>\$ 6,080,162</b>	<b>\$ 3,032,053</b>	<b>\$ 2,130,309</b>

City of Zeeland  
**COMBINING BALANCE SHEET**  
 Other Special Revenue Funds  
 June 30, 2025

	Total Other Special Revenue Funds		Major Street		Local Street		West Michigan Airport Authority		Brownfield Development Authority		Personal Property Tax Stabilization		Library		Shopping Area Redevelopment Board		Snowmelt Operations	
<b>ASSETS</b>																		
Cash and investments	\$ 6,185,049	\$ 580,793	\$ 673,574	\$ -	\$ -	\$ 4,710	\$ 3,362,179	\$ 463,125	\$ 270,116	\$ 85,743	\$ 744,809							
Receivables																		
Accounts	9,195	50	25	-	-	-	-	-	-	9,120	-							
Interest	44,063	3,995	4,339	-	18	26,310	2,131	1,662	539	5,069								
Due from other governmental units	202,332	100,197	35,185	-	-	5,804	61,146	-	-	-								
Prepaid items	15,261	363	313	-	-	7,735	-	-	-	6,850								
Total assets	<b>\$ 6,455,900</b>	<b>\$ 685,398</b>	<b>\$ 713,436</b>	<b>\$ -</b>	<b>\$ 4,728</b>	<b>\$ 3,394,293</b>	<b>\$ 534,137</b>	<b>\$ 271,778</b>	<b>\$ 102,252</b>	<b>\$ 749,878</b>								
<b>LIABILITIES</b>																		
Accounts payable	\$ 291,077	\$ 5,642	\$ 263,969	\$ -	\$ 253	\$ -	\$ 1,583	\$ -	\$ 18,815	\$ 815								
Accrued liabilities	49,322	10,468	10,583	-	-	-	28,271	-	-	-								
Due to other governmental units	339	339	-	-	-	-	-	-	-	-								
Unearned revenues—expenditure-driven grant	35,000	35,000	-	-	-	-	-	-	-	-								
Total liabilities	375,738	51,449	274,552	-	253	-	29,854	-	18,815	815								
<b>FUND BALANCES</b>																		
Nonspendable—prepaid items	15,261	363	313	-	-	-	-	7,735	-	6,850								
Restricted																		
Streets and highways	1,072,157	633,586	438,571	-	-	-	-	-	-	-								
Brownfield activities	4,475	-	-	-	4,475	-	-	-	-	-								
Library	271,778	-	-	-	-	-	-	-	271,778	-								
Assigned																		
Personal property tax stabilization	3,394,293	-	-	-	-	3,394,293	-	-	-	-								
Shopping area redevelopment	76,587	-	-	-	-	-	-	-	-	76,587								
Library	496,548	-	-	-	-	-	496,548	-	-	-								
Snowmelt operations	749,063	-	-	-	-	-	-	-	-	-								
Total fund balance	6,080,162	633,949	438,884	-	4,475	3,394,293	504,283	271,778	83,437	749,063								
Total liabilities and fund balances	<b>\$ 6,455,900</b>	<b>\$ 685,398</b>	<b>\$ 713,436</b>	<b>\$ -</b>	<b>\$ 4,728</b>	<b>\$ 3,394,293</b>	<b>\$ 534,137</b>	<b>\$ 271,778</b>	<b>\$ 102,252</b>	<b>\$ 749,878</b>								

City of Zeeland  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	Total Other Special Revenue Funds	Major Street	Local Street	West Michigan Airport Authority	Brownfield Development Authority	Personal Property Tax Stabilization	Library	Library Endowment	Shopping Area Redevelopment Board	Snowmelt Operations
<b>REVENUES</b>										
Property taxes	\$ 57,929	\$ -	\$ -	\$ 57,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues										
State	3,934,705	675,308	271,694	-	-	2,956,494	26,409	-	4,800	-
Local	545,629	-	-	-	-	-	545,629	-	-	-
Charges for services	156,806	375	250	-	-	4,012	-	-	-	152,169
Investment earnings (loss)	275,307	28,651	30,071	-	2,787	143,707	17,699	13,209	3,603	35,580
Other	159,504	-	-	-	3,000	5,804	3,685	54,263	92,752	-
Total revenues	5,129,880	704,334	302,015	57,929	5,787	3,106,005	597,434	67,472	101,155	187,749
<b>EXPENDITURES</b>										
Current										
Public works	1,710,504	551,320	914,669	90,381	-	-	-	-	-	154,134
Community and economic development	156,379	-	-	-	36,628	-	-	-	119,751	-
Culture and recreation	1,143,975	-	-	-	-	-	1,128,538	15,437	-	-
Capital outlay	370,867	-	-	-	370,867	-	-	-	-	-
Total expenditures	3,381,725	551,320	914,669	90,381	407,495	-	1,128,538	15,437	119,751	154,134
Excess of revenues over (under) expenditures	1,748,155	153,014	(612,654)	(32,452)	(401,708)	3,106,005	(531,104)	52,035	(18,596)	33,615
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from sale of capital assets	15,000	-	-	-	15,000	-	-	-	-	-
Transfers in	1,192,452	-	560,000	32,452	200,000	-	400,000	-	-	-
Transfers out	(1,557,452)	(200,000)	-	-	-	(1,357,452)	-	-	-	-
Total other financing sources (uses)	(350,000)	(200,000)	560,000	32,452	215,000	(1,357,452)	400,000	-	-	-
Net change in fund balances	1,398,155	(46,986)	(52,654)	-	(186,708)	1,748,553	(131,104)	52,035	(18,596)	33,615
Fund balances at beginning of year	4,682,007	680,935	491,538	-	191,183	1,645,740	635,387	219,743	102,033	715,448
Fund balances at end of year	\$ 6,080,162	\$ 633,949	\$ 438,884	\$ -	\$ 4,475	\$ 3,394,293	\$ 504,283	\$ 271,778	\$ 83,437	\$ 749,063

City of Zeeland  
**BUDGETARY COMPARISON SCHEDULE**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	Major Street			Local Street		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>						
Intergovernmental revenues—State	\$ 543,000	\$ 675,308	\$ 132,308	\$ 210,000	\$ 271,694	\$ 61,694
Charges for services	500	375	(125)	500	250	(250)
Investment earnings (loss)	5,000	28,651	23,651	2,500	30,071	27,571
Total revenues	548,500	704,334	155,834	213,000	302,015	89,015
<b>EXPENDITURES</b>						
Current						
Public works	631,089	551,320	79,769	1,084,350	914,669	169,681
Excess of revenues over (under) expenditures	(82,589)	153,014	235,603	(871,350)	(612,654)	258,696
<b>OTHER FINANCING SOURCES</b>						
Transfers in	-	-	-	560,000	560,000	-
Transfers out	(200,000)	(200,000)	-	-	-	-
Total other financing sources (uses)	(200,000)	(200,000)	-	560,000	560,000	-
Net change in fund balances	<u>\$ (282,589)</u>	<u>(46,986)</u>	<u>\$ 235,603</u>	<u>\$ (311,350)</u>	<u>(52,654)</u>	<u>\$ 258,696</u>
Fund balances at beginning of year		<u>680,935</u>			<u>491,538</u>	
Fund balances at end of year		<u>\$ 633,949</u>			<u>\$ 438,884</u>	

City of Zeeland  
**BUDGETARY COMPARISON SCHEDULE—CONTINUED**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	West Michigan Airport Authority			Brownfield Development Authority		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>						
Property taxes	\$ 57,801	\$ 57,929	\$ 128	\$ -	\$ -	\$ -
Investment earnings (loss)	-	-	-	2,000	2,787	787
Other	-	-	-	-	3,000	3,000
Total revenues	57,801	57,929	128	2,000	5,787	3,787
<b>EXPENDITURES</b>						
Current						
Public works	90,525	90,381	144	-	-	-
Community and economic development	-	-	-	39,400	36,628	2,772
Capital outlay	-	-	-	375,000	370,867	4,133
Total expenditures	90,525	90,381	144	414,400	407,495	6,905
Excess of revenues over (under) expenditures	(32,724)	(32,452)	272	(412,400)	(401,708)	10,692
<b>OTHER FINANCING SOURCES</b>						
Proceeds from sale of capital assets	-	-	-	-	15,000	15,000
Transfers in	10,724	32,452	21,728	200,000	200,000	-
Total other financing sources	10,724	32,452	21,728	200,000	215,000	15,000
Net change in fund balances	\$ (22,000)	-	\$ 22,000	\$ (212,400)	(186,708)	\$ 25,692
Fund balances at beginning of year					191,183	
Fund balances at end of year	\$ -	-	\$ -	\$ (212,400)	\$ 4,475	\$ 25,692

City of Zeeland  
**BUDGETARY COMPARISON SCHEDULE—CONTINUED**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	Personal Property Tax Stabilization			Library		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>						
Intergovernmental revenues						
State	\$ 1,231,754	\$ 2,956,494	\$ 1,724,740	\$ 25,000	\$ 26,409	\$ 1,409
Local	-	-	-	513,000	545,629	32,629
Charges for services	-	-	-	2,500	4,012	1,512
Investment earnings (loss)	20,000	143,707	123,707	2,500	17,699	15,199
Other	-	5,804	5,804	1,500	3,685	2,185
Total revenues	1,251,754	3,106,005	1,854,251	544,500	597,434	52,934
<b>EXPENDITURES</b>						
Current						
Culture and recreation	-	-	-	1,231,209	1,128,538	102,671
Excess of revenues over (under) expenditures	1,251,754	3,106,005	1,854,251	(686,709)	(531,104)	155,605
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	400,000	400,000	-
Transfers out	(1,357,724)	(1,357,452)	272	-	-	-
Total other financing sources (uses)	(1,357,724)	(1,357,452)	272	400,000	400,000	-
Net change in fund balances	<u>\$ (105,970)</u>	1,748,553	<u>\$ 1,854,523</u>	<u>\$ (286,709)</u>	(131,104)	<u>\$ 155,605</u>
Fund balances at beginning of year		<u>1,645,740</u>			<u>635,387</u>	
Fund balances at end of year		<u><u>\$ 3,394,293</u></u>			<u><u>\$ 504,283</u></u>	

City of Zeeland  
**BUDGETARY COMPARISON SCHEDULE—CONTINUED**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	Library Endowment			Shopping Area Redevelopment Board		
	Final Budget	Actual	Variance with Final Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>						
Intergovernmental revenues—state	\$ -	\$ -	\$ -	\$ -	\$ 4,800	\$ 4,800
Investment earnings (loss)	2,000	13,209	11,209	2,000	3,603	1,603
Other	-	54,263	54,263	84,000	92,752	8,752
Total revenues	2,000	67,472	65,472	86,000	101,155	15,155
<b>EXPENDITURES</b>						
Current						
Community and economic development	-	-	-	120,200	119,751	449
Culture and recreation	71,500	15,437	56,063	-	-	-
Total expenditures	71,500	15,437	56,063	120,200	119,751	449
Net change in fund balances	<u>\$ (69,500)</u>	<u>52,035</u>	<u>\$ 121,535</u>	<u>\$ (34,200)</u>	<u>(18,596)</u>	<u>\$ 15,604</u>
Fund balances at beginning of year		<u>219,743</u>			<u>102,033</u>	
Fund balances at end of year		<u>\$ 271,778</u>			<u>\$ 83,437</u>	

City of Zeeland  
**BUDGETARY COMPARISON SCHEDULE—CONTINUED**  
 Other Special Revenue Funds  
 For the year ended June 30, 2025

	<b>Snowmelt Operations</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Charges for services	\$ 150,654	\$ 152,169	\$ 1,515
Investment earnings (loss)	500	35,580	35,080
Total revenues	151,154	187,749	36,595
<b>EXPENDITURES</b>			
Current			
Public works	154,000	154,134	(134)
Net change in fund balances	<u>\$ (2,846)</u>	33,615	<u>\$ 36,461</u>
Fund balances at beginning of year		715,448	
Fund balances at end of year		<u>\$ 749,063</u>	

City of Zeeland  
**COMBINING BALANCE SHEET**  
 Other Capital Projects Funds  
 June 30, 2025

	<b>Total Other</b>				
	<b>Capital Projects Funds</b>	<b>City Park Improvement</b>	<b>City Building</b>	<b>Downtown Vision</b>	<b>I-196 Business Loop Crossing</b>
<b>ASSETS</b>					
Cash and investments	\$ 3,156,226	\$ 1,682,846	\$ 13,820	\$ 401,513	\$ 1,058,047
Interest receivable	26,531	13,506	1,401	3,224	8,400
Total assets	<b>\$ 3,182,757</b>	<b>\$ 1,696,352</b>	<b>\$ 15,221</b>	<b>\$ 404,737</b>	<b>\$ 1,066,447</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 150,704	\$ 150,704	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>					
Assigned for capital projects	3,032,053	1,545,648	15,221	404,737	1,066,447
Total liabilities and fund balances	<b>\$ 3,182,757</b>	<b>\$ 1,696,352</b>	<b>\$ 15,221</b>	<b>\$ 404,737</b>	<b>\$ 1,066,447</b>

City of Zeeland  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
 Other Capital Projects Funds  
 For the year ended June 30, 2025

	<b>Total Other Capital Projects Funds</b>	<b>City Park Improvement</b>	<b>City Building</b>	<b>Downtown Vision</b>	<b>I-196 Business Loop Crossing</b>
<b>REVENUES</b>					
Investment earnings (loss)	\$ 183,738	\$ 90,287	\$ 12,730	\$ 21,806	\$ 58,915
<b>EXPENDITURES</b>					
Capital outlay	634,324	283,338	19,580	331,406	-
Excess of revenues over (under) expenditures	(450,586)	(193,051)	(6,850)	(309,600)	58,915
<b>OTHER FINANCING SOURCES</b>					
Transfers in	500,000	500,000	-	-	-
Transfers out	(200,000)	-	-	(200,000)	-
Total other financing sources (uses)	300,000	500,000	-	(200,000)	-
Net change in fund balances	(150,586)	306,949	(6,850)	(509,600)	58,915
Fund balances at beginning of year	3,182,639	1,238,699	22,071	914,337	1,007,532
Fund balances at end of year	<b>\$ 3,032,053</b>	<b>\$ 1,545,648</b>	<b>\$ 15,221</b>	<b>\$ 404,737</b>	<b>\$ 1,066,447</b>

## DESCRIPTION OF INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of a governmental unit or to other governments on a cost-reimbursement basis.

A list and description of internal service funds maintained by the City follows:

Building Maintenance – to account for the expense of building operations and maintenance of all City buildings.

Information Technology – to account for the expense of information technology services and associated capital projects.

Motor Pool – to account for the rental of motor vehicles and machinery and equipment to other departments and related costs.

Health Care Insurance – to account for costs associated with the City's health insurance program. All claims, premiums, and administrative expenses are paid from this fund.

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City of Zeeland  
**COMBINING BALANCE SHEET**  
Internal Service Funds  
June 30, 2025

	Total				
	Internal Service Funds	Building Maintenance	Information Technology	Motor Pool	Health Care Insurance
<b>ASSETS</b>					
Current assets					
Cash and investments	\$ 4,386,523	\$ 817,502	\$ 183,109	\$ 3,117,668	\$ 268,244
Interest receivable	32,687	3,484	910	26,139	2,154
Prepaid items	172,696	23,616	1,694	27,739	119,647
Total current assets	4,591,906	844,602	185,713	3,171,546	390,045
Noncurrent assets					
Capital assets					
Land	225,000	-	-	225,000	-
Construction in progress	157,184	112,324	44,860	-	-
Land improvements	10,794	-	-	10,794	-
Buildings and improvements	2,342,130	96,294	21,500	2,224,336	-
Machinery and equipment	5,877,439	-	367,856	5,509,583	-
Less accumulated depreciation	(4,818,475)	(16,306)	(184,098)	(4,618,071)	-
Total noncurrent assets	3,794,072	192,312	250,118	3,351,642	-
Total assets	8,385,978	1,036,914	435,831	6,523,188	390,045
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	150,623	28,263	115,968	5,298	1,094
Accrued liabilities	35,179	20,407	13,129	1,316	327
Due to other governmental units	8,149	8,149	-	-	-
Bonds and other obligations, due within one year	21,750	13,500	8,250	-	-
Total current liabilities	215,701	70,319	137,347	6,614	1,421
Noncurrent liabilities					
Bonds and other obligations, less amounts due within one year	7,250	4,500	2,750	-	-
Total liabilities	222,951	74,819	140,097	6,614	1,421
<b>NET POSITION</b>					
Net investment in capital assets	3,794,072	192,312	250,118	3,351,642	-
Unrestricted	4,368,955	769,783	45,616	3,164,932	388,624
Total net position	\$ 8,163,027	\$ 962,095	\$ 295,734	\$ 6,516,574	\$ 388,624

City of Zeeland  
**COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
 Internal Service Funds  
 For the year ended June 30, 2025

	<b>Total</b>				
	<b>Internal Service Funds</b>	<b>Building Maintenance</b>	<b>Information Technology</b>	<b>Motor Pool</b>	<b>Health Care Insurance</b>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 5,222,794	\$ 970,000	\$ 1,280,846	\$ 1,282,927	\$ 1,689,021
<b>OPERATING EXPENSES</b>					
General and administrative	40,308	-	-	25,775	14,533
Insurance premiums and claims	1,699,281	-	-	-	1,699,281
Operations	2,523,549	774,096	1,208,442	541,011	-
Depreciation	671,254	12,606	74,646	584,002	-
Total operating expenses	4,934,392	786,702	1,283,088	1,150,788	1,713,814
Operating income (loss)	288,402	183,298	(2,242)	132,139	(24,793)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings (loss)	209,746	27,257	6,585	159,779	16,125
Gain on sale of capital assets	87,576	-	565	87,011	-
Total nonoperating revenues (expenses)	297,322	27,257	7,150	246,790	16,125
Net change in fund balances	585,724	210,555	4,908	378,929	(8,668)
Net position at beginning of year	7,577,303	751,540	290,826	6,137,645	397,292
Net position at end of year	<b>\$ 8,163,027</b>	<b>\$ 962,095</b>	<b>\$ 295,734</b>	<b>\$ 6,516,574</b>	<b>\$ 388,624</b>

City of Zeeland  
**COMBINING STATEMENT OF CASH FLOWS**  
Internal Service Funds  
For the year ended June 30, 2025

	Total Internal Service Funds	Building Maintenance	Information Technology	Motor Pool	Health Care Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from interfund services provided	\$ 5,222,863	\$ 970,000	\$ 1,280,846	\$ 1,282,927	\$ 1,689,090
Payments to suppliers	(3,112,483)	(384,501)	(783,769)	(326,362)	(1,617,851)
Payments to employees	(682,445)	(289,743)	(285,600)	(103,265)	(3,837)
Payment for interfund services used	(380,237)	(102,694)	(44,574)	(148,050)	(84,919)
Net cash provided by (used for) operating activities	1,047,698	193,062	166,903	705,250	(17,517)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchases of capital assets	(573,201)	(171,618)	(103,837)	(297,746)	-
Proceeds from sale of capital assets	87,576	-	565	87,011	-
Net cash provided by (used for) capital and related financing activities	(485,625)	(171,618)	(103,272)	(210,735)	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Investment earnings (loss)	197,489	27,754	5,738	148,282	15,715
Net increase (decrease) in cash and investments	759,562	49,198	69,369	642,797	(1,802)
Cash and investments at beginning of year	3,626,961	768,304	113,740	2,474,871	270,046
Cash and investments at end of year	<b>\$ 4,386,523</b>	<b>\$ 817,502</b>	<b>\$ 183,109</b>	<b>\$ 3,117,668</b>	<b>\$ 268,244</b>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ 288,402	\$ 183,298	\$ (2,242)	\$ 132,139	\$ (24,793)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation expense	671,254	12,606	74,646	584,002	-
Change in assets and liabilities					
Accounts receivable	69	-	-	-	69
Prepaid items	23,727	(321)	18,773	(1,509)	6,784
Accounts payable	53,434	(17,779)	77,573	(6,580)	220
Accrued liabilities	10,676	15,122	(1,847)	(2,802)	203
Due to other governmental units	136	136	-	-	-
Net cash provided by (used for) operating activities	<b>\$ 1,047,698</b>	<b>\$ 193,062</b>	<b>\$ 166,903</b>	<b>\$ 705,250</b>	<b>\$ (17,517)</b>

## DESCRIPTION OF FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments or other funds.

A list and description of the fiduciary funds maintained by the City follows:

**PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS** are used to account for resources that are required to be held in trust for the beneficiaries of defined benefit pension plans and other post-employment benefits.

Defined Benefit Pension Trust Fund – was established to account for the assets held in trust for the City of Zeeland Defined Benefit Pension Plan.

Retiree Health Benefits Trust Fund – was established to account for assets held in trust for the City of Zeeland Retiree Health Benefits Plan.

**CUSTODIAL FUNDS** are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

Trust and Agency – to account for the collections and disbursement of funds to other entities and individuals.

Tax Collection – to account for levy, collection and payment of taxes levied for the general and other funds of the City, county, public school districts, and other governmental entities.

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City of Zeeland  
**COMBINING STATEMENT OF NET POSITION**  
Pension and Other Postemployment Benefit Trust Funds  
June 30, 2025

	<b>Total Pension and Other Post- Employment Trust Funds</b>	<b>Defined Benefit Pension Trust Fund</b>	<b>Retiree Health Benefits Trust Fund</b>
<b>ASSETS</b>			
Investments			
Money market funds	\$ 173,887	\$ 173,887	\$ -
Mutual fund bonds	5,348,189	5,348,189	-
Mutual fund equities	8,344,563	5,664,782	2,679,781
Receivables	20,479	20,479	-
Total assets	<u>13,887,118</u>	<u>11,207,337</u>	<u>2,679,781</u>
<b>LIABILITIES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Restricted			
Pension benefits	11,207,337	11,207,337	-
Other postemployment benefits	2,679,781	-	2,679,781
	<u><b>\$ 13,887,118</b></u>	<u><b>\$ 11,207,337</b></u>	<u><b>\$ 2,679,781</b></u>

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City of Zeeland  
**COMBINING STATEMENT OF CHANGES IN NET POSITION**  
Pension and Other Postemployment Benefit Trust Funds  
For the year ended June 30, 2025

	<b>Total Pension and Other Post- Employment Trust Funds</b>	<b>Defined Benefit Pension Trust Fund</b>	<b>Retiree Health Benefits Trust Fund</b>
<b>ADDITIONS</b>			
Employer contributions	\$ 19,813	\$ 19,813	\$ -
Plan member contributions	2,103	2,103	-
Investment earnings			
Interest and dividends	598,464	598,464	-
Net increase in the fair value of investments	733,954	462,257	271,697
Total investment earnings	1,332,418	1,060,721	271,697
Less investment expense	2,066,372	9,523	2,557
Net investment earnings	1,320,338	1,051,198	269,140
Total additions	1,342,254	1,073,114	269,140
<b>DEDUCTIONS</b>			
Benefit payments	856,376	766,976	89,400
Administrative and other expenses	50,705	50,705	-
Total deductions	907,081	817,681	89,400
Change in net position	435,173	255,433	179,740
Net position at beginning of year	13,451,945	10,951,904	2,500,041
Net position at end of year	<b>\$ 13,887,118</b>	<b>\$ 11,207,337</b>	<b>\$ 2,679,781</b>

City of Zeeland  
**COMBINING STATEMENT OF NET POSITION**  
 Custodial Funds  
 June 30, 2025

	<b>Total Custodial Funds</b>	<b>Trust and Agency</b>	<b>Tax Collection</b>
<b>ASSETS</b>			
Cash	\$ 7,494	\$ 7,494	\$ -
	7,494	7,494	-
<b>LIABILITIES</b>			
Due to other governmental units			
<b>NET POSITION</b>			
Restricted for others	\$ -	\$ -	\$ -
	-	-	-

City of Zeeland  
**COMBINING STATEMENT OF CHANGES IN NET POSITION**  
 Custodial Funds  
 For the year ended June 30, 2025

	<b>Total Custodial Funds</b>	<b>Trust and Agency</b>	<b>Tax Collection</b>
<b>ADDITIONS</b>			
Property tax collections for other governments	\$ 19,418,939	\$ -	\$ 19,418,939
Other collections for third parties	1,545	1,545	-
Total additions	19,420,484	1,545	19,418,939
<b>DEDUCTIONS</b>			
Payments of property taxes to other governments	19,418,939	-	19,418,939
Other payments to third parties	1,545	1,545	-
Total deductions	19,420,484	1,545	19,418,939
Change in net position	-	-	-
Net position at beginning of year	-	-	-
Net position at end of year	\$ -	\$ -	\$ -

## STATISTICAL SECTION

This part of the City of Zeeland's Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>	91-92
Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property taxes.</i>	94-108
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</i>	109-116
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.</i>	117-118
Operating Information <i>These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.</i>	119-122

Sources: Unless otherwise noted, the information in these schedules is derived from the ACFR for the relevant year.

City of Zeeland  
**NET POSITION BY COMPONENT**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Governmental activities</b>										
Net investment in capital assets	\$ 22,334,843	\$ 23,242,145	\$ 24,218,735	\$ 24,784,918	\$ 26,986,232	\$ 28,941,899	\$ 29,800,858	\$ 31,687,257	\$ 34,725,599	\$ 36,684,155
Restricted	1,426,314	1,580,631	1,967,961	2,006,294	2,139,349	2,437,706	2,191,505	4,107,123	5,581,750	6,000,652
Unrestricted	11,551,188	10,373,840	12,035,964	16,071,098	19,162,432	20,071,050	20,411,617	21,391,430	21,177,329	21,252,408
<b>Total governmental activities net position</b>	<b>\$ 35,312,345</b>	<b>\$ 35,196,616</b>	<b>\$ 38,222,660</b>	<b>\$ 42,862,510</b>	<b>\$ 48,288,013</b>	<b>\$ 51,450,655</b>	<b>\$ 52,403,980</b>	<b>\$ 57,185,810</b>	<b>\$ 61,484,678</b>	<b>\$ 63,937,215</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 56,171,397	\$ 64,526,732	\$ 66,745,472	\$ 67,376,918	\$ 67,781,191	\$ 70,808,114	\$ 76,293,569	\$ 79,266,699	\$ 84,200,399	\$ 85,533,361
Restricted	506,500	131,000	131,000	131,000	131,000	-	-	111,288	173,657	308,513
Unrestricted	59,066,855	62,622,354	67,537,879	72,809,502	78,533,454	82,733,164	72,615,030	71,299,776	73,006,202	78,039,606
<b>Total business-type activities net position</b>	<b>\$ 115,744,752</b>	<b>\$ 127,280,086</b>	<b>\$ 134,414,351</b>	<b>\$ 140,317,420</b>	<b>\$ 146,445,645</b>	<b>\$ 153,541,278</b>	<b>\$ 148,910,599</b>	<b>\$ 150,677,763</b>	<b>\$ 157,380,258</b>	<b>\$ 163,881,480</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 78,506,240	\$ 87,768,877	\$ 90,964,207	\$ 92,161,836	\$ 94,767,423	\$ 99,750,013	\$ 106,096,427	\$ 110,953,956	\$ 118,925,998	\$ 122,217,516
Restricted	1,932,814	1,711,631	2,098,961	2,137,294	2,270,349	2,437,706	2,191,505	4,218,411	5,755,407	6,309,165
Unrestricted	70,618,043	72,996,194	79,573,843	88,880,600	97,695,886	102,804,214	93,026,647	92,691,206	94,183,531	99,292,014
<b>Total primary government net position</b>	<b>\$ 151,037,097</b>	<b>\$ 162,476,702</b>	<b>\$ 172,637,011</b>	<b>\$ 183,179,730</b>	<b>\$ 194,733,658</b>	<b>\$ 204,991,933</b>	<b>\$ 201,314,579</b>	<b>\$ 207,863,573</b>	<b>\$ 218,864,936</b>	<b>\$ 227,818,695</b>

**City of Zeeland**  
**CHANGES IN NET POSITION**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Governmental activities:										
General government	\$ 1,677,112	\$ 4,639,608	\$ 1,238,888	\$ 941,045	\$ 1,319,815	\$ 1,403,656	\$ 1,561,617	\$ 1,334,282	\$ 1,382,580	\$ 1,718,615
Public safety	2,210,946	2,382,754	2,377,811	2,078,373	2,621,439	2,958,128	3,323,528	2,151,245	2,904,869	3,583,778
Public works	2,272,784	2,357,863	2,319,722	2,999,642	2,332,812	2,341,032	2,926,529	3,212,498	3,708,308	4,327,623
Community and economic development	202,196	636,877	1,235,525	286,634	352,185	426,869	366,480	220,135	364,526	989,547
Recreation and culture	1,404,354	1,310,376	1,670,460	1,440,473	1,715,592	1,777,227	1,940,139	2,001,005	2,183,000	2,390,555
Interest on long-term debt	72,706	29,450	25,803	16,648	19,265	16,704	14,140	8,500	8,625	5,250
Total governmental activities	7,840,098	11,356,928	8,868,209	7,762,815	8,361,108	8,923,616	10,132,433	8,927,665	10,551,908	13,015,368
Business-type activities										
Electric utility	25,357,602	26,635,660	26,848,289	27,351,441	27,532,952	28,839,463	33,534,330	36,644,322	35,116,535	36,935,819
Water utility	3,041,971	3,420,902	3,495,061	3,704,557	3,612,335	3,654,921	3,871,796	4,457,422	4,999,654	5,280,685
Clean water utility	1,719,527	1,665,260	1,904,560	2,422,720	2,628,607	2,448,084	2,592,182	2,847,504	2,861,823	2,821,348
Total business-type activities	30,119,100	31,721,822	32,247,910	33,478,718	33,773,894	34,942,468	39,998,308	43,949,248	42,978,012	45,037,852
Total primary government expenses	\$ 37,959,198	\$ 43,078,750	\$ 41,116,119	\$ 41,241,533	\$ 42,135,002	\$ 43,866,054	\$ 50,130,741	\$ 52,876,913	\$ 53,529,920	\$ 58,053,220
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 117,892	\$ 77,459	\$ 73,933	\$ 79,807	\$ 82,229	\$ 69,515	\$ 102,997	\$ 75,918	\$ 63,979	\$ 89,787
Public safety	146,081	175,081	126,124	187,539	171,740	175,103	278,181	180,392	216,120	229,029
Public works	30,616	30,036	28,565	29,235	37,405	3,771	32,870	32,870	104,379	137,226
Community and economic development	13,025	10,450	11,250	7,925	7,750	3,000	12,800	10,265	7,550	4,700
Recreation and culture	58,226	57,476	56,374	56,654	30,820	7,294	86,092	86,092	98,048	97,475
Operating grants and contributions	1,019,656	1,457,266	1,248,416	1,274,670	1,232,862	1,562,592	1,437,409	436,610	240,716	123,874
Capital grants and contributions	76,044	515,017	1,242,803	403,206	1,694,603	53,384	12,225	-	-	-
Total governmental activities	1,461,540	2,322,785	2,787,465	2,039,036	3,257,409	1,874,655	1,877,056	822,147	730,792	682,091
Business-type activities										
Charges for services:										
Electric utility	28,472,474	28,585,328	29,571,839	29,169,314	28,960,939	29,882,255	32,476,368	36,699,511	37,078,529	38,319,947
Water utility	4,775,290	4,946,990	4,859,561	4,715,808	5,053,897	5,148,357	5,294,272	5,184,261	5,437,021	5,590,514
Clean water utility	2,269,045	2,373,458	2,682,379	2,850,437	2,910,240	3,114,195	3,009,343	3,239,143	3,172,675	3,554,335
Capital grants and contributions	3,238,095	6,412,924	1,873,927	341,292	161,314	210,834	398,226	10,993	-	-
Total business-type activities	38,754,904	42,318,700	38,957,706	37,076,851	37,086,390	38,355,641	41,178,209	45,133,908	45,688,225	47,464,796
Total primary government program revenues	\$ 40,216,444	\$ 44,641,485	\$ 41,745,171	\$ 39,115,887	\$ 40,343,799	\$ 40,230,296	\$ 43,055,265	\$ 45,956,055	\$ 46,419,017	\$ 48,146,887
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (6,378,558)	\$ (9,034,143)	\$ (6,080,744)	\$ (5,723,779)	\$ (5,103,699)	\$ (7,048,961)	\$ (8,255,377)	\$ (8,105,518)	\$ (9,821,116)	\$ (12,333,277)
Business-type activities	8,635,804	10,596,878	6,709,796	3,598,133	3,312,496	3,413,203	1,179,901	1,184,660	2,710,213	2,426,944
Total primary government net (expense) revenue	\$ 2,257,246	\$ 1,562,735	\$ 629,052	\$ (2,125,646)	\$ (1,791,203)	\$ (3,635,758)	\$ (7,075,476)	\$ (6,920,858)	\$ (7,110,903)	\$ (9,906,333)

(Continued)

**City of Zeeland**  
**CHANGES IN NET POSITION—Continued**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Property taxes	\$ 7,508,973	\$ 6,467,282	\$ 5,830,798	\$ 5,962,693	\$ 6,072,851	\$ 5,640,426	\$ 5,729,828	\$ 6,416,805	\$ 6,553,613	\$ 6,986,809
State shared revenue	497,290	1,041,680	2,507,846	3,259,489	2,660,944	3,040,816	3,057,340	5,255,298	4,881,406	5,189,710
Investment earnings	154,933	91,351	116,944	602,097	786,652	533,833	(709,572)	387,946	1,261,825	1,476,627
Gain on sale of capital assets	(23,969)	35,925	21,870	11,109	14,725	-	141,523	44,538	432,735	102,576
Other	215,412	780,227	158,685	151,045	139,392	113,858	138,054	87,854	53,675	54,452
Contributions to permanent funds	35,175	49,455	30,350	54,775	58,725	84,175	55,875	28,860	52,715	51,250
Transfers - internal activities	621,838	452,494	676,055	322,221	796,113	798,495	795,654	816,567	884,015	924,390
Total governmental activities	9,009,652	8,918,414	9,342,548	10,363,429	10,529,402	10,211,603	9,208,702	13,037,868	14,119,984	14,785,814
<b>Business-type activities</b>										
Investment earnings	542,351	1,278,877	1,226,418	2,975,607	3,452,551	4,340,470	(5,082,680)	1,552,434	4,870,040	4,757,697
Gain (loss) on sale of capital assets	3,204	14,239	37,500	30,250	15,025	27,500	20,346	-	6,257	240,971
Other	77,605	97,834	70,143	71,300	144,266	112,955	47,408	-	-	-
Transfers - internal activities	(621,838)	(452,494)	(676,055)	(772,221)	(796,113)	(798,495)	(795,654)	(816,567)	(884,015)	(924,390)
Total business-type activities	1,322	938,456	658,006	2,304,936	2,815,729	3,682,430	(5,810,580)	735,867	3,992,282	4,074,278
Total primary government	\$ 9,010,974	\$ 9,856,870	\$ 10,000,554	\$ 12,668,365	\$ 13,345,131	\$ 13,894,033	\$ 3,398,122	\$ 13,773,735	\$ 18,112,266	\$ 18,860,092
<b>Changes in net position</b>										
Governmental activities	\$ 2,631,094	\$ (115,729)	\$ 3,261,804	\$ 4,639,650	\$ 5,425,703	\$ 3,162,642	\$ 953,325	\$ 4,932,350	\$ 4,298,868	\$ 2,452,537
Business-type activities	8,637,126	11,535,334	7,567,802	5,903,069	6,128,225	7,095,633	(4,630,679)	1,920,527	6,702,495	6,501,222
Total change in net position	\$ 11,268,220	\$ 11,419,605	\$ 10,829,606	\$ 10,542,719	\$ 11,553,928	\$ 10,258,275	\$ (3,677,354)	\$ 6,852,877	\$ 11,001,363	\$ 8,953,759

City of Zeeland  
**GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	General Property Tax	West Michigan Airport Authority	Municipal Streets
2016	7,126,480	63,828	318,665 <sup>1</sup>
2017	6,048,578	60,639	358,065
2018	5,537,143	49,503	244,152
2019	5,582,429	49,974	330,290
2020	5,693,846	50,281	328,724
2021	5,251,067	50,919	338,440
2022	5,324,618	51,953	353,257
2023	6,005,786	52,783	358,236
2024	6,137,123	54,282	362,209
2025	6,539,798	57,929	389,082

<sup>1</sup> First year of tax

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City of Zeeland  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Fund</b>										
Nonspendable	\$ -	\$ 10,093	\$ 8,500	\$ 12,230	\$ 11,342	\$ 11,700	\$ 16,157	\$ 23,257	\$ 66,725	\$ 64,421
Assigned	30,389	2,093,600	540,874	561,593	554,885	524,778	524,514	531,168	1,197,983	1,154,613
Unassigned	3,219,936	3,392,238	3,803,069	4,273,007	4,691,918	4,829,225	4,956,778	5,882,737	5,991,172	5,863,339
<b>Total General Fund</b>	\$ 3,250,325	\$ 5,495,931	\$ 4,352,443	\$ 4,846,830	\$ 5,258,145	\$ 5,365,703	\$ 5,497,449	\$ 6,437,162	\$ 7,255,880	\$ 7,082,373
<b>All Other Governmental Funds</b>										
Nonspendable										
Permanent Fund	\$ 1,095,970	\$ 1,145,425	\$ 1,175,775	\$ 1,230,550	\$ 1,289,275	\$ 1,373,450	\$ 1,429,325	\$ 1,458,185	\$ 1,510,900	\$ 1,562,150
Special Revenue Funds	-	5,369	5,089	6,166	3,817	3,783	5,485	5,673	10,977	15,261
Restricted										
Special Revenue Funds	207,995	315,964	334,750	506,146	598,211	435,575	418,997	1,201,993	1,582,602	1,348,410
Debt Service Funds	2,402	2,160	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Permanent Fund	122,348	119,242	457,436	269,598	251,363	628,681	343,183	312,363	425,166	568,159
Committed										
Capital Projects Funds	15,000	15,000	15,000	15,000	15,000	15,000	15,000	-	-	-
Assigned										
Special Revenue Funds	4,248,658	2,117,329	3,084,749	3,534,868	3,816,912	3,868,754	3,389,131	5,072,935	4,139,331	4,716,491
Debt Service Funds	-	-	3,956	-	-	-	-	-	-	-
Capital Projects Funds	1,433,960	1,177,929	2,669,188	3,683,675	5,955,474	6,495,001	8,311,242	6,761,275	6,230,755	6,175,173
<b>Total All Other Governmental Funds</b>	\$ 7,126,332	\$ 4,898,418	\$ 7,745,943	\$ 9,246,003	\$ 11,930,552	\$ 12,820,244	\$ 13,912,363	\$ 14,812,424	\$ 13,899,731	\$ 14,385,644

**City of Zeeland**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Taxes	\$ 7,508,973	\$ 6,467,282	\$ 5,830,798	\$ 5,962,693	\$ 5,981,403	\$ 5,640,426	\$ 5,729,828	\$ 6,416,805	\$ 6,553,614	\$ 6,986,809
Licenses and permits	206,881	239,148	187,646	243,056	231,779	230,494	333,149	227,385	258,338	268,142
Intergovernmental:										
Federal grants	-	130,662	425,764	-	91,448	224,348	-	581,771	-	-
State shared revenue and grants	1,051,325	1,639,346	3,241,740	4,017,250	5,081,396	3,902,317	3,897,707	4,512,916	4,461,552	4,668,518
Local unit contributions	344,262	473,707	429,197	792,444	407,258	426,139	474,978	487,660	566,526	545,629
Charges for services	111,046	106,421	93,777	122,196	128,779	127,480	131,266	79,904	148,077	311,406
Fines and forfeitures	76,316	60,765	47,718	49,615	31,800	30,555	38,680	30,858	28,557	36,450
Investment earnings	139,908	87,601	104,634	493,560	641,108	528,191	(573,843)	381,914	1,111,715	1,266,880
Other	405,131	1,563,098	837,778	279,784	285,458	172,191	252,545	273,603	255,538	272,145
<b>Total revenues</b>	<b>9,843,842</b>	<b>10,568,030</b>	<b>11,199,052</b>	<b>11,960,598</b>	<b>12,830,429</b>	<b>11,282,121</b>	<b>10,284,310</b>	<b>12,992,876</b>	<b>13,383,917</b>	<b>14,355,979</b>
<b>Expenditures</b>										
General government	1,546,082	1,929,137	1,434,888	1,278,864	1,355,661	1,392,205	1,279,226	1,450,965	1,501,160	1,552,499
Public safety	2,226,174	2,181,624	2,339,371	2,481,737	2,664,415	2,850,967	3,041,451	2,884,693	3,083,214	3,532,516
Public works	1,169,438	1,297,093	1,369,018	1,293,920	1,128,958	1,203,267	1,513,263	2,244,702	2,381,969	2,903,212
Community and economic development	214,825	637,869	1,236,383	287,854	353,760	424,811	365,810	426,854	426,021	425,240
Recreation and culture	1,235,822	1,181,903	1,226,199	1,518,491	1,456,238	1,533,432	1,552,542	1,618,826	1,806,891	1,944,559
Insurance and other	12,890	2,183,536	514,633	672,333	190,810	6,786	12,084	-	-	-
Capital outlay	1,122,870	1,836,320	1,793,859	2,732,600	3,805,930	3,484,554	1,951,942	3,201,754	5,370,227	4,479,687
Debt service:										
Principal	200,000	225,000	230,000	230,000	125,000	125,000	125,000	130,000	130,000	140,000
Interest	24,850	30,350	26,719	17,573	19,906	17,344	14,781	11,875	8,625	5,250
Bond issuance costs	29,720	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>7,782,671</b>	<b>11,502,832</b>	<b>10,171,070</b>	<b>10,513,372</b>	<b>11,100,678</b>	<b>11,038,366</b>	<b>9,856,099</b>	<b>11,969,669</b>	<b>14,708,107</b>	<b>14,982,963</b>
Excess of revenues over (under) expenditures	2,061,171	(934,802)	1,027,982	1,447,226	1,729,751	243,755	428,211	1,023,207	(1,324,190)	(626,984)
Other financing sources (uses)										
Bonds issued	1,280,000	-	-	-	-	-	-	-	-	-
Payment to refunding escrow	(1,271,397)	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	346,200	15,000
Transfers in	4,463,338	6,540,350	5,860,397	6,029,065	6,436,865	6,265,383	5,755,191	7,148,854	7,240,172	6,226,578
Transfers out	(3,766,500)	(5,588,056)	(5,184,342)	(5,481,844)	(5,070,752)	(5,511,888)	(4,959,537)	(6,332,287)	(6,356,157)	(5,302,188)
<b>Total other financing sources (uses)</b>	<b>705,441</b>	<b>952,494</b>	<b>676,055</b>	<b>547,221</b>	<b>1,366,113</b>	<b>753,495</b>	<b>795,654</b>	<b>816,567</b>	<b>1,230,215</b>	<b>939,390</b>
<b>Net changes in fund balances</b>	<b>\$ 2,766,612</b>	<b>\$ 17,692</b>	<b>\$ 1,704,037</b>	<b>\$ 1,994,447</b>	<b>\$ 3,095,864</b>	<b>\$ 997,250</b>	<b>\$ 1,223,865</b>	<b>\$ 1,839,774</b>	<b>\$ (93,975)</b>	<b>\$ 312,406</b>
Debt service as a percentage of noncapital expenditures	4.40%	2.75%	3.23%	3.00%	2.02%	1.95%	1.79%	1.74%	1.55%	1.39%

**City of Zeeland**  
**STATE EQUALIZED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Ad Valorem Roll**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Real Property			Personal Property			Total Ad Valorem Taxable Property			Tax Rate Mills	Taxable Value as a Percentage of Actual Value
	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value		
2016	225,789,218	245,494,500	490,989,000	329,845,400	329,837,500	659,675,000	555,634,618	575,332,000	1,150,664,000	11.2354	48.29%
2017	232,110,039	264,214,600	528,429,200	305,666,500	305,662,600	611,325,200	537,776,539	569,877,200	1,139,754,400	11.2354	47.18%
2018	227,644,358	276,169,000	552,338,000	282,861,800	282,857,600	565,715,200	510,506,158	559,026,600	1,118,053,200	11.2354	45.66%
2019	233,327,002	283,047,100	566,094,200	232,913,400	232,913,400	465,826,800	466,240,402	515,960,500	1,031,921,000	11.2354	45.18%
2020	246,389,208	317,960,800	635,921,600	228,897,100	228,896,700	457,793,400	475,286,308	546,857,500	1,093,715,000	11.2354	43.46%
2021	260,093,249	354,390,850	708,781,700	227,505,300	227,599,500	455,199,000	487,598,549	581,990,350	1,163,980,700	10.2354	41.89%
2022	273,689,013	387,876,800	775,753,600	225,379,700	225,528,100	451,056,200	499,068,713	613,404,900	1,226,809,800	10.2347	40.68%
2023	288,857,930	409,077,200	818,154,400	222,124,700	222,253,600	444,507,200	510,982,630	631,330,800	1,262,661,600	11.2347	40.47%
2024	311,649,763	457,034,800	914,069,600	219,767,408	219,883,308	439,766,616	531,417,171	676,918,108	1,353,836,216	11.2347	39.25%
2025	340,342,481	533,193,500	1,066,387,000	228,728,000	228,831,500	457,663,000	569,070,481	762,025,000	1,524,050,000	11.2347	37.34%

Source: City of Zeeland

The City is authorized by Charter to levy 15 mills for operations. The maximum allowable millage rate after Headlee Rollback reduction is 14.0672 for 2021.

The City is authorized by vote to levy unlimited tax for debt.

Valuations are stated as of the March Board of Review.

Taxable property is assessed initially by the city assessing officials, then equalized by Ottawa County and finally by the State. In accordance with Act 409, P.A. 1965, and Article IX, Section 3 of the Michigan Constitution, State Equalized Value ("SEV") represents 50% of true cash value.

On March 15, 1994, the people of the State of Michigan approved an amendment to the Michigan Constitution. The Amendment and implementing legislation limit the growth in assessments ("capped value") for each parcel of property to the percentage change in State Equalized Value, the rate of inflation, or 5%, whichever is less. When ownership of the parcel of property is transferred as defined by law, the parcel shall be assessed at the applicable proportion of current true cash value. The lower of the "capped value" or SEV is the Taxable Value of each parcel.

**City of Zeeland**  
**STATE EQUALIZED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Industrial Facilities Tax Roll**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Real Property - IFT Roll			Personal Property - IFT Roll			Total Taxable Property - IFT Roll			Tax Rate Mills	Taxable Value as a Percentage of Actual Value
	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value	Taxable Value	State Equalized Value	Estimated Actual Value		
2016	41,708,547	42,725,700	85,451,400	124,410,500	124,410,500	248,821,000	166,119,047	167,136,200	334,272,400	5.6177	49.70%
2017	37,609,725	38,618,700	77,237,400	102,981,300	102,981,300	205,962,600	140,591,025	141,600,000	283,200,000	5.6177	49.64%
2018	45,391,345	45,546,600	91,093,200	46,953,900	46,953,900	93,907,800	92,345,245	92,500,500	185,001,000	5.6177	49.92%
2019	28,669,865	29,075,200	58,150,400	38,229,200	38,229,200	76,458,400	66,899,065	67,304,400	134,608,800	5.6177	49.70%
2020	29,163,504	31,688,100	63,376,200	26,649,900	26,649,900	53,299,800	55,813,404	58,338,000	116,676,000	5.6177	47.84%
2021	28,826,756	31,605,400	63,210,800	20,594,900	20,594,900	41,189,800	49,421,656	52,200,300	104,400,600	5.1177	47.34%
2022	33,387,557	36,742,200	73,484,400	15,639,200	15,639,200	31,278,400	49,026,757	52,381,400	104,762,800	5.1174	46.80%
2023	34,695,382	38,044,200	76,088,400	7,400,800	7,400,800	14,801,600	42,096,182	45,445,000	90,890,000	5.6174	46.32%
2024	32,938,405	36,965,200	73,930,400	800	800	1,600	32,939,205	36,966,000	73,932,000	5.6174	44.55%
2025	36,814,770	57,105,300	114,210,600	-	-	-	36,814,770	57,105,300	114,210,600	5.6174	32.23%

The City is authorized by Charter to levy 15 mills for operations. The maximum allowable millage rate after Headlee Rollback reduction is 14.0672 for 2021.

The City is authorized by vote to levy unlimited tax for debt. Valuations are stated as of the March Board of Review.

Taxable property is assessed initially by the city assessing officials, then equalized by Ottawa County and finally by the State. In accordance with Act 409, P.A. 1965, and Article IX, Section 3 of the Michigan Constitution, State Equalized Value ("SEV") represents 50% of true cash value.

On March 15, 1994, the people of the State of Michigan approved an amendment to the Michigan Constitution. The Amendment and implementing legislation limit the growth in assessments ("capped value") for each parcel of property to the percentage change in State Equalized Value, the rate of inflation, or 5%, whichever is less. When ownership of the parcel of property is transferred as defined by law, the parcel shall be assessed at the applicable proportion of current true cash value. The lower of the "capped value" or SEV is the Taxable Value of each parcel.

State Equalized Value and Taxable Value includes only the value of property granted abatement under either Act 198, Michigan Public Acts of 1974, as amended ("Act 198") or Act 255, Michigan Public Acts of 1978, as amended ("Act 255"). Such an abatement entitles a facility to exemption from ad valorem property taxes for a period of up to 12 years. In lieu of the property tax, the facility pays a reduced tax.

The State of Michigan is in the process of phasing out eligible manufacturing personal property and small businesses from tax rolls.

**City of Zeeland**  
**TAXABLE VALUE COMPONENTS BY CLASS**  
**Ad Valorem Roll**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Real Property - Ad Valorem Roll				Personal Property - Ad Valorem Roll				Total Ad Valorem Roll Total	
	Agriculture	Commercial	Industrial	Residential	Real Property Total	Commercial	Industrial	Utility		Personal Property Total
2016	52,339	32,231,927	88,186,931	105,318,021	225,789,218	5,248,500	322,840,000	1,756,900	329,845,400	555,634,618
2017	52,496	31,193,047	93,019,745	107,844,751	232,110,039	5,847,000	298,092,000	1,727,500	305,666,500	537,776,539
2018	52,968	31,311,385	84,812,757	111,467,248	227,644,358	5,558,400	275,327,400	1,976,000	282,861,800	510,506,158
2019	54,080	32,760,551	84,043,898	116,468,473	233,327,002	5,522,400	225,397,700	1,993,300	232,913,400	466,240,402
2020	55,377	35,482,296	87,323,380	123,528,155	246,389,208	5,942,700	220,933,400	2,021,000	228,897,100	475,286,308
2021	213,129	36,336,143	94,068,478	129,475,499	260,093,249	6,785,100	217,295,700	3,424,500	227,505,300	487,598,549
2022	198,719	37,935,846	98,851,674	136,702,774	273,689,013	6,712,600	212,587,300	6,079,800	225,379,700	499,068,713
2023	205,276	39,891,394	103,487,840	145,273,420	288,857,930	8,279,800	210,106,300	3,758,600	222,124,700	510,982,630
2024	-	39,994,917	112,332,674	159,322,172	311,649,763	9,868,308	206,141,000	3,758,100	219,767,408	531,417,171
2025	-	41,951,159	126,368,062	172,023,270	340,342,481	9,526,000	215,562,500	3,639,500	228,728,000	569,070,481

City of Zeeland  
**TAXABLE VALUE COMPONENTS BY CLASS**  
 Industrial Facilities Tax Roll (Act 198 of 1974)  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Industrial Facility Tax Roll				IFT Roll Total
	Real Property Industrial	Personal Property Industrial	Real Property Commercial		
2016	41,708,547	124,410,500	-		166,119,047
2017	37,609,725	102,981,300	-		140,591,025
2018	44,462,822	46,953,900	928,523		92,345,245
2019	27,459,163	38,229,200	1,210,702		66,899,065
2020	28,026,985	26,649,600	1,136,519		55,813,104
2021	27,678,161	20,594,900	1,148,595		49,421,656
2022	32,180,913	15,639,200	1,206,644		49,026,757
2023	32,972,818	7,400,800	1,722,564		42,096,182
2024	30,299,661	800	2,638,744		32,939,205
2025	30,666,845	-	6,147,925		36,814,770

City of Zeeland  
**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30 <sup>1</sup>	^	City				School			
		Operating	Debt	Airport Authority	Total	Operating	Debt	State Education Tax	Total
2016	H	11.1354	-	0.1000	11.2354	1.4000	6.9500	6.0000	14.3500
2016	NH	11.1354	-	0.1000	11.2354	19.4000	6.9500	6.0000	32.3500
2017	H	11.1354	-	0.1000	11.2354	1.4000	7.3500	6.0000	14.7500
2017	NH	11.1354	-	0.1000	11.2354	19.4000	7.3500	6.0000	32.7500
2018	H	11.1354	-	0.1000	11.2354	1.4000	7.3500	6.0000	14.7500
2018	NH	11.1354	-	0.1000	11.2354	19.4000	7.3500	6.0000	32.7500
2019	H	11.1354	-	0.1000	11.2354	1.4000	7.4500	6.0000	14.8500
2019	NH	11.1354	-	0.1000	11.2354	19.4000	7.4500	6.0000	32.8500
2020	H	11.1354	-	0.1000	11.2354	1.3977	7.4500	6.0000	14.8477
2020	NH	11.1354	-	0.1000	11.2354	19.3977	7.4500	6.0000	32.8477
2021	H	10.1354	-	0.1000	10.2354	1.3908	7.4500	6.0000	14.8408
2021	NH	10.1354	-	0.1000	10.2354	19.3908	7.4500	6.0000	32.8408
2022	H	10.1354	-	0.0993	10.2347	1.3779	7.4500	6.0000	14.8279
2022	NH	10.1354	-	0.0993	10.2347	19.3779	7.4500	6.0000	32.8279
2023	H	11.1354	-	0.0993	11.2347	1.3721	7.4500	6.0000	14.8221
2023	NH	11.1354	-	0.0993	11.2347	19.3721	7.4500	6.0000	32.8221
2024	H	11.1354	-	0.0993	11.2347	1.4802	7.4500	6.0000	14.9302
2024	NH	11.1354	-	0.0993	11.2347	19.4802	7.4500	6.0000	32.9302
2025	H	11.1354	-	0.0993	11.2347	1.5000	7.4500	6.0000	14.9500
2025	NH	11.1354	-	0.0993	11.2347	19.5000	7.4500	6.0000	32.9500

Fiscal Year Ended June 30 <sup>1</sup>	^	County	Intermediate School District				Grand Total	
		Ottawa County	Intermediate School	Special Education	Vocational Education	Enhancement		Total
2016	H	4.8565	0.1061	4.3750	1.0423	0.0000	5.5234	35.9653
2016	NH	4.8565	0.1061	4.3750	1.0423	0.0000	5.5234	53.9653
2017	H	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	36.5956
2017	NH	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	54.5956
2018	H	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	36.5956
2018	NH	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	54.5956
2019	H	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	36.6956
2019	NH	5.1525	0.1047	4.3233	1.0297	0.0000	5.4577	54.6956
2020	H	5.4449	0.1213	4.3233	1.0242	0.8956	6.3644	37.8924
2020	NH	5.4449	0.1213	4.3233	1.0242	0.8956	6.3644	55.8924
2021	H	5.4317	0.1203	4.2656	1.0160	0.8887	6.2906	36.7985
2021	NH	5.4317	0.1203	4.2656	1.0160	0.8887	6.2906	54.7985
2022	H	5.4156	0.1190	4.2206	1.0053	0.8796	6.2245	36.7027
2022	NH	5.4156	0.1190	4.2206	1.0053	0.8796	6.2245	54.7027
2023	H	5.3984	0.1176	4.1731	0.9940	0.8699	6.1546	37.6098
2023	NH	5.3984	0.1176	4.1731	0.9940	0.8699	6.1546	55.6098
2024	H	5.3984	0.1176	4.1731	0.9940	0.8699	6.1546	37.7179
2024	NH	5.3984	0.1176	4.1731	0.9940	0.8699	6.1546	55.7179
2025	H	5.3842	0.1164	4.1336	0.9846	0.8616	6.0962	37.6651
2025	NH	5.3842	0.1164	4.1336	0.9846	0.8616	6.0962	55.6651

Source: City of Zeeland

<sup>1</sup> Fiscal year for Ottawa County begins October 1

<sup>2</sup> H = Homestead Properties

City of Zeeland  
**PROFILE OF TEN LARGEST PROPERTY TAXPAYERS**  
 Current Year and Nine Years Ago

Taxpayer	Principal Product or Type of Business	2025			2016		
		Taxable Valuation	Rank	% of Total Taxable Valuation	Taxable Valuation	Rank	% of Total Taxable Valuation
Consumers Energy*	Power Generation	\$ 218,789,479	1	36.11%	\$ 271,879,700	1	37.67%
Gentex Corporation	Automotive and Glass Parts	54,984,510	2	9.08%	139,316,800	2	19.30%
RB - Reckitt Benckiser**	Infant Formula	16,107,034	3	2.66%	64,633,303	3	8.96%
Plascore	Structural Honeycomb Products	12,047,366	4	1.99%	7,293,200	7	1.01%
Herman Miller, Inc.	Institutional Furniture	9,641,195	5	1.59%	19,473,800	4	2.70%
Innotec Corp	Automotive and Furniture Parts	7,705,348	6	1.27%	9,636,530	6	1.34%
ODL	Glass & Skylights	5,561,198	7	0.92%	5,886,800	8	0.82%
ITW Drawform	Stamping Operations	5,121,434	8	0.85%	11,337,200	5	1.57%
SKLD	Assisted Living	3,760,225	9	0.62%	-	-	-
Royal Park Place II	Assisted Living	3,598,643	10	0.59%	-	-	-
Woodward FST	Aerospace Parts	-	-	0.00%	5,495,200	9	0.76%
Vertellus Specialties	Chemicals	-	-	0.00%	5,210,947	10	0.72%
Ten Largest Taxpayers		337,316,432		55.67%	540,163,480		74.84%
Other Taxpayers		268,568,819		44.33%	181,590,185		25.16%
Total Taxable Value		\$ 605,885,251		100.00%	\$ 721,753,665		100.00%

Source: City of Zeeland

\*Consumers Energy filed an appeal to 2014 taxable value to \$112,530,200, the case was settled in 2017.

\*\*Formerly Mead Johnson

Note: Includes ad valorem taxable value and the value of IFT's granted under Act 198.

An Act 198 abatement entitles a facility to a reduced tax for a period up to 12 years.

City of Zeeland  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years

Tax Year	Fiscal Year Ended June 30	Tax Levy	Collected within the Fiscal Year		Collected Subsequent Year	Total Collections to Date	
			Amount	% of Levy		Amount	% of Levy
2015	2016	7,175,395	7,172,569	99.96%	-	7,172,569	99.96%
2016	2017	6,566,037	6,563,640	99.96%	-	6,563,640	99.96%
2017	2018	5,514,087	5,513,385	99.99%	405	5,513,790	99.99%
2018	2019	5,568,836	5,564,763	99.93%	235	5,564,998	99.93%
2019	2020	5,609,720	5,602,009	99.86%	389	5,602,398	99.87%
2020	2021	5,193,574	5,190,631	99.94%	17	5,190,648	99.94%
2021	2022	5,290,204	5,279,531	99.80%	239	5,279,770	99.80%
2022	2023	5,940,054	5,921,240	99.68%	1,056	5,922,295	99.70%
2023	2024	6,090,477	6,089,950	99.99%	527	6,090,477	100.00%
2024	2025	6,481,740	6,425,024	99.12%	1,244	6,426,268	99.14%

Source: City of Zeeland

City of Zeeland  
**SPECIAL ASSESSMENT COLLECTIONS**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Current Assessments Due	Current and Deferred Collections	Percent Collected	Total Outstanding Assessments
2016	25,857	40,840	157.95%	78,707
2017	26,045	26,045	100.00%	52,662
2018	26,230	26,230	100.00%	26,432
2019	26,432	26,432	100.00%	-
2020	34,588	34,587	100.00%	155,280
2021 <sup>1</sup>	-	-	N/A	118,164
2022 <sup>1</sup>	-	-	N/A	79,934
2023 <sup>1</sup>	-	-	N/A	38,997
2024	38,997	38,997	100%	111,021
2025	69,189	63,878	92%	232,229

Source: City of Zeeland

City of Zeeland  
**PROFILE OF TEN LARGEST ELECTRIC CUSTOMERS**  
 Current Year and Nine Years Ago

Customer	Principal Product or Type of Business	2025			2016		
		KWH	Rank	Percent of Total KWH	KWH	Rank	Percent of Total KWH
Gentex Corporation	Automotive and Glass Parts	180,329,978	1	40.33%	114,830,571	1	31.39%
RB - Reckitt Benckiser*	Infant Formula	49,467,600	2	11.06%	49,989,962	2	13.67%
MillerKnoll**	Institutional Furniture	26,816,069	3	6.00%	25,024,274	3	6.84%
Plascore Inc.	Structural Honeycomb Products	14,725,680	4	3.29%	10,239,120	6	2.80%
Zeeland Public Schools	Education	11,990,059	5	2.68%	10,650,509	5	2.91%
Aurorium***	Chemicals	8,012,887	6	1.79%	8,538,801	8	2.33%
ITW Drawform	Stamping Operations	7,999,200	7	1.79%	12,483,000	4	3.41%
Woodward FST	Aerospace Fuel Systems Parts	7,798,300	8	1.74%	-		0.00%
Stone Plastics	Plastic Thermoformers	6,962,400	9	1.56%	9,084,600	7	2.48%
Spectrum Health Hospitals	Health Care	6,054,713	10	1.35%	-		0.00%
ODL Inc	Glass and Skylights	-		0.00%	6,858,220	9	1.87%
Innotec Group	Furniture, Lighting, Visors	-		0.00%	6,098,200	10	1.67%
Ten Largest Customers		320,156,886		71.60%	253,797,257		69.38%
Other Customers		126,961,114		28.40%	112,011,788		30.62%
Total KWH		447,118,000		100.00%	365,809,045		100.00%

\* formerly Mead Johnson

City of Zeeland  
**ELECTRIC REVENUE AND COLLECTIONS**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Billed	Collections to June 30	Percent Collected	Delinquent Collections	Percent of Total Billed Collected
2016	28,392,120	28,392,044	100.000%	76	100.000%
2017	28,490,811	28,490,408	99.999%	403	100.000%
2018	29,445,339	29,443,819	99.995%	1,520	100.000%
2019	29,126,402	29,125,448	99.997%	954	100.000%
2020	28,856,543	28,856,192	99.999%	351	100.000%
2021	29,555,685	29,555,531	99.999%	154	100.000%
2022	31,658,400	31,657,860	99.998%	540	100.000%
2023	39,616,716	39,566,918	99.874%	646	99.876%
2024	37,816,181	37,815,577	99.998%	604	100.000%
2025	37,525,650	37,525,479	100.000%	171	100.000%

**City of Zeeland**  
**PROFILE OF TEN LARGEST WATER CUSTOMERS**  
Current Year and Nine Years Ago

Customer	Principal Product or Type of Business	2025			2016		
		1,000 Gallons	Rank	Percent of Total Gallons	1,000 Gallons	Rank	Percent of Total Gallons
Consumers Energy	Power Generation	853,214	1	24.44%	729,301	1	36.46%
RB - Reckitt-Benckiser*	Infant Formula	557,769	2	15.97%	484,422	2	24.22%
Gentex Corporation	Automotive and Glass Parts	314,913	3	9.02%	169,955	3	8.50%
Plascore Inc.	Structural Honeycomb Products	26,503	4	0.76%	34,727	5	1.74%
MillerKnoll***	Institutional Furniture	25,472	5	0.73%	14,108	7	0.71%
Aurorium**	Chemicals	22,836	6	0.65%	35,101	4	1.75%
Royal Park	Condominiums	17,362	7	0.50%	12,071	9	0.60%
City of Zeeland	Government	16,827	8	0.48%	13,246	8	0.66%
ITW Drawform	Stamping Operations	12,616	9	0.36%	15,069	6	0.75%
Zeeland Public Schools	Education	9,985	10	0.29%	7,399	10	0.37%
Ten Largest Customers		1,857,497		53.20%	1,515,399		75.76%
Other Customers		1,634,107		46.80%	484,950		24.24%
Total Gallons		3,491,604		100.00%	2,000,349		100.00%

\* formerly Mead Johnson  
\*\* formerly Vertellus Chemical  
\*\*\* formerly Herman Miller, Inc.

Source: City of Zeeland

City of Zeeland  
**PROFILE OF TEN LARGEST CLEAN WATER CUSTOMERS**  
 Current Year and Nine Years Ago

Customer	Principal Product or Type of Business	2025			2016		
		CCF <sup>1</sup>	Rank	Percent of CCF <sup>1</sup>	CCF <sup>1</sup>	Rank	Percent of CCF <sup>1</sup>
Gentex Corporation	Automotive and Glass Parts	340,284	1	52.38%	186,881	1	32.89%
Plascore Inc.	Structural Honeycomb Products	27,080	2	4.17%	35,829	3	6.31%
Consumers Energy	Power Generation	22,678	3	3.49%	51,771	2	9.11%
MillerKnoll***	Institutional Furniture	16,270	4	2.50%	7,416	4	1.31%
Royal Park Condos	Condominiums	9,774	5	1.50%	6,743	5	1.19%
Witness Inspection	Manufactured Parts Finishing	9,513	6	1.46%	-		0.00%
ITW Drawform	Stamping Operations	8,647	7	1.33%	6,720	6	1.18%
Crestwood Village	Condominiums	4,956	8	0.76%	3,635	8	0.64%
Zeeland Public Schools	Education	3,971	9	0.61%	1,962	10	0.35%
Royal Park Place	Retirement Community	3,939	10	0.61%	-		0.00%
Aurorium**	Chemicals	-		0.00%	3,805	7	0.67%
ODL Inc	Glass and Skylights	-		0.00%	2,811	9	0.49%
Ten Largest Customers		447,112		68.83%	307,573		54.13%
Other Customers		202,524		31.17%	260,601		45.87%
Total CCF (includes IPP usage and surcharges)		649,636		100.00%	568,174		100.00%

\*\*formerly Vertellus Chemical

\*\*\*formerly Herman Miller, Inc.

<sup>1</sup> CCF: T thousands of cubic feet

**City of Zeeland**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Business-Type Activities			Total Primary Government	Per Capita <sup>2</sup>		Percentage of Personal Income <sup>2</sup>		Business-Type Activities Debt Per Customer <sup>3</sup>
	General Obligation Bonds	Water System Bonds	Clean Water System Bonds <sup>1</sup>	Governmental Activities	Business-Type Activities	Government		Governmental Activities	Business-Type Activities			
2016	1,600,000	1,310,000	1,570,000	291	814	4,480,000	0.72%	2.02%	242			
2017	1,375,000	1,070,000	2,655,000	250	927	5,100,000	0.58%	2.17%	310			
2018	1,145,000	820,000	2,525,000	208	816	4,490,000	0.46%	1.81%	275			
2019	915,000	560,000	2,390,000	166	702	3,865,000	0.36%	1.53%	241			
2020	790,000	285,000	2,305,000	144	614	3,380,000	0.29%	1.23%	210			
2021	665,000	-	2,145,000	116	491	2,810,000	0.22%	0.92%	171			
2022	540,000	-	1,980,000	94	441	2,520,000	0.17%	0.80%	160			
2023	410,000	-	1,815,000	72	389	2,225,000	0.12%	0.67%	144			
2024	280,000	-	1,640,000	49	336	1,920,000	N/A	N/A	130			
2025	140,000	-	1,455,000	24	279	1,595,000	N/A	N/A	114			

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

<sup>1</sup>2010 Clean Water Bonds are General Obligation Bonds paid from revenue from the Clean Water Fund

<sup>2</sup>See the Demographic Statistics at Table 26 for personal income and population data

City of Zeeland  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds <sup>1</sup>	Less: Amounts Available in Debt Service	Total	Percentage of	
				Estimated Actual Value of Property <sup>2</sup>	Per Capita <sup>3</sup>
2016	3,170,000	2,402	3,167,598	0.21%	576
2017	4,030,000	2,160	4,027,840	0.28%	732
2018	3,670,000	3,956	3,666,044	0.28%	666
2019	3,305,000	-	3,305,000	0.28%	600
2020	3,095,000	-	3,095,000	0.26%	562
2021	2,810,000	-	2,810,000	0.22%	491
2022	2,520,000	-	2,520,000	0.19%	441
2023	2,225,000	-	2,225,000	0.16%	389
2024	1,920,000	-	1,920,000	0.13%	336
2025	1,595,000	-	1,595,000	0.10%	279

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup>Includes \$1,405,000 2010 GO Clean Water Bonds to be repaid from revenue from the Clean Water Fund, and \$1,120,000 2015 GO Clean Water Bonds to be repaid from the revenue from the Clean Water Fund

<sup>2</sup>See the Schedules of State Equalized Value and Estimated Actual Value of Taxable Property in Tables 6 & 7 for property value data.

City of Zeeland  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
 As of June 30, 2024

Jurisdiction	Bonds Outstanding	Percentage Applicable to City	City's Share of Debt
Direct Debt: City of Zeeland General obligation bonds <sup>1</sup>	\$ 140,000	100.00%	\$ 140,000
Overlapping Debt:			
Ottawa County	\$ 77,581,893	3.40%	2,637,784
Ottawa Intermediate School District	23,375,000	3.00%	701,250
Zeeland Public School District	111,700,000	27.65%	30,885,050
<b>Total Overlapping Debt</b>			<u>34,224,084</u>
<b>Total Direct and Overlapping Debt</b>			<u>\$ 34,364,084</u>

<sup>1</sup>Excludes \$1,815,000 GO Clean Water Bonds to be repaid from revenue from the Clean Water Fund

Sources: Direct Debt provided by the City of Zeeland; Overlapping Debt provided by the Municipal Advisory Council of Michigan.

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Zeeland. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

**City of Zeeland**  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 74,246,820	\$ 71,147,720	\$ 65,152,710	\$ 58,326,490	\$ 60,519,550	\$ 63,419,065	\$ 66,578,630	\$ 67,677,580	\$ 71,388,411	\$ 81,913,030
Net General Obligation Debt Subject to Limitation	3,167,598	4,027,840	3,666,044	3,305,000	3,095,000	2,810,000	2,520,000	2,225,000	1,920,000	1,595,000
Legal Debt Margin	\$ 71,079,222	\$ 67,119,880	\$ 61,486,666	\$ 55,021,490	\$ 57,424,550	\$ 60,609,065	\$ 64,058,630	\$ 65,452,580	\$ 69,468,411	\$ 80,318,030

Total net debt applicable to the limit as a percentage of the debt limit

	4.27%	5.66%	5.63%	5.67%	5.11%	4.43%	3.78%	3.29%	2.69%	1.95%
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Legal Debt Margin Calculation for Fiscal Year 2025

State Equalized Valuation	\$ 762,025,000
Ad Valorem	57,105,300
Public Act 198 Industrial Facility Taxed Property	\$ 819,130,300
Total State Equalized Valuation	
Debt Limit - 10% of State Equalized Value	\$ 81,913,030
Debt Outstanding	1,595,000
Less: Exempt Debt	-
Less: Amount set aside for repayment of General Obligation Debt	-
Net General Obligation Debt Subject to Limitation	1,595,000
Legal Debt Margin	\$ 80,318,030
Percentage of Legal Debt Margin Available	98.05%
Percentage of Debt Contracting Power Exhausted	1.95%

Note: State law limits the amount of City general obligation debt to 10% of state equalized value. State Equalized Valuation of property granted tax abatement under Act 198 is included.

City of Zeeland  
**PLEGGED REVENUE COVERAGE – ELECTRIC UTILITY**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Electric Utility Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	28,980,752	23,753,636	5,227,116	-	-	N/A
2017	30,193,477	24,937,143	5,256,334	-	-	N/A
2018	31,476,917	25,112,419	6,364,498	-	-	N/A
2019	31,772,561	25,464,872	6,307,689	-	-	N/A
2020	31,870,118	25,390,926	6,479,192	-	-	N/A
2021	34,281,570	27,018,229	7,263,341	-	-	N/A
2022	28,305,416	31,646,133	(3,340,717)	-	-	N/A
2023	38,168,681	34,665,654	3,503,027	-	-	N/A
2024	40,819,060	32,978,849	7,840,211	-	-	N/A
2025	42,225,627	34,701,232	7,524,395	-	-	N/A

<sup>1</sup> Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

<sup>2</sup> Total expenses include operating expenses and transfers out, exclusive of depreciation and interest.

City of Zeeland  
**PLEDGED REVENUE COVERAGE – WATER UTILITY**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	WaterUtility Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	5,187,873	2,310,923	2,876,950	830,000	76,838	3.17
2017	5,129,979	2,686,972	2,443,007	240,000	64,944	8.01
2018	4,999,080	2,754,813	2,244,267	250,000	43,248	7.65
2019	5,287,577	2,963,654	2,323,923	260,000	31,644	7.97
2020	5,654,244	2,868,643	2,785,601	275,000	19,474	9.46
2021	5,337,426	3,031,803	2,305,623	285,000	6,609	7.91
2022	4,817,141	3,130,825	1,686,316	-	-	N/A
2023	5,240,714	3,680,805	1,559,909	-	-	N/A
2024	5,986,139	4,096,460	1,889,679	-	-	N/A
2025	6,236,671	4,195,682	2,040,989	-	-	N/A

<sup>1</sup> Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

City of Zeeland  
**PLEDGED REVENUE COVERAGE – CLEAN WATER UTILITY**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Sewer Utility Gross Revenue <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016 <sup>3</sup>	5,209,775	1,346,516	3,863,259	80,000	73,438	25.18
2017 <sup>4</sup>	8,566,194	1,264,495	7,301,699	80,000	72,838	47.77
2018 <sup>5</sup>	3,815,770	1,461,334	2,354,436	130,000	97,902	10.33
2019	3,063,650	1,565,305	1,498,345	135,000	93,537	6.56
2020	3,158,845	1,783,529	1,375,316	140,000	51,019	7.20
2021	3,217,570	1,616,323	1,601,247	160,000	59,364	7.30
2022	3,040,726	1,730,703	1,310,023	165,000	54,397	5.97
2023	3,276,947	2,016,922	1,260,025	165,000	50,286	5.85
2024	3,544,395	1,970,633	1,573,762	175,000	45,946	7.12
2025	3,959,958	1,930,599	2,029,359	185,000	41,208	8.97

<sup>1</sup> Total revenues include operating revenues, investment earnings/loss, other nonoperating revenues, capital contributions, and transfers in.

<sup>2</sup> Total expenses include operating expenses and transfers out, exclusive of depreciation and interest.

<sup>3</sup> Total revenues for 2016 include \$1,935,371 in contributions from Holland and Zeeland Townships for the Clean Water Plant Expansion Project

<sup>4</sup> Total revenues for 2017 include \$4,442,025 in capital contributions from Holland and Zeeland Townships, \$1,210,912 in Federal Grant Revenue, and \$540,000 in State of Michigan Grant Revenue for the Clean Water Plant Expansion Project

<sup>5</sup> Total revenues for 2018 include \$896,677 in capital contributions from Holland and Zeeland Townships,

City of Zeeland  
**STATE REVENUE SHARING**  
 Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
State Sales Tax, PA 140 of 1971	\$ 418,964	\$ 443,112	\$ 458,540	\$ 480,005	\$ 475,095	\$ 538,707	\$ 616,180	\$ 615,802	\$ 627,034	\$ 623,704
Constitutional	-	-	-	-	-	-	-	-	-	-
Statutory	76,157	76,157	76,901	76,157	68,715	82,458	84,107	89,153	92,727	94,484
Economic Vitality Incentive Program (EVIP)	4,306	4,308	2,267	2,534	2,607	2,635	3,527	2,910	6,612	1,890
Liquor License Fees and Other	\$ 499,427	\$ 523,577	\$ 537,708	\$ 558,696	\$ 546,417	\$ 623,800	\$ 703,814	\$ 707,865	\$ 726,373	\$ 720,078
TOTAL										

Michigan Transportation Fund: PA 51 of 1951

Major Streets	\$ 309,133	\$ 355,464	\$ 425,918	\$ 454,427	\$ 474,759	\$ 522,293	\$ 562,421	\$ 586,281	\$ 600,541	\$ 628,596
Local Streets	109,135	125,346	150,201	160,147	166,902	183,606	197,393	205,678	210,748	220,737
Special Act 252 Distribution	62,710	-	-	-	-	-	-	-	-	-
Special Act 82 of 2018 Distribution	-	-	42,106	-	-	-	-	-	-	-
Special Act 207 of 2018 Distribution	-	-	-	72,181	-	-	-	-	-	-
Winter Maintenance (Snow)	35,889	35,043	29,881	33,908	43,342	8,940	29,984	24,163	33,702	69,547
	\$ 516,867	\$ 515,853	\$ 648,106	\$ 720,663	\$ 685,003	\$ 714,840	\$ 789,798	\$ 816,122	\$ 844,991	\$ 918,880

Metro Authority: PA 48 of 2002

Public Right-of-Way	\$ 20,851	\$ 20,348	\$ 20,502	\$ 20,547	\$ 22,690	\$ 23,608	\$ 24,829	\$ 26,473	\$ 25,239	\$ 27,622
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Local Community Stabilization: PA 86 of 2014

Personal Property Tax Reimbursement	-	524,886	#####	#####	#####	#####	#####	#####	#####	#####
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City of Zeeland  
**DEMOGRAPHIC STATISTICS**  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	City of Zeeland		City of Zeeland		Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>3</sup>	State of Michigan Unemployment Rate
	City of Zeeland Population <sup>1</sup>	MSA Personal Income <sup>2</sup>	Estimated Personal Income	Personal Income <sup>2</sup>			
2016	5,504	4,666,812,000	222,301,056	40,389	3.3%	4.5%	
2017	5,504	4,981,900,000	235,499,648	42,787	3.4%	4.3%	
2018	5,504	5,301,000,000	248,681,728	45,182	3.7%	4.0%	
2019	5,504	5,424,323,000	252,837,248	45,937	3.0%	4.2%	
2020	5,504	5,957,225,000	275,700,864	50,091	6.3%	8.7%	
2021	5,719	6,455,677,000	305,251,625	53,375	4.3%	5.0%	
2022	5,719	6,694,824,000	315,671,643	55,197	3.6%	4.3%	
2023	5,719	7,078,359,000	331,976,512	58,048	3.5%	3.6%	
2024	5,719	N/A	N/A	N/A	4.1%	4.7%	
2025	5,719	N/A	N/A	N/A	4.8%	5.3%	

<sup>1</sup> Source: U.S. Census Bureau

<sup>2</sup> Pre 2012: U.S. Department of Commerce, Bureau of Economic Analysis, Holland Metropolitan Statistical Area; Beginning in 2012 Ottawa County was merged into the Grand Rapids-Wyoming Metropolitan Statistical Area. For 2015 and following years data derived using a neighboring Micropolitan Community.

<sup>3</sup> U.S. Department of Labor, Bureau of Labor Statistics, Holland-Grand Haven Metropolitan Statistical Area  
 2025 data was from Grand Rapids-Wyoming-Kentwood Metropolitan Statistical Area

City of Zeeland  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

Employer	Principal Product/Service	2025			2016		
		Employees	Rank	% of Total	Employees	Rank	
Gentex Corporation <sup>1</sup>	Automotive and Glass Parts	3,808	1	32.2%	5,100	1	
Herman Miller, Inc.	Institutional Furniture	1,553	2	13.1%	1,601	2	
Zeeland Public Schools	Elementary/Secondary Education	1,151	3	9.7%	850	3	
Plascore, Inc.	Structural Honeycomb Products	492	4	4.2%	295	7	
Reckitt*	Infant Formula	450	5	3.8%	455	4	
Woodward FST	Airline/Aerospace Fuel Systems	377	6	3.2%	251	8	
ODL Inc	Glass and Skylights	285	7	2.4%	429	5	
Innotec Corp.	Automotive and Furniture Parts	174	8	1.5%	229	10	
Zeeland Christian School	Elementary Education	168	9	1.4%	-		
ITW Drawform	Stamping Operations	148	10	1.3%	320	6	
Ventura Manufacturing	Automotive and Furniture Parts	-		0.0%	240	9	
<b>Total Employees Ten Largest Employers</b>		<b>8,606</b>		<b>72.9%</b>	<b>9,770</b>		
Other Employers		<u>3,205</u>		<u>27.1%</u>			
<b>Total Employees</b>		<b><u>11,811</u></b>		<b><u>100.0%</u></b>			

Source: City of Zeeland

<sup>1</sup> 2025 employee count for Gentex includes all of their locations, not only their City locations  
 \*Reckitt did not respond, used amount mentioned in their expansion planning.

City of Zeeland  
**FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
 Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Administration	1.58	2.08	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.58
Clerk	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47
Finance/Treasury	1.77	1.70	1.70	1.70	1.70	1.80	1.41	1.41	1.41	1.41
Assessing	1.20	1.20	1.39	1.39	1.39	1.39	1.39	1.39	1.39	1.39
Cemetery	1.01	1.70	1.70	1.64	1.64	2.34	2.24	2.24	2.64	2.26
Custodial	4.55	3.04	3.04	3.19	3.19	2.10	2.12	2.12	2.08	2.28
Economic Development	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Information Technology						2.00	3.00	3.00	3.00	3.00
Public Safety										
Police	12.44	12.49	12.49	12.49	12.49	12.49	12.49	12.49	12.00	12.00
Fire/Rescue	1.06	2.00	2.00	3.00	3.00	3.00	3.00	3.00	2.50	2.50
Building and Zoning	1.80	1.83	2.11	1.61	1.61	1.61	1.61	1.61	1.61	1.61
Culture and Recreation										
Library	9.45	10.64	10.80	10.96	10.96	10.94	10.97	10.97	10.48	11.23
Community Center	0.68	2.00	2.00	2.05	2.05	2.54	3.17	3.17	2.35	2.41
Parks	1.81	1.97	1.97	1.91	1.91	2.60	3.35	3.35	3.81	3.34
Public Works										
Streets & Motor Pool	6.48	5.74	5.74	5.72	5.72	7.21	7.11	7.11	6.80	6.62
Electric Utility	20.92	21.86	22.25	22.17	22.17	23.47	23.24	23.24	23.42	26.24
Water Utility	5.39	5.46	5.30	5.92	5.92	5.78	8.10	8.10	8.78	9.08
Clean Water Utility	7.30	7.44	7.27	7.27	7.27	7.29	7.20	7.20	7.47	7.43
<b>Total</b>	<b>80.11</b>	<b>83.82</b>	<b>84.01</b>	<b>85.27</b>	<b>85.27</b>	<b>90.81</b>	<b>94.65</b>	<b>94.65</b>	<b>93.99</b>	<b>97.05</b>

Source: City of Zeeland

City of Zeeland  
**LABOR CONTRACTS**  
 Current Fiscal Year

The City has 82 full-time employees, of which 37% are represented by labor organizations. Following is a list of the organizations, number of the members, and contract extension dates.

Name of Organization	Number of Members	Contract Expiration Date
Fraternal Order of Police	8	June 30, 2028
Utility Workers Union of America, AFL-CIO (Electric and Water Utility Employees)	18	June 30, 2028
Utility Workers Union of America, AFL-CIO (Clean Water Plant Employees)	4	June 30, 2028
Non-Affiliated Employees	52	N/A
<b>Total Full-time Employees</b>	<b>82</b>	

Source: City of Zeeland

# City of Zeeland

## OPERATING INDICATORS BY FUNCTION

### Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General government</b>										
Area - square miles	3	3	3	3	3	3	3	3	3	3
Population	5,504	5,504	5,504	5,504	5,504	5,719	5,719	5,719	5,719	5,719
Number of registered voters	4,073	4,075	4,111	4,099	4,413	4,134	4,414	4,422	4,419	4,459
Number of tax bills <sup>1</sup>	3,267	3,221	3,221	3,188	3,198	3,814	3,871	3,945	4,024	4,090
Public safety <sup>2</sup>										
Police										
Number of incidents	2,946	2,760	3,132	2,850	2,627	2,944	2,285	2,297	2,220	2,117
Physical arrests	517	510	313	263	318	327	84	82	80	87
Traffic violations	1,444	1,463	919	853	1,173	1,105	2,757	1,287	2,213	1,386
Fire/Rescue										
Number of incidents	588	570	549	589	691	669	804	969	862	912
Mutual aid agreements <sup>3</sup>	15	15	15	15	15	15	15	15	15	15
Building and zoning										
Number of construction permits	155	175	171	182	162	199	177	135	149	146
Value of permits	\$ 32,894,351	\$ 14,793,962	\$ 13,825,938	\$ 17,953,755	\$ 16,922,720	\$ 15,385,818	\$ 32,095,783	\$ 16,432,267	\$ 19,483,336	\$ 31,147,111
Streets and highways										
Miles reconstructed	1.10	1.00	0.83	0.37	0.57	0.68	0.67	0.35	-	-
Miles resurfaced	1.15	0.90	0.10	-	-	0.12	-	0.30	0.55	1.28
Recreation and culture										
Library circulation *	245,853	234,966	243,044	277,170	258,175	278,328	353,270	384,744	414,939	416,115
Patron visits	189,723	101,000	97,503	103,904	75,399	55,594	80,558	98,069	106,484	113,192
Community center rentals	661	673	618	712	481	220	563	502	469	484
Community center attendance	21,716	21,283	19,286	21,239	11,176	1,583	10,749	13,540	19,098	16,985
Public works										
Parking lots	6	6	6	6	6	6	6	6	6	6
Cemetery - acres	17	17	17	17	17	17	17	17	17	17
Electric Utility										
Connections - residential	5,514	5,573	5,738	5,815	5,825	5,902	5,892	5,944	5,990	6,056
Connections - commercial/industrial	904	923	927	934	991	1,070	959	981	993	1,018
M.W.H. generated and purchased	388,066	403,586	416,182	418,230	417,473	430,922	436,009	438,261	449,463	458,473
M.W.H. sold	365,809	385,802	394,294	408,237	399,210	412,327	420,904	421,957	433,786	447,118
Revenues from sales	\$ 28,392,120	\$ 28,490,811	\$ 29,443,339	\$ 29,169,314	\$ 28,856,543	\$ 29,604,560	\$ 32,192,783	\$ 36,239,480	\$ 36,673,138	\$ 37,525,650
Water Utility										
Connections - residential	2,308	2,315	2,314	2,310	2,336	2,338	2,265	2,393	2,399	2,419
Connections - commercial/industrial	573	593	597	602	601	619	576	601	579	567
Pumped - million gallons	2,098	2,047	2,106	1,973	2,135	2,044	2,279	2,118	2,179	2,418
Sold - million gallons	2,000	2,005	2,044	1,872	2,171	2,045	2,222	2,128	2,158	2,397
Revenues from sales	\$ 4,766,945	\$ 4,937,320	\$ 4,848,803	\$ 4,704,521	\$ 5,042,994	\$ 5,166,156	\$ 5,279,292	\$ 5,007,806	\$ 5,121,461	\$ 5,408,577
Clean Water Utility										
Connections - residential	2,256	2,258	2,247	2,251	2,259	2,265	2,301	2,326	2,337	2,171
Connections - commercial/industrial	362	365	329	335	326	331	369	320	353	518
Average daily sewage treatment	1.40	1.45	1.90	2.10	2.28	1.84	2.01	2.30	2.2	2.4
Treated effluent - million gallons	510.6	528.0	730.0	766.5	798.0	733.8	824.1	824.1	816.7	859.0
Residuals - million gallons	1.50	1.83	2.16	2.37	2.18	2.19	1.90	1.3	1.1	1.0
Revenues from sales	\$ 2,195,503	\$ 2,314,815	\$ 2,549,177	\$ 2,717,829	\$ 2,906,955	\$ 3,050,719	\$ 2,973,266	\$ 2,623,994	\$ 2,650,412	\$ 2,975,393

Source: City of Zeeland

<sup>1</sup> Legislation was passed to accelerate winter tax collection to the summer levy if the tax and other amounts billed total \$100 or less. This legislation reduced by almost half the number of tax bills sent.

<sup>2</sup> Public Safety Statistics are calendar year

<sup>3</sup> Mutual Aid Agreements are formalized for the Counties of Ottawa, Allegan, and Kent;

Michigan Emergency Management Assistance Compact (MEMAC) and the Mutual Aid Box Alarm System (MABAS).

<sup>4</sup> EMS/Rescue are reported with Fire/Rescue beginning in 2009

\* As of 2022 Library circulation includes physical items and electronic items

City of Zeeland  
**CAPITAL ASSETS STATISTICS BY FUNCTION**  
 Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol vehicles	5	5	5	5	5	5	5	5	5	5
Fire										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of Fire Fighting Apparatus	5	5	5	5	5	4	4	4	4	4
Number of K9 Teams	-	-	-	-	-	-	-	-	-	-
Emergency Medical/Rescue										
Number of rescue vehicles	2	2	2	2	2	4	4	4	4	4
Culture and Recreation										
Library	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Number of parks	9	10	10	10	10	10	10	10	10	10
Number of acres in parks	32.2	32.3	32.3	32.3	32.3	32.3	32.7	32.7	32.7	32.7
Park pavilions	8	8	8	8	8	8	8	8	8	8
Playgrounds	4	4	4	4	4	4	4	4	4	4
Tennis courts/Pickleball Courts	3	3	3	7	7	7	6	10	10	10
Bike trails - miles	10.7	11.7	11.7	11.7	11.7	11.7	11.8	11.8	11.8	11.8
Streets										
Miles of Major streets	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77
Miles of Local streets	18.69	18.69	18.69	18.69	18.69	18.69	18.63	18.63	18.63	18.63
Miles of sidewalks	26.40	26.40	26.40	27.12	27.12	28.24	29.58	30.05	30.12	30.12
Traffic signals	8	8	8	8	8	8	8	8	8	8
Street Light accounts	107	107	107	101	101	98	105	39	40	40
Street garage buildings leased or owned	3	3	3	3	3	3	3	3	3	3
Storm sewers - miles	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.9
Parking Lots										
Owned - square feet	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700	166,700
Leased - square feet	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	88,000	88,000
Electric Utility										
Number of distribution stations	4	4	4	4	4	4	4	4	4	5
Miles of service lines										
Overhead	43	41	40	39	39	38	38	38	38	37
Underground	105	108	112	116	116	119	125	126	128	129
Water Utility										
Number of storage tanks	5	5	5	5	5	5	5	5	5	5
Miles of distribution mains	54	55	55	55	55	56	56	54	54	55
Number of fire hydrants	611	629	634	638	638	648	651	657	661	672
Clean Water Utility										
Miles of sanitary sewer	37	37	37	37	37	37	37	37	37	37
Major lift stations	7	7	7	7	7	7	7	7	7	7

Source: City of Zeeland



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INTEROFFICE MEMORANDUM

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TO: Mayor VanDorp, and Members of City Council  
FROM: Kevin Plockmeyer, ACM of City Services/Infrastructure and Finance  
SUBJECT: Articulated Tractor Edger Attachment Purchase  
DATE: December 12, 2025  
CC: City Council Work Study and Action Items Agenda December 15, 2025

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We are requesting approval to purchase a GMR Edger Disc and Wire Brush Attachment for our CX75 Multihog articulated tractor from Brown Equipment Company in the amount of \$25,995. Funding for this purchase would come from the Motor Pool Fund, utilizing \$40,000 allocated in the implement budget for the current fiscal year. We do not anticipate additional significant implement purchases for the remainder of the Fiscal Year. The quote for this equipment is attached for reference.

This edger attachment will significantly improve our ability to maintain bike paths and curb lines throughout the city. Staff recently tested the unit on the east side pathway, and the results were impressive. During that trial alone, we were able to recover approximately one foot of pathway width that had been overtaken by encroaching turf. (For a video of the unit in action, please see this [link](#).) This level of restoration and maintenance efficiency is not achievable with our current equipment.

We are also requesting that Council waive the formal bid process for this purchase. The edger attachment proposed is manufactured by a single supplier, and no alternative manufacturers produce a comparable unit that is compatible with our existing CX75 equipment. Because only one source is available, a competitive bid process would not yield multiple qualified proposals.

**Recommendation:** City Council waive the formal bidding process and award a contract to Brown Equipment Company in the amount of the \$25,995

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Kevin Plockmeyer, ACM of City Services/Infrastructure and Finance

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Brown Equipment Company  
 2501 S Kentucky Ave  
 Evansville IN 47714  
 Ph:800-747-2312  
 www.brownequipment.net

# Parts Quote

#Q16662  
 11/15/2025

**Bill To**

City of Zeeland, MI DPW  
 21 S. Elm St.  
 Zeeland MI 49464  
 United States

**Ship To**

City of Zeeland, MI DPW  
 21 S. Elm St.  
 Zeeland MI 49464  
 United States

**TOTAL**

**\$25,995.00**

Sales Rep: Justin VanderVennen

Expires	PO #	Shipping Method
12/15/2025		

Item	Quantity	Price	Extended Price
<b>BEC GENERIC COMPONENT</b> GMR EDGER DISC AND WIRE BRUSH ATTACHMENT FOR CX75	1	\$25,995.00	\$25,995.00

**Payment Information**

A 3% fee will be applied to credit card transactions process through our system. Please note that this fee will only be applied to credit card transactions, and all other payment methods will remain without any additional fees, including the option to pay via ACH. For inquiries about this update or assistance with setting up ACH payments, please contact [accounting@brownequipment.net](mailto:accounting@brownequipment.net).

<b>Subtotal</b>	\$25,995.00
<b>Tax (0%)</b>	\$0.00
<b>Total</b>	\$25,995.00

THANK YOU FOR CHOOSING BROWN EQUIPMENT COMPANY



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## INTEROFFICE MEMORANDUM

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**TO:** Mayor VanDorp, and Members of City Council  
**FROM:** Kevin Plockmeyer, ACM of City Services/Infrastructure and Finance  
**SUBJECT:** Lawrence Park Bowl Caulking and Painting Contract Award  
**DATE:** December 12, 2025  
**CC:** City Council Work Study and Action Items Agenda December 15, 2025

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The City publicly solicited sealed bids for painting and caulking services at the Amphitheater located in Lawrence Street Park, as outlined in the project specifications included in the issued RFP (see attached). The bid package detailed the required surface preparation, priming, painting, and caulking activities for the facility, including the seating area, stairways, and performance platform, along with cleaning, surface protection, and completion requirements.

Bids were received and publicly opened on November 25, 2025, and we are happy to report we received 5 bids for the work. Based on the attached bid tabulation spreadsheet, the low bidder for the project is Reliable Service Contractors in the amount of \$13,354. While the City has not previously contracted with this firm, staff conducted an interview with the contractor to assess capacity, experience, and approach to the scope of work. Following that review, we feel comfortable with their qualifications and ability to complete the project according to the City's expectations.

Although this project does not have a specifically assigned current-year budget line, it has been included in a previous fiscal year capital plan but was not completed at that time. After reviewing available funding, staff is fairly confident that the current activity budget within the Parks or Facilities account structure is sufficient to support this contract award without requiring an amendment.

**Recommendation:**

Authorize award of the painting and caulking services contract for the Amphitheater at Lawrence Street Park to Reliable Service Contractors in the amount of \$13,354 and set a project budget of \$15,000.

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A handwritten signature in black ink, appearing to read 'K. Plockmeyer', is positioned above a horizontal line.

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Kevin Plockmeyer, ACM of City Services/Infrastructure and Finance

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**BIDS ARE REQUESTED FOR THE  
FOLLOWING PROJECT:**

**PAINTING AND CAULKING SERVICES  
ZEELAND AMPHITHEATER – LAWRENCE STREET PARK  
CITY OF ZEELAND, MICHIGAN**

Sealed bids from contractors will be received at the Zeeland City Clerk's Office, 21 S. Elm St., Zeeland MI 49464 on or before **Tuesday November 25, 2025, at 11:00 AM**. Bids will be opened and read aloud at that time and location.

All bids must be submitted in a sealed envelope clearly marked Painting and Caulking Services Bid.

The Owner reserves the right to waive informalities and to award bids in its own best interest.

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**Bid Specifications**  
**Painting and Caulking Services**  
**Zeeland Amphitheater – Lawrence Street Park**

General Information and Instructions

1. The City of Zeeland will receive proposals from qualified contractors for painting and caulking services at the Zeeland Amphitheater, Lawrence Street Park, Zeeland, MI 49464.
2. Proposals must be mailed or delivered in person to the Zeeland City Clerk's Office, 21 South Elm Street, Zeeland, MI 49464. All proposals must be sealed in envelopes, clearly marked "Painting and Caulking Services Bid" and must be received prior to 11:00 AM, local time, on Tuesday, November 25, 2025. This will be a public bid opening. Evaluation of proposals and award will be at a later date; the contractor will receive a letter of intent prior to receipt of contract.
3. A mandatory walkthrough will be held at the project site on Tuesday, November 13, at 1:00 PM.
4. Completion date for the project is May 15, 2026.
5. Provide Liability Insurance and a Certificate of Insurance showing the City of Zeeland as additional insured with a liability coverage of at least \$2,000,000. The successful bidder shall be required to hold the City of Zeeland harmless from any liability in connection with the required work.
6. Funding for the project is by the City of Zeeland and project does not require the payment of prevailing wages.
7. The successful bidder shall comply with all ordinances of the City of Zeeland in conjunction with the performance of the project.
8. Please direct all questions to Mike Bronkhorst at 616-772-6400 or [mbronkhorst@cityofzeeland.com](mailto:mbronkhorst@cityofzeeland.com).

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9. Potential Bidders must register prior to submitting a bid. Email Susan Moore at [smoore@cityofzeeland.com](mailto:smoore@cityofzeeland.com) with the bidders name and contact information at least 24 hours prior to bid opening.
10. The owner reserves the right to accept or reject any or all bids and to waive all irregularities in proposals. Proposals remain firm for sixty (60) days from the date of the Bid Opening.
11. All material, labor, trucking, equipment, insurance, and other project expenses are the responsibility of the contractor.

### Project Specifications

#### **Painting Services include:**

- Power washing of masonry surfaces and dome fascia
- Scraping/sanding of loose or flaking material
- Priming of bare concrete surfaces (Loxon Masonry Primer or equal)
- Application of two coats of paint (Loxon Self-Cleaning Acrylic or equal)
- Painting of seating area, stairways, and performance platform
- Protection of adjacent surfaces during work
- Cleanup after completion

#### **Caulking Services Include**

- Remove existing caulk where loose after powerwashing
- Clean out cracks and joints of old caulk and debris.
- Install new closed cell backer rod where backable then install paintable sealant.
- Bridge over existing caulk that's covering mortared areas or unbackable.
- On the stage area caulk in joints and caulk the back wall to floor.
- Caulk step railing post bases in seating area.



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## Painting and Caulking Bid

Total Bid for the painting and caulking at the Zeeland Amphitheater at Lawrence Street Park:

\$ 13,354<sup>00</sup>

All work will be performed in accordance with the specifications as prepared and furnished by the City of Zeeland.

### Bidder:

Reliable Service Contractors  
*Printed Name of Bidder*

Dated: 11/29/2025

By: Dave Mateiski  
*Signature of Authorized Representative*

DAVE MATEISKI  
*Printed Name of Signer and Title*

5075 CLAY AVE SW.  
*Street Address*

Grand Rapids MI 49548  
*City, State, and Zip*

**Lawrence Park Bowl Painting/Caulking Bid**

**Bid Tab Sheet**

**Tuesday, November 25, 2025 @ 11:00 AM**

<b>Bidder</b>	<b>Bid Quote</b>
AGB Painting	\$28,000.00
Vork Brothers Painting	\$29,950.00
MW Coatings	\$67,990.00
Reliable Service Contractors	\$13,354.00
Dave Cole Decorators, Inc.	\$16,460.00

**NOTICE OF PUBLIC HEARING  
CITY OF ZEELAND**

**ON LIQUOR APPLICATION  
OF  
MANDU ESCAPES, LLC**

PLEASE TAKE NOTICE that the City Council of the City of Zeeland whose chambers are in the Zeeland City Hall at 21 South Elm Street, Zeeland, Michigan, and whose telephone number is (616) 772-6400 will hold a public hearing on and at:

**Monday, December 15, 2025  
7:10 p.m.  
Council Room of City Hall**

For the purpose of hearing the public and all interested persons concerning the application of Mandu Escapes, LLC for the transfer to it of an on-premises, Class C License, which was formerly held by La Crème, LLC, so as to permit the sale and consumption of alcoholic beverages on the premises at 111 E. Main Avenue, Zeeland, Michigan. A Class C license permits the sale of beer, wine, mixed spirit drinks and spirits.

During the public hearing, the applicant may be asked to review and provide information as to its plan, policies, days and hours for the serving of alcohol. The applicant may attend the public hearing to present evidence and testimony, has the right to confront adverse witnesses, and has the right to present evidence and arguments as to why it should be granted an on-premises liquor license.

Likewise, the public or any other interested person may attend the public hearing to present evidence and testimony, has the right to raise questions in regard to the applicant, and has the right to present evidence and arguments as to why an on-premises liquor license should not be granted to the applicant.

In addition, oral or written comments may be submitted at the said hearing, or written comments may be filed in the City Clerk's Office in the Zeeland City Hall up to the date of the public hearing.

The Council and/or the public may review the applicant's application prior to the public hearing in the City Clerk's Office in the Zeeland City Hall on any day not a holiday, Monday through Friday, from 8:30 a.m. to 12:00 noon and from 1:00 p.m. to 4:30 p.m. from the date of this notice to the date of the hearing.

**The City of Zeeland will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing with a need for an accommodation, upon being provided with a notice to the City of Zeeland three days prior to the public hearing. Individuals with disabilities requiring auxiliary aids or services should contact the City of Zeeland by writing or calling the City Clerk' Office (616) 772-6400.**

Dated: December 1, 2025

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Kristi DeVerney, City Clerk



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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## CITY COUNCIL MEMORANDUM

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**TO:** Mayor Van Dorp and City Councilmembers

**FROM:** Tim Klunder, City Manager

**SUBJECT:** Transfer of Class C Liquor License (originally issued under DDA/Redevelopment License provisions) with Catering Permit from La Crème Café, LLC to Mandu Escapes, LLC at 111 E. Main Avenue; and Restaurant Operations Contract

**DATE:** December 10, 2025

**CC:** December 15<sup>th</sup> City Council Public Hearing and Agenda

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**BACKGROUND:** On November 25, 2025, the city received an application to consider the transfer of a Class C liquor license, with catering permit, from La Crème Café, LLC to Mandu Escapes, LLC for operations at 111 E. Main Avenue (d.b.a. La Crème Café). The city's application was accompanied by the State Liquor License Transfer application that Mandu Escapes, LLC signed with the State of Michigan on October 31, 2025. Both are attached for City Council's information, but please note that several pieces of personal information have been "blacked out", or removed, for confidential reasons – please let us know if you need a complete copy of the application.

From a historical perspective, City Council recommended approval of the Class C license for La Crème Café, LLC on March 21, 2022, under the provisions of the State's DDA/Redevelopment License. According to the current application, Mandu Escapes, LLC plans to operate the restaurant in a similar fashion to the existing operations. As general notes, it is our understanding that the transfer of a liquor license is one of the contingencies on the sale of La Crème. Additionally, one of the owners of Mandu Escapes, LLC does have experience operating a restaurant that serves alcohol, albeit not in the United States; and that owner has gone through, and been approved, for the appropriate TIPS (training for intervention procedures) training in Michigan. Finally, according to the application, they do note that they plan to evaluate the options of adding dinner hours and Sunday hours.

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Given the transfer of the liquor license is at an existing location that has been previously approved for alcohol sales (this is considered a person-to-person transfer), this cover memo does not have a specific review of provisions in our Alcohol Ordinance that we typically highlight to City Council during your review of a liquor license application. For example, seating capacity, distance from a church, zoning compliance, etc. Rather, I have attached the recommendation (cover memo only) for the liquor license approval at 111 E. Main that was provided to City Council for La Crème back on March 21, 2022.

Our city team (impacted departments) have reviewed the transfer application, and they do not have any concerns about the transfer. From a procedural standpoint, one action is requested by the City Council. This is different from our other applications because this application reflects a transfer of an existing license. As such, the action requested by City Council is to approve a Resolution that approves an operation contract with Mandu Escapes, LLC and supports the transfer of a Class C License from La Crème Café, LLC to Mandu Escapes, LLC at 111 E. Main.

**RECOMMENDATION:** Make a motion to approve the attached Resolution that approves a Class C License and Restaurant Contract with Mandu Escapes, LLC and supports the request of Mandu Escapes, LLC that a Class C License be transferred from La Crème Café, LLC to Mandu Escapes, LLC to operate a restaurant at 111 E. Main Avenue.

A handwritten signature in black ink, appearing to read 'Timothy R. Klunder', is written over a horizontal line.

Timothy R. Klunder, City Manager



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CITY COUNCIL MEMORANDUM

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TO: Mayor Klynstra and City Councilmembers  
FROM: Kevin Plockmeyer, ACM Infrastructure/City Services and Finance  
SUBJECT: DDA/Redevelopment License, SDM License and Catering Permit for La Crème Café, LLC and Terms and Conditions Agreement with La Crème Café, LLC  
DATE: March 18, 2022  
CC: City Council Work Study and Action Items Agenda March 21, 2022

---

On February 25<sup>th</sup>, 2022 the City of Zeeland received a Class “C” DDA/Redevelopment and a Specially Designated Merchant (SDM) liquor license application from La Crème Café, LLC, to serve on-site alcohol at 111 East Main Street and to sell specialty beverages for off-site consumption. I have attached the application for Council’s review. Per the City’s Alcoholic Liquors Ordinance, city staff conducted an investigation of the applicant and the proposed use of the license. The application itself covers a great deal of our requirements found in the ordinance and you will find the applicant’s answers to our questions within the application. I recommend that each City Councilmember review the application materials attached hereto (Attachment #1) in detail. (Certain tax information on finances has been removed from the application for confidentiality purposes. If a member of Council would like to see the application in its totality, please let me know.) In addition to the application itself, there are some sections of our ordinance that I thought I would highlight below. For your information I have attached the City’s Alcoholic Liquors Ordinance in its entirety as Attachment #2. (Since the alcohol ordinance was recently updated, we do not have a copy of the ordinance with all of the changes incorporated. As is such, a red-lined version is attached.)

Section 4-8 Location where prohibited and Section 4.10 Compliance with Zoning

The property is properly zoned for alcohol sales. Under our Zoning Ordinance, restaurants are allowed in the C-2 Zoning District. This property also has the necessary secondary zoning designation of being in the Alcohol Sales Overlay District. The applicant has obtained the necessary special land use and site plan approval from the Planning Commission (3.3.22) as required by the Alcoholic Sales Overlay District.

The proposed location is not more than 500’ from a church or school. In this instance the proposed location is within 500’ of North Street CRC (see Attachment #3). Under the city’s ordinance the sale of alcoholic liquors for consumption on the premises shall be prohibited within

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500 feet of a church. However, the ordinance does provide that this provision may be waived by City Council where it is deemed to be in the best interests of the city. City staff does believe it is in the best interest of the city for City Council to consider waiving the 500' requirement. This recommendation is based on several factors. (1) The properties zoned within the Alcohol Sales Overlay District were established by the Planning Commission and City Council after careful consideration was given to only zone properties that did not appear to have an immediate negative impact on a church or school. (2) Under the city's Alcoholic Liquors Ordinance, Section 4-16 lists the priorities to be considered by City Council in license approval. Priority #1 is for a restaurant in the C-2 District (downtown) with a seating capacity of 25 or more persons.

#### Section 4-9 Seating Capacity

Our ordinance requires a dining seat minimum of 25. Mr. Maday has calculated these measurements to be met based on the Special Land Use application dated February 7, 2022. Mr. Maday notes that the dining area has a total combined capacity of 42 seats. Please refer to Attachment #4 for Mr. Maday's report.

#### Section 4-11 Application fee and payment of obligations to the City

The applicant did pay the \$400 application fee and they do not have any outstanding taxes, utility bills, etc. owed to the city. (See attachment #5.)

#### Section 4-12 License application

The applicant has filed a completed application (see Attachment #1).

#### Section 4-13 Inspection of premises prior to license issuance

The layout plan has been inspected by the Building Department (see Attachment #4), the Police Chief (Attachment #6), and Fire Chief (Attachment #7) and there are no concerns regarding the building layout.

#### Section 4-14 Mandatory grounds for license denial

Mandatory grounds for license denial include such things as the applicant had a previous license revoked, the applicant does not own the premises or does not have a lease; the applicant has been convicted of a violation of any federal or state law concerning the manufacture or sale of liquor, or violations of appropriate building codes. Staff found no grounds for mandatory license denial as outlined in our ordinance. Please refer to the Building Department's Report (Attachment #4) and the Police Chief's Report (Attachment #6).



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#### Section 4-15 Discretionary grounds for license denial

Discretionary grounds for license denial includes such things as alcohol sales would not be incidental or subordinate to other permitted uses on the premises; the location is inappropriate due to such things as inadequate parking, traffic concerns, etc.; the applicant does appear to have the appropriate financial capability to run an establishment; they have not made false representations on their application; or they have not been convicted of misdemeanor alcohol possession and/or alcohol driving offenses. The applicant is aware that they are required to meet the requirement that at least fifty percent of the gross revenue will be derived from food sales.

#### Section 4-16 Priorities to be considered by City Council in license approval

It has been previously noted in this report that the proposed establishment meets priority #1 of license considerations by City Council.

#### Section 4-17 Term of licenses; license approval granted subject to certain conditions

License term will coincide with the State. Our ordinance does provide that City Council may provide for certain conditions with the approval of a license. Please note however that these conditions are with the applicant as the LCC will not allow the city to approve a license with conditions other than such things as compliance with final building, health, and local law enforcement inspections. As such, you will note on your agenda that the city is proposing a DDA/Redevelopment License and SDM License Agreement with La Crème Café, LLC. That contract is included within your packet and it covers such things as timely payment of obligations to the city, compliance with ordinances of the city, etc.

#### Section 4-19 Dancing and Entertainment on Licenses Premises

The applicant indicated that they do not intend to have live music or dancing on the premise.



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### Recommendation

From a procedural standpoint we are recommending City Council approve two actions.

1. The first action we recommend is that City Council moves to recommend approval of La Crème Café, LLC liquor license to the LCC as provided in the attached resolution. We are recommending that the City Council approve the resolution as presented which states this license should be considered “above all others” and it does not list any conditions. Again, this is consistent with the directions of the LCC so that if the City Council approves the license the applicant can file with the LCC and the LCC can start their process without having to wait for additional conditions to be completed at the city level before the LCC starts their process. As noted above, those conditions are instead spelled out in an individual agreement we have with the applicant.
2. The second action we recommend is that City Council approves a DDA/Redevelopment License and SDM License Agreement with La Crème Café, LLC as attached subject to City Attorney approval. This agreement lists the conditions on which the city is willing to approve a liquor license and it is between the city and the applicant.

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Kevin Plockmeyer, ACM of City Services/Infrastructure and Finance



**LIQUOR LICENSE APPLICATION**  
**City of Zeeland, Michigan**

(Type or print all information except for signatures)

APPLICANT INFORMATION

Applicant Name MANDI ESCAPES LLC Age \_\_\_\_\_  
Home Address 7675 Belmont Ave NE, Belmont MI 49306  
Business Address 111 E Main, Zeeland MI 49464

Type of application:

- New License
- Transfer from person to person
- Transfer from place to place
- Upgrade classification

Class of license requested Class C  
Present holder LA CREME LLC  
New location NA  
Present classification \_\_\_\_\_  
Requested classification \_\_\_\_\_

1. **If applicant is a corporation or limited liability company**, provide the full legal names, ages, and addresses of all directors, officers and shareholders or members owning a 5% interest or more therein along with the percentage of ownership.

%	Name	Age	Home Address	Ownership
	<u>Joanna Udo</u>	<u>[REDACTED]</u>	<u>7675 Belmont, Belmont MI 49306</u>	<u>50%</u>
	<u>John Becker</u>	<u>[REDACTED]</u>	<u>7675 Belmont, Belmont, MI 49306</u>	<u>50%</u>
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

2. **If applicant is a partnership**, provide the full legal names, ages, and home addresses of each partner along with percentage of ownership.

7. All assumed, trade, or firm names under which the business will be conducted:

- A. LA CREME
- B. \_\_\_\_\_

8. Has Applicant ever made application to the Liquor Control Commission or to any other local unit of government for a similar or other license at a location other than described in this application, and the disposition of such application? Yes  No   
If yes:

<i>Bus/Lic Name Classification</i>	<i>Address/ Unit of Gov't</i>	<i>Issuance Date</i>	<i>Date of expiration, revocation,  non-renewal</i>
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9. On an attached sheet, give an explanation of when or how such interests were disposed.

10. Has the applicant ever been denied approval from a local unit of government, from the Michigan Liquor Control Commission, or from any other state for a new license, or transfer, or upgrading of an existing license? Yes  No

11. If the answer to question 10 is "yes", state the name of the governmental unit, the date of application, the type of application, and the reasons for denial \_\_\_\_\_

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12. Has the applicant or person conducting or managing the applicant's business ever been convicted of a felony or non-traffic misdemeanor, including but not limited to drinking and/or driving offenses? Yes  No

If yes, describe in full \_\_\_\_\_

%	Name	Age	Home Address	Ownership
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

3. Premises proposed for Liquor License:

Street Address: 111 E MAIN, Zeeland MI 49464

Legal Description 70-17-18-357-023

A deed for the premises should also be attached.

4. Proposed hours of Operation WE Plan to maintain the current hours (Tues - Sat 9-3pm) and exploring the opportunity to add dinner services and Sunday.

5. Nature and character of food merchandise or service to be sold or offered for sale by the applicant to members of the public WE Plan to maintain all

for items on the current menu (wide Selection of crepes, soups, Salads, quiche, Pastries, Coffee etc. with alcohol license will offer beer, wine, spirits and cocktails.

If dinner services is added, new menu items will be introduced.

6. Applicant's experience, financial capability, history of experience as a liquor licensee, proposed menus and other facts or proposals pertinent to the applicant's business. Please attach on separate sheets.

NO changes to current menu.  
Applicant current restaurant owner in Nigeria where alcohol is served but no experience in US as a liquor licensee, but the process is very similar with differences in just drinking age.  
Financially capable and bank account balance attached.

13. If applicant is a corporation, limited liability company, or a partnership, have any of the directors, officers, shareholders, members or partners owning a 5% interest or more, ever been convicted of a felony or non-traffic misdemeanor, including but not limited to drinking and/or driving offenses? Yes  No

If yes, describe in full \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

14. List a minimum of three (3) individuals, and provide their contact information, who will provide character endorsements for the applicant and/or its officers. These endorsers must not be related either personally or financially to the applicant or to the principals of the applicant. Please attach letters of recommendation from such individuals.

- |                    |  |              |
|--------------------|--|--------------|
| 1) Danielle Weaver | 670 Griswold St SE GR, MI 49507              | [REDACTED]   |
| Name               | Address                                      | Phone Number |
| 2) Kymber Henze    | 3418 Recovery drive, Hudsonville, MI 49426   | [REDACTED]   |
| Name               | Address                                      | Phone Number |
| 3) Matt Nelson     | 15682 Gardenton Court, Grand Haven, MI 49417 | [REDACTED]   |
| Name               | Address                                      | Phone Number |

15. Provide satisfactory evidence to show that the applicant has the financial ability to complete its project according to its plans within a reasonable period of time, plus evidence that all personal and real property taxes for the proposed premises shall be paid in full. Please attach on separate sheets.

16. Provide a written statement showing the Applicant's history of business activity, if any. Please attach on separate sheets. *Previously managed ~~an~~ adult foster care homes, current restaurant owner in Nigeria (3 years), owns a consulting business as well.*

17. Provide inspection reports from certified inspectors to show that the establishment will conform to current standards of existing building, plumbing, sanitary, fire and health ordinances, and all other municipal laws and regulations, or if an existing building will not be utilized, please provide a notarized statement that all new buildings will conform to the current ordinances. Please attach on separate sheets.

18. Please provide evidence of having established or being prepared to establish procedures to prevent alcohol abuse on its premises or related to its premises. Explain

whether the applicant will use a program such as Training for Intervention Procedures (T.I.P.S.), Techniques of Alcohol Management (T.A.M.), or another program deemed to be acceptable by the City. Please attach on separate sheets.

*I've completed T.I.P.S training & received certification. Will follow all state regulations & recommendations.*

19. If the business of the applicant is to be operated or conducted by a manager or agent, the name, date of birth and address of the manager is as follows:

Joanna Udo [REDACTED]  
Name Date of Birth

7675 Belmont Ave  
Address

Belmont MI 48306  
City State Zip

20. What is the estimated cost of establishing your business for your building improvements, site plan, furnishings, and inventory? \$ [REDACTED].

21. On an attached page, give the names of all persons other than applicant who either directly or indirectly will have any financial interest in your business (include mortgagees and vendors under title retaining contracts (if any)).

22. If the application is approved, the name of the owner of record of the property on which license is to be located is: NorthPoint Partners LLC.  
Attach a copy of the lease for the premises if the premises will be leased.

23. If the applicant is a corporation, attach copies of the applicant's Articles of Incorporation and bylaws. If the applicant is a limited liability company, attach copies of the applicant's Articles of Organization and Operating Agreement. If the applicant is a partnership, attach a Certificate of Co-Partnership and a copy of its Partnership Agreement.

\* 24. Will there be dancing and/or entertainment provided on the premises to be licensed? Yes  No   
If yes, describe in full \_\_\_\_\_



DO NOT NEED

**Additional Information**

Additional information may be required by the City Council or the City Manager.

Also, this application must include building and site plans showing the entire structure and premises where the license is to be utilized. Building plans shall show floor plans, the kitchen layout, seating arrangements, planned building alterations and other pertinent physical features. A site plan shall demonstrate adequate off-street parking, lighting, refuse disposal facilities, and where appropriate, adequate plans for screening and noise control.

Attached:

- Building plan
- Site plan

NOTE: Applicant will be given 60 days if its application is deemed incomplete to provide the additional information which is required. If the requested information is not received within 60 days, the application will automatically be denied without further consideration. The filing of an application and the required information is NOT a guarantee of acceptance. The application fee will not be refunded after the application has been filed.

By filing this application, the Applicant is hereby granting permission to the City of Zeeland and to its staff members and agents to enter the premises as deemed necessary by the City of Zeeland to inspect the proposed business location and to take pictures which may be viewed by the City Council and the public.

The Applicant hereby irrevocably agrees that it shall not use its license for a location outside of the City of Zeeland or sell its license to any person or entity which may seek to use the license for a location outside of the City of Zeeland.

Applicant agrees that if it fails to comply with all of its representations and assurances contained in this application, and which may be made either by it or its representative at any public hearing, including, without limitation, the starting or opening date, or if the applicant fails to complete the construction, building and site improvements which are described and shown in the attached plans, that such failure(s) shall serve as grounds for a license revocation or non-renewal of a license pursuant to the Zeeland City Code.

I hereby certify and swear that I have read and understand this application and that I have truthfully answered all questions and that all of the information which has been attached to this application is true and accurate. I further understand that falsifying any information will be grounds for denial of this application.

Dated: 11-25-25

Joanna Udo  
Applicant Name

By: [Signature]  
Signature Title

STATE OF MICHIGAN )  
COUNTY OF OTTAWA ) ss

The foregoing instrument was subscribed and sworn to before me in OTTAWA County, Michigan on this 25th day of NOVEMBER, 2025 by Josanna Udo on behalf of Mandu ESCAPES LLC as its ADMINISTRATOR.

Marcy J Kolan

Notary Public, OTTAWA County, Michigan

Acting in OTTAWA County

My Commission expires: 6/17/2032 (6/17/32)

**AUTHORIZATION TO RELEASE INFORMATION  
AND SUPPLEMENTAL DECLARATIONS**

A signed Authorization to Release Information and Supplemental Declarations form is required from the applicant and from each of its officers, shareholders, members, partners and equity owners who own an interest of 5% or more in the applicant, and from its manager.

As part of a Liquor License Application to the City of Zeeland, I am required to furnish information for use in determining my background. In this connection, I authorize release of any and all information that you may have concerning me, including information of a confidential or privileged nature.

I hereby certify that the following information is true and accurate:

My full name is: Joanna Udo

My home address is: 7675 Belmont Ave NE  
Belmont, MI 49306

My driver's license number is: [REDACTED]

My date of birth is: [REDACTED]

My day time phone number is: [REDACTED]

I hereby release you, your organization or others from liability or damage which may result from furnishing the information requested. It is hereby agreed that a photocopy of this form shall be treated the same as an original document.

Have you paid, promised to pay, or given any money, material, service or consideration to any person, directly or indirectly, for any recommendation or influence promised toward procuring a Liquor License? Yes  No

If yes, describe in full \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are you now engaged in any business as a silent owner or silent partner?

Yes  No

If yes, describe in full \_\_\_\_\_  
\_\_\_\_\_

Have you paid, promised to pay, or given any money, material, service or consideration to any political candidate for local, state or federal office?

Yes  No

If yes, describe in full \_\_\_\_\_

I hereby certify and swear that I have read and understand this document and that I have truthfully answered all questions and that all of the information which has been provided is true and accurate.

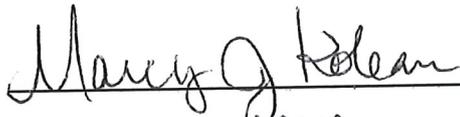
Dated: 11/25/25



(Signature)

STATE OF MICHIGAN )  
COUNTY OF Ottawa ) ss

The foregoing instrument was subscribed and sworn to before me in Ottawa County, Michigan on this 25th day of November 2025 by Joanna Wdo.



Notary Public, Ottawa County, Michigan  
Acting in Ottawa County  
My Commission expires: 6/17/38

Danielle Weaver  
670 Griswold St SE  
Grand Rapids, MI 49507  
[REDACTED]

November 23, 2025

To Whom It May Concern,

Re: Character Reference for Joanna Udo

I am writing to offer my full and sincere character reference for Joanna Udo, whom I have known for several years in both professional and personal settings.

Joanna is a smart, impressive, and passionate businesswoman whom I would highly recommend for any business venture. As a colleague and friend, she has consistently demonstrated responsibility, integrity, and dependability across a variety of situations. I turn to her for business advice, friendly conversation, and kindness in times of need.

Joanna and her husband, John, are wonderful people whom I have had the privilege of getting to know in both professional and social environments. Joanna has developed several successful ventures and is known for mentoring entrepreneurs and employees with generosity and excellence.

As a patron of La Crème, I have full confidence in Joanna and John to continue making positive contributions to the Zeeland community. It would be a blessing to have her as part of the Zeeland business landscape, and I look forward to supporting their business and downtown Zeeland's development.

Please do not hesitate to contact me if you require any additional information.

Sincerely,  
Danielle Weaver

**November 24, 2025**

**Matt Nelson**

15682 Gardenton Court  
Grand Haven, MI 49417

**City of Zeeland**

City Hall – 2nd Floor  
21 S. Elm Street  
Zeeland, MI 49464

**To Whom It May Concern,**

I am writing to provide a character and business recommendation for **Joanna Udo**.

I have known and worked with Joanna for many years now. It is very easy for me to say that not only is Joanna one of the most gifted businesspeople I have ever met, she does everything she does with a mindset of bettering everyone and everything around her.

Because of this, I often refer to her as a tremendous asset to the community, both professionally and personally. Those that know Joanna are better off for knowing her, and those that don't know her will hopefully someday get the chance.

Whatever Joanna does will be done with purpose, character, and meaning. She will not only run a great business, she will make the Zeeland restaurant community stronger. Her leadership, work ethic, and business acumen are second to none. I give her the highest recommendation I can give.

If you have any questions, please feel free to contact me.

Sincerely,

**Matt Nelson**

KyMBER HEINZE  
3418 Rocaway Drive  
Hudsonville, MI 49426

PH: (517) 899-8999

November 24, 2025

City of Zeeland  
City Hall – 2nd Floor  
21 S. Elm Street  
Zeeland, MI 49464

To Whom It May Concern,

I am writing to provide a character and community recommendation for Joanna Udo.

Joanna is one of the most genuine, admirable, and reliable people in more ways than I can list. Whether she's crushing it at her job, pouring her heart into her nonprofit helping people find careers, coaching small business owners, or just showing up for her friends and family, she's always the steady, caring person you want in your corner.

If anyone is the perfect fit to own a business built around community, it's Joanna — she lives and breathes it every day and it shows in everything she does.

If you have any questions, please feel free to contact me.

Sincerely,  
KyMBER HEINZE

ERECORDING  
**2023-0004640**  
FILED & SEALED FOR RECORD IN  
OTTAWA COUNTY, MI  
JUSTIN F. ROEBUCK  
COUNTY CLERK/REGISTER OF DEEDS  
02/28/2023 AT 02:28 PM  
30.00

TAX STAMP affixed  
after recording  
Affidavit on file.

### WARRANTY DEED

The Grantor, Zafiris Investors, LLC, a Michigan limited liability company

Whose address is 321 Settlers Road, Holland, MI 49423

Conveys and Warrants to Northpoint Partners, LLC, a Michigan limited liability company

Whose address is 321 Settlers Road, Holland, MI 49423

The following property located in the City of Zeeland, County of Ottawa, State of Michigan:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Address: 111 E. Main Ave., Zeeland, MI 49464

Tax ID No.: 70-17-18-357-023

Real Estate Transfer Valuation Affidavit Filed

Subject to easements, reservations, restrictions and limitations of record, if any, and further subject to:

NONE

(Attached to and becoming a part of Warranty Deed dated February 28, 2023 between Zafiris Investors, LLC, a Michigan limited liability company, as Grantor and Northpoint Partners, LLC, a Michigan limited liability company, as Grantee.)

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Dated: February 28, 2023

Zafiris Investors, LLC, a Michigan limited liability company

BY: Alvin Dan Toelle  
Alvin Dan Toelle  
Member

State of MI  
County of Ottawa

I, Linda L. Hamelink, a Notary Public of the County and the State first written above, do hereby certify that Alvin Dan Toelle, Member of Zafiris Investors, LLC, a Michigan limited liability company, on behalf of the limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 28th day of February, 2023.

Name: \_\_\_\_\_  
Notary Public - State of \_\_\_\_\_ County \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
Acting in the County of \_\_\_\_\_

LINDA L. HAMELINK  
Notary Public, State of Michigan  
County of Allegan  
My Commission Expires June 13, 2023  
Acting in the County of Ottawa

(Seal)

Drafted by:  
Zafiris Investors, LLC, a Michigan limited liability company  
Alvin Dan Toelle  
321 Settlers Road  
Holland, MI 49423

Send tax bills to: Grantee  
County Transfer Tax-RETTVA filed  
State Transfer Tax-RETTVA filed

When recorded return to:  
Chicago Title of Michigan, Inc.  
625 Kenmoor Ave SE, Suite 108  
Grand Rapids, MI 49546  
File No. 701197760CML

*(Attached to and becoming a part of Warranty Deed dated February 28, 2023 between Zafiris Investors, LLC, a Michigan limited liability company, as Grantor and Northpoint Partners, LLC, a Michigan limited liability company, as Grantee.)*

**EXHIBIT "A"**  
Legal Description

**For APN/Parcel ID(s): 70-17-18-357-023**

Land Situated in the State of Michigan, County of Ottawa, City of Zeeland.

Part of Lot 7, Block 1, Keppel's Addition to the Village (now City) of Zeeland, according to the recorded plat thereof, as recorded in Liber 1 of Plats, Page 101, Ottawa County Records, and more particularly described as: A parcel of land commencing at a point 13 feet West from the Southeast corner of Lot 7, Block 1, Keppel's Addition to the Village (now City) of Zeeland; running thence North 137 feet; thence West 20 feet; thence South 137 feet to the South line of said Lot 7; thence East 20 feet to the place of beginning, EXCEPTING the North 12 feet thereof, now in use as a joint alley with others.

Ottawa County Treasurer Office 2/28/2023

The records in my office show no unpaid taxes or special assessments for the five years of 2021 and prior involving lands in this instrument. This does not include taxes owed as a result of Board of Review, PRE Denials or Tax Tribunal judgements.

Amanda Price, Treasurer KS

**MESSAGE TO TAXPAYER**

PAYMENTS ARE TO BE MADE AT THE TREASURER'S OFFICE /CITY HALL OR YOU MAY USE THE DROP BOX AT THE CHERRY ST ENTRANCE. AUTOMATIC DEBIT IS AVAILABLE. YOU MAY ALSO PAY BY CREDIT CARD FOR A 2.95% TRANSACTION FEE. FOR THOSE WHO QUALIFY, DEFERMENT TAX FORMS ARE AVAILABLE AT CITY HALL UNTIL SEPTEMBER 15, 2025.

**PAYMENT INFORMATION**

THIS TAX IS DUE BY 5 PM: 08/15/2025

PAYABLE BY MAIL TO: CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464

TO RECEIVE A RECEIPT: Send a self-addressed stamped envelope with entire bill.

**PROPERTY INFORMATION**

Property Assessed To:  
NORTHPOINT PARTNERS LLC  
51 E MAIN AVE  
ZEELAND, MI 49464

Prop #: 70-17-18-357-023                      ZEELAND PUBLIC S  
Prop Addr: 111 E MAIN AVE                      School: 70350

Legal Description:  
  
PART OF LOT 7, BLK 1 KEPPEL'S ADD COM 13 FT W OF SE COR LOT 7, BLK 1, TH N 125 FT, W 20 FT, S 125FT, TH E 20 FT TO BEG. KEPPEL'S ADD

**TAX DETAIL**

PRE/MBT %: 0.00                      Class: 201  
Taxable Value: 235,583                      COMMERCIAL-IMPR  
State Equalized Value: 251,400

Taxes are based upon Taxable Value.  
1 mill equals \$1.00 per \$1000 of Taxable Value.  
Amounts with no millage are either Special Assessments or other charges added to this bill.

DESCRIPTION	MILLAGE	AMOUNT
ZC OPERATING	11.13540	2,623.31
ZC AIRPORT AUTH	0.09930	23.39
ZEE SCH OPER	18.00000	4,240.49
ZEE SCH B&S	0.99310	233.95
ZEE SCH REC	0.49650	116.96
ZEE SCH DEBT	7.45000	1,755.09
OTTAWA ISD	6.31640	1,488.03
STATE EDUC TAX	6.00000	1,413.49
COUNTY OPER	3.90000	918.77
2023-1-SM	0.00000	207.00

**OPERATING FISCAL YEARS**

The taxes on bill will be used for governmental operations for the following fiscal year(s):

County Operating: 10/1 - 9/30  
Township/City: 07/01/2025 - 06/30/2026  
School District: 07/01/2025 - 06/30/2026  
State Operating: 10/01/2025 - 09/30/2026

PLEASE NOTE: The dates above do NOT affect the due date or the amount due as shown on this tax bill.

Total Tax	54.39070	13,020.48
Administration Fee		0.00
<b>TOTAL AMOUNT DUE</b>		<b>13,020.48</b>
PREV. PAYMENTS		13,020.48
<b>BALANCE DUE</b>		<b></b>

PLEASE DETACH ALONG PERFORATION. KEEP THE TOP PORTION FOR YOUR TAX RECORDS.

**MORTGAGE CODE:**

Pay this tax to:

CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464



PLEASE RETURN THIS PORTION WITH PAYMENT. THANK YOU!

THIS TAX IS DUE BY 5:00 PM ON: 08/15/2025

After 08/15/2025 Interest & penalties apply

2025 SUMMER TAX BILL FOR PROP #: 70-17-18-357-023

Make Check(s) Payable To: CITY OF ZEELAND

TAXPAYER NOTE: Is your name & mailing address correct? If not, please make corrections below. Thank You.

Amount Remitted: \_\_\_\_\_

**TOTAL AMOUNT DUE: \$ 0.00**

To: NORTHPOINT PARTNERS LLC  
51 E MAIN AVE  
ZEELAND MI 49464

CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464

Property Addr: 111 E MAIN AVE

**MESSAGE TO TAXPAYER**

PAYMENTS ARE TO BE MADE AT THE TREASURER'S OFFICE /CITY HALL OR YOU MAY USE THE DROP BOX AT THE CHERRY ST ENTRANCE. AUTOMATIC DEBIT IS AVAILABLE. YOU MAY ALSO PAY BY CREDIT CARD FOR A 2.95% TRANSACTION FEE. FOR THOSE WHO QUALIFY, DEFERMENT TAX FORMS ARE AVAILABLE AT CITY HALL UNTIL SEPTEMBER 15, 2025.

**PAYMENT INFORMATION**

THIS TAX IS DUE BY 5 PM: 08/15/2025

PAYABLE BY MAIL TO: CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464

TO RECEIVE A RECEIPT: Send a self-addressed stamped envelope with entire bill.

**PROPERTY INFORMATION**

Property Assessed To:  
LA CREME  
111 E MAIN AVE  
ZEELAND, MI 49464

Prop #: 70-50-79-212-010                      ZEELAND PUBLIC  
Prop Addr: 111 E MAIN AVE                      School: 70350

MICH BUS TAX COMM PERSONAL EXEMPTION

Legal Description:

**TAX DETAIL**

PRE/MBT %: 100.00                      Class: 251  
Taxable Value: 0                              COMMERCIAL PERS  
State Equalized Value: 0

Taxes are based upon Taxable Value.  
1 mill equals \$1.00 per \$1000 of Taxable Value.  
Amounts with no millage are either Special Assessments or other charges added to this bill.

DESCRIPTION	MILLAGE	AMOUNT
ZEE SCH OPER	6.00000	EXEMPT
Total Tax	6.00000	0.00
Administration Fee		0.00
<b>TOTAL AMOUNT DUE</b>		<b>0.00</b>
PREV. PAYMENTS		
BALANCE DUE		

**OPERATING FISCAL YEARS**

The taxes on bill will be used for governmental operations for the following fiscal year(s):

County Operating: 10/1 - 9/30  
Township/City: 07/01/2025 - 06/30/2026  
School District: 07/01/2025 - 06/30/2026  
State Operating: 10/01/2025 - 09/30/2026

PLEASE NOTE: The dates above do NOT affect the due date or the amount due as shown on this tax bill.

PLEASE DETACH ALONG PERFORATION. KEEP THE TOP PORTION FOR YOUR TAX RECORDS.

**MORTGAGE CODE:**

Pay this tax to:

CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464



PLEASE RETURN THIS PORTION WITH PAYMENT. THANK YOU!

THIS TAX IS DUE BY 5:00 PM ON: 08/15/2025  
After 08/15/2025 Interest & penalties apply

2025 SUMMER TAX BILL FOR PROP #: 70-50-79-212-010

Make Check(s) Payable To: CITY OF ZEELAND  
TAXPAYER NOTE: Is your name & mailing address correct?  
If not, please make corrections below. Thank You.

Amount Remitted: \_\_\_\_\_  
**TOTAL AMOUNT DUE: \$ 0.00**

To: LA CREME  
111 E MAIN AVE  
ZEELAND MI 49464

CITY OF ZEELAND  
21 S. ELM STREET  
ZEELAND, MI 49464

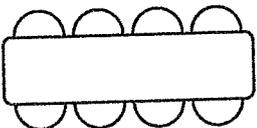
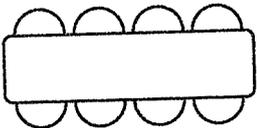
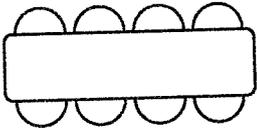
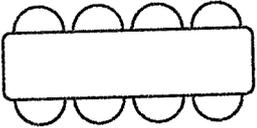
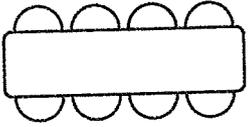
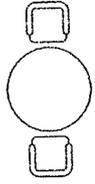
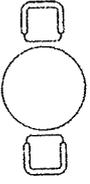
Property Addr: 111 E MAIN AVE

Alcohol prepared here  
no consumption

# Kitchen

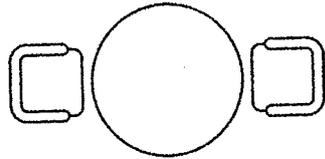
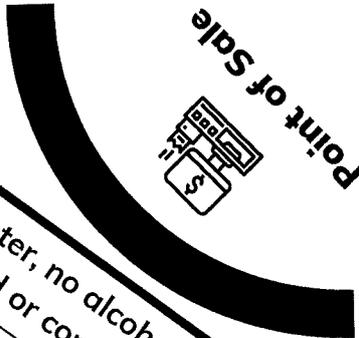


Dining area - alcohol  
served and consumed



Dining area - alcohol  
served and consumed

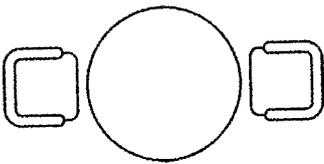
Counter, no alcohol  
prepared or consumed



Dining area - alcohol  
served and consumed

Entrance

Dining area - alcohol  
served and consumed

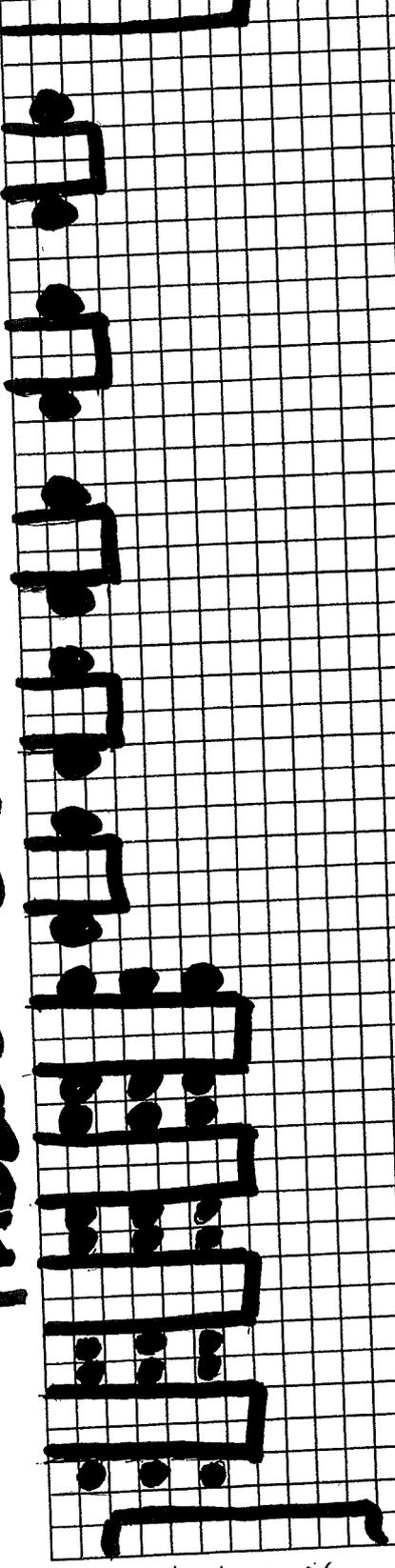


FURNACE

BACK ENTRANCE

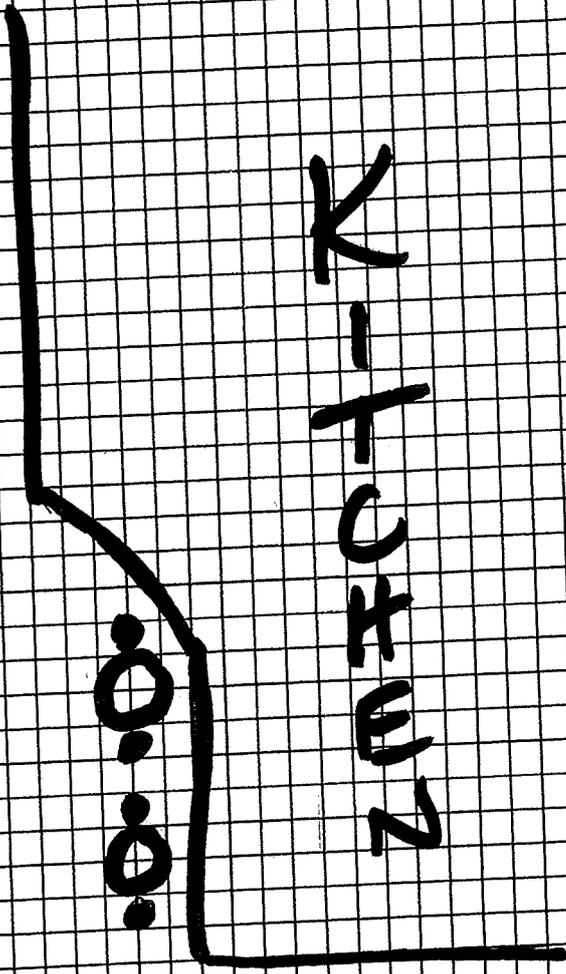
BATH ROOM

TABLES + CHAIRS

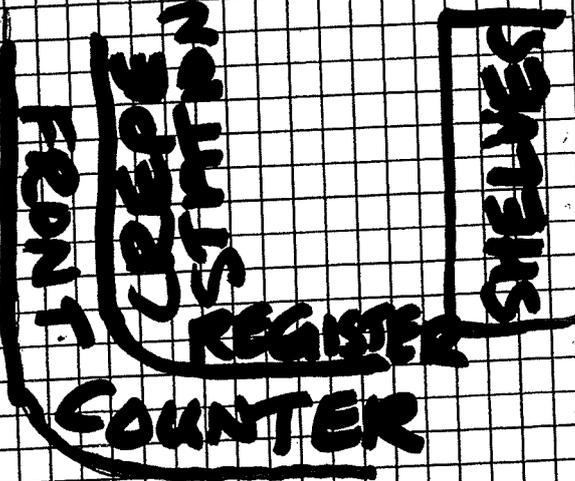


WINDOW BAR W/ STOOLS

FRONT ENTRANCE



KITCHEN



FRONT COUNTER

REGISTER

SHelves

WINDOW BAR W/ STOOLS

**Expires: 04/30/2026**

Issued To: LA CREME  
111 E MAIN AVE  
ZEELAND MI 49464-1735

Responsible Party and Address:

MANDU ESCAPES LLC  
1971 E BELTLINE AVE NE STE 106-715  
GRAND RAPIDS MI 49525-7045

**State of Michigan**  
Department of Agriculture &  
Rural Development  
Bureau of Food Safety and  
Animal Health

**SFE-4170-363446**

**FOOD SERVICE - FIXED  
ESTABLISHMENT**

Display for Public View



Dr. Tim Boring  
Director

Issued by the Michigan Department of Agriculture and Rural Development to operate a Food Service Establishment in accordance with provisions of Act 92, P.A. of 2009, as amended.

This license is not transferable.

Failure to post in a conspicuous place is a misdemeanor. (See Section 4119)

Notify the Local Health Department before a change of ownership. (See Section 4123)

Direct Inquiries to the Ottawa County Department Of Public Health

**Expires: 04/30/2026**

Issued To: LA CREME  
111 E MAIN AVE  
ZEELAND MI 49464-1735

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Michigan Department of Agriculture  
and Rural Development  
Bureau of Food Safety and Animal Health

**Food Service License New Application**

License Application must be completed in accordance with provisions of the Michigan Food Law, Public Act 92 of 2000, as amended.

LICENSING PERIOD DATES -- JANUARY 16, 2025 TO APRIL 30, 2026

**SECTION A: ORGANIZATION DETAILS**

Organization/Owner Name (Name of LLC, Corporation, Individual Owner, etc.)

Mandu Escapes LLC

Business Email

[Redacted]

Business Phone Number (###)###-####

[Redacted]

Mailing Address

1971 E Beltline Ave NE - STE 106-715

City

Grand Rapids

State

MI

Zip

49525

**SECTION B: LICENSE DETAILS**

License Type (Select One)

- Food Service - Fixed Establishment  Food Service - Mobile Establishment  
 Food Service - Mobile Commissary  Food Service - Special Transitory Food Unit

Location Name (Enter the Business or Establishment Name, Include the Store Number if Applicable)

La Creme La Creme

Location Street Address

111 E Main Ave

Location City

Zeeland

Location State Location Zip

MI

49465

Location Phone Number (###)###-####

Seasonal License

- Yes  No

**MOBILE ESTABLISHMENT INFORMATION**

Business Name on Vehicle

VIN Number

Vehicle Make

License Plate No. & State

Commissary/Related License Number

**SECTION C: PAYMENT INFORMATION**

Mail Application and Make Checks Payable to:

Total Fee Due

\$ 730

**SECTION D: AUTHORIZED AGENT INFORMATION**

Authorized by the Owner to Manage the License  
Enter the Name and Information of the Owner or Agent

Contact Name

Joanna Udo

Phone Number (###)###-####

[Redacted]

Email

[Redacted]

Title

Co-owner

Signature of Authorized Agent

I Certify That This Information Is Accurate

X

[Signature]

Date (MM/DD/YYYY)

09/30/2025

**INTERNAL USE ONLY**

This Area for Local Health Department Use  
Amount Received

\$730

Date Received (MM/DD/YYYY)

09/30/2025

Check/Transaction/Receipt No.

[Redacted]

Decal Number

LHD County and Number

[Redacted]

Exemptions

- State  Local  Veteran

Signature of Health Department Representative

X [Signature]

Date (MM/DD/YYYY)

10/29/2025



A 360TRAINING COMPANY

### CERTIFICATE OF COMPLETION

This certifies that

Joanna Udo

is awarded this certificate for

**TIPS Michigan On-Premise Alcohol Server Training**

Hours  
3.00

Completion Date  
11/23/2025

Expiration Date  
11/22/2028

Date of Birth  
[REDACTED]

Certificate #  
MI-ON-000040108225

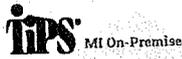
Official Signature

THIS CERTIFICATE IS NON-TRANSFERABLE

8504 Bridge Point Parkway, Suite 100 | Austin, TX 78730 | [www.360training.com](http://www.360training.com)

(CUT HERE)

(CUT HERE)



**CERTIFIED**

Issued: 11/23/2025  
Certificate #: MI-ON-000040108225

Expires: 11/22/2028  
D.O.B.: 10/06/1990

Joanna Udo  
7675 Belmont Ave NE  
Belmont MI 49306



Phone: 800-438-8477  
[www.gettips.com](http://www.gettips.com)

This card was issued for successful completion of the TIPS program.

Signature \_\_\_\_\_



27399897



STATE OF MICHIGAN  
CSCL/CD- 700 - ARTICLES OF ORGANIZATION -  
DOMESTIC LLC

Corporations Division Administrator

**FILED**Entity #: 900080515  
Filed Date: 8/18/2025

## Articles of Organization

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Article I - Michigan Limited Liability Company Name  
Michigan Limited Liability Company Name

MANDU ESCAPES LLC

## Article II

The purpose or purposes for which the limited liability company is formed is to engage in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan.

## Article III

Duration of the Company

Perpetual / Ongoing

## Article IV

**The name of the resident agent at the registered office is:**

Agent Name

JOANNA UDO

**The street address of the location of the registered office is:**

Street Address

1971 E BELTLINE AVE NE  
STE 106-715  
GRAND RAPIDS, MI 49525-7045

I certify the above individual/company has agreed to serve as the Resident Agent for service of process for this entity.

## Article V

The Limited Liability Company will be managed by or under the authority of: Member(s)

## Article VI - (Optional, leave unchecked if not applicable)

- Unless otherwise provided by law or in an operating agreement, a person who is a member or manager, or both, of a limited liability company is not liable for the acts, debts, or obligations of the limited liability company.
- No member of a member-managed limited liability company and no manager of a manager-managed limited liability company shall have monetary liability to the limited liability company or its members for breach of any duty established in Section 404, except that this provision does not eliminate or limit the liability of a member or manager for any of the following: (a) the receipt of a financial benefit to which the member or manager is not entitled; (b) liability under Section 308; (c) a knowing violation of law; or, (d) an act or omission occurring before the date when this provision becomes effective.

## Optional Article(s)

This space is intentionally left blank.

## Filing Effective Date

The filing will be effective:

when filed by the Corporations Division Administrator.

## Organizer(s)

Name of individual or organization	Party Title
JOANNA UDO	Organizer

Self

Signer's Capacity

Joanna Udo

JOANNA UDO

08/17/2025

Date

**THE OPERATING AGREEMENT  
FOR  
MANDU ESCAPES LLC.**

A Michigan Limited Liability Company

THIS OPERATING AGREEMENT (the "*Agreement*") is made effective as of the 18<sup>th</sup> day of August 2025, by and among Mandu Escapes LLC, a Michigan limited liability company (the "*Company*"), and Joanna Udo, and John Becker, who shall hereafter collectively be referred to as "*Members*" and singularly as "*Member*."

**ARTICLE I**  
**ORGANIZATION**

1.1 Formation. The Company has been organized as a Michigan Limited Liability Company under and pursuant to the Michigan Limited Liability Company Act, being MCL §450.4101 et seq. (the "*Act*") by the filing of Articles of Organization ("*Articles*") with the Department of Labor and Economic Growth, Bureau of Commercial Services, Corporations Division of the State of Michigan as required by the Act.

1.2 Name. The name of the Mandu Escapes LLC. The Company may also conduct its business under one or more assumed names upon which the Members agree. If the Company does business under a name other than set forth in the Articles, the Company must file an assumed name certificate as required by law.

1.3 Purposes. The purpose of the Company shall be to operate a restaurant, bakery, café or any other similar ventures, as well as to engage in any other business activity permitted by the Act and approved by the Member of the Company. The Company shall have all the powers necessary or convenient to effect any purpose for which it is formed, including all powers granted by the Act.

1.4 Duration. The Company shall continue in existence for the period fixed in the Articles for the duration of the Company or until the Company shall be sooner dissolved and its affairs wound up in accordance with the Act or this Agreement.

1.5 Registered Office and Resident Agent. The Registered Office and Resident Agent of the Company shall be as designated in the initial Articles or any amendment thereof. The Registered Office and/or Resident Agent may be changed from time to time. Any such change shall be made in accordance with the Act. If the Resident Agent shall resign, the Company shall promptly appoint a successor.

## **ARTICLE II** **DEFINITIONS**

2.1 Definitions. The following definitions shall be used throughout this Agreement:

(a) "*Adjusted Capital Account Deficit*" means, with respect to any Member, the deficit balance, if any, in the Member's Capital Account as of the end of the relevant taxable year, after giving effect to the following adjustments:

(i) The deficit shall be decreased by the amounts that the Member is obligated to restore pursuant to Regulation Section 1.704-1(b)(2)(ii)(c); and

(ii) The deficit shall be increased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5), and (6).

(b) "*AFR*" means the corresponding Applicable Federal Rate defined in Code Section 1274(d) in effect on the date of closing or the date an obligation is signed.

(c) "*Assignee*" means a person/entity to whom/which an Interest in the Company has been transferred but who/which has not been admitted as a substitute Member.

(d) "*Capital Account*" means the amount to be maintained by the Company for each Member in accordance with Article 3.5 of this Agreement.

(e) "*Capital Commitment*" means the total capital contribution which the Member agrees to make to the Company.

(f) "*Capital Contribution*" means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities assumed, or to which the assets are subject.

(g) "*Code*" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

(h) "*Departing Member*" shall mean any Member who is required to sell his or her Interest in the Company pursuant to the terms of this Agreement, or who has agreed to sell his or her Interest in the Company pursuant to the terms of this Agreement, as well as any duly authorized legal representative of such an individual, including, but not limited to, a personal representative, administrator, trustee, power of attorney, etc.

(i) "*Disabled*" shall mean, with respect to a Member, when the Member's personal physician (who shall be a medical doctor licensed in the state where the Member resides) determines that, by reason of physical or mental illness or impairment, the Member is unable to perform the Member's usual duties with the Company for at least forty (40) hours each week. Each Member hereby grants the Company the right to have a physician

engaged by the Company consult with the Member's physician for purposes of making such determination and waives any claim of privacy as to the Member's medical records for such purpose. A Member shall continue to be deemed disabled until the Member's physician, and the physician engaged by the Company, if applicable, shall otherwise certify in writing. If there is any difference of opinion between the two physicians, the opinion of the physician engaged by the Company shall control.

(j) "*Initial Capital Contribution*" means the amount of capital the Member contributes to the Company upon signing this Agreement.

(k) "*Interest in the Company*" means any Membership Interest, as well as any interest in the Company held by a non Member.

(l) "*Member*" means each person, entity, or trust signing this Agreement and any person, entity, or trust which subsequently is admitted as a member of the Company.

(m) "*Member Loan Non-Recourse Deductions*" means any Company deductions that would be Non-Recourse Deductions if they were not attributable to a loan made or guaranteed by a Member within the meaning of Regulation Section 1.704-2(i).

(n) "*Membership Interest*" means the rights of a Member under this Agreement.

(o) "*Minimum Gain*" has the meaning set forth in Regulation Section 1.704-2(d). Minimum Gain shall be computed separately for each Member in a manner consistent with the Regulations under Code Section 704(b).

(p) "*Non-Recourse Deductions*" has the meaning set forth in Regulation Section 1.704-2(b)(i). The amount of Non-Recourse Deductions for a taxable year of the Company equals the net increase, if any, in the amount of Minimum Gain during the taxable year, determined according to the provisions of Regulation Section 1.704-2(i).

(q) "*Non-Recourse Liability*" means any liability of the Company with respect to which no Member has personal liability determined in accordance with Code Section 752 and the Regulations promulgated thereunder.

(r) "*Regulations*" means the federal income tax regulations promulgated under the Code, including any temporary regulations, as in effect from time to time.

(s) "*Remaining Member*" shall be any Member other than a Departing Member.

(t) "*Sharing Ratio*" means the proportion that a Member's capital contribution is to the aggregate capital contributions of all Members.

**ARTICLE III**  
**BOOKS, RECORDS, AND ACCOUNTING**

3.1 **Books and Records.** The Company shall maintain complete and accurate books and records of the Company's business and affairs as required by the Act and such books and records shall be kept at the Company's Registered Office.

3.2 **Fiscal Year; Accounting.** The Company's fiscal year shall be the calendar year. The particular accounting methods and principles to be followed by the Company shall be selected by the Members from time to time.

3.3 **Reports.** The Company shall provide reports concerning the financial condition and results of operation of the Company and the Capital Accounts of the Members to the Members in the time, manner and form as the Members determine. Such reports shall be provided at least annually as soon as practicable after the end of each calendar year and shall include a statement of each Member's share of profits and other items of income, gain, loss, deduction, and credit.

3.4 **Signatures.** All signatures of Members on behalf of the Company should be shown as being in a "*representative capacity*." For example:

Mandu Escapes LLC

By: \_\_\_\_\_  
Joanna Udo  
Its: Member

Similar signatures should be used when other Members of the Company sign on behalf of the Company in a representative capacity. The use of this format should be utilized in all activities on behalf of the Company, including the writing of checks, signing of contracts, etc.

3.5 **Maintenance of Capital Accounts.** The Company shall establish and maintain Capital Accounts for each Member and Assignee in accordance with Regulations issued under Code Section 704(b). Each Member's Capital Account shall be increased by (1) the amount of any money actually contributed by the Member to the Company, (2) the fair market value of any property contributed by the Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Code Section 752), and (3) allocations to the Member of Company income and gain (or items thereof) as adjusted pursuant to the Code and the Regulations thereunder. Each Member's Capital Account shall be decreased by (1) the amount of money distributed to the Member by the Company, (2) the fair market value of any property distributed to the Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Code Section 752), (3) allocations to the Member of expenditures of the Company described in Code Section 705(a)(2)(B), and (4) allocations of Company loss and deduction (or item thereof) as adjusted pursuant to the Code and the Regulations thereunder.

3.6 Drawing Accounts. An individual drawing account shall be maintained for each Member. All withdrawals by a Member shall be charged to his drawing account. Each Member's share of any net losses shall be charged to his Capital Account. Each Member's share of the Company's profits shall be credited to his drawing account. The Members may determine by a majority vote to transfer to capital all or any portion of the credit balances in the drawing accounts of the Members. Any amounts transferred shall be in the proportions of the Members' Sharing Ratios.

A credit balance in a Member's drawing account shall constitute a liability of the Company to the Member; it shall not constitute a part of that Member's interest in the capital of the Company. A debit balance in a Member's drawing account, occasioned by drawings in excess of his share of the Company's profits, shall constitute an obligation of that Member to the Company; it shall not reduce his interest in the capital of the Company.

**ARTICLE IV**  
**CAPITAL CONTRIBUTIONS**

4.1 Initial Commitments and Contributions. By the execution of this Operating Agreement, the initial Members hereby agree to make the Capital Contributions set forth below in order to receive the "Sharing Ratio" indicated:

Member	Capital Commitment	Initial Capital Contribution	Sharing Ratio
Joanna Udo	██████████	██████████	50%
John Becker	██████████	██████████	50%

4.2 Additional Contributions. After the Initial Capital Contributions shall have been made, the Members may determine from time to time that additional Capital Contributions are needed equally from each Member to enable the Company to conduct its business and affairs. Upon such a determination by the Members, a written request for additional capital shall be given to all Members at least ten (10) business days prior to the date on which such additional contributions are due. Such notice shall describe in reasonable detail, (i) the purposes and uses of such additional capital, (ii) the total amount of additional capital required, (iii) each Member's proportionate share of the total additional Capital Contribution, and (iv) the date by which payment of the additional capital is required. Each Member shall be obligated to make additional capital contributions to the extent of that Member's unfulfilled Commitment.

4.3 Failure to Meet Capital Commitment. If any Member fails to make contributions up to the amount of the Member's Capital Commitment, or as otherwise required by this Agreement,

the Company shall have any and all remedies permitted by the Act and this Agreement, as amended from time to time. The Company shall determine what remedy shall be elected from the Act or the following list:

- (a) Reducing the defaulting Member's Interest in the Company;
- (b) Encumbering the defaulting Member's Interest in the Company so that the Members making the additional contributions will receive priority distributions of cash or property from the Company, accumulating at a rate of ten percent (10%) APR, for such additional contributions, prior to the defaulting Member receiving any distribution;
- (c) Forfeiture of the defaulting Member's Interest in the Company;
- (d) A loan by the non-defaulting Members of the amount necessary to meet the commitment. Any loan made pursuant to this provision shall be payable by the defaulting Member upon demand, with interest accruing thereon at the greater of ten percent (10%) APR or the AFR in effect January 1 of each year, for short-term contracts, until paid, all of which shall be secured by such defaulting Member's Interest in the Company. Each Member who may hereafter default does hereby grant to each Member who may hereafter grant such an extension of credit, a security interest in the defaulting Member's Interest in the Company; or
- (e) A determination of the value of the Member's Interest in the Company by appraisal or by formula and redemption and sale of the defaulting Member's Interest in the Company at that value, minus the cost of the appraisal or evaluation and any additional costs incurred by the Company to redeem the defaulting Member's Interest in the Company, including, but not limited to, actual attorney fees and costs.

A majority of the Members may also elect to allow any of the non defaulting Members to contribute the amount of such required capital according to their respective Sharing Ratios or as they shall otherwise agree. Upon making such a contribution the Sharing Ratios of the Members who contributed the additional capital shall be adjusted, forever terminating the defaulting Member's right to make that contribution.

4.4 No Interest on Capital Contributions. Members shall not be paid interest on their Capital Contributions.

4.5 Return of Capital Contributions. Except as otherwise provided in this Agreement, no Member shall have the right to receive the return of any Capital Contribution.

4.6 Loans. Any Member may, at any time, make or cause a loan to be made to the Company in any amount and on those terms upon which the Company and the Member agree. If a Member makes any loans to the Company, or advances money on its behalf, the amount of such loan or advance shall not be treated as a contribution to the capital of the Company but shall be a debt due from the Company. Any such loan or advance shall be repayable out of the Company's cash and

shall bear interest at a rate not less than the AFR. No Member shall be obligated pursuant to this Agreement to make any loan or advance to the Company.

## **ARTICLE V** **ALLOCATIONS AND DISTRIBUTIONS**

5.1 Allocations. Except as may be required by the Code or this Agreement, net profits, net losses, and other items of income, gain, loss, deduction, and credit of the Company shall be allocated among the Members and Assignees in accordance with their respective Sharing Ratios.

5.2 Distributions. The Company may make distributions to the Members and Assignees at the discretion of the Members from time to time. Distributions may be made only after the Company has sufficient cash on hand which exceeds the current and the anticipated needs of the Company to fulfill its business purposes (including, needs for operating expenses, debt service, acquisitions, reserves, and mandatory distributions, if any). To the extent such excess exists, the Company may make distributions to the Members in the following order and priority:

(a) First, to the extent permitted by Michigan law, to each Member which is equal to no less than the minimum estimated tax liability (as determined by the CPA for the Company) of the Member resulting from the Member's allocation of income from the Company, but which is also proportionate among the Members based upon the Membership Interests owned by each Member. Such annual tax distributions must be made on or before March 31 of the year immediately following the year for which there is a tax liability. No Distribution to any Members may be made pursuant to this Article 5.2(a) unless an equal distribution per Membership Interest is made to all other Members, even though such amount may exceed the estimated tax liability of such other Members, it being the intention of the Members that all distributions be made on a per Membership Interest basis.

(b) Second, to the Members who made cash contributions to the Initial Capital Contributions under Article 4.1, if any, in proportion to their respective cash contributions to the Initial Capital Contributions, until the Initial Capital Contributions in cash under Article 4.1 have been reduced to zero.

(c) Third, to the Members according to their respective Sharing Ratios.

Such distributions must be in cash or property (which need not be distributed proportionately) or partly in both, as determined by the Members in good faith. All interim distributions which, when made, exceed the recipient Member's basis in that Member's Membership Interest will be considered advances or drawings against the Member's distributive share of net income. To the extent it is determined at the end of the taxable year of the Company that the recipient Member has not been allocated net income that equals or exceeds the total of such advances or drawings for such year, the recipient Member will be obligated to restore any such advances or drawings to the Company. However, the Member will not be required to restore such advances or drawings to the extent that, on the last day of the taxable year, the recipient Member's

basis in the Member's Interest in the Company has increased from the time of such advance or drawing.

5.3 Limitations on Distributions. No distribution shall be declared or made if, after giving it effect, the Company would not be able to pay its debts as they become due in the usual course of business or the Company's total assets would be less than the sum of its total liabilities plus, the amount that would be needed if the Company were to be dissolved at the time of the distribution, to satisfy the preferential rights of other Members upon dissolution that are superior to the rights of the Members and Assignees receiving the distribution.

5.4 Mandatory Distributions. To the extent permitted by law, the Company shall make an annual distribution to each Member which is equal to no less than the minimum estimated tax liability (as determined by the CPA for the Company) of the Member resulting from the Member's allocation of income from the Company, but which is also proportionate among the Members based upon the Membership Interests owned by each Member. Such annual tax distributions shall be made on or before March 31 of the year immediately following the year for which there is a tax liability. No Distribution to any Members shall be made pursuant to this Paragraph 5.4 unless an equal distribution per Membership Interest is made to all other Members, even though such amount may exceed the estimated tax liability of such other Members, it being the intention of the Members that all distributions be made on a per Membership Interest basis.

5.5 Regulatory Allocations.

(a) Qualified Income Offset. No Member shall be allocated losses or deductions if the allocation causes a Member to have an Adjusted Capital Account Deficit. If a Member unexpectedly receives (1) an allocation of loss or deduction (or item thereof) or (2) any distribution, which causes the Member to have an Adjusted Capital Account Deficit at the end of any taxable year, then all items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain) for that taxable year shall be allocated to that Member, before any other allocation is made of Company items for that taxable year, in the amount and in proportions required to eliminate the excess as quickly as possible. This Paragraph 5.4(a) is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

(b) Minimum Gain Chargeback. Except as set forth in Regulation Section 1.704-2(f)(2), (3), and (4), if, during any taxable year, there is a net decrease in Minimum Gain, each Member prior to any other allocation pursuant to this Article V, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, subsequent taxable years) in an amount equal to that Member's share of the net decrease of Minimum Gain, computed in accordance with Regulation Section 1.704-2(g). Allocations of gross income and gain pursuant to this Paragraph 5.4(b) shall be made first from gain recognized from the disposition of Company assets subject to non-recourse liabilities (within the meaning of the Regulations promulgated under Code Section 752), to the extent of the Minimum Gain attributable to those assets, and thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties

hereto that any allocation pursuant to this Paragraph 5.4(b) shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

(c) Contributed Property and Book-Ups. In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution). If the adjusted book value of any Company asset is adjusted as provided herein, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner required under Code Section 704(c) and the Regulations thereunder.

(d) Code Section 754 Adjustment. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining capital accounts, the amount of the adjustment to the capital accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases basis), and the gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their capital accounts are required to be adjusted pursuant to that Section of the Regulations.

(e) Non-Recourse Deductions. Non-Recourse Deductions for a taxable year or other period shall be specially allocated among the Members in proportion to their Sharing Ratios.

(f) Member Loan Non-Recourse Deductions. Any Member Loan Non-Recourse Deduction for any taxable year or other period shall be specially allocated to the Member who bears the risk of loss with respect to the loan to which the Member Loan Non-Recourse Deduction is attributable in accordance with Regulation Section 1.704-2(b).

(g) Guaranteed Payments. To the extent any compensation paid to any Member by the Company, including any fees payable to any Member for personal services performed for the Company solely by virtue of being a Member is determined by the Internal Revenue Service not to be a guaranteed payment under Code Section 707(c) or is not paid to the Member other than in such capacity as a Member within the meaning of Code Section 707(a), the Member shall be specially allocated gross income of the Company in an amount equal to the amount of that compensation, and the Member's Capital Account shall be adjusted to reflect the payment of that compensation.

(h) Unrealized Receivables. If a Member's Interest in the Company is reduced (provided the reduction does not result in a complete termination of the Member's Interest in the Company), the Member's share of the Company's "unrealized receivables" and "inventory" (within the meaning of Code Section 751) shall not be reduced, so that, notwithstanding any other provision of this Agreement to the contrary, that portion of the

profits otherwise allocable upon a liquidation or dissolution of the Company pursuant to Article XII hereof that is taxable as ordinary income (recaptured) for federal income tax purposes shall, to the extent possible without increasing the total gain to the Company or to any Member, be specially allocated among the Members in proportion to the deductions (or basis reductions treated as deductions) giving rise to such recapture. Any questions as to the aforesaid allocation of ordinary income (recapture), to the extent such questions cannot be resolved in the manner specified above, shall be resolved by the Company's Certified Public Accountants, and such decision shall be final and binding.

(i) Withholding. All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Members for all purposes under this Agreement.

## **ARTICLE VI** **DISPOSITION OF INTERESTS IN COMPANY**

6.1 General. Except as expressly permitted in this Article VI, no Member may assign, hypothecate, pledge, encumber, sell or otherwise dispose of all or any part of his Interest in the Company. No Interest in the Company shall be disposed of if the disposition would cause a termination of the Company under the Code including, but not limited to, Code Section 708; without compliance with any and all state and federal securities laws and regulations; and unless the assignee of the Interest in the Company provides the Company with the information and agreements that the Company may require in connection with such disposition. Any attempted disposition of an Interest in the Company in violation of this Article shall be void and without effect.

6.2 Admission of Substitute Members. An assignee of an Interest in the Company shall be admitted as a substitute Member and shall be entitled to all the rights and powers of the assignor only if the Members unanimously consent in writing. A substitute Member shall have, to the extent assigned, all of the rights and powers, and is subject to all of the restrictions and liabilities of a Member.

6.3 Admission of Additional Members. The Members may, with unanimous written consent, admit to the Company additional Members who will participate in the profits, losses, available cash flow and ownership of the assets of the Company on such terms as are determined by all of the Members. Admission of additional Members may result in a dilution of the Membership Interests of existing Members.

6.4 Withdrawal of Member. A Member may not voluntarily withdraw from the Company without the written consent of all the other Members. In the event all Members consent to the withdrawal of a Member, the withdrawing Member shall be entitled only to a return of the capital paid into the Company by him, plus any credit balance in his drawing account, plus the repayment of all loans made by him to the Company, reduced by any debit balance in his drawing account and any amount loaned to him by the Company. One-half of the amount due the withdrawing Member shall be paid in cash not later than 180 days after he shall have given written notice of his intent to

withdraw, and the balance shall be paid one year from the date of such notice. No interest shall be paid.

6.5 Assignability of Interest in the Company. Each Member shall have the right to sell or assign all or any part of his Interest in the Company, but may not designate his assignee as a substitute Member; provided, however, that in the event any said Member desires to sell, assign, or otherwise dispose of all or any part of his Interest in the Company as a Member, the Remaining Members, collectively, shall have the right to purchase the Interest in the Company which said Member makes available for disposition on the terms outlined in Paragraph 6.7 below.

Notice in writing of intention to accept such an offer, and a copy of said proposed offer, shall be delivered to each Member at his last known address by certified mail for delivery to addressee only. Notice shall be deemed delivered at the time of such mailing. Such right of first refusal shall be deemed exercised by mailing a collective exercise of said right of first refusal to the Member desiring to sell. Said notice shall be mailed by certified mail for delivery to addressee only and shall be posted within thirty (30) days of the postmark of the notice received from the Member desiring to sell. Notice of exercise shall be deemed to have been delivered at the time of such mailing. The Members exercising such right of first refusal shall have an additional period of sixty (60) days from said exercise within which to close their purchase.

Each Member shall have the right to purchase his proportionate share as between himself and the other Members desiring to exercise the collective right to purchase said selling Member's Interest in the Company. The entire Interest in the Company which the selling Member shall have offered for sale must be purchased by the Members exercising said right of first refusal or the selling Member shall be free to accept said bona fide offer and to sell and assign his Interest in the Company pursuant to said offer. If the selling Member shall have offered less than his entire Interest in the Company for sale, nothing herein shall be deemed to require the Remaining Members to purchase more than the share of the Interest in the Company which the selling Member shall have offered for sale.

6.6 Assignments to Trusts. A Member or Assignee may assign his Interest in the Company to living trusts created by the Member or Assignee, without the consent of the other Members; provided, however, that the only trustee authorized to vote a Membership Interest shall be the Member who created the trust (hereafter the "Grantor"), or a successor trustee after the Grantor dies or becomes disabled (as defined in this Agreement). For the purposes of this Agreement, upon the death or disability of the Grantor, the trustee shall have the same obligations to sell his Interest in the Company as the estate of the Grantor would have if it owned the Interest in the Company, and the other Members or the Company, as the case may be, shall have the same obligations to purchase the Interest in the Company as they would have if the Grantor, and not the trust, owned the interest in the Company.

6.7 Transfers by Operation of Law. If an Interest in the Company shall be transferred to any person other than a current Member or the Company by operation of law, other than by reason of the death or incompetency of a Member (such as, but not limited to, a Member's trustee in bankruptcy), the Company may, within one-hundred twenty (120) days of an actual notice of transfer, exercise an option to purchase all but not less than all of the Interest in the Company so

transferred at the price and upon the terms hereinafter provided. If the Company wishes to exercise its option, it shall do so by notifying the Assignee, in writing, of its intention within sixty (60) days of the date of actual notice of the transfer.

The price to be paid by the Company for the Interest in the Company transferred to any person other than a current Member or the Company by operation of law shall be the amount of the Departing Member's then current Capital Account. The price to be paid by the Company upon the exercise of its option shall be evidenced by a promissory note, payable in equal annual installments commencing one year from the date of the note, with the last installment to be made ten (10) years from the date of the note. Interest shall accrue on the unpaid principal balance of the note at **five percent (5%)**. If such contributions shall be One Thousand and 00/100 (\$1,000.00) Dollars, or less, the payment shall be in cash. Upon delivery of the promissory note, or cash, as the case may be, the Interest in the Company so purchased shall be transferred to the Company by documentation prepared and executed in a manner acceptable to legal counsel for the Company.

6.8 Death or Disability of a Member. Upon the death or disability (as defined above) of any Member, the Remaining Member(s) shall purchase all, and not less than all, of the Interest in the Company of the Departing Member for the Purchase Price and upon the terms and conditions hereinafter set forth. Unless the Remaining Members shall agree otherwise, each Remaining Member shall purchase his or her proportionate share as between himself or herself and the other Members purchasing the Departing Member's Interest in the Company.

(a) Purchase Price. The Purchase Price for the Interest in the Company shall be the fair market value ("*FMV*") of said Interest determined on a "controlling interest basis" (i.e., as if the buyer is purchasing a majority Interest in the Company. The valuation date shall be the last day of the month preceding the date of the death or disability (the "Membership Interest Transfer Event"). *FMV* shall be defined as the price which the Interest in the Company would change hands between a willing buyer and a willing seller, when the buyer is not under any compulsion to buy and the seller is not under any compulsion to sell, both having reasonable knowledge of the relevant facts. The *FMV* shall be determined by a mutually acceptable third party (the "Valuation Expert"). If the parties cannot agree upon a Valuation Expert within sixty (60) days of the Membership Interest Transfer Event, each party shall select one Certified Public Accountant prior to the expiration of the sixty (60) day period, and notify the other party of their selection. The Certified Public Accountants working together shall select the Valuation Expert within fourteen (14) days of their appointment. The determination of the *FMV* of the Interest in the Company made by the Valuation Expert shall be made within forty five (45) days of the appointment of the Valuation Expert and shall be binding on the parties. If only one party selects a Certified Public Accountant pursuant to this paragraph, and properly notifies the party of his or her selection, only said Certified Public Accountant shall select the Valuation Expert.

(b) Payment of Purchase Price. The insurance proceeds payable on the death or disability of a Member, if any, net of any estimated tax liabilities imposed on the beneficiary because of said proceeds, shall be paid to the estate of the deceased or disabled Member (the "*Selling Member*"), up to the amount of the Purchase Price, to be applied against the Purchase Price of the Interest in the Company, within fourteen (14) days of the payment of

such proceeds by the insurance company. In the event that the insurance proceeds are less than the Purchase Price, or there is no insurance policy in place, then the balance of the Purchase Price shall be paid pursuant to the terms of a promissory note in equal monthly installments of principal and interest over sixty (60) months, pursuant to the terms of a promissory note reasonably acceptable to the Selling Member or the Selling Member's duly authorized representative, with payments beginning on the first day of the first calendar month following the closing, with interest at the AFR as of the day of the closing, upon the unpaid balance, fixed for the term of the promissory note at the AFR, but in no event shall the monthly payment of principal and interest be less than Five Hundred and 00/100 (\$500.00) Dollars.

(c) Disability. For purposes of this Agreement, a Member shall be deemed to be disabled when the Member's personal physician (who shall be a medical doctor licensed in the state where the Member resides) determines that, by reason of physical or mental illness or impairment, the Member is unable to perform the Member's usual duties with the Company for a period of time that continues for at least one hundred and eighty (180) consecutive days. Each Member hereby grants the Company the right to have a physician engaged by the Company consult with the Member's physician for purposes of making such determination and waives any claim of privacy as to the Member's medical records for such purpose. A Member shall continue to be deemed disabled until the Member's physician, and the physician engaged by the Company, if applicable, shall otherwise certify in writing. If there is any difference of opinion between the two physicians, the opinion of the physician engaged by the Company shall control. Nothing in this

#### 6.10 Buy-Sell Right.

If the Members of the Company shall deadlock on the management of the Company, a Member may notify the attorney for the Company in writing of the deadlock. Within thirty (30) days thereafter, a mediator shall be mutually selected by the Members from a list of three mediators supplied by the attorney for the Company. If the Members fail to mutually select a mediator, the attorney for the Company shall select the mediator. The issues which have caused the deadlock, and any materials which the parties desire the mediator to consider, shall be reviewed by the mediator, who shall attempt to break the deadlock within sixty (60) days of a written notice by a Member requesting such mediation. If the deadlock shall not be resolved within said sixty (60) day period, then the Member who requested the mediation (the "*Offeror*") may make a buy-sell offer (the "*Offer*") to the other Members (the "*Offerees*") by notifying the Offerees in writing of the exercise of this right and stating in such notice the cash price for the Offerees' Membership Interest and other terms at which the Offeror is willing either to buy all the Membership Interest owned by the Offerees, or to sell to the Offerees all of the Membership Interest owned by the Offeror, with the cash price and the other terms being the same for both the purchase and the sale. However, none of the terms of the offer may be inconsistent with the terms of this Agreement. The notice of Offer shall also contain, in all capital letters and bold type, the following notice:

**CAUTION: THIS OFFER REQUIRES YOU TO MAKE AN AFFIRMATIVE RESPONSE. FAILURE TO RESPOND**

**WITHIN 30 DAYS CONSTITUTES AN ACCEPTANCE OF THIS OFFER.**

Within thirty (30) days after receipt by the Offerees of the Offeror's written notice of the Offer, the Offerees shall send to the Offeror a written notice stating whether the Offerees elect (a) to purchase from the Offeror all the Membership Interest owned by the Offeror at the cash price and other terms stated in the Offer, or (b) to sell to the Offeror all the Membership Interest owned by the Offerees at the cash price and other terms stated in the Offer.

This thirty (30) day period may be extended by up to an additional sixty (60) days, if the Offerees request such an extension in a writing sent to the Offeror, in order to conduct an appraisal, which shall be paid by the Offerees.

If the Offerees shall fail to notify the Offeror whether they elect to buy or to sell within the time period specified above, such failure shall be deemed to be an election to sell all their Membership Interest to the Offeror at the price and other terms specified in the Offer. The Offeror shall be entitled to withdraw the Offer by giving the Offerees written notice of the withdrawal prior to the earlier of (i) the date the Offerees give the Offeror written notice of their election to purchase or to sell pursuant to this provision or (ii) the date on which the Offeree shall be conclusively deemed to have elected to sell their Membership Interest to the Offeror.

The closing of the sale shall be held at the Company's principal place of business (or at such other place as the Offeror and the Offerees may in writing agree) no later than thirty (30) days after the Offerees are required to send the Offeror a notice pursuant to this Section.

If a Member shall, without cause, refuse to purchase or sell the Membership Interest which he or she is obligated to purchase or sell under the provisions of this Section, the other Members shall be entitled to purchase the Membership Interest of the breaching Member, for one-half (2) of the cash price for the Membership Interest contained in the original offer times the number of Membership Interest owned by the breaching Member. Such purchase must take place within sixty (60) days after the date upon which the breaching Member was scheduled to purchase or sell the Membership Interest. The purchase price shall be paid in cash at closing. A Member exercising his or its rights under this Paragraph 6.10 shall be entitled to seek specific performance, or other remedies, and be entitled to the payment of attorney fees and related costs in connection with any legal proceedings, including an arbitration.

All Members and the Company shall use their best efforts, prior to closing, and thereafter, if required, to have the selling Member released as early as possible from any and all loan and security obligations relating to the Company. All Members and the Company shall, jointly and severally, indemnify, defend and hold the selling Member harmless from and against any and all claims, costs, expenses, judgments, and attorney fees, which are related to loan obligations of the Company which are not released prior to closing.

6.11 Acknowledgments and Representations by Members. Each Member warrants and represents to the Company and all other Members that: (1) the Member is acquiring the Interest in the Company as an investment for the Member's own account without the intent to distribute; and (2) the Members acknowledge that the Membership Interests are not registered under the Securities Act of 1933 or state securities laws, and that the Membership Interests may not be transferred without registration under such laws, or pursuant to or exceptions under such law.

## **ARTICLE VII** **VOTING**

7.1 Voting. All Members shall be entitled to vote on any matter submitted to a vote of the Members. The following matters must be submitted for a vote of the Members: (a) the dissolution of the Company; (b) the merger of the Company; (c) a transaction involving an actual or potential conflict of interest between a Member and the Company; (d) an amendment to the Articles; or (e) the sale, exchange, lease or other transfer of all or substantially all of the assets of the Company other than in the ordinary course of business.

7.2 Votes Based on Sharing Ratios. Members shall have a voice in the management of Company business equivalent to their Sharing Ratios. Wherever the provisions of this Operating Agreement require the vote, agreement, consent or approval of the majority of the Members or of a specific percentage of the Members, it shall be deemed to mean the majority or specific percentage based upon the Sharing Ratios of the Members entitled to vote pursuant to Paragraph 4.1, as the same shall be changed from time to time. Unless a greater percentage is required by the Act or the Articles, the affirmative vote or consent of a majority of the Sharing Ratios of all Members entitled to vote or consent shall be required.

## **ARTICLE VIII** **MEETINGS OF MEMBERS**

8.1 Meetings. An annual meeting of Members for the transaction of such business as may properly come before the Meeting, may be held at such place, on such date and at such time as the Members shall determine. However, an annual meeting is not required. Special meetings of Members for any proper purpose or purposes may be called at any time by the holders of at least twenty percent (20%) of the Sharing Ratios of all Members. The Company shall deliver or mail written notice stating the date, time, place and purposes of any meeting to each Member entitled to vote at the meeting. Such notice shall be given not less than ten (10) no more than sixty (60) days before the date of the meeting. All meetings of Members shall be presided over by a Chairperson, for the purpose of that meeting only, who shall be so designated by those holding a majority of the Membership Interests present at the meeting.

8.2 Consent. Any action required or permitted to be taken at an annual or special meeting of the Members may be taken without a meeting, without prior notice, and without a vote, if consents in writing, setting forth the action so taken, are signed by the Members having not less than

the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Membership Interests entitled to vote on the action were present and voted. Every written consent shall bear the date and signature of each Member who signs the consent. Prompt notice of the taking of action without a meeting by less than unanimous written consent shall be given to all Members who have not consented in writing to such action.

## **ARTICLE IX** **MANAGEMENT**

9.1 Management Vested With Members. The business and affairs of the Company shall be managed by the Members in proportion to their Sharing Ratios, as adjusted from time to time to reflect any additional contributions to or withdrawals from the capital of the Company by the Members. Subject to Paragraph 9.2, each Member has the power, on behalf of the Company, to do all things necessary or convenient to carry out the business and affairs of the Company.

9.2 Limitations. Notwithstanding the foregoing and any other provision contained in this Agreement to the contrary, no Member shall, without the consent of all of the Members:

- (a) Borrow or lend money on behalf of the Company.
- (b) Execute any mortgage, bond, or lease of Company assets.
- (c) Assign, transfer, or pledge any debts due the Company or release any debts due, except on payment in full.
- (d) Compromise any claim due to the Company or submit to arbitration any dispute or controversy involving the Company.
- (e) Convey any part of the Company assets to third parties in the ordinary course of business.
- (f) Execute a check from the Company account in an amount exceeding Twenty-Five Thousand and 00/100 (\$25,000.00) Dollars.

9.3 Standard of Care; Liability. Every Member shall discharge the Member's duties as a Member in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Member reasonably believes to be in the best interests of the Company. A Member shall not be liable for monetary damages to the Company for any breach of any such management duties except for receipt of a financial benefit to which the Member is not entitled, voting for or assenting to a distribution to Members in violation of this Agreement or the Act; or a knowing violation of the law.

9.4 Reimbursement. Members shall be entitled to reimbursement from the Company of all expenses of the Company reasonably received and paid by such Member on behalf of the Company.

**ARTICLE X**  
**EXCULPATION OF LIABILITY; INDEMNIFICATION**

10.1 Exculpation of Liability. Unless otherwise provided by law or expressly assumed, a person who is a Member shall not be liable for the acts, debts or liabilities of the Company.

10.2 Indemnification. The Company shall indemnify the Members for all costs, losses, liabilities, and damages paid or accrued by such Members in connection with the business of the Company, to the fullest extent provided or allowed by the laws of the State of Michigan.

**ARTICLE XI**  
**DISSOCIATION OF MEMBER**

11.1 Continuation of Company After Dissociation of Member From Company. Notwithstanding the death, withdrawal, expulsion, bankruptcy, or dissolution of a Member or the occurrence of any other event that terminates the continued Membership of a Member in the Company, the business and affairs of the Company shall continue.

**ARTICLE XII**  
**DISSOLUTION AND WINDING UP**

12.1 Dissolution. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following events: (a) at any time specified in the Articles or this Agreement; (b) upon the happening of any dissolution event specified in the Articles or this Agreement; or (c) by the unanimous consent of the Members.

12.2 Winding Up. Upon dissolution, the Company shall cease carrying on its business and affairs and shall commence the winding up of the Company's business and affairs and complete the winding up as soon as practicable. Upon the winding up of the Company, the assets of the Company shall be distributed first to creditors to the extent permitted by law, in satisfaction of Company debts, liabilities and obligations and then to Members in accordance with Paragraph 12.3, below. Such proceeds shall be paid to such Members by the earlier of ninety (90) days after the date of winding up or the last day of the Company's taxable year during which such winding up occurs.

12.3 Liquidating Distribution. Upon liquidation of the Company or an Interest in the Company, the liquidating distribution shall be made in accordance with the properly maintained positive balances of the Capital Accounts, taking into account all necessary adjustments to the Capital Accounts for the taxable year of such liquidation. All liquidating distributions shall be made by the earlier of ninety (90) days after the vote to liquidate the Company or the Interest in the Company or the last day of the Company's taxable year during which such liquidation occurs.

12.4 Negative Balance in Capital Account. No Member shall be obligated to restore a negative balance in his Capital Account.

### **ARTICLE XIII** **COVENANTS**

13.1 Confidentiality Commitment. Each Member acknowledges that each Member will obtain information relating to the Company which is of a confidential and proprietary nature ("Proprietary Information"). Such Proprietary Information may include, but is not limited to, this Agreement, trade secrets, work product, know-how, inventions, techniques, processes, programs, brochures, materials, financial information, and sales and marketing plans. Such information does *not* have to be marked confidential to be protected pursuant to this Paragraph. As a result, a Departing Member shall maintain in the strictest confidence and in trust all such Proprietary Information. This *Confidentiality Commitment* shall survive termination of this Agreement. A Departing Member shall return, within five (5) business days, all such Proprietary Information in his/her possession without making copies or summaries of such information. .

13.2 Remedies. Each Member agrees that there is no adequate remedy of law or measure of damages for violation of the provisions set forth in this Article. As a result, without limiting the right of the Company or the Member to pursue all other legal and equitable rights available to them against a Member for breaching any of the terms of this Article, it is agreed that the Company and the other Member shall have the right to immediate injunctive relief against a breaching Member to prevent a violation or a continuing violation of the covenants contained in this Article. It is further agreed that the Member violating the terms of this Article shall immediately forfeit the right to receive any remaining payments from the Company or remaining Members, for whatever reason, plus any other damages which may be proved. If the Company or the remaining Members shall seek their remedies under this Paragraph, they shall be entitled to recovery of their actual attorney fees and related court costs.

### **ARTICLE XIV** **MISCELLANEOUS PROVISIONS**

14.1 Entire Agreement and Amendments. This Agreement is the entire agreement between the parties with respect to the transactions contemplated hereby and the matters set forth herein, and no prior or contemporaneous agreements, understandings, representations or statements (oral or written) shall bind the parties. No change, modification, supplement or addition to any part of this Agreement, including this paragraph, shall be binding on either party unless it is in writing and signed by both parties.

14.2 Governing Law and Arbitration. Any controversy or claim arising out of or related to the Company or any Member shall be settled exclusively by arbitration in Grand Rapids, Michigan, in accordance with the rules of the American Arbitration Association then in effect, and judgment on the award may be entered in any court having jurisdiction. The Members expressly waive any right each may have to initiate suit or remove a claim to a court of law or equity it being the intent of this

provision to agree to resolve all disputes by arbitration. This agreement shall be governed by and construed in accordance with the laws of the State of Michigan in effect at the time of the dispute.

14.3 Waiver and Severability. The waiver by either party of a violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof. If any provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14.4 Binding Effect and Third-Party Rights. This Agreement shall be binding upon and shall inure to the benefits of the parties hereto, their successors, and assigns; and is not entered into for the benefit of, and shall not be construed to confer any benefit upon, any other party or entity.

14.5 Headings and Terms. Headings, in this agreement, are provided solely for the convenience of the parties and shall not be used to interpret or construe its provisions. Nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the person or persons, firm or corporation may in the context require.

14.6 Counterparts and Signatures. This Agreement may be executed and delivered in any number of counterparts, all of which when executed and delivered shall have the force and effect of an original, except that some schedules may exist only on the original copy retained in the Company's records. A telecopied signature of a party shall stand as the original.

14.7 Notices. Any notice permitted or required under this Agreement shall be conveyed to the party at the last known address on file with the Company and will be deemed to have been given, when deposited in the United States mail, certified, return receipt requested, postage paid, or when delivered in person, or by courier or by facsimile transmission. Any notice received by the Company which controls the running of any time periods stated in this Agreement shall be sent by the Company to all Members of the Company, pursuant to the terms of this paragraph, within five (5) days of receipt of said notice by the Company.

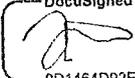
14.8 Members Advised to Obtain Independent Counsel. The parties to this Agreement acknowledge that this Agreement has been prepared by Slot Law Group, PLLC (the "*Law Firm*") on behalf of the Company, and not on behalf of any particular Member. There is an inherent potential for conflicts of interest among the parties to this Agreement because this Agreement establishes the rights and obligations of each of the parties to this Agreement. Due to such potential conflicts of interest, the Law Firm hereby advises each of the Members that it is in their best interest to obtain the services of their own independent legal counsel to review this document.

14.9 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature of each counterpart were upon the same instrument. The parties agree that the offer, any counter-offer and/or acceptance of any offer or counter-offer may be delivered by use of a facsimile transmission and the signatures, initials and modifications shall be deemed to be valid and binding upon the parties as if the original signatures, initials and modifications were

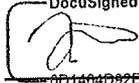
present on the Agreement in the handwriting of each party, provided such facsimile transmission is evidenced by verified transmission receipt. Neither party shall assert the Statue of Frauds or non-enforceability or invalidity of the Agreement because of facsimile copies being used and both parties specifically waive and relinquish any such defense. Each party agrees to provide an original signed document and verified facsimile transmission receipt upon request.

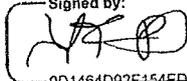
The parties hereto make and execute this Agreement, to be effective on the date first above written.

**COMPANY:**  
MANDU ESCAPES LLC

DocuSigned by:  
  
0D1464D92E154ED...  
By: Joanna Udo  
Its: Member

**MEMBERS:**

DocuSigned by:  
  
0D1464D92E154ED...  
Joanna Udo

Signed by:  
  
0D1464D02E154ED...  
John Becker

**RESOLUTIONS OF THE MEMBERS  
OF  
MANDU ESCAPES LLC**

In accordance with the provisions of the Operating Agreement of this Company and the Michigan Compiled Laws, the Members of the Company are authorized to take action by unanimous written consent without a meeting.

The Members hereby adopt by unanimous written consent, the following resolutions:

1. ADOPTION OF OPERATING AGREEMENT:

RESOLVED: That the Operating Agreement as adopted by the Members be, and the same hereby are, approved, ratified and adopted as the Operating Agreement for this Company.

2. APPOINTMENT OF AGENT FOR SERVICE OF PROCESS:

RESOLVED: That Joanna Udo is hereby designated as the person who is authorized to accept service of process on behalf of this corporation, and the address for the resident agent shall be 1971 E Beltline Ave. NE, Ste. 106-715, Grand Rapids, MI 49525.

3. ISSUANCE OF UNITS AND MEMBERSHIP CERTIFICATES – JOANNA UDO:

RESOLVED: That the Company is hereby authorized to issue to Joanna Udo, Five Hundred (500) Units which constitute 50% of the outstanding Units in the Company.

RESOLVED FURTHER: That the Units shall not be certificated, and no unit certificates shall be issued to the Member.

4. ISSUANCE OF UNITS AND MEMBERSHIP CERTIFICATES – JOHN BECKER:

RESOLVED: That the Company is hereby authorized to issue to John Becker, Five Hundred (500) Units which constitute 50% of the outstanding Units in the Company.

RESOLVED FURTHER: That the Units shall not be certificated, and no unit certificates shall be issued to the Member.

5. EXPENDITURES:

RESOLVED: That all of the expenditures incurred by this Company for travel, interest, rent, entertainment or business gifts are deemed to be business expenses which are ordinary and necessary to the conduct of the regular operating affairs of this Company. However, should it be finally held or agreed that any or all of such expenses are not ordinary and necessary business expenses, it is the intention of the Members that those amounts expended be treated as additional compensation in payment for services actually rendered by the employee for whose benefit the monies were spent.

RESOLVED FURTHER: That such additional amounts of compensation shall be deemed a bonus to such employee.

6. ESTABLISHMENT OF BANK ACCOUNT:

RESOLVED: That this Company is hereby authorized to establish a company bank account and that any Member of this corporation be and hereby is authorized and directed to execute any and all documents and to take any and all other actions necessary to establish said account.

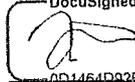
[SIGNATURES ON FOLLOWING PAGE]

The Members of the Company are hereby directed to file this written consent and the resolutions adopted hereby with the minutes of the proceedings of the Members.

EFFECTIVE AS OF: AUGUST 18, 2025

MEMBERS

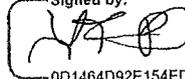
DocuSigned by:



0D1464D93E154ED

Joanna Udo, Member

Signed by:



0D1464D92E154ED

John Becker, Member



Michigan Department of Licensing and Regulatory Affairs  
Liquor Control Commission (MLCC)  
Toll-Free: 866-813-0011 - [www.michigan.gov/lcc](http://www.michigan.gov/lcc)

### On-Premises Retailer License & Permit Application

**Before you begin filling out the attached application, please review this checklist for the applicable forms and documents you will need to submit with your completed application form.**

**The attached LCC-100a form will automatically calculate fees when opened using Adobe Acrobat Reader. The form's functionality may not work with third-party PDF readers. You may download a free copy of Adobe Acrobat Reader on the Adobe website: <https://get.adobe.com/reader/>**

*Off-Premises Retailers: If you are applying for a Specially Designated Merchant (SDM) and/or Specially Designated Distributor (SDD) license for off-premises sales of alcoholic liquor only, please use the Off-Premises Retailer License & Permit Application (LCC-100b).*

Are you transferring stock or membership interest? If yes, use the License Interest Transfer Application (LCC-101).

- Completed On-Premises Retail License & Permit Application (Form LCC-100a, attached)
- Inspection, License, and Permit Fees
- Corporate Documents (see list below) - Submit for the applicant company, and if the applicant company has multiple levels of ownership structure in which stockholders or members are also companies, submit the applicable documents listed below for any stockholder or member companies to the third tier of ownership - for example: applicant company (tier 1) > stockholder/member (tier 2) > stockholder/member (tier 3).
- Multi-Tier Organizational Chart - If the applicant company has more than three levels of ownership structure please provide an organizational chart that shows all the levels of ownership to individual people, including trusts.
- Local Government Authorization (Form LCC-106) - **For a new on-premises license only**
- Purchase agreement - **For the transfer of ownership of a license**
- Property document (lease, deed, land contract, etc.)
- New On-Premises Resort License Questionnaire (LCC-109a) or New On-Premises Redevelopment or Development District License Questionnaire (LCC-109b) - **For a new on-premises Resort, Redevelopment, or Development District license only**

If applicant is a corporation also include (pursuant to R 436.1109):  
*If any of the stockholders of the applicant are corporations or limited liability companies, also submit a copy of the documents listed below for those companies (except for the Certificate of Authority to Do Business in Michigan, which is required for the applicant only).*

- Report of Stockholders/Member/Partners (Form LCC-301)
- Copy of Articles of Incorporation filed with the Corporations Division of the Department of Licensing & Regulatory Affairs
- Current Certificate of Good Standing from the state where incorporated and Certificate of Authority to Do Business in Michigan, if incorporated outside of Michigan.
- Certified copy of the minutes of a meeting of its board of directors or a statement signed by an officer of the corporation naming the persons authorized by corporate resolution to sign the application and other documents required by the Commission or Part 3 of Form LCC-301.

If applicant is a limited liability company also include (pursuant to R 436.1110):  
*If any of the members of the applicant are corporations or limited liability companies, also submit a copy of the documents listed below for those companies (except for the Certificate of Authority to Do Business in Michigan, which is required for the applicant only).*

- Report of Stockholders/Member/Partners (Form LCC-301)
- Copy of Articles of Organization filed with the Corporations Division of the Department of Licensing & Regulatory Affairs
- Copy of the operating agreement or bylaws of the applicant company
- Current Certificate of Authority to Do Business in Michigan, if the LLC is a non-Michigan LLC.
- Statement signed by a manager of the limited liability company or by at least 1 member if management is reserved to the members naming the person authorized to sign the application and other documents required by the Commission or Part 3 of Form LCC-301.



Michigan Department of Licensing and Regulatory Affairs  
 Liquor Control Commission (MLCC)  
 Toll-Free: 866-813-0011 - [www.michigan.gov/lcc](http://www.michigan.gov/lcc)

Business ID: \_\_\_\_\_  
 Request ID: \_\_\_\_\_  
 (For MLCC Use Only)

### On-Premises Retailer License & Permit Application (LCC-100a)

**Part 1 - Applicant Information**

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): Mandu Escapes LLC		
Address to be licensed: 111 E Main Avenue		
City: Zeeland	Zip Code: 49464	
City/township/village where license will be issued: Zeeland	County: Ottawa	
Federal Employer Identification Number (FEIN): 39-3824235		

1. Are you requesting a new license?  Yes  No
2. Are you applying ONLY for a new permit or permission?  Yes  No
3. Are you buying an existing license?  Yes  No
4. Are you transferring the classification of an existing on premises license?  Yes  No
5. Are you modifying the size of the licensed premises?  
 If Yes, specify:  Adding Space  Dropping Space  Redefining Licensed Premises  
 Yes  No
6. Are you transferring the location of an existing license?  Yes  No
7. Is this license being transferred as the result of a default or court action?  Yes  No
8. Do you intend to use this license actively?  Yes  No

*Leave Blank - MLCC Use Only*

**Part 2 - License Transfer Information (If Applicable)**

If transferring ownership of a license ONLY and not transferring the location of a license, fill out only the name of the current licensee(s)

Current licensee(s): La Creme Cafe LLC		
Current licensed address: 111 E Main Avenue		
City: Zeeland	Zip Code: 49464-1735	
City/township/village where license is issued: Zeeland	County: Ottawa	

**Part 3 - Licenses, Permits, and Permissions**

Applicants for on premises licenses, permits, and permissions (e.g. restaurants, hotels, bars, etc.) must complete the attached Schedule A and return it with this application. Transfer the fee calculations from the Schedule A to Part 4 below.

**Part 4 - Inspection, License, and Permit Fees - Make checks payable to State of Michigan**

**Inspection Fees** - Pursuant to MCL 436.1529(4) a nonrefundable inspection fee of \$70.00 shall be paid to the Commission by an applicant or licensee at the time of filing of a request for a new license or permit, a request to transfer ownership or location of a license, a request to increase or decrease the size of the licensed premises, or a request to add a bar. Requests for a new permit in conjunction with a request for a new license or transfer of an existing license do not require an additional inspection fee.

**License and Permit Fees** - Pursuant to MCL 436.1525(1), license and permit fees shall be paid to the Commission for a request for a new license or permit or to transfer ownership or location of an existing license.

Inspection Fees:	License & Permit Fees:	<b>TOTAL FEES:</b>
------------------	------------------------	--------------------

**Schedule A - Licenses, Permits, & Permissions**

Applicant name: \_\_\_\_\_

Fee Code  
MLCC Use  
Only

<b>On-Premises License Type:</b>	<b>Base Fee:</b>	Fee Code MLCC Use Only
New Transfer		
<input type="checkbox"/> <input type="checkbox"/> B-Hotel License	\$600.00	
Number of guest rooms: _____		
<input type="checkbox"/> <input type="checkbox"/> A-Hotel License	\$250.00	
Number of guest rooms: _____		
<input type="checkbox"/> <input checked="" type="checkbox"/> Class C License	\$600.00	
<input type="checkbox"/> <input type="checkbox"/> Tavern License	\$250.00	
<input type="checkbox"/> <input type="checkbox"/> Resort License	Upon Licensure	
<input type="checkbox"/> <input type="checkbox"/> DDA/Redevelopment License	Upon Licensure	
<input type="checkbox"/> <input type="checkbox"/> Brewpub License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> G-1 License	\$1,000.00	
<input type="checkbox"/> <input type="checkbox"/> G-2 License	\$500.00	
<input type="checkbox"/> <input type="checkbox"/> Aircraft License	\$600.00	
<input type="checkbox"/> <input type="checkbox"/> Watercraft License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> Train License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> Continuing Care Retirement Center License	\$600.00	
<input type="checkbox"/> MCL 436.1545(1)(b)(i) <input type="checkbox"/> MCL 436.1545(1)(b)(ii)		

*B-Hotel or Class C Licenses Only:*

Additional Bar(s)  
Number of Additional Bars: \_\_\_\_\_

B-Hotel or Class C licenses allow licensees to have one (1) bar within the licensed premises. A \$350.00 licensing fee is required for each additional bar over the one (1) bar initially issued with the license.

**Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.**

<b>On-Premises Permits:</b>	<b>Base Fee:</b>
<input type="checkbox"/> Sunday Sales Permit (AM)*	\$160.00
<input type="checkbox"/> Sunday Sales Permit (PM)**	15%**
<input checked="" type="checkbox"/> Catering Permit	\$100.00
<input type="checkbox"/> Social District Permit	\$250.00
<input type="checkbox"/> Banquet Facility Permit - Complete Form LCC-200	

*A Banquet Facility Permit is an extension of the license at a different location. It may have its own permits and permissions.*

<input type="checkbox"/> Outdoor Service	No charge
<input type="checkbox"/> Dance Permit	No charge
<input type="checkbox"/> Entertainment Permit	No charge
<input type="checkbox"/> Extended Hours Permit:	No charge

Dance  Entertainment Days/Hours: \_\_\_\_\_

Specific Purpose Permit: No charge

Activity requested: \_\_\_\_\_

Days/Hours requested: \_\_\_\_\_

<input type="checkbox"/> Living Quarters Permit	No charge
<input type="checkbox"/> Topless Activity Permit	No charge
<input type="checkbox"/> Off-Premises Storage	No charge
<input type="checkbox"/> Direct Connection(s)	No charge
<input type="checkbox"/> On-Premises Public Swimming Pool Permit - Complete Form LCC-209	

*Pursuant to MCL 436.1533, on-premises retailers may be issued a Specially Designated Merchant (SDM) license or a Specially Designated Distributor (SDD) license at the same location in conjunction with the on-premises license under certain circumstances.*

<b>Off-Premises License Type:</b>	<b>Base Fee:</b>	Fee Code MLCC Use Only
New Transfer		
<input type="checkbox"/> <input type="checkbox"/> SDM License	\$100.00	
<input type="checkbox"/> <input type="checkbox"/> SDD License	\$150.00	

<b>Off Premises Permits:</b>	<b>Base Fee:</b>
<input type="checkbox"/> SDD Sunday Sales Permit (PM)** <i>For Spirit Products</i>	\$22.50
<input type="checkbox"/> SDM Sunday Sales Permit (PM)** <i>For Mixed Spirit Drink Products</i>	\$15.00
<input type="checkbox"/> Motor Vehicle Fuel Pumps	No charge

\*Sunday Sales Permit (AM) allows the sale of spirits, mixed spirit drink, beer, and wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government.

\*\*Sunday Sales Permit (PM) allows the sale of spirits and mixed spirit drink on Sunday afternoons and evenings between 12:00 noon and 2:00am (Monday morning), if allowed by the local unit of government. No Sunday Sales Permit (PM) is required for the sale of beer and wine on Sunday after 12:00 noon. The Sunday Sales Permit (PM) fee is 15% of the fee for the license that allows the sale of spirits or mixed spirit drink. Additional bar fees and hotel room fees are also calculated as part of the permit fee. A separate Sunday Sales Permit (PM) is required for each license that will sell spirits or mixed spirit drink on Sunday after 12:00 noon.

**Inspection, License, Permit, & Permission Fee Calculation**

Number of Licenses: \_\_\_\_\_ x \$70.00 Inspection Fee

Total Inspection Fee(s): \_\_\_\_\_

Total License Fee(s): \_\_\_\_\_

Total Permit Fee(s): \_\_\_\_\_

**TOTAL FEES DUE:** \_\_\_\_\_

*Please note that requests to transfer SDD licenses will require the payment of additional fees based on the seller's previous calendar year's sales. These fees will be determined prior to issuance of the license to the applicant.*

**Make checks payable to State of Michigan**

**Part 5a - Information on Individual Applicant, Stockholder, Member, or Limited Partner**

Each individual, stockholder, member, or partner must complete Part 5a, 5b, and 5c. If a stockholder or member of an applicant company is a corporation or limited liability company, complete Part 5a and 5c and submit a completed Form LCC-301. For applications with multiple individuals, stockholders, members, or partners - each person or entity must complete a separate copy of this page.

Name: John F Becker			
Home address: 7675 Belmont Avenue NE			
City: Belmont		State: MI	Zip Code: 49306
Business Phone:	Cell Phone: [REDACTED]	Email: [REDACTED]	
Have you ever been licensed by the Michigan Liquor Control Commission (MLCC) or do you currently hold an interest in any other licenses issued by the MLCC? If <b>Yes</b> , please list business ID numbers below. If you hold interest in 2 or more locations under the same name, please also write "chain" below. Pursuant to MCL 436.1603, a retailer licensee <u>may not</u> hold interest in a manufacturer or wholesaler licensee.			<input type="radio"/> Yes <input checked="" type="radio"/> No
Do you hold 10% or more interest in the applicant entity?			<input checked="" type="radio"/> Yes <input type="radio"/> No
Based on the answers provided above, you may be required to be fingerprinted and undergo an investigation by the MLCC. After reviewing your application, the MLCC will provide you with a copy of the Livescan Fingerprint Background Request (LCC-105) form that you will need when you are fingerprinted by a Livescan Agency.			

**Part 5b - Personal Information (Individuals) - Must be at least 21 years of age, pursuant to administrative rule R 436.1105(1)(a).**

Date of Birth: [REDACTED]	Social Security Number: [REDACTED]	Driver's License Number: [REDACTED]	
Are you a citizen of the United States of America?		<input checked="" type="radio"/> Yes <input type="radio"/> No	
Have you ever legally changed your name?		<input type="radio"/> Yes <input checked="" type="radio"/> No	
If you answered "yes", please list your prior name(s) (including maiden):			
Spouse's full name (if currently married): Joanna Udo			
Spouse's date of birth: [REDACTED]	Is your spouse a citizen of the United States of America? <input type="radio"/> Yes <input checked="" type="radio"/> No		
Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan?		<input type="radio"/> Yes <input checked="" type="radio"/> No	
Does your spouse hold a retailer, manufacturer, or wholesaler license issued by the MLCC?		<input type="radio"/> Yes <input checked="" type="radio"/> No	
<p><u>Full disclosure of criminal history must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant or applicant's spouse was found guilty, pled guilty, or pled no contest.</u></p>			
Have you ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If <b>Yes</b> , list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No	
Date	City/State	Charge	Disposition
Has your spouse ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If <b>Yes</b> , list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No	
Date	City/State	Charge	Disposition

**Part 5c - Signature**

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

John F Becker SIGNED BY: John F Becker 10/31/2025

Print Name Signature Date

**Part 6 - Contact Information For This Application**

What is your preferred method of contact?		<input type="radio"/> Phone	<input type="radio"/> Mail	<input checked="" type="radio"/> Email	<input type="radio"/> Fax
What is your preferred method for receiving a Commission Order?		<input type="radio"/> Mail	<input checked="" type="radio"/> Email	<input type="radio"/> Fax	
Contact name: Joanna Udo			Relationship: Its Member		
Mailing address: 7675 Belmont Avenue NE					
City: Belmont		State: MI		Zip Code: 49306	
Phone: [REDACTED]		Fax number: N/A		Email: [REDACTED]	

**Part 7 - Attorney Information (If You Have An Attorney Representing You For This Application)**

Attorney name: Phillip B. Slot		Member Number: P- 72960	
Attorney address: 977 Ada Place Drive SE, Grand Rapids, MI 49546			
Phone: (616) 303-6166		Fax number: N/A	
		Email: pslot@slotlaw.com	
Would you prefer that we contact your attorney for all licensing matters related to this application?			<input checked="" type="radio"/> Yes <input type="radio"/> No
Would you prefer any notices or closing packages be sent directly to your attorney?			<input checked="" type="radio"/> Yes <input type="radio"/> No

**Part 8 - Signature of Applicant**

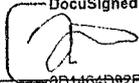
**Be advised that the information contained in this application will only be used for this request. This section will need to be completed for each subsequent request you make with this office.**

**Notice:** When purchasing a license, a buyer can be held liable for tax debts incurred by the previous owner. Prior to committing to the purchase of any license or establishment, the buyer should request a tax clearance certificate from the seller that indicates that all taxes have been paid up to the date of issuance. Obtaining sound professional assistance from an attorney or accountant can be helpful to identify and avoid any pitfalls and hidden liabilities when buying even a portion of a business. Sellers can make a request for the tax clearance certificate through the Michigan Department of Treasury.

Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this application by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

Joanna Udo, its Member	DocuSigned by:  9D1464D92E151ED Signature of Applicant	10/31/2025 Date
Print Name of Applicant & Title		

Please return this completed form along with corresponding documents and fees 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: 517-284-8557

**Conditional License Arrest and Conviction Addendum**

In addition to conviction history, the Commission is required by law to consider the arrest history of an applicant for a conditional license, pursuant to MCL 436.1525(6). This addendum describing any arrest or conviction is required to be completed for each individual applying for a conditional license or as a stockholder, member, or partner of an applicant company. This is required in addition to the reporting of conviction history in Part 5b of the LCC-100a or LCC-100b application form.

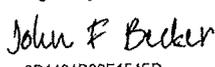
The following information must be completed for each individual, stockholder, member, or partner applying for a conditional license. For applications with multiple individuals, stockholders, members, or partners, each person must complete a separate copy of this page.

Name: John Becker			
Date of Birth: <span style="background-color: black; color: black;">[REDACTED]</span>		Any prior name(s) (including maiden): N/A	
<p><u>Full disclosure of criminal history, including arrests, must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant was found guilty, pled guilty, or pled no contest. Arrest history should include any arrests for felonies, misdemeanors, or local ordinance violations even if the arrest has not been fully adjudicated at the time of the application.</u></p>			
Have you ever been arrested, found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If <b>Yes</b> , list below (attach additional pages if necessary):			<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Charge	Disposition

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false or fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

John Becker

Print Name

Signed by:  
  
0D1464D92E154ED

Signature

10/31/2025

Date

**Part 5a - Information on Individual Applicant, Stockholder, Member, or Limited Partner**

Each individual, stockholder, member, or partner must complete Part 5a, 5b, and 5c. If a stockholder or member of an applicant company is a corporation or limited liability company, complete Part 5a and 5c and submit a completed Form LCC-301. For applications with multiple individuals, stockholders, members, or partners - each person or entity must complete a separate copy of this page.

Name: <b>Joanna Udo</b>			
Home address: <b>7675 Belmont Avenue NE</b>			
City: <b>Belmont</b>		State: <b>MI</b>	Zip Code: <b>49306</b>
Business Phone:	Cell Phone: [REDACTED]	Email: [REDACTED]	
Have you ever been licensed by the Michigan Liquor Control Commission (MLCC) or do you currently hold an interest in any other licenses issued by the MLCC? If <b>Yes</b> , please list business ID numbers below. If you hold interest in 2 or more locations under the same name, please also write "chain" below. Pursuant to MCL 436.1603, a retailer licensee <u>may not</u> hold interest in a manufacturer or wholesaler licensee.			<input type="radio"/> Yes <input checked="" type="radio"/> No
Do you hold 10% or more interest in the applicant entity?			<input checked="" type="radio"/> Yes <input type="radio"/> No
Based on the answers provided above, you may be required to be fingerprinted and undergo an investigation by the MLCC. After reviewing your application, the MLCC will provide you with a copy of the Livescan Fingerprint Background Request (LCC-105) form that you will need when you are fingerprinted by a Livescan Agency.			

**Part 5b - Personal Information (Individuals) - Must be at least 21 years of age, pursuant to administrative rule R 436.1105(1)(a).**

Date of Birth: [REDACTED]	Social Security Number: [REDACTED]	Driver's License Number: [REDACTED]
Are you a citizen of the United States of America?		<input type="radio"/> Yes <input checked="" type="radio"/> No
Have you ever legally changed your name?		<input type="radio"/> Yes <input checked="" type="radio"/> No
If you answered "yes", please list your prior name(s) (including maiden):		
Spouse's full name (if currently married): <b>John F. Becker</b>		
Spouse's date of birth: [REDACTED]	Is your spouse a citizen of the United States of America? <input checked="" type="radio"/> Yes <input type="radio"/> No	
Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan? <input type="radio"/> Yes <input checked="" type="radio"/> No		
Does your spouse hold a retailer, manufacturer, or wholesaler license issued by the MLCC? <input type="radio"/> Yes <input checked="" type="radio"/> No		
<i>Full disclosure of criminal history must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant or applicant's spouse was found guilty, pled guilty, or pled no contest.</i>		
Have you ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If <b>Yes</b> , list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Disposition
Has your spouse ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If <b>Yes</b> , list below (attach additional pages if necessary):		<input type="radio"/> Yes <input checked="" type="radio"/> No
Date	City/State	Disposition

**Part 5c - Signature**

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

Joanna Udo

DocuSigned by:  


9/16/2025

Print Name

Signature

Date

**RESOLUTION**

*(Contract Approval and Recommendation for Approval  
of the Transfer of a Class C License to MANDY ESCAPES, LLC)*

**City of Zeeland  
County of Ottawa, Michigan**

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of  
Ottawa, Michigan, held in the Zeeland City Hall in said City on December 15, 2025, at 7:00 o'clock p.m.,  
Local Time.

PRESENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_  
\_\_\_\_\_

The following preamble and resolution were offered by Council Member \_\_\_\_\_  
and supported by Council Member \_\_\_\_\_.

WHEREAS, Mandu Escapes, LLC filed an application with the Michigan Liquor Control  
Commission which requested the transfer of a Class C License so as to permit the sale and consumption  
of alcoholic beverages on the premises at 111 E. Main Avenue, Zeeland, Michigan;

AND WHEREAS, a Class C License permits the sale of beer, wine, mixed spirit drinks and  
spirits;

AND WHEREAS, the City of Zeeland has held a public hearing in regard to the issuance of a  
Class C License to Mandu Escapes, LLC;

AND WHEREAS, Mandu Escapes, LLC is willing to sign a contract regarding the conducting of  
its business and the use of a Class C License, and Mandu Escapes, LLC will therefore meet the guidelines  
of the City of Zeeland for the issuance of a license to sell alcoholic beverages;

AND WHEREAS, the Zeeland City Council is willing to waive the requirement of Section 4-8 of the Zeeland City Code that the proposed restaurant must be more than 500' from a church because the City Council deems the presence of the proposed restaurant which will serve meals if it is granted a Class C License to be in the best interests of the City of Zeeland, and by approval of this Resolution, the City of Zeeland will have waived the said 500' regulatory requirement, and such waiver is permitted by the Zeeland City Code.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Zeeland City Council hereby approves the attached contract with Mandu Escapes, LLC and authorizes the Mayor and the Clerk to sign such contract on behalf of the City of Zeeland.
2. The City of Zeeland hereby supports the request of Mandu Escapes, LLC that a Class C License be transferred to it for a restaurant at 111 E. Main Avenue, Zeeland, Ottawa County, Michigan, and finds that such application should be considered for approval "above all others".
3. It is therefore the consensus of this legislative body that the application of Mandu Escapes, LLC to the Michigan Liquor Control Commission be recommended for approval.
4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

AYES: Council Members \_\_\_\_\_

\_\_\_\_\_

NAYS: Council Members \_\_\_\_\_

ABSENT: Council Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Kristi DeVerney, City Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of a Resolution adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December 15, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Kristi DeVerney, City Clerk

# CITY OF ZEELAND

## ORDINANCE NO. ...

(An ordinance to Amend Section 16.2 of  
Volume I of The Code of the City of Zeeland, Michigan)

Portions of minutes of a Regular Meeting of the City Council of the City of Zeeland, County of  
Ottawa, Michigan, held in the Zeeland City Hall in said City on December \_\_\_\_ , 2025, at 7:00 o'clock  
P.M., Local Time.

PRESENT: Council Members .....

\_\_\_\_\_

ABSENT: Council Members .....

\_\_\_\_\_

The following preamble and ordinance were offered by Council Member  
\_\_\_\_\_ and supported by Council Member \_\_\_\_\_

WHEREAS, Zeeland Charter Section 1.3 provides that the City Council by ordinance may alter  
the boundaries of an election precinct;

AND WHEREAS, Michigan state law provides in MCL 168.658 provides that a city may  
examine its precinct registration records and that if there are not more than 4,999 active registered  
electors in a precinct, a city may abolish a precinct division and may consolidate precincts;

AND WHEREAS, Michigan law in MCL 168.659 a precinct must have clearly observable  
boundaries;

AND WHEREAS, the City Clerk's Office has reviewed the registered voter records of the City of  
Zeeland and has recommended that Zeeland City's four precincts be consolidated into two precincts;

AND WHEREAS, the number of active electors in a precinct after the consolidation of precincts will have less than 2,750 registered electors which is well below the maximum number of permitted electors in a precinct;

AND WHEREAS, the consolidation of precincts will simply the identification of a person's precinct for electors and pole workers, will result in efficiencies on election days and will reduce the costs of holding an election.

THE CITY OF ZEELAND ORDAINS.

Section I. Section 16.2 of Volume I of The Zeeland City Code is hereby amended to read in its entirety as follows:

**"Sec. 16-2. Election precincts.**

- (a) The city shall be divided into two election precincts.
- (b) The boundaries for Zeeland's precincts shall be as follows:
  - (1) *Precinct No. 1.* The boundaries and area of Precinct Number One shall be and shall consist of the area west of the centerline of State Street extended to the north and south lines of the city limits and to the most westerly city limit of the City of Zeeland.
  - (2) *Precinct No. 2.* The boundaries and area of Precinct Number Two shall be and shall consist of the area east of the centerline of State Street extended to the north and south lines of the city limits and to the most easterly city limit of the City of Zeeland."

Section 2. All Ordinances or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 3. This Ordinance shall take effect twenty-one days after publication thereof.

This Ordinance is hereby adopted on the \_\_\_ day of December, 2025, at a Regular Meeting of the Zeeland City Council, with the following vote:

AYES: Council Members .....  
\_\_\_\_\_

NAYS: Council Members .....  
\_\_\_\_\_

ABSENT: Council Members .....

City of Zeeland

By: \_\_\_\_\_  
Richard J. Van Dorp III, Mayor

By: \_\_\_\_\_  
Kristi DeVerney, Clerk

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of Ordinance No. \_\_ \_\_ which was duly adopted by the City Council of the City of Zeeland, County of Ottawa, Michigan, at a Regular Meeting held on December \_\_, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act. I hereby certify that the above Ordinance known as Ordinance No. 1049 or a summary of such Ordinance was published in the Zeeland Record on the \_\_\_ day of December, 2025.

\_\_\_\_\_  
Kristi DeVerney, Clerk



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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## CITY COUNCIL MEMORANDUM

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**TO:** Mayor VanDorp and City Council Members

**FROM:** Melanie Hellenthal, HR Specialist and Tim Klunder, City Manager

**SUBJECT:** 2026 HealthSource Solutions Management Agreement Renewal

**DATE:** December 11, 2025

**CC:** December 15th Council Agenda

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**BACKGROUND:** In 2008 the City and BPW initiated a wellness plan for team members. The plan includes incentives for physical activity, participation in wellness challenges, non-smoking credits and weight goals. The incentive for the City and BPW to offer this program is a healthier workforce. The incentive for team members and spouses is not only a healthier lifestyle, but a financial reduction in the amount a team member pays toward health insurance. A team member can earn a \$20 credit per pay period for full participation whereas a spouse may earn a \$10 credit. A summary of participation rates for the last three years is listed below:

Year	% Participation	Employees	Spouses
2023	48%	76	47
2024	47%	79	48
2025 (3 <sup>rd</sup> Qtr)	50%	80	49

To help manage this program we have utilized the services of HealthSource Solutions (formerly OnSite Wellness). They manage all tracking of credits earned by participants, manage the wellness challenges that we have throughout the year, offer wellness classes, and they perform the health screenings that help us set the baseline goals for participants on an annual basis. Monthly costs for their services in 2026 are proposed to increase by 3% to \$927 equating to an annual total of \$11,124. The fees and services outlined above are included in the attached Master Services Agreement and Statement of Work, which have been reviewed by Attorney Donkersloot.

FEEL THE ZEEL



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Beyond 2026, we are working with HealthSource Solutions to examine if they can help us determine estimated health savings costs resulting from the Wellness Program. Additionally, we are looking to make some modifications to the 2027 program based on our history and experience with the Wellness Program as we continue our efforts to increase employee/spouse participation in the program.

RECOMMENDATION: City leadership recommends that City Council approves the attached renewal contract with HealthSource Solutions, LLC for 2026.

A handwritten signature in black ink, appearing to read 'Timothy R. Klunder', is written over a horizontal line.

Timothy R. Klunder, City Manager

# HEALTHSOURCE SOLUTIONS LLC

## MASTER SERVICE AGREEMENT

**THIS SERVICE AGREEMENT** (this "Agreement") is made and entered into as of November 13, 2025 by and between CITY OF ZEELAND ("CLIENT") with a principal place of business at 21 S Elm St Zeeland, MI 49464 and HEALTHSOURCE SOLUTIONS, LLC ("HEALTHSOURCE") with a principal place of business at 3149 Fernbrook Lane, Plymouth MN 55447. Each party may be referred to in this Agreement as a "Party" or collectively as "Parties."

**WHEREAS**, HEALTHSOURCE and its subcontractors provide a variety of wellness services such as a comprehensive wellness portal licensed from WellRight ("Wellness Portal"), wellness program management services, wellness coaching, onsite screenings, and vaccinations.

**WHEREAS**, CLIENT wishes to retain HEALTHSOURCE to provide the following services indicated below and further described in the attached Statements of Work ("SOW") to a definitive number of CLIENT employees, upon the terms and conditions set forth in this Agreement. Please check all that apply:

- Wellness Portal Packages
- Wellness Program Management Services
- Wellness Onsite Support Services
- Onsite Screenings

(hereinafter "Services").

**NOW, THEREFORE**, and in consideration of the foregoing, and the mutual and respective covenants and agreements of the Parties set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### 1. PROVISION OF SERVICES

1.1 **Provision and Access to Services.** Subject to the terms and restrictions set forth in this Agreement, HEALTHSOURCE agrees to provide to CLIENT the Services requested as indicated above and in the attached SOW(s). HEALTHSOURCE cannot guarantee service dates or timelines to the CLIENT until this agreement is fully executed, and the down payment received.

1.2 **General Restrictions.** Except as otherwise explicitly provided in this Agreement or as may be expressly required by applicable law, CLIENT will not, and will not authorize a Participant or other third party to: (a) use or copy any components of the Service, or any of the data, algorithms and calculations, or any portion thereof, except as expressly authorized in this Agreement; (b) copy, modify, or prepare derivative works based upon the Service; (c) alter, remove, or obscure any copyright or other proprietary notices or labels on or in the Service; (d) circumvent or disable any technological features or measures in the Service; (e) interfere with or disrupt the integrity or performance of the Service; or (f) attempt to gain unauthorized access to the Service. CLIENT acknowledges and agrees that the Service contains Confidential Information, data and trade secrets of HEALTHSOURCE and other third parties.

1.3 **Cooperation.** The parties will timely and diligently cooperate with each other in a commercially reasonable manner to facilitate the performance of their respective obligations under this Agreement.

### 1.4 Responsibilities of HEALTHSOURCE.

- a. HEALTHSOURCE shall maintain accurate records of Services provided to CLIENT's employees, including all Wellness and Consent Forms, books and records covered by this Agreement in accordance with HEALTHSOURCE'S document retention and destruction policy. Any Consent form, Release form or other data that contains personal information shall remain the property of HEALTHSOURCE. Copies are not available to the CLIENT unless CLIENT

provides HEALTHSOURCE with employee authorizations that meet HIPAA requirements. Notwithstanding the foregoing and to the extent applicable with regard to the Services, HEALTHSOURCE will supply CLIENT with an Extract File and aggregate data report detailing points/credits earned and participation data per employee as outlined by the plan design. The extract file/report shall only contain information that is not “protected health information” or is “de-identified health information” as defined in the HIPAA regulations.

- b. Unless otherwise provided herein, maintain professional liability insurance for Services in the amount of \$1 million cumulative and \$1 million per incident, in addition, maintain an umbrella liability policy of \$1 million.
  - c. Comply with all applicable federal, state and local laws, rules, orders, regulations and ordinances, including but not limited to the Privacy Rules of the Health Insurance Portability and Accountability Act of 1996, (HIPAA) when and where applicable to HEALTHSOURCE. HEALTHSOURCE shall comply with all requirements of the Business Associate Agreement (BAA) attached as an Exhibit to this Agreement and incorporated in its entirety into this Agreement when applicable.
- 1.5 **Third Party Contractor Access to the Service.** In the event that CLIENT desires for a separate third-party entity or independent contractor (each referred to as a “Contractor”) to be given administrator access to the Service on CLIENT’s behalf and limited strictly for the purpose of Contractor providing services for or to CLIENT, CLIENT may provision access to the Service to the Contractor’s employees or agents. In provisioning access to a Contractor’s employees or agents, CLIENT agrees to bind Contractor to the obligations and terms set forth in this Agreement (excluding terms related to payment), and CLIENT hereby agrees to indemnify, defend and hold HEALTHSOURCE (as defined in Section 8) harmless for the actions of Contractor and from and against any and all liability, claim, lawsuit, injury, loss, expense or damage resulting from or relating to the disclosure of Protected Health Information to Contractor.

## 2. PRICING AND PAYMENT

- 2.1 **Deposit for Services.** HEALTHSOURCE requires receipt of the Deposit Fee prior to starting any work on the Services. The detail of this fee is in the SOW. If a deposit is not timely received, HEALTHSOURCE shall have no obligation to CLIENT hereunder. Unless otherwise specified herein, deposits are non-refundable in the event of cancellation. Deposits shall be applied toward the minimum charges owed. ACH or checks are accepted. VISA, MasterCard, or American Express will incur a 3.5% processing surcharge. Any payment surcharge added by CLIENT will be billed back at 100%.
- 2.2 **Pricing.** CLIENT will pay HEALTHSOURCE the applicable fees as set forth in the SOW. HEALTHSOURCE may increase the Fees for a Renewal Term provided that HEALTHSOURCE provides CLIENT notice of increase at least 30 days prior to the applicable Renewal Term.
- 2.3 **Payment, Late Charges.** All fees are non-refundable unless this agreement is terminated in accordance with Section 6 or as otherwise set forth in the Agreement. Fees will be billed at the beginning of each month or quarter. Payment must be submitted in full within 30 days or by the DUE date listed on the invoice. If payment is not received a 3% late fee will be assessed. CLIENT shall be solely responsible for the payment. CLIENT will reimburse HEALTHSOURCE for all costs and expenses incurred by HEALTHSOURCE arising from CLIENT’s collection of amounts due under this Agreement, including, without limitation, reasonable attorneys’ fees.
- 2.4 **Suspension of Service and Acceleration.** If Fees that are due and payable to HEALTHSOURCE become forty-five (45) or more days overdue, HEALTHSOURCE may, without limiting its other rights and remedies, accelerate CLIENT’s unpaid fee obligations for the remainder of the relevant term under the applicable Order Form so that all such obligations become immediately due and payable, and suspend Services until such amounts are paid in full, provided that, HEALTHSOURCE will give CLIENT at least ten (10) days’ prior notice that its account is overdue, prior to suspending the Service.

### 3. WARRANTIES AND DISCLAIMER OF WARRANTIES

- 3.1 **Mutual Warranties.** Each Party represents and warrants that: (a) it has validly entered into this Agreement and that it has the power and authority to do so; (b) no authorization or approval from any third party is required in connection with the Party's execution, delivery, or performance of this Agreement; (c) the execution, delivery, and performance of this Agreement does not violate the laws of any jurisdiction or the terms or conditions of any other agreement to which it is a party or by which it is otherwise bound; and (d) its business and operations, including any operations conducted through third parties, are conducted in compliance with applicable law.
- 3.2 **WARRANTY DISCLAIMER.** EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN SECTION 3.1, HEALTHSOURCE MAKES NO ADDITIONAL REPRESENTATION OR WARRANTY OF ANY KIND WHETHER EXPRESS, IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), OR STATUTORY, AS TO ANY MATTER WHATSOEVER. HEALTHSOURCE EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, ACCURACY, AND TITLE. THE SERVICE MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. HEALTHSOURCE IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS. CLIENT WILL NOT HAVE THE RIGHT TO MAKE OR PASS ON ANY REPRESENTATION OR WARRANTY ON BEHALF OF HEALTHSOURCE TO ANY PARTICIPANT OR OTHER THIRD PARTY.
- 3.3 **Wellness Program Design Disclaimer.** HEALTHSOURCE incorporates CLIENT's wellness program design and features into the Service in order to assist CLIENT in the management and operation of its wellness program. Under no circumstances shall HEALTHSOURCE be construed as approving the design or structure, notices, and/or incentives that may be part of CLIENT's wellness program as meeting all the requirements of applicable law. No information or guidance provided by HEALTHSOURCE in the provision of the Service shall constitute or be construed as legal advice on any matter and CLIENT should always seek the legal advice of competent counsel in designing its wellness program. CLIENT shall be solely responsible for ensuring that the structure, notices, and/or any incentives it provides as part of its wellness program are compliant with applicable law, including but not limited to the Health Insurance Portability Act of 1996, the Americans with Disabilities Act, the Genetic Information Nondiscrimination Act, and the regulations under each.
- 3.3 **Not Medical Advice.** THE SERVICE IS NOT A SUBSTITUTE FOR MEDICAL ADVICE. THE SERVICE (INCLUDING ANY INFORMATION OR MATERIALS AVAILABLE ON THE SERVICE), WHETHER PROVIDED BY HEALTHSOURCE, OTHER USERS, OR THIRD PARTIES, IS NOT INTENDED TO BE AND SHOULD NOT BE USED IN PLACE OF: (A) THE ADVICE OF DOCTORS OR OTHER MEDICAL PROFESSIONAL, (B) A VISIT, CALL OR CONSULTATION WITH DOCTORS OR OTHER MEDICAL PROFESSIONALS, OR (C) INFORMATION CONTAINED ON OR IN ANY PRODUCT PACKAGING OR LABEL. ANY ADVICE OR INFORMATION RECEIVED FROM A THIRD PARTY THROUGH THE SERVICE HAS NOT BEEN VERIFIED BY HEALTHSOURCE AND SHOULD NOT BE RELIED UPON WITHOUT VERIFICATION FROM A DOCTOR OR OTHER MEDICAL PROFESSIONAL. CLIENT AND AUTHORIZED USERS SHOULD NOT USE THE SERVICES FOR DIAGNOSING OR TREATING A HEALTH PROBLEM OR MEDICAL CONDITION. ADDITIONALLY, CLIENT OR AUTHORIZED USERS' USE OF THE SERVICE AND COMMUNICATION VIA THE INTERNET, E-MAIL OR OTHER MEANS DOES NOT CONSTITUTE OR CREATE A DOCTOR-PATIENT, THERAPIST-PATIENT OR OTHER HEALTHCARE PROFESSIONAL RELATIONSHIP BETWEEN CLIENT OR AUTHORIZED USERS AND HEALTHSOURCE.

### 4. PRIVACY AND DATA SECURITY

- 4.1 **Business Associate Addendum.** To the extent CLIENT meets the definition of a "Covered Entity" or "Business Associate," as those terms are defined in 45 C.F.R. § 160.103, the Parties agree to the terms of the Business Associate Addendum, located in Exhibit A which shall be incorporated by reference into this Agreement.
- 4.2 **Personal Data Processing.** Personal data is defined as name, address, birthdate and PHI. CLIENT acknowledges and agrees that HEALTHSOURCE may Process Personal Data in performing the Service in accordance with Data Protection Laws which shall be incorporated by reference into this Agreement. CLIENT represents and warrants

that (i) CLIENT complies with its obligations concerning any Personal Data provided or made available by to HEALTHSOURCE under this Agreement; (ii) CLIENT has obtained all consents for use and disclosure of such Personal Data, or the CLIENT otherwise has a lawful basis for processing Personal Data, to the extent required by Data Protection Law; and (iii) that, unless CLIENT has notified HEALTHSOURCE in writing of the termination or invalidation of any consent necessary for HEALTHSOURCE'S Processing of Personal Data, each such consent is and will continue to be valid in accordance with Data Protection Laws.

## 5. INTELLECTUAL PROPERTY

5.1 **HEALTHSOURCE Intellectual Property.** CLIENT hereby acknowledges and agrees that HEALTHSOURCE (and WellRight with regard to the Wellness Portal) exclusively owns all right, title, and interest worldwide in its trademarks and logos, the Services, documentation, and ideas, including any and all modifications, enhancements, improvements, transformations or derivative works thereof (collectively, "HEALTHSOURCE Intellectual Property"), and to all intellectual property rights worldwide thereto. CLIENT will not have any rights in or to HEALTHSOURCE Intellectual Property except as expressly granted in this Agreement. CLIENT will not act to jeopardize, limit, or interfere in any manner with HEALTHSOURCE's ownership of and rights with respect to HEALTHSOURCE. HEALTHSOURCE reserves to itself all rights to the Service not expressly granted to CLIENT in accordance with this Agreement.

## 6. TERM AND TERMINATION

6.1 **Term.** This Agreement will commence upon the Effective Date on the SOW and continue for the Term specified on the SOW. Unless otherwise specified herein, CLIENT may terminate this Agreement at any time without cause, upon sixty (60) days prior written notice to the HEALTHSOURCE address provided herein, provided that if CLIENT is to terminate this Agreement without cause prior to the end of Term, CLIENT will be responsible for a payout of the remaining term as noted in the SOW.

6.2 **Termination for Cause.** If either Party fails to perform any of its material obligations under this Agreement, the other Party may terminate this Agreement for cause by giving thirty (30) days prior written notice. If the matters set forth in such notice are not cured to the other Party's reasonable satisfaction within the thirty (30) day period, this Agreement shall terminate. Upon termination, no additional fees shall be due.

6.3 **Termination for Non-Payment.** HEALTHSOURCE may terminate this Agreement immediately if after written notice to CLIENT, if CLIENT fails to pay any Fee within thirty (30) days after such payment was due.

6.4 **Termination by Insolvency.** Either Party may terminate this Agreement effective immediately by providing written notice to the other Party if the other Party makes an assignment for the benefit of creditors, files a petition in bankruptcy, permits a petition in bankruptcy to be filed against it, or admits in writing its inability to pay its debts as they mature, or if a receiver is appointed for a substantial part of its assets.

6.5 **No Liability for Termination.** Except as otherwise expressly provided for herein, if either Party terminates this Agreement in accordance with terms of this Agreement, neither Party will be liable to the other because of such termination for compensation, reimbursement, or damages on account of the loss of prospective profits or anticipated sales or on account of expenditures, inventory, investments, or commitments in connection with the business or goodwill of HEALTHSOURCE or CLIENT. Termination will not, however, relieve either Party of obligations incurred prior to the effective date of the termination.

## 7.0 CONFIDENTIALITY

7.1 **Confidentiality.** "Confidential Information" means any and all information and material disclosed by one Party ("Discloser") to the other Party ("Recipient") or its Representatives (as defined below) (before or after the signing of this Agreement, and whether in writing, or in oral, graphic, electronic or any other form) that is (a) marked in writing as or provided under circumstances reasonably indicating it is confidential or proprietary,

or if disclosed orally or in other intangible form or in any form that is not so marked, that is identified as confidential at the time of such disclosure; or (b) not generally known to the public or other third parties who could derive economic value from its use or disclosure. Confidential Information, includes, without limitation, any (i) secret, know-how, idea, invention, process, technique, algorithm, program (whether in source code or object code form), hardware, device, design, schematic, drawing, formula, data, plan, strategy and forecast of, and (ii) proprietary technical, engineering, manufacturing, product, marketing, customer, servicing, financial, personnel and other proprietary information and materials of, Discloser and its employees, consultants, investors, affiliates, licensors, suppliers, vendors, customers and CLIENTs. For purposes of this Agreement, "Representatives" refers to any person, its directors, officers, employees, agents and advisors (including, without limitation, consultants, CLIENTs, customers, vendors, financial advisors, banks and other financing sources, attorneys, accountants and their respective Representatives). To the extent applicable, all references in this agreement to HEALTHSOURCE, CLIENT, Recipient or Discloser, shall also be deemed to be references to each of their respective Representatives. Confidential Information does not include any Protected Health Information (if applicable) as defined in 45 C.F.R. § 160.103, which shall be governed by the Business Associate Addendum.

- 7.2 Nondisclosure and Permitted Use.** Recipient shall hold all Confidential Information in strict confidence and shall not disclose or distribute any Confidential Information to any third party other than to its employees and agents who need to know such information and who are bound in writing by restrictions regarding disclosure and use of such information comparable to and no less restrictive than those set forth herein. Recipient shall not use any Confidential Information for the benefit of itself or any third party or for any purpose other than to perform its obligations under this Agreement. Recipient shall take the same degree of care that it uses to protect its own confidential and proprietary information and materials of similar nature and importance (but in no event less than reasonable care) to protect the confidentiality and avoid the unauthorized use, disclosure, publication or dissemination of the Confidential Information. Recipient shall not make any copies of the Confidential Information except to the extent reasonably necessary to carry out its obligations under this Agreement, or unless otherwise approved in writing in advance by Discloser. Any such copies made shall be identified as the property of Discloser and marked "confidential," "proprietary" or with a similar legend.
- 7.3 Scope.** The obligations of this Section 7 including the restrictions on disclosure and use, shall not apply with respect to any Confidential Information to the extent such Confidential Information: (a) is or becomes publicly known through no act or omission of Recipient; (b) was rightfully known by Recipient before receipt from Discloser, as evidenced by Recipient's contemporaneous written records; (c) becomes rightfully known to Recipient without confidential or proprietary restriction from a source other than Discloser that does not owe a duty of confidentiality to Discloser with respect to such Confidential Information; or (d) was independently developed by Recipient without the use of or reference to the Confidential Information of Discloser, as evidenced by Recipient's contemporaneous written records. In addition, Recipient may use or disclose Confidential Information to the extent (i) approved by Discloser or (ii) Recipient is legally compelled to disclose such Confidential Information, provided, however, that prior to any such compelled disclosure, Recipient shall give Discloser reasonable advance notice of any such disclosure and shall cooperate with Discloser in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of such disclosure and/or use of the Confidential Information.
- 7.4 Remedies.** HEALTHSOURCE, and or WellRight, will notify CLIENT in writing immediately upon becoming aware of any breach or threatened breach of confidential information. Due to the unique nature of each Party's Confidential Information, the unauthorized disclosure or use of Discloser's Confidential Information may cause irreparable harm, which will be difficult to ascertain and for which there may be no adequate remedy at law.
- 7.5 Confidentiality of Agreement.** Neither Party to this Agreement will disclose the terms of this Agreement to any third party without the consent of the other Party, except as required by securities or other applicable laws. Notwithstanding the above provisions, each Party may disclose the terms of this Agreement (a) in connection with the requirements of a public offering or securities filing; (b) in confidence, to accountants,

banks, and financing sources and their advisors; (c) in confidence, in connection with the enforcement of this Agreement or rights under this Agreement; or (d) in confidence, in connection with a merger or acquisition or proposed merger or acquisition, or the like.

## **8. INDEMNIFICATION**

**8.1 HEALTHSOURCE Indemnification Obligations.** To the extent permitted by law, HEALTHSOURCE will indemnify, defend, and hold harmless CLIENT and its parent, subsidiaries, and affiliates and their respective owners, representatives, officers, directors, agents, and employees (collectively, "CLIENT Parties") from and against any and all claims, proceedings, damages, injuries, liabilities, losses, costs and expenses (including reasonable attorneys' fees and litigation expenses) ("Claims") to the extent arising out of any action or proceeding brought by a third party against any one or more of the CLIENT Parties directly relating to (i) HEALTHSOURCE'S provision of the Services and; (ii) alleging that HEALTHSOURCE Data infringes a privacy or intellectual property right of a third party; or (iii) related to any act of gross negligence or willful misconduct by HEALTHSOURCE.

**8.2 CLIENT Indemnification Obligations.** To the extent permitted by law, CLIENT will indemnify, defend, and hold harmless HEALTHSOURCE and its parent, subsidiaries, and affiliates and their respective owners, representatives, officers, directors, agents, and employees (collectively, "HEALTHSOURCE Parties") from and against any and all claims, proceedings, damages, injuries, liabilities, losses, costs and expenses (including reasonable attorneys' fees and litigation expenses) ("Claims") to the extent arising out of any action or proceeding brought by a third party against any one or more of the HEALTHSOURCE Parties (i) alleging injury, damage, or loss resulting from CLIENT's use of the Service; (ii) alleging that CLIENT Data infringes a privacy or intellectual property right of a third party; or (iii) related to any act of gross negligence or willful misconduct by CLIENT or any of its Authorized Users.

## **9. LIMITATION OF LIABILITY**

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, HEALTHSOURCE WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THE TRANSACTION CONTEMPLATED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOSS OF BUSINESS, EVEN IF THE PARTY IS APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. HEALTHSOURCE'S AGGREGATE LIABILITY TO CLIENT UNDER THIS AGREEMENT SHALL NOT EXCEED THE FEES OWED BY CLIENT TO HEALTHSOURCE IN THE TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE ACCRUAL OF ANY CLAIM, REGARDLESS OF THE FORUM AND REGARDLESS OF WHETHER ANY ACTION OR CLAIM IS BASED ON CONTRACT, TORT, OR OTHERWISE. EACH PROVISION OF THIS AGREEMENT THAT PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTY, OR EXCLUSION OF DAMAGES IS TO ALLOCATE THE RISKS OF THIS AGREEMENT BETWEEN THE PARTIES. THIS ALLOCATION IS REFLECTED IN THE PRICING OFFERED BY HEALTHSOURCE TO CLIENT AND IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES.

## **10. GENERAL PROVISIONS**

**10.1 Amendment.** This Agreement may not be modified, altered or amended except by a subsequent written instrument signed by both parties.

**10.2 Assignability.** Neither Party may assign its right, duties, or obligations under this Agreement without the other Party's prior written consent, except to a successor-in-interest in connection with a merger, acquisition, or sale of the company.

**10.3 Governing Law, Jurisdiction & Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. CLIENT agrees to and does hereby submit to the jurisdiction of the courts of the State Michigan in connection with any matter arising under the terms of this Agreement. The parties agree

that venue in connection with any proceeding arising under the terms of this Agreement shall be in Ottawa County, Michigan.

- 10.4 Relationship of the Parties.** This Agreement does not establish a partnership, joint venture, or employer/employee relationship between the parties, nor shall it be construed to do so in any manner. The parties are independent contractors. The sole interest of each party is to ensure that the services under this Agreement shall be performed and rendered in a competent, efficient, and satisfactory manner.
- 10.5 Notice.** All notices required or permitted to be given under this Agreement shall be sufficient if furnished in writing, sent by registered mail, to the party's last known principal office.
- 10.6 Force Majeure.** Except as otherwise stated herein, HEALTHSOURCE will not be liable for, or be considered to be in breach of or default under this Agreement on account of, any delay or failure to perform as required by this Agreement as a result of any cause or condition beyond HEALTHSOURCE's reasonable control, so long as HEALTHSOURCE uses commercially reasonable efforts to avoid or remove such causes of non-performance.
- 10.7 Publicity.** HEALTHSOURCE may advertise and publish its business relationship with CLIENT, including the fact that it is providing services relating to this Agreement; however, to the extent HEALTHSOURCE intends to use CLIENT's trademarks or logos, HEALTHSOURCE will first seek written consent from CLIENT.
- 10.8 Entire Agreement.** This Agreement, including all attachments and SOWs, is the final and complete expression of the agreement between these Parties regarding the Service. This Agreement supersedes, and the terms of this Agreement govern, all previous oral and written communications regarding these matters. No employee, agent, or other representative of HEALTHSOURCE has any authority to bind HEALTHSOURCE with respect to any statement, representation, warranty, or other expression unless the same is specifically set forth in this Agreement. No usage of trade or other regular practice or method of dealing between the Parties will be used to modify, interpret, supplement, or alter the terms of this Agreement. This Agreement may be changed only by an agreement executed by an authorized agent of each Party.
- 10.9 Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision. The parties will negotiate in good faith to amend the invalid, illegal, or unenforceable provision to the minimum extent necessary to make the provision valid, legal, and enforceable and to accomplish the original reasonable objectives of the parties for entering into this Agreement.
- 10.10 Certification.** Each party certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract or any government program by any federal department or agency or by the State of Minnesota. EACH PARTY WILL NOTIFY IMMEDIATELY THE OTHER PARTY if this status changes and the name of any person who provides services under this Agreement or who has an ownership or controlling interest or is an agent or managing employee who is convicted of a criminal offense related to the person's involvement in a government program or is suspended, debarred, or excluded from participation in a government program.
- 10.11 Arbitration.** Any dispute, claim, or controversy arising out of or relating to this Agreement and any of its Exhibits or attachments, or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, will be determined by arbitration in Ottawa County, Michigan, before one (1) arbitrator. The arbitration will be administered by the American Arbitration Association, in Ottawa County, Michigan. Judgment on the award may be entered in any court having jurisdiction. This provision will not preclude either Party from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator. You agree to submit any claims arising out of this Agreement to binding arbitration, and this dispute resolution provision constitutes a waiver of Your right to a jury trial. HOWEVER, prior to the Parties initiating Arbitration the Parties agree to attempt mediation of the dispute with a mutually agreeable trained mediator in Ottawa County, Michigan. "Trained mediator" means a professional with actual training and experience in the field of Mediation and/or dispute resolution.

10.12 **Discrimination.** HEALTHSOURCE and its subcontractors shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Breach of this covenant may be regarded as a material breach of the contract.

For the purposes of this Agreement, an electronic signature shall be recognized and treated in every respect as holding the same validity and enforceability as an original handwritten signature. CLIENT’s signature alone constitutes acceptance of these terms.

HEALTHSOURCE and CLIENT representative warrant that this Agreement has been duly executed and delivered and constitutes a valid and binding agreement.

**IN WITNESS WHEREOF, this Agreement** is executed by the Parties’ authorized officers and shall be effective as of the date set forth above.

**HealthSource Solutions, LLC**

Signature: \_\_\_\_\_

Print name: Crystal Miller

Title: COO

Date: \_\_\_\_\_

**City of Zeeland**

Signature: \_\_\_\_\_

Print name: Timothy Klunder

Title: City Manager

Date: \_\_\_\_\_

## Exhibit A

### BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement is entered into between the employee health plans of CITY OF ZEELAND (“Covered Entity”) and HEALTHSOURCE SOLUTIONS, LLC (“Business Associate”), effective, except as otherwise provided in this Agreement, as of November 13, 2025.

The parties wish to enter into this Agreement to enable Covered Entity to meet applicable requirements of regulations issued under the administrative simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and this Agreement shall be interpreted accordingly. This Agreement also is intended to satisfy certain requirements of the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), included in the American Recovery and Reinvestment Act of 2009 (“ARRA”) and those requirements are hereby incorporated into this Agreement by this reference and by other specific references within this Agreement, when and as they become applicable to either Covered Entity or Business Associate and this Agreement shall be interpreted accordingly.

The parties agree that, in performing certain services, including, if applicable, providing health care services directly to individuals through an employee assistance program or a wellness program under contract with CITY OF ZEELAND, HEALTHSOURCE SOLUTIONS may be acting as a health care provider covered entity rather than as a business associate of Covered Entity. HEALTHSOURCE SOLUTIONS will determine whether it is acting as a health care provider subject to HIPAA on a case-by-case basis. When acting as a health care provider, HEALTHSOURCE SOLUTIONS may be directly subject to the HIPAA Privacy Rule and the Security Standards. In those cases, protected health information that HEALTHSOURCE SOLUTIONS receives, maintains or transmits as a health care provider is protected by the HIPAA Privacy Rule and the Security Standards and, if applicable, also by confidentiality agreements between HEALTHSOURCE SOLUTIONS and individuals and will not be governed by this Agreement.

### ARTICLE 1

#### DEFINITIONS

The following terms, for purposes of this Agreement, have the meanings indicated, unless the context clearly requires otherwise:

1.1 **Business Associate** means HealthSource Solutions, LLC.

1.2 **Breach** has the same meaning as the term “breach” under 45 CFR §164.402.

1.3 **Covered Entity** means the employee health plans sponsored by City of Zeeland.

1.4 **Designated Record Set** is defined at §164.501 of the Privacy Regulations and, for purposes of this Agreement means a set of records (including paper and electronic records) maintained by or for Covered Entity that include Protected Health Information and that are either (1) enrollment, claims processing or medical management records or (2) any other records used by Covered Entity to make decisions about Individuals. For purposes of this Agreement, Designated Record Set does not include protected health information maintained by HEALTHSOURCE SOLUTIONS as a health care provider.

1.5 **Individual** has the same meaning as the term "individual" in 45 CFR §160.103 and includes a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

1.6 **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

1.7 **Protected Health Information** or "PHI" means information that qualifies as protected health information under 45 CFR Section 160.103 with respect to Covered Entity and does not include protected health information that HEALTHSOURCE SOLUTIONS receives, maintains or discloses in its capacity as a health care provider covered entity.

1.8 **Required by Law** has the meaning set forth in 45 CFR §164.103.

1.9 **Secretary** means the Secretary of the Department of Health and Human Services or his or her designee.

1.10 **Security Standards** means the federal regulations issued as Health Insurance Reform: Security Standards and codified at 45 CFR parts 160, 162 and 164.

1.11 **Security Incident** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system, but only to the extent that the incident involves electronic PHI.

1.12 **Unsecured Protected Health Information** has the same meaning as that term has under 45 CFR §164.402 but limited to information that is accessed, maintained, retained, modified, recorded, stored, destroyed or otherwise held, used or disclosed by Business Associate on behalf of Covered Entity.

1.13 **Terms used**, but not otherwise defined, in this Agreement have the same meaning as those terms have in 45 CFR §§160.103, 164.103, 164.304 and 164.501 or in §13400 of ARRA.

## **ARTICLE 2**

### **OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

2.1 Business Associate agrees that it will not use or further disclose PHI other than as permitted or required by this Agreement or as Required by Law.

2.2 Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.

2.3 Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

2.4 Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, of which it becomes aware.

2.5 Business Associate agrees to ensure that any agent, including a subcontractor, that creates, receives, maintains or transmits PHI on behalf of Business Associate, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to that information by entering into an agreement with the subcontractor or other agent that satisfies the requirements of 45 CFR §164.504(e)(5). To the extent that a subcontractor or other agent of Business Associate creates, receives, maintains or transmits electronic PHI on behalf of Business Associate, Business Associate will ensure that the subcontractor or agent agrees to comply with the applicable requirements of the Security Standards by entering into an agreement that complies with 45 CFR §164.314.

2.6 If Business Associate has PHI in a Designated Record Set, Business Associate agrees to provide access, at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity, to that PHI, to Covered Entity or, as directed by Covered Entity, to an Individual, in order to meet the requirements under 45 CFR §164.524.

2.7 To the extent reasonably necessary for Covered Entity to comply with 45 CFR §164.524(c)(2), if Business Associate maintains PHI in an electronic format for any Individual, Business Associate agrees to provide, at the request of an Individual, and in the time and manner designated by the Individual, a copy of such information in the electronic format designated by the Individual to that Individual or, if clearly, conspicuously and specifically directed by the Individual to transmit an electronic copy of that information directly to an entity or person designated by the Individual. If electronic information described in the preceding sentence is not readily producible in the form and format requested by the Individual, it will be provided in a readable electronic form and format as agreed to by Business Associate and the individual, or, if no agreement is reached in a hard copy format. Any fee charged by Business Associate to the Individual for providing such information (or a summary or explanation of such information) cannot exceed the amount described in 45 CFR §164.524(c)(4). Except as otherwise expressly provided in this Section 2.7, any information provided pursuant to this Section will comply with the requirements of 45 CFR §164.524 as they apply to Covered Entity. If a request described in this Section 2.7 is made by the Individual to Covered Entity instead of Business Associate, Business Associate agrees to work with Covered Entity to allow Covered Entity to respond to the request in accordance with §164.524.

2.8 If Business Associate has PHI in a Designated Record Set, Business Associate agrees to make any amendment to such information that Covered Entity directs or agrees to pursuant to 45 CFR §164.526 at the request of Covered Entity or an Individual, and in the time and manner reasonably designated by Covered Entity.

2.9 Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

2.10 Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528. In addition, effective beginning on the date the requirements of regulations issued pursuant to §13405(c) of ARRA become applicable to Covered Entity, if Business Associate maintains information in an electronic format, to the extent necessary for Covered Entity to comply with ARRA §13405(c) and applicable regulations, Business Associate agrees to document access to and disclosures of PHI in electronic form, including applicable disclosures for payment, treatment or health care operation purposes and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI or, if applicable, an access report in accordance with 45 CFR §164.528, as modified in accordance with ARRA §13405(c) and applicable regulations.

Business Associate agrees to provide to Covered Entity or an Individual, in a reasonable time and manner designated by Covered Entity, information collected in accordance with this Section 2.10, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.

2.11 In conducting any electronic transaction that is subject to the Electronic Transaction Regulations on behalf of Covered Entity, Business Associate agrees to comply with all requirements of the Electronic Transaction Regulations that would apply to Covered Entity if Covered Entity were conducting the transaction itself.

2.12 To the extent that Business Associate creates, receives, maintains or transmits electronic PHI on behalf of Covered Entity, Business Associate agrees to maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of all electronic PHI and to otherwise comply with applicable requirements of the Security Standards.

2.13 To the extent that Business Associate creates, receives, maintains or transmits electronic PHI on behalf of Covered Entity, Business Associate agrees to report to Covered Entity any Security Incident of which it becomes aware.

2.14 To the extent that Business Associate accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses or discloses Unsecured PHI on behalf of Covered Entity, Business Associate agrees to notify Covered Entity of any Breach of such information. Such notification will comply with 45 CFR §164.410 including, to the extent possible, identifying each individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired or disclosed during the Breach. In addition, the notice described in the preceding sentence will include all information that is reasonably available to Business Associate that Covered Entity would reasonably be expected to need to fulfill its legal obligations with respect to the Breach. If additional information described in the preceding sentence becomes available after the original notice is provided to Covered Entity, Business Associate agrees to promptly provide the additional information to Covered Entity as it becomes available.

Business Associate agrees to provide notice of the Breach without unreasonable delay and in no case later than 60 calendar days after Business Associate discovers the Breach. For purposes of the preceding sentence, Business Associate will be treated as discovering the Breach on the first day on which the Breach is known (or should reasonably have been known) to Business Associate (including any employee, officer or other agent of Business Associate other than the person committing the Breach). Whether a Breach has occurred will be determined in accordance with applicable regulations or other authoritative guidance issued pursuant to the HITECH Act. A delay in notification of a Breach that qualifies as a “law enforcement delay” under 45 CFR §164.412 or other applicable guidance will not be treated as a violation of this Agreement.

2.15 To the extent that Business Associate agrees, under the terms of this Agreement or a general services agreement or otherwise, to carry out any obligation that the Covered Entity may have under the Privacy Rule at 45 CFR part 164, subpart E, Business Associate agrees to comply with the requirements of subpart E that would apply to Covered Entity in performing that obligation.

2.16 Business Associate agrees to make uses and disclosures and requests for Protected Health Information consistent with Covered Entity’s minimum necessary policies and procedures.

### **ARTICLE 3**

#### **PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE**

3.1 Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity, as specified in the general services agreement between Business Associate and Covered Entity provided that such use or disclosure would not violate the Privacy Rule or the Security Standards if done by Covered Entity.

3.2 Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

3.3 Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

3.4 Except as otherwise limited in this Agreement, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR §164.504(e)(2)(i)(B).

3.5 Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR §164.502(j)(1).

## **ARTICLE 4**

### **OBLIGATIONS OF COVERED ENTITY**

4.1 Covered Entity shall notify Business Associate of any limitation in its notice of privacy practices that Covered Entity produces in accordance with 45 CFR §164.520, to the extent that limitation may affect Business Associate's permitted or required uses and disclosures.

4.2 Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, if those changes affect Business Associate's permitted or required uses and disclosures.

4.3 Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522.

## **ARTICLE 5**

### **PERMISSIBLE REQUESTS BY COVERED ENTITY**

5.1 Except as permitted under Sections 3.2, 3.3 or 3.4 of this Agreement, Covered Entity shall not request that Business Associate use or disclose PHI in any manner that would not be permitted under the Privacy Rule, the Security Standards or the HITECH Act if done by Covered Entity, unless such use or disclosure is otherwise permitted under the Privacy Rule, the Security Standards or the HITECH Act if done by the Business Associate on behalf of Covered Entity and is consistent with the requirements of the general services agreement between Covered Entity and Business Associate.

## **ARTICLE 6**

### **TERM AND TERMINATION**

6.1 **Term.** This Agreement will terminate when all of the PHI provided by Covered Entity to Business Associate, or created, maintained or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, when protections are extended to such information, in accordance with the termination provisions of this Article 6.

6.2 **Termination for Cause.** If Covered Entity becomes aware of a material breach of this Agreement by Business Associate, Covered Entity shall (1) provide an opportunity for the Business Associate to cure the breach or end the violation and terminate this Agreement (and any applicable portion of a general services agreement between the parties) if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity, or (2) immediately terminate this Agreement (and any applicable portion of a

general services agreement that covers the services that Business Associate performs for Covered Entity) if Business Associate has breached a material term of this Agreement and cure is not possible.

### **6.3 Effect of Termination.**

(a) Except as provided in paragraph (b) of this Section, upon termination of this Agreement for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision applies to PHI that is in the possession of subcontractors or agents of Business Associate. Except as provided in paragraph (b) of this Section, Business Associate shall retain no copies of the PHI.

(b) If Business Associate determines that returning or destroying PHI is infeasible, Business Associate shall notify Covered Entity of the conditions that make return or destruction infeasible and Business Associate will extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

## **ARTICLE 7**

### **MISCELLANEOUS**

**7.1 Regulatory and Statutory References.** A reference in this Agreement to a regulation or a statute means that regulation or statute as in effect and as amended at the time of reference and as interpreted pursuant to any applicable guidance provided by the Secretary or other responsible regulatory authority and any applicable case law.

**7.2 Amendment.** The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity and Business Associate to comply with the requirements of the Administrative Simplification provisions of HIPAA and the HITECH Act, and of the regulations issued pursuant to those laws. The Parties may agree to amend this Agreement from time to time in any other respect as they deem appropriate. This Agreement shall not be amended except by written instrument executed by Covered Entity and Business Associate.

**7.3 Survival.** The respective rights and obligations of Business Associate under Section 6.3 of this Agreement shall survive the termination of this Agreement.

**7.4 Interpretation.** Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with applicable requirements of the HIPAA Administrative Simplification regulations and with the applicable requirements of the HITECH Act. Also, nothing in this Agreement shall be construed to require Business Associate to violate its obligations to comply with any requirements of the Privacy Rule or the Security Standards that apply directly to Business Associate.

**7.5 Effective Date.** Notwithstanding any other provision of this Agreement, Business Associate shall not be required to comply with any obligation imposed on it by this Agreement that is intended to provide for a Covered Entity's compliance with a requirement of the Administrative Simplification Regulations or the HITECH Act or regulations or other guidance issued pursuant to the HITECH Act until the date on which Covered Entity is first required to comply with that requirement.

**7.6 Entire Agreement.** This Agreement sets forth the entire understanding of the Parties with respect to its subject matter and supersedes all prior agreements, arrangements and communications, whether oral or written, pertaining to the subject matter of this Agreement.

**IN WITNESS WHEREOF, this Agreement** is executed by the Parties' authorized officers and shall be effective as of the date set forth above.

**HealthSource Solutions LLC**

Signature: \_\_\_\_\_

Print name: Crystal Miller

Title: COO/Integrator

Date: \_\_\_\_\_

**City of Zeeland**

Signature: \_\_\_\_\_

Print name: Timothy Klunder

Title: City Manager

Date: \_\_\_\_\_



## Statement of Work Portal Service: Enhanced

This Statement of Work (SOW) dated November 13, 2025 is a supplement and incorporated herein to the Master Services Agreement dated November 13, 2025 between HealthSource Solutions, LLC, (“HEALTHSOURCE”), and City of Zeeland (“CLIENT”). HEALTHSOURCE agrees to provide the Services described in this SOW to CLIENT in accordance with the terms of the Master Services Agreement, which is incorporated into this SOW in its entirety by reference. CLIENT desires to retain HEALTHSOURCE to provide services as outlined within this SOW (“Services”).

### TERMS

- **The service dates of this agreement are from 1/1/2026 – 12/31/2026 (“EFFECTIVE DATE”).**
- The duration of this Agreement shall be **1 year**, unless such term is extended, shortened, or otherwise deferred in accordance with the Master Services Agreement.
- The monthly fee includes access to the portal and **75 hours** per year of program support.
- The monthly invoice will include a minimum of 90 employees. Each employee above 90 will be billed at \$8.55 pepm
- Annual increases are based on the length of contract: 12 month 3% | 24months 2% | 36 months 1.5%
- If services are canceled prior to a 12-month term, the remaining months will be billed at 50%.
- HealthSource’s standard file format is required for all data feeds. If data feed is not in our standard file format, additional fees will apply.
- If CLIENT requests exceed number of hours or standard deliverables, hourly rate is \$85/hour
- CLIENT agrees to pay HEALTHSOURCE within a **NET Term of 30 days**. Late payments will be assessed a 3% late fee. ACH or checks are accepted. Credit cards will incur a 3.5% processing surcharge. Any payment surcharge added by CLIENT will be billed back at 100%.

### FEES AND CONDITIONS

Service	Est. Quant.	Fee
Wellness Program Enhanced Package (monthly fee)	12	\$927
Onsite Support Time (annual): 3 visits/year for 3 hours each by one Account Specialist		Included in monthly fee
Physician Form Tracking (up to 25 forms included in contract)	each	(\$15)
<b>Optional Service Additions</b>		
High Risk Health Coaching	Ea	(\$195 pp)
<b>Estimated annual fees are based on current projections</b>	<b>Estimated Annual Fee</b>	<b>\$11,124</b>

\*Note: any fees listed in parenthesis are not included in the estimated annual fee

**ENHANCED SERVICES INCLUDE:**

- **Support Team:** Dedicated HSS Health Promotion Manager and Account Specialist
- **Planning:** Identify annual goals and metrics, develop an annual plan
- **Access:** Employee and spouse access to the WellRight health portal
- **Custom Site Setup:** URL, logo, links, branding, automated file feed, SSO, registration, and reporting fields
- **Portal Design:** Guidance on best-practice programming, access to predefined challenges, ability to customize up to 6 portal activities; access to 4 recorded webinars
- **Site Administration:** Manage user list, help line and email support, ongoing maintenance and troubleshooting
- **Communications:** Management of communication plan (internal and external to platform), launch materials, monthly newsletter, awareness materials and direct to participant support
- **Ongoing Support:** Monthly meetings and maintaining accountability to the annual plan
- **Wellness Team:** Lead and support the Wellness Committee
- **Onsite Time:** promote initiatives, provide wellness education; 1 on 1 guidance, connect with employees
- **Resources:** Maximize existing resources by imbedding into strategy (ie health plan, EAP, community offerings)
- **Reporting:** Quarterly and year-end reports including goals met, platform engagement, resource utilization, feedback survey results and incentive management

***NOTE:** The rate of implementation is highly dependent on the CLIENT's ability to meet timelines, and the hours allotted for the service. Services listed above are guidelines and may be adjusted based on needs.*

**All notices required under this Agreement will be sent to:**

HEALTHSOURCE SOLUTIONS  
Mary Kruse  
3149 Fernbrook Lane North  
Plymouth, MN 55447

CITY OF ZEELAND  
Attn: Tim Klunder  
21 S Elm St  
Zeeland, MI 49464

HEALTHSOURCE and CITY OF ZEELAND have executed this SOW on the date set forth above. The representative identified below acknowledges they are authorized to enter into this SOW.

**HEALTHSOURCE SOLUTIONS, LLC**

**CITY OF ZEELAND**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print: Crystal Miller

Print: Timothy Klunder

Title: COO/Integrator

Title: City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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CITY COUNCIL MEMORANDUM

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TO: Mayor Van Dorp and City Councilmembers  
FROM: Tim Klunder, City Manager  
SUBJECT: 2026 Goal Setting Dates  
DATE: December 9, 2025  
CC: December 15<sup>th</sup> Council Agenda

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**BACKGROUND:** The end of the 2025 calendar year brings the need to consider goal setting dates for development of the 2026 Strategic Action Plan. We will once again ask for a two-night commitment for goal setting. I surveyed the city management team and we came up with the following dates that work for our leadership team.

- (First Choices) January 26, 27 or 28
- (Second Choice) January 12 and 14
- (Third Choice) February 11 and 12

Historically it has worked best if we can conduct the sessions on consecutive evenings, but that is not critical. From a time perspective, we typically have a meal available at 5 p.m., start the sessions at 5:30 p.m., and end no later than 9 p.m.

From a process standpoint, we foresee the first night being a review of our 2025 progress and then departments will share their ideas for the year(s) ahead. On night two, we will build the actions/commitments for our 2026 Strategic Action Plan. (The exact process we use to build the final action steps for the 2026 plan is yet to be determined.) After the goal setting sessions, City Council work/study sessions will be used to finalize the written plan. Our goal is to have the plan adopted no later than the first of April.

**RECOMMENDATION:** Staff recommends that City Council set two evening dates in 2026 for the annual goal setting process.

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Timothy R. Klunder, City Manager



21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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## CITY COUNCIL MEMORANDUM

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TO: Mayor Van Dorp and City Councilmembers  
FROM: Tim Klunder, City Manager  
SUBJECT: West Michigan Airport Authority Representative  
DATE: December 10, 2025  
CC: December 15<sup>th</sup> City Council Agenda

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**BACKGROUND:** The City of Zeeland has three representatives appointed to the West Michigan Airport Authority. One of the representatives must be an elected official. When former Mayor Klynstra “termed-out” his appointment on the Airport Authority (no more than two consecutive four-year terms may be served – not counting partial terms), Mayor Pro-Tem Gruppen was appointed to fill the remainder of our elected official appointment from February 1, 2024 – January 31, 2026. (The full four-year term of our elected official appointment is February 2022 – January 2026.) In speaking with Mayor Pro-Tem Gruppen, she is willing to continue to serve as our elected official appointment to the Airport Authority.

Prior to Mayor Pro-Tem Gruppen serving the past couple of years on the Airport Authority, she did serve as our alternate to the Airport Authority. (We should identify a new alternate.) I have attached a history of our appointments assuming City Council accepts Mayor Pro-Tem Gruppen’s appointment to fill the next term of our elected official representative’s term on the Airport Authority.

**Recommendation:** Appoint Mayor Pro-Tem Sally Gruppen to the West Michigan Airport Authority for a term of February 1, 2026 to January 31, 2030.

---

Timothy R. Klunder, City Manager

## Airport Authority Board Terms – City of Zeeland

### Elected Official Spot

March 2007 – Jan 2010	Hoogland	first term was 3 years
Jan 2010 – Jan 2014	Hoogland Klynstra	(Jan 2010 – Nov 2011; retired as Mayor) (Dec 2011 – Jan 2014)
Jan 2014 – Jan 2018	Klynstra	
Jan 2018 – Jan 2024 ** **This term should have been 2018 -2022	Klynstra	(not eligible for reappointment)
Feb 2024 – Jan 2026** **Term was 2 years to complete the remainder of the term that should have been 2022 – 2026	Gruppen	
Feb 2026 – Jan 2030	Gruppen (pending CC approval 12.15.25)	

### Spot #2 of Original Board

March 2007 – Jan 2009	Klunder	first term was 2 years
Jan 2009 – Jan 2013	Klunder	
Jan 2013 – Jan 2017	Klunder	(not eligible for reappointment)
Jan 2017 – Jan 2021	Blanton	
Feb 2021 – Jan 2025	Blanton	(not eligible for reappointment)
Feb 1, 2025 – Jan 31, 2029	Roden	

### Spot #3 Expanded Board (March 2009)

March 2009 – Jan 2013	Mitchell	
Jan 2013 – Jan 2017	Hoogland	
Jan 2017 – Jan 2021	Hoogland	(not eligible for reappointment)
Feb 2021 – Jan 2025**	Barence	(resigned 12.31.23)**
Jan 2, 2024 – Jan 31, 2025**	Dannenberg	(fill remaining term of Barence appointment)**
Feb. 1, 2025 – Jan 31, 2029	Dannenberg	

Council Meeting  
Common Council  
December 1, 2025

The regular meeting of the Common Council was held at 21 S. Elm Street, Zeeland, MI 49464 on Monday, December 1, 2025 Mayor Kevin Klynstra called the meeting to order at 7:09 P.M.

PRESENT: Councilmembers – Mayor Klynstra, Mayor Pro-Tem Gruppen, Broersma, Kass, Timmer, Lam, Councilmember and Mayor-Elect VanDorp, Councilmembers - Bult, Langeland, and Perkins

ABSENT: None

Staff Present: City Attorney Donkersloot, City Manager Tim Klunder, Asst City Manager/Finance Director Kevin Plockmeyer, Community Development Director Tim Maday, City BPW General Manager Andy Boatright, City Clerk Kristi DeVerney and Interim Deputy City Clerk Sharon Lash

The Invocation was offered by City Councilmember, Jim Broersma

The Pledge Allegiance to the Flag

City Clerk DeVerney administered the Oath of Offices to Mayor VanDorp and Councilmembers, Bult, Langeland, and Perkins.

Former Mayor Klynstra, Councilmembers Broersma and Kass, recused themselves from the meeting and Mayor VanDorp and the City Councilmembers took their seats at the dais.

### **Approve Addition to Agenda**

Motion was made by Councilmember Broersma and Supported by Kass to add Partial Release of Restrictive Covenant to 500 N. Centennial to the agenda.

Ayes: Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Mayor VanDorp

No Vote: None

Absent: None

### **Consent Agenda**

Motion was made by Councilmember Broersma and Supported by Mayor Pro-Tem Gruppen to approve the Consent Agenda.

Ayes: Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Mayor VanDorp  
No Vote: None  
Absent: None

1. Approve minutes of the Regular City Council meeting of November 17, 2025,
2. Approve minutes of the City Council Work Study meeting of November 17, 2025,
3. Receive for information draft minutes of the Personnel Committee meeting on November 25, 2025.

### **Public Comment/Visitors**

Ottawa County Commissioner Jacob Bonnema introduced new Ottawa County Administrator Patrick Waterman.

### **Communications**

None

### **City Managers Report**

City Manager Klunder noted tonight's meeting process is a bit different with the seating of a new Mayor, City Council and the Christmas Tree Lighting and Parade.

The Planning Commission will hold its regular meeting on Thursday, December 4 @ 5:45 p.m. The primary item of discussion will be the development of the Capital Improvement Plan for calendar 2026.

### **Action Items**

#### **25.181 City Council Rules of Order**

Motion was made by Mayor Pro-Tem Gruppen and Supported by Councilmember Timmer to approve the City Council Rules of Order.

Ayes: Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Lam, Perkins, Mayor VanDorp  
No Vote: None  
Absent: None

#### **25.182 City Council Rules of Procedure**

Motion was made by Councilmember Timmer and Supported by Mayor Pro-Tem Gruppen to approve the City Council Rules of Procedure.

Ayes: Langeland, Timmer, Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Mayor VanDorp  
No Vote: None  
Absent: None

**25.183 Ordinance 1044, Electric Rate Revisions**

Motion was made by Councilmember Lam and Supported by Councilmember Timmer to adopt City Ordinance 1044 to permit Electric Rate revisions.

Ayes: Timmer, Bult, Lam, Perkins,, Mayor Pro-Tem Gruppen, Langeland, Mayor VanDorp  
No Votes: None  
Absent: None

**25.184 Ordinance 1045 Water Rate Revisions**

Motion was made by Councilmember Langeland and Supported by Mayor Pro-Tem Gruppen to adopt City Ordinance 1044 to permit Water Rate revisions.

Ayes: Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Mayor VanDorp  
No Votes: None  
Absent: None

**25.185 Interim Fire/Rescue Chief Appointment**

Motion was made by Councilmember Perkins and Supported by Councilmember Langeland to approve Mayor VanDorp's appointment of Mitch Harsevoort to the position of "Interim Fire/Rescue Chief" effective December 13, 2025 until a new full-time Fire/Rescue Chief is hired and initially transitions into the role (approximately two – three weeks after hire); and to set Mr. Harsevoort's annual salary during the interim period at \$45,167.20 (based on an average of 20 hours per week).

Ayes: Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Mayor VanDorp  
No Vote: None  
Absent: None

**25.186 Fire/Rescue Search Committee Appointment**

Motion was made by Councilmember Bult and Supported by Councilmember Lam to approve the Fire/Rescue Chief Search Committee as presented with the dissolution of the Committee to occur upon the appointment of a new Fire/Rescue Chief.

Ayes: Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Lam, Mayor VanDorp  
No Votes: None  
Absent: None

**25.187 Church Street Project Scope Confirmation and Total Project Budget Approval**

Motion was made by Mayor Pro-Tem Gruppen and Supported by Councilmember Langeland to affirm the full project scope and direct staff to plan for the required budgetary adjustments as part of the Fiscal Year 2027 budget.

Ayes: Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Lam, Perkins, Mayor VanDorp  
No Votes: None  
Absent: None

**25.188 Dental Insurance**

Motion was made by Councilmember Timmer and Supported by Councilmember Langeland to accept the leadership team and Personnel Committee's recommendation to the transition to the ADN Pool Dental for the 2026 plan year, based on the rates provided in the October 2025 quote.

Ayes: Langeland, Timmer, Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Mayor VanDorp  
No Votes: None  
Absent: None

**25.189 Elect Mayor Pro-Tem**

Motion was made by Councilmember Lam and Supported by Councilmember Bult to elect Gruppen as the Mayor Pro-Tem.

Ayes: Timmer, Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Mayor VanDorp  
No Votes: None  
Absent: Note

**25.190 Appointment of Tax Incentive Committee**

Motion was made by Councilmember Langeland and Supported by Councilmember Perkins to approve Mayor VanDorp's appointments to the Tax Incentive Committee with a term ending November 30, 2026:

- Richard Van Dorp III, Mayor
- Sally Gruppen, City Council
- Phung Lam, City Council
- Amy Langeland (City Council Alternate)

Ayes: Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Mayor VanDorp

No Votes: None

Absent: None

### **25.191 Appointment of Personnel Committee**

Motion was made by Councilmember Perkins and Supported by Councilmember Langeland to approve Mayor VanDorp's appointments to the Personnel Committee with a term ending November 30, 2026.

- Richard VanDorp III, Mayor
- Sally Gruppen, City Council
- Phung Lam, City Council
- Linda Boerman, Board of Public Works
- Mark Cooney, Board of Public Works

Ayes: Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Mayor VanDorp

No Votes: None

Absent: None

### **25.192 Appointment of Pension Committee**

Motion was made by Councilmember Bult and Supported by Councilmember Lam to approve the administrative appointments to the Pension Committee for a term ending November 30, 2026.

- Richard VanDorp III, Mayor
- Sally Gruppen, City Council
- Andrew Boatright, Administrative Official
- Kevin Plockmeyer, Administrative Official
- Tim Klunder, Administrative Official

Ayes: Perkins, Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Lam, Mayor VanDorp

No Votes: None  
Absent: None

**25.193 Appointment to City Council Rep. to Planning Commission**

Motion was made by Mayor Pro-Tem Gruppen and Supported by Councilmember Langeland to approve Councilmember Perkins as the City Council Rep to the Planning Commission.

Ayes: Mayor Pro-Tem Gruppen, Langeland, Timmer, Bult, Lam, Perkins, Mayor VanDorp  
No Votes: None  
Absent: None

**25.194 Appointment to City Council Rep. to Shopping Area Redevelopment Board**

Motion was made by Councilmember Timmer and Supported by Councilmember Langeland to approve Councilmember Bult as the City Council Rep to the Shopping Area Redevelopment Board.

Ayes: Langeland, Timmer, Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Mayor VanDorp  
No Votes: None  
Absent: None

**25.195 Partial Release of Restrictive Covenant for 500 N Centennial Street**

Motion was made by Councilmember Lam and Supported by Mayor Pro-Tem Gruppen to approve the Partial Release of Restrictive Covenant for 500 N Centennial Street.

Ayes: Timmer, Bult, Lam, Perkins, Mayor Pro-Tem Gruppen, Langeland, Mayor VanDorp  
No Votes: None  
Absent: Note

There being no further business, motion was made by Councilmember Timmer and Supported by Mayor Pro-Tem Gruppen to adjourn the meeting. Motion carried by all voting aye. Time called at 8:03 P.M.

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Mayor Richard VanDorp III

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Kristi DeVerney, City Clerk

MEMORANDUM OF – STUDY SESSION  
Zeeland City Hall Council Chambers  
Monday, December 1, 2025  
5:30 P.M.

PRESENT: Councilmembers – Mayor Klynstra, Mayor Pro-Tem Gruppen, Broersma, Kass, Lam, Timmer, and VanDorp

ALSO PRESENT: Councilmembers Elect – Bult, Langeland, and Perkins

ABSENT: None

Staff Present: City Attorney Donkersloot, City Manager Tim Klunder, Asst City Manager/Finance Director Kevin Plockmeyer, Community Development Director Tim Maday, City BPW General Manager Andy Boatright, City Clerk Kristi DeVerney and Interim Deputy City Clerk Sharon Lash

Mayor Klynstra called the Study Session to order at 5:30 P.M.

### **Financial Sustainability Report**

ACM Plockmeyer noted that included in the City's 2024 and 2025 Strategic Action Plans was the goal of conducting a Financial Sustainability Study. While the City is currently in an enviable financial position, changes to our concentrated tax base could create significant future headwinds. City Council demonstrated foresight in initiating this study while conditions are favorable. The study focused primarily on assessing the financial impact and the City's available responses to a potential closure of the Consumers Energy Power Generating Facility due to the age of the plant or evolving regulatory requirements.

John Kaczor (Municipal Analytics) and Nate Geinzer (Double Haul Solutions) presented the financial sustainability report to the Council members. They noted the following:

#### **Project Goals & Objectives:**

- Identify financial impacts of the potential loss of 38% of City taxable value when ZGS ceases operations
- Review current operations and finances to identify potential changes to improve long-term financial sustainability
  - Financial management policies
  - Benchmark analysis
  - Internal evaluation
  - Intergovernmental services and agreements
- Develop a financial model to forecast expenses and revenues under different scenarios
- Offer strategies the City could pursue to improve financial resilience

#### Current Financial Condition:

- Zeeland's overall financial condition is excellent
  - Low debt
  - Healthy fund balances; sound fund balance policy
  - No unfunded pension liability
  - Low tax rate
  - High level of municipal services
  - Some availability of development opportunities
  - Status quo operations appear sustainable with current tax base
  - City leaders are intentional about long-term planning

#### Improving Financial Sustainability

- Regional public safety options
- District library
- Greater use of user fees
- Improve 425 agreement terms
- Increase cost recovery from utility funds
- Exercise caution when considering investment in parking structures
- Reducing solid waste hauler traffic could extend life of streets
- Study impact of ZGS closure on utilities

#### Strategic Opportunities Available

- Recently announced investments in Zeeland create opportunities
  - Increase in tax base that could replace ZGS taxable value
  - Ten or more years of increased tax revenues
    - Treat as one-time revenues
    - Forecast revenues in excess of current revenues
- Take time to study and plan how to utilize funds strategically
  - Capital investments
    - Facilities' upgrades that will serve the community for decades
    - Energy efficiency to reduce operating costs
  - Housing
  - Strategic reserves

#### Strategic Opportunities Available

- Recently announced investments in Zeeland create opportunities
  - Increase in tax base that could replace ZGS taxable value
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    - Treat as one-time revenues
    - Forecast revenues in excess of current revenues
- Take time to study and plan how to utilize funds strategically
  - Capital investments

- Facilities' upgrades that will serve the community for decades
- Energy efficiency to reduce operating costs
- Housing
- Strategic reserves

#### Next Steps & Moving Forward

- Establish strategies for managing finances with 10-15 years of elevated tax receipts
- Consider new terms for 425 agreement and begin negotiating well before current agreement expires
- Look carefully for cost neutral parking solutions downtown

ACM Plockmeyer noted that this feedback will serve as a helpful baseline as the Council prepares for future strategic planning discussions. This will position the City to proactively navigate changes in the financial landscape as they arise.

There being no further items to discuss, Work study was adjourned at 6:02 P.M.

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Kristi DeVerney, City Clerk





21 South Elm Street • Zeeland, Michigan 49464 • (616) 772-6400 • FAX (616) 772-5352

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## CITY COUNCIL MEMORANDUM

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TO: Mayor Van Dorp and City Councilmembers  
FROM: Tim Klunder, City Manager  
SUBJECT: City Manager's Report  
DATE: December 9, 2025  
CC: December 15<sup>th</sup> City Council Agenda

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Police Officer Personnel – Officer Tom Michmerhuizen submitted his resignation as a full-time Police Officer with the city. Tom has 17 years of service with the city. We wish Tom great success in his future endeavors. We are currently seeking to replace Tom's full-time position. While we are looking for a full-time officer, we have hired a couple of part-time positions within the department. One of our previous full-time officers, Koichi Magee, has returned on a part-time basis. We are excited to have Officer Magee back in the Zeeland Police Department. We have also hired a former Holland Police Officer, Mark Deleeuw, who will be working part-time. Officer Deleeuw originally left the Holland Police Department to pursue other opportunities and realized he missed being a part of the police force. We are pleased to welcome his valuable skillset to the department.

Church Street Project – This project is scheduled to start on January 5, 2026. The first section will be from the Clean Water Plant toward Central. The section of Lincoln from the Clean Water Plant Drive to Church is tentatively planned to be closed in mid-February as work progresses from the Clean Water Plant/Cemetery toward Central.

Snowmelt System – Not sure if you had the opportunity to venture out the morning of December 10 (Wednesday) but if you did, you recall that it was an absolute sloppy mess. But, if you also managed to make it through downtown, you would have noticed dry sidewalks and a dry Woonerf (Elm Street). It is hard to thank Ben Kiewiet enough for the efforts he has been putting in to get our snowmelt system fully operational. And, to the benefit of Ben, the system has been operating on "automatic" mode rather than him having to consistently monitor and adjust the system to ensure snowmelt operations. Lately, I have noted some downtown merchants marketing the snow free sidewalks as an attraction to shop downtown. I believe Wednesday morning, and the marketing of the sidewalk conditions by merchants, is what the Snowmelt Committee and City

FEEL THE ZEEL



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Council envisioned when the decision was made to expand snowmelt through the downtown sidewalks.

Network Engineer (from Tim Maloney) – *“Big congrats to Beau Rokala, Network Engineer, who officially earned his **Cisco Certified Network Associate (CCNA)** certification! If you’ve ever looked into the CCNA, you know it’s not a “watch a video at lunch and wing it” kind of exam. It’s a tough test that demands real understanding of networking fundamentals, troubleshooting, and hands-on configuration—and he powered through it. What makes this even more impressive: he joined us just 3 months ago, and this was one of the goals I asked him to complete within his first 6 months. He crushed it in half the time. Please join me in congratulating Beau on a major milestone and a great start to his career with us!”*

Fiscal Year ‘26/’27 Budget Timeline – While the start of the Fiscal Year 2026/2027 budget is more than six-months away (July 1, 2026), the process of building the budget has started. Attached for City Council’s information is the budget timeline. Of note for City Council is that we are planning to hold the budget work/study sessions on Monday, March 30, Tuesday, March 31, and if necessary, Wednesday, April 1. (We historically have not needed the third night for review, but we like to have it on the schedule.) For those new to City Council, the budget work/sessions typically start at 5:30 p.m. and we target ending the evenings no later than 9:00 p.m.

Elected Officials Training – A reminder that if anyone has an interest in the Michigan Municipal League’s Elected Officials training, we will assist with registration. An update on their upcoming training schedule is attached for information.

City Facility Tours and Operations – We hope that everyone that was able to attend various city facility tours this past Wednesday enjoyed the tours and information shared. I realize these tours were very brief and they could not possibly cover all the information so important to the operations within each of these facilities. If there is ever a desire to have a more in-depth review of the facilities, please do not hesitate to reach out and we can coordinate a visit. Additionally, we only had the opportunity to visit three of our facilities. Additional facilities that may interest you include our Street Department Facility and the Library/Community Center. Beyond that, if there are operations you would like more information on (IT, Cemetery, Parks, Finance, Assessing/Building/Zoning, Marketing, Clerk, etc.) please do not hesitate to reach out.

Should you have any questions or concerns regarding any of the material contained herein, or any other city related matter, please do not hesitate to call upon me. Thank you.

A handwritten signature in black ink, appearing to read 'Timothy R. Klunder', written over a horizontal line.

Timothy R. Klunder, City Manager

## Budget Timeline for Fiscal Year 2026-2027

<u>Deadline</u>	<u>Task</u>	<u>Responsible</u>
January 5, 2026	Distribute budget worksheets, CIPs, narratives, employee worksheets and rates and charges worksheet to Managers	Finance
January 16, 2026	Employee hours and spread worksheets due	Managers
TBD	City Council Goal-Setting Retreat	All
TBD	City Council Goal-Setting Retreat	All
February 2, 2026	Return Budget Worksheets, Narratives, and Rates and Charges Worksheets to Finance	Dept Heads
February 6, 2026	Draft Budget Document to City Mgr	Finance
February 9-13, 2026	Budget Review with Departments	CM/Finance
March 20, 2026	Budget Document Incorporating CM Changes	Finance
March 27, 2026	Administrative Budget Submitted to Council	CM/Finance
March 30, 2026	Work-Study Session	Council
March 31, 2026	Work-Study Session	Council
April 1, 2026	Work-Study Session (if needed)	Council
April 20, 2026	Resolution to Establish Millage Rate	Council
May 4, 2026	Hold Public Hearing and Adopt Budget	Council



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**[External] 2026 Training for Your Elected Officials**

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From Michigan Municipal League <events@email.mml.org>

Date Wed 12/10/2025 9:01 AM

To Tim Klunder <citymgr@cityofzeeland.com>

**Attention:** This email was sent to City of Zeeland / Zeeland BPW from an **external source**. Please be extra vigilant when opening attachments or clicking links.

EOA Email Banners Feb 2024

## Support Your Elected Officials: 2026 Elected Officials Academy Programming

The **Elected Officials Academy (EOA)** is a free program, open to all League members, designed to educate elected officials on topics critical to effective governance. This is a free program, open to all League members, designed to educate elected officials on topics critical to effective governance. **If you support or work closely with your council or commission, please consider sharing these opportunities—many elected officials find these summits valuable as they begin or continue their service.**

Perfect for newly elected officials, the **EOA Core Summit** offers a comprehensive curriculum that covers fundamentals of leadership, zoning, and financial management.

The **EOA Advanced Summit** builds on the training of the Core Summit. Advanced Summits cover a rotating series of topics, so seasoned officials can always stay fresh.

### Upcoming EOA Summits

Both Core and Advanced summits will be held on the following dates:

## Winter Summit: February 20–21, 2026 (Virtual)

- EOA Core Summit ([Register](#))
- EOA Advanced Summit: **Budgeting & Finance** ([Register](#))

## Spring Summit: May 15–16, 2026 (Bay City)

- EOA Core Summit ([Register](#))
- EOA Advanced Summit: **Trust & Effective Engagement** ([Register](#))

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