

1945  
ANNUAL REPORT  
BOARD OF PUBLIC WORKS

*Grand Haven*  
*Michigan*

SIXTEENTH ANNUAL REPORT  
of the  
**BOARD OF PUBLIC WORKS**  
GRAND HAVEN, MICHIGAN

For the fiscal year ended  
September thirtieth  
Nineteen Hundred Forty-five

**MUNICIPAL  
POWER AND LIGHTING  
SYSTEM**  
1896 - 1945

*Cover—Aerial view of Municipal Power Plant (foreground)  
and Water Filtration Plant (rear at right).*

*Page 2—Flag Day program at Kelly Park near Municipal  
Power Plant.*

*Page 10—Municipal electric distribution steel towers cross-  
ing Grand River.*

*Page 11—Waterfront view of Grand Haven from Dewey Hill.*

*Page 14—New Green Hill football field lighting.*



ABRAM J. WESSEL  
*President*

NELSON H. FISHER

CLIFFORD J. WALSH

ADRIAN H. RINGELBERG    ARTHUR G. WALTER

J. BRYAN SIMS  
*Superintendent*





# PERSONNEL OF THE BOARD OF PUBLIC WORKS AND LENGTH OF TIME SERVED

## Members

JOHN J. MULDER\*.....  
 EDWARD L. BEHM.....  
 JAMES H. JOHNSTON†...  
 O. T. SCHUBERT‡.....  
 HARRY J. SWANSON°....  
 HARTGER JONKER.....  
 HUGH P. MULLIGAN§...  
 ARTHUR G. WALTER...  
 ADRIAN H. RINGELBERG  
 ABRAM J. WESSEL.....  
 NELSON H. FISHER.....  
 CLIFFORD J. WALSH.....

	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
JOHN J. MULDER*		RE-ELECTED														
EDWARD L. BEHM			RE-ELECTED				PRESIDENT									
JAMES H. JOHNSTON†	PRESIDENT	PRESIDENT		RE-ELECTED												
O. T. SCHUBERT‡			PRESIDENT	PRESIDENT	RE-ELECTED					RE-ELECTED						
HARRY J. SWANSON°						RE-ELECTED	PRESIDENT				RE-ELECTED	PRESIDENT				
HARTGER JONKER			APPOINTED	ELECTED			RE-ELECTED	PRESIDENT	PRESIDENT							
HUGH P. MULLIGAN§					APPOINTED	ELECTED			RE-ELECTED	PRESIDENT						
ARTHUR G. WALTER								ELECTED					RE-ELECTED			
ADRIAN H. RINGELBERG											APPOINTED	ELECTED	PRESIDENT	PRESIDENT	PRESIDENT	RE-ELECTED
ABRAM J. WESSEL											APPOINTED	ELECTED			RE-ELECTED	PRESIDENT
NELSON H. FISHER												ELECTED				
CLIFFORD J. WALSH												APPOINTED	ELECTED			RE-ELECTED

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## Superintendents

HARRY J. BADCON.....  
 EDWARD L. BEHM.....  
 J. BRYAN SIMS.....

Original members of Board elected are the first five listed and their terms in years as originally appointed are in the same sequence.

\* John J. Mulder resigned June, 1932, and Hartger Jonker was appointed.

† James H. Johnston resigned July, 1934, and Hugh P. Mulligan was appointed.

‡ O. T. Shubert resigned January, 1940, and Adrian H. Ringelberg was appointed.

§ Hugh P. Mulligan resigned January, 1940, and Abraham J. Wessel was appointed.

° Harry J. Swanson resigned August, 1941, and Clifford J. Walsh was appointed.

## THE ANNUAL REPORT

The Board of Public Works of the City of Grand Haven, Michigan submits herewith its sixteenth Annual Report of the operations of the Municipal Electric System for the fiscal year ending September 30, 1945, with comparative figures taken from the audit of the city finances recently completed by the firm of Maihofer, Moore & DeLong, certified public accountants.

### COMMENTS OF AUDITORS

The following are excerpts taken from the yearly audit:

"We examined the minute book of the Board, and as far as we could determine, all transactions made during the year under review were in accordance therewith.

"The Department obtained the principal portion of its funds from operating income. The funds thus obtained were used for the purchase of fixed assets, for contribution to the Municipal Hospital Department, to increase construction work in progress, to increase the reserve for insurance and purchase investments.

"We determined that the reserve for insurance was funded by investments purchased and segregated in the insurance fund.

"The increase in operating revenues was represented principally by increased revenues from residential light, commercial power and rural sales.

"Operating expenses decreased in some divisions, the greater decreases being in fuel, lubricants and maintenance of Diesel engines.

### ON A KILOWATT HOUR GENERATED BASIS

"The following comparison shows the amount of income and expense per kilowatt hour sold in each of the two years:

	1945	1944	Increases Decreases*
Operating Revenues	\$ 0.02270	\$ 0.02226	\$ 0.00076
Operating Expenses	<u>0.01765</u>	<u>0.01841</u>	<u>0.00076*</u>
Net Operating Revenues	\$ 0.00505	\$ 0.00385	\$ 0.00120
Non-operating Income	<u>0.00011</u>	<u>0.00004</u>	<u>0.00007</u>
Net Income to Surplus	\$ 0.00516	\$ 0.00389	\$ 0.00127

"On a kilowatt hour sold basis, the operating revenues increased 1.98 per cent, while the operating expenses decreased 0.04 per cent.

"Summarizing the above comparisons, the following facts are to be noted:

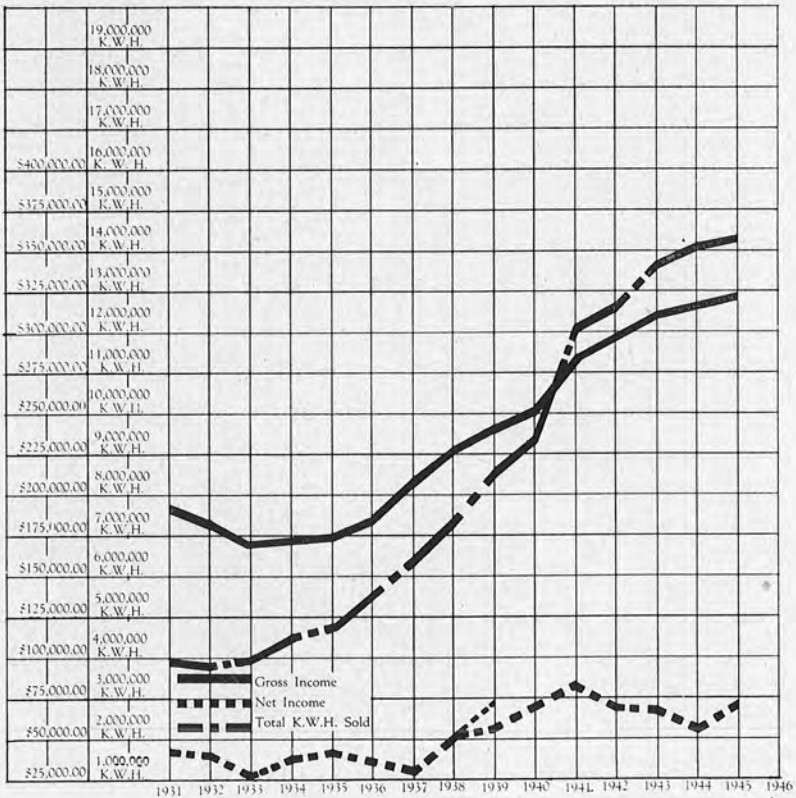
The total operating revenues increased 3.25 per cent, and the revenues per kilowatt hour increased 1.98 per cent.

The total operating expenses decreased 2.86 per cent, while the expense per kilowatt hour decreased 0.04 per cent."

The comparative statement of operations is included as the center sheet of this report.

You will note that the operating revenues of the system increased \$10,538.97 or approximately 3.25 per cent, compared with the previous year, due principally to the increased use of electricity. Sixty-four more residential meters, thirteen more commercial lighting meters and four more industrial power meters were served in 1945 than in the previous year. Electrical consumption by residential users increased 4.99 per cent, commercial lighting usage increased .46 per cent and industrial power usage decreased 9.56 per cent.

*Curves showing comparison of kilowatt hours sold with gross and net revenues, illustrating greater amount of current sold with correspondingly less gross and net income. (Small dotted line on net for 1938 shows amount of retroactive rate reduction returned to users "paid" bills.)*

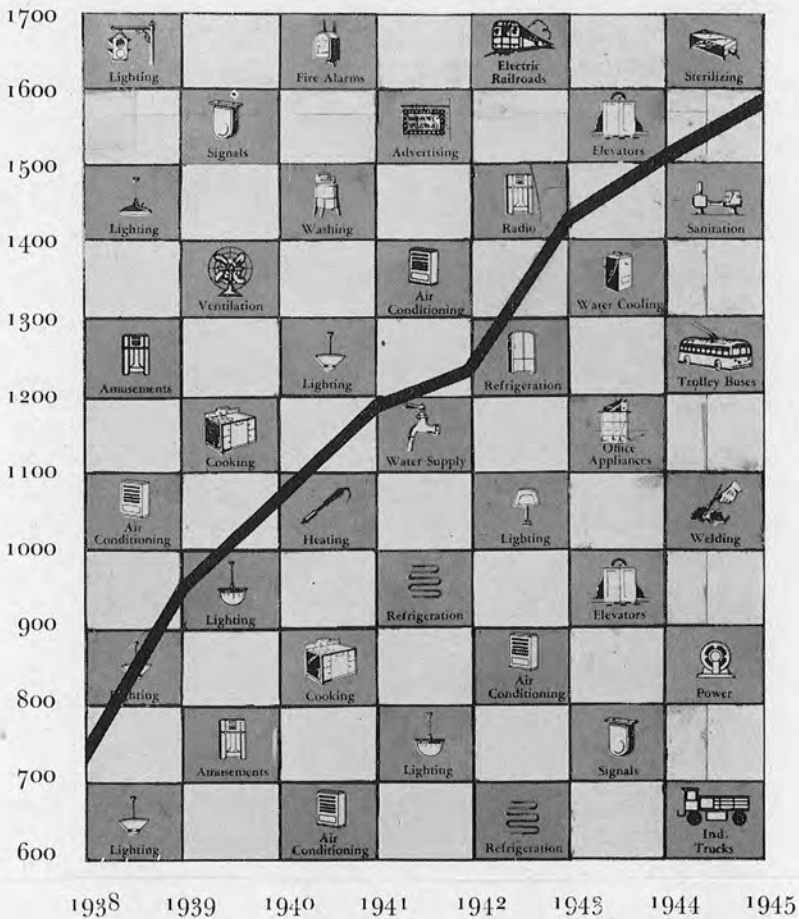


The average yearly use of electricity by each residential user continues to increase. In 1937 the yearly use per residential customer was 700 kilowatt hours. In 1943 this had risen to 1421 kilowatt hours, and in the fiscal year of 1945 to 1595 kilowatt hours.

Operating revenues from residential customers increased 3.22 per cent and from commercial lighting customers 1.04 per cent. Revenues from industrial power users increased 2.11 per cent.

The total operating revenues of the system increased due principally to greater use per customer of electricity. Operating expenses continued to increase due to higher operating costs including higher fuel cost, a general increase in wages and other

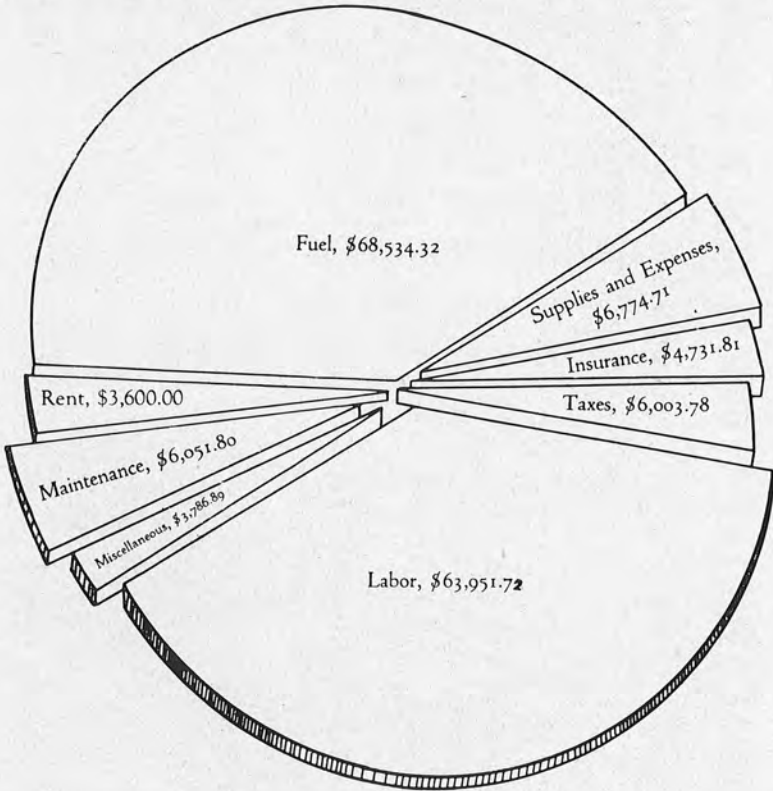
Thousands of kwh



Load Growth Curve of System

factors, but were partially offset by increased volume and some operating economies. \$4,972.07 was paid into the employees pension system established in May 1943. The electric system paid \$6,003.78 in voluntary city and public school taxes. \$9,720.00 was applied to the amortization of Municipal Hospital bonds issued in 1938-39. \$3,600.00 was paid into the general fund representing rent for use of city offices in the City Hall. Substantial investments of depreciation and breakdown insurance funds were made in government bonds. Plans were completed for the addition of three 18'-0" bays to the power plant. This is to house one Diesel engine generating unit to be purchased in 1946, and to provide sufficient space for a possible future additional generating unit. This project, including equipment for the first unit, is estimated to cost approximately \$400,000.00 when completed.

*Graph showing relative operating expenditures for the fiscal year.*



Labor on new construction in addition to the above, \$8,926.68.



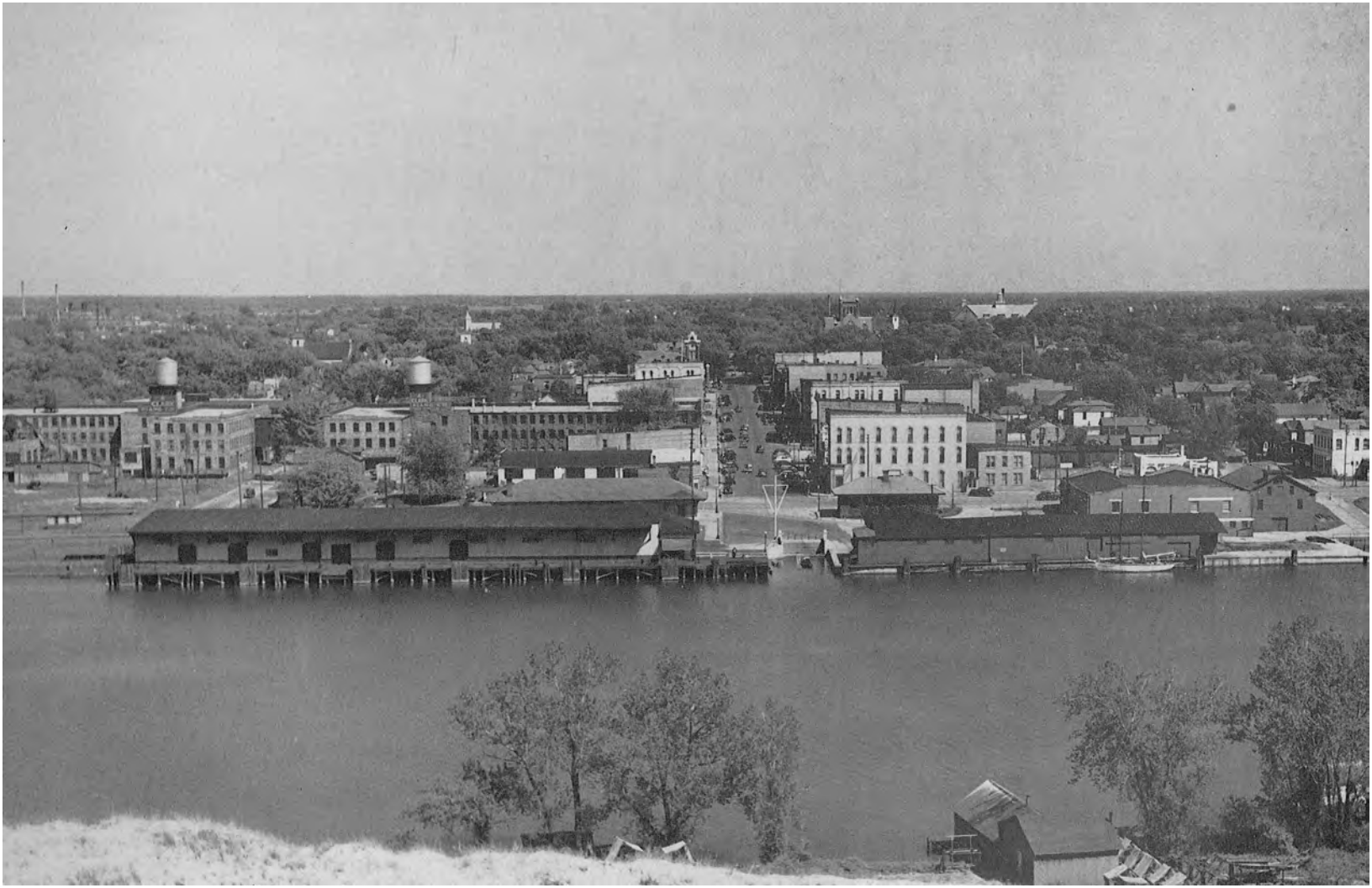
# MUNICIPAL POWER AND LIGHT DEPARTMENT

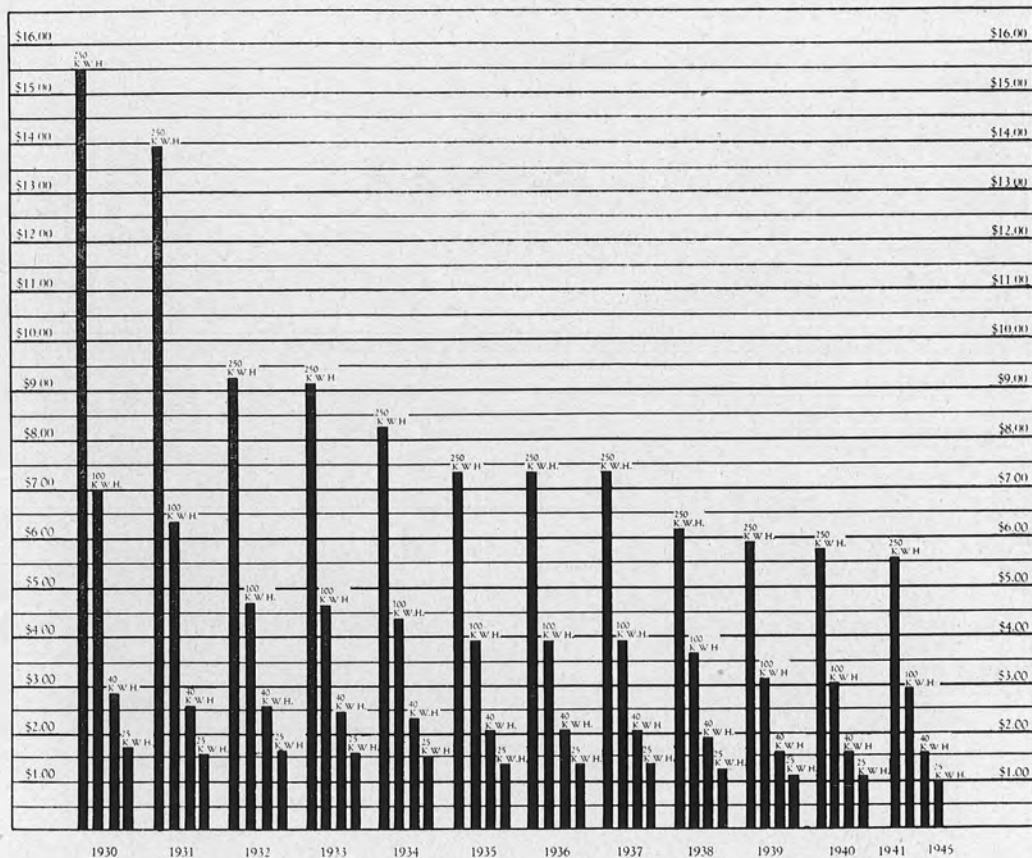
Comparative Statement of Operations  
Years Ending September 30, 1944 and 1945

	Year Ending Sept. 30, 1945	Year Ending Sept. 30, 1944	Increase or Decrease*
OPERATING REVENUE .....	\$324,364.25	\$313,825.28	\$10,538.97
Miscellaneous Revenue .....	1,500.71	589.04	911.67
Total Revenue .....	\$325,864.96	\$314,414.32	\$11,450.64
OPERATING EXPENSES (Power Plant)			
Superintendence and Labor .....	\$ 28,641.66	\$ 28,313.51	\$ 328.15
Fuel .....	68,584.32	70,749.84	2,165.52*
Maintenance and Repairs .....	6,051.80	9,293.40	3,241.60*
Supplies and Expenses .....	5,042.09	7,028.51	1,986.42*
Total Plant Expenses .....	\$108,319.87	\$115,385.26	\$ 7,065.39*
DISTRIBUTION EXPENSES (Power Lines, Etc.)			
Salaries and Labor .....	\$ 13,445.16	\$ 12,347.31	\$ 1,097.85
Transportation (Truck Upkeep, Etc.) .....	524.02	601.33	77.31*
Supplies and Expenses .....	946.33	787.63	158.70
Total Distribution Expense .....	\$ 14,915.51	\$ 13,736.27	\$ 1,179.24
UTILIZATION EXPENSES .....	\$ 1,138.91	\$ 1,766.74	\$ 627.83*
COMMERCIAL EXPENSES .....	\$ 1,858.72	\$ 1,616.07	\$ 242.65
GENERAL EXPENSES (Office Administration)			
Salaries .....	\$ 14,485.30	\$ 13,675.34	\$ 809.96
Office Supplies and Expenses .....	786.29	789.36	3.07*
Rent .....	3,600.00	3,600.00	
Insurance (Fire and Breakdown) .....	4,731.81	4,807.82	76.01*
Interest on Meter Deposits .....	415.67	385.79	29.88
Advertising .....	456.89	318.11	138.78
Bad Debts .....	60.13	88.34	28.21*
Transportation .....	322.33	576.81	254.48*
Pensions .....	4,972.07	4,680.48	291.59
Miscellaneous .....	1,367.75	1,162.47	205.28
Total General Expenses .....	\$ 31,198.24	\$ 30,084.52	\$ 1,113.72
TOTAL OPERATING EXPENSES .....	\$157,431.25	\$162,588.86	\$ 5,157.61*
NET INCOME (Before Taxes & Deprec.) .....	\$168,433.71	\$151,825.46	\$16,608.25
DEDUCT:			
Taxes (City and School) .....	\$ 6,003.78	\$ 7,096.21	\$ 1,092.43*
Depreciation .....	88,748.14	89,911.96	1,163.82*
	\$ 94,751.92	\$ 97,008.17	\$ 2,256.25*
NET INCOME .....	\$ 73,681.79	\$ 54,817.29	\$18,864.50

\*Denotes Decrease

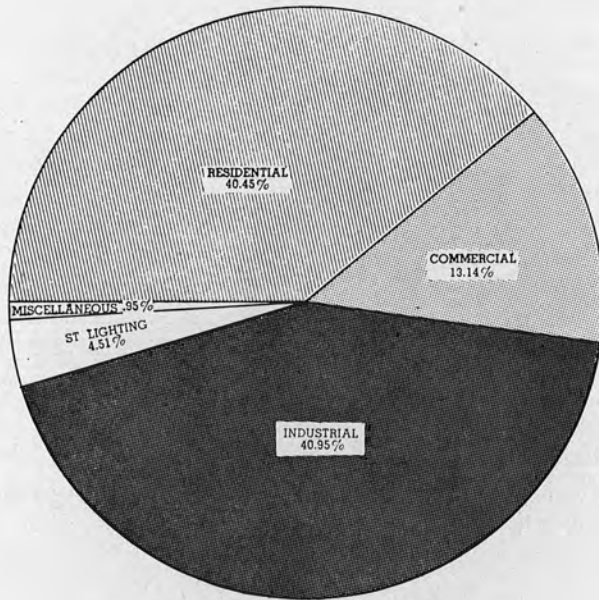




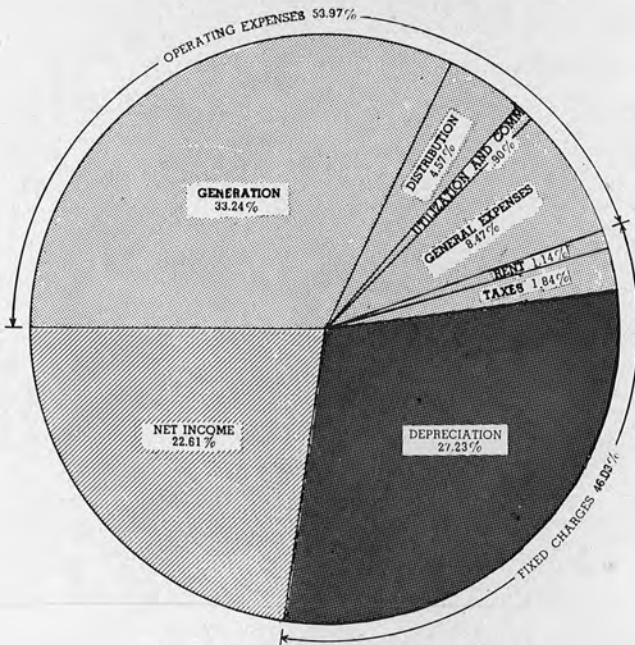


*Cost of 25, 40, 100 or 250 Kilowatt Hours to Residential Customers since 1930.*





**SOURCE OF REVENUES**  
 Total area of chart equals \$325,869.96



**DISPOSITION OF REVENUES**  
 Total area of chart equals \$325,869.96

