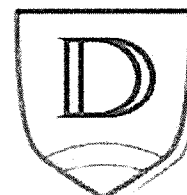


Blissfield Township

FINANCIAL STATEMENTS

YEAR ENDED
MARCH 31, 2019



Drake

Certified
Public
Accountants

TOWNSHIP OF BLISSFIELD

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Drake

Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

Township Board
Blissfield Township
Blissfield, MI

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Blissfield, as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Blissfield, as of March 31, 2019, and the respective changes in financial position, and where applicable, cash flow thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 3-8 and 26-29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Blissfield's basic financial statements. The other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplemental 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Karl Z. Drake

Drake Certified Public Accountants, PC

August 20, 2019



TOWNSHIP OF BLISSFIELD

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Township of Blissfield's annual financial report presents discussion and analysis of the Township's financial performance during the fiscal year ended March 31, 2019. It is best read in conjunction with the Township's financial statements that follow this section.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Township of Blissfield financially as a whole. The Government-wide Financial Statements provide information about the activities of the entire Township, presenting both an aggregate view of the Township's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the Township's operations in more detail than the government-wide financial statements by providing information about the Township's funds - the General Fund and the Fire Fund. The remaining statement, the Statement of Fiduciary Net Position, presents financial information about activities for which the Township acts solely as an agent for the benefit of others.

Management's Discussion and Analysis (MD&A)
(Required Supplemental Information)

Basic Financial Statements

Government-Wide Financial Statements *Fund Financial Statements*

Notes to the Basic Financial Statements

Budgetary Information for the General Fund and Fire Fund
(Required Supplemental Information)

Other Supplemental Information

Reporting the Township as a Whole - Government-Wide Financial Statements

One of the most important questions asked about the Township is, "As a whole, what is the Township's financial condition as a result of the year's activities?" The statement of Net Position and the Statement of Activities, which appear first in the Township's financial statements, report information on the Township as a whole and its activities in a way that helps answer this question. These statements are prepared to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.



Reporting the Township as a Whole - Government-Wide Financial Statements (Continued)

These two statements report the Township's net position - the difference between assets and liabilities, as reported in the Statement of Net Position - as one way to measure the Township's financial health or financial position. Over time, increases or decreases in the Township's net position - as reported in the statement of activities - are indicators of whether its financial health is improving or deteriorating. The relationship between revenue and expenses is the Township's operating results. However, the Township's goal is to provide services to residents, not to generate profits as commercial entities do. One must consider many other non-financial factors to assess the overall health of the Township.

The Statement of Net Position and Statement of Activities report the governmental activities for the Township, which encompass all of the Township's services, including general government, public safety, public works, and community enrichment. Property taxes and State Revenue Sharing finance most of these activities.

Reporting the Township's Most Significant Funds - Fund Financial Statements

The Township's fund financial statements provide detailed information about the most significant funds - not the Township as a whole. Some funds are required to be established by State law and by bond covenants. However, the Township establishes funds as needed to help it control and manage money for particular purposes or to show that it's meeting legal responsibilities for using certain taxes, grants, and other money. The governmental funds of the Township use the following accounting approach:

Governmental Funds

All of the Township's services are reported in governmental funds. Governmental fund reporting focuses on showing money inflow and outflow and the balances remaining at year-end that is available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the Township and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation.

Reporting the Township's Fiduciary Responsibilities - The Township as Trustee

The Township is the trustee, or fiduciary, for its tax collection and agency funds. All of the Township's fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities were excluded from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes.



TOWNSHIP OF BLISSFIELD

Management's Discussion and Analysis

The Township as a Whole

Recall that the statement of net position provides the perspective of the Township as a whole. Table 1 provides a summary of the Township's net position as of March 31, 2019 and 2018:

| TABLE 1 | Governmental Activities | |
|--|-------------------------|-------------------|
| | (In Thousands) | |
| | 2019 | 2018 |
| ASSETS | | |
| Current and other assets | \$ 2,000.3 | \$ 1,522.1 |
| Capital assets - net of accumulated depreciation | 1,238.7 | 1,214.0 |
| TOTAL ASSETS | 3,239.0 | 2,736.1 |
| LIABILITIES | | |
| Current liabilities | 9.1 | 8.5 |
| Long-term liabilities | - | - |
| TOTAL LIABILITIES | 9.1 | 8.5 |
| NET POSITION | | |
| Net Investment in Capital Assets | 1,238.7 | 1,214.0 |
| Restricted | 1,028.7 | 1,174.4 |
| Unrestricted | 962.5 | 339.2 |
| TOTAL NET POSITION | \$ 3,229.9 | \$ 2,727.6 |

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the Township's governmental activities is discussed below. The Township's net position was \$3,229.9 thousand at March 31, 2019. Capital assets, net of related debt totaling \$1,238.7 thousand compares the original cost, less depreciation of the Township's capital assets to long-term debt, including accrued interest on capital appreciation bonds, used to finance the acquisition of those assets. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Township's ability to use that net position for day-to-day operations. The remaining amount of net position (\$962.5 thousand) was unrestricted.

The \$962.5 thousand in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.



Management's Discussion and Analysis

The Township as a Whole (Continued)

The results of this year's operations for the Township as a whole are reported in the statement of activities (see Table 2), which shows the changes in net position for fiscal year 2019 and 2018.

| TABLE 2 | Governmental Activities | |
|--|-------------------------|-----------------|
| | (In Thousands) | |
| | 2019 | 2018 |
| REVENUE | | |
| Program Revenue | | |
| Charges for Services | \$ 98.2 | \$ 148.0 |
| Grants and Categoricals | 129.5 | - |
| General Revenue | | |
| Property Taxes | 506.3 | 567.1 |
| State Aid | 83.5 | 55.2 |
| Other | 11.7 | 11.0 |
| TOTAL REVENUE | 829.2 | 781.3 |
| FUNCTION/PROGRAM EXPENSES | | |
| General Government | 163.1 | 230.9 |
| Public Safety | 242.3 | 179.6 |
| Public Works | 153.3 | 128.7 |
| Community Enrichment | - | - |
| Interest | - | - |
| Depreciation (Unallocated) | 105.7 | 83.8 |
| TOTAL FUNCTION/PROGRAM EXPENSES | 664.4 | 623.0 |
| EXTRAORDINARY ITEM | 337.5 | - |
| INCREASE (DECREASE) IN NET POSITION | \$ 502.3 | \$ 158.3 |

As reported in the Statement of Activities, the cost of all governmental activities this year was \$664.4 thousand. Certain activities were partially funded from those who benefited from the programs (\$98.2 thousand) or by other governments and organizations that subsidized certain programs with grants and categoricals (\$129.5 thousand). There was also revenue from an extraordinary item totaling \$337.5 thousand. The remaining "public benefit" portion of our governmental activities was paid with \$506.3 thousand in taxes, \$83.5 thousand in state revenue sharing, and with other revenue, such as interest and general entitlements.

The Township experienced an increase in net position of \$158.3 thousand. The key reason for the change in net position was controlling expenditures. The increase in net position differs from the change in fund balance and a reconciliation appears on page 14.



TOWNSHIP OF BLISSFIELD

Management's Discussion and Analysis

The Township as a Whole (Continued)

As discussed previously, the net cost shows the financial burden that was placed on the State and the Township's taxpayers by each of these functions. Since property taxes for operations and state revenue sharing constitute the vast majority of the Township's operating revenue sources, the Township Board must annually evaluate the needs of the Township and balance those needs with State-prescribed available unrestricted resources.

The Township's Funds

As noted earlier, the Township uses funds to help it control and manage money for certain purposes. Looking at funds helps the reader consider whether the Township is being accountable for the resources taxpayers and others provide to it and may provide more insight into the Township's overall financial health.

As the Township completed this year, the governmental funds reported a combined fund balance of \$1,991.2 thousand, which is an increase of \$477.6 thousand from last year. The primary reason for the increase is an extraordinary item. The General Fund, the principal operating fund, saw the fund balance increase \$623,314 thousand to \$962,531, which is more than the budgeted increase of \$27,207.

General Budgetary Highlights

Over the course of the year, the Township amends its budget as it attempts to deal with changes in revenue and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. A schedule showing the Township's original and final budget amounts compared with amounts actually paid and received is provided in required supplemental information of these financial statements.

Capital Asset and Debt Administration

Capital Asset

At March 31, 2019, the Township had \$1,238.7 thousand invested in a broad range of capital assets, including land, buildings, furniture, and equipment. This amount represents a net increase (including additions and disposals) of approximately \$24.7 thousand or 2 percent from last year.

| | 2019 | 2018 |
|-------------------------------|--------------|--------------|
| Land | \$ 73,942 | \$ 73,942 |
| Buildings and Improvements | 409,739 | 1,044,844 |
| Vehicles | 1,345,987 | 1,216,709 |
| Equipment | 143,387 | 7,380 |
| Total Capital Assets | 1,973,055 | 2,342,875 |
| Less Accumulated Depreciation | (734,379) | (1,128,906) |
| Net Capital Assets | \$ 1,238,676 | \$ 1,213,969 |



Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

The elected officials and administration considered many factors when setting the Township's 2019-20 fiscal year budget.

Because the Township's revenue is heavily dependent on state shared revenue, the actual revenue received depends on the State's ability to collect revenue to fund its appropriation to Townships. The State periodically holds a revenue consensus conference to estimate revenue. Based on the results of the most recent conference, the State estimates funds are sufficient to fund the appropriation.

The Township's budget is very similar to the prior year. Interest rates on the Township's savings accounts should stay the same. The Township's taxable value will be higher, increasing the property tax revenue. Expenditures will be very consistent with last year. The only major difference will be from the extraordinary item. Next year the Township will continue to receive insurance funds and have large expenses related to the construction of the new fire barn.

Contacting the Township's Financial Management

This financial report is designed to provide the Township's citizens, taxpayers, customers, investors and creditors of the Township of Blissfield with a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Township Clerk, P.O. Box 58, 120 S Lane St, Blissfield, Michigan 49228.



TOWNSHIP OF BLISSFIELD

BASIC FINANCIAL STATEMENTS



Government-Wide Financial Statements

STATEMENT OF NET POSITION

MARCH 31, 2019

| | Governmental Activities |
|---|----------------------------|
| ASSETS | |
| CURRENT ASSETS | |
| Cash and Cash Equivalents | \$ 1,954,880 |
| Accounts Receivable | 45,463 |
| Prepaid Expenditures | - |
| TOTAL CURRENT ASSETS | <u>2,000,343</u> |
| NON-CURRENT ASSETS | |
| Capital Assets | 1,973,055 |
| Less: Accumulated Depreciation | <u>(734,379)</u> |
| TOTAL NON-CURRENT ASSETS | <u>1,238,676</u> |
| TOTAL ASSETS | <u><u>\$ 3,239,019</u></u> |
| LIABILITIES AND NET POSITION | |
| CURRENT LIABILITIES | |
| Accounts Payable | \$ 9,113 |
| Accrued Interest | - |
| Unearned Revenue | - |
| TOTAL CURRENT LIABILITIES | <u>9,113</u> |
| NON-CURRENT LIABILITIES | |
| Bonds Payable | - |
| Compensated Absences and Severance Pay | <u>-</u> |
| TOTAL NON-CURRENT LIABILITIES | <u>-</u> |
| TOTAL LIABILITIES | <u>9,113</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 1,238,676 |
| Restricted | 1,028,699 |
| Unrestricted | <u>962,531</u> |
| TOTAL NET POSITION | <u>3,229,906</u> |
| TOTAL LIABILITIES AND NET POSITION | <u><u>\$ 3,239,019</u></u> |

See Accompanying Notes to Financial Statements



TOWNSHIP OF BLISSFIELD

Government-Wide Financial Statements

STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2019

| | Expenses | Program Revenue | | Net (Expense) |
|---|------------|----------------------------|---------------------|---|
| | | Charges For Services | Operating Grants | Revenue and Changes in Net Position |
| | | | | Governmental Activities |
| FUNCTIONS/PROGRAMS | | | | |
| Governmental Activities | | | | |
| General Government | \$ 163,146 | \$ - | \$ - | \$ (163,146) |
| Public Safety | 242,265 | 78,601 | 129,524 | (34,140) |
| Public Works | 153,345 | 19,549 | - | (133,796) |
| Community Enrichment | - | - | - | - |
| Interest on Long-Term Debt | - | - | - | - |
| Depreciation (Unallocated) | 105,738 | - | - | (105,738) |
| Total Governmental Activities | 664,494 | 98,150 | 129,524 | (436,820) |
| General Revenue | | | | |
| Taxes | | | | |
| Property Taxes, Levied for General Operations | | | | 154,523 |
| Property Taxes, Levied for Other Funds | | | | 351,825 |
| State of Michigan Aid, Unrestricted | | | | 83,525 |
| Interest Earnings | | | | 3,548 |
| Other | | | | 8,178 |
| Extraordinary Item | | | | 337,535 |
| Total General Revenue | | | | 939,134 |
| CHANGE IN NET POSITION | | | | 502,314 |
| NET POSITION - BEGINNING OF YEAR | | | | 2,727,592 |
| NET POSITION - END OF YEAR | | | | \$ 3,229,906 |

See Accompanying Notes to Financial Statements



Governmental Funds

BALANCE SHEET

MARCH 31, 2019

| | General | Fire Operating | Special Fire | Road Improvement | Total Governmental Funds |
|---|-------------------|-------------------|-------------------|---------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and Investments | \$ 943,780 | \$ 275,278 | \$ 213,121 | \$ 522,701 | \$ 1,954,880 |
| Accounts Receivable | 12,782 | 4,070 | 8,141 | 11,998 | 36,991 |
| Due from Other Governmental Units | 8,472 | - | - | - | 8,472 |
| Due from Other Funds | - | - | - | - | - |
| Prepaid Expenditures | - | - | - | - | - |
| TOTAL ASSETS | \$ 965,034 | \$ 279,348 | \$ 221,262 | \$ 534,699 | \$ 2,000,343 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 2,503 | \$ 6,610 | \$ - | \$ - | \$ 9,113 |
| Due to Other Funds | - | - | - | - | - |
| Deferred Revenue | - | - | - | - | - |
| TOTAL LIABILITIES | 2,503 | 6,610 | - | - | 9,113 |
| FUND BALANCES | | | | | |
| Restricted | - | 272,738 | 221,262 | 534,699 | 1,028,699 |
| Unrestricted | 962,531 | - | - | - | 962,531 |
| TOTAL FUND BALANCES | 962,531 | 272,738 | 221,262 | 534,699 | 1,991,230 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 965,034 | \$ 279,348 | \$ 221,262 | \$ 534,699 | \$ 2,000,343 |
| TOTAL GOVERNMENTAL FUND BALANCES | | | | | \$ 1,991,230 |
| Amounts reported for governmental activities in the statement of net position are different because: | | | | | |
| Capital assets used in governmental activities are not financial resources, and are not reported in the funds: | | | | | |
| Cost of the Capital Assets | | | | | 1,973,055 |
| Accumulated Depreciation | | | | | (734,379) |
| | | | | | <u>1,238,676</u> |
| Long-term liabilities are not due and payable in the current period and are not reported in the fund: | | | | | |
| Bonds Payable | | | | | - |
| Compensated Absences | | | | | - |
| Accrued interest is not included as a liability in governmental fund | | | | | - |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | | | | | <u><u>\$ 3,229,906</u></u> |

See Accompanying Notes to Financial Statements



TOWNSHIP OF BLISSFIELD

Governmental Funds

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED MARCH 31, 2019

| | General | Fire Operating | Special Fire | Road Improvement | Totals |
|--|-------------------|-------------------|-------------------|---------------------|---------------------|
| REVENUE | | | | | |
| Property Taxes | \$ 154,523 | \$ 118,313 | \$ 59,153 | \$ 174,359 | \$ 506,348 |
| Federal Revenue | - | - | - | - | - |
| State Revenue | 83,525 | - | 129,524 | - | 213,049 |
| Charges for Services | 19,549 | 78,601 | - | - | 98,150 |
| Interest | 728 | 538 | 729 | 1,553 | 3,548 |
| Other | 6,221 | - | 1,957 | - | 8,178 |
| TOTAL REVENUE | 264,546 | 197,452 | 191,363 | 175,912 | 829,273 |
| EXPENDITURES | | | | | |
| General Government | 163,146 | - | - | - | 163,146 |
| Public Safety | 2,017 | 183,556 | 16,366 | - | 201,939 |
| Public Works | 34,139 | - | - | 119,206 | 153,345 |
| Recreational and Cultural | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | - | 50,513 | 340,793 | - | 391,306 |
| TOTAL EXPENDITURES | 199,302 | 234,069 | 357,159 | 119,206 | 909,736 |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES | 65,244 | (36,617) | (165,796) | 56,706 | (80,463) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Operating Transfers In | - | - | - | - | - |
| Operating Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - |
| EXTRAORDINARY ITEM | | | | | |
| Insurance Proceeds | 823,943 | - | - | - | 823,943 |
| Capital Outlay | (265,873) | - | - | - | (265,873) |
| TOTAL EXTRAORDINARY ITEM | 558,070 | - | - | - | 558,070 |
| NET CHANGE IN FUND BALANCES | 623,314 | (36,617) | (165,796) | 56,706 | 477,607 |
| FUND BALANCES - BEGINNING OF YEAR | 339,217 | 309,355 | 387,058 | 477,993 | 1,513,623 |
| FUND BALANCES - END OF YEAR | \$ 962,531 | \$ 272,738 | \$ 221,262 | \$ 534,699 | \$ 1,991,230 |

See Accompanying Notes to Financial Statements



Governmental Funds

**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED MARCH 31, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 477,607**

Amounts reported for governmental activities in the statement of activities are different because:

- Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation.

| | | |
|---|------------------|--------|
| Depreciation Expense | (105,738) | |
| Capital Outlay | 616,853 | |
| Loss on Extraordinary Item Destruction of Asset | <u>(486,408)</u> | |
| | | 24,707 |

- Accrued interest is recorded in the statement of activities when incurred; it is not reported in governmental funds until paid. -

- Repayment of note and bond principal are an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt). -

- Compensated absences are included in expenditures in the statement of activities but not in the governmental funds. -

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 502,314**



TOWNSHIP OF BLISSFIELD

Fiduciary Funds

STATEMENT OF NET POSITION

MARCH 31, 2019

| ASSETS | |
|----------------------------|-----------------|
| Cash and Cash Equivalents | \$ 6,144 |
| Due from Other Governments | - |
| Due from Other Funds | - |
| TOTAL ASSETS | \$ 6,144 |
| LIABILITIES | |
| Due to Other Governments | \$ 2,407 |
| Due to Others | - |
| TOTAL LIABILITIES | \$ 2,407 |
| NET POSITION | \$ 3,737 |

See Accompanying Notes to Financial Statements



NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township conform to United States generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

A. REPORTING ENTITY

The Township of Blissfield covers an area of approximately 21 square miles located in Lenawee County, Michigan. The Township operates under an elected Board of Trustees consisting of five members and provides various services to its residents.

As defined by Governmental Accounting Standards Board (GASB) No. 14, the financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government has financial accountability if:

1. it appoints a voting majority of the organization's board, and has the ability to impose its will on the organization; or
2. there is a potential for the component unit to provide certain financial benefits to, or impose certain financial burdens on, the primary government.

Based on the above criteria, no additional organizations or entities are included in these financial statements.

B. 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 non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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



TOWNSHIP OF BLISSFIELD

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Government-Wide Statements

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

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Fund Based Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if it is 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 severance pay, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

GOVERNMENTAL FUNDS

General Fund

The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Fire Operating Fund

The Fire Operating Fund is used to account for the resources collected for fire safety.

Special Fire Fund

The Special Fire Fund is used to account for capital purchases related to fire safety.

Road Improvement Fund

The Road Improvement Fund is used to account for the resources collected for roads within the limits of the Township.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Fund Based Statements (Continued)

FIDUCIARY FUNDS

Trust Fund

The Trust Fund is used to account for assets held in trust for cemetery care.

Agency Fund

The Current Tax Collection Fund is used to account for assets held in trust or as an agent for other funds.

C. BUDGETS AND BUDGETARY ACCOUNTING

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets are adopted on the modified accrual basis of accounting. Amendments are by action of the Board.

P.A. 621 of 1978, Section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted at the functional level.

D. PROPERTY TAXES

Real and personal property taxes are assessed as of December 31, and attach as an enforceable lien on property as of December 1 of the subsequent year. Taxes are due and payable as of February 28. The County of Lenawee prepares the tax bills for the Township, and the Township collects the taxes prior to return to the County. The property tax revenue in the accompanying financial statements were recognized as those levied during the year.

The Township is authorized to assess 1 mill for general operations, 1 mill for the fire operating, 0.5 mills for the special fire, and 1.4737 for roads. Millage rates levied for 2018 were 1 mill for operations, 1.4737 mills for roads, 1 mill for fire operating, 0.5 mills for special fire. Total taxable value of real and personal property in the Township was \$118,320,418.

E. CASH EQUIVALENTS

The Township considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

F. FINANCIAL INSTRUMENTS

The Township does not require collateral to support financial instruments subject to credit risk.

G. SHORT-TERM INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.



TOWNSHIP OF BLISSFIELD

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. EQUITY

Net Position

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

Fund Balance

In the fund financial statements, governmental funds report the following components of fund balance:

- Non-spendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- Committed - Amounts that have been formally set aside by the board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the board.
- Assigned - Intent to spend resources on specific purposes expressed by the board.
- Unassigned - Balances that do not otherwise fall into one of the above categories.

I. CAPITAL ASSETS

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets (e.g. streets, bridges, drains) are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value materially extended asset life are not capitalized.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

| | |
|----------------------------|-------------|
| Buildings and Improvements | 20-50 years |
| Equipment | 5-20 years |
| Vehicles | 5-20 years |



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

K. ESTIMATES

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

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

LEGAL OR CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS

The Michigan Political Subdivisions Act No. 20, Public Acts of 1943, as amended by Act No. 217, Public Acts of 1982, states the Department, by resolution, may authorize investment of surplus funds as follows:

1. In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
2. In certificates of deposit, savings accounts, or depository receipts of a bank, which is a member of the Federal Deposit Insurance Corporation; or a savings and loan association, which is a member of the Federal Savings and Loan Insurance Corporation; or a credit union, which is insured by the National Credit Union Association; but only if the bank, savings and loan association, or credit union complies with Subsection (2).
3. In commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase. Not more than 50% of any fund may be invested in commercial paper at any time.
4. In United States government or Federal agency obligation repurchase agreements.
5. In bankers' acceptances of United States banks.
6. In mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township is in compliance with State law regarding their cash deposits.



TOWNSHIP OF BLISSFIELD

Notes to Financial Statements

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS (CONTINUED)

LEGAL OR CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS (CONTINUED)

The Township maintains all of its cash deposits at four banks.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's cash deposits are as follows:

| | Book Value | Carrying Amounts |
|------------------------------|--------------|------------------|
| Insured (FDIC) | \$ 637,376 | \$ 650,918 |
| Uninsured & Uncollateralized | 1,323,648 | 1,331,250 |
| Total Deposits | \$ 1,961,024 | \$ 1,982,168 |

The differences between the book value and the bank carrying amounts are caused by deposits in transit and outstanding checks.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township does have a policy for custodial credit risk, requiring diligence and prudence of investment officials when considering investments in obligations other than those of an agency of the United States. At year end, the Township had no investment securities that were uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the Township's name.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity. At year end, the Township had no such investments.

Concentration of Credit Risk

The Authority does limit the amount the Township may invest in any one issuer. The Township currently has no one investment which exceeds 20 percent of its total investments.

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. The Township restricts the amount of investments in foreign currency and, thus, at year end had no securities subject to foreign currency risk.



Notes to Financial Statements

NOTE 3 - ACCUMULATED FUND DEFICITS

There were no accumulated fund deficits at March 31, 2019.

NOTE 4 - RETIREMENT PLAN

The Township provides retirement savings for elected and appointed officials and full time employees through the Blissfield Township Group Pension Plan. The plan is a qualified retirement 401(a) plan. Eligibility is satisfied when participants attain the age of eighteen. Contributions to the plan are based on voluntary employee and employer contributions. The Township's retirement expense for the year ended March 31, 2019, was \$16,108.

NOTE 5 - ACCUMULATED SICK AND VACATION PAY

Amounts accumulated for accrued sick and vacation pay are immaterial and have not been entered in the accounting records.

NOTE 6 - DUE FROM OTHER GOVERNMENTS

At March 31, 2019, the Township was owed \$8,472 from the State of Michigan.

NOTE 7 - RELATED PARTY ACTIVITY

There was no related party activity in the year ended March 31, 2019.

NOTE 8 - BUDGETARY ACCOUNTING

During the year ended March 31, 2019, the Township incurred the following expenditures that were in excess of the amounts budgeted:

| | Budget | Actual | Excess |
|-------------------------------------|------------|------------|------------|
| <u>General Fund</u> | | | |
| Extraordinary Item - Capital Outlay | \$ - | \$ 265,873 | \$ 265,873 |
| <u>Fire Fund</u> | | | |
| Capital Outlay | 20,000 | 50,513 | 30,513 |
| <u>Special Fire</u> | | | |
| Public Safety | 5,300 | 16,366 | 11,066 |
| Capital Outlay | - | 340,793 | 340,793 |
| <u>Road Improvement</u> | | | |
| Public Works | \$ 115,520 | \$ 119,206 | \$ 3,686 |



TOWNSHIP OF BLISSFIELD

Notes to Financial Statements

NOTE 9 - CAPITAL ASSETS

Capital asset activity of the Township's Governmental activities was as follows:

| | April 1, 2018 | Additions | Disposals and Adjustments | March 31, 2019 |
|--------------------------------------|------------------|------------|------------------------------|-------------------|
| Assets not being depreciated: | | | | |
| Land | \$ 73,942 | \$ - | \$ - | \$ 73,942 |
| Capital assets being depreciated: | | | | |
| Buildings and Improvements | 1,044,844 | 265,873 | 900,978 | 409,739 |
| Vehicles | 1,216,709 | 214,973 | 85,695 | 1,345,987 |
| Equipment | 7,380 | 136,007 | - | 143,387 |
| Subtotal | 2,268,933 | 616,853 | 986,673 | 1,899,113 |
| Accumulated depreciation: | | | | |
| Buildings and Improvements | 470,927 | 22,207 | 414,570 | 78,564 |
| Vehicles | 653,182 | 69,192 | 85,695 | 636,679 |
| Equipment | 4,797 | 14,339 | - | 19,136 |
| Subtotal | 1,128,906 | 105,738 | 500,265 | 734,379 |
| Net Capital Assets Being Depreciated | 1,140,027 | 511,115 | 486,408 | 1,164,734 |
| Net Capital Assets | \$ 1,213,969 | \$ 511,115 | \$ 486,408 | \$ 1,238,676 |

Depreciation expense was not charged to activities as the Township considers its assets to impact multiple activities and allocation is not practical.

NOTE 10 - RISK MANAGEMENT AND LITIGATION

The Township is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years the Township has obtained coverage from commercial insurance companies and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. At March 31, 2019, no claims exist, and no provision has been entered into the accounting records.



NOTE 11 - TAX ABATEMENTS

The Township entered into property tax abatement agreements with local businesses under the Plan Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, 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. An Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption for ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the local unit of government. The IFT of a new plant and non--industrial property, such as some high-tech personal property, is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended March 31, 2019, the Township abated property tax revenues totaling \$12,301 under this program.

NOTE 12 - EXTRAORDINARY ITEM

During the year ended March 31, 2019, there was a fire in the Township's fire barn. The fire caused extensive damage to the building and destroyed one ambulance. As the frame of the old fire barn could still be salvaged, the Township decided to reconstruct a new fire barn on the frame of the previous fire barn. This construction began in March 2019. Due to the loss of the entire building except the frame, the Township deemed it necessary to write off the entire asset of the previous fire barn. This resulted in disposed assets (called destroyed assets on financial statements) of \$986,673, with disposed depreciation of \$500,265. This disposal resulted in a loss on destruction of asset of \$486,408. During the year ended March 31, 2019, the Township received insurance proceeds for the destroyed property of \$823,943. More insurance proceeds have been received subsequent to year end. The total of the insurance proceeds less the loss on destruction of assets during the year ended March 31, 2019, was \$337,535, and appears as a line item on the Government-Wide Financial Statements Statement of Activities. During the year ended March 31, 2019, the Township spent \$265,873, on construction of the new fire barn which appears as Capital Outlay (in the Extraordinary Item section) of the General Fund. As this construction had not yet been completed as of March 31, 2019, the amount spent was included in fixed assets as construction in process and therefore, was not being depreciated in the Government-Wide Financial Statements. As of the audit date, construction on the new fire barn was still ongoing.

NOTE 13 - SUBSEQUENT EVENTS

See Note 12 - Extraordinary Item for subsequent events related to the extraordinary item.

Subsequent events have been evaluated through the report date. Subsequent events after that date have not been evaluated.



TOWNSHIP OF BLISSFIELD

REQUIRED SUPPLEMENTAL INFORMATION



Budgetary Comparison Schedule

GENERAL FUND

YEAR ENDED MARCH 31, 2019

| | Budgeted Amounts | | Actual (Budgetary Basis) | Variance |
|---|-------------------|-------------------|-----------------------------|-------------------|
| | Original | Final | | |
| REVENUE | | | | |
| Property Taxes | \$ 132,753 | \$ 124,338 | \$ 154,523 | \$ 30,185 |
| Federal Revenue | - | - | - | - |
| State Revenue | 130,000 | 80,822 | 83,525 | 2,703 |
| Charges for Services | 33,600 | 22,400 | 19,549 | (2,851) |
| Interest | - | - | 728 | 728 |
| Other | 6,285 | 6,285 | 6,221 | (64) |
| Transfers In | - | - | - | - |
| Extraordinary Item - Insurance Proceeds | - | - | 823,943 | 823,943 |
| TOTAL REVENUE | 302,638 | 233,845 | 1,088,489 | 854,644 |
| EXPENDITURES | | | | |
| General Government | 149,550 | 169,841 | 163,146 | 6,695 |
| Public Safety | 2,650 | 2,650 | 2,017 | 633 |
| Public Works | 35,030 | 34,147 | 34,139 | 8 |
| Recreation and Culture | - | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Transfers Out | - | - | - | - |
| Extraordinary Item - Capital Outlay | - | - | 265,873 | (265,873) |
| TOTAL EXPENDITURES | 187,230 | 206,638 | 465,175 | (258,537) |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER USES | 115,408 | 27,207 | 623,314 | 596,107 |
| BUDGETARY FUND BALANCE- April 1, 2018 | 339,217 | 339,217 | 339,217 | - |
| BUDGETARY FUND BALANCE- March 31, 2019 | \$ 454,625 | \$ 366,424 | \$ 962,531 | \$ 596,107 |



TOWNSHIP OF BLISSFIELD

Budgetary Comparison Schedule

FIRE OPERATING FUND

YEAR ENDED MARCH 31, 2019

| | Budgeted Amounts | | Actual (Budgetary Basis) | Variance |
|---|-------------------|-------------------|-----------------------------|--------------------|
| | Original | Final | | |
| REVENUE | | | | |
| Property Taxes | \$ 110,000 | \$ 110,000 | \$ 118,313 | \$ 8,313 |
| Federal Revenue | - | - | - | - |
| State Revenue | - | - | - | - |
| Charges for Services | 94,000 | 94,000 | 78,601 | (15,399) |
| Interest | 200 | 200 | 538 | 338 |
| Other | 100 | 100 | - | (100) |
| Transfers In | - | - | - | - |
| TOTAL REVENUE | 204,300 | 204,300 | 197,452 | (6,848) |
| EXPENDITURES | | | | |
| General Government | - | - | - | - |
| Public Safety | 200,000 | 184,326 | 183,556 | 770 |
| Public Works | - | - | - | - |
| Recreation and Culture | - | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | - | 20,000 | 50,513 | (30,513) |
| Transfers Out | - | - | - | - |
| TOTAL EXPENDITURES | 200,000 | 204,326 | 234,069 | (29,743) |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER USES | 4,300 | (26) | (36,617) | (36,591) |
| BUDGETARY FUND BALANCE- April 1, 2018 | 309,355 | 309,355 | 309,355 | - |
| BUDGETARY FUND BALANCE- March 31, 2019 | \$ 313,655 | \$ 309,329 | \$ 272,738 | \$ (36,591) |



Budgetary Comparison Schedule

SPECIAL FIRE FUND

YEAR ENDED MARCH 31, 2019

| | Budgeted Amounts | | Actual | Variance |
|---|-------------------|-------------------|-------------------|---------------------|
| | Original | Final | (Budgetary Basis) | |
| REVENUE | | | | |
| Property Taxes | \$ 55,000 | \$ 55,000 | \$ 59,153 | \$ 4,153 |
| Federal Revenue | - | - | - | - |
| State Revenue | - | - | 129,524 | 129,524 |
| Charges for Services | - | - | - | - |
| Interest | 500 | 500 | 729 | 229 |
| Other | - | - | 1,957 | 1,957 |
| Transfers In | - | - | - | - |
| TOTAL REVENUE | <u>55,500</u> | <u>55,500</u> | <u>191,363</u> | <u>135,863</u> |
| EXPENDITURES | | | | |
| General Government | - | - | - | - |
| Public Safety | 5,300 | 5,300 | 16,366 | (11,066) |
| Public Works | - | - | - | - |
| Recreation and Culture | - | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | 340,793 | (340,793) |
| Transfers Out | - | - | - | - |
| TOTAL EXPENDITURES | <u>5,300</u> | <u>5,300</u> | <u>357,159</u> | <u>(351,859)</u> |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER USES | 50,200 | 50,200 | (165,796) | (215,996) |
| BUDGETARY FUND BALANCE- April 1, 2018 | <u>387,058</u> | <u>387,058</u> | <u>387,058</u> | <u>-</u> |
| BUDGETARY FUND BALANCE- March 31, 2019 | <u>\$ 437,258</u> | <u>\$ 437,258</u> | <u>\$ 221,262</u> | <u>\$ (215,996)</u> |



TOWNSHIP OF BLISSFIELD

Budgetary Comparison Schedule

ROAD IMPROVEMENT FUND

YEAR ENDED MARCH 31, 2019

| | Budgeted Amounts | | Actual (Budgetary Basis) | Variance |
|---|-------------------|-------------------|-----------------------------|-----------------|
| | Original | Final | | |
| REVENUE | | | | |
| Property Taxes | \$ 163,000 | \$ 163,000 | \$ 174,359 | \$ 11,359 |
| Federal Revenue | - | - | - | - |
| State Revenue | - | - | - | - |
| Charges for Services | - | - | - | - |
| Interest | 300 | 300 | 1,553 | 1,253 |
| Other | - | - | - | - |
| Transfers In | - | - | - | - |
| TOTAL REVENUE | <u>163,300</u> | <u>163,300</u> | <u>175,912</u> | <u>12,612</u> |
| EXPENDITURES | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Public Works | 155,300 | 115,520 | 119,206 | (3,686) |
| Recreation and Culture | - | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Transfers Out | - | - | - | - |
| TOTAL EXPENDITURES | <u>155,300</u> | <u>115,520</u> | <u>119,206</u> | <u>(3,686)</u> |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER USES | 8,000 | 47,780 | 56,706 | 8,926 |
| BUDGETARY FUND BALANCE- | | | | |
| April 1, 2018 | <u>477,993</u> | <u>477,993</u> | <u>477,993</u> | - |
| BUDGETARY FUND BALANCE- March 31, 2019 | <u>\$ 485,993</u> | <u>\$ 525,773</u> | <u>\$ 534,699</u> | <u>\$ 8,926</u> |



OTHER SUPPLEMENTAL INFORMATION



TOWNSHIP OF BLISSFIELD

General Fund

STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

YEAR ENDED MARCH 31, 2019

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------|-------------------|-------------------|--|
| REVENUE | | | |
| Taxes | \$ 96,753 | \$ 118,313 | \$ 21,560 |
| State Shared Revenue | 55,153 | 54,604 | (549) |
| Other State Revenue | 25,669 | 28,921 | 3,252 |
| Administration Fee | 27,585 | 36,210 | 8,625 |
| Building Permit Fees | 3,000 | 1,250 | (1,750) |
| Dog License Fees | 600 | 599 | (1) |
| Interest | - | 728 | 728 |
| Rental and Other Income | 6,285 | 6,221 | (64) |
| Refunds | - | - | - |
| Cemetery Opening/Closing | 12,800 | 6,000 | (6,800) |
| Cemetery Lot Sales | 6,000 | 11,700 | 5,700 |
| TOTAL REVENUE | 233,845 | 264,546 | 30,701 |
| EXPENDITURES | | | |
| GENERAL GOVERNMENT | | | |
| Trustee Salary | 2,500 | 2,538 | (38) |
| Office Supplies | 2,000 | 2,529 | (529) |
| Professional Services | 11,350 | 14,221 | (2,871) |
| Utilities | 3,800 | 3,983 | (183) |
| Printing | 1,100 | 1,471 | (371) |
| Miscellaneous | 10,448 | 78 | 10,370 |
| Payroll Taxes | 4,500 | 4,586 | (86) |
| Retirement | 12,500 | 16,108 | (3,608) |
| Mileage | 2,000 | 895 | 1,105 |
| Insurance | 7,700 | 7,349 | 351 |
| Repairs and Maintenance | 2,800 | 6,043 | (3,243) |
| Supervisor Salary | 10,000 | 10,000 | - |
| Assessor | 39,643 | 37,842 | 1,801 |
| Clerk Salary | 27,000 | 27,000 | - |
| Deputy Clerk Salary | 1,500 | 2,998 | (1,498) |
| Board of Review | 1,500 | 1,350 | 150 |
| Treasurer Salary | 24,500 | 17,375 | 7,125 |
| Election | 5,000 | 6,780 | (1,780) |
| TOTAL GENERAL GOVERNMENT | \$ 169,841 | \$ 163,146 | \$ 6,695 |



General Fund

**STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL (CONTINUED)**

YEAR ENDED MARCH 31, 2019

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-------------------|--|
| EXPENDITURES (CONTINUED) | | | |
| PUBLIC SAFETY | | | |
| Building Inspector | \$ 2,000 | \$ 1,479 | \$ 521 |
| Planning Commission | 650 | 538 | 112 |
| TOTAL PUBLIC SAFETY | 2,650 | 2,017 | 633 |
| PUBLIC WORKS | | | |
| Cemetery Wages | 32,617 | 32,162 | 455 |
| Cemetery Utilities | 600 | 642 | (42) |
| Cemetery Repairs and Maintenance | 930 | 1,335 | (405) |
| TOTAL PUBLIC WORKS | 34,147 | 34,139 | 8 |
| DEBT SERVICE | - | - | - |
| CAPITAL OUTLAY | - | - | - |
| TOTAL EXPENDITURES | 206,638 | 199,302 | 7,336 |
| EXCESS OF REVENUE OVER EXPENDITURES | 27,207 | 65,244 | 38,037 |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers (Out) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - |
| EXTRAORDINARY ITEM | | | |
| Insurance Proceeds | - | 823,943 | 823,943 |
| Capital Outlay | - | (265,873) | 265,873 |
| TOTAL EXTRAORDINARY ITEM | - | 558,070 | 1,089,816 |
| EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES AND EXTRAORDINARY ITEM | 27,207 | 623,314 | 596,107 |
| BUDGETARY FUND BALANCE- APRIL 1, 2018 | 339,217 | 339,217 | - |
| BUDGETARY FUND BALANCE- MARCH 31, 2019 | \$ 366,424 | \$ 962,531 | \$ 596,107 |



TOWNSHIP OF BLISSFIELD

Fire Operating Fund

STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

YEAR ENDED MARCH 31, 2019

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|-------------------|--|
| REVENUE | | | |
| Property Taxes | \$ 110,000 | \$ 118,313 | \$ 8,313 |
| Ambulance Bills | 94,000 | 78,601 | (15,399) |
| Interest | 200 | 538 | 338 |
| Other Revenue | 100 | - | (100) |
| TOTAL REVENUE | 204,300 | 197,452 | (6,848) |
| EXPENDITURES | | | |
| PUBLIC SAFETY | | | |
| Contracted Services | 59,036 | 53,226 | 5,810 |
| Operating Supplies | 3,900 | 19,612 | (15,712) |
| Insurance | 29,453 | 17,087 | 12,366 |
| Repairs and Maintenance | 17,778 | 33,508 | (15,730) |
| Licenses and Training | 13,700 | 6,605 | 7,095 |
| Wages | 34,967 | 28,590 | 6,377 |
| Payroll Taxes | 3,000 | 2,185 | 815 |
| Office Supplies | 1,000 | 1,833 | (833) |
| Utilities | 15,100 | 15,821 | (721) |
| Miscellaneous | 6,392 | 5,089 | 1,303 |
| TOTAL PUBLIC SAFETY | 184,326 | 183,556 | 770 |
| CAPITAL OUTLAY | 20,000 | 50,513 | (30,513) |
| TOTAL EXPENDITURES | 204,326 | 234,069 | (29,743) |
| EXCESS OF REVENUE OVER EXPENDITURES | (26) | (36,617) | (36,591) |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers (Out) | - | - | - |
| EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES | (26) | (36,617) | (36,591) |
| BUDGETARY FUND BALANCE- APRIL 1, 2018 | 309,355 | 309,355 | - |
| BUDGETARY FUND BALANCE- MARCH 31, 2019 | \$ 309,329 | \$ 272,738 | \$ (36,591) |



Special Fire

STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL

YEAR ENDED MARCH 31, 2019

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|-------------------|--|
| REVENUE | | | |
| Taxes | \$ 55,000 | \$ 59,153 | \$ 4,153 |
| State Grant | | 129,524 | 129,524 |
| Interest | 500 | 729 | 229 |
| Other Revenue | - | 1,957 | 1,957 |
| TOTAL REVENUE | 55,500 | 191,363 | 135,863 |
| EXPENDITURES | | | |
| PUBLIC SAFETY | | | |
| Repairs and Maintenance | - | - | - |
| Insurance | 5,300 | 16,366 | (11,066) |
| Other Expenses | - | - | - |
| TOTAL PUBLIC SAFETY | 5,300 | 16,366 | (11,066) |
| DEBT SERVICE | - | - | - |
| CAPITAL OUTLAY | - | 340,793 | (340,793) |
| TOTAL EXPENDITURES | 5,300 | 357,159 | (351,859) |
| EXCESS OF REVENUE OVER EXPENDITURES | 50,200 | (165,796) | (215,996) |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers (Out) | - | - | - |
| EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES | 50,200 | (165,796) | (215,996) |
| BUDGETARY FUND BALANCE- APRIL 1, 2018 | 387,058 | 387,058 | - |
| BUDGETARY FUND BALANCE- MARCH 31, 2019 | \$ 437,258 | \$ 221,262 | \$ (215,996) |



TOWNSHIP OF BLISSFIELD

Road Improvement Fund

STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

YEAR ENDED MARCH 31, 2019

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|-------------------|--|
| REVENUE | | | |
| Taxes | \$ 163,000 | \$ 174,359 | \$ 11,359 |
| Interest | 300 | 1,553 | 1,253 |
| Other Revenue | - | - | - |
| TOTAL REVENUE | <u>163,300</u> | <u>175,912</u> | <u>12,612</u> |
| EXPENDITURES | | | |
| PUBLIC WORKS | | | |
| Repairs and Maintenance | 110,220 | 115,698 | (5,478) |
| Drains | 1,500 | 3,508 | (2,008) |
| Other Expenses | 3,800 | - | 3,800 |
| TOTAL PUBLIC WORKS | <u>115,520</u> | <u>119,206</u> | <u>(3,686)</u> |
| DEBT SERVICE | - | - | - |
| CAPITAL OUTLAY | - | - | - |
| TOTAL EXPENDITURES | <u>115,520</u> | <u>119,206</u> | <u>(3,686)</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | 47,780 | 56,706 | 8,926 |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers In | - | - | - |
| Operating Transfers (Out) | - | - | - |
| EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES | 47,780 | 56,706 | 8,926 |
| BUDGETARY FUND BALANCE- APRIL 1, 2018 | <u>477,993</u> | <u>477,993</u> | - |
| BUDGETARY FUND BALANCE- MARCH 31, 2019 | <u>\$ 525,773</u> | <u>\$ 534,699</u> | <u>\$ 8,926</u> |



BALANCE SHEET

MARCH 31, 2019

| | |
|---|-----------------|
| ASSETS | |
| Cash | \$ 3,737 |
| TOTAL ASSETS | <u>\$ 3,737</u> |
| LIABILITIES AND FUND BALANCE | |
| LIABILITIES | |
| Due to Other Funds | \$ - |
| TOTAL LIABILITIES | <u>-</u> |
| FUND BALANCE | 3,737 |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 3,737</u> |

**STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE**

YEAR ENDED MARCH 31, 2019

| | |
|---|-----------------|
| REVENUE | |
| Interest | \$ 1 |
| TOTAL REVENUE | <u>1</u> |
| EXPENDITURES | |
| Transfers Out | - |
| TOTAL EXPENDITURES | <u>-</u> |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES | 1 |
| FUND BALANCE - BEGINNING OF YEAR | 3,736 |
| FUND BALANCE - END OF YEAR | <u>\$ 3,737</u> |



TOWNSHIP OF BLISSFIELD

Current Tax Collection Fund

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED MARCH 31, 2019

| | April 1, 2018 | Receipts | Disbursements | March 31, 2019 |
|--------------------|------------------|---------------------|---------------------|-------------------|
| ASSETS | | | | |
| Cash | \$ 810 | \$ 3,451,089 | \$ 3,449,492 | \$ 2,407 |
| LIABILITIES | | | | |
| Due to Others | \$ - | \$ 2,931,820 | \$ 2,931,820 | \$ - |
| Due to Township | 810 | 519,269 | 517,672 | 2,407 |
| | <u>\$ 810</u> | <u>\$ 3,451,089</u> | <u>\$ 3,449,492</u> | <u>\$ 2,407</u> |

STATEMENT OF RECEIPTS AND DISBURSEMENTS

YEAR ENDED MARCH 31, 2019

| | |
|------------------------------|---------------------|
| RECEIPTS | |
| Tax Collections and Interest | <u>\$ 3,451,089</u> |
| DISBURSEMENTS | |
| Township of Blissfield | \$ 517,672 |
| Lenawee County | 1,418,825 |
| Lenawee ISD | 816,022 |
| Blissfield Schools | 696,853 |
| Deerfield Schools | 120 |
| TOTAL DISBURSEMENTS | <u>\$ 3,449,492</u> |