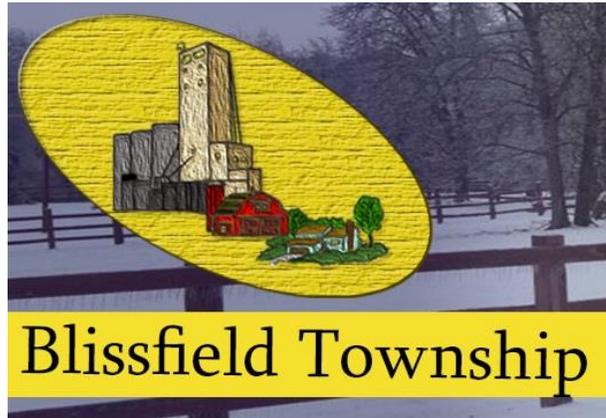


**Blissfield Township  
Lenawee County, Michigan  
Financial Statements  
Year Ended March 31, 2022  
With Independent Auditor's Report**



**Blissfield Township  
Lenawee County, Michigan**

**Independent Auditor's Report**

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517 945 3312  
204 E Church St Ste 201  
PO Box 384  
Adrian, MI 49221

## **Independent Auditor's Report**

To the Board of Trustees  
Blissfield Township  
Lenawee County, Michigan

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, and each major fund, of Blissfield Township, Lenawee County, Michigan, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Township'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, and each major fund, of Blissfield Township, Lenawee County, Michigan, as of March 31, 2022, 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 Blissfield Township, Lenawee County, 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 Blissfield Township, Lenawee County, 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.

Your partner in financial statement auditing and all things accounting.

Phone: 517.945.3312 - Meredith@MeredithFrancis.com

To the Board of Trustees  
Blissfield Township  
Lenawee County, Michigan

### **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 Blissfield Township, Lenawee County, 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 Blissfield Township, Lenawee County, 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 and budgetary comparison information on pages 4-9 and 24-26 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 me with sufficient evidence to express an opinion or provide any assurance.

To the Board of Trustees  
Blissfield Township  
Lenawee County, Michigan

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Blissfield Township's basic financial statements. The schedule of changes in assets and liabilities for the tax collection fund, 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 were derived from and relate directly to the underlying accounting and other records used to prepare 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 schedule of changes in assets and liabilities for the tax collection fund, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### *Report on Summarized Comparative Information*

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Blissfield Township's basic financial statements for the year ended March 31, 2021, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, and each major fund. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Blissfield Township's basic financial statements as a whole. The comparative totals for the year ended March 31, 2021, are presented for 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 2021 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 the auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative totals are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

*Meredith Francis, CPA, P.C.*

Adrian, Michigan  
September 27, 2022

**Blissfield Township  
Lenawee County, Michigan**

**Management's Discussion and Analysis**

**For the year ended March 31, 2022**

As management of Blissfield Township, Lenawee County, Michigan, we offer readers of Blissfield Township, Lenawee County, Michigan's financial statements this narrative overview and analysis of the financial activities of Blissfield Township, Lenawee County, Michigan for the fiscal year ended March 31, 2022. We encourage readers to consider the information presented here.

**Financial Highlights**

- The assets of Blissfield Township, Lenawee County, Michigan exceeded its liabilities at the close of the most recent fiscal year \$4,500,154 (*net position*). Of this amount, \$351,601 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased \$153,715.
- At the end of the current year, unassigned fund balance for the General Fund was \$508,122 or 198.91 percent of total General Fund expenditures.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Blissfield Township, Lenawee County, Michigan's basic financial statements. Blissfield Township, Lenawee County, Michigan's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Blissfield Township, Lenawee County, Michigan's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Blissfield Township, Lenawee County, Michigan's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Blissfield Township, Lenawee County, Michigan is improving or deteriorating.

The *statement of activities* presents information showing how the government'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.

Both of the government-wide financial statements distinguish functions of Blissfield Township, Lenawee County, Michigan 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 Blissfield Township, Lenawee County, Michigan include general government, public safety, roads and bridges, and cemetery operations. The business-type activity of Blissfield Township, Lenawee County, Michigan includes the sewer system.

The government-wide financial statements can be found on pages 10 – 11 of this report.

**Blissfield Township  
Lenawee County, Michigan**

**Management's Discussion and Analysis**

**For the year ended March 31, 2022**

**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. Blissfield Township, Lenawee County, Michigan, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Blissfield Township, Lenawee County, Michigan 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Blissfield Township, Lenawee County, Michigan maintains three individual governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Fire Fund and Road Fund which are considered to be a major funds.

Blissfield Township, Lenawee County, Michigan adopts an annual appropriated budget for the General Fund, Fire Fund and Road Fund. A budgetary comparison statement has been provided for the General Fund, Fire Fund and Road Fund to demonstrate compliance with budget.

The basic governmental fund financial statements can be found on pages 12 – 13 of this report.

**Fiduciary Fund.** The Fiduciary Fund is used to account for resources held under tax collection activity. The Fiduciary fund is *not* reflected in the government-wide financial statement.

The basic fiduciary fund financial statement can be found on page 14 of this report.

**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 notes to the financial statements can be found on pages 15 – 23 of this report.

**Blissfield Township  
Lenawee County, Michigan**

**Management's Discussion and Analysis**

**For the year ended March 31, 2022**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Blissfield Township, Lenawee County, Michigan, assets exceeded liabilities by \$4,500,154 at the close of the most recent fiscal year.

The largest portion of Blissfield Township, Lenawee County, Michigan's net position (48.63 percent) reflects its investment in capital assets (e.g., land, buildings, equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. Blissfield Township, Lenawee County, Michigan uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

**Blissfield Township, Lenawee County, Michigan's Net Position**

	<b>Governmental Activities</b>	<b>Totals 2022</b>	<b>2021</b>
<b>Assets:</b>			
Current assets	\$ 2,356,481	\$ 2,356,481	\$ 2,068,624
Capital assets	2,188,645	2,188,645	2,270,078
Total assets	4,545,126	4,545,126	4,338,702
<b>Liabilities:</b>			
Total liabilities	48,347	48,347	9,113
<b>Net position:</b>			
Invested in capital assets, net of related debt	2,188,645	2,188,645	2,286,928
Restricted for:			
Perpetual care	3,740	3,740	3,740
Fire operations	607,500	607,500	550,355
Fire equipment	323,224	323,224	323,224
Road improvements	868,923	868,923	752,122
Unrestricted	504,747	504,747	430,070
Total net position	\$ 4,496,779	\$ 4,496,779	\$ 4,346,439

The *unrestricted net position* (\$508,122) may be used to meet the government's ongoing obligations to citizens and creditors.

**Blissfield Township  
Lenawee County, Michigan**

**Management's Discussion and Analysis**

**For the year ended March 31, 2022**

**Blissfield Township, Lenawee County, Michigan's Change in Net Position**

	<b>Governmental Activities</b>	<b>Totals</b>	
		<b>2022</b>	<b>2021</b>
Program revenues:			
Charges for services	\$ 136,718	\$ 136,718	\$ 138,617
Total program revenues	<u>136,718</u>	<u>136,718</u>	<u>138,617</u>
General revenues:			
Property taxes	608,010	608,010	595,116
Intergovernmental - State	(130,420)	(130,420)	376,904
Unrestricted investment earnings	3,017	3,017	11,504
Other	6,959	6,959	36,057
Total general revenues	<u>487,566</u>	<u>487,566</u>	<u>1,019,581</u>
Total revenues	<u><u>624,284</u></u>	<u><u>624,284</u></u>	<u><u>1,158,198</u></u>
Expenses:			
General government	206,286	206,286	\$ 200,227
Public safety	346,949	346,949	344,878
Public works	179,698	179,698	188,369
Community and economic development	3,212	3,212	1,865
Total expenses	<u>736,145</u>	<u>736,145</u>	<u>735,339</u>
Change in net position	(111,861)	(111,861)	422,859
Beginning net position	<u>4,346,439</u>	<u>4,346,439</u>	<u>3,923,580</u>
Ending net position	<u><u>\$ 4,234,578</u></u>	<u><u>\$ 4,234,578</u></u>	<u><u>\$ 4,346,439</u></u>

At the end of the current fiscal year, Blissfield Township, Lenawee County, Michigan 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.

**Blissfield Township  
Lenawee County, Michigan**

**Management's Discussion and Analysis**

**For the year ended March 31, 2022**

**Financial Analysis of the Government's Funds**

As noted earlier, Blissfield Township, Lenawee County, Michigan uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Blissfield Township, Lenawee County, Michigan's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Blissfield Township, Lenawee County, Michigan's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of this fiscal year.

As of the end of the current fiscal year, Blissfield Township, Lenawee County, Michigan's governmental funds reported combined ending fund balance of \$2,326,126, an increase of \$266,615 in comparison with the prior year.

The General Fund is the chief operating fund of Blissfield Township, Lenawee County, Michigan. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$508,122.

The fund balance of Blissfield Township, Lenawee County, Michigan's General Fund increased by \$92,669 during the current fiscal year. A key factor in this increase was transferring amounts improperly allocated to other funds.

**Budgetary Highlights**

The general fund actual cemetery expenditures were higher than expected due to trees and the assessor expenditures were higher due to updating tax records, resulting in amendments to the budget.

Fire Fund and Road Fund expenditures were lower than expected compared to the budget.

**Blissfield Township  
Lenawee County, Michigan**

**Management’s Discussion and Analysis**

**For the year ended March 31, 2022**

**Capital Asset and Debt Administration**

**Capital assets.** Blissfield Township, Lenawee County, Michigan’s investment in capital assets for its governmental activities as of March 31, 2022, amounts to \$1,763,246 (net of accumulated depreciation). This investment in capital assets includes land, buildings, fire equipment and fire vehicles.

**Blissfield Township, Lenawee County, Michigan’s Capital Assets**

	<b>Governmental</b>	<b>Totals</b>	
	<b>Activities</b>	<b>2022</b>	<b>2021</b>
Land	\$ 73,942	\$ 73,942	\$ 73,942
Land improvements	46,730	46,730	46,730
Buildings and improvements	1,378,189	1,378,189	1,378,189
Machinery and equipment	16,850	16,850	16,850
Fire equipment	22,997	22,997	22,997
Fire vehicles	1,551,233	1,551,233	1,788,447
Less: accumulated depreciation	(901,296)	(901,296)	(1,040,227)
Total	<u>\$ 2,188,645</u>	<u>\$ 2,188,645</u>	<u>\$ 2,286,928</u>

Additional information on Blissfield Township’s capital assets can be found in Note 5 on page 21.

**Economic Factors and Next Year’s Budgets**

The Township expects to return to normal operations in the next fiscal.

**Requests for Information**

This financial report is designed to provide a general overview of Blissfield Township, Lenawee County, Michigan’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 Blissfield Township, 120 S. Lane Street, P.O. Box 58, Blissfield, MI 49228.

**Blissfield Township  
Lenawee County, Michigan**

**Statement of Net Position**

**March 31, 2022  
With Comparative Totals for March 31, 2021**

	<b>Governmental Activities</b>	<b>Total 2022</b>	<b>Total 2021</b>
<b><u>Assets:</u></b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 2,289,030	\$ 2,289,030	\$ 1,893,060
Accounts receivable	5,167	5,167	-
Taxes receivable	4,035	4,035	3,831
Due from other governmental units	36,517	36,517	40,401
Due from agency funds	21,732	21,732	131,332
Total current assets	2,356,481	2,356,481	2,068,624
<b>Noncurrent assets:</b>			
<b>Capital assets:</b>			
Land	73,942	73,942	73,942
Land improvements	46,730	46,730	46,730
Buildings	1,378,189	1,378,189	1,378,189
Machinery and equipment	16,850	16,850	16,850
Fire equipment	22,997	22,997	22,997
Fire vehicles	1,551,233	1,551,233	1,788,447
Less: accumulated depreciation	(901,296)	(901,296)	(1,040,227)
Total capital assets	2,188,645	2,188,645	2,286,928
Total noncurrent assets	2,188,645	2,188,645	2,286,928
Total assets	4,545,126	4,545,126	4,355,552
<b><u>Liabilities:</u></b>			
<b>Current liabilities:</b>			
Accounts payable	9,113	9,113	9,113
Accrued expenses	3,656	3,656	-
Due to agency funds	2,895	2,895	-
Unearned revenue	32,683	32,683	-
Total liabilities	48,347	48,347	9,113
<b><u>Net position:</u></b>			
Invested in capital assets, net of related debt	2,188,645	2,188,645	2,286,928
Restricted for:			
Perpetual care	3,740	3,740	3,740
Fire operations	607,500	607,500	550,355
Fire equipment	323,224	323,224	323,224
Road improvements	868,923	868,923	752,122
Unrestricted	504,747	504,747	430,070
Total net position	\$ 4,496,779	\$ 4,496,779	\$ 4,346,439

The notes to the financial statements are an integral part of this statement.

**Blissfield Township  
Lenawee County, Michigan**

**Statement of Activities**

**For the Year Ended March 31, 2022  
With Comparative Totals for the Year Ended March 31, 2021**

<u>Functions/Programs</u>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total	
					2022	2021	
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 206,286	\$ 50,505	\$ 8,106	\$ -	\$ (147,675)	\$ (147,675)	\$ (152,161)
Public safety	346,949	86,213	16,000	238,095	(6,641)	(6,641)	7,874
Public works	179,698	-	-	-	(179,698)	(179,698)	(188,369)
Community and economic development	3,212	-	-	-	(3,212)	(3,212)	(1,865)
Total governmental activities	736,145	136,718	24,106	238,095	(337,226)	(337,226)	(334,521)
<b>General Revenues:</b>							
Property taxes					608,010	608,010	\$ 595,116
Intergovernmental revenues					(130,420)	(130,420)	114,703
Investment earnings					3,017	3,017	11,504
Other					6,959	6,959	36,057
Total general revenues					487,566	487,566	757,380
Change in net position					150,340	150,340	422,859
Net position - beginning of year					4,346,439	4,346,439	3,923,580
Net position - end of year					<u>\$ 4,496,779</u>	<u>\$ 4,496,779</u>	<u>\$ 4,346,439</u>

The notes to the financial statements are an integral part of this statement.

**Blissfield Township  
Lenawee County, Michigan**

**Balance Sheet**

**Governmental Funds**

**March 31, 2022**

**With Comparative Totals for March 31, 2021**

	<b>General Fund</b>	<b>Fire Fund</b>	<b>Road Fund</b>	<b>Total Governmental Funds</b>	
				<b>2022</b>	<b>2021</b>
<b><u>Assets:</u></b>					
Cash and cash equivalents	\$ 528,163	\$ 913,332	\$ 847,535	\$ 2,289,030	\$ 1,893,060
Accounts receivable	-	5,167	-	5,167	-
Taxes receivable	381	1,843	1,811	4,035	3,831
Due from other governmental units	18,746	8,964	8,807	36,517	40,401
Due from other funds	2,934	-	-	2,934	-
Due from agency funds	-	10,962	10,770	21,732	131,332
Total assets	<u>550,224</u>	<u>940,268</u>	<u>868,923</u>	<u>2,359,415</u>	<u>2,068,624</u>
<b><u>Liabilities:</u></b>					
<b><u>Current liabilities:</u></b>					
Accounts payable	2,503	6,610	-	9,113	9,113
Accrued expenses	3,656	-	-	3,656	-
Due to other funds	-	2,934	-	2,934	-
Due to agency funds	2,895	-	-	2,895	-
Unearned revenue	32,683	-	-	32,683	-
Total liabilities	<u>41,737</u>	<u>9,544</u>	<u>-</u>	<u>51,281</u>	<u>9,113</u>
<b><u>Fund Balances:</u></b>					
Restricted for:					
Perpetual care	3,740	-	-	3,740	3,740
Fire operations	-	607,500	-	607,500	550,355
Fire equipment	-	323,224	-	323,224	323,224
Road improvements	-	-	868,923	868,923	752,122
Unassigned	504,747	-	-	504,747	430,070
Total fund balances	<u>508,487</u>	<u>930,724</u>	<u>868,923</u>	<u>2,308,134</u>	<u>2,059,511</u>
Total liabilities and fund balances	<u>\$ 550,224</u>	<u>\$ 940,268</u>	<u>\$ 868,923</u>	<u>\$ 2,359,415</u>	<u>\$ 2,068,624</u>

**Reconciliation of the Fund Balances of Governmental Funds to the Net Position of Governmental Activities**

Total governmental fund balances	\$ 2,308,134	\$ 2,059,511
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.		
The cost of the capital assets is:	3,089,941	3,327,155
The accumulated depreciation is:	(901,296)	(1,040,227)
Net differences	<u>2,188,645</u>	<u>2,286,928</u>
Net position of governmental activities	<u>\$ 4,496,779</u>	<u>\$ 4,346,439</u>

The notes to the financial statements are an integral part of this statement.

**Blissfield Township  
Lenawee County, Michigan**

**Statement of Revenues, Expenditures And Changes In Fund Balances –**

**Governmental Funds**

**For the Year Ended March 31, 2022  
With Comparative Totals for the Year Ended March 31, 2021**

	<b>General Fund</b>	<b>Fire Fund</b>	<b>Road Fund</b>	<b>Total Governmental Funds</b>	
				<b>2022</b>	<b>2021</b>
<b><u>Revenues:</u></b>					
Property taxes	\$ 186,716	\$ 212,401	\$ 208,893	\$ 608,010	\$ 595,116
Charges for services	50,505	86,213	-	136,718	138,617
State grants	88,290	12,497	30,994	131,781	376,904
Investment income and rentals	1,086	813	1,118	3,017	11,504
Other revenues	6,904	55	-	6,959	15,955
Total revenues	333,501	311,979	241,005	886,485	1,138,096
<b><u>Expenditures:</u></b>					
<b><u>Current:</u></b>					
General government	201,338	-	-	201,338	195,279
Public safety	999	254,834	-	255,833	229,430
Public works	53,275	-	119,399	172,674	183,242
Community and economic development	3,212	-	-	3,212	1,865
Other	-	-	4,805	4,805	2,908
Capital outlay	-	-	-	-	628,235
Total expenditures	258,824	254,834	124,204	637,862	1,240,959
<b><u>Other financing sources (uses):</u></b>					
Sale of assets	-	-	-	-	20,102
Total financing sources (uses)	-	-	-	-	20,102
Change in fund balances	74,677	57,145	116,801	248,623	(82,761)
Fund balances - beginning of year	433,810	873,579	752,122	2,059,511	2,142,272
Fund balances - end of year	\$ 508,487	\$ 930,724	\$ 868,923	\$ 2,308,134	\$ 2,059,511
Change in fund balances of total governmental funds				\$ 248,623	\$ (82,761)
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				(98,283)	(122,615)
Capital outlay				-	628,235
Change in net position of governmental activities				\$ 150,340	\$ 422,859

The notes to the financial statements are an integral part of this statement.

**Blissfield Township  
Lenawee County, Michigan**

**Statement of Fiduciary Net Position**

**Fiduciary Fund**

**March 31, 2022**

	<b>Custodial Funds</b>	
	<b>2022</b>	<b>2021</b>
<b><u>Assets:</u></b>		
Cash	\$ 81,604	\$ 127,178
Due from other governmental entities	-	4,154
Total assets	81,604	131,332
<b><u>Liabilities:</u></b>		
Due to other funds	18,837	131,332
Due to other governmental units	62,767	-
Total liabilities	\$ 81,604	\$ 131,332

The notes to the financial statements are an integral part of this statement.

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 1. Summary of Significant Accounting Policies**

The financial statements of Blissfield Township, Lenawee County, Michigan (Township) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units.

**A. Reporting Entity**

Blissfield Township is a non-charter township, governed by a Board of Trustees. As required by generally accepted accounting principles, these financial statements present Blissfield Township as a primary government. There are no component units to the Township.

**B. 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 Township. The government-wide financial statements categorize primary activities as either governmental or business-type.

*Governmental activities*, which are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and a fiduciary fund, even though the latter are excluded from the government-wide financial statements. The major individual governmental fund (General Fund) and the major individual enterprise fund (Sewer Fund) are reported as a separate column in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 1. Summary of Significant Accounting Policies (Concluded)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

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 government 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.

Property taxes, sales 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

**The government reports the following major governmental 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.

The *Fire Fund* accounts for the financial resources of the Township's fire department operations and special fire equipment.

The *Road Fund* accounts for the maintenance of the roads within the limits of the Township.

**Additionally, the government reports the following fiduciary fund types:**

The *Tax Collection Fund* is used to account for assets held by the Township as an agent for other governments, and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is payment of utility charges between the Township's sewer function and the general fund. Elimination of these charges would distort the direct costs and program revenues reported for the two functions concerned.

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

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**D. Estimates**

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

**E. Assets, liabilities, and net position or fund balance**

**1. Cash and investments**

Cash includes amounts in bank accounts, cash on hand and demand deposits.

The Township invests any surplus of funds in certificates of deposit. The Township's investment policy, in regards to authorized investments, is in accordance with Michigan Compiled Laws Section 129.91.

**2. Receivables and payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes and accounts receivable are shown net of an allowance for uncollectibles.

The Township property tax is levied on each December 1 on the taxable value of property located in the Township as of the preceding December 31.

The Township's 2021 ad valorem tax was levied and collectible on December 1, 2021. It is the Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are made available for the financing of Township operations. Payment from the County Delinquent Tax Fund, which purchases the 2021 delinquent real property taxes, is recorded as a receivable and recognized as revenue in the current fiscal year.

The 2021 taxable value of Blissfield Township totaled \$141,541,014. The Township levied 1.0 mill (Tax, \$141,534) for general operations; 1.0 mill (tax, \$141,534) for fire operations; .5 mills (tax, \$70,867) for fire equipment; and 1.4737 mills (tax, \$208,893) for road improvements.

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 1. Summary of Significant Accounting Policies (Concluded)**

**E. Assets, liabilities, and net position or fund balance**

**3. Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., road, 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 government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	30
Buildings	50
Machinery and equipment	10
Furniture	20
Fire vehicles	20
Water system	100
Water equipment	30
Sewer system	100
Sewer equipment	40

**4. Fund balances**

Fund balances on the Governmental fund balance sheet are classified as either restricted, assigned or unassigned. The term restricted indicates that a portion of the fund balance is not appropriate for expenditure or is legally segregated for a specific future use.

The unassigned fund balance is available for use as the governing body determines.

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 2. Stewardship, Compliance, and Accountability**

**A. Budgetary information**

The accounting basis used by the Township for budgeting is in accordance with accounting principles generally accepted in the United States of America (GAAP).

The Township follows the budgetary procedures outlined by the State of Michigan including public hearings and proper adoption. All funds of the Township have a budget. All annual appropriations lapse at fiscal year-end. The budgets are amended during the year as needed.

**B. Excess of expenditures over appropriations in budgetary funds**

P.A. 621 of 1978, Section 18(1), as amended, of the State of Michigan provides that a local governmental 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 an activity basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level. During the year ended March 31, 2022, the Township incurred expenditures that were in excess of the amounts appropriated as follows:

<u>Expenditure</u>	<u>Appropriations</u>	<u>Actual</u>	<u>Budget Variance</u>
<b>General Fund:</b>			
Chief executive	15,000	15,150	(150)
Treasurer	29,500	29,822	(322)
Assessor	42,143	44,953	(2,810)
Township hall	3,583	3,687	(104)
Cemetery	4,000	6,887	(2,887)
Planning	3,117	3,137	(20)

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 3. Deposits and Investments**

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. As of March 31, 2022 and 2021, \$1,696,690 and \$2,777,318 of the Township's bank balance of \$2,410,890 and \$3,436,443, respectively, was exposed to custodial credit risk as follows:

	<b>2022</b>	<b>2021</b>
Uninsured and uncollateralized	\$ 1,696,690	\$ 2,777,318

All deposits are with banks located in Michigan as required by statutes.

The above amount is the balance in financial institution accounts. A reconciliation to the total cash presented within the financial statements is as follows:

Bank balances at March 31, 2022	\$ 2,410,890
Less: net effect of outstanding items	(40,256)
Less: fiduciary fund bank balance	(81,604)
Combined cash & investment balances at March 31, 2022	\$ 2,289,030

**Note 4. Receivables**

Receivables as of year-end for the government's individual major and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	<b>General Fund</b>	<b>Fire Fund</b>	<b>Road Fund</b>	<b>Total</b>
Receivables:				
Due from governments	\$ 18,746	\$ 8,964	\$ 8,807	\$ 36,517
Taxes receivable	381	1,843	1,811	4,035
Due from tax collection	-	10,962	10,770	21,732
Gross receivables	19,127	21,769	21,388	62,284
Less: allowance for uncollectib	-	-	-	-
Net total receivables	\$ 19,127	\$ 21,769	\$ 21,388	\$ 62,284

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 5. Capital Assets**

Capital asset activity for the year ended March 31, 2022 was as follows:

	<b>Beginning Balance</b>	<b>Acquisitions</b>	<b>Dispositions</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
Land	\$ 73,942	\$ -	\$ -	\$ 73,942
Construction in progress	-			-
Total assets not being depreciated-land	73,942	-	-	73,942
Land improvements	46,730	-	-	46,730
Buildings and improvements	1,378,189	-	-	1,378,189
Machinery and equipment	16,850	-	-	16,850
Fire equipment	22,997	-	-	22,997
Fire vehicles	1,551,233	-	-	1,551,233
Depreciable capital assets	3,015,999	-	-	3,015,999
<b>Less accumulated depreciation for:</b>				
Land improvements	28,104	1,557	-	29,661
Buildings and improvements	82,608	27,860	-	110,468
Machinery and equipment	10,194	3,370	-	13,564
Fire equipment	8,762	3,862	-	12,624
Fire vehicles	673,345	61,634	-	734,979
Total accumulated depreciation	803,013	98,283	-	901,296
Net depreciable capital assets	2,212,986	(98,283)	-	2,114,703
Governmental activities net capital assets	<u>\$ 2,286,928</u>	<u>\$ (98,283)</u>	<u>\$ -</u>	<u>\$ 2,188,645</u>

Depreciation expense charged to functions is as follows:

	<b>2022</b>	<b>2021</b>
<b>Governmental activities:</b>		
General government	\$ 4,948	\$ 4,948
Public safety	91,116	115,448
Public works	2,219	2,219
Total depreciation expense-governmental activities	<u>\$ 98,283</u>	<u>\$ 122,615</u>

**Blissfield Township  
Lenawee County, Michigan**

**Notes to Financial Statements**

**March 31, 2022**

**Note 6. Risk Management**

The Township is exposed to various risks of loss related to property loss, torts, errors, omissions, and employee injuries (workers' compensation). The Township obtains coverage from insurance companies to establish and administer a risk management program; to prevent or lessen the incidence and severity of casualty losses and to defend and protect against liability or loss. The Plan provides protection to the Township based on its selected risks, limits and deductibles. Any settled claims have not exceeded the limits of coverage in any of the past three years.

**Note 7. Retirement Plan**

The Township provides pension benefits for elected officials through a defined contribution plan as authorized by IRS code section 401(b). The plan is through John Hancock, an insurance company, in connection with the Michigan Township Association. The contributions to the pension plan are invested in life insurance annuities. Officials are eligible to participate the first policy anniversary date after becoming employed are at least twenty-one (21) years old. Contributions to the plan are based on past service and level of income. Employees must contribute 20% of premium costs and the Township contributes the remaining 80%. The Township's pension expense for the years ended March 31, 2022 and 2021 were \$13,641 and \$10,633, respectively, and participants contributed \$3,294 and \$2,011, respectively.

**Note 8. 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 years ended March 31, 2022 and 2021, the Township abated property tax revenues totaling \$12,413 and \$13,460, respectively, under this program.

**Note 11. Subsequent Events**

The Township has reviewed subsequent events up to September 27, 2022, the date of this report. The financial statements were available to be issued on the same date.

**Required Supplementary Information**

**Blissfield Township  
Lenawee County, Michigan**

**Budgetary Comparison Schedule**

**General Fund**

**For the Year Ended March 31, 2022**

<u>Revenues:</u>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
Property taxes	\$ 157,267	\$ 157,267	\$ 186,716	\$ 29,449
Charges for services	45,685	45,685	50,505	4,820
State grants	18,900	59,336	88,290	28,954
Investment income and rentals	721	721	1,086	365
Other revenue	500	500	6,904	6,404
Total revenues	<u>223,073</u>	<u>263,509</u>	<u>333,501</u>	<u>69,992</u>
<b><u>Expenditures:</u></b>				
<b>General Government</b>				
Legislative	42,300	121,604	64,134	57,470
Chief executive	15,000	15,000	15,150	(150)
Clerk	29,500	29,500	29,441	59
Treasurer	29,500	29,500	29,822	(322)
Board of review	1,500	2,532	1,768	764
Assessor	42,143	42,143	44,953	(2,810)
Election	1,300	1,300	475	825
Attorney	3,000	4,400	4,400	-
Administration	9,500	9,500	7,508	1,992
Township hall	2,500	3,583	3,687	(104)
<b>Public Health and Safety:</b>				
Building inspection	1,500	1,500	999	501
<b>Public Works</b>				
Cemetery	35,025	42,128	48,880	(6,752)
Drain at large	4,000	4,395	4,395	-
<b>Community and Economic Development</b>				
Zoning	150	150	75	75
Planning	500	3,117	3,137	(20)
Total expenditures	<u>217,418</u>	<u>310,352</u>	<u>258,824</u>	<u>51,528</u>
Change in fund balance	5,655	(46,843)	74,677	121,520
Fund balance - beginning of year			<u>433,810</u>	
Fund balance - end of year			<u><u>\$ 508,487</u></u>	

**Blissfield Township  
Lenawee County, Michigan**

**Budgetary Comparison Schedule**

**Fire Fund**

**For the Year Ended March 31, 2022**

<u>Revenues:</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Property taxes	\$ 196,556	\$ 196,556	\$ 212,401	\$ 15,845
State grants	18,900	-	12,497	12,497
Charges for ambulance runs	93,810	93,810	86,213	(7,597)
Interest income	630	630	813	183
Other income	-	-	55	55
Total revenues	<u>309,896</u>	<u>290,996</u>	<u>311,979</u>	<u>20,983</u>
<b><u>Expenditures:</u></b>				
Public Safety	<u>207,015</u>	<u>281,784</u>	<u>254,834</u>	<u>26,950</u>
Total expenditures	<u>207,015</u>	<u>281,784</u>	<u>254,834</u>	<u>26,950</u>
Change in fund balance	102,881	9,212	57,145	(5,967)
Fund balance - beginning of year			<u>873,579</u>	
Fund balance - end of year			<u><u>\$ 930,724</u></u>	

**Blissfield Township  
Lenawee County, Michigan**

**Budgetary Comparison Schedule**

**Road Improvement Fund**

**For the Year Ended March 31, 2022**

<u>Revenues:</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Property taxes	\$ 193,116	\$ 193,116	\$ 208,893	\$ 15,777
State grants	37,823	-	30,994	30,994
Interest income	480	480	1,118	638
Total revenues	<u>231,419</u>	<u>193,596</u>	<u>241,005</u>	<u>47,409</u>
 <u>Expenditures:</u>				
<b>Public Works</b>				
Highways, streets and bridges	163,398	163,398	119,399	43,999
<b>Other</b>	<u>2,100</u>	<u>6,755</u>	<u>4,805</u>	<u>1,950</u>
Total expenditures	<u>165,498</u>	<u>170,153</u>	<u>124,204</u>	<u>45,949</u>
 Change in fund balance	 65,921	 23,443	 116,801	 1,460
Fund balance - beginning of year			<u>752,122</u>	
Fund balance - end of year			<u><u>\$ 868,923</u></u>	

**Other Supplementary Information**

**Blissfield Township  
Lenawee County, Michigan**

**Schedule of Changes in Assets & Liabilities**

**Tax Collection Fund**

**March 31, 2022**

	<b>Balance April 1, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance March 31, 2022</b>
<b><u>Assets:</u></b>				
Cash	\$ 127,178	\$ 4,344,402	\$ 4,389,976	\$ 81,604
Due from other governmental units	4,154	-	4,154	-
Total assets	131,332	4,344,402	4,394,130	81,604
 <b><u>Liabilities:</u></b>				
Due to other funds	131,332	576,066	688,561	18,837
Due to other governmental units	-	3,768,336	3,705,569	62,767
Total liabilities	\$ 131,332	\$ 4,344,402	\$ 4,394,130	\$ 81,604