

**CITY OF THE VILLAGE OF CLARKSTON
Oakland County, Michigan**

AUDITED FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2021**

CITY OF THE VILLAGE OF CLARKSTON
For the Year Ended June 30, 2021

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For the Year Ended June 30, 2021

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FINANCIAL SECTION

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Independent Auditor's Report

October 13, 2021

To the Honorable Mayor and Members of City Council
City of the Village of Clarkston, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of the Village of Clarkston, Michigan, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City'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.

Auditor's 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.

Honorable Mayor and
Members of the City Council
City of the Village of Clarkston, Michigan

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of the Village of Clarkston, Michigan, as of June 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the budgetary comparison information, as identified in the table of contents, 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 City of the Village of Clarkston, Michigan's basic financial statements as a whole. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling information directly to underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully,



PSLZ PLLC
Certified Public Accountants

Management's Discussion and Analysis

Overview of the Financial Statements

The City's annual report consists of management's discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplemental information, and other supplemental information.

The government-wide financial statements are designed to provide a broad overview of the City's finances. The government-wide financial statements are presented on a full accrual basis, with an emphasis on measuring all economic resources and not just current financial resources, as measured in the individual fund statements. Two government-wide statements are provided.

The statement of net position presents information on all of the City's assets and liabilities with the difference shown as net position. Increases or decreases of net position from period to period provide useful information on the direction of the City's financial position over time.

The statement of activities provides information on how the government-wide net position changed during the fiscal year. This statement provides information on income, expenses, and other increases or decreases in net position.

Following the government-wide statements, individual fund financial statements are provided for the City's major funds with one column provided for nonmajor funds. These statements are grouped into governmental funds, which account for the cost of providing governmental-type services such as public safety and public works; business-type funds, which account for functions that are intended to recover all or a significant portion of their costs through user fees and charges, and fiduciary funds, which account for assets held for outside parties.

Reconciliation between the individual fund statements and the government-wide financial statements is provided following the individual fund statements. The differences between the statement of net position and the fund-based balance sheet are primarily related to inclusion of capital assets and long-term liabilities in the government-wide statement of net position, which are not included in the fund-based balance sheet. The differences between the statement of activities and the statement of revenues, expenditures, and changes in fund balances primarily relate to the timing of reporting capital outlays and debt principal payments in the fund statements and a difference in the timing of the recognition of certain revenues and expenditures such as debt principal payments, and accrued employee leave time.

Financial Position

The following table shows in a condensed format, the net position of the City's governmental activities as of June 30, 2021:

City of Clarkston - Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 349,737	\$ 517,941	\$ 645,771	\$ 687,397	\$ 995,508	\$ 1,205,338
Capital Assets	2,871,843	2,991,898	116,107	120,734	2,987,950	3,112,632
Total Assets	3,221,580	3,509,839	761,878	808,131	3,983,458	4,317,970
Long-term Liabilities						
Outstanding	526,751	746,117	-	-	526,751	746,117
Other Liabilities	54,514	62,309	68,163	67,627	122,677	129,936
Total Liabilities	581,265	808,426	68,163	67,627	649,428	876,053
Net Position:						
Net Investment						
in Capital Assets	2,345,092	2,245,781	116,107	120,734	2,461,199	2,366,515
Restricted	98,147	18,917	-	-	98,147	18,917
Unrestricted	197,076	436,715	577,608	619,770	774,684	1,056,485
Total Net Position	\$ 2,640,315	\$ 2,701,413	\$ 693,715	\$ 740,504	\$ 3,334,030	\$ 3,441,917

The following table shows the changes of the net position during the year ended June 30, 2021:

City of Clarkston - Change in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Program Revenues:						
Charges for Services	\$ 65,007	\$ 175,269	\$ 325,208	\$ 292,341	\$ 390,215	\$ 467,610
Operating Grants & Contributions	119,222	107,308	-	-	119,222	107,308
Capital Grants & Contributions	-	300,925	-	-	-	300,925
General Revenues:						
Property Taxes	790,372	771,715	-	-	790,372	771,715
State Shared Revenues	96,185	84,897	-	-	96,185	84,897
Franchise Fees	19,482	19,299	-	-	19,482	19,299
Unrestricted Investment Earnings	1,565	4,340	4,585	4,393	6,150	8,733
Total Revenues	1,091,833	1,463,753	329,793	296,734	1,421,626	1,760,487
Program Expenses:						
General Government	374,223	364,020	-	-	374,223	364,020
Public Safety	308,955	299,914	-	-	308,955	299,914
Public Works	403,597	432,720	-	-	403,597	432,720
Community Development	23,351	27,705	-	-	23,351	27,705
Recreation and Cultural	12,449	17,965	-	-	12,449	17,965
Interest on Long-Term Debt	30,356	34,216	-	-	30,356	34,216
Water	-	-	-	-	-	-
Sewer	-	-	376,582	304,265	376,582	304,265
Total Expenses	1,152,931	1,176,540	376,582	304,265	1,529,513	1,480,805
Change in Net Position	\$ (61,098)	\$ 287,213	\$ (46,789)	\$ (7,531)	\$ (107,887)	\$ 279,682

The City had a decrease of \$61,098 in net position in its governmental activities for the fiscal year ended June 30, 2021, compared to an \$287,213 increase for the fiscal year ended June 30, 2020. Property tax revenues increased \$18,657 or 2.4% over the prior year, and the State shared revenues increased \$11,288.

Governmental Activities

General Fund expenditures exceeded revenues in fiscal year 2021 by \$86,727, as compared to revenues exceeded expenditures in fiscal year 2020 by \$38,824. Governmental activity revenues for fiscal year 2021 decreased by \$371,920 over the prior year. The prior year includes a \$300,000 advance from the water fund. The current year reflects a \$64,911 decrease in parking fees recorded in the parking fund. The Parking Fund had a \$51,776 decrease in parking fees during fiscal year 2020 as well.

Analysis of Individual Funds

Of the City's governmental funds, the General, Major and Local Streets, Debt Service, and Capital Projects Funds account for all significant expenditures.

The General Fund ended the fiscal year with a decrease to its fund balance in the amount of \$86,727, which included \$64,520 of transfers out to the Capital Projects Fund.

General Fund Budgetary Highlights

The General Fund original budgeted revenues remained unchanged, and the final amended budgeted expenditures were increased by \$69,000 over the original budgeted expenditures. The legal fees budget was increased by \$64,440 for pending litigation.

Capital Assets

During fiscal year 2021, capital asset additions totaled \$173,541, which included road improvements, installation of signs, and the remainder of City Hall renovations. Annual depreciation expense of \$293,596 has been recorded for fiscal year 2021.

Long-term Debt

At the end of the current fiscal year, the City had total general obligation bond debt outstanding of \$553,000. The City's total bonded debt decreased by \$228,000 during the current fiscal year, as a result of annual debt payments made.

Economic Factors

The City of the Village of Clarkston's budgeted property tax revenues are expected to increase slightly and state shared revenue are budgeted to remain approximately the same as the current fiscal year. These factors were considered in preparing the City's budget for the 2021-2022 fiscal year. The City has adopted a balanced budget for their fiscal year 2021-2022.

Contacting the City's Financial Management

This audit of the revenues and expenditures of the City is designed to depict the financial health of the City and demonstrate the uses of City resources. The audit also provides financial information to the City's investors and creditors.

If you have any questions about this report contact the City Offices, City of the Village of Clarkston, 375 Depot Road, Clarkston, Michigan 48346.

BASIC FINANCIAL STATEMENTS

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 309,681	\$ 279,110	\$ 588,791
Receivables (net of allowance for uncollectibles)			
Accounts	6,600	35,298	41,898
Due from Other Governmental Units	33,456	50,000	83,456
Advance to Other Funds	-	281,363	281,363
Capital Assets (net of accumulated depreciation)	2,871,843	116,107	2,987,950
Total Assets	3,221,580	761,878	3,983,458
<u>LIABILITIES</u>			
Accounts Payable	50,350	68,163	118,513
Accrued Liabilities	4,164	-	4,164
Noncurrent Liabilities:			
Due within one year	231,000	-	231,000
Due in more than one year	295,751	-	295,751
Total Liabilities	581,265	68,163	649,428
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,345,092	116,107	2,461,199
Restricted for:			
Streets	77,548	-	77,548
Mill Pond Lake Improvements	16,401	-	16,401
Other	4,198	-	4,198
Unrestricted	197,076	577,608	774,684
Total Net Position	\$ 2,640,315	\$ 693,715	\$ 3,334,030

CITY OF THE VILLAGE OF CLARKSTON
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 374,223	\$ 22,060	\$ 3,283	\$ -
Public Safety	308,955	21,569	3,494	-
Public Works	403,597	21,378	105,445	-
Community Development	23,351	-	7,000	-
Recreation and Cultural	12,449	-	-	-
Interest on Long-Term Debt	30,356	-	-	-
Total Governmental Activities	<u>1,152,931</u>	<u>65,007</u>	<u>119,222</u>	<u>-</u>
Business-type Activities:				
Water	-	28,600	-	-
Sewer	376,582	296,608	-	-
Total Business-type Activities	<u>376,582</u>	<u>325,208</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 1,529,513</u>	<u>\$ 390,215</u>	<u>\$ 119,222</u>	<u>\$ -</u>

General Revenues:
Property Taxes
State Shared Revenue
Unrestricted Investment Earnings
Franchise Fees
Total General Revenues

Change in Net Position
Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities		Business-type Activities		Total
\$	(348,880)	\$	-	\$ (348,880)
	(283,892)		-	(283,892)
	(276,774)		-	(276,774)
	(16,351)		-	(16,351)
	(12,449)		-	(12,449)
	(30,356)		-	(30,356)
	<u>(968,702)</u>		<u>-</u>	<u>(968,702)</u>
	-		28,600	28,600
	-		(79,974)	(79,974)
	<u>-</u>		<u>(51,374)</u>	<u>(51,374)</u>
	<u>(968,702)</u>		<u>(51,374)</u>	<u>(1,020,076)</u>
	790,372		-	790,372
	96,185		-	96,185
	1,565		4,585	6,150
	19,482		-	19,482
	<u>907,604</u>		<u>4,585</u>	<u>912,189</u>
	(61,098)		(46,789)	(107,887)
	<u>2,701,413</u>		<u>740,504</u>	<u>3,441,917</u>
\$	<u>2,640,315</u>	\$	<u>693,715</u>	\$ <u>3,334,030</u>

CITY OF THE VILLAGE OF CLARKSTON

Balance Sheet

Governmental Funds

June 30, 2021

	<u>General</u>	<u>2012 GO Refunding Bond Debt</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 198,908	\$ -	\$ 110,773	\$ 309,681
Receivables (net of allowance for uncollectibles)				
Accounts	6,600	-	-	6,600
Due from State	17,123	-	16,333	33,456
	<u>222,631</u>	<u>-</u>	<u>127,106</u>	<u>349,737</u>
Total Assets	\$ <u>222,631</u>	\$ <u>-</u>	\$ <u>127,106</u>	\$ <u>349,737</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 17,193	\$ -	\$ 33,157	\$ 50,350
Accrued and Other Liabilities	4,164	-	-	4,164
Total Liabilities	<u>21,357</u>	<u>-</u>	<u>33,157</u>	<u>54,514</u>
Fund Balances:				
Restricted for:				
Streets	-	-	77,548	77,548
Mill Pond Lake Improvements	-	-	16,401	16,401
Sign Maintenance	3,796	-	-	3,796
Other	402	-	-	402
Assigned for Subsequent Years				
Expenditures	70,707	-	-	70,707
Unassigned	126,369	-	-	126,369
Total Fund Balance	<u>201,274</u>	<u>-</u>	<u>93,949</u>	<u>295,223</u>
Total Liabilities and Fund Balance	\$ <u>222,631</u>	\$ <u>-</u>	\$ <u>127,106</u>	

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, therefore, are not reported in the funds.

2,871,843

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

(526,751)

Net Position of Governmental Activities

\$ 2,640,315

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

	<u>General</u>	<u>2012 GO Refunding Bond Debt</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>				
Property Taxes	\$ 543,650	\$ 165,910	\$ 80,812	\$ 790,372
Licenses and Permits	19,673	-	-	19,673
Intergovernmental:				
Federal, State and Local	106,679	-	99,750	206,429
Charges for Services	35,004	-	1,483	36,487
Fines and Forfeitures	1,896	-	-	1,896
Franchise Fees	19,482	-	-	19,482
Special Assessments	-	-	5,695	5,695
Interest	1,557	-	8	1,565
Other	10,234	-	-	10,234
Total Revenues	<u>738,175</u>	<u>165,910</u>	<u>187,748</u>	<u>1,091,833</u>
<u>Expenditures</u>				
Current:				
General Government	336,278	-	-	336,278
Public Safety	308,955	-	-	308,955
Public Works	65,663	-	180,618	246,281
Community Development	23,351	-	-	23,351
Recreation and Cultural	2,162	-	-	2,162
Other Functions	20,973	-	-	20,973
Debt Service:				
Principal	-	153,000	75,000	228,000
Interest and Other Charges	3,000	12,910	5,812	21,722
Capital Outlay	-	-	64,520	64,520
Total Expenditures	<u>760,382</u>	<u>165,910</u>	<u>325,950</u>	<u>1,252,242</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(22,207)</u>	<u>-</u>	<u>(138,202)</u>	<u>(160,409)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	64,520	64,520
Transfers Out	<u>(64,520)</u>	<u>-</u>	<u>-</u>	<u>(64,520)</u>
Total Other Financing Sources (Uses)	<u>(64,520)</u>	<u>-</u>	<u>64,520</u>	<u>-</u>
Net Change in Fund Balance	(86,727)	-	(73,682)	(160,409)
Fund Balance - Beginning	<u>288,001</u>	<u>-</u>	<u>167,631</u>	<u>455,632</u>
Fund Balance - Ending	<u>\$ 201,274</u>	<u>\$ -</u>	<u>\$ 93,949</u>	<u>\$ 295,223</u>

CITY OF THE VILLAGE OF CLARKSTON
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

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

Net change in fund balance - total governmental funds	\$	(160,409)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.</p>		
Capital Outlay		173,541
Depreciation Expense		(293,596)
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Principal Repayments		228,000
Bond Issuance Cost Amortization		<u>(8,634)</u>
Change in net position in governmental activities	\$	<u><u>(61,098)</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Proprietary Funds
June 30, 2021

	Enterprise Funds		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 137,341	\$ 141,769	\$ 279,110
Accounts Receivable	-	35,298	35,298
Due from Other Governmental Units	50,000	-	50,000
Total Current Assets	<u>187,341</u>	<u>177,067</u>	<u>364,408</u>
Noncurrent Assets:			
Advance to Other Funds	<u>281,363</u>	<u>-</u>	<u>281,363</u>
Capital Assets	-	1,289,975	1,289,975
Less: Accumulated Depreciation	-	(1,173,868)	(1,173,868)
Net Capital Assets	<u>-</u>	<u>116,107</u>	<u>116,107</u>
Total Assets	<u>\$ 468,704</u>	<u>\$ 293,174</u>	<u>\$ 761,878</u>
<u>LIABILITIES AND NET POSITION</u>			
Current Liabilities:			
Accounts Payable	<u>\$ -</u>	<u>\$ 68,163</u>	<u>\$ 68,163</u>
Net Position:			
Net Investment in Capital Assets	-	116,107	116,107
Unrestricted	<u>468,704</u>	<u>108,904</u>	<u>577,608</u>
Total Net Position	<u>468,704</u>	<u>225,011</u>	<u>693,715</u>
Total Liabilities and Net Position	<u>\$ 468,704</u>	<u>\$ 293,174</u>	<u>\$ 761,878</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2021

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>Operating Revenues:</u>			
Sewer Usage Charges	\$ -	\$ 293,729	\$ 293,729
Water Connection Charges	28,600	-	28,600
Penalty Charges	-	2,879	2,879
Total Operating Revenues	<u>28,600</u>	<u>296,608</u>	<u>325,208</u>
<u>Operating Expenses:</u>			
Contractual Services	-	370,205	370,205
Postage and Supplies	-	1,750	1,750
Depreciation	-	4,627	4,627
Total Operating Expenses	<u>-</u>	<u>376,582</u>	<u>376,582</u>
Operating Income (Loss)	28,600	(79,974)	(51,374)
<u>Non-Operating Revenues:</u>			
Interest Earned	<u>4,557</u>	<u>28</u>	<u>4,585</u>
Change in Net Position	33,157	(79,946)	(46,789)
Net Position, Beginning	<u>435,547</u>	<u>304,957</u>	<u>740,504</u>
Net Position, Ending	<u>\$ 468,704</u>	<u>\$ 225,011</u>	<u>\$ 693,715</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2021

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers	\$ 28,600	\$ 289,500	\$ 318,100
Payments to Suppliers	-	(371,419)	(371,419)
Net Cash Provided (Used) by Operating Activities	<u>28,600</u>	<u>(81,919)</u>	<u>(53,319)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) Decrease in Advance to Other Funds	(81,363)	100,000	18,637
Interest Earned	4,557	28	4,585
Net Cash Provided (Used) by Investing Activities	<u>(76,806)</u>	<u>100,028</u>	<u>23,222</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(48,206)	18,109	(30,097)
Cash and Cash Equivalents, Beginning	<u>185,547</u>	<u>123,660</u>	<u>309,207</u>
Cash and Cash Equivalents, Ending	<u>\$ 137,341</u>	<u>\$ 141,769</u>	<u>\$ 279,110</u>
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$ 28,600	\$ (79,974)	\$ (51,374)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	-	4,627	4,627
(Increase) Decrease in Receivables	-	(7,108)	(7,108)
Increase (Decrease) in Accounts Payable	-	536	536
Net Cash Provided by Operating Activities	<u>\$ 28,600</u>	<u>\$ (81,919)</u>	<u>\$ (53,319)</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Fiduciary Funds
June 30, 2021

		<u>Custodial Fund</u>
ASSETS:		
Cash and Cash Equivalents	\$	1,500
LIABILITIES:		
Due to Other Governmental Units		<u>1,500</u>
NET POSITION	\$	<u><u>-</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Changes in Net Position
Fiduciary Funds
June 30, 2021

		<u>Custodial Fund</u>
Additions:		
Taxes Collected for Other Governments	\$	2,123,542
Deductions:		
Payments of Taxes to Other Governments		<u>2,123,542</u>
Change in Net Position		-
Net Position - Beginning of year		<u>-</u>
Net Position - End of year	\$	<u><u>-</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of the Village of Clarkston is governed by an elected seven member Council. The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. There are no component units for which the City is considered financially accountable.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary 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 revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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 proprietary fund and 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.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental Funds

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The 2012 General Obligation Refunding Bond Debt Fund is a debt service fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

In addition, the City reports on the following fund types:

The special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects).

The debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The capital projects fund is used to account for capital improvements, equipment purchases, and construction activity funded by general revenues of the City.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds include the enterprise fund types.

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The City has one enterprise fund, which is the Sewer Fund. The Sewer Fund accounts for the operation, maintenance, and distribution of the sewage system.

Fiduciary Funds

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. Fiduciary funds include the Custodial Fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, 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 government's policy to use restricted resources first, then unrestricted resources as needed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper of certain investment grades, and deposits of Michigan commercial banks. Investments for the City are recorded at fair value.

2. Receivables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. non-current 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." All trade and property tax receivables are shown net of allowance for uncollectible accounts, which are recorded at \$-0- at June 30, 2021.

3. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. 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 costs 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 capitalized value of the assets constructed. Property, plant and equipment of the City is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	15-30
Buildings	30-50
Road Improvements	20
Water System	30
Sewer System	40
Equipment, Furniture	5-25
Vehicles	6

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Assets, Liabilities and Net Position – Continued

4. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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.

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Statement of Net Position. Long-term liabilities expected to be financed from proprietary funds are reported as liabilities in those funds.

5. Fund Equity

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

Nonspendable – 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 City Council for use for a specific purpose. Commitments are made and can be rescinded only via resolution of the City Council.

Assigned – Intent to spend resources on specific purposes expressed by the governing body. The City Council has delegated the authority to assign fund balance to the City Manager.

Unassigned – This is the residual classification for the general fund. This classification represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund. The City uses restricted funds first, followed by committed resources, and then assigned resources, but reserve the right to selectively spend unassigned resources first to defer the use of these classified funds.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 (Uniform Budgeting Act). The following is a summary of the requirements of this act:

- a. Budgets must be adopted for the General and Special Revenue Funds.
- b. Budgets must be balanced.
- c. Budgets must be amended as necessary.
- d. Public hearings must be held prior to adoption.
- e. Expenditures cannot exceed budget appropriations.
- f. Expenditures must be authorized by a budget appropriation prior to being incurred.

The City adopts annual budgets on a basis consistent with generally accepted accounting principles for the General and Special Revenue Funds. All annual appropriations lapse at year end. The City's appropriation resolution is generally adopted during the May of the preceding fiscal year, after a public hearing has been held. Subsequent amendments may be authorized by Council during the year. In 2021, budget amendments were made and are reflected in the financial statements.

B. Compliance with P.A. 621 of 1978

1. Deficit Fund Balance

None of the funds have a deficit fund balance as of June 30, 2021.

2. Excess of Expenditures Over Appropriations in Budgetary Funds

The budgets for the General and Special Revenue Funds are adopted at the activity level. The City expended in excess of budget appropriations during fiscal year 2021 in the planning department by \$351.

C. Public Act 245 of 1999 Compliance

In accordance with the State Construction Code Act, Public Act 245 of 1999, the City must account for cumulative revenues over or under expenditures generated by the City's building department from January 1, 2000 and forward.

The cumulative amounts as of June 30, 2021 are as follows:

Cumulative Balance at June 30, 2020	\$ (457)
Fees Collected in Fiscal Year 2021	19,673
Expenditures in Fiscal Year 2021	<u>(26,125)</u>
Cumulative Balance at June 30, 2021	<u>\$ (6,909)</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Under State law, the City is permitted to invest in deposits with Michigan commercial banks, savings and loans and credit unions, obligations of the U.S. Treasury, and corporate bonds and commercial paper with certain investment grades.

The City's cash deposits are in accordance with statutory authority and the investment policy of the City. The City's cash and investments are subject to several types of risk, which are detailed as follows:

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be recovered. Neither State law nor the City's investment policy requires consideration of custodial credit risk. As of June 30, 2021, the City's book balance of its deposits was \$590,291, and the bank balance was \$634,822 of which \$281,501 was uninsured and uncollateralized. The City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

A reconciliation of cash as presented on the financial statements is as follows:

Cash and Cash Equivalents per:	
Statement of Net Position	\$ 588,791
Statement of Fiduciary Assets and Liabilities	<u>1,500</u>
Total	<u>\$ 590,291</u>

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's deposits and investments consisted of the following:

<u>Deposits and Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (yrs)</u>
Savings and Checking Accounts	\$ 305,005	Demand
Government Investment Pool	<u>329,817</u>	.42
	<u>\$ 634,822</u>	

Credit Risk. State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of fiscal year end, the credit quality ratings of investments are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Government Investment Pool	\$329,817	N/A	N/A

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

Investments in Entities that Calculate Net Asset Value per Share. As of the fiscal year ended June 30, 2021, the City holds shares or interests in investment pools where the fair value of the investments are measured on a recurring basis using net asset value per share of the investment pools as follows:

<u>Investments</u>	<u>Fair Value</u>
Government Investment Pool	\$ 329,817

The Oakland County Local Government Investment Pool has no unfunded commitments, no restrictions on redemption frequency, and no redemption notice period.

Concentration of Credit Risk. The City's investment policy places no limit on the amount the City may invest in any one issuer.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

<u>Governmental Activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Capital Assets, being depreciated:				
Building and Improvements	\$ 426,571	\$ 53,516	\$ -	\$ 480,087
Land Improvements	220,648	-	-	220,648
Machinery and Equipment	582,865	34,762	-	617,627
Furniture and Fixtures	23,140	-	(10,823)	12,317
Infrastructure-Roads	1,590,969	85,263	-	1,676,232
Infrastructure-Water System	4,278,140	-	-	4,278,140
	<u>7,122,333</u>	<u>173,541</u>	<u>(10,823)</u>	<u>7,285,051</u>
Less: Accumulated Depreciation:				
Building and Improvements	(85,002)	(14,029)	-	(99,031)
Land Improvements	(113,070)	(7,688)	-	(120,758)
Machinery and Equipment	(412,304)	(47,950)	-	(460,254)
Furniture and Fixtures	(23,140)	-	10,823	(12,317)
Infrastructure-Roads	(1,250,895)	(81,325)	-	(1,332,220)
Infrastructure-Water System	(2,246,024)	(142,604)	-	(2,388,628)
	<u>(4,130,435)</u>	<u>(293,596)</u>	<u>10,823</u>	<u>(4,413,208)</u>
Governmental Activities Capital Assets, net	<u>\$ 2,991,898</u>	<u>\$ (120,055)</u>	<u>\$ -</u>	<u>\$ 2,871,843</u>

Depreciation expense was charged on the Statement of Activities as follows:

General Government	\$ 16,972
Public Works	266,337
Recreation and Cultural	10,287
	<u>\$ 293,596</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets – Continued

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, being depreciated:				
Sewer System	\$ 1,289,975	\$ -	\$ -	\$ 1,289,975
Less: Accumulated Depreciation	<u>(1,169,241)</u>	<u>(4,627)</u>	<u>-</u>	<u>(1,173,868)</u>
Business-type Activities				
Capital Assets, net	<u>\$ 120,734</u>	<u>\$ (4,627)</u>	<u>\$ -</u>	<u>\$ 116,107</u>

C. Interfund Receivables, Payables and Transfers

The composition of interfund receivables and payables as of June 30, 2021, are as follows:

<u>Advance Receivable</u>	<u>Advance Payable</u>	<u>Amount</u>
Water Fund	General Fund	\$ <u>281,363</u>

The Water Fund advanced funds to the General Fund to finance the City Hall renovations.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Projects Fund	General Fund	\$ <u>64,520</u>

Transfers represent the following:
 General Fund transferred to Capital Projects Fund to fund City Hall renovations and other projects.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS – Continued

D. Long-Term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2021:

	Balance July 1, 2020	Add: Additional Debt Incurred	Less: Retirements and Payments on Debt	Balance June 30, 2021	Due Within One Year
Governmental Activities:					
GO Bonds 2007	\$ 150,000	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
GO Bonds 2012	631,000	-	153,000	478,000	156,000
Total Bonds Payable	<u>781,000</u>	<u>-</u>	<u>228,000</u>	<u>553,000</u>	<u>231,000</u>
Less: Bond Amortization	<u>(34,883)</u>	<u>-</u>	<u>(8,634)</u>	<u>(26,249)</u>	<u>-</u>
Total	<u>\$ 746,117</u>	<u>\$ -</u>	<u>\$ 219,366</u>	<u>\$ 526,751</u>	<u>\$ 231,000</u>

The following is a summary of general obligation debt outstanding of the City as of June 30, 2021:

	Number of Issues	Interest Rate	Maturing Through	Principal Outstanding
Governmental Activities:				
General Obligation Bonds	2	2.33-4.50%	2024	<u>\$ 553,000</u>

The annual debt service requirements to maturity for general obligation debt outstanding as of June 30, 2021 are as follows:

Year Ended	Governmental Activities	
	Principal	Interest
2022	\$ 231,000	\$ 11,008
2023	158,000	5,662
2024	164,000	1,910
	<u>\$ 553,000</u>	<u>\$ 18,580</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS – Continued

E. Property Taxes

Property tax assessments are determined as of each December 31. Taxes are levied on July 1 and December 1 of the following year. These taxes are due on September 14 and February 14, after which time penalties and interest are assessed. The final collection date is February 28 before they are added to the county delinquent tax roll.

The City is permitted by Charter to levy taxes up to \$15 per \$1,000 of taxable valuation for general governmental services. The following is a summary of the tax rates levied on the 2020 tax roll:

<u>Purpose</u>	<u>Authorization</u>	<u>Authorized Rate</u>	<u>Rate Levied</u>
Operating	Charter	15.00	11.6214
Debt	Voted	-	5.2829

IV. OTHER INFORMATION

Risk Management

The City of the Village of Clarkston is a member of the Michigan Municipal Liability and Property Pool for its general liability insurance coverage and a member of the Michigan Municipal Workers Compensation Fund for its workers compensation coverage. The City pays annual premiums to the pools. The pools are self-sustaining through member premiums, and each carries reinsurance through commercial companies for claims in excess of the pool loss reserve fund.

In the event that a single loss should exceed the amount of protection afforded by the pool loss reserve fund, reinsurance, or other insurance carried by the pools, or in the event that a series of losses should deplete or exhaust the loss reserve fund and reinsurance, the payment of valid losses shall be the obligation of the individual member or members of the respective pool against whom the claim was made. No such event has occurred with the City and the respective pools to which it belongs in any of the past three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF THE VILLAGE OF CLARKSTON
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2021

Revenues:	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Property Taxes	\$ 540,750	\$ 540,750	\$ 543,407	\$ 2,657
Penalties and Interest	1,182	1,182	243	(939)
Building Permits	28,062	28,062	19,673	(8,389)
Intergovernmental - Federal/CDBG	8,000	8,000	7,000	(1,000)
Intergovernmental - State	91,845	91,845	99,679	7,834
Charges for Services	31,046	31,046	35,004	3,958
Fines and Forfeitures	9,784	9,784	1,896	(7,888)
Franchise Fees	19,918	19,918	19,482	(436)
Interest Earnings	3,524	3,524	1,557	(1,967)
Other Revenues	4,046	4,046	10,234	6,188
Total Revenues	738,157	738,157	738,175	18
Expenditures:				
General Government:				
City Council	12,158	12,158	12,154	4
Clerk	30,800	32,800	32,800	-
Treasurer	35,961	35,261	32,063	3,198
Board of Review	50	50	-	50
Assessing	8,000	8,000	7,848	152
Elections	3,400	4,570	4,566	4
Administrative	84,450	79,360	77,560	1,800
Building and Grounds	80,903	80,903	73,437	7,466
Professional Services	41,100	105,540	95,850	9,690
	296,822	358,642	336,278	22,364
Public Safety:				
Police	127,380	129,090	129,086	4
Fire Protection	150,894	153,744	153,744	-
Building Inspections	29,000	29,000	26,125	2,875
	307,274	311,834	308,955	2,879
Public Works:				
Public Works	41,087	34,775	29,108	5,667
Highways & Streets	20,074	21,674	21,635	39
Street Lighting	11,000	14,920	14,920	-
	72,161	71,369	65,663	5,706
Community Development:				
Planning	23,000	23,000	23,351	(351)
Recreation and Cultural:				
Historic District	3,000	3,000	2,162	838
Other:				
Watershed	815	815	315	500
Insurance and Bonds	8,918	9,330	9,314	16
Fringe Benefits	14,000	14,000	11,344	2,656
	23,733	24,145	20,973	3,172
Debt Service	-	3,000	3,000	-
Total Expenditures	725,990	794,990	760,382	34,608
Excess (Deficiency) of Revenues Over Expenditures	12,167	(56,833)	(22,207)	34,626
Other Financing Sources (Uses):				
Operating Transfers Out	(151,268)	(151,268)	(64,520)	86,748
Total Other Financing Sources (Uses)	(151,268)	(151,268)	(64,520)	86,748
Net Change in Fund Balance	(139,101)	(208,101)	(86,727)	121,374
Fund Balance - July 1	288,001	288,001	288,001	-
Fund Balance - June 30	\$ 148,900	\$ 79,900	\$ 201,274	\$ 121,374

OTHER SUPPLEMENTARY INFORMATION

CITY OF THE VILLAGE OF CLARKSTON
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

<u>ASSETS</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Cash	\$ 77,890	\$ -	\$ 32,883	\$ 110,773
Due from State	<u>16,333</u>	<u>-</u>	<u>-</u>	<u>16,333</u>
Total Assets	<u>\$ 94,223</u>	<u>\$ -</u>	<u>\$ 32,883</u>	<u>\$ 127,106</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ <u>274</u>	\$ <u>-</u>	\$ <u>32,883</u>	\$ <u>33,157</u>
Total Liabilities	<u>274</u>	<u>-</u>	<u>32,883</u>	<u>33,157</u>
Fund Balance:				
Restricted for Streets	77,548	-	-	77,548
Restricted for Mill Pond Lake Improvements	<u>16,401</u>	<u>-</u>	<u>-</u>	<u>16,401</u>
Total Fund Balance	<u>93,949</u>	<u>-</u>	<u>-</u>	<u>93,949</u>
Total Liabilities and Fund Balance	<u>\$ 94,223</u>	<u>\$ -</u>	<u>\$ 32,883</u>	<u>\$ 127,106</u>

CITY OF THE VILLAGE OF CLARKSTON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	<u>Special Revenue</u>	<u>2007 GO Refunding Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Revenues:</u>				
Property Tax Revenue	\$ -	\$ 80,812	\$ -	\$ 80,812
State-Shared Revenue	99,750	-	-	99,750
Charges for Services	1,483	-	-	1,483
Special Assessments	5,695	-	-	5,695
Interest Earned	8	-	-	8
Total Revenues	<u>106,936</u>	<u>80,812</u>	<u>-</u>	<u>187,748</u>
<u>Expenditures:</u>				
Highways, Streets, Sidewalks and Other Maintenance	180,618	-	-	180,618
Debt Service:				
Principal	-	75,000	-	75,000
Interest and Other Charges	-	5,812	-	5,812
Capital Outlay	-	-	64,520	64,520
Total Expenditures	<u>180,618</u>	<u>80,812</u>	<u>64,520</u>	<u>325,950</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(73,682)</u>	<u>-</u>	<u>(64,520)</u>	<u>(138,202)</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	64,520	64,520
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>64,520</u>	<u>64,520</u>
Change in Fund Balance	(73,682)	-	-	(73,682)
Fund Balance - July 1	<u>167,631</u>	<u>-</u>	<u>-</u>	<u>167,631</u>
Fund Balance - June 30	<u>\$ 93,949</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,949</u>

CITY OF THE VILLAGE OF CLARKSTON
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021

	Major Street	Local Street	Parking Fund	Mill Pond Lake Improvement Board	Total
<u>ASSETS</u>					
Cash	\$ 47,308	\$ 9,364	\$ 4,817	\$ 16,401	\$ 77,890
Due from State	12,117	4,216	-	-	16,333
	\$ 59,425	\$ 13,580	\$ 4,817	\$ 16,401	\$ 94,223
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ 202	\$ -	\$ 72	\$ -	\$ 274
Total Liabilities	202	-	72	-	274
Fund Balance:					
Restricted for Streets	59,223	13,580	4,745	-	77,548
Restricted for Mill Pond Lake Improv.	-	-	-	16,401	16,401
Total Fund Balance	59,223	13,580	4,745	16,401	93,949
Total Liabilities and Fund Balance	\$ 59,425	\$ 13,580	\$ 4,817	\$ 16,401	\$ 94,223

CITY OF THE VILLAGE OF CLARKSTON
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2021

	<u>Major Streets</u>	<u>Local Streets</u>	<u>Parking Fund</u>	<u>Mill Pond Lake Improvement Board</u>	<u>Total</u>
<u>Revenues:</u>					
State-Shared Revenue	\$ 74,000	\$ 25,750	\$ -	\$ -	\$ 99,750
Charges for Services	-	-	1,483	-	1,483
Special Assessments	-	-	-	5,695	5,695
Interest Earned	-	-	-	8	8
Total Revenues	<u>74,000</u>	<u>25,750</u>	<u>1,483</u>	<u>5,703</u>	<u>106,936</u>
<u>Expenditures:</u>					
Highways, Streets, Sidewalks and Other Maintenance	<u>51,752</u>	<u>21,448</u>	<u>103,397</u>	<u>4,021</u>	<u>180,618</u>
Total Expenditures	<u>51,752</u>	<u>21,448</u>	<u>103,397</u>	<u>4,021</u>	<u>180,618</u>
Excess (Deficiency) of Revenues Over Expenditures	22,248	4,302	(101,914)	1,682	(73,682)
Fund Balance - July 1	<u>36,975</u>	<u>9,278</u>	<u>106,659</u>	<u>14,719</u>	<u>167,631</u>
Fund Balance - June 30	<u>\$ 59,223</u>	<u>\$ 13,580</u>	<u>\$ 4,745</u>	<u>\$ 16,401</u>	<u>\$ 93,949</u>