

CAMPBELL AUDITING CPA, PLC

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AUDIT COMMUNICATION AND REPORT OF COMMENTS AND RECOMMENDATIONS

August 23, 2022

To the Township Board
Charter Township of Tallmadge
Ottawa County, Michigan

We have audited the financial statements of the Charter Township of Tallmadge for the year ended March 31, 2022. As required by auditing standards generally accepted in the United States, the independent auditor is required to make several communications to the governing body having oversight responsibility for the audit. The purpose of this communication is to provide you with additional information regarding the scope and results of our audit that may assist you with your oversight responsibilities of the financial reporting process for which management is responsible.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES

We conducted our audit of the financial statements of the Charter Township of Tallmadge in accordance with auditing standards generally accepted in the United States. The following paragraph explains our responsibilities under those standards.

Management has the responsibility for adopting sound accounting policies, for maintaining an adequate and effective system of accounts, for the safeguarding of assets, and for devising an internal control structure that will, among other things, help assure the proper recording of transactions. The transactions that should be reflected in the accounts and in the financial statements are matters within the direct knowledge and control of management. Our knowledge of such transactions is limited to that acquired through our audit. Accordingly, the fairness of representations made through the financial statements is an implicit and integral part of management's accounts and records. However, our responsibility for the financial statements is confined to the expression of an opinion on them. The financial statements remain the responsibility of management.

The concept of materiality is inherent in the work of an independent auditor. An auditor places greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than those items of lesser importance or those in which the possibility of material error is remote.

For this purpose, materiality has been defined as "the magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement."

An independent auditor's objective in an audit is to obtain sufficient competent evidential matter to provide a reasonable basis for forming an opinion on the financial statements. In doing so, the auditor must work within economic limits; the opinion, to be economically useful, must be formed within a reasonable length of time and at reasonable cost. That is why an auditor's work is based on selected tests rather than an attempt to verify all transactions. Since evidence is examined on a test basis only, an audit provides only reasonable assurance, rather than absolute assurance, that financial statements are free of material misstatement. Thus, there is a risk that audited financial statements may contain undiscovered material errors or fraud. The existence of that risk is implicit in the phrase in the audit report, "in our opinion."

To the Township Board
Charter Township of Tallmadge
Ottawa County, Michigan

In the audit process, we gain an understanding of the internal control structure of an entity for the purpose of assisting in determining the nature, timing, and extent of audit testing. Our understanding is obtained by inquiry of management, testing transactions, and observation and review of documents and records. The amount of work done is not sufficient to provide a basis for an opinion on the adequacy of the internal control structure.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are described in Note 1 to the financial statements.

OTHER COMMUNICATIONS

Auditing standards call for us to inform you of other significant issues such as, but not limited to, 1) Accounting estimates that are particularly sensitive because of their significance to the financial statements or because of the possibility that future events affecting them may differ markedly from management's current judgments; 2) Significant audit adjustments that may not have been detected except through the auditing procedures we performed; 3) Disagreements with management regarding the scope of the audit or application of accounting principles; 4) Consultation with other accountants; 5) Major issues discussed with management prior to retention; and 6) Difficulties encountered in performing the audit.

We have no significant issues, regarding these matters, to report to you at this time. Audit adjustments were minimal, and are available to review.

COMMENTS AND RECOMMENDATION REGARDING INTERNAL CONTROLS/ COMPLIANCE/ EFFICIENCY

Our procedures disclosed the following conditions that we would like to bring to your attention:

SEGREGATION OF DUTIES

The Township's system of internal control is affected by the size of the staff that it can employ.

The ultimate accounting system would include enough employees to completely segregate all aspects of each transaction. Different departments or individuals would handle: transaction authorization, transaction execution, asset handling, recording of transactions, review of transactions and subsequent control of assets.

The Township cannot enact a complete segregation of all aspects of each transaction due to the nature of local units of government. The "cost to benefit" relationship also would not justify a complete segregation of all duties.

We recommend that the Township Board Members understand these circumstances when performing their oversight responsibilities.

PREPARATION OF FINANCIAL STATEMENTS

Government units are required to prepare financial statements in accordance with generally accepted accounting principles (GAAP). Responsibility for the financial statements of the governmental unit rests with the governmental unit's management. The preparation of financial statements in accordance with GAAP requires internal controls over both (1) recording, processing, and summarizing accounting data (i.e., maintaining internal accounting records), and (2) reporting government-wide and fund financial statements, including the related note disclosures (i.e., external financial reporting).

It has historically been common for many governmental units to rely on the independent auditors to assist in the preparation of the government-wide and fund financial statements, as well as the related notes to the financial statements, as part of its external financial reporting process. As a result, a government's ability to prepare financial statements in accordance with GAAP has typically been based, in part, on its reliance on the independent auditors. By definition, independent auditors cannot be part of the government's internal control.

To the Township Board
Charter Township of Tallmadge
Ottawa County, Michigan

COMMENTS AND RECOMMENDATION REGARDING INTERNAL CONTROLS/ COMPLIANCE/ EFFICIENCY
(cont.)

PREPARATION OF FINANCIAL STATEMENTS (cont.)

The cause for this condition is simply because it is more cost effective to outsource the preparation of its annual financial statements to the independent auditors than to incur the time and expense of having the employees and/or management obtain the necessary training and expertise required to perform this task internally.

As a result of this condition, the employees and/or management do not possess the qualifications necessary to prepare the governmental unit's annual financial statements and notes to the financial statements in accordance with GAAP. The governmental unit relies, in part, on the independent auditors for assistance with the preparation of annual financial statements and related notes to the financial statements in accordance with GAAP.

We do not recommend any changes to this situation at this time and we communicate this as required by professional standards.

These conditions were considered in determining the nature, timing and extent of the audit tests to be applied in our audit of the Township's financial statements and this communication of these matters does not affect our report on the Township's financial statements for the year ended March 31, 2022.

SUMMARY

We welcome any questions you may have regarding the foregoing comments and we would be happy to discuss any of these or other questions that you might have at your convenience.

Sincerely,

Campbell Auditing CPA, PLC

CAMPBELL AUDITING CPA, PLC

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

FINANCIAL REPORT WITH
SUPPLEMENTARY INFORMATION

Year Ended March 31, 2022



CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

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INDEPENDENT AUDITOR'S REPORT

August 23, 2022

To the Township Board
Charter Township of Tallmadge
Ottawa County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Charter Township of Tallmadge (the "Township") as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Charter Township of Tallmadge'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Charter Township of Tallmadge as of March 31, 2022, and the respective changes in its financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedules 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, which 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 supplemental 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.

Campbell Auditing CPA, PLC

CAMPBELL AUDITING CPA, PLC

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended March 31, 2022

The Management's Discussion and Analysis report of the Charter Township of Tallmadge covers the Township's financial performance during the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

Our financial status remained stable over the last year. Net position at March 31, 2022, totaled \$7,562,473.79 for governmental activities.

Overall revenues were \$2,922,346.95 from governmental activities. Governmental activities had a \$1,211,613.13 increase in net position.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts, management's discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the Township and the notes to the financial statements.

The first two statements are entity-wide financial statements and provide both long and short-term information about our overall financial status. These statements present governmental activities.

The remaining statements are fund financial statements, which focus on individual parts of the Township in more detail.

The notes to the financial statements explain some of the information in the statements and provide more detailed data.

Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

ENTITY-WIDE FINANCIAL STATEMENTS

The entity-wide statements report information about the Township as a whole using accounting methods used by private companies. The statement of net position includes all of the Township's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two entity-wide statements report net position and how it has changed. Net position is the difference between the entity's assets and liabilities and this is one method to measure the entity's financial health or position.

Over time increases/decreases in the entity's net position are an indicator of whether financial position is improving or deteriorating.

To assess overall health of the entity you may also have to consider additional factors such as tax base changes, facility conditions and personnel changes.

All of the activities of the Township are reported as governmental activities. This includes the General Fund, the Special Revenue Funds, the Debt Service Funds, the Capital Projects Fund, the Current Tax Collection Fund and the Agency Fund.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

CONDENSED FINANCIAL INFORMATION
For the year ended March 31, 2022

| | <u>Total</u> Governmental Activities 2022 | <u>Total</u> Governmental Activities 2021 |
|----------------------------------|--|--|
| Current Assets | 6 388 796 | 4 814 821 |
| Capital Assets | <u>1 611 482</u> | <u>1 596 560</u> |
| Total Assets | <u>8 000 278</u> | <u>6 411 381</u> |
| Current Liabilities | 437 804 | 60 520 |
| Non-current Liabilities | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>437 804</u> | <u>60 520</u> |
| Net Position: | | |
| Invested in Capital | | |
| Assets | 1 611 482 | 1 596 560 |
| Restricted | 2 161 041 | 1 923 468 |
| Unrestricted | <u>3 789 951</u> | <u>2 830 833</u> |
| Total Net Position | <u>7 562 474</u> | <u>6 350 861</u> |
| | <u>Total</u> Governmental Activities 2022 | <u>Total</u> Governmental Activities 2021 |
| Program Revenues: | | |
| Fees and Charges for Services | 931 517 | 779 136 |
| General Revenues: | | |
| Property Taxes | 1 083 471 | 1 035 029 |
| State Revenue Sharing | 818 790 | 713 132 |
| Interest | 20 197 | 8 048 |
| Miscellaneous | <u>68 372</u> | <u>101 658</u> |
| Total Revenues | <u>2 922 347</u> | <u>2 637 003</u> |
| Program Expenses: | | |
| Legislative | 192 463 | 197 168 |
| General Government | 342 165 | 372 727 |
| Public Safety | 962 194 | 863 863 |
| Public Works | 2 824 | 148 933 |
| Recreation and Culture | <u>211 088</u> | <u>183 544</u> |
| Total Expenses | <u>1 710 734</u> | <u>1 766 235</u> |
| Change in Net Position | 1 211 613 | 870 768 |
| Net Position, April 1 | <u>6 350 861</u> | <u>5 480 093</u> |
| Net Position, March 31 | <u>7 562 474</u> | <u>6 350 861</u> |

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended March 31, 2022

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Township's funds, focusing on significant (major) funds not the Township as a whole. Funds are used to account for specific activities or funding sources. Some funds are required by law or bond covenants. The Township Board also may create them. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The Township has the following types of funds:

Governmental funds: All of the Township's activities are included in the governmental category. These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that the differences between the Township's entity-wide statements and the fund statements are disclosed in reconciling statements to explain the differences between them. The Township's governmental activities include the General Fund, the Special Revenue Funds, the Debt Service Funds and the Capital Projects Fund.

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Net position was \$7,562,473.79 at March 31, 2022, which is an increase of \$1,211,613.13 from the prior year. The change was due in part to increased State revenue sharing.

Refer to Page 4 for a summary of the Township's financial activity and change in net position.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

The General Fund pays for most of the Township's governmental services with total expenditures of \$1,009,784.68.

BUDGETARY HIGHLIGHTS

The Township's budget was compiled and adopted prior to the beginning of the fiscal year. Amendments were made during the year to bring budgeted items closer to economic reality. Revenues were \$520,841.36 over budget due in part to State revenue sharing being higher than anticipated. Expenses were \$534,607.32 under budget due in part to expenditures for Highways and streets being lower than expected.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

The Township's governmental activities invested \$152,596.56 in capital assets.

Refer to Note 4 for a summary of the Township's capital asset activity.

The Township's governmental activities paid \$0 of principal on long-term debt.

Refer to Note 9 for a summary of the Township's change in long-term debt.

KNOWN FACTORS AFFECTING FUTURE OPERATIONS

The future of state revenue sharing is very clouded and it represents a significant portion of our income. We continue to grow in taxable values with little demand for infrastructure, except good roads and water, where available.

CONTACTING THE TOWNSHIP'S MANAGEMENT

This financial report is designed to provide our taxpayers, creditors, investors and customers with a general overview of the Township's finances and to demonstrate the Township's accountability for the revenues it receives. If you have any questions concerning this report please contact the Township Clerk or Township Treasurer at 616-677-1248.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

GOVERNMENT-WIDE STATEMENT OF NET POSITION
March 31, 2022

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| ASSETS: | |
| CURRENT ASSETS: | |
| Cash in bank | 6 254 534 63 |
| Taxes receivable | <u>134 261 75</u> |
| Total Current Assets | <u>6 388 796 38</u> |
| NON-CURRENT ASSETS: | |
| Capital Assets | 12 548 155 71 |
| Less: Accumulated Depreciation | <u>(10 936 673 71)</u> |
| Total Non-current Assets | <u>1 611 482 00</u> |
| TOTAL ASSETS | <u><u>8 000 278 38</u></u> |
| LIABILITIES AND NET POSITION: | |
| LIABILITIES: | |
| CURRENT LIABILITIES: | |
| Unearned revenue | <u>437 804 59</u> |
| Total Current Liabilities | <u>437 804 59</u> |
| NON-CURRENT LIABILITIES | <u>-</u> |
| Total Non-current Liabilities | <u>-</u> |
| Total Liabilities | <u>437 804 59</u> |
| NET POSITION: | |
| Invested in Capital Assets, Net of Related Debt | 1 611 482 00 |
| Restricted | 2 161 040 91 |
| Unrestricted | <u>3 789 950 88</u> |
| Total Net Position | <u>7 562 473 79</u> |
| TOTAL LIABILITIES AND NET POSITION | <u><u>8 000 278 38</u></u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
Year ended March 31, 2022

| | <u>Expenses</u> | <u>Program Revenue</u> | <u>Governmental Activities</u> |
|---------------------------------|---------------------|---------------------------------|--|
| | | <u>Charges for Services</u> | <u>Net (Expense) Revenue and Changes in Net Position</u> |
| FUNCTIONS/PROGRAMS | | | |
| Governmental Activities: | | | |
| Legislative | 192 462 92 | - | (192 462 92) |
| General government | 342 164 52 | 330 383 11 | (11 781 41) |
| Public safety | 962 193 66 | 501 401 47 | (460 792 19) |
| Public works | 2 824 23 | 99 732 22 | 96 907 99 |
| Culture and recreation | 211 088 49 | - | (211 088 49) |
| | <u>1 710 733 82</u> | <u>931 516 80</u> | <u>(779 217 02)</u> |
| Total Governmental Activities | | | |
| General Revenues: | | | |
| Property taxes | | | 1 083 471 11 |
| State revenue sharing | | | 818 789 98 |
| Interest | | | 20 196 69 |
| Miscellaneous | | | <u>68 372 37</u> |
| Total General Revenues | | | <u>1 990 830 15</u> |
| Change in net position | | | 1 211 613 13 |
| Net position, beginning of year | | | <u>6 350 860 66</u> |
| Net Position, End of Year | | | <u><u>7 562 473 79</u></u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

BALANCE SHEET – GOVERNMENTAL FUNDS
Year ended March 31, 2022

| | <u>General</u> | <u>Fire Operating</u> | <u>Fire Capital Improvement</u> | <u>2006 Bond Construction</u> | <u>Total</u> |
|-------------------------------------|---------------------|---------------------------|-------------------------------------|---------------------------------------|---------------------|
| <u>Assets</u> | | | | | |
| Cash in bank | 4 112 866 27 | 797 512 68 | 1 019 333 69 | 220 837 68 | 6 150 550 32 |
| Taxes receivable | 10 904 89 | 7 942 58 | 115 414 28 | - | 134 261 75 |
| Due from other funds | <u>103 984 31</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>103 984 31</u> |
| Total Assets | <u>4 227 755 47</u> | <u>805 455 26</u> | <u>1 134 747 97</u> | <u>220 837 68</u> | <u>6 388 796 38</u> |
| <u>Liabilities and Fund Balance</u> | | | | | |
| Liabilities: | | | | | |
| Unearned revenue | <u>437 804 59</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>437 804 59</u> |
| Total liabilities | <u>437 804 59</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>437 804 59</u> |
| Fund balance: | | | | | |
| Fund balances: | | | | | |
| Restricted | - | 805 455 26 | 1 134 747 97 | 220 837 68 | 2 161 040 91 |
| Unassigned | <u>3 789 950 88</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3 789 950 88</u> |
| Total fund balances | <u>3 789 950 88</u> | <u>805 455 26</u> | <u>1 134 747 97</u> | <u>220 837 68</u> | <u>5 950 991 79</u> |
| Total Liabilities and Fund Balance | <u>4 227 755 47</u> | <u>805 455 26</u> | <u>1 134 747 97</u> | <u>220 837 68</u> | <u>6 388 796 38</u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
March 31, 2022

| | |
|--|------------------------|
| TOTAL FUND BALANCES – GOVERNMENTAL FUNDS | 5 950 991 79 |
| 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 governmental funds balance sheet: | |
| Capital assets at cost | 12 548 155 71 |
| Accumulated depreciation | <u>(10 936 673 71)</u> |
| TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES | <u>7 562 473 79</u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
Year ended March 31, 2022

| | <u>General</u> | <u>Fire Operating</u> | <u>Fire Capital Improvement</u> | <u>2006 Bond Construction</u> | <u>Total</u> |
|--------------------------------|---------------------|---------------------------|-------------------------------------|-----------------------------------|---------------------|
| Revenues: | | | | | |
| Property taxes | 512 266 11 | 474 389 87 | 96 815 13 | - | 1 083 471 11 |
| Licenses and permits | 313 229 66 | - | - | - | 313 229 66 |
| State revenue sharing | 818 789 98 | - | - | - | 818 789 98 |
| Charges for services: | | | | | |
| Property tax administration | 131 939 62 | - | - | - | 131 939 62 |
| Fire protection | - | 165 800 00 | 113 793 47 | - | 279 593 47 |
| Other | 44 221 83 | - | - | 62 800 00 | 107 021 83 |
| Interest | 13 415 10 | 2 226 39 | 4 365 59 | 189 61 | 20 196 69 |
| Special assessments | 99 732 22 | - | - | - | 99 732 22 |
| Miscellaneous | 60 421 84 | 5 873 40 | 2 077 13 | - | 68 372 37 |
| Total revenues | <u>1 994 016 36</u> | <u>648 289 66</u> | <u>217 051 32</u> | <u>62 989 61</u> | <u>2 922 346 95</u> |
| Expenditures: | | | | | |
| Legislative: | | | | | |
| Township Board | 192 462 92 | - | - | - | 192 462 92 |
| General government: | | | | | |
| Supervisor | 39 070 02 | - | - | - | 39 070 02 |
| Elections | 800 00 | - | - | - | 800 00 |
| Assessor | 53 430 70 | - | - | - | 53 430 70 |
| Clerk | 44 044 90 | - | - | - | 44 044 90 |
| Board of Review | 1 500 00 | - | - | - | 1 500 00 |
| Treasurer | 53 509 72 | - | - | - | 53 509 72 |
| Building and grounds | 48 783 55 | - | - | - | 48 783 55 |
| Cemetery | 21 921 65 | - | - | - | 21 921 65 |
| Unallocated | 48 912 57 | - | - | - | 48 912 57 |
| Public safety: | | | | | |
| Fire protection | - | 416 538 87 | 64 353 08 | - | 480 891 95 |
| Police protection | - | 82 382 71 | - | - | 82 382 71 |
| Planning and zoning | 111 263 88 | - | - | - | 111 263 88 |
| Building inspection | 192 916 67 | - | - | - | 192 916 67 |
| Public works: | | | | | |
| Highways and streets | 13 825 00 | - | - | - | 13 825 00 |
| Street lights | 19 097 02 | - | - | - | 19 097 02 |
| Weed control | 11 180 00 | - | - | - | 11 180 00 |
| Culture and recreation: | | | | | |
| Parks and recreation | 44 646 01 | - | - | - | 44 646 01 |
| Library | 112 420 07 | - | - | - | 112 420 07 |
| Capital outlay | - | - | 152 596 56 | - | 152 596 56 |
| Total expenditures | <u>1 009 784 68</u> | <u>498 921 58</u> | <u>216 949 64</u> | <u>-</u> | <u>1 725 655 90</u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
Year ended March 31, 2022

| | <u>General</u> | <u>Fire Operating</u> | <u>Fire Capital Improvement</u> | <u>2006 Bond Construction</u> | <u>Total</u> |
|--|----------------------------|---------------------------|-------------------------------------|-----------------------------------|----------------------------|
| Excess (deficiency) of revenues over expenditures | <u>984 231 68</u> | <u>149 368 08</u> | <u>101 68</u> | <u>62 989 61</u> | <u>1 196 691 05</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | - | 25 114 00 | - | - | 25 114 00 |
| Transfers out | <u>(25 114 00)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(25 114 00)</u> |
| Total other financing sources (uses) | <u>(25 114 00)</u> | <u>25 114 00</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 959 117 68 | 174 482 08 | 101 68 | 62 989 61 | 1 196 691 05 |
| Fund balances, April 1, 2021 | <u>2 830 833 20</u> | <u>630 973 18</u> | <u>1 134 646 29</u> | <u>157 848 07</u> | <u>4 754 300 74</u> |
| Fund Balances, March 31, 2022 | <u><u>3 789 950 88</u></u> | <u><u>805 455 26</u></u> | <u><u>1 134 747 97</u></u> | <u><u>220 837 68</u></u> | <u><u>5 950 991 79</u></u> |

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year ended March 31, 2022

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS 1 196 691 05

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 | (137 674 48) |
| Capital Outlay | <u>152 596 56</u> |

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 1 211 613 13

The accompanying notes are an integral part of these financial statements.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

FIDUCIARY FUNDS-STATEMENT OF NET POSITION
March 31, 2022

| | <u>Total Custodial Funds</u> |
|-------------------------------------|----------------------------------|
| <u>Assets</u> | |
| Cash in bank | <u>215 485 52</u> |
| Total Assets | <u>215 485 52</u> |
| <u>Liabilities and Net Position</u> | |
| Liabilities: | |
| Due to other funds | 103 984 31 |
| Due to other units | <u>111 501 21</u> |
| Total liabilities | <u>215 485 52</u> |
| Net Position: | |
| Total net position | <u>-</u> |
| Total Liabilities and Net Position | <u>215 485 52</u> |

The accompanying notes are an integral part of these financial statements

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year ended March 31, 2022

| | <u>Total Custodial Funds</u> |
|---|----------------------------------|
| Additions: | |
| Property tax collected for other governments | <u>11 498 225 95</u> |
| Total additions | <u>11 498 225 95</u> |
| Deductions: | |
| Property taxes distributed to other governments | <u>11 498 225 95</u> |
| Total deductions | <u>11 498 225 95</u> |
| Net Change in Fiduciary Net Position | - |
| Net Position – Beginning of Year | <u>-</u> |
| Net Position – End of Year | <u>-</u> |

The accompanying notes are an integral part of these financial statements

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Note 1 – Summary of Significant Accounting Policies

The accounting policies of the Charter Township of Tallmadge, Ottawa County, Michigan, conform to generally accepted accounting principles as applicable to governmental units.

Reporting Entity

The financial statements of the Township contain all the Township funds that are controlled by or dependent on the Township's executive or legislative branches.

The reporting entity is the Charter Township of Tallmadge. The Township is governed by an elected Township Board. As required by generally accepted accounting principles, these financial statements present the Township as the primary government.

Government-Wide and Fund Financial Statements

The government-wide financial statements, (the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally 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. All the Township's government-wide activities are considered governmental activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments and other items not properly included among program revenues are reported as general revenue.

Major individual governmental funds are reported as separate columns in the fund financial statements.

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. Revenue is 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 revenue 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. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

Governmental Funds

General Fund

This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants, and other intergovernmental revenues.

Special Revenue Funds

These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds

These funds are used to record the funding and payment of principal and interest on long-term debt.

Capital Projects Funds

These funds are used to account for the acquisition or construction of major capital facilities other than those financed by proprietary fund operations and special assessments.

Fiduciary Funds

The Current Tax Collection Fund and Agency Fund are used to account for assets held as an agent for others.

Assets, Liabilities and Net Position or Equity

Bank deposits and investments – Cash and cash equivalent investments include cash on hand, demand deposits, certificates of deposit and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables

Receivables have been recognized for all significant amounts due to the Township. Allowances for uncollectible accounts have not been provided for in that collection is not considered doubtful and any uncollected amount would be immaterial.

Inventories

Inventories of supplies are considered to be immaterial and are not recorded.

Property Taxes

Property taxes and other revenue that are both measurable and available for use to finance operations are recorded as revenue when earned.

Properties are assessed as of December 31 and the related property taxes become a lien on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county tax rolls. The 2021 tax roll millage rate was 2.7650 mills, and the taxable value was \$397,510,831.00.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Note 1 – Summary of Significant Accounting Policies (continued)

Encumbrances

Encumbrances involving the current recognition of purchase orders, contracts and other commitments for future expenditures are not recorded.

Capital Assets

Capital assets are defined by the Township as assets with an initial cost of more than \$500.00 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

| | |
|---------------------------------------|-------------|
| Buildings, additions and improvements | 10-40 years |
| Furniture, vehicles and equipment | 4-25 years |

Compensated Absences (Vacation and Sick Leave)

Employees are not allowed to accumulate vacation and sick pay.

Post-employment Benefits

The Township provides no post-employment benefits to past employees.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Note 2 – Budgets and Budgetary Accounting

The following procedures are followed in establishing the budgetary data reflected in these financial statements:

Prior to the beginning of the fiscal year, the proposed budget for each budgetary fund is submitted to the Township Board for consideration.

The proposed budgets include expenditures as well as the methods of financing them.

Public hearings are held to obtain taxpayer comments.

The budgets are adopted at the activity level by a majority vote of the Township Board.

The budgets are adopted on the modified accrual basis of accounting.

The originally adopted budgets can be amended during the year only by a majority vote of the Township Board.

The adopted budgets are used as a management control device during the year for all budgetary funds.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Note 2 – Budgets and Budgetary Accounting – (continued)

Budget appropriations lapse at the end of each fiscal year.

The budgeted amounts shown in these financial statements are the originally adopted budgets with all amendments that were approved by the Township Board during the fiscal year.

Note 3 – Deposits and Investments

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or federal agency obligation repurchase agreements; banker's acceptance of United States banks; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

The Township Board has designated three banks for the deposit of Township funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in all investments authorized by state law as listed above.

The Township's deposits and investments are in accordance with statutory authority.

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

| | <u>Carrying Amounts</u> |
|----------------|-----------------------------|
| Total Deposits | <u>6 366 013 84</u> |

Amounts in the bank balances are without considering deposits in transit or uncleared checks.

| | <u>Bank Balances</u> |
|--------------------------------|--------------------------|
| Insured (FDIC) | 750 000 00 |
| Uninsured and Uncollateralized | <u>5 643 399 99</u> |
| Total Deposits | <u>6 393 399 99</u> |

The Township did not have any investments as of March 31, 2022.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Township manages its exposure to interest rate risk is by participating in financial institution pooled funds and in mutual funds which hold diverse investments that are authorized by law for direct investments.

Concentration of Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

Note 3 – Deposits and Investments (continued)

The investment policy of the Township contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by Michigan law.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Michigan law and the Township's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Michigan law and the Township's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investment, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

Note 4 – Capital Assets

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

| | <u>Balance</u> <u>4/1/21</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>3/31/22</u> |
|--|---------------------------------|---------------------|------------------|----------------------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | 73 000 00 | - | - | 73 000 00 |
| Subtotal | <u>73 000 00</u> | <u>-</u> | <u>-</u> | <u>73 000 00</u> |
| Capital assets being depreciated: | | | | |
| Land improvements | 1 159 301 14 | - | - | 1 159 301 14 |
| Buildings | 662 580 84 | - | - | 662 580 84 |
| Equipment | 2 039 455 60 | 152 596 56 | - | 2 192 052 16 |
| Infrastructure | 8 461 221 57 | - | - | 8 461 221 57 |
| Subtotal | <u>12 322 559 15</u> | <u>152 596 56</u> | <u>-</u> | <u>12 475 155 71</u> |
| Total | <u>12 395 559 15</u> | <u>152 596 56</u> | <u>-</u> | <u>12 548 155 71</u> |
| Accumulated Depreciation: | | | | |
| Land Improvements | (492 027 64) | (59 552 12) | - | (551 579 76) |
| Buildings | (315 228 00) | (20 383 99) | - | (335 611 99) |
| Equipment | (1 491 076 60) | (99 016 16) | - | (1 590 092 76) |
| Infrastructure | (8 500 666 99) | (14 726 58) | 56 004 37 | (8 459 389 20) |
| Total | <u>(10 798 999 23)</u> | <u>(193 678 85)</u> | <u>56 004 37</u> | <u>(10 936 673 71)</u> |
| Net Capital Assets | <u>1 596 559 92</u> | <u>(41 082 29)</u> | <u>56 004 37</u> | <u>1 611 482 00</u> |
| Depreciation expense was charged to the following activities: | | | | |
| General government | 30 191 41 | | | |
| Public safety | 94 738 45 | | | |
| Public works | (41 277 79) | | | |
| Culture and recreation | 54 022 41 | | | |
| | <u>137 674 48</u> | | | |

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Note 5 – Pension Plan

The Township provide a defined contribution pension plan, which provides pension benefits to qualified employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Township's contribution for employees eligible to participate in the plan vests immediately upon date of hire. The Township contributes a percentage of the participant's salary to the plan. Township contributions are 7.5% of salary, while participants are not required to contribute. Township contributions to the plan were \$34,174.80 and participant contributions to the plan were \$0. The plan provisions and contribution amounts were established by the Township Board and may be amended by the Board. The plans are administered as noted above.

Note 6 – Deferred Compensation Plan

The Township does not have a deferred compensation plan.

Note 7 – 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 has purchased commercial insurance for property loss, torts and workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 8 – Building Permits

For the year ended March 31, 2022, the Township had building permit revenues of \$214,058.00 and building permit expenses of \$192,916.67.

Note 9 – Transfers In and Transfers Out

For the fiscal year ended March 31, 2022, the Township made the following interfund transfers:

| <u>Fund</u> | <u>Transfers In</u> | <u>Fund</u> | <u>Transfers Out</u> |
|----------------|---------------------|-------------|----------------------|
| Fire Operating | 25 114 00 | General | 25 114 00 |
| Total | <u>25 114 00</u> | Total | <u>25 114 00</u> |

The interfund transfers listed above were used to fund current year operations in their respective funds.

Note 10 – Interfund Receivables and Payables

As of March 31, 2022, the Township had the following interfund balances:

| <u>Fund</u> | <u>Receivable</u> | <u>Fund</u> | <u>Payable</u> |
|-------------|-------------------|------------------------|-------------------|
| General | 45 322 93 | Agency | 45 322 93 |
| General | 58 661 38 | Current Tax Collection | 58 661 38 |
| Total | <u>103 984 31</u> | Total | <u>103 984 31</u> |

The above amounts reflect various taxes that were not paid out from the Current Tax Collection Fund and the Agency Fund during the year.

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
Year ended March 31, 2022

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|---|---------------------|---------------------|---------------------|--|
| Revenues: | | | | |
| Property taxes | 476 350 00 | 476 350 00 | 512 266 11 | 35 916 11 |
| Licenses and permits | 219 125 00 | 219 125 00 | 313 229 66 | 94 104 66 |
| State revenue sharing | 607 500 00 | 607 500 00 | 818 789 98 | 211 289 98 |
| Charges for services: | | | | |
| Property tax administration | 100 500 00 | 100 500 00 | 131 939 62 | 31 439 62 |
| Other | 17 000 00 | 17 000 00 | 44 221 83 | 27 221 83 |
| Interest | 7 000 00 | 7 000 00 | 13 415 10 | 6 415 10 |
| Rent | 5 000 00 | 5 000 00 | - | (5 000 00) |
| Special assessments | 29 000 00 | 29 000 00 | 99 732 22 | 70 732 22 |
| Miscellaneous | 11 700 00 | 11 700 00 | 60 421 84 | 48 721 84 |
| Total revenues | <u>1 473 175 00</u> | <u>1 473 175 00</u> | <u>1 994 016 36</u> | <u>520 841 36</u> |
| Expenditures: | | | | |
| Legislative: | | | | |
| Township Board | 303 850 00 | 315 970 00 | 192 462 92 | (123 507 08) |
| General government: | | | | |
| Supervisor | 42 100 00 | 42 100 00 | 39 070 02 | (3 029 98) |
| Elections | 800 00 | 1 100 00 | 800 00 | (300 00) |
| Assessor | 52 750 00 | 54 451 00 | 53 430 70 | (1 020 30) |
| Clerk | 48 850 00 | 48 850 00 | 44 044 90 | (4 805 10) |
| Board of Review | 2 500 00 | 2 500 00 | 1 500 00 | (1 000 00) |
| Treasurer | 55 100 00 | 55 675 00 | 53 509 72 | (2 165 28) |
| Building and grounds | 121 500 00 | 122 920 00 | 48 783 55 | (74 136 45) |
| Cemetery | 35 000 00 | 38 300 00 | 21 921 65 | (16 378 35) |
| Unallocated | 51 500 00 | 51 740 00 | 48 912 57 | (2 827 43) |
| Public safety: | | | | |
| Planning and zoning | 119 000 00 | 121 010 00 | 111 263 88 | (9 746 12) |
| Building inspection | 129 390 00 | 194 185 00 | 192 916 67 | (1 268 33) |
| Public works: | | | | |
| Highways and streets | 153 021 00 | 153 021 00 | 13 825 00 | (139 196 00) |
| Street lights | 19 000 00 | 19 100 00 | 19 097 02 | (2 98) |
| Drains | 20 000 00 | 20 000 00 | - | (20 000 00) |
| Weed control | 11 200 00 | 11 200 00 | 11 180 00 | (20 00) |
| Culture and recreation: | | | | |
| Parks and recreation | 177 500 00 | 179 820 00 | 44 646 01 | (135 173 99) |
| Library | 105 000 00 | 112 450 00 | 112 420 07 | (29 93) |
| Total expenditures | <u>1 448 061 00</u> | <u>1 544 392 00</u> | <u>1 009 784 68</u> | <u>(534 607 32)</u> |
| Excess (deficiency) of revenues over expenditures | <u>25 114 00</u> | <u>(71 217 00)</u> | <u>984 231 68</u> | <u>1 055 448 68</u> |
| Other financing sources (uses): | | | | |
| Transfers out | (25 114 00) | (25 114 00) | (25 114 00) | - |
| Total other financing sources (uses) | <u>(25 114 00)</u> | <u>(25 114 00)</u> | <u>(25 114 00)</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | - | (96 331 00) | 959 117 68 | 1 055 448 68 |
| Fund balance, April 1, 2021 | - | 96 331 00 | 2 830 833 20 | 2 734 502 20 |
| Fund Balance, March 31, 2022 | <u>-</u> | <u>-</u> | <u>3 789 950 88</u> | <u>3 789 950 88</u> |

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

BUDGETARY COMPARISON SCHEDULE – FIRE OPERATING FUND
Year ended March 31, 2022

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|--|--------------------|-----------------|------------|--|
| Revenues: | | | | |
| Property taxes | 423 414 00 | 423 414 00 | 474 389 87 | 50 975 87 |
| Charges for services: | | | | |
| Fire protection | 165 800 00 | 165 800 00 | 165 800 00 | - |
| Interest | 1 000 00 | 1 000 00 | 2 226 39 | 1 226 39 |
| Miscellaneous | 61 500 00 | 61 500 00 | 5 873 40 | (55 626 60) |
| Total revenues | 651 714 00 | 651 714 00 | 648 289 66 | (3 424 34) |
| Expenditures: | | | | |
| Public safety: | | | | |
| Fire protection | 622 000 00 | 628 640 00 | 498 921 58 | (129 718 42) |
| Total expenditures | 622 000 00 | 628 640 00 | 498 921 58 | (129 718 42) |
| Excess (deficiency) of revenues over expenditures | 29 714 00 | 23 074 00 | 149 368 08 | 126 294 08 |
| Other financing sources (uses): | | | | |
| Transfers out | - | - | 25 114 00 | 25 114 00 |
| Total other financing sources (uses) | - | - | 25 114 00 | 25 114 00 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 29 714 00 | 23 074 00 | 174 482 08 | 151 408 08 |
| Fund balance, April 1, 2021 | - | - | 630 973 18 | 630 973 18 |
| Fund Balance, March 31, 2022 | 29 714 00 | 23 074 00 | 805 455 26 | 782 381 26 |

CHARTER TOWNSHIP OF TALLMADGE
Ottawa County, Michigan

BUDGETARY COMPARISON SCHEDULE – FIRE CAPITAL IMPROVEMENT FUND
Year ended March 31, 2022

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|--|----------------------------|-------------------------|---------------------|--|
| Revenues: | | | | |
| Property taxes | 92 400 00 | 92 400 00 | 96 815 13 | 4 415 13 |
| Charges for services: | | | | |
| Fire protection | 91 000 00 | 91 000 00 | 113 793 47 | 22 793 47 |
| Interest | 1 600 00 | 1 600 00 | 4 365 59 | 2 765 59 |
| Miscellaneous | - | - | 2 077 13 | 2 077 13 |
| Total revenues | <u>185 000 00</u> | <u>185 000 00</u> | <u>217 051 32</u> | <u>32 051 32</u> |
| Expenditures: | | | | |
| Public safety: | | | | |
| Fire protection | 63 000 00 | 70 640 00 | 64 353 08 | (6 286 92) |
| Capital outlay | <u>122 000 00</u> | <u>443 000 00</u> | <u>152 596 56</u> | <u>(290 403 44)</u> |
| Total expenditures | <u>185 000 00</u> | <u>513 640 00</u> | <u>216 949 64</u> | <u>(296 690 36)</u> |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>(328 640 00)</u> | <u>101 68</u> | <u>328 741 68</u> |
| Other Financing Sources (uses): | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | <u>-</u> | <u>(328 640 00)</u> | <u>101 68</u> | <u>328 741 68</u> |
| Fund balance, April 1, 2021 | <u>-</u> | <u>328 640 00</u> | <u>1 134 646 29</u> | <u>806 006 29</u> |
| Fund Balance, March 31, 2022 | <u>-</u> | <u>-</u> | <u>1 134 747 97</u> | <u>1 134 747 97</u> |