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## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, 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 Township of Perry's basic financial statements. The combining General Fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

*Clark, Schaefer, Hackett, & Co.*

East Lansing, Michigan  
September 29, 2021

The following is a discussion and analysis of the Township of Perry's (Township) financial performance and position, providing an overview of the activities for the year ended March 31, 2021. This analysis should be read in conjunction with the Report of Independent Auditors and with the Township's financial statements, which follow this section. This discussion and analysis provide comparisons with the previous year.

## **Financial Highlights**

### **Government-Wide**

- Total net position was \$1,201,186 (excluding component unit).
- Governmental activities net position was \$1,159,801.
- Business-type activities net position was \$41,385.
- Component unit net position was \$297,566.

### **Fund Level**

- At the close of the fiscal year, the Township's governmental funds reported a combined ending fund balance of \$1,027,737.
- The General Fund realized \$211,620 more in revenues than anticipated for the fiscal year. The General Fund expenditures were \$173,541 less than appropriated.
- Overall, the General Fund balance increased by \$225,511 to \$912,442.

### **Capital and Long-Term Debt Activities**

- The primary government issued no new debt issues for the year.
- The primary government added no new capital assets for the year. They sold a piece of property.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Township's annual financial report. The annual financial report of the Township consists of the following components: Independent Auditors Report, Management's Discussion and Analysis, the Basic Financial Statements (government-wide financial statement, fund financial statements, and notes to the financial statements), Required Supplementary Information such as budget to actual comparisons for the General Fund and Major Special Revenue Funds, and Other Supplementary Information including combining financial data.

### **Government-Wide Financial Statements**

The government-wide financial statements are made up of the Statement of Net Position and the Statement of Activities, which report information about the Township as a whole, and about its activities. Their purpose is to illustrate if the Township, in its entirety, is better or worse off as a result of this fiscal year's activities. These statements, which include all nonfiduciary assets and liabilities, are reported on the accrual basis of accounting, similar to a private business. This means revenues are accounted for when they are earned and expenses are accounted for when incurred, regardless of when the actual cash is received or disbursed.

The Statement of Net Position presents all of the Township's assets and liabilities, recording the difference between the two as "net position." Over time, increases or decreases in net position measure whether the Township's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Township's net position changed during the fiscal year ended March 31, 2021. All changes in net position are reported based on the period for which the underlying events gave rise to the change that occurred, regardless of the timing of related cash flows. Therefore, revenue and expenses are reported in these statements for some items that will result in cash flows only in future financial periods, such as uncollected taxes and earned but unused compensated absences.

Both statements report the following activities:

- **Governmental Activities** – Most of the Township's basic services are reported under this category. Taxes, charges for services, and intergovernmental revenue primarily fund these services. Most of the Township's general government departments, economic development, Township improvements, road improvements, recreation activities, and other Township-wide elected official operations are reported under these activities.
- **Business-Type Activities** – These activities operate like private businesses. The Township charges fees to recover the cost of the services provided. The Sewer Maintenance Fund is an example of these activities.
- **Discretely Presented Component Unit** – Discretely Presented Component Units are legally separate organizations for which the Board appoints a majority of the organization's policy board and there is a degree of financial accountability to the Township. One organization is included as a discretely presented component unit: The Downtown Development Authority.

As stated previously, the government-wide statements report on an accrual basis of accounting; however, the governmental funds report on a modified accrual basis. Under modified accrual accounting, revenues are recognized when they are measurable and available to pay obligations of the fiscal period; expenditures are recognized when they are due to be paid from available resources.

Due to the different basis of accounting between the fund statements described below and the government-wide statements, pages 13 and 14 present reconciliations between the two statement types. The following summarizes the impact of transitioning from modified accrual to full accrual accounting:

- Capital assets used in governmental activities (depreciable assets) are not reported on the fund financial statements of the governmental fund. Capital assets and depreciation expense are reported on the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the fund financial statements of the governmental funds.

### **Fund Financial Statements**

The fund financial statements, which begin on page 13, provide information on the Township's major funds and aggregated nonmajor funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the Township uses to keep track of specific sources of funding and spending for a particular purpose. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

The basic financial statements report major funds as defined by the GASB in separate columns. Statement 34 defines a "major fund" as the General Fund, and any governmental or enterprise fund which has either total assets, total liabilities, total revenues, or total expenditure/expenses that equal at least 10% of those categories for either the governmental funds or the enterprise funds and where the individual fund total also exceeds 5% of those categories for governmental and enterprise funds combined. The major funds for the Township of Perry include the General Fund, and the Special Assessment Fund.

All other funds are classified as nonmajor funds and are reported in aggregate.

The Township's funds are divided into two categories – governmental and proprietary – and use different accounting approaches:

- **Governmental Funds** – Most of the Township's basic services are reported in the governmental funds. The focus of these funds is how cash and other financial assets that can be readily converted to cash flow in and out during the course of the fiscal year, and how the balances left at year end are available for spending on future services. Consequently, the governmental fund financial statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that may be expended in the near future to finance the Township's programs. Governmental fund includes the General Fund, as well as Special Revenue Funds (use of fund balance is committed).
- **Proprietary Funds** – Services for which the Township charges customers (whether outside the Township structure or a Township department) a fee is generally reported in proprietary funds. Proprietary funds use the same accrual basis of accounting used in the government-wide statements and by private businesses. The Township has one type of proprietary fund. Enterprise funds report activities that provide supplies and/or services to the general public. Examples of these funds are the Sewer Maintenance Funds.

#### **Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to obtain a full understanding of the detail provided in the government-wide and fund financial statements. The notes can be found beginning on page 20 of this report.

#### **Required Supplementary Information**

Following the Basic Financial Statements is additional Required Supplementary Information (RSI), which further explains and supports the information in the financial statements. RSI includes budgetary comparison schedules for the General Fund and the Major Special Revenue Funds.

#### **Other Supplementary Information**

Other Supplementary Information includes additional financial information related to the combining general fund statements.

#### **Financial Analysis of the Township as a Whole**

As previously stated, the Township's combined net position of the primary government was \$1,201,186 at the end of this year's operations. The net position of the governmental activities was \$1,159,801, and the business-type activities were \$41,385.

**Summary of Net Position**

The following summarizes the net position as of March 31, 2021 compared to March 31, 2020:

March 31,	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	March 31,		March 31,			
	2021	2020	2021	2020	2021	2020
<b>Assets</b>						
Current and other assets	\$ 1,031,903	\$ 815,221	\$ 41,385	\$ 42,180	\$ 1,073,288	\$ 857,401
Capital assets	<u>132,064</u>	<u>330,240</u>	<u>-</u>	<u>-</u>	<u>132,064</u>	<u>330,240</u>
<b>Total assets</b>	<u>\$ 1,163,967</u>	<u>\$ 1,145,461</u>	<u>\$ 41,385</u>	<u>\$ 42,180</u>	<u>\$ 1,205,352</u>	<u>\$ 1,187,641</u>
<b>Liabilities</b>						
Current	<u>\$ 4,166</u>	<u>\$ 8,965</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,166</u>	<u>\$ 8,965</u>
<b>Net position</b>						
Investment in capital assets, net	132,064	330,240	-	-	132,064	330,240
Restricted	73,864	73,864	-	-	73,864	73,864
Unrestricted	<u>953,873</u>	<u>732,392</u>	<u>41,385</u>	<u>42,180</u>	<u>995,258</u>	<u>774,572</u>
<b>Total net position</b>	<u>1,159,801</u>	<u>1,136,496</u>	<u>41,385</u>	<u>42,180</u>	<u>1,201,186</u>	<u>1,178,676</u>
<b>Total liabilities and net position</b>	<u>\$ 1,163,967</u>	<u>\$ 1,145,461</u>	<u>\$ 41,385</u>	<u>\$ 42,180</u>	<u>\$ 1,205,352</u>	<u>\$ 1,187,641</u>



**Changes in Net Position**

The following shows changes in the Township's net position for the year ended March 31, 2021 compared to March 31, 2020:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>March 31,</b>		<b>March 31,</b>		<b>March 31,</b>	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 106,930	\$ 92,524	\$ 4,320	\$ 4,320	\$ 111,250	\$ 96,844
General revenues:						
Property taxes	109,763	105,739	-	-	109,763	105,739
State revenue sharing	303,025	304,675	-	-	303,025	304,675
Rentals and investment earnings	(1,318)	21,585	50	58	(1,268)	21,643
Miscellaneous	<u>17,238</u>	<u>20,318</u>	<u>-</u>	<u>-</u>	<u>17,238</u>	<u>20,318</u>
Total revenues	<u>535,638</u>	<u>544,841</u>	<u>4,370</u>	<u>4,378</u>	<u>540,008</u>	<u>549,219</u>
<b>Expenses</b>						
General government	258,606	241,963	-	-	258,606	241,963
Public works	172,697	166,657	-	-	172,697	166,657
Community and economic development	1,350	875	-	-	1,350	875
Health and welfare	79,680	79,368	-	-	79,680	79,368
Sewer	<u>-</u>	<u>-</u>	<u>5,165</u>	<u>6,684</u>	<u>5,165</u>	<u>6,684</u>
Total expenses	<u>512,333</u>	<u>488,863</u>	<u>5,165</u>	<u>6,684</u>	<u>517,498</u>	<u>495,547</u>
<b>Change in net position</b>	<u>\$ 23,305</u>	<u>\$ 55,978</u>	<u>\$ (795)</u>	<u>\$ (2,306)</u>	<u>\$ 22,510</u>	<u>\$ 53,672</u>

**Governmental Activities**

The result of fiscal year ended March 31, 2021, governmental activities was an increase of \$23,305 in net position to \$1,159,801. Of the total governmental activities net position \$132,064 is invested in capital assets. The restricted fund balance was \$73,864. The balance of \$953,873 is listed as unrestricted, having no legal commitment

**Revenues**

The three largest revenue categories were state-shared revenue at 56.5%, property taxes at 20.5%, and special assessment at 14.5%. The largest was state funding through the state revenue sharing program. The second largest, property taxes, special assessments, allowed the Township to levy one property tax millage and the third largest, special assessments, allowed the Township to levy one special assessment for the year ended March 31, 2021. The millage being for general government operations at .9805 mills, which is not assigned to any particular activity: and the special assessment for ambulance service at \$35 per household, as well as other special assessments for private road maintenance and streetlights.

**Expenses**

General government is the largest activity, expending approximately 50.5% of the governmental activities total on items such as financial administration, cemetery, hall, and grounds. Public works is the second largest activity, expending approximately 33.7% of the governmental activities total and includes road and drain maintenance and improvement activities. Health and welfare is the third largest activity, expending approximately 15.6% of the governmental activities total in ambulance service.

**Business-Type Activities**

During the fiscal year ended March 31, 2021, net position in business-type activities decreased by \$795. Of the business-type activities net position, \$41,385 is listed as unrestricted, having no legal commitment.

**Financial Analysis of the Township's Major and Nonmajor Funds**

As the Township completed its fiscal year ended March 31, 2021, its governmental funds reported combined fund balances of \$1,027,737. This is a net increase of \$221,481. The net changes are summarized in the following chart:

	<b>General Fund</b>	<b>Special Assessment Fund</b>	<b>Nonmajor Governmental Fund</b>
<b>Fund balance 3/31/21</b>	<b>\$ 912,442</b>	<b>\$ 45,191</b>	<b>\$ 70,104</b>
Fund balances 3/31/20	<u>686,931</u>	<u>46,705</u>	<u>72,620</u>
Net change	<u>\$ 225,511</u>	<u>\$ (1,514)</u>	<u>\$ (2,516)</u>

**General Fund**

The General Fund is the chief operating fund of the Township. Unless otherwise required by statute, contractual agreement, or Board policy, all Township revenues and expenditures are recorded in the General Fund. As of March 31, 2021, the General Fund reported an unassigned fund balance of \$321,291. This amount is an increase of \$33,276 from the unassigned fund balance of \$288,015 reported as of March 31, 2020. The original budget called for a \$167,300 decrease in fund balance.

**General Fund Budgetary Highlights**

The Township's budget is a dynamic document. Although adopted prior to April 1 each year, the budget is routinely amended during the course of the year to reflect changing operational demands.

Actual General Fund revenue totaled \$647,620, \$208,520 more than the final amended budget.

Actual Township expenditures for the year ended March 31, 2021 were \$184,291 under budget. General Fund actual expenditures came in at \$422,109, and the final budgeted amount was \$606,400.

**Special Assessment Fund**

As of March 31, 2021, the Special Assessment Fund reported a fund balance of \$45,191, a decrease of \$1,514 from the prior year. Actual revenues were up compared to budget as they had a higher amount assessed during the year. The fund expended \$34,624, less than was budgeted.

**Capital Assets**

As of the end of the fiscal year, the Township's primary government had invested \$132,064, net of accumulated depreciation, in a broad range of capital assets (see table below). Accumulated depreciation was \$425,335 for the primary government. Depreciation charges for the fiscal year totaled \$10,288 for the primary government. Additional information related to capital assets is detailed in Note 4 of the Financial Statements. Net book value of capital assets as of March 31, 2021 was as follows:

	<b>Governmental Activities</b>
Land	\$ 22,500
Buildings, net	86,596
Cemetery equipment, net	616
Furniture and fixtures, net	14,810
Infrastructure, net	7,542
Capital assets, net	\$ 132,064

### **Township of Perry Government Economic Outlook**

Revenue sharing is the most significant budgetary concern currently. The State of Michigan determines the annual revenue sharing, which is outside the Township's control.

Other factors that the township is aware of:

- Property tax revenue does seem to be keeping pace with inflation.
- Utility costs are rising faster than the rate of inflation.

The Township's goal is to continually look for the most efficient and effective methods to maintain and enhance the services that are provided to the public. The Township has a conservative and financially prudent budget for the fiscal year 2022 that also promotes and funds numerous project objectives.

The Township has deliberately made conservative estimates concerning state revenue sharing for the fiscal year 2022 due to the budget constraints at the State level. It has also estimated investment earnings conservatively anticipating a decrease in interest rates.

### **Contacting the Township's Management**

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional information, we encourage you to contact a Township official at the Township Hall at (517) 625-4597.

Township of Perry  
Statement of Net Position  
March 31, 2021

	<u>Governmental Activities</u>	<u>Business Activities</u>	<u>Total</u>	<u>Component Unit</u>
<b>Assets</b>				
Cash	\$ 674,308	40,470	714,778	199,057
Investments	298,019	-	298,019	-
Receivables				
Accounts	-	915	915	-
Taxes	8,421	-	8,421	-
State	<u>51,155</u>	<u>-</u>	<u>51,155</u>	<u>-</u>
	<u>1,031,903</u>	<u>41,385</u>	<u>1,073,288</u>	<u>199,057</u>
<b>Non-Current Assets</b>				
Capital assets:				
Not being Depreciated	22,500	-	22,500	-
Being Depreciated, Net	<u>109,564</u>	<u>-</u>	<u>109,564</u>	<u>98,509</u>
	<u>132,064</u>	<u>-</u>	<u>132,064</u>	<u>98,509</u>
	<u>1,163,967</u>	<u>41,385</u>	<u>1,205,352</u>	<u>297,566</u>
<b>Liabilities and Net Position</b>				
Liabilities				
Accounts payable	3,916	-	3,916	-
Hall deposit liability	<u>250</u>	<u>-</u>	<u>250</u>	<u>-</u>
	<u>4,166</u>	<u>-</u>	<u>4,166</u>	<u>-</u>
<b>Net position</b>				
Investment in capital assets	132,064	-	132,064	98,509
Restricted	73,864	-	73,864	-
Unrestricted	<u>953,873</u>	<u>41,385</u>	<u>995,258</u>	<u>199,057</u>
Total net position	<u>\$ 1,159,801</u>	<u>41,385</u>	<u>1,201,186</u>	<u>297,566</u>

See accompanying notes to the financial statements.

Township of Perry  
Statement of Activities  
For the Year Ended March 31, 2021

Functions/programs	Net (Expense) Revenue and Changes in Net Position					
	Expenses	Program Revenues Charges For Services	Primary Government			Component Unit
			Governmental Activities	Business-type Activities	Total	
Primary government						
Governmental activities						
General government	\$ 258,606	28,983	\$ (229,623)	-	(229,623)	-
Public works	172,697	77,947	(94,750)	-	(94,750)	-
Community and economic development	1,350	-	(1,350)	-	(1,350)	-
Health and welfare	79,680	-	(79,680)	-	(79,680)	-
Total governmental activities	<u>512,333</u>	<u>106,930</u>	<u>(405,403)</u>	<u>-</u>	<u>(405,403)</u>	<u>-</u>
Business-type activities						
Sewer fund	<u>5,165</u>	<u>4,320</u>	<u>-</u>	<u>(845)</u>	<u>(845)</u>	<u>-</u>
Total primary government	<u>517,498</u>	<u>111,250</u>	<u>(405,403)</u>	<u>(845)</u>	<u>(406,248)</u>	<u>-</u>
Component unit						
Downtown development authority	\$ <u>47,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,599)</u>
General Revenues						
Taxes and penalties			109,763	-	109,763	39,161
State shared revenue			303,025	-	303,025	-
Investment income (loss)			(1,318)	50	(1,268)	33
Other revenues			17,238	-	17,238	-
Total general revenues			<u>428,708</u>	<u>50</u>	<u>428,758</u>	<u>39,194</u>
Change in Net position			23,305	(795)	22,510	(8,405)
Net position, April 1			<u>1,136,496</u>	<u>42,180</u>	<u>1,178,676</u>	<u>305,971</u>
Net position, March 31			\$ <u>1,159,801</u>	<u>41,385</u>	<u>1,201,186</u>	<u>297,566</u>

See accompanying notes to the financial statements.

Township of Perry  
Balance Sheet – Governmental Funds  
March 31, 2021

	General Fund	Special Assessment Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 618,911	46,364	9,033	674,308
Investments	236,948	-	61,071	298,019
Receivables				
Taxes	5,678	2,743	-	8,421
State	51,155	-	-	51,155
	<u>912,692</u>	<u>49,107</u>	<u>70,104</u>	<u>1,031,903</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable	-	3,916	-	3,916
Hall deposit liability	250	-	-	250
	250	3,916	-	4,166
<b>Fund Balance</b>				
Restricted	73,864	-	-	73,864
Committed	453,702	45,191	70,104	568,997
Assigned	63,585	-	-	63,585
Unassigned	321,291	-	-	321,291
	<u>912,442</u>	<u>45,191</u>	<u>70,104</u>	<u>1,027,737</u>
	<u>\$ 912,692</u>	<u>49,107</u>	<u>70,104</u>	<u>\$ 1,031,903</u>

Total fund balance - governmental funds \$ 1,027,737

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 as assets in governmental funds. The cost of the assets is \$557,399 and the accumulated depreciation is \$425,335.

132,064

Total net position of governmental activities

\$ 1,159,801

See accompanying notes to the financial statements.

Township of Perry  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Year Ended March 31, 2021

	<u>General</u>	<u>Special Assessment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes and penalties	\$ 109,763	-	-	109,763
Special assessments	-	77,947	-	77,947
State-shared revenue	303,025	-	-	303,025
Charges for services	25,883	-	3,100	28,983
Interest income	4,293	5	1	4,299
Unrealized gain on investments	-	-	(5,617)	(5,617)
Miscellaneous revenue	<u>18,362</u>	<u>470</u>	<u>-</u>	<u>18,832</u>
	<u>461,326</u>	<u>78,422</u>	<u>(2,516)</u>	<u>537,232</u>
<b>Expenditures</b>				
General government	250,004	-	-	250,004
Public works	152,830	19,413	-	172,243
Health and welfare	17,925	60,523	-	78,448
Economic development	<u>1,350</u>	<u>-</u>	<u>-</u>	<u>1,350</u>
	<u>422,109</u>	<u>79,936</u>	<u>-</u>	<u>502,045</u>
Excess of revenues over expenditures	39,217	(1,514)	(2,516)	35,187
<b>Other financing sources (uses)</b>				
Sale of capital assets	<u>186,294</u>	<u>-</u>	<u>-</u>	<u>186,294</u>
Change in fund balance	225,511	(1,514)	(2,516)	221,481
Fund balance, April 1	<u>686,931</u>	<u>46,705</u>	<u>72,620</u>	<u>806,256</u>
Fund balance, March 31	<u>\$ 912,442</u>	<u>45,191</u>	<u>70,104</u>	<u>1,027,737</u>

See accompanying notes to the financial statements.



Township of Perry  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Year Ended March 31, 2021

Net changes in fund balance - total governmental funds	\$ 221,481
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Less: current year depreciation	(10,288)
Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities	<u>(187,888)</u>
Change in net position of governmental activities	\$ <u>23,305</u>

See accompanying notes to the financial statements.

Township of Perry  
Statement of Net Position – Proprietary Fund – Sewer Fund  
March 31, 2021

Assets

Current assets:

Cash	\$ 40,470
Receivables	
Accounts	660
Miscellaneous	<u>255</u>
	<u>41,385</u>

Net Position

Unrestricted	\$ <u>41,385</u>
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See accompanying notes to the financial statements.

Township of Perry

Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Fund – Sewer Fund  
For the Year Ended March 31, 2021

Operating revenue		
Charges for services	\$	4,320
Operating expense		
Public works		<u>5,165</u>
Operating income (loss)		<u>(845)</u>
Nonoperating revenue (loss)		
Interest income		<u>50</u>
Change in net position		(795)
Net Position, April 1		<u>42,180</u>
Net Position, March 31	\$	<u><u>41,385</u></u>

See accompanying notes to the financial statements.

Township of Perry  
Statement of Cash Flows – Proprietary Fund – Sewer Fund  
For the Year Ended March 31, 2021

Cash flows from operating activities		
Receipts from customers	\$	4,934
Payments to suppliers		<u>(5,165)</u>
Net cash used in operating activities		<u>(231)</u>
Cash flows from investing activities		
Investment income - Interest		<u>50</u>
Net decrease in cash		(181)
Cash, April 1		<u>40,651</u>
Cash, March 31	\$	<u><u>40,470</u></u>
Reconciliation of operating loss		
to net cash from operating activities		
Operating loss	\$	(845)
Changes in assets		
Receivables		<u>614</u>
Net cash used in operating activities	\$	<u><u>(231)</u></u>

See accompanying notes to the financial statements.

Township of Perry  
Statement of Fiduciary Net Position – Fiduciary Fund - Custodial  
March 31, 2021

Assets	
Cash	\$ <u>    16,358</u>
Liabilities	
Due to other governments	\$ <u>    16,358</u>

See accompanying notes to the financial statements.

Township of Perry  
Statement of Changes in Fiduciary Net Position – Fiduciary Fund - Custodial  
March 31, 2021

Additions	
Receipt of property taxes	\$ 3,713,265
Deductions	
Payment of property tax to other government	<u>3,713,265</u>
Change in fiduciary net position	-
Fiduciary net position, beginning of the year	<u>-</u>
Fiduciary net position, end of the year	<u><u>-</u></u>

See accompanying notes to the financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Township of Perry (the "Township") operates under an elected Township Board, which consists of five members. The Township provides services to its more than 4,000 residents in many areas including public safety, fire protection, planning, and general and administrative services.

The accounting policies of the Township of Perry conform to U.S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

### Reporting Entity

The Township has considered all potential component units in evaluating how to define the Township for financial reporting purposes. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board (GASB), *The Financial Reporting Entity*. The basic criteria include the appointment of a voting majority of the governing board of the unit, legal separation of the Township and the component unit, fiscal independence of the unit, whether exclusion of the unit would make the Township's financial statements misleading, and whether there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Township.

The financial entity of the Township of Perry includes all funds and account groups of the Township.

### Discretely Presented Component Unit

The Downtown Development Authority, which was established pursuant to the provisions of Michigan Law (MCL 397.210), is governed by nine board members. Board members are appointed by the Township Board. The Downtown Development Authority is fiscally dependent upon the Township because the Board approves its budget, levies taxes, and must approve any debt issuance.

### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government of the Township of Perry. The effect of interfund activities has been removed from these statements. Governmental activities, which are 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 services. The primary government of the Township of Perry is reported separately from certain legally separate component units for which the Township of Perry the primary government, is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a 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 funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. In the individual fund statements, the proprietary funds and fiduciary fund financial statements are also reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are reported 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements is 60 days. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and compensated absences, and claims and judgments are recorded only when payment is due.

Property taxes, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and 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 Township of Perry.

The Township of Perry reports the following major governmental funds:

- The General Fund is the Township’s primary operating fund. It accounts for all financial resources of the general government, except those to be accounted for in another fund.
- Special Assessment Fund is used to account for monies received and disbursed for maintenance of the streetlights, Thornapple Road maintenance, and ambulance services.

The Township of Perry reports the following nonmajor governmental funds:

- The Cemetery Fund is used to account for monies received and disbursed for the maintenance of the Township’s cemetery.

The Township of Perry reports the following major proprietary funds:

- The Sewer Fund accounts for sewer services to the residents of the Township. All activities necessary to provide such services are accounted for in this fund, including but not limited to administration and operations.



Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from provided services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expense for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Additionally, the Township of Perry reports the following fiduciary fund:

- The Tax Distribution Fund is used to receive the Township's current tax and to distribute such monies to the local school districts, State, County, and Township Funds.

### **Cash and Investments**

The Township's cash is considered to be cash on hand, demand deposits, and non-negotiable certificates of deposit with an original maturity of three months or less. All investments are stated at fair market value.

### **Receivables**

Receivables have been recognized for all significant amounts due the Township for charges for services, special assessments, and other various receivables. No allowances have been made for uncollectible amounts, because if they remain unpaid, most delinquent receivables can be added to the tax roll and become a lien against the property.

### **Due from Other Governmental Units**

Due from other governmental units consists of amounts due from the State of Michigan for various payments.

### **Capital Assets**

Capital assets, which include property, plant, equipment is reported in the applicable governmental column in the government-wide financial statements. Capital assets are not recorded in the governmental funds. Instead, capital assets are reflected as expenditures in the governmental funds. Capital assets are defined by the Township of Perry as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are recorded at acquisition value on the date of donation.

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

Depreciation of all exhaustible capital assets used is charged as an expense against their operations in government-wide statements and all proprietary financial statements. Accumulated depreciation is reported on the government-wide and proprietary statement of net position. The straight-line depreciation method is applied over the estimated useful life of capital assets. Estimated useful lives for capital assets are displayed in the table below:

Asset Class	Depreciable Life
Land	n/a
Buildings	40 years
Cemetery equipment	7-15 years
Office equipment	7 years
Furniture and fixtures	5-7 years
Infrastructure	5-30 years

**Long-Term Liabilities**

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 and business-type activities or proprietary fund type statement of net position. In governmental fund statements, reported when due for payment.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

At the end of the current fiscal year, there was no deferred inflows or outflows.

**Fund Balance**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds.

The following classifications describe the relative strength of the spending constraints:

1. Non-spendable fund balance (such as inventory, prepaid expenditures or long-term receivables) – Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
2. Restricted fund balance – Amounts constrained to specific purposes by their providers (such as taxpayers, grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
3. Committed fund balance – Amounts constrained to specific purposes by the Township itself, using its highest level of decision-making authority (Board Township). To be reported as committed, amounts cannot be used for any other purpose unless the Township takes the same highest-level action to remove or change the constraint.
4. Assigned fund balance – Amounts the Township intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority.
5. Unassigned fund balance – Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

The Township would typically use restricted fund balance first, followed by committed resources and then assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of those classified funds.

### **Net Position**

In the government-wide financial statements, net position is divided into three components.

- Investment in capital assets – This category consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net assets – Net assets are considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organization such as federal or state laws.
- Unrestricted – All other net assets are reported in this category.

### **Budgets and Budgetary Accounting**

Michigan Public Act 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated in budget resolutions of the governing body.

In the body of RSI schedules, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for those budgetary funds are adopted at the activity level.

During the fiscal year, the Township did not incur expenditures in budgetary funds which were in excess of the amount appropriated.

The Township's appropriation resolution is generally passed during the March preceding the year in which the planned expenditures relate. Subsequent amendments are made to avoid unfavorable variances from the original budget. Related resolutions state the purpose and amount of the budget changes. The Township Supervisor has the responsibility to enforce the budget. Unused appropriations do not carry forward to the next fiscal year.

### **Estimates**

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

### **Statement of Cash Flows**

In the statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are defined as cash equivalents.

## **2. PROPERTY TAXES:**

The 2020 property tax revenue includes property taxes levied principally on December 1, 2020, and substantially collected in February, 2021. The total 2021 levy for the Township was \$88,840 for general operating purposes.

The Township is authorized by Municipal Finance Law of the State to levy taxes up to \$1.00 per \$1,000 of assessed valuation for general governmental operating purposes.

Although the local governmental unit's 2020 ad valorem tax is levied and collectible of December 1, 2020, it is the local governmental unit's policy to recognize revenue from the current tax levy in the subsequent year or the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 2020 taxable valuation of the local governmental unit totaled an estimated \$104,687,742, on which Ad valorem taxes levied consisted of .9944 mills for local governmental operating purposes. These amounts are recognized in the respective General Fund financial statements as property tax revenue.

Pertinent tax dates are as follows:

Lien date	12/01/20
Levy date	12/01/20
Due date without penalty	02/14/20
Collection date	07/01/20 – 02/28/21

**3. CASH AND INVESTMENTS:**

Act 196, P. A. 1997, authorizes the Township to deposit and invest in the following:

1. Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of state or federally chartered savings and loan association, savings bank or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State, under the laws of the State or the United States, but only if the bank, savings and loan association, savings bank, or credit union is eligible to be depository of surplus funds belonging to the State under section 5 or 6 of Act 105, P.A. 1855, as amended (MCL 21.145 and 21.146).
3. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
4. The United States government or federal agency obligation repurchase agreements.
5. Bankers acceptances of United States banks.
6. Mutual fund composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

	Book Balance	Bank Balance	FDIC/SIPC Insured
Cash deposits	\$ 930,193	\$ 926,327	\$ 629,719
Investments	<u>298,019</u>	<u>298,019</u>	<u>298,019</u>
	<u>\$ 1,228,212</u>	<u>\$ 1,224,346</u>	<u>\$ 927,738</u>

Financial statement presentation:

	Cash and Cash Equivalents	Investments (Certificates of Deposit)	Investments (Marketable Securities)	Total
Governmental funds	\$ 674,308	\$ 236,948	\$ 61,071	\$ 972,327
Proprietary funds	40,470	-	-	40,470
Fiduciary funds	16,358	-	-	16,358
Component units	<u>199,057</u>	<u>-</u>	<u>-</u>	<u>199,057</u>
	<u>\$ 930,193</u>	<u>\$ 236,948</u>	<u>\$ 61,071</u>	<u>\$ 1,228,212</u>

**Deposits**

There is a custodial credit risk as it relates to deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. As of March 31, 2021, the carrying amount of the Township's deposits were \$1,228,212 and the bank balance was \$1,224,346, of which \$927,738 was covered by federal depository insurance or Securities Investor Protection Corp. The remaining balance of \$296,608 was uninsured and uncollateralized.

Due to significantly higher cash flow at certain periods during the year, the amount the Township held as cash and cash equivalents increased significantly. As a result, the amount of uninsured and uncollateralized cash and cash equivalents were substantially higher at these peak periods than at year-end.

**Investments**

As of March 31, 2021, the carrying amounts and market values for the investments were as follows:

Investment Type	Carrying Amount	Weighted Average Maturity	Rating	Percentage
Insured or registered for which the securities are held by the Township's agent in the Township's name:				
U.S. Treasury Bonds	<u>\$ 61,071</u>	8 years	Not Rated	100%

**Fair Value Measurements**

The Township is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayments speeds, credit risk and others.

Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the Township's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Township has the following recurring fair value measurements as of March 31, 2021:

Assets and liabilities measured at fair value on a recurring basis

Fair Value Measurement Using			
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Balance March March 31, 2021	\$ <u>61,071</u>	\$ <u>61,071</u>	\$ <u>-</u>

**Interest Rate Risk**

The Township has 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 Township made no investments that have interest rate risk during the current fiscal year.

**Credit Risk**

Statutes limit investments as stated above. The Township's investment policy limits its investment choices beyond the statute. The Township's investment policy limits investments to the top two ratings issued by nationally recognized statistical rating organizations. The authority to make investment decisions has been granted to the Treasurer.

**Concentration of Credit Risk**

State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk.

**4. CAPITAL ASSETS:**

A summary of changes in governmental capital assets are as follows:

	Balance, April 1	Additions	Deletions	Balance, March 31
Capital assets not being depreciated				
Land	\$ <u>210,388</u>	\$ _____ -	\$ <u>187,888</u>	\$ <u>22,500</u>
Capital assets being depreciated				
Buildings and improvements	335,905	-	-	335,905
Cemetery equipment	42,509	-	-	42,509
Furniture and fixtures	142,845	-	-	142,846
Public infrastructure	<u>13,640</u>	<u>-</u>	<u>-</u>	<u>13,640</u>
Total capital assets being depreciated	<u>534,899</u>	<u>-</u>	<u>-</u>	<u>534,899</u>
Less: accumulated depreciation				
Buildings and improvements	244,594	4,713	-	249,309
Cemetery equipment	40,661	1,232	-	41,893
Furniture and fixtures	124,147	3,889	-	128,036
Public infrastructure	<u>5,645</u>	<u>454</u>	<u>-</u>	<u>6,098</u>
Total accumulated depreciation	<u>415,047</u>	<u>10,288</u>	<u>-</u>	<u>425,335</u>
Total capital assets being depreciated - net	<u>119,852</u>	( <u>10,288</u> )	<u>-</u>	<u>109,564</u>
Net capital assets	\$ <u>330,240</u>	\$( <u>10,288</u> )	\$ <u>187,888</u>	\$ <u>132,064</u>



Depreciation expense for the governmental activities was charged to the following functions and activities of the primary government:

Governmental Activity	Amount
General government	\$ 8,602
Public works	454
Health and welfare	<u>1,232</u>
 Total	 <u>\$ 10,288</u>

A summary of changes in component unit assets are as follows:

	Balance, April 1	Additions	Deletions	Balance, March 31
Capital assets being depreciated				
Streetlights	\$ <u>113,004</u>	\$ -	\$ -	\$ <u>113,004</u>
Less: accumulated depreciation				
Streetlights	<u>8,845</u>	<u>5,650</u>	-	<u>14,495</u>
Net capital assets	\$ <u>104,159</u>	\$ <u>(5,650)</u>	\$ -	\$ <u>98,509</u>

**5. DETAILS OF FUND BALANCE CATEGORIES AND CLASSIFICATIONS**

	General Fund	Special Assessment	Other Funds	Total
Fund balances				
Restricted for				
Roads	\$ 73,864	\$ -	\$ -	\$ 73,864
Committed for				
Roads	41,070	-	-	41,070
Improvement	113,331	-	-	113,331
Utility Expansion	186,294	-	-	186,294
Land and Building	113,007	-	-	113,007
Special Assessments	-	45,191	-	45,191
Cemetery	-	-	70,104	70,104
Assigned				
Investment	63,585	-	-	63,585
Unassigned	<u>321,291</u>	<u>-</u>	<u>-</u>	<u>321,291</u>
Total fund balances	<u>\$ 912,442</u>	<u>\$ 45,191</u>	<u>\$ 70,104</u>	<u>\$ 1,027,737</u>

## **6. RISK MANAGEMENT:**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It is the policy of the Township to purchase commercial insurance for most risks of loss to which it is exposed.

## **7. DEFINED CONTRIBUTION PENSION PLAN:**

### **Plan Description**

The Township started a defined contribution pension plan on July 1, 1991 for all officials and employees that earn greater than \$600 and are not temporary employees, such as, but not limited to, election workers. The plan is administered by the Township through Municipal Retirement System (MRS), an agent multiple-employer defined contribution pension plan that covers all employees of the Township, unless specifically exempted, with more than one year of service. MRS is authorized and operated under State law, Act 135 of the Public Acts of 1945 as amended. The system provides retirement, disability and death benefits to plan members and their beneficiaries. The current plan is a defined contribution plan requiring contribution by the Township of 15% of each employee's base salary.

### **Annual Pension Cost**

For the year ended March 31, 2021, the Township's pension contribution of \$12,309 for the plan was equal to the Township's required contribution.

## **8. UPCOMING ACCOUNTING PRONOUNCEMENTS:**

GASB Statement No. 87, *Leases*, was issued which will establish a single model for reporting all leases (including those previously classified as operating and capital). Lessees will now report offsetting intangible assets and lease liabilities equal to the present value of future lease payments. Lessors will report offsetting lease receivable and deferred inflows of resources. We do not expect this standard to have any significant effect on the Township.

## **9. ECONOMIC UNCERTAINTY:**

The effects of the pandemic resulting from the novel coronavirus, known as COVID-19, has had significant effects on all aspects of the economy. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak. Impact on the Township cannot be predicted, and the extent to which COVID-19 may impact our financial condition or results of operations is uncertain at this time.

**Required Supplementary Information**

Township of Perry  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual – General Fund  
March 31, 2021

	<u>Budget Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>Revenues</b>				
Taxes and penalties	\$ 101,000	101,000	109,763	8,763
State-shared revenue	290,000	290,000	303,025	13,025
Charges for services	20,000	20,000	25,883	5,883
Metro Act	3,750	3,750	4,313	563
Trailer tax	1,650	1,650	1,983	333
Franchise fees	4,500	4,500	5,324	824
Other revenues	3,950	3,950	193,036	189,086
Interest	2,750	2,750	4,293	1,543
Hall rental	<u>11,500</u>	<u>11,500</u>	<u>-</u>	<u>(11,500)</u>
	<u>439,100</u>	<u>439,100</u>	<u>647,620</u>	<u>208,520</u>
<b>Expenditures</b>				
Township board	6,600	6,600	3,915	2,685
Supervisor	21,150	21,150	19,277	1,873
Elections	18,400	18,400	15,687	2,713
Tax preparation	13,000	13,000	11,700	1,300
Assessor	29,200	29,200	27,585	1,615
Professional fees	11,000	11,000	6,491	4,509
Clerk	32,800	32,800	29,818	2,982
Board of review	1,550	1,950	1,573	377
Treasurer	32,800	32,800	29,201	3,599
Building and grounds	31,250	31,250	17,619	13,631
Cemetery	56,600	56,600	49,995	6,605
General government	145,150	144,750	37,143	107,607
Emergency services	20,000	20,000	17,925	2,075
Planning Commission	3,950	3,950	1,350	2,600
Drains at large	15,000	15,000	4,221	10,779
Roads	<u>167,950</u>	<u>167,950</u>	<u>148,609</u>	<u>19,341</u>
	<u>606,400</u>	<u>606,400</u>	<u>422,109</u>	<u>184,291</u>
Change in fund balance	(167,300)	(167,300)	225,511	<u>392,811</u>
Fund balance, April 1	<u>686,931</u>	<u>686,931</u>	<u>686,931</u>	
Fund balance, March 31	\$ <u>519,631</u>	<u>519,631</u>	<u>912,442</u>	

Township of Perry  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual – Special Assessment Fund  
March 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>Revenues</b>				
Special assessments	\$ 74,000	70,800	77,947	7,147
Interest	10	10	5	(5)
Other revenue	<u>550</u>	<u>550</u>	<u>470</u>	<u>(80)</u>
	<u>74,560</u>	<u>71,360</u>	<u>78,422</u>	<u>7,062</u>
<b>Expenditures</b>				
Thornapple Drive	9,000	9,000	6,700	2,300
Clifford Fields lights	3,700	3,700	3,682	18
Bennett Drive lights	2,900	2,900	2,828	72
Rose Blvd lights	2,000	2,000	1,943	57
Lansing Road lights	5,000	5,000	3,769	1,231
Lights at large	675	675	491	184
Ambulance	62,000	62,000	60,523	1,477
Contingency	<u>29,285</u>	<u>29,285</u>	<u>-</u>	<u>29,285</u>
	<u>114,560</u>	<u>114,560</u>	<u>79,936</u>	<u>34,624</u>
Change in fund balance	(40,000)	(43,200)	(1,514)	<u>41,686</u>
Fund balance, April 1	<u>46,705</u>	<u>46,705</u>	<u>46,705</u>	
Fund balance, March 31	\$ <u><u>6,705</u></u>	<u><u>3,505</u></u>	<u><u>45,191</u></u>	

## **Combining Statements**

Township of Perry  
Combining Balance Sheet – General Fund  
March 31, 2021

	<u>General Fund</u>	<u>Land and Building Fund</u>	<u>Road Fund</u>	<u>Improvement Fund</u>	<u>Total</u>
<b>Assets</b>					
Cash	\$ 450,290	53,687	114,934	-	618,911
Investments	64,297	59,320	-	113,331	236,948
Taxes receivable	5,678	-	-	-	5,678
Due from State	<u>51,155</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,155</u>
	<u>571,420</u>	<u>113,007</u>	<u>114,934</u>	<u>113,331</u>	<u>912,692</u>
<b>Liabilities</b>					
Deposit payable	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>
<b>Fund Balance</b>					
Restricted	-	-	73,864	-	73,864
Committed	186,294	113,007	41,070	113,331	453,702
Assigned	63,585	-	-	-	63,585
Unassigned	<u>321,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,291</u>
	<u>571,170</u>	<u>113,007</u>	<u>114,934</u>	<u>113,331</u>	<u>912,442</u>
	<u>\$ 571,420</u>	<u>113,007</u>	<u>114,934</u>	<u>113,331</u>	<u>912,692</u>

Township of Perry  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance – General Fund  
March 31, 2021

	<u>General Fund</u>	<u>Land and Building</u>	<u>Road Fund</u>	<u>Improvement Fund</u>	<u>Total</u>
Revenues:					
Taxes and penalties	\$ 109,763	-	-	-	109,763
State-shared revenue	303,025	-	-	-	303,025
Charges for services	25,883	-	-	-	25,883
Interest	3,352	665	20	256	4,293
Miscellaneous revenues	<u>18,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,362</u>
	<u>460,385</u>	<u>665</u>	<u>20</u>	<u>256</u>	<u>461,326</u>
Expenditures:					
Township board	3,915	-	-	-	3,915
Supervisor	19,277	-	-	-	19,277
Elections	15,687	-	-	-	15,687
Tax preparation	11,700	-	-	-	11,700
Assessor	27,585	-	-	-	27,585
Professional services	6,491	-	-	-	6,491
Clerk	29,818	-	-	-	29,818
Board of review	1,573	-	-	-	1,573
Treasurer	29,201	-	-	-	29,201
Building and grounds	17,619	-	-	-	17,619
Cemetery	49,995	-	-	-	49,995
General government	37,143	-	-	-	37,143
Emergency services	17,925	-	-	-	17,925
Planning Commission	1,350	-	-	-	1,350
Drains at large	4,221	-	-	-	4,221
Roads	<u>148,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,609</u>
	<u>422,109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>422,109</u>
Excess (deficiency) of revenue over expenditures	<u>38,276</u>	<u>665</u>	<u>20</u>	<u>256</u>	<u>39,217</u>
Other financing sources (uses)					
Sale of capital assets	186,294	-	-	-	186,294
Operating transfer in (out)	<u>(5,000)</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	181,294	5,000			-
Change in fund balance	219,570	5,665	20	256	225,511
Fund balance, April 1	<u>351,600</u>	<u>107,342</u>	<u>114,914</u>	<u>113,075</u>	<u>686,931</u>
Fund balance, March 31	\$ <u>571,170</u>	<u>113,007</u>	<u>114,934</u>	<u>113,331</u>	<u>912,442</u>