

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

AUDITED FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2022**

CITY OF THE VILLAGE OF CLARKSTON
For the Year Ended June 30, 2022

Table of Contents

I

<u>FINANCIAL SECTION</u>	<u>Page</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-6
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Position.....	7
Statement of Activities.....	8-9
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	10
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	12
Statement of Net Position – Proprietary Fund	13
Statement of Revenues, Expenditures, and Changes in Fund Net Position – Proprietary Fund	14
Statement of Cash Flows – Proprietary Fund	15
Fiduciary Fund – Statement of Net Position.....	16
Fiduciary Fund – Statement of Changes in Net Position.....	16
Notes to Financial Statements.....	17-28
Required Supplementary Information:	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	29

CITY OF THE VILLAGE OF CLARKSTON
For the Year Ended June 30, 2022

Table of Contents

<u>FINANCIAL SECTION</u> – Continued	<u>Page</u>
Other Supplementary Information:	
Combining Balance Sheet – Nonmajor Governmental Funds	30
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds.....	31
Combining Balance Sheet – Nonmajor Special Revenue Funds	32
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Funds.....	33

FINANCIAL SECTION

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Independent Auditor's Report

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate of all remaining fund information of the City of the Village of Clarkston, Michigan, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate of all remaining fund information of the City of the Village of Clarkston, Michigan, as of June 30, 2022, and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a rest basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, amount other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of the Village of Clarkston's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, as identified in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully,



PSLZ PLLC
Certified Public Accountants

November 10, 2022

Management's Discussion and Analysis

Overview of the Financial Statements

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

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

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

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

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

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

Financial Position

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

City of Clarkston - Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 536,272	\$ 349,737	\$ 717,110	\$ 645,771	\$ 1,253,382	\$ 995,508
Capital Assets	2,574,263	2,871,843	111,479	116,107	2,685,742	2,987,950
Total Assets	3,110,535	3,221,580	828,589	761,878	3,939,124	3,983,458
Long-term Liabilities						
Outstanding	309,630	526,751	-	-	309,630	526,751
Other Liabilities	156,614	54,514	67,740	68,163	224,354	122,677
Total Liabilities	466,244	581,265	67,740	68,163	533,984	649,428
Net Position:						
Net Investment						
in Capital Assets	2,264,633	2,345,092	111,479	116,107	2,376,112	2,461,199
Restricted	188,146	98,147	-	-	188,146	98,147
Unrestricted	191,512	197,076	649,370	577,608	840,882	774,684
Total Net Position	\$ 2,644,291	\$ 2,640,315	\$ 760,849	\$ 693,715	\$ 3,405,140	\$ 3,334,030

The following table shows the changes of the net position during the year ended June 30, 2022:

City of Clarkston - Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for Services	\$ 134,680	\$ 65,007	\$ 343,091	\$ 325,208	\$ 477,771	\$ 390,215
Operating Grants & Contributions	118,397	119,222	-	-	118,397	119,222
Capital Grants & Contributions	-	-	-	-	-	-
General Revenues:						
Property Taxes	794,974	790,372	-	-	794,974	790,372
State Shared Revenues	111,246	96,185	-	-	111,246	96,185
Franchise Fees	19,361	19,482	-	-	19,361	19,482
Unrestricted Investment Earnings	636	1,565	3,464	4,585	4,100	6,150
Total Revenues	1,179,294	1,091,833	346,555	329,793	1,525,849	1,421,626
Program Expenses:						
General Government	307,916	374,223	-	-	307,916	374,223
Public Safety	322,581	308,955	-	-	322,581	308,955
Public Works	486,237	403,597	-	-	486,237	403,597
Community Development	18,095	23,351	-	-	18,095	23,351
Recreation and Cultural	12,809	12,449	-	-	12,809	12,449
Interest on Long-Term Debt	27,680	30,356	-	-	27,680	30,356
Water	-	-	-	-	-	-
Sewer	-	-	279,421	376,582	279,421	376,582
Total Expenses	1,175,318	1,152,931	279,421	376,582	1,454,739	1,529,513
Change in Net Position	\$ 3,976	\$ (61,098)	\$ 67,134	\$ (46,789)	\$ 71,110	\$ (107,887)

The City had an increase of \$3,976 in net position in its governmental activities for the fiscal year ended June 30, 2022, compared to an \$61,098 decrease for the fiscal year ended June 30, 2021. Property tax revenues increased \$4,602 or .6% over the prior year, and the State shared revenues increased \$15,061.

Governmental Activities

General Fund expenditures exceeded revenues in fiscal year 2022 by \$5,564, as compared to expenditures exceeded revenues in fiscal year 2021 by \$86,727. Governmental activity revenues for fiscal year 2022 increased by \$87,461 over the prior year. The current year reflects a \$71,541 increase in parking fees recorded in the parking fund.

Analysis of Individual Funds

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

The General Fund ended the fiscal year with a decrease to its fund balance in the amount of \$5,564, which included \$45,314 of transfers out to the Capital Projects Fund.

General Fund Budgetary Highlights

The General Fund original budgeted revenues remained unchanged, and the final amended budgeted expenditures remained unchanged in total with only minor department adjustments.

Capital Assets

During fiscal year 2022, there were no significant capital asset additions. Annual depreciation expense of \$297,580 has been recorded for fiscal year 2022.

Long-term Debt

At the end of the current fiscal year, the City had total general obligation bond debt outstanding of \$322,000. The City's total bonded debt decreased by \$231,000 during the current fiscal year, as a result of annual debt payments made.

Economic Factors

The City received a total of \$96,787 in American Rescue Plan Act (ARPA) funds from the federal government in fiscal year 2021-2022. The City has not spent any of the funds as of June 30, 2022, and therefore this amount is reflected on the General Fund balance sheet as unavailable revenue until the money is spent.

The City of the Village of Clarkston's budgeted property tax revenues are expected to increase slightly and state shared revenue are budgeted to remain approximately the same as the current fiscal year. These factors were considered in preparing the City's budget for the 2022-2023 fiscal year. The City has adopted a balanced budget for their fiscal year 2022-2023 .

Contacting the City's Financial Management

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

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

BASIC FINANCIAL STATEMENTS

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 495,673	\$ 361,698	\$ 857,371
Receivables (net of allowance for uncollectibles)			
Accounts	4,939	42,873	47,812
Due from Other Governmental Units	35,660	50,000	85,660
Advance to Other Funds	-	262,539	262,539
Capital Assets (net of accumulated depreciation)	<u>2,574,263</u>	<u>111,479</u>	<u>2,685,742</u>
Total Assets	<u>3,110,535</u>	<u>828,589</u>	<u>3,939,124</u>
<u>LIABILITIES</u>			
Accounts Payable	54,223	67,740	121,963
Accrued Liabilities	5,604	-	5,604
Unavailable Revenue - ARPA	96,787	-	96,787
Noncurrent Liabilities:			
Due within one year	158,000	-	158,000
Due in more than one year	<u>151,630</u>	<u>-</u>	<u>151,630</u>
Total Liabilities	<u>466,244</u>	<u>67,740</u>	<u>533,984</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,264,633	111,479	2,376,112
Restricted for:			
Streets	166,182	-	166,182
Mill Pond Lake Improvements	17,766	-	17,766
Other	4,198	-	4,198
Unrestricted	<u>191,512</u>	<u>649,370</u>	<u>840,882</u>
Total Net Position	<u>\$ 2,644,291</u>	<u>\$ 760,849</u>	<u>\$ 3,405,140</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 307,916	\$ 18,362	\$ 1,874	\$ -
Public Safety	322,581	23,033	3,576	-
Public Works	486,237	93,285	112,947	-
Community Development	18,095	-	-	-
Recreation and Cultural	12,809	-	-	-
Interest on Long-Term Debt	27,680	-	-	-
Total Governmental Activities	<u>1,175,318</u>	<u>134,680</u>	<u>118,397</u>	<u>-</u>
Business-type Activities:				
Water	-	-	-	-
Sewer	279,421	343,091	-	-
Total Business-type Activities	<u>279,421</u>	<u>343,091</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 1,454,739</u>	<u>\$ 477,771</u>	<u>\$ 118,397</u>	<u>\$ -</u>

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

Change in Net Position
Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities		Business-type Activities		Total	
\$	(287,680)	\$	-	\$	(287,680)
	(295,972)		-		(295,972)
	(280,005)		-		(280,005)
	(18,095)		-		(18,095)
	(12,809)		-		(12,809)
	(27,680)		-		(27,680)
	<u>(922,241)</u>		<u>-</u>		<u>(922,241)</u>
	-		-		-
	-		63,670		63,670
	<u>-</u>		<u>63,670</u>		<u>63,670</u>
	<u>(922,241)</u>		<u>63,670</u>		<u>(858,571)</u>
	794,974		-		794,974
	111,246		-		111,246
	636		3,464		4,100
	19,361		-		19,361
	<u>926,217</u>		<u>3,464</u>		<u>929,681</u>
	3,976		67,134		71,110
	<u>2,640,315</u>		<u>693,715</u>		<u>3,334,030</u>
\$	<u>2,644,291</u>	\$	<u>760,849</u>	\$	<u>3,405,140</u>

CITY OF THE VILLAGE OF CLARKSTON

Balance Sheet

Governmental Funds

June 30, 2022

	<u>General</u>	<u>2012 GO Refunding Bond Debt</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 295,703	\$ -	\$ 199,970	\$ 495,673
Receivables (net of allowance for uncollectibles)				
Accounts	4,939	-	-	4,939
Due from State	<u>18,799</u>	<u>-</u>	<u>16,861</u>	<u>35,660</u>
Total Assets	\$ <u><u>319,441</u></u>	\$ <u><u>-</u></u>	\$ <u><u>216,831</u></u>	\$ <u><u>536,272</u></u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts Payable	\$ 21,340	\$ -	\$ 32,883	\$ 54,223
Accrued and Other Liabilities	5,604	-	-	5,604
Unavailable Revenue - ARPA	<u>96,787</u>	<u>-</u>	<u>-</u>	<u>96,787</u>
Total Liabilities	<u>123,731</u>	<u>-</u>	<u>32,883</u>	<u>156,614</u>
Fund Balances:				
Restricted for:				
Streets	-	-	166,182	166,182
Mill Pond Lake Improvements	-	-	17,766	17,766
Sign Maintenance	3,796	-	-	3,796
Other	402	-	-	402
Assigned for Subsequent Years				
Expenditures	116,000	-	-	116,000
Unassigned	<u>75,512</u>	<u>-</u>	<u>-</u>	<u>75,512</u>
Total Fund Balance	<u>195,710</u>	<u>-</u>	<u>183,948</u>	<u>379,658</u>
Total Liabilities and Fund Balance	\$ <u><u>319,441</u></u>	\$ <u><u>-</u></u>	\$ <u><u>216,831</u></u>	

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

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

2,574,263

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

(309,630)

Net Position of Governmental Activities

\$ 2,644,291

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022

	<u>General</u>	<u>2012 GO Refunding Bond Debt</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>				
Property Taxes	\$ 554,056	\$ 164,231	\$ 76,687	\$ 794,974
Licenses and Permits	22,155	-	-	22,155
Intergovernmental:				
Federal, State and Local	114,822	-	108,258	223,080
Charges for Services	26,105	-	73,024	99,129
Fines and Forfeitures	3,360	-	-	3,360
Franchise Fees	19,361	-	-	19,361
Special Assessments	-	-	4,689	4,689
Interest	621	-	15	636
Other	11,910	-	-	11,910
Total Revenues	<u>752,390</u>	<u>164,231</u>	<u>262,673</u>	<u>1,179,294</u>
<u>Expenditures</u>				
Current:				
General Government	268,591	-	-	268,591
Public Safety	322,581	-	-	322,581
Public Works	74,714	-	95,987	170,701
Community Development	18,095	-	-	18,095
Recreation and Cultural	2,586	-	-	2,586
Other Functions	22,190	-	-	22,190
Debt Service:				
Principal	-	156,000	75,000	231,000
Interest and Other Charges	2,814	9,300	1,687	13,801
Capital Outlay	-	-	45,314	45,314
Total Expenditures	<u>711,571</u>	<u>165,300</u>	<u>217,988</u>	<u>1,094,859</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>40,819</u>	<u>(1,069)</u>	<u>44,685</u>	<u>84,435</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	1,069	45,314	46,383
Transfers Out	<u>(46,383)</u>	<u>-</u>	<u>-</u>	<u>(46,383)</u>
Total Other Financing Sources (Uses)	<u>(46,383)</u>	<u>1,069</u>	<u>45,314</u>	<u>-</u>
Net Change in Fund Balance	(5,564)	-	89,999	84,435
Fund Balance - Beginning	<u>201,274</u>	<u>-</u>	<u>93,949</u>	<u>295,223</u>
Fund Balance - Ending	<u>\$ 195,710</u>	<u>\$ -</u>	<u>\$ 183,948</u>	<u>\$ 379,658</u>

CITY OF THE VILLAGE OF CLARKSTON
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

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

Net change in fund balance - total governmental funds	\$	84,435
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.</p>		
Capital Outlay		-
Depreciation Expense		(297,580)
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Principal Repayments		231,000
Bond Issuance Cost Amortization		<u>(13,879)</u>
Change in net position in governmental activities	\$	<u><u>3,976</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Proprietary Funds
June 30, 2022

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 159,600	\$ 202,098	\$ 361,698
Accounts Receivable	-	42,873	42,873
Due from Other Governmental Units	50,000	-	50,000
Total Current Assets	209,600	244,971	454,571
Noncurrent Assets:			
Advance to Other Funds	262,539	-	262,539
Capital Assets	-	1,289,975	1,289,975
Less: Accumulated Depreciation	-	(1,178,496)	(1,178,496)
Net Capital Assets	-	111,479	111,479
Total Assets	\$ 472,139	\$ 356,450	\$ 828,589
<u>LIABILITIES AND NET POSITION</u>			
Current Liabilities:			
Accounts Payable	\$ -	\$ 67,740	\$ 67,740
Net Position:			
Net Investment in Capital Assets	-	111,479	111,479
Unrestricted	472,139	177,231	649,370
Total Net Position	472,139	288,710	760,849
Total Liabilities and Net Position	\$ 472,139	\$ 356,450	\$ 828,589

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2022

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>Operating Revenues:</u>			
Sewer Usage Charges	\$ -	\$ 340,175	\$ 340,175
Penalty Charges	-	2,916	2,916
Total Operating Revenues	<u>-</u>	<u>343,091</u>	<u>343,091</u>
<u>Operating Expenses:</u>			
Contractual Services	-	272,231	272,231
Postage and Supplies	-	2,562	2,562
Depreciation	-	4,628	4,628
Total Operating Expenses	<u>-</u>	<u>279,421</u>	<u>279,421</u>
Operating Income (Loss)	-	63,670	63,670
<u>Non-Operating Revenues:</u>			
Interest Earned	<u>3,435</u>	<u>29</u>	<u>3,464</u>
Change in Net Position	3,435	63,699	67,134
Net Position, Beginning	<u>468,704</u>	<u>225,011</u>	<u>693,715</u>
Net Position, Ending	<u>\$ 472,139</u>	<u>\$ 288,710</u>	<u>\$ 760,849</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers	\$ -	\$ 335,516	\$ 335,516
Payments to Suppliers	-	(275,216)	(275,216)
Net Cash Provided (Used) by Operating Activities	<u>-</u>	<u>60,300</u>	<u>60,300</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) Decrease in Advance to Other Funds	18,824	-	18,824
Interest Earned	3,435	29	3,464
Net Cash Provided (Used) by Investing Activities	<u>22,259</u>	<u>29</u>	<u>22,288</u>
Net Increase (Decrease) in Cash and Cash Equivalents	22,259	60,329	82,588
Cash and Cash Equivalents, Beginning	<u>137,341</u>	<u>141,769</u>	<u>279,110</u>
Cash and Cash Equivalents, Ending	<u>\$ 159,600</u>	<u>\$ 202,098</u>	<u>\$ 361,698</u>
<u>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$ -	\$ 63,670	\$ 63,670
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	-	4,628	4,628
(Increase) Decrease in Receivables	-	(7,575)	(7,575)
Increase (Decrease) in Accounts Payable	-	(423)	(423)
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ 60,300</u>	<u>\$ 60,300</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Fiduciary Funds
June 30, 2022

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

CITY OF THE VILLAGE OF CLARKSTON
Statement of Changes in Net Position
Fiduciary Funds
June 30, 2022

		<u>Custodial Fund</u>
Additions:		
Taxes Collected for Other Governments	\$	2,137,459
Deductions:		
Payments of Taxes to Other Governments		<u>2,137,459</u>
Change in Net Position		-
Net Position - Beginning of year		<u>-</u>
Net Position - End of year	\$	<u><u>-</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Governmental Funds

The City reports the following major governmental funds:

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

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

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

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

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

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Proprietary Funds

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

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

Fiduciary Funds

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as needed.

Estimates

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position

1. Deposits and Investments

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

2. Receivables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of allowance for uncollectible accounts, which are recorded at \$-0- at June 30, 2022.

3. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of capitalized value of the assets constructed. Property, plant and equipment of the City is depreciated using the straight line method over the following estimated useful lives:

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Assets, Liabilities and Net Position – Continued

4. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

5. Fund Equity

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

Nonspendable – Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

Restricted – Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.

Committed – Amounts that have been formally set aside by the City Council for use for a specific purpose. Commitments are made and can be rescinded only via resolution of the City Council.

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

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

B. Compliance with P.A. 621 of 1978

1. Deficit Fund Balance

None of the funds have a deficit fund balance as of June 30, 2022.

2. Excess of Expenditures Over Appropriations in Budgetary Funds

The budgets for the General and Special Revenue Funds are adopted at the activity level. The City expended in excess of budget appropriations during fiscal year 2022 in the General Fund streets \$3,231, street lighting \$2,858, and interest expense \$2,814.

C. Public Act 245 of 1999 Compliance

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

The cumulative amounts as of June 30, 2022 are as follows:

Cumulative Balance at June 30, 2021	\$ (6,909)
Fees Collected in Fiscal Year 2022	22,155
Expenditures in Fiscal Year 2022	<u>(26,360)</u>
Cumulative Balance at June 30, 2022	<u>\$ (11,114)</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be recovered. Neither State law nor the City's investment policy requires consideration of custodial credit risk. As of June 30, 2022, the City's book balance of its deposits was \$858,871, and the bank balance was \$828,382 of which \$412,495 was uninsured and uncollateralized. The City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

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

Cash and Cash Equivalents per:	
Statement of Net Position	\$ 857,371
Statement of Fiduciary Assets and Liabilities	<u>1,500</u>
Total	<u>\$ 858,871</u>

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

<u>Deposits and Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (yrs)</u>
Savings and Checking Accounts	\$ 550,685	Demand
Government Investment Pool	<u>277,697</u>	1.45
	<u>\$ 828,382</u>	

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

<u>Investments</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Government Investment Pool	\$277,697	N/A	N/A

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

Investments in Entities that Calculate Net Asset Value per Share. As of the fiscal year ended June 30, 2022, the City holds shares or interests in investment pools where the fair value of the investments are measured on a recurring basis using net asset value per share of the investment pools as follows:

<u>Investments</u>	<u>Fair Value</u>
Government Investment Pool	\$ 277,697

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

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

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

<u>Governmental Activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Capital Assets, being depreciated:				
Building and Improvements	\$ 480,087	\$ -	\$ -	\$ 480,087
Land Improvements	220,648	-	-	220,648
Machinery and Equipment	617,627	-	-	617,627
Furniture and Fixtures	12,317	-	-	12,317
Infrastructure-Roads	1,676,232	-	-	1,676,232
Infrastructure-Water System	4,278,140	-	-	4,278,140
	<u>7,285,051</u>	<u>-</u>	<u>-</u>	<u>7,285,051</u>
Less: Accumulated Depreciation:				
Building and Improvements	(99,031)	(14,192)	-	(113,223)
Land Improvements	(120,758)	(7,688)	-	(128,446)
Machinery and Equipment	(460,254)	(49,283)	-	(509,537)
Furniture and Fixtures	(12,317)	-	-	(12,317)
Infrastructure-Roads	(1,332,220)	(83,812)	-	(1,416,032)
Infrastructure-Water System	(2,388,628)	(142,605)	-	(2,531,233)
	<u>(4,413,208)</u>	<u>(297,580)</u>	<u>-</u>	<u>(4,710,788)</u>
Governmental Activities				
Capital Assets, net	<u>\$ 2,871,843</u>	<u>\$ (297,580)</u>	<u>\$ -</u>	<u>\$ 2,574,263</u>

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

General Government	\$ 17,135
Public Works	270,222
Recreation and Cultural	10,223
	<u>\$ 297,580</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets – Continued

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, being depreciated:				
Sewer System	\$ 1,289,975	\$ -	\$ -	\$ 1,289,975
Less: Accumulated Depreciation	<u>(1,173,868)</u>	<u>(4,628)</u>	<u>-</u>	<u>(1,178,496)</u>
Business-type Activities				
Capital Assets, net	\$ <u>116,107</u>	\$ <u>(4,628)</u>	\$ <u>-</u>	\$ <u>111,479</u>

C. Interfund Receivables, Payables and Transfers

The composition of interfund receivables and payables as of June 30, 2022, are as follows:

<u>Advance Receivable</u>	<u>Advance Payable</u>	<u>Amount</u>
Water Fund	General Fund	\$ <u>262,539</u>

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

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Projects Fund	General Fund	\$ 45,314
2012 Bond Debt Fund	General Fund	<u>1,069</u>
		\$ <u>46,383</u>

Transfers represent the following:

General Fund transferred to Capital Projects Fund to fund City projects.

General Fund transferred to the Debt Fund for balance of annual debt service payments.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS – Continued

D. Long-Term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2022:

	Balance July 1, 2021	Add: Additional Debt Incurred	Less: Retirements and Payments on Debt	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
GO Bonds 2007	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -
GO Bonds 2012	478,000	-	156,000	322,000	158,000
Total Bonds Payable	<u>553,000</u>	<u>-</u>	<u>231,000</u>	<u>322,000</u>	<u>158,000</u>
Less: Bond Amortization	<u>(26,249)</u>	<u>-</u>	<u>(13,879)</u>	<u>(12,370)</u>	<u>-</u>
Total	<u>\$ 526,751</u>	<u>\$ -</u>	<u>\$ 217,121</u>	<u>\$ 309,630</u>	<u>\$ 158,000</u>

The following is a summary of general obligation debt outstanding of the City as of June 30, 2022:

	Number of Issues	Interest Rate	Maturing Through	Principal Outstanding
Governmental Activities:				
General Obligation Bonds	1	2.33-4.50%	2024	<u>\$ 322,000</u>

The annual debt service requirements to maturity for general obligation debt outstanding as of June 30, 2022 are as follows:

Year Ended	Governmental Activities	
	Principal	Interest
2023	\$ 158,000	\$ 5,662
2024	164,000	1,910
	<u>\$ 322,000</u>	<u>\$ 7,572</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS – Continued

E. Property Taxes

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

The City is permitted by Charter to levy taxes up to \$15 per \$1,000 of taxable valuation for general governmental services. The following is a summary of the tax rates levied on the 2021 tax roll:

<u>Purpose</u>	<u>Authorization</u>	<u>Authorized Rate</u>	<u>Rate Levied</u>
Operating	Charter	15.00	11.4231
Debt	Voted	-	4.9766

IV. OTHER INFORMATION

Risk Management

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

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF THE VILLAGE OF CLARKSTON
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

Revenues:	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Property Taxes	\$ 554,000	\$ 554,000	\$ 553,295	\$ (705)
Penalties and Interest	1,120	1,120	761	(359)
Building Permits	28,593	28,593	22,155	(6,438)
Intergovernmental - Federal/CDBG	10,000	10,000	-	(10,000)
Intergovernmental - State	88,332	88,332	114,822	26,490
Charges for Services	30,344	30,344	26,105	(4,239)
Fines and Forfeitures	4,500	4,500	3,360	(1,140)
Franchise Fees	19,584	19,584	19,361	(223)
Interest Earnings	1,577	1,577	621	(956)
Other Revenues	4,555	4,555	11,910	7,355
Total Revenues	742,605	742,605	752,390	9,785
Expenditures:				
General Government:				
City Council	12,158	12,158	12,169	(11)
Clerk	32,425	32,425	32,802	(377)
Treasurer	30,100	30,100	29,524	576
Board of Review	50	50	10	40
Assessing	8,000	8,000	7,979	21
Elections	2,723	3,923	4,737	(814)
Administrative	86,950	85,750	79,412	6,338
Building and Grounds	91,401	90,915	67,461	23,454
Professional Services	40,800	40,800	34,497	6,303
	304,607	304,121	268,591	35,530
Public Safety:				
Police	133,749	133,749	133,350	399
Fire Protection	158,439	158,439	159,560	(1,121)
Code Enforcement	7,000	7,000	4,611	2,389
Building Inspections	29,000	29,000	25,060	3,940
	328,188	328,188	322,581	5,607
Public Works:				
Public Works	36,637	36,637	34,700	1,937
Highways & Streets	21,725	21,725	24,956	(3,231)
Street Lighting	12,200	12,200	15,058	(2,858)
	70,562	70,562	74,714	(4,152)
Community Development:				
Planning	25,000	24,914	18,095	6,819
Recreation and Cultural:				
Historic District	2,500	2,586	2,586	-
Other:				
Watershed	825	825	825	-
Insurance and Bonds	10,445	10,931	10,891	40
Fringe Benefits	14,880	14,880	10,474	4,406
	26,150	26,636	22,190	4,446
Debt Service	-	-	2,814	(2,814)
Total Expenditures	757,007	757,007	711,571	45,436
Excess (Deficiency) of Revenues Over Expenditures	(14,402)	(14,402)	40,819	55,221
Other Financing Sources (Uses):				
Transfers Out	(56,305)	(56,305)	(46,383)	9,922
Total Other Financing Sources (Uses)	(56,305)	(56,305)	(46,383)	9,922
Net Change in Fund Balance	(70,707)	(70,707)	(5,564)	65,143
Fund Balance - July 1	201,274	201,274	201,274	-
Fund Balance - June 30	\$ 130,567	\$ 130,567	\$ 195,710	\$ 65,143

OTHER SUPPLEMENTARY INFORMATION

CITY OF THE VILLAGE OF CLARKSTON
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	<u>Special Revenue</u>	<u>2007 GO Refunding Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>ASSETS</u>				
Cash	\$ 167,087	\$ -	\$ 32,883	\$ 199,970
Due from State	<u>16,861</u>	<u>-</u>	<u>-</u>	<u>16,861</u>
Total Assets	<u>\$ 183,948</u>	<u>\$ -</u>	<u>\$ 32,883</u>	<u>\$ 216,831</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 32,883	\$ 32,883
Total Liabilities	<u>-</u>	<u>-</u>	<u>32,883</u>	<u>32,883</u>
Fund Balance:				
Restricted for Streets	166,182	-	-	166,182
Restricted for Mill Pond Lake Improvements	<u>17,766</u>	<u>-</u>	<u>-</u>	<u>17,766</u>
Total Fund Balance	<u>183,948</u>	<u>-</u>	<u>-</u>	<u>183,948</u>
Total Liabilities and Fund Balance	<u>\$ 183,948</u>	<u>\$ -</u>	<u>\$ 32,883</u>	<u>\$ 216,831</u>

CITY OF THE VILLAGE OF CLARKSTON
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	<u>Special Revenue</u>	<u>2007 GO Refunding Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Revenues:</u>				
Property Tax Revenue	\$ -	\$ 76,687	\$ -	\$ 76,687
State-Shared Revenue	108,258	-	-	108,258
Charges for Services	73,024	-	-	73,024
Special Assessments	4,689	-	-	4,689
Interest Earned	15	-	-	15
Total Revenues	<u>185,986</u>	<u>76,687</u>	<u>-</u>	<u>262,673</u>
<u>Expenditures:</u>				
Highways, Streets, Sidewalks and Other Maintenance	95,987	-	-	95,987
Debt Service:				
Principal	-	75,000	-	75,000
Interest and Other Charges	-	1,687	-	1,687
Capital Outlay	-	-	45,314	45,314
Total Expenditures	<u>95,987</u>	<u>76,687</u>	<u>45,314</u>	<u>217,988</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>89,999</u>	<u>-</u>	<u>(45,314)</u>	<u>44,685</u>
Other Financing Sources (Uses):				
Transfers In	-	-	45,314	45,314
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>45,314</u>	<u>45,314</u>
Change in Fund Balance	89,999	-	-	89,999
Fund Balance - July 1	<u>93,949</u>	<u>-</u>	<u>-</u>	<u>93,949</u>
Fund Balance - June 30	<u>\$ 183,948</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,948</u>

CITY OF THE VILLAGE OF CLARKSTON
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022

	Major Street	Local Street	Parking Fund	Mill Pond Lake Improvement Board	Total
<u>ASSETS</u>					
Cash	\$ 78,610	\$ 15,788	\$ 54,923	\$ 17,766	\$ 167,087
Due from State	12,516	4,345	-	-	16,861
	\$ 91,126	\$ 20,133	\$ 54,923	\$ 17,766	\$ 183,948
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
Fund Balance:					
Restricted for Streets	91,126	20,133	54,923	-	166,182
Restricted for Mill Pond Lake Improv.	-	-	-	17,766	17,766
Total Fund Balance	91,126	20,133	54,923	17,766	183,948
Total Liabilities and Fund Balance	\$ 91,126	\$ 20,133	\$ 54,923	\$ 17,766	\$ 183,948

CITY OF THE VILLAGE OF CLARKSTON
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022

	<u>Major Streets</u>	<u>Local Streets</u>	<u>Parking Fund</u>	<u>Mill Pond Lake Improvement Board</u>	<u>Total</u>
<u>Revenues:</u>					
State-Shared Revenue	\$ 80,346	\$ 27,912	\$ -	\$ -	\$ 108,258
Charges for Services	-	-	73,024	-	73,024
Special Assessments	-	-	-	4,689	4,689
Interest Earned	5	2	-	8	15
Total Revenues	<u>80,351</u>	<u>27,914</u>	<u>73,024</u>	<u>4,697</u>	<u>185,986</u>
<u>Expenditures:</u>					
Highways, Streets, Sidewalks and Other Maintenance	<u>48,448</u>	<u>21,361</u>	<u>22,846</u>	<u>3,332</u>	<u>95,987</u>
Total Expenditures	<u>48,448</u>	<u>21,361</u>	<u>22,846</u>	<u>3,332</u>	<u>95,987</u>
Excess (Deficiency) of Revenues Over Expenditures	31,903	6,553	50,178	1,365	89,999
Fund Balance - July 1	<u>59,223</u>	<u>13,580</u>	<u>4,745</u>	<u>16,401</u>	<u>93,949</u>
Fund Balance - June 30	<u>\$ 91,126</u>	<u>\$ 20,133</u>	<u>\$ 54,923</u>	<u>\$ 17,766</u>	<u>\$ 183,948</u>