

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

AUDITED FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2023**

CITY OF THE VILLAGE OF CLARKSTON
For the Year Ended June 30, 2023

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For the Year Ended June 30, 2023

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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, 2023, 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, 2023, 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 test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the 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, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 20, 2023

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, 2023:

City of Clarkston - Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 569,608	\$ 536,272	\$ 707,800	\$ 717,110	\$ 1,277,408	\$ 1,253,382
Capital Assets	2,333,684	2,574,263	106,851	111,479	2,440,535	2,685,742
Total Assets	2,903,292	3,110,535	814,651	828,589	3,717,943	3,939,124
Long-term Liabilities						
Outstanding	157,815	309,630	-	-	157,815	309,630
Other Liabilities	120,396	156,614	67,383	67,740	187,779	224,354
Total Liabilities	278,211	466,244	67,383	67,740	345,594	533,984
Net Position:						
Net Investment						
in Capital Assets	2,175,869	2,264,633	106,851	111,479	2,282,720	2,376,112
Restricted	230,028	188,146	-	-	230,028	188,146
Unrestricted	219,184	191,512	640,417	649,370	859,601	840,882
Total Net Position	\$ 2,625,081	\$ 2,644,291	\$ 747,268	\$ 760,849	\$ 3,372,349	\$ 3,405,140

The following table shows the changes of the net position during the year ended June 30, 2023:

City of Clarkston - Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenues:						
Charges for Services	\$ 164,701	\$ 134,680	\$ 258,977	\$ 343,091	\$ 423,678	\$ 477,771
Operating Grants & Contributions	138,454	118,397	-	-	138,454	118,397
Capital Grants & Contributions	12,289	-	-	-	12,289	-
General Revenues:						
Property Taxes	748,637	794,974	-	-	748,637	794,974
State Shared Revenues	110,821	111,246	-	-	110,821	111,246
Franchise Fees	18,682	19,361	-	-	18,682	19,361
Unrestricted Investment Earnings	1,743	636	4,385	3,464	6,128	4,100
Total Revenues	1,195,327	1,179,294	263,362	346,555	1,458,689	1,525,849
Program Expenses:						
General Government	346,871	307,916	-	-	346,871	307,916
Public Safety	338,509	322,581	-	-	338,509	322,581
Public Works	485,533	486,237	-	-	485,533	486,237
Community Development	14,376	18,095	-	-	14,376	18,095
Recreation and Cultural	14,807	12,809	-	-	14,807	12,809
Interest on Long-Term Debt	14,441	27,680	-	-	14,441	27,680
Water	-	-	-	-	-	-
Sewer	-	-	276,943	279,421	276,943	279,421
Total Expenses	1,214,537	1,175,318	276,943	279,421	1,491,480	1,454,739
Change in Net Position	\$ (19,210)	\$ 3,976	\$ (13,581)	\$ 67,134	\$ (32,791)	\$ 71,110

The City had a decrease of \$19,210 in net position in its governmental activities for the fiscal year ended June 30, 2023, compared to an \$3,976 increase for the fiscal year ended June 30, 2022. Property tax revenues decreased \$46,337 or -5.8% over the prior year as the debt millage was decreased in the current year as one debt issue was paid off in the prior year, and the State shared revenues decreased \$425.

Governmental Activities

General Fund revenues exceeded expenditures in fiscal year 2023 by \$27,890, as compared to expenditures exceeded revenues in fiscal year 2022 by \$5,564. Governmental activity revenues for fiscal year 2023 increased by \$16,033 over the prior year. The current year reflects a \$12,547 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 an increase to its fund balance in the amount of \$27,890, which included \$29,455 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 decreased \$1,798 in total with only minor department adjustments.

Capital Assets

During fiscal year 2023, capital asset additions included a new water heater at City hall and a new parking pay station at Depot Park. Annual depreciation expense of \$265,347 has been recorded for fiscal year 2023.

Long-term Debt

At the end of the current fiscal year, the City had total general obligation bond debt outstanding of \$164,000. The City's total bonded debt decreased by \$158,000 during the current fiscal year, as a result of annual debt payments made and no new debt issued.

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, 2023, 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 8% and a slight increase in state shared revenue. These factors were considered in preparing the City's budget for the 2023-2024 fiscal year. The City has adopted a balanced budget for their fiscal year 2023-2024.

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, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 528,624	\$ 385,286	\$ 913,910
Receivables (net of allowance for uncollectibles)			
Accounts	4,978	28,987	33,965
Due from Other Governmental Units	36,006	50,000	86,006
Advance to Other Funds	-	243,527	243,527
Capital Assets (net of accumulated depreciation)	2,333,684	106,851	2,440,535
Total Assets	2,903,292	814,651	3,717,943
<u>LIABILITIES</u>			
Accounts Payable	14,710	67,383	82,093
Accrued Liabilities	8,899	-	8,899
Unavailable Revenue - ARPA	96,787	-	96,787
Noncurrent Liabilities:			
Due within one year	157,815	-	157,815
Due in more than one year	-	-	-
Total Liabilities	278,211	67,383	345,594
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,175,869	106,851	2,282,720
Restricted for:			
Streets	209,675	-	209,675
Mill Pond Lake Improvements	15,937	-	15,937
Other	4,416	-	4,416
Unrestricted	219,184	640,417	859,601
Total Net Position	\$ 2,625,081	\$ 747,268	\$ 3,372,349

CITY OF THE VILLAGE OF CLARKSTON
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 346,871	\$ 30,467	\$ 577	\$ -
Public Safety	338,509	24,071	3,450	-
Public Works	485,533	110,163	117,624	12,289
Community Development	14,376	-	14,000	-
Recreation and Cultural	14,807	-	2,803	-
Interest on Long-Term Debt	14,441	-	-	-
Total Governmental Activities	<u>1,214,537</u>	<u>164,701</u>	<u>138,454</u>	<u>12,289</u>
Business-type Activities:				
Water	-	-	-	-
Sewer	276,943	258,977	-	-
Total Business-type Activities	<u>276,943</u>	<u>258,977</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 1,491,480</u>	<u>\$ 423,678</u>	<u>\$ 138,454</u>	<u>\$ 12,289</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
\$	(315,827)	\$	-	\$ (315,827)
	(310,988)		-	(310,988)
	(245,457)		-	(245,457)
	(376)		-	(376)
	(12,004)		-	(12,004)
	(14,441)		-	(14,441)
	<u>(899,093)</u>		<u>-</u>	<u>(899,093)</u>
	-		-	-
	-		(17,966)	(17,966)
	<u>-</u>		<u>(17,966)</u>	<u>(17,966)</u>
	<u>(899,093)</u>		<u>(17,966)</u>	<u>(917,059)</u>
	748,637		-	748,637
	110,821		-	110,821
	1,743		4,385	6,128
	18,682		-	18,682
	<u>879,883</u>		<u>4,385</u>	<u>884,268</u>
	(19,210)		(13,581)	(32,791)
	<u>2,644,291</u>		<u>760,849</u>	<u>3,405,140</u>
\$	<u>2,625,081</u>	\$	<u>747,268</u>	\$ <u>3,372,349</u>

CITY OF THE VILLAGE OF CLARKSTON

Balance Sheet

Governmental Funds

June 30, 2023

	<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	\$ 317,003	\$ -	\$ 211,621	\$ 528,624
Receivables (net of allowance for uncollectibles)				
Accounts	4,978	-	-	4,978
Due from State	<u>16,808</u>	<u>-</u>	<u>19,198</u>	<u>36,006</u>
Total Assets	\$ <u><u>338,789</u></u>	\$ <u><u>-</u></u>	\$ <u><u>230,819</u></u>	\$ <u><u>569,608</u></u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts Payable	\$ 9,503	\$ -	\$ 5,207	\$ 14,710
Accrued and Other Liabilities	8,899	-	-	8,899
Unavailable Revenue - ARPA	<u>96,787</u>	<u>-</u>	<u>-</u>	<u>96,787</u>
Total Liabilities	<u>115,189</u>	<u>-</u>	<u>5,207</u>	<u>120,396</u>
Fund Balances:				
Restricted for:				
Streets	-	-	209,675	209,675
Mill Pond Lake Improvements	-	-	15,937	15,937
Sign Maintenance	3,796	-	-	3,796
Other	620	-	-	620
Assigned for Subsequent Years				
Expenditures	159,432	-	-	159,432
Unassigned	<u>59,752</u>	<u>-</u>	<u>-</u>	<u>59,752</u>
Total Fund Balance	<u>223,600</u>	<u>-</u>	<u>225,612</u>	<u>449,212</u>
Total Liabilities and Fund Balance	\$ <u><u>338,789</u></u>	\$ <u><u>-</u></u>	\$ <u><u>230,819</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.	2,333,684
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(157,815)</u>
Net Position of Governmental Activities	\$ <u><u>2,625,081</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

	General	2012 GO Refunding Bond Debt	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$ 585,673	\$ 162,964	\$ -	\$ 748,637
Licenses and Permits	16,599	-	-	16,599
Intergovernmental:				
Federal, State and Local	140,560	-	113,169	253,729
Charges for Services	30,188	-	85,571	115,759
Fines and Forfeitures	7,472	-	-	7,472
Franchise Fees	18,682	-	-	18,682
Special Assessments	-	-	4,689	4,689
Interest	1,729	-	14	1,743
Other	28,017	-	-	28,017
Total Revenues	828,920	162,964	203,443	1,195,327
<u>Expenditures</u>				
Current:				
General Government	330,784	-	-	330,784
Public Safety	338,509	-	-	338,509
Public Works	79,882	-	161,779	241,661
Community Development	14,376	-	-	14,376
Recreation and Cultural	4,732	-	-	4,732
Debt Service:				
Principal	-	158,000	-	158,000
Interest and Other Charges	2,625	5,631	-	8,256
Capital Outlay	-	-	29,455	29,455
Total Expenditures	770,908	163,631	191,234	1,125,773
Excess (Deficiency) of Revenues Over Expenditures	58,012	(667)	12,209	69,554
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	667	71,455	72,122
Transfers Out	(30,122)	-	(42,000)	(72,122)
Total Other Financing Sources(Uses)	(30,122)	667	29,455	-
Net Change in Fund Balance	27,890	-	41,664	69,554
Fund Balance - Beginning	195,710	-	183,948	379,658
Fund Balance - Ending	\$ 223,600	\$ -	\$ 225,612	\$ 449,212

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, 2023

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

Net change in fund balance - total governmental funds	\$	69,554
<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		24,768
Depreciation Expense		(265,347)
<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		158,000
Bond Issuance Cost Amortization		<u>(6,185)</u>
Change in net position in governmental activities	\$	<u><u>(19,210)</u></u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Proprietary Funds
June 30, 2023

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 182,966	\$ 202,320	\$ 385,286
Accounts Receivable	-	28,987	28,987
Due from Other Governmental Units	50,000	-	50,000
Total Current Assets	232,966	231,307	464,273
Noncurrent Assets:			
Advance to Other Funds	243,527	-	243,527
Capital Assets	-	1,289,975	1,289,975
Less: Accumulated Depreciation	-	(1,183,124)	(1,183,124)
Net Capital Assets	-	106,851	106,851
Total Assets	476,493	338,158	814,651
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	-	67,383	67,383
<u>NET POSITION</u>			
Net Investment in Capital Assets	-	106,851	106,851
Unrestricted	476,493	163,924	640,417
Total Net Position	\$ 476,493	\$ 270,775	\$ 747,268

CITY OF THE VILLAGE OF CLARKSTON
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2023

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<u>Operating Revenues:</u>			
Sewer Usage Charges	\$ -	\$ 255,913	\$ 255,913
Penalty Charges	-	3,064	3,064
Total Operating Revenues	<u>-</u>	<u>258,977</u>	<u>258,977</u>
<u>Operating Expenses:</u>			
Contractual Services	-	270,972	270,972
Postage and Supplies	-	1,343	1,343
Depreciation	-	4,628	4,628
Total Operating Expenses	<u>-</u>	<u>276,943</u>	<u>276,943</u>
Operating Income (Loss)	-	(17,966)	(17,966)
<u>Non-Operating Revenues:</u>			
Interest Earned	<u>4,354</u>	<u>31</u>	<u>4,385</u>
Change in Net Position	4,354	(17,935)	(13,581)
Net Position, Beginning	<u>472,139</u>	<u>288,710</u>	<u>760,849</u>
Net Position, Ending	<u>\$ 476,493</u>	<u>\$ 270,775</u>	<u>\$ 747,268</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2023

	Enterprise Funds		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers	\$ -	\$ 272,863	\$ 272,863
Payments to Suppliers	-	(272,672)	(272,672)
Net Cash Provided (Used) by Operating Activities	<u>-</u>	<u>191</u>	<u>191</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) Decrease in Advance to Other Funds	19,012	-	19,012
Interest Earned	4,354	31	4,385
Net Cash Provided (Used) by Investing Activities	<u>23,366</u>	<u>31</u>	<u>23,397</u>
Net Increase (Decrease) in Cash and Cash Equivalents	23,366	222	23,588
Cash and Cash Equivalents, Beginning	<u>159,600</u>	<u>202,098</u>	<u>361,698</u>
Cash and Cash Equivalents, Ending	<u>\$ 182,966</u>	<u>\$ 202,320</u>	<u>\$ 385,286</u>
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$ -	\$ (17,966)	\$ (17,966)
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	-	4,628	4,628
(Increase) Decrease in Receivables	-	13,886	13,886
Increase (Decrease) in Accounts Payable	-	(357)	(357)
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ 191</u>

CITY OF THE VILLAGE OF CLARKSTON
Statement of Net Position
Fiduciary Funds
June 30, 2023

	<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, 2023

	<u>Custodial Fund</u>
Additions:	
Taxes Collected for Other Governments	\$ 1,493,184
Deductions:	
Payments of Taxes to Other Governments	<u>1,493,184</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, 2023

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, 2023

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, 2023

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, 2023

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.

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, 2023

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, 2023

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, 2023.

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 2023 in the General Fund administrative \$2,648, building and grounds \$4,757, and special events expense \$2,586.

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, 2023 are as follows:

Cumulative Balance at June 30, 2022	\$ (11,114)
Fees Collected in Fiscal Year 2023	16,599
Expenditures in Fiscal Year 2023	<u>(25,293)</u>
Cumulative Balance at June 30, 2023	<u>\$ (19,808)</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2023

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, 2023, the City's book balance of its deposits was \$915,410, and the bank balance was \$939,238 of which \$465,225 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	\$ 913,910
Statement of Fiduciary Assets and Liabilities	<u>1,500</u>
Total	<u>\$ 915,410</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	\$ 636,446	Demand
Government Investment Pool	<u>302,792</u>	1.18
	<u>\$ 939,238</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	\$302,792	N/A	N/A

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2023

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, 2023, 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	\$ 302,792

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, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets

Capital asset activity for the year ended June 30, 2023 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	\$ 3,490	\$ -	\$ 483,577
Land Improvements	220,648	21,278	-	241,926
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>24,768</u>	<u>(12,317)</u>	<u>7,297,502</u>
Less: Accumulated Depreciation:				
Building and Improvements	(113,223)	(14,343)	-	(127,566)
Land Improvements	(128,446)	(8,346)	-	(136,792)
Machinery and Equipment	(509,537)	(16,241)	-	(525,778)
Furniture and Fixtures	(12,317)	-	12,317	-
Infrastructure-Roads	(1,416,032)	(83,812)	-	(1,499,844)
Infrastructure-Water System	(2,531,233)	(142,605)	-	(2,673,838)
	<u>(4,710,788)</u>	<u>(265,347)</u>	<u>12,317</u>	<u>(4,963,818)</u>
Governmental Activities Capital Assets, net	<u>\$ 2,574,263</u>	<u>\$ (240,579)</u>	<u>\$ -</u>	<u>\$ 2,333,684</u>

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

General Government	\$ 16,087
Public Works	239,185
Recreation and Cultural	10,075
	<u>\$ 265,347</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2023

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>(1,178,496)</u>	<u>(4,628)</u>	<u>-</u>	<u>(1,183,124)</u>
Business-type Activities				
Capital Assets, net	<u>\$ 111,479</u>	<u>\$ (4,628)</u>	<u>\$ -</u>	<u>\$ 106,851</u>

C. Interfund Receivables, Payables and Transfers

The composition of interfund receivables and payables as of June 30, 2023, are as follows:

<u>Advance Receivable</u>	<u>Advance Payable</u>	<u>Amount</u>
Water Fund	General Fund	\$ <u>243,527</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	\$ 29,455
2012 Bond Debt Fund	General Fund	667
Local Street Fund	Major Street Fund	<u>42,000</u>
		<u>\$ 72,122</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.

Major Street Fund transferred to Local Street Fund for future road projects.

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2023

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, 2023:

	Balance July 1, 2022	Add: Additional Debt Incurred	Less: Retirements and Payments on Debt	Balance June 30, 2023	Due Within One Year
Governmental Activities:					
GO Bonds 2012	\$ 322,000	\$ -	\$ 158,000	\$ 164,000	\$ 164,000
Total Bonds Payable	322,000	-	158,000	164,000	164,000
Less: Bond Amortization	(12,370)	-	(6,185)	(6,185)	-
Total	<u>\$ 309,630</u>	<u>\$ -</u>	<u>\$ 151,815</u>	<u>\$ 157,815</u>	<u>\$ 164,000</u>

The following is a summary of general obligation debt outstanding of the City as of June 30, 2023:

	Number of Issues	Interest Rate	Maturing Through	Principal Outstanding
Governmental Activities:				
General Obligation Bonds	1	2.33-4.50%	2024	<u>\$ 164,000</u>

The annual debt service requirements to maturity for general obligation debt outstanding as of June 30, 2023 are as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	<u>\$ 164,000</u>	<u>\$ 1,910</u>

CITY OF THE VILLAGE OF CLARKSTON
Notes to Financial Statements
June 30, 2023

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 2022 tax roll:

<u>Purpose</u>	<u>Authorization</u>	<u>Authorized Rate</u>	<u>Rate Levied</u>
Operating	Charter	15.00	11.1420
Debt	Voted	-	3.1427

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 575,000	\$ 575,000	\$ 585,512	\$ 10,512
Penalties and Interest	500	500	161	(339)
Building Permits	28,000	28,000	16,599	(11,401)
Intergovernmental - Federal/CDBG	8,000	8,000	14,000	6,000
Intergovernmental - State	92,281	92,281	114,271	21,990
Intergovernmental - County Grants	-	-	12,289	12,289
Charges for Services	30,000	30,000	30,188	188
Fines and Forfeitures	4,209	4,209	7,472	3,263
Franchise Fees	19,013	19,013	18,682	(331)
Interest Earnings	500	500	1,729	1,229
Other Revenues	6,225	6,225	28,017	21,792
Total Revenues	<u>763,728</u>	<u>763,728</u>	<u>828,920</u>	<u>65,192</u>
Expenditures:				
General Government:				
City Council	13,950	13,516	14,109	(593)
Clerk	49,587	47,816	44,880	2,936
Treasurer	32,991	32,253	33,280	(1,027)
Assessing	8,000	8,092	8,092	-
Elections	3,750	4,184	4,184	-
Administrative	103,067	103,686	106,334	(2,648)
Building and Grounds	74,222	74,222	78,979	(4,757)
Professional Services	40,800	40,800	40,926	(126)
	<u>326,367</u>	<u>324,569</u>	<u>330,784</u>	<u>(6,215)</u>
Public Safety:				
Police	140,436	139,801	139,801	-
Fire Protection	166,361	169,461	169,461	-
Code Enforcement	7,000	7,000	3,954	3,046
Building Inspections	28,000	25,000	25,293	(293)
	<u>341,797</u>	<u>341,262</u>	<u>338,509</u>	<u>2,753</u>
Public Works:				
Public Works	36,298	37,651	38,544	(893)
Highways & Streets	20,950	23,950	24,043	(93)
Street Lighting	13,630	16,830	16,945	(115)
Watershed	850	850	350	500
	<u>71,728</u>	<u>79,281</u>	<u>79,882</u>	<u>(601)</u>
Community Development:				
Planning	22,000	16,335	14,376	1,959
Recreation and Cultural:				
Historic District	3,500	2,147	2,146	1
Christmas Market	-	-	2,586	(2,586)
	<u>3,500</u>	<u>2,147</u>	<u>4,732</u>	<u>(2,585)</u>
Debt Service	3,000	3,000	2,625	375
Total Expenditures	<u>768,392</u>	<u>766,594</u>	<u>770,908</u>	<u>(4,314)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,664)</u>	<u>(2,866)</u>	<u>58,012</u>	<u>60,878</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(111,336)</u>	<u>(111,336)</u>	<u>(30,122)</u>	<u>81,214</u>
Net Change in Fund Balance	(116,000)	(114,202)	27,890	142,092
Fund Balance - July 1	<u>195,710</u>	<u>195,710</u>	<u>195,710</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 79,710</u>	<u>\$ 81,508</u>	<u>\$ 223,600</u>	<u>\$ 142,092</u>

OTHER SUPPLEMENTAL INFORMATION

CITY OF THE VILLAGE OF CLARKSTON
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 206,851	\$ 4,770	\$ 211,621
Due from State	<u>19,198</u>	<u>-</u>	<u>19,198</u>
Total Assets	<u>\$ 226,049</u>	<u>\$ 4,770</u>	<u>\$ 230,819</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ <u>437</u>	\$ <u>4,770</u>	\$ <u>5,207</u>
Total Liabilities	<u>437</u>	<u>4,770</u>	<u>5,207</u>
Fund Balance:			
Restricted for Streets	209,675	-	209,675
Restricted for Mill Pond Lake Improvements	<u>15,937</u>	<u>-</u>	<u>15,937</u>
Total Fund Balance	<u>225,612</u>	<u>-</u>	<u>225,612</u>
Total Liabilities and Fund Balance	<u>\$ 226,049</u>	<u>\$ 4,770</u>	<u>\$ 230,819</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, 2023

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Revenues:</u>			
State-Shared Revenue	\$ 113,169	\$ -	\$ 113,169
Charges for Services	85,571	-	85,571
Special Assessments	4,689	-	4,689
Interest Earned	14	-	14
Total Revenues	<u>203,443</u>	<u>-</u>	<u>203,443</u>
<u>Expenditures:</u>			
Highways, Streets, Sidewalks and Other Maintenance	161,779	-	161,779
Capital Outlay	-	29,455	29,455
Total Expenditures	<u>161,779</u>	<u>29,455</u>	<u>191,234</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>41,664</u>	<u>(29,455)</u>	<u>12,209</u>
Other Financing Sources (Uses):			
Transfers In	42,000	29,455	71,455
Transfers Out	<u>(42,000)</u>	<u>-</u>	<u>(42,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>29,455</u>	<u>29,455</u>
Change in Fund Balance	41,664	-	41,664
Fund Balance - July 1	<u>183,948</u>	<u>-</u>	<u>183,948</u>
Fund Balance - June 30	<u>\$ 225,612</u>	<u>\$ -</u>	<u>\$ 225,612</u>

CITY OF THE VILLAGE OF CLARKSTON
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	<u>Major Street</u>	<u>Local Street</u>	<u>Parking Fund</u>	<u>Mill Pond Lake Improvement Board</u>	<u>Total</u>
<u>ASSETS</u>					
Cash	\$ 64,065	\$ 60,707	\$ 66,142	\$ 15,937	\$ 206,851
Due from State	14,248	4,950	-	-	19,198
	<u>\$ 78,313</u>	<u>\$ 65,657</u>	<u>\$ 66,142</u>	<u>\$ 15,937</u>	<u>\$ 226,049</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 437	\$ -	\$ 437
Total Liabilities	<u>-</u>	<u>-</u>	<u>437</u>	<u>-</u>	<u>437</u>
Fund Balance:					
Restricted for Streets	78,313	65,657	65,705	-	209,675
Restricted for Mill Pond Lake Improv.	-	-	-	15,937	15,937
Total Fund Balance	<u>78,313</u>	<u>65,657</u>	<u>65,705</u>	<u>15,937</u>	<u>225,612</u>
Total Liabilities and Fund Balance	<u>\$ 78,313</u>	<u>\$ 65,657</u>	<u>\$ 66,142</u>	<u>\$ 15,937</u>	<u>\$ 226,049</u>

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, 2023

	<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	\$ 84,001	\$ 29,168	\$ -	\$ -	\$ 113,169
Charges for Services	-	-	85,571	-	85,571
Special Assessments	-	-	-	4,689	4,689
Interest Earned	5	1	-	8	14
Total Revenues	<u>84,006</u>	<u>29,169</u>	<u>85,571</u>	<u>4,697</u>	<u>203,443</u>
<u>Expenditures:</u>					
Highways, Streets, Sidewalks and Other Maintenance	<u>54,819</u>	<u>25,645</u>	<u>74,789</u>	<u>6,526</u>	<u>161,779</u>
Total Expenditures	<u>54,819</u>	<u>25,645</u>	<u>74,789</u>	<u>6,526</u>	<u>161,779</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>29,187</u>	<u>3,524</u>	<u>10,782</u>	<u>(1,829)</u>	<u>41,664</u>
Other Financing Sources (Uses):					
Transfers In	-	42,000	-	-	42,000
Transfers Out	<u>(42,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,000)</u>
Total Other Financing Sources (Uses)	<u>(42,000)</u>	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(12,813)	45,524	10,782	(1,829)	41,664
Fund Balance - July 1	<u>91,126</u>	<u>20,133</u>	<u>54,923</u>	<u>17,766</u>	<u>183,948</u>
Fund Balance - June 30	<u>\$ 78,313</u>	<u>\$ 65,657</u>	<u>\$ 65,705</u>	<u>\$ 15,937</u>	<u>\$ 225,612</u>