

**Charter Township of Raisin
Lenawee County, Michigan
Financial Statements
Year Ended December 31, 2018**

With Independent Auditor's Report



Charter Township of Raisin
Independent Auditor's Report
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Independent Auditor's Report

To the Board of Trustees
Charter Township of Raisin
Lenawee County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Raisin, Lenawee County, Michigan, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Your partner in financial statement auditing and all things accounting.

Phone: 517.945.3312 - Meredith@MeredithFrancis.com

To the Board of Trustees
Charter Township of Raisin
Lenawee County, Michigan

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Raisin, Lenawee County, Michigan, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–9 and 30-31, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Raisin's basic financial statements. The schedule of changes in assets and liabilities for the agency funds is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The schedule of changes in assets and liabilities for the agency funds is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of changes in assets and liabilities for the agency funds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Trustees
Charter Township of Raisin
Lenawee County, Michigan

Other Information (Concluded)

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Charter Township of Raisin's basic financial statements for the year ended December 31, 2017, dated April 3, 2018, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Raisin's basic financial statements as a whole. The comparative totals for the year ended December 31, 2017, are presented for additional analysis and are 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 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative totals are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Meredith Francis, CPA, P.C.

Adrian, Michigan
April 23, 2019

Charter Township of Raisin

Management's Discussion and Analysis

For the year ended December 31, 2018

As management of the Charter Township of Raisin (Township), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here.

Financial Highlights

- The assets of the Township exceeded its liabilities at the close of the most recent fiscal year \$3,553,255 (*net position*). Of this amount, \$2,438,658 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased \$411,310.
- As of the close of the current year, the Township's governmental funds reported combined ending fund balances of \$2,281,743, an increase of \$101,608 in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the general fund was \$2,267,667, or 131.55 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on the Township's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Township include general government, public safety, highways and streets, sanitation, and culture and recreation. The business-type activities of the Township include the Building Department Fund.

The government-wide financial statements can be found on pages 10 – 11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-

Charter Township of Raisin

Management's Discussion and Analysis

For the year ended December 31, 2018

related legal requirements. All of the funds of the Township can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Road Fund, which are considered to be major funds, and the Capital Projects Fund, which is considered to be a nonmajor fund.

The Township adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with budget.

The basic governmental fund financial statements can be found on pages 12 – 14 of this report.

Proprietary funds. The Township maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Township uses an enterprise fund to account for its Building Department Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Building Department Fund, which is considered to be a major fund of the Township.

The basic proprietary fund financial statements can be found on pages 15 – 17 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on page 19 – 28 of this report.

Charter Township of Raisin

Management's Discussion and Analysis

For the year ended December 31, 2018

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets exceeded liabilities by \$3,553,255 at the close of the most recent fiscal year.

A portion of the Township's net position (31.37 percent) reflects its investment in capital assets (e.g., land, buildings, equipment), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Charter Township of Raisin's Net Position

	Governmental Activities	Business-Type Activities	Totals 2018	Totals 2017
Current assets	\$ 2,875,255	\$ 161,213	\$3,036,468	\$ 3,039,610
Capital assets	1,114,597	-	1,114,597	1,220,874
	<u>3,989,852</u>	<u>161,213</u>	<u>4,151,065</u>	<u>4,260,484</u>
Total assets				
Liabilities:				
Total liabilities	51,013	4,298	55,311	394,716
Deferred inflows of resources	542,499	-	542,499	723,823
Net position:				
Invested in capital assets, net of related debt	1,114,597	-	1,114,597	863,469
Restricted for capital projects	-	-	-	60,401
Unrestricted	2,281,743	156,915	2,438,658	2,218,075
Total net position	<u>\$ 3,396,340</u>	<u>\$ 156,915</u>	<u>\$3,553,255</u>	<u>\$ 3,141,945</u>

The remaining balance of *unrestricted net position* (\$2,438,658) may be used to meet the government's ongoing obligations to citizens and creditors.

Charter Township of Raisin
Management's Discussion and Analysis
For the year ended December 31, 2018

Charter Township of Raisin's Change in Net Position

	Governmental Activities	Business-Type Activities	Totals	
			2018	2017
Program revenues				
Charges for services	\$ 371,100	\$ 162,338	\$ 533,438	531,353
Total program revenues	371,100	162,338	533,438	531,353
General revenues				
Taxes and penalties	898,233	-	898,233	885,486
State revenue sharing	819,488	-	819,488	795,851
Interest and rentals	39,788	-	39,788	31,162
Other revenue	74,755	-	74,755	117,644
Total general revenues and transfers	1,832,264	-	1,832,264	1,830,143
Total revenues	<u>2,203,364</u>	<u>162,338</u>	<u>2,365,702</u>	<u>2,361,496</u>
Expenses				
General government	496,285	-	496,285	466,995
Public safety	751,826	-	751,826	722,580
Public works	564,866	-	564,866	495,097
Community and economic development	3,762	-	3,762	4,031
Culture and recreation	17,919	-	17,919	10,176
Interest on long-term debt	15,970	-	15,970	15,381
Building department fund	-	103,764	103,764	109,894
Total expenses	1,850,628	103,764	1,954,392	1,824,154
Change in net position	352,736	58,574	411,310	537,342
Beginning net position	3,043,604	98,341	3,141,945	2,604,603
Ending net position	<u>\$ 3,396,340</u>	<u>\$ 156,915</u>	<u>\$3,553,255</u>	<u>\$ 3,141,945</u>

At the end of the current fiscal year, the Township is able to report positive balances in both categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Charter Township of Raisin
Management's Discussion and Analysis
For the year ended December 31, 2018

Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Township's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of this fiscal year.

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$2,281,743, an increase of \$101,608 in comparison with the prior year.

The General Fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,267,667.

The fund balance of the Township's General Fund increased by \$208,330 during the current fiscal year.

Proprietary fund - The Township's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Building Department Fund at the end of the year was \$156,915. The net position for the year increased by \$58,574.

General Fund and Road Fund Budgetary Highlights

The most significant difference between general fund final budget and actual figures are debt service expenditures. The board made the decision to pay off existing debt in the current year. Public works expenditures were higher than expected mostly due to lower than anticipated costs of road projects.

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounts to \$1,114,597 (net of accumulated depreciation of \$2,21,008). This investment in capital assets includes land, buildings and machinery and equipment, and park facilities.

Charter Township of Raisin
Management's Discussion and Analysis
For the year ended December 31, 2018

Charter Township of Raisin's Capital Assets

	Governmental Activities	Business-type Activities	2018	2017
Land	\$ 296,660	\$ -	\$ 296,660	\$ 296,660
Land improvements	98,459	-	98,459	98,459
Buildings and improvements	1,175,740	-	1,175,740	1,175,740
Fire/ambulance equipment	1,059,858	-	1,059,858	1,059,858
Police equipment	255,960	-	255,960	255,960
Township furniture/fixtures	93,913	-	93,913	93,913
Township equipment	141,007	14,008	155,015	155,015
Less: accumulated depreciation	(2,007,000)	(14,008)	(2,021,008)	(1,914,731)
Total	<u>\$ 1,114,597</u>	<u>\$ -</u>	<u>\$1,114,597</u>	<u>\$ 1,220,874</u>

Additional information on the Township's capital assets can be found in Note 4 on pages 25 – 26.

Next Year's Budgets and Rates

Township officials are developing a long-term capital maintenance plan to prepare for future major capital expenditures in multiple departments.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Charter Township of Raisin, 5525 Occidental Hwy, Tecumseh, Michigan 49286.

Charter Township of Raisin

Statement of Net Position

December 31, 2018

With comparative totals at December 31, 2017

	Primary Government		Totals	
	Governmental Activities	Business-type Activities	2018	2017
Assets				
Current assets				
Cash and cash equivalents	\$ 2,302,982	\$ 154,088	\$ 2,457,070	\$ 2,239,959
Accounts receivable	-	5,729	5,729	-
Due from tax collection	563,321	-	563,321	744,583
Prepaid expenses	8,952	1,396	10,348	55,068
Non-current assets				
Capital assets	3,121,597	14,008	3,135,605	3,135,605
Less: accumulated depreciation	(2,007,000)	(14,008)	(2,021,008)	(1,914,731)
Total assets	<u>\$ 3,989,852</u>	<u>\$ 161,213</u>	<u>\$ 4,151,065</u>	<u>\$ 4,260,484</u>
Liabilities				
Current liabilities				
Accounts payable	4,690	835	5,525	-
Accrued expenses	26,579	3,463	30,042	25,049
Unearned revenues	19,744	-	19,744	12,262
Current portion of leases payable	-	-	-	99,633
Current portion of long term liabilities	-	-	-	25,000
Non-current liabilities				
Non-current portion of leases payable	-	-	-	102,772
Non-current portion of long term liabilities	-	-	-	130,000
Total liabilities	<u>51,013</u>	<u>4,298</u>	<u>55,311</u>	<u>394,716</u>
Deferred inflows of resources	542,499		542,499	723,823
Net position				
Invested in capital assets, net of related debt	1,114,597	-	1,114,597	863,469
Restricted for capital projects	-	-	-	60,401
Unrestricted	2,281,743	156,915	2,438,658	2,218,075
Total net position	<u>\$ 3,396,340</u>	<u>\$ 156,915</u>	<u>\$ 3,553,255</u>	<u>\$ 3,141,945</u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Statement of Activities

Year ended December 31, 2018

With comparative totals for the year ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Totals</u>	
		<u>Charges for Services</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>2018</u>	<u>2017</u>	
Governmental activities							
General government	\$ 496,285	\$ 42,210	\$ (454,075)	\$ -	\$ (454,075)	\$ (418,256)	
Public safety	751,826	-	(751,826)	-	(751,826)	(722,580)	
Public works	564,866	328,890	(235,976)	-	(235,976)	(166,207)	
Community and economic development	3,762	-	(3,762)	-	(3,762)	(4,031)	
Culture and recreation	17,919	-	(17,919)	-	(17,919)	(10,176)	
Interest on long-term debt	15,970	-	(15,970)	-	(15,970)	(15,381)	
Total governmental activities	1,850,628	371,100	(1,479,528)	-	(1,479,528)	(1,336,631)	
Proprietary activities							
Building department fund	103,764	162,338		58,574	58,574	43,830	
Total primary government	<u>1,954,392</u>	<u>533,438</u>	<u>(1,479,528)</u>	<u>58,574</u>	<u>(1,420,954)</u>	<u>(1,292,801)</u>	
General Revenues:							
Taxes and penalties			898,233	-	898,233	885,486	
State revenue sharing			819,488	-	819,488	795,851	
Interest and rentals			39,788	-	39,788	31,162	
Other revenue			74,755	-	74,755	117,644	
Total general revenues			1,832,264	-	1,832,264	1,830,143	
Change in net position			352,736	58,574	411,310	537,342	
Net position - beginning of year			3,043,604	98,341	3,141,945	2,604,603	
Net position - end of year			<u>\$ 3,396,340</u>	<u>\$ 156,915</u>	<u>\$ 3,553,255</u>	<u>\$ 3,141,945</u>	

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Balance Sheet

Governmental Funds

December 31, 2018

With comparative totals at December 31, 2017

	General Fund	Road Fund	Nonmajor Capital Projects Fund	Total Governmental Funds 2018	2017
Assets					
Cash and cash equivalents	\$ 2,269,248	\$ 33,734	\$ -	\$ 2,302,982	\$ 2,144,779
Due from other funds	-	86	-	86	-
Due from tax collection	448,355	114,966	-	563,321	744,583
Prepaid expenses	8,952	-	-	8,952	51,907
Total assets	<u>2,726,555</u>	<u>148,786</u>	<u>-</u>	<u>2,875,341</u>	<u>2,941,269</u>
Liabilities					
Accounts payable	4,690	-	-	4,690	-
Accrued expenses	26,579	-	-	26,579	25,049
Due to other funds	86	-	-	86	-
Unearned revenues	-	19,744	-	19,744	12,262
Total liabilities	<u>31,355</u>	<u>19,744</u>	<u>-</u>	<u>51,099</u>	<u>37,311</u>
Deferred inflows of resources- unavailable revenue	<u>427,533</u>	<u>114,966</u>	<u>-</u>	<u>542,499</u>	<u>723,823</u>
Fund balances					
Restricted for:					
Capital projects	-	-	-	-	60,401
Assigned	-	14,076	-	14,076	60,397
Unassigned	2,267,667	-	-	2,267,667	2,059,337
Total fund balances	<u>2,267,667</u>	<u>14,076</u>	<u>-</u>	<u>2,281,743</u>	<u>2,180,135</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,726,555</u>	<u>\$ 148,786</u>	<u>\$ -</u>	<u>\$ 2,875,341</u>	<u>\$ 2,941,269</u>
Total governmental fund balances				\$ 2,281,743	\$ 2,180,135
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				1,114,597	1,220,874
Long-term liabilities are not due and payable in the current period and are not reported in the funds				-	(357,405)
Net differences				<u>1,114,597</u>	<u>863,469</u>
Total net position of governmental activities				<u>\$ 3,396,340</u>	<u>\$ 3,043,604</u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

Year Ended December 31, 2018

With comparative totals for the year ended December 31, 2017

	General Fund	Road Fund	Nonmajor Capital Projects Fund	Total Governmental Funds 2018	Total Governmental Funds 2017
Revenues					
Taxes and penalties	\$ 898,233	\$ -	\$ -	\$ 898,233	\$ 885,486
State grants	819,488	-	-	819,488	795,851
Charges for services	42,210	328,890	-	371,100	377,629
Interest and rentals	36,876	2,740	172	39,788	31,162
Other revenue	74,755	-	-	74,755	74,020
Total revenues	<u>1,871,562</u>	<u>331,630</u>	<u>172</u>	<u>2,203,364</u>	<u>2,164,148</u>
Expenditures					
Current					
General government:					
Legislative	170,831	-	-	170,831	166,339
Supervisor	35,982	-	-	35,982	38,072
Treasurer	56,823	-	-	56,823	56,244
Assessing/Equalization	64,088	-	-	64,088	62,442
Clerk	54,407	-	-	54,407	54,546
Finance and tax administration	10,165	-	-	10,165	8,884
Elections	19,592	-	-	19,592	9,676
Building and grounds	56,505	-	-	56,505	47,521
Other general government	12,963	-	-	12,963	7,792
Public safety	661,178	-	-	661,178	626,237
Public works	186,915	377,951	-	564,866	495,097
Community and economic development	3,762	-	-	3,762	4,031
Culture and recreation	17,219	-	-	17,219	9,476
Capital outlay	-	-	-	-	41,320
Debt service:					
Principal	357,405	-	-	357,405	123,165
Interest	15,970	-	-	15,970	15,381
Total expenditures	<u>1,723,805</u>	<u>377,951</u>	<u>-</u>	<u>2,101,756</u>	<u>1,766,223</u>
Excess (deficiency) of revenues over expenditures	147,757	(46,321)	172	101,608	397,925
Other financing sources (uses)					
Transfers out	-	-	(60,573)	(60,573)	-
Transfers in	60,573	-	-	60,573	-
Sale of assets	-	-	-	-	43,624
Total other financing sources (uses)	<u>60,573</u>	<u>-</u>	<u>(60,573)</u>	<u>-</u>	<u>43,624</u>
Change in fund balances	208,330	(46,321)	(60,401)	101,608	441,549
Fund balances - beginning of year	<u>2,059,337</u>	<u>60,397</u>	<u>60,401</u>	<u>2,180,135</u>	<u>1,738,586</u>
Fund balances - end of year	<u>\$ 2,267,667</u>	<u>\$ 14,076</u>	<u>\$ -</u>	<u>\$ 2,281,743</u>	<u>\$ 2,180,135</u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

**Reconciliation of the Change in Fund Balances of Governmental Funds to the Change in Net Position of
Governmental Activities**

For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Change in fund balances - total governmental funds	\$ 101,608	\$ 441,549
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities these costs are allocated over their estimated useful lives as depreciation.		
Depreciation expense	(106,277)	(51,522)
Capital outlay	-	41,320
Long term debt incurred on the government wide financial statements, but not shown as proceeds from debt on the governmental fund financial statements	-	(61,000)
Repayments of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt).	<u>357,405</u>	<u>123,165</u>
Change in net position in governmental activities	<u><u>\$ 352,736</u></u>	<u><u>\$ 493,512</u></u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Balance Sheet

Proprietary Fund

December 31, 2018 and 2017

	Building Fund	
	2018	2017
Assets		
Current assets		
Cash and cash equivalents	\$ 154,088	\$ 95,180
Accounts receivable	5,729	-
Prepaid expenses	1,396	3,161
Total current assets	161,213	98,341
Non-current assets		
Capital assets	14,008	14,008
Less: accumulated depreciation	(14,008)	(14,008)
Total noncurrent assets	-	-
Total assets	<u>161,213</u>	<u>98,341</u>
Liabilities		
Accounts payable	835	-
Accrued expenses	3,463	-
Total liabilities	<u>4,298</u>	<u>-</u>
Net position		
Unrestricted	<u>156,915</u>	<u>98,341</u>
Total net position	<u>\$ 156,915</u>	<u>\$ 98,341</u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Fund
Years Ended December 31, 2018 and 2017

		Building Fund	
		<u>2018</u>	<u>2017</u>
Revenues			
Charges for services		\$ 160,842	\$ 152,189
Other revenue		1,496	1,535
	Total revenues	<u>162,338</u>	<u>153,724</u>
Expenses			
Current			
Building department		<u>103,764</u>	<u>109,894</u>
	Total expenditures	<u>103,764</u>	<u>109,894</u>
Operating income before transfers		<u>58,574</u>	<u>43,830</u>
Change in fund net position		58,574	43,830
Total net position - beginning of year		<u>98,341</u>	<u>54,511</u>
Total net position - end of year		<u><u>\$ 156,915</u></u>	<u><u>\$ 98,341</u></u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Statements Cash Flows

Proprietary Fund

Years Ended December 31, 2018 and 2017

	Building Fund	
	2018	2017
Cash flows from operating activities		
Cash received from customers	\$ 162,338	\$ 153,724
Cash paid to employees and suppliers	(97,701)	(111,539)
Net cash provided by operating activities	<u>64,637</u>	<u>42,185</u>
Increase (decrease) in cash and cash equivalents	58,908	42,185
Cash and cash equivalents-beginning of year	<u>95,180</u>	<u>52,995</u>
Cash and cash equivalents-end of year	<u><u>\$ 154,088</u></u>	<u><u>\$ 95,180</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Net operating income	\$ 58,574	\$ 43,830
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Changes in assets and liabilities		
(Increase) decrease in prepaid expenses	1,765	35
Increase (decrease) in accounts payable	835	(1,680)
Increase (decrease) in accrued expenses	<u>3,463</u>	<u>-</u>
Total adjustments	<u>6,063</u>	<u>(1,645)</u>
Net cash provided by operating activities	<u><u>\$ 64,637</u></u>	<u><u>\$ 42,185</u></u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2018 and 2017

		Trust and Agency Funds	
		<u>2018</u>	<u>2017</u>
Assets			
Cash and cash equivalents		\$ 563,321	\$ 1,518,571
	Total assets	<u>\$ 563,321</u>	<u>\$ 1,518,571</u>
Liabilities			
Due to other funds		\$ 563,321	\$ 744,583
Due to other governmental units		<u>-</u>	<u>773,988</u>
	Total liabilities	<u>\$ 563,321</u>	<u>\$ 1,518,571</u>

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. Summary of Significant Accounting Policies

The financial statements of the Charter Township of Raisin, Lenawee County, Michigan have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

A. Reporting Entity

The Township operates under a locally elected seven-member board. As required by generally accepted accounting principles, these financial statements present the Township as a primary government. The Township had no component units at December 31, 2018. The Township provides the following services: public safety (fire protection, police and ambulance service), road construction, cemetery care, public improvements, planning and zoning, construction code inspections, and Building Department, and general administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Township. The government-wide financial statements categorize primary activities as either governmental or business-type.

Governmental activities, which 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.

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 and a fiduciary fund, even though the latter are excluded from the government-wide financial statements. The major individual governmental fund (General Fund) and the major individual enterprise fund (Building Department Fund) are reported as a separate column 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 financial and the 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.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. 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 to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, state revenue sharing, licenses, and interest associate with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Township 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 *Road Fund* is used to account for the revenues and expenditures related to the special assessment for road improvement.

The *Capital Projects Fund* is used to account for funds restricted for capital purchases.

The Township reports the following major proprietary fund:

The *Building Department Fund* is used to account for the building department's revenues and expenditures.

Additionally, the Township reports the following fiduciary fund type:

The *Tax Collection Fund* account for assets held by the Township as an agent for other governments and/or other funds. Agency funds are reported as fiduciary funds and are custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of the following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Township has elected not to follow subsequent private-sector guidance.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. Summary of Significant Accounting Policies (Continued)

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various function concerned.

Amounts reported as *program revenues* included 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.

Proprietary Funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Township's enterprise fund are charges to customers for services. Operating expenses for the fund include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Estimates

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

E. Assets, liabilities, and net position or equity

1. Deposits and investments

The Township's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with a maturity date within three months or less when acquired.

Investments include money market and certificates of deposit where the intent is to hold funds long-term, as well as investments with maturity dates over three months of the date acquired by the government.

State statutes authorize the government to invest in Obligations of the U.S. Treasury, Federal Agencies, commercial paper, corporate bonds, repurchase agreements, and State approved Investment Pools, in accordance with Michigan Compiled Laws Section 129.91.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, liabilities, and net position or equity (Continued)

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent 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.”

Any trade and property tax receivables are shown net of an allowance for uncollectibles.

The Township’s 2017 ad valorem tax was levied and collectible on December 1, 2017. It is the Township’s policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are made available for the financing of Township operations. Payment from the County Delinquent Tax Fund, which purchases the 2017 delinquent real property taxes, is recognized as revenue in the current fiscal year.

The 2017 taxable valuation of the Township totaled \$231,119,575, on which taxes levied consisted of 3.4549 mills. This resulted in \$810,606 for operating purposes. This amount is recognized as revenue within the financial statements.

The township collected and deferred 2018 taxable valuation of the Township. These taxes become liens on the property at the levy date. However, the revenues generated by the tax levy cannot be appropriated until the budget year following the levy date. These amounts are recognized in the respective fund financial statements as deferred inflows of resources.

3. Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of two years. 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset 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 the capitalized value of the assets constructed.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, liabilities, and net position or equity (Continued)

3. Capital Assets (Continued)

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	25 – 50
Furniture and equipment	5 – 15
Vehicles and buses	7
Computer software	3

4. Long-term Liabilities

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

5. Fund Equity

In the fund financial statements, governmental funds report fund balances as either nonspendable, restricted, assigned or unassigned. The term nonspendable indicates that a portion of the fund balance that will either never convert to cash or not convert within the current period. Restricted fund balances are constrained to specific purposes by constitutional provisions or enabling legislation. Committed fund balances are for amounts that are authorized through resolution by the board of trustees. The assigned fund balance represents the portion of fund balance that is intended to be spent within the purpose of the fund. The unassigned fund balance represents the residual classification for the general fund.

After classifying any fund balance as nonspendable, the Township considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, liabilities, and net position or equity (Continued)

6. Deferred inflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues primarily from one source: receipts that exceeded 60 days of year end. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Note 2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The Township follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Township Board prepares a preliminary operating budget covering the General, Special Revenue, and the Proprietary Funds in accordance with account principles generally accepted in the United States of America for presentation at a public hearing.
2. A public hearing is held in conjunction with a regular board meeting.
3. The Township Board adopts the budget on the departmental level at a regular meeting.
4. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. The total encumbrances at December 31, 2018, has not been calculated.
5. Presented budgeted amounts are as originally adopted and as amended by the Township Board.

B. Excess of expenditures over appropriations

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. In the general-purpose financial statements, the Township's actual expenditures and budgetary expenditures for the budgetary funds have been shown on an activity basis.

During the year ended December 31, 2018 the Township incurred three expenditures in budgetary funds which were in excess of the amount appropriated.

<u>General Fund</u>	<u>Appropriations</u>	<u>Actual</u>	<u>Variance</u>
Debt service			
Principal	162,422	357,405	(194,983)
Interest	-	15,970	(15,970)
<u>Road Fund</u>	<u>Appropriations</u>	<u>Actual</u>	<u>Variance</u>
Public Works	376,225	377,951	(1,726)

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 3. Deposits and Investments

Deposits

Township policy limits the Treasurer's investing options to financial institutions with branches located in the local area. All accounts are in the name of the Township and a specific fund. They are recorded at cost and interest is recorded when the deposits mature or accrue.

Custodial credit risk is the risk that in the event of bank failure, the deposits may not be returned to the Township. The Township does not have a policy for custodial credit risk. At respective year ends, the following represents the custodial credit risk of the Township:

	2018	2017
Uninsured and uncollateralized	<u>\$ 3,150,724</u>	<u>\$ 3,760,134</u>

Note 4. Capital Assets

Capital asset activity for the fiscal year ended December 31, 2018 was as follows:

	Beginning Balance	Acquisitions	Dispositions	Ending Balance
Governmental activities:				
Land	\$ 296,660	\$ -	\$ -	296,660
Land improvements	98,459	-	-	98,459
Buildings and improvements	1,175,740	-	-	1,175,740
Fire/ambulance equipment	1,059,858	-	-	1,059,858
Police equipment	255,960	-	-	255,960
Township furniture/fixtures	93,913	-	-	93,913
Township equipment	141,007	-	-	141,007
Total at historical cost	3,121,597	-	-	3,121,597
Accumulated depreciation:				
Land improvements	(82,939)	(3,537)	-	(86,476)
Buildings and improvements	(681,497)	(27,315)	-	(708,812)
Fire/ambulance equipment	(741,538)	(50,137)	-	(791,675)
Police equipment	(159,939)	(25,178)	-	(185,117)
Township furniture/fixtures	(93,913)	-	-	(93,913)
Township equipment	(140,897)	(110)	-	(141,007)
Accumulated depreciation	(1,900,723)	(106,277)	-	(2,007,000)
Governmental activities net capital assets	<u>\$ 1,220,874</u>	<u>\$ (106,277)</u>	<u>\$ -</u>	<u>\$ 1,114,597</u>

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 4. Capital Assets (Concluded)

	Beginning Balance	Acquisitions	Dispositions	Beginning Balance
Business-type activities:				
Building department equipment	14,008	-	-	14,008
Accumulated depreciation:				
Building department equipment	(14,008)	-	-	(14,008)
Business-type activities net capital assets	\$ -	\$ -	\$ -	\$ -

Depreciation expense charged to governmental activities is as follows:

	2018	2017
Governmental activities:		
General government	\$ 14,929	\$ 15,479
Recreation and culture	700	700
Public safety	90,648	96,343
Total depreciation expense-governmental activities	\$ 106,277	\$ 112,522

Note 5. Leases

The Township entered into a contract with Pitney Bowes for the rental of a postage machine for 60 months beginning January 2019. Quarterly payments are \$276. The Township also leases a copy machine. After the end of the current year, and before the issuance of this report another copier lease was signed. The following reflects the remaining amount due on the current lease.

Lease payments are due as follows:

Year Ended December 31,	Leases
2019	6,255
2020	3,307
2021	3,307
2022	3,307
2023	3,307
	\$ 19,482

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 6. Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors, omissions, and employee injuries (worker’s compensation). The Township has purchased commercial insurance for property loss, torts and workers’ compensation claims. Settled claims related to the commercial insurance have not exceeded the amount of insurance coverage in any of the past four fiscal years.

Note 7. Defined Contribution Plan

The Township provides retirement savings for elected and appointed officials and full-time employees through the Raisin Charter Township Group Pension Plan. The plan is a qualified retirement 401(a) plan. Eligibility is satisfied when participants attain the age of eighteen (18). Contributions to the plan are based voluntary employee and employer profit sharing contributions. The Township’s contributions for the year ended December 31, 2018 and 2017 were \$19,866 and \$22,080, respectively, and participants contributed \$9,777 and \$10,343, respectively.

Note 8. Interfund Balances

Interfund balances at December 31, 2018 are as follows:

	General Fund	Due from Road Fund	Fiduciary Funds	Total
<u>Due to</u>				
General Fund	\$ 86	\$ -	\$ 563,321	\$ 563,407
Road Fund	-	86	-	86
Fiduciary Funds	563,321	-	-	563,321
	<u>\$ 563,407</u>	<u>\$ 86</u>	<u>\$ 563,321</u>	<u>\$ 1,126,814</u>

Interfund balances resulted from the time lag between the dates that reimbursable expenditures occur, and payments between funds are made. All balances at December 31, 2018 are expected to be repaid within the next fiscal year.

Interfund transfers were as follows:

Fund	Transfers In	Fund	Transfers Out
General Fund	\$ 60,573	Capital Projects	\$ 60,573
	<u>\$ 60,573</u>		<u>\$ 60,573</u>

Charter Township of Raisin

Notes to Financial Statements

December 31, 2018

Note 9. Tax Abatements

The Township entered into property tax abatement agreements with local business under the Plan Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption, "IFE") PA 198 of 1974, as amended, provides a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An IFE certificate entitles the facility to exemption for ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the Township. The IFT of a new plant and non-industrial property, such as some high-tech personal property, is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately half.

For the year ended March 31, 2019, the Township abated property tax revenues totaling \$12,203 under this program.

Note 10. Subsequent Events

The Township has more than a remote possibility of paying an amount due to ongoing litigation, however, the amount has not been reasonably determined. A judgment is expected to be made during the next operating year.

Required Supplementary Information

Charter Township of Raisin
Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues:				
Taxes and penalties	\$ 895,185	\$ 898,995	\$ 898,233	\$ (762)
State grants	643,518	809,198	819,488	10,290
Charges for services	46,155	42,836	42,210	(626)
Interest and Rentals	22,700	24,200	36,876	12,676
Other revenue	64,200	73,800	74,755	955
Total revenues	<u>1,671,758</u>	<u>1,849,029</u>	<u>1,871,562</u>	<u>22,533</u>
Expenditures:				
Current:				
General government:				
Legislative	203,782	194,481	170,831	23,650
Supervisor	38,356	38,356	35,982	2,374
Treasurer	55,375	59,875	56,823	3,052
Assessing/Equalization	65,988	65,988	64,088	1,900
Clerk	58,658	58,658	54,407	4,251
Elections	20,110	20,610	19,592	1,018
Other financial and tax administration	9,392	10,192	10,165	27
Building and grounds	57,600	59,600	56,505	3,095
Other general government	12,000	13,000	12,963	37
Public safety	695,273	750,273	661,178	89,095
Public works	229,380	208,881	186,915	21,966
Community and economic development	11,925	11,925	3,762	8,163
Culture and recreation	51,497	17,497	17,219	278
Debt service				
Principal	162,422	162,422	357,405	(194,983)
Interest	-	-	15,970	(15,970)
Total expenditures	<u>1,671,758</u>	<u>1,671,758</u>	<u>1,723,805</u>	<u>(52,047)</u>
Excess (deficiency) of revenues over expenditures	-	177,271	147,757	(29,514)
Other financing sources (uses):				
Transfers in	-	-	60,573	60,573
Total other financing sources (uses)	-	-	60,573	60,573
Change in fund balances	-	177,271	208,330	31,059
Fund balance - beginning of year			<u>2,059,337</u>	
Fund balance - end of year			<u><u>\$ 2,267,667</u></u>	

The notes to the financial statements are an integral part of this statement.

Charter Township of Raisin
Budgetary Comparison Schedule
Road Fund
Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues:				
Local revenue				
Charges for services	\$ -	\$ 328,225	\$ 328,890	\$ 665
Interest and rentals	-	900	2,740	1,840
Total revenues	-	329,125	331,630	2,505
Expenditures:				
Public works	329,125	376,225	377,951	(1,726)
Total expenditures	329,125	376,225	377,951	(1,726)
Change in fund balances	(329,125)	(47,100)	(46,321)	779
Fund balance - beginning of year			60,397	
Fund balance - end of year			\$ 14,076	

The notes to the financial statements are an integral part of this statement.

Additional Supplementary Information

Charter Township of Raisin
Schedule of Changes in Assets and Liabilities
Agency Funds
Year Ended December 31, 2018

	Beginning Balance	Additions	Deletions	Ending Balance
Assets:				
Cash	\$ 1,518,571	\$ 8,035,667	\$ 8,990,917	\$ 563,321
Total assets	<u>1,518,571</u>	<u>8,035,667</u>	<u>8,990,917</u>	<u>563,321</u>
Liabilities:				
Due to other funds	744,583	1,148,288	1,329,550	563,321
Due to other governmental units	<u>773,988</u>	<u>6,887,379</u>	<u>7,661,367</u>	<u>-</u>
Total liabilities	<u>\$ 1,518,571</u>	<u>\$ 8,035,667</u>	<u>\$ 8,990,917</u>	<u>563,321</u>

The notes to the financial statements are an integral part of this statement.