

*Charter Township of South Haven  
Van Buren County, Michigan*

**FINANCIAL STATEMENTS**

*Year ended December 31, 2023*

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Charter Township of South Haven, Michigan

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Charter Township of South Haven, Michigan (the Township), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, as listed in the contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2023, and the respective changes in financial position, 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. 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 Township, and to meet our other 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 the 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 Township'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 generally accepted auditing standards 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.

In performing an audit in accordance with generally accepted auditing standards, 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 Township'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 Township'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 budgetary comparison information, as listed in the 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of 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 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 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Siegfried Crandall P.C.*

April 12, 2024

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following discussion and analysis is intended as a narrative overview of the Charter Township of South Haven's (the Township) operations over the fiscal year and its financial condition on December 31, 2023. Please read it in conjunction with the Township's financial statements.

**FINANCIAL HIGHLIGHTS**

- The Township's total net position increased by \$224,237 as a result of this year's activities.
- Of the \$4,760,577 total net position reported, \$2,538,741 (53 percent) is available to be used to meet the Township's ongoing obligations to its citizens and customers, without constraints established by debt covenants, enabling legislation, or other legal requirements.
- The General Fund's unassigned fund balance at the end of the year was \$1,587,995, which represents 176 percent of the actual General Fund expenditures.

**Overview of the financial statements**

The Township's annual report is comprised of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the Township:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Township government, reporting the Township's operations in more detail than the government-wide financial statements.
  - Governmental funds statements explain how government services, like general government, public safety, and public works, were financed in the short term, as well as what remains for future spending.
  - Fiduciary fund statements provide information about the financial relationships in which the Township acts solely as a custodian for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by sections of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

A comparative analysis of the government-wide financial statements for 2023 and 2022 is also presented.

**Government-wide financial statements**

The government-wide financial statements report information about the Township as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Township's assets, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide statements report the Township's net position and how it has changed. Net position (the difference between the Township's assets, liabilities and deferred inflows of resources) is one way to measure the Township's financial health, or position.

- Over time, increases or decreases in the Township's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Township, you need to consider additional nonfinancial factors, such as changes in the Township's property tax base and the condition of the Township's capital assets.

The government-wide financial statements present governmental activities. These activities include functions most commonly associated with government (e.g., general government, public safety, public works, etc.). Property taxes and intergovernmental revenues generally fund these services.

#### **Fund financial statements**

The fund financial statements provide more detailed information about the Township's most significant funds - not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and bond agreements.
- The Township Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain other revenues.

The Township has two kinds of funds:

- *Governmental funds.* The Township's basic services are included in its governmental funds, which focus on (1) how cash, and other financial assets that can be readily converted to cash, flows in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information that explains the relationship between them.
- *Fiduciary funds.* These funds are used to account for the collection and disbursement of resources, primarily taxes, for the benefit of parties outside the Township. The Township is responsible for ensuring that the assets reported in the fiduciary funds are used for their intended purposes. The Township's fiduciary balances and activities are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.



FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Net position

Total net position at the end of the fiscal year was \$4,760,577. Of this total, \$1,990,278 is invested in capital assets, \$211,830 is restricted for public works, and \$19,728 is restricted for recreation and culture. Consequently, unrestricted net position was \$2,538,741, or 53 percent of the total.

Condensed financial information  
Net position

	<i>Governmental activities</i>	
	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 5,352,385	\$ 5,076,854
Capital assets	<u>1,990,278</u>	<u>2,003,167</u>
Total assets	<u>7,342,663</u>	<u>7,080,021</u>
Current and other liabilities	400,119	565,010
Long-term debt	<u>518,154</u>	<u>516,449</u>
Total liabilities	<u>918,273</u>	<u>1,081,459</u>
Deferred inflows of resources	<u>1,663,813</u>	<u>1,462,222</u>
Net position:		
Net investment in capital assets	1,990,278	1,979,804
Restricted	231,558	165,690
Unrestricted	<u>2,538,741</u>	<u>2,390,846</u>
Total net position	<u>\$ 4,760,577</u>	<u>\$ 4,536,340</u>

**Changes in net position**

The Township's total revenues were \$2,452,816 in the current year. Approximately 60 percent of the total comes from property taxes, 18 percent from state shared revenue, and 11 percent from charges for services.

The total cost of the Township's programs was \$2,228,579. Approximately 16 percent of the Township's costs relates to the provision of general government services, 43 percent relates to public safety, and 21 percent is for public works.

*Condensed financial information  
Changes in net position*

	<i>Governmental activities</i>	
	<u>2023</u>	<u>2022</u>
Program revenues:		
Charges for services	\$ 277,597	\$ 220,358
Operating grants and contributions	176,851	10,265
General revenues:		
Property taxes	1,480,755	1,249,527
State shared revenue	445,295	454,675
Franchise fees	41,471	56,565
Interest and other income	30,847	10,658
	<u>2,452,816</u>	<u>2,002,048</u>
Expenses:		
General government	351,896	333,019
Public safety	948,896	689,790
Public works	463,043	264,594
Health and welfare	338,160	178,953
Community and economic development	48,152	30,601
Recreation and culture	43,186	239,638
Interest	35,246	32,115
	<u>2,228,579</u>	<u>1,768,710</u>
Changes in net position	<u>\$ 224,237</u>	<u>\$ 233,338</u>
Net position, end of year	<u>\$ 4,760,577</u>	<u>\$ 4,536,340</u>

**Governmental activities**

Governmental activities increased the Township's net position by \$224,237 in the current year, compared to a \$233,338 increase in the prior year. Property taxes increased due to a millage rate increase for library services, which increased the related distributions to the South Haven Memorial Library.

Expenses for governmental activities this year were \$2,228,579. After subtracting the direct charges to those who directly benefited from the Township's programs (\$277,597) and operating grants (\$176,851), the "public benefit" portion covered by property taxes, state revenue sharing, and other general revenues was \$1,774,131 compared to \$1,538,087 last year, as a result of the changes in revenues and expenses described above.

**FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS**

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$2,508,659, an increase of \$189,767. Of the total fund balances, 63 percent (\$1,587,995) is unassigned. The remainder of the fund balance consists of nonspendable and restricted amounts. The nonspendable portion includes \$620,974 advanced to the South Haven Area Water Sewer Authority; the restricted portion includes amounts restricted as to purpose (\$211,830 for public works, \$19,728 for recreation and culture, and \$68,132 for debt service).

The General Fund is the primary operating fund of the Township. At the end of 2023, the total fund balance was \$2,208,969, which includes the nonspendable portion of fund balance, as well as the unassigned fund balance discussed above. The fund balance increased in 2023 by \$135,020, as revenues of \$1,038,357 exceeded expenditures of \$903,337.

The Fire and Ambulance Fund, a special revenue fund, experienced no change of fund balance as \$511,595 of tax revenues were offset by contractual expenditures of \$511,595. The fund had no remaining fund balance at year end.

The Road Fund, a special revenue fund, experienced an increase in fund balance of \$50,138 as tax revenues (\$267,812) exceeded contractual expenditures (\$217,674). The fund balance at year end amounted to \$211,830.

The Utility Contracts Debt Service Fund does not carry a fund balance, as all special assessments collected are then remitted to the South Haven Area Water Sewer Authority for payment of debt service requirements.

**General Fund budgetary highlights**

The Township made amendments to the General Fund budgeted revenues and expenditures during the year to increase budgeted revenues by \$210,735 and increase budgeted expenditures by \$114,976. Actual revenues were \$150,861 more than budgeted, while expenditures were \$154,343 more than the amounts appropriated. Negative revenue variances relate to budgeted repayments from the South Haven Area Water Sewer Authority that were not recognized as income but as a reduction in receivables. The largest negative expenditure variance, which expenditures were \$160,156 more than budgeted, was associated with lead-line abatement services that exceeded anticipated amounts. In total, these, and various other conditions, resulted in a \$3,482 negative budget variance with a \$135,020 increase in fund balance compared to a budgeted increase of \$138,502.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets**

The Township's investment in capital assets for its governmental activities as of December 31, 2023, amounts to \$1,990,278 (net of accumulated depreciation). This investment includes land, buildings, and equipment. The Township's net investment in capital assets decreased by \$12,889 for the current year, as \$10,950 in asset acquisitions were offset by \$23,839 in current depreciation.

The major capital asset additions during the current fiscal year included the following:

- BS&A software and servers totaling \$10,950

More detailed information about the Township's capital assets is presented in Note 5 of the notes to the basic financial statements.

**Debt**

At the end of the fiscal year, the Township had total long-term debt outstanding of \$518,154, which represents \$413,154 in assessments being collected for the payment of three water and sewer bonds issued by the South Haven Area Water Sewer Authority (the Authority) and related customer contracts, \$60,000 in bonds payable for a water system extension and \$45,000 in bonds payable for road improvements.

The Township pays amounts collected on assessments to the Authority. The Authority then makes bond payments when due. The Township is contingently liable for \$4,033,666 of outstanding water and sewer system bonds payable in excess of the amounts due from collections of current special assessments and contracts on properties within the Township. The Township has pledged its full faith and credit toward the total amount of the debt and anticipates that future assessments, combined with other customer charges, will cover the contract liabilities. Cumulatively, the Township has advanced \$765,528 to cover required debt service payments in excess of amounts available to the Authority. No advances were required during 2023.

More detailed information about the Township's long-term debt is presented in Note 7 of the notes to the basic financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Certain costs, for example, police and fire protection services, are expected to increase slightly in 2024. The Township plans to maintain all ongoing programs for 2024 at similar levels.

Revenues and expenditures in most of the other governmental funds are approximately equal each year. These funds record approved tax levies for specific purposes, including police, fire and ambulance, roads, recreation, seniors, library, and debt service costs, which are paid to the appropriate entities annually.

**CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the resources it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

Charles R. Stein, Jr., Township Supervisor  
Charter Township of South Haven  
09761 Blue Star Memorial Highway  
South Haven, MI 49090

Phone: (269) 637-3305

## **BASIC FINANCIAL STATEMENTS**

**STATEMENT OF NET POSITION**

December 31, 2023

	<u>Governmental activities</u>
<b>ASSETS</b>	
Current assets:	
Cash	\$ 2,239,156
Receivables	1,623,964
Prepaid expenses	<u>53,219</u>
Total current assets	<u>3,916,339</u>
Noncurrent assets:	
Receivables	1,436,046
Capital assets not being depreciated - land	1,836,843
Capital assets, net of accumulated depreciation	<u>153,435</u>
Total noncurrent assets	<u>3,426,324</u>
Total assets	<u>7,342,663</u>
<b>LIABILITIES</b>	
Current liabilities:	
Payables	146,497
Unearned federal grant revenue	253,622
Current portion of long-term debt	<u>82,923</u>
Total current liabilities	483,042
Noncurrent liabilities - noncurrent portion of long-term debt	<u>435,231</u>
Total liabilities	<u>918,273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenues levied for the subsequent year	<u>1,663,813</u>
<b>NET POSITION</b>	
Net investment in capital assets	1,990,278
Restricted for:	
Public works	211,830
Recreation and culture	19,728
Unrestricted	<u>2,538,741</u>
Total net position	<u>\$ 4,760,577</u>

See notes to financial statements

**STATEMENT OF ACTIVITIES**

Year ended December 31, 2023

	<u>Program revenues</u>			<u>Net (expenses) revenues and change in net position</u>
	<u>Expenses</u>	<u>Charges for services</u>	<u>Operating grants and contributions</u>	
<b>Functions/Programs</b>				
Governmental activities:				
General government	\$ 351,896	\$ 152,881	\$ -	\$ (199,015)
Public safety	948,896	80,674	4,579	(863,643)
Public works	463,043	2,109	167,272	(293,662)
Health and welfare	338,160	-	5,000	(333,160)
Community and economic development	48,152	13,990	-	(34,162)
Recreation and culture	43,186	-	-	(43,186)
Interest on long-term debt	35,246	27,943	-	(7,303)
	<u>351,896</u>	<u>277,943</u>	<u>-</u>	<u>(7,303)</u>
Total governmental activities	<u>\$ 2,228,579</u>	<u>\$ 277,597</u>	<u>\$ 176,851</u>	<u>(1,774,131)</u>
General revenues:				
Property taxes:				
Operating				109,034
Fire and ambulance				511,595
Roads				267,812
Police				138,519
Library				224,038
Recreation				45,019
Senior services				184,738
State shared revenue				445,295
Franchise fees				41,471
Unrestricted interest				30,847
				<u>1,998,368</u>
Total general revenues				<u>1,998,368</u>
Change in net position				224,237
Net position - beginning				<u>4,536,340</u>
Net position - ending				<u>\$ 4,760,577</u>

See notes to financial statements

**BALANCE SHEET - governmental funds**

December 31, 2023

	Special revenue funds			Utility Contracts Debt Service	Nonmajor funds	Total governmental funds
	General	Fire and Ambulance	Road			
<b>ASSETS</b>						
Cash	\$ 1,739,133	\$ 106,627	\$ 268,799	\$ 4,856	\$ 119,741	\$ 2,239,156
Receivables	1,196,390	522,589	241,397	459,052	640,582	3,060,010
Prepaid expenditures	-	-	-	-	30,178	30,178
Total assets	<u>\$ 2,935,523</u>	<u>\$ 629,216</u>	<u>\$ 510,196</u>	<u>\$ 463,908</u>	<u>\$ 790,501</u>	<u>\$ 5,329,344</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
Liabilities:						
Payables	\$ 44,192	\$ -	\$ 9,337	\$ 48,537	\$ 16,455	\$ 118,521
Unearned federal grant revenue	253,622	-	-	-	-	253,622
Total liabilities	<u>297,814</u>	<u>-</u>	<u>9,337</u>	<u>48,537</u>	<u>16,455</u>	<u>372,143</u>
Deferred inflows of resources:						
Property tax revenues levied for the subsequent year	106,375	629,216	289,029	-	639,193	1,663,813
Unavailable special assessments	38,133	-	-	413,152	46,829	498,114
Unavailable interest revenue	284,232	-	-	2,219	164	286,615
Total deferred inflows of resources	<u>428,740</u>	<u>629,216</u>	<u>289,029</u>	<u>415,371</u>	<u>686,186</u>	<u>2,448,542</u>
Fund balances:						
Nonspendable - advance to water and sewer joint venture	620,974	-	-	-	-	620,974
Restricted for:						
Public works	-	-	211,830	-	-	211,830
Recreation and culture	-	-	-	-	19,728	19,728
Debt service	-	-	-	-	68,132	68,132
Unassigned	1,587,995	-	-	-	-	1,587,995
Total fund balances	<u>2,208,969</u>	<u>-</u>	<u>211,830</u>	<u>-</u>	<u>87,860</u>	<u>2,508,659</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,935,523</u>	<u>\$ 629,216</u>	<u>\$ 510,196</u>	<u>\$ 463,908</u>	<u>\$ 790,501</u>	<u>\$ 5,329,344</u>



**BALANCE SHEET - governmental funds (Continued)**

December 31, 2023

Reconciliation of the balance sheet to the statement of net position:

Total fund balance - total governmental funds (page 13)	\$ 2,508,659
Amounts reported for <i>governmental activities</i> in the statement of net position (page 11) are different because:	
Capital assets used in <i>governmental activities</i> are not financial resources and, therefore, are not reported in the funds.	1,990,278
Interest receivable is not available to pay for current period expenditures and, therefore, is deferred in the funds.	286,615
Special assessments receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	498,114
Prepaid items are not a current financial resource and, therefore, are not recognized in the funds.	23,041
Interest related to long-term liabilities is not due and payable in the current period and, therefore, is not reported in the funds.	(27,976)
Long-term liabilities, including contracts, notes, and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(518,154)</u>
Net position of <i>governmental activities</i>	<u>\$ 4,760,577</u>

Charter Township of South Haven

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCES - governmental funds

Year ended December 31, 2023

	General	Special revenue funds		Utility Contracts Debt Service	Nonmajor funds	Total governmental funds
		Fire and Ambulance	Road			
<b>REVENUES</b>						
Property taxes	\$ 213,484	\$ 511,595	\$ 267,812	\$ -	\$ 592,314	\$ 1,585,205
Special assessments	-	-	-	-	32,282	32,282
Licenses and permits	143,916	-	-	-	-	143,916
Federal grants	165,156	-	-	-	-	165,156
State grants	456,990	-	-	-	-	456,990
Charges for services	17,220	-	-	-	-	17,220
Interest and rentals	36,043	-	-	23,349	4,315	63,707
Other	5,548	-	-	36,899	-	42,447
Total revenues	<u>1,038,357</u>	<u>511,595</u>	<u>267,812</u>	<u>60,248</u>	<u>628,911</u>	<u>2,506,923</u>
<b>EXPENDITURES</b>						
Current:						
General government	355,436	-	-	-	-	355,436
Public safety	223,166	363,173	-	-	362,557	948,896
Public works	247,616	-	217,674	-	-	465,290
Health and welfare	5,000	148,422	-	-	184,738	338,160
Community and economic development	48,152	-	-	-	-	48,152
Recreation and culture	-	-	-	-	29,289	29,289
Debt service:						
Principal	23,362	-	-	36,899	41,000	101,261
Interest	605	-	-	23,349	6,718	30,672
Total expenditures	<u>903,337</u>	<u>511,595</u>	<u>217,674</u>	<u>60,248</u>	<u>624,302</u>	<u>2,317,156</u>
<b>NET CHANGES IN FUND BALANCES</b>	135,020	-	50,138	-	4,609	189,767
<b>FUND BALANCES - BEGINNING</b>	<u>2,073,949</u>	<u>-</u>	<u>161,692</u>	<u>-</u>	<u>83,251</u>	<u>2,318,892</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 2,208,969</u>	<u>\$ -</u>	<u>\$ 211,830</u>	<u>\$ -</u>	<u>\$ 87,860</u>	<u>\$ 2,508,659</u>

See notes to financial statements

Charter Township of South Haven

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - governmental funds (Continued)

Year ended December 31, 2023

Reconciliation of the statement of revenues, expenditures, and  
changes in fund balances to the statement of activities:

Net change in fund balance - total governmental funds (page 15)	\$ 189,767
Amounts reported for <i>governmental activities</i> in the statement of activities (page 12) are different because:	
Capital assets:	
Assets acquired	10,950
Provision for depreciation	(23,839)
Long-term debt:	
Increase in contracts payable	(102,966)
Principal reductions	101,261
Changes in deferred inflows of resources:	
Net increase in unavailable special assessments	28,335
Net increase in unavailable interest revenue	20,524
Changes in other assets/liabilities:	
Net increase in prepaids	4,779
Net increase in interest payable	<u>(4,574)</u>
Change in net position of <i>governmental activities</i>	<u>\$ 224,237</u>

**STATEMENT OF FIDUCIARY NET POSITION - *custodial funds***

December 31, 2023

	<u>Tax</u>	<u>General Custodial</u>
<b>ASSETS</b>		
Cash	\$ 193,054	\$ -
<b>LIABILITIES</b>		
Due to other governments	<u>193,054</u>	<u>-</u>
<b>NET POSITION</b>		
Restricted for individuals and other governments	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

*Charter Township of South Haven*

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - *custodial funds***

*Year ended December 31, 2023*

	<u><i>Tax</i></u>	<u><i>General Custodial</i></u>
<b>ADDITIONS</b>		
Property taxes collected for other governments	\$ 6,380,245	\$ 8,128
<b>DEDUCTIONS</b>		
Property taxes distributed to other governments	<u>6,380,245</u>	<u>8,128</u>
<b>CHANGE IN FIDUCIARY NET POSITION</b>	-	-
<b>NET POSITION - BEGINNING</b>	<u>-</u>	<u>-</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*See notes to financial statements*

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Charter Township of South Haven, Michigan (the Township), conform to accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles) as applicable to governmental units. The following is a summary of the more significant accounting policies.

*Reporting entity:*

As required by generally accepted accounting principles, these financial statements present only the Township (located in Van Buren County), as management has determined that there are no other entities for which the Township is financially accountable.

*Government-wide and fund financial statements:*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Township. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Property 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 the fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

*Measurement focus, basis of accounting, and financial statement presentation:*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds 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 the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Township generally considers revenues to be available if they are expected to be 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, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

State grants, licenses and permits, charges for services, 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 revenues of the current period. All other revenue items are considered to be measurable only when cash is received by the Township.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Measurement focus, basis of accounting, and financial statement presentation (continued):*

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund. Revenues are primarily derived from state shared revenue and property taxes.

The Fire and Ambulance Fund, a special revenue fund, accounts for the operating contributions made to the joint venture described in Note 9. Revenues are primarily derived from property taxes.

The Road Fund, a special revenue fund, accounts for financial resources used for road maintenance projects in the Township. Revenues are primarily derived from property taxes.

The Utility Contracts Debt Service Fund, a debt service fund, accounts for the issuance and payment of debt for water and sewer improvements. Revenues are primarily derived from special assessments.

Additionally, the Township reports the following fund types:

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The debt service funds accounts for the issuance and payment of debt related to certain projects that benefit the Townships constituents. Revenues are primarily derived from special assessments.

The Township also reports custodial funds, the Tax Collection Fund, and the General Custodial Fund, which account for assets held by the Township in a fiduciary capacity for other governments.

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 property taxes.

*Assets, liabilities, deferred inflows of resources, and equity:*

*Cash* - Cash is 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.

*Receivables* - No allowance for uncollectible accounts has been recorded, as the Township considers all receivables to be fully collectible.

*Prepays* - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Assets, liabilities, deferred inflows of resources, and equity (continued):*

*Capital assets* - Capital assets, which include land and improvements, buildings, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than \$1,000 (\$10,000 for infrastructure assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. Governments can elect to account for infrastructure assets either retroactively to June 15, 1980, or prospectively. The Township has elected to account for infrastructure assets prospectively, beginning January 1, 2004.

Capital assets are depreciated using the straight-line method over the following useful lives:

Land improvements	20 - 40 years
Buildings and improvements	20 - 40 years
Equipment	3 - 5 years

*Unearned revenue* - Unearned revenue represents resources related to operating assessments and a federal grant which have not yet been earned, due to performance of service.

*Deferred inflows of resources* - The statement of net position and the governmental funds balance sheet include a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The related revenues will not be recognized until a future event occurs. The Township has three items that are included in this category: property taxes, special assessments, and interest revenues. Property tax revenue, which is levied to finance the following year's budget, is deferred and recognized as an inflow of resources in the period that it was intended to finance. Special assessments and interest revenues, which are recognized as they become available (collected within 60 days after the end of the Township's fiscal year), are deferred and recognized as an inflow of resources in the period that they become available.

*Net position* - Net position represents the difference between assets, liabilities, deferred inflows of resources. The Township reports three categories of net position, as follows: (1) *Net investment in capital assets* consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets, and increases by balances of resources related to those assets; (2) *Restricted net position* is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations, such as federal or state laws or buyers of the Township's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets; (3) *Unrestricted net position* consists of all other net position that does not meet the definition of the above components and is available for general use by the Township.

*Net position flow assumption* - Sometimes, the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

*Fund equity* - Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are not in spendable form. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws and regulations of other governments. Unassigned fund balance is the residual classification for the General Fund. When the Township incurs an expenditure for purposes for which various fund balance classifications can be used, it is the Township's policy to use the restricted fund balance first, followed by assigned fund balance, and, finally, unassigned fund balance.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Assets, liabilities, deferred inflows of resources, and equity (continued):*

*Property tax revenue recognition* - Property taxes are levied each December 1 (lien date) on the taxable valuation of property (as defined by State statutes) located in the Township as of the preceding December 31. Property taxes are considered delinquent on March 1 of the following year, at which time interest and penalties are assessed. Although the Township’s 2022 ad valorem tax is levied and collectible on December 1, 2022, it is the Township’s policy to recognize revenue from that tax levy in the current year, when the proceeds are budgeted and made available for the financing of operations.

*Use of 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

*Budgetary information* - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for governmental funds. The budget document presents information by fund, function, and activity. The legal level of budgetary control adopted by the governing body is the activity level. All annual appropriations lapse at the end of the fiscal year.

*Excess of expenditures over appropriations* - The following schedule sets forth reportable budget variances:

<i>Fund</i>	<i>Function</i>	<i>Activity</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance</i>
General	General government	Treasurer	\$ 36,173	\$ 40,294	\$ 4,121
	Public safety	Fire protection	-	13,633	13,633
	Public works	Roads	-	160,156	160,156
		Street lights	9,821	10,624	803

**NOTE 3 - CASH**

The Township’s cash balances at December 31, 2023, were as follows:

	<u>Governmental activities</u>	<u>Fiduciary activities</u>	<u>Total</u>
Cash	\$ 2,239,156	\$ 193,054	\$ 2,432,210

*Deposits* - Deposits are maintained at various financial institutions in the name of the Township. Michigan Compiled Laws, Section 129.91 (Public Act 20 of 1943, as amended) and the Township’s investment policy authorize the Township to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan. The Township’s deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a financial institution, the Township will not be able to recover its deposits. The Township’s investment policy does not specifically address custodial credit risk for deposits. At December 31, 2023, \$2,333,234 of the Township’s bank balances of \$2,626,107 was exposed to custodial credit risk because it was uninsured and uncollateralized.

**NOTE 4 - RECEIVABLES**

Receivables as of December 31, 2023, for the Township’s individual major and nonmajor funds, in the aggregate, all of which are considered fully collectible, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Property taxes</u>	<u>Special assessments</u>	<u>Inter- governmental</u>	<u>Interest</u>	<u>Totals</u>
General	\$ 5,044	\$ 88,844	\$ 43,422	\$ 774,848	\$ 284,232	\$ 1,196,390
Fire and Ambulance	-	522,589	-	-	-	522,589
Road	-	241,397	-	-	-	241,397
Utility Contracts Debt Service	-	-	436,190	-	22,862	459,052
Nonmajor	-	533,855	71,203	32,726	2,798	640,582
Totals	<u>\$ 5,044</u>	<u>\$ 1,386,685</u>	<u>\$ 550,815</u>	<u>\$ 807,574</u>	<u>\$ 309,892</u>	<u>\$ 3,060,010</u>
Noncurrent portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 498,114</u>	<u>\$ 653,700</u>	<u>\$ 284,232</u>	<u>\$ 1,436,046</u>

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2023, was as follows:

	<i>Beginning balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending balance</i>
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 1,836,843	\$ -	\$ -	\$ 1,836,843
Total capital assets not being depreciated	<u>1,836,843</u>	<u>-</u>	<u>-</u>	<u>1,836,843</u>
Capital assets being depreciated:				
Land improvements	189,554	-	-	189,554
Buildings and improvements	270,381	-	-	270,381
Equipment	<u>82,405</u>	<u>10,950</u>	<u>-</u>	<u>93,355</u>
Subtotal	<u>483,753</u>	<u>10,950</u>	<u>-</u>	<u>553,290</u>
Less accumulated depreciation for:				
Land improvements	(108,818)	(17,164)	-	(125,982)
Buildings and improvements	(193,923)	(4,688)	-	(198,611)
Equipment	<u>(73,275)</u>	<u>(1,987)</u>	<u>-</u>	<u>(75,262)</u>
Subtotal	<u>(376,016)</u>	<u>(23,839)</u>	<u>-</u>	<u>(399,855)</u>
Total capital assets being depreciated, net	<u>107,737</u>	<u>(12,889)</u>	<u>-</u>	<u>153,435</u>
Governmental activities capital assets, net	<u>\$ 2,003,167</u>	<u>\$ (12,889)</u>	<u>\$ -</u>	<u>\$ 1,990,278</u>

Depreciation expense was charged to the Township's governmental functions as follows:

Governmental activities:	
General government	\$ 9,942
Recreation and culture	<u>13,897</u>
Total	<u>\$ 23,839</u>

**NOTE 6 - PAYABLES**

Payables as of December 31, 2023, for the Township’s individual major and nonmajor funds, in the aggregate, were as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Inter- governmental</u>	<u>Totals</u>
General	\$ 20,963	\$ 23,229	\$ 44,192
Road	-	9,337	9,337
Utility Contracts Debt Service	-	48,537	48,537
Nonmajor	-	16,455	16,455
Totals	<u>\$ 20,963</u>	<u>\$ 97,558</u>	<u>\$ 118,521</u>

**NOTE 7 - LONG-TERM DEBT**

Long-term debt at December 31, 2023, is comprised of the following individual issues:

Contracts payable:

\$1,418,028 1998 Water and sewer assessments, due to Van Buren County in annual installments through 2023; interest at approximately 5.8%	\$ 1,021
\$1,175,297 2000 Water and sewer assessments, due to Van Buren County in annual installments through 2023; interest at approximately 6.3%	4,193
\$532,940 Contracts payable, due to South Haven Area Water Sewer Authority in various annual installments; interest at approximately 6.0%	<u>407,940</u>
Total contracts payable	<u>413,154</u>

Bonds payable:

\$435,000 2006 Special assessment bonds, due in annual installments of \$10,000 to \$25,000 through 2026; interest at approximately 5.49%	60,000
\$150,000 2018 Special assessment bonds, due in annual installments of \$21,000 to \$24,000 through 2025; interest at approximately 3.29%	<u>45,000</u>
Total bonds payable	<u>105,000</u>
Total long-term debt	<u>\$ 518,154</u>

**NOTE 7 - LONG-TERM DEBT (Continued)**

Long-term debt activity for the year ended December 31, 2023, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
Note payable - 2008	\$ 23,363	\$ -	\$ (23,363)	\$ -	\$ -
Contracts payable - 1998	1,361	-	(340)	1,021	341
Contracts payable - 2000	4,193	487	(487)	4,193	788
Contracts payable - Unbonded	341,532	102,479	(36,071)	407,940	40,794
Bonds payable - 2006	80,000	-	(20,000)	60,000	20,000
Bonds payable - 2018	<u>66,000</u>	<u>-</u>	<u>(21,000)</u>	<u>45,000</u>	<u>21,000</u>
Total long-term debt	<u>\$ 516,449</u>	<u>\$ 102,966</u>	<u>\$ (101,261)</u>	<u>\$ 518,154</u>	<u>\$ 82,923</u>

Debt service requirements at December 31, 2023, were as follows:

	<u>Principal</u>	<u>Interest</u>
Year ended December 31:		
2024	\$ 82,923	\$ 31,108
2025	85,620	26,602
2026	61,621	22,441
2027	41,280	18,675
2028	41,280	16,007
2029-2033	<u>205,430</u>	<u>40,020</u>
Totals	<u>\$ 518,154</u>	<u>\$ 154,853</u>

All outstanding debt of the Township is direct placement or direct borrowing debt. The debt documents contain various provisions that, in the event of default, the Township shall levy a tax on all taxable property for the prompt payment of the principal and interest, subject to applicable legal limitations.

The Township is contingently liable for \$4,033,666 of outstanding water and sewer system contracts payable in excess of the amounts to be repaid from collections of special assessments currently levied against properties within the Township. The Township has pledged its full faith and credit toward the total amounts due and anticipates that additional future assessments and other customer charges will be used to pay the contract liabilities.

**NOTE 8 - PROPERTY TAXES**

The 2022 taxable valuation of the Township approximated \$183,654,000, on which ad valorem taxes levied consisted of 0.5337 mills for operating purposes, 0.7500 mills for police, 2.900 mills for fire and ambulance services, 1.2130 mills for library services, 1.0000 mills for senior services, 0.2438 mills for recreation activities, and 1.4500 mills for road maintenance raising approximately \$98,000 for operating purposes, \$138,000 for police, \$509,000 for fire and ambulance services, \$223,000 for library services, \$184,000 for senior services, \$45,000 for recreation activities, and \$266,000 for road maintenance. These amounts are recognized in the respective fund financial statements as property tax revenue.

The 2023 taxable valuation of the Township approximated \$199,338,077, on which ad valorem taxes levied consisted of 0.5337 mills for operating purposes, 0.7500 mills for police, 3.3100 mills for fire and ambulance services, 1.2130 mills for library services, 1.0000 mills for senior services, 0.2438 mills for recreation activities, and 1.4500 mills for road maintenance raising approximately \$106,000 for operating purposes, \$149,000 for police, \$629,000 for fire and ambulance services, \$241,000 for library services, \$199,000 for senior services, \$48,000 for recreation activities, and \$289,000 for road maintenance. These amounts are recognized in the respective fund financial statements as deferred inflows of resources, based upon the period for which the proceeds are budgeted and will be made available for the financing of operations.

**NOTE 9 - JOINT VENTURES**

The Township, together with the Township of Casco, the City of South Haven and the South Haven and Casco Township Sewage and Wastewater Treatment Authority, established a joint water and sewage treatment authority under the provisions of Public Act 233 of 1955, in order to acquire and operate water and sewage treatment systems to benefit the constituent municipalities. The Township has advanced \$839,284 to cover certain costs of the previous Authority. The Township has received reimbursements of \$318,311 through December 31, 2023. The Township anticipates continued reimbursement in the coming years, including \$281,200 in interest accrued on the advances.

The Township has joined the City of South Haven and the Townships of Casco and Geneva in establishing a joint emergency services authority (the Emergency Authority) to provide fire and ambulance services in the Authority's area of operation, which includes the Charter Township of South Haven. The operations of the Authority are financed by taxes levied annually within the participating units of government. The Township expended \$425,812 for services provided by the Emergency Authority in 2023.

The Township has joined the Cities of South Haven and Bangor and the Townships of Casco, Geneva, and Covert in establishing a joint regional airport authority (the Airport Authority) to provide airfield services in the Airport Authority's area of operation, which includes the Charter Township of South Haven. The operations of the Airport Authority are financed by annual contributions within the participating units of government, as well as hangar rentals and fuel sales. During the year ended December 31, 2023, the Township contributed \$32,848 toward the Airport Authority's operations.

There is no equity interest by any participating unit in the joint ventures. Except as disclosed in Note 6 regarding the contingent liability for outstanding water and sewer contacts payable, the Township is unaware of any indication that the joint ventures are accumulating significant financial resources or are experiencing fiscal stress that may cause an additional financial benefit or burden on the Township in the near future.

Separate audited financial statements for the above joint ventures are available at the Township offices.

**NOTE 10 - RISK MANAGEMENT**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation). The Township has purchased commercial insurance for each of these claims and is neither self-insured, nor participates in a shared-risk pool. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**NOTE 11 - DEFINED CONTRIBUTION PENSION PLAN**

The Township contributes to the South Haven Charter Township Group Pension Plan, a defined contribution pension plan, which is administered by a third-party administrator. The plan covers all elected officials, along with the Deputy Clerk, Deputy Treasurer, and Deputy Supervisor, who are eligible to participate from the date they are elected or appointed to office.

Benefit terms, including contribution requirements, for the Plan are established, and may be amended, by the Township Board. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate as described above. The Township contributes 5% of each qualified employee's total earnings or \$300, whichever is more, to the plan. Employees are permitted to make voluntary contributions to the Plan, up to applicable Internal Revenue Code limits. For the year ended December 31, 2023, the Township and eligible employees made contributions of \$6,968 and \$ -0-, respectively. At December 31, 2023, the Township reported a \$7 accrued liability as part of the contributions to the plan. The Township's contributions for each employee (and investment earnings allocated to the employee's account) are fully vested immediately.

The Township is not a trustee of the defined contribution pension plan, nor is the Township responsible for investment management of the pension plan assets. Accordingly, plan assets, and changes therein, are not reported in these financial statements.

**NOTE 12 - CONSTRUCTION CODE ACT**

A summary of construction code enforcement transactions for the year ended December 31, 2023, is as follows:

Accumulated excess, beginning of year	\$ <u>          -</u>
Revenues	77,445
Expenses	<u>      (78,055)</u>
Deficiency of revenues over expenses	<u>          (610)</u>
Accumulated excess, end of year	<u><u>          -</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION**



**BUDGETARY COMPARISON SCHEDULE - General Fund**

Year ended December 31, 2023

	<i>Original budget</i>	<i>Final budget</i>	<i>Actual</i>	<i>Variance with final budget positive (negative)</i>
<b>REVENUES</b>				
Property taxes	\$ 121,704	146,229	\$ 213,484	\$ 67,255
Licenses and permits	117,000	163,808	143,916	(19,892)
Federal grants	-	-	165,156	165,156
State grants	406,606	530,528	456,990	(73,538)
Charges for services	19,000	19,430	17,220	(2,210)
Interest and rentals	7,003	22,053	36,043	13,990
Other	5,448	5,448	5,548	100
Total revenues	<u>676,761</u>	<u>887,496</u>	<u>1,038,357</u>	<u>150,861</u>
<b>EXPENDITURES</b>				
General government:				
Legislative	6,625	6,776	6,476	300
Supervisor	58,112	57,527	56,956	571
Elections	700	7,045	5,958	1,087
Assessor	42,392	31,724	27,224	4,500
Clerk	32,868	38,797	38,472	325
Board of review	2,174	1,761	1,761	-
Treasurer	35,372	36,173	40,294	(4,121)
Hall and grounds	51,650	62,433	59,565	2,868
Other	94,365	127,047	118,730	8,317
Total general government	<u>324,258</u>	<u>369,283</u>	<u>355,436</u>	<u>13,847</u>
Public safety:				
Police	113,331	133,111	131,478	1,633
Fire protection	-	-	13,633	(13,633)
Building inspections	80,000	83,931	78,055	5,876
Total public safety	<u>193,331</u>	<u>217,042</u>	<u>223,166</u>	<u>(6,124)</u>
Public works:				
Lead-line abatement	-	-	160,156	(160,156)
Drains at large	10,000	13,136	13,136	-
Street lights	10,000	9,821	10,624	(803)
Transfer station	20,000	32,875	30,852	2,023
Airport authority	25,000	32,849	32,848	1
Total public works	<u>65,000</u>	<u>88,681</u>	<u>247,616</u>	<u>(158,935)</u>
Health and welfare -				
affordable housing	-	-	5,000	(5,000)

**BUDGETARY COMPARISON SCHEDULE - General Fund (Continued)**

Year ended December 31, 2023

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>EXPENDITURES (Continued)</b>				
Community and economic development - planning and zoning	\$ 27,462	\$ 49,280	\$ 48,152	\$ 1,128
Debt service:				
Principal	23,362	24,103	23,362	741
Interest	605	605	605	-
Total expenditures	634,018	748,994	903,337	(154,343)
<b>NET CHANGES IN FUND BALANCES</b>	42,743	138,502	135,020	(3,482)
<b>FUND BALANCES - BEGINNING</b>	2,073,949	2,073,949	2,073,949	-
<b>FUND BALANCES - ENDING</b>	<u>\$ 2,116,692</u>	<u>\$ 2,212,451</u>	<u>\$ 2,208,969</u>	<u>\$ (3,482)</u>

**BUDGETARY COMPARISON SCHEDULE - Fire and Ambulance Fund**

Year ended December 31, 2023

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 525,470	\$ 525,470	\$ 511,595	\$ (13,875)
<b>EXPENDITURES</b>				
Public safety - fire protection	373,023	373,023	363,173	9,850
Health and welfare - ambulance	152,447	152,447	148,422	4,025
Total expenditures	<u>525,470</u>	<u>525,470</u>	<u>511,595</u>	<u>13,875</u>
<b>NET CHANGES IN FUND BALANCES</b>	-	-	-	-
<b>FUND BALANCES - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BUDGETARY COMPARISON SCHEDULE - Road Fund**

Year ended December 31, 2023

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 262,735	\$ 262,735	\$ 267,812	\$ 5,077
<b>EXPENDITURES</b>				
Public works - road maintenance	262,735	262,735	217,674	45,061
<b>NET CHANGES IN FUND BALANCES</b>	-	-	50,138	50,138
<b>FUND BALANCES - BEGINNING</b>	161,692	161,692	161,692	-
<b>FUND BALANCES - ENDING</b>	<u>\$ 161,692</u>	<u>\$ 161,692</u>	<u>\$ 211,830</u>	<u>\$ 50,138</u>

**SUPPLEMENTARY INFORMATION**

Charter Township of South Haven

**COMBINING BALANCE SHEET - nonmajor governmental funds**

December 31, 2023

	<i>Special revenue funds</i>				<i>Debt service funds</i>		<i>Totals</i>
	<i>Police</i>	<i>Library</i>	<i>Recreation</i>	<i>Senior Services</i>	<i>Evergreen</i>		
					<i>Bluff Debt</i>	<i>Water Debt</i>	
<b>ASSETS</b>							
Cash	\$ 24,636	\$ 23,305	\$ 27,734	\$ 19,213	\$ 24,555	\$ 298	\$ 119,741
Receivables	124,857	201,939	40,580	166,479	27,311	79,416	640,582
Prepaid expenditures	-	16,541	-	13,637	-	-	30,178
<b>Total assets</b>	<u>\$ 149,493</u>	<u>\$ 241,785</u>	<u>\$ 68,314</u>	<u>\$ 199,329</u>	<u>\$ 51,866</u>	<u>\$ 79,714</u>	<u>\$ 790,501</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
Liabilities - payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,455	\$ 16,455
Deferred inflows of resources:							
Property tax revenues levied for the subsequent year	149,493	241,785	48,586	199,329	-	-	639,193
Unavailable special assessments	-	-	-	-	16,460	30,369	46,829
Unavailable interest revenue	-	-	-	-	-	164	164
<b>Total deferred inflows of resources</b>	<u>149,493</u>	<u>241,785</u>	<u>48,586</u>	<u>199,329</u>	<u>16,460</u>	<u>30,533</u>	<u>686,186</u>
Fund balances:							
Restricted for:							
Recreation and culture	-	-	19,728	-	-	-	19,728
Debt service	-	-	-	-	35,406	32,726	68,132
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>19,728</u>	<u>-</u>	<u>35,406</u>	<u>32,726</u>	<u>87,860</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 149,493</u>	<u>\$ 241,785</u>	<u>\$ 68,314</u>	<u>\$ 199,329</u>	<u>\$ 51,866</u>	<u>\$ 79,714</u>	<u>\$ 790,501</u>

Charter Township of South Haven

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - nonmajor governmental funds**

Year ended December 31, 2023

	<i>Special revenue funds</i>				<i>Debt service funds</i>		<i>Totals</i>
	<i>Police</i>	<i>Library</i>	<i>Recreation</i>	<i>Senior Services</i>	<i>Evergreen Bluff Debt</i>	<i>Water Debt</i>	
<b>REVENUES</b>							
Property taxes	\$ 138,519	\$ 224,038	\$ 45,019	\$ 184,738	\$ -	\$ -	\$ 592,314
Special assessments	-	-	-	-	17,635	14,647	32,282
Interest	-	-	-	-	1,463	2,852	4,315
<b>Total revenues</b>	<u>138,519</u>	<u>224,038</u>	<u>45,019</u>	<u>184,738</u>	<u>19,098</u>	<u>17,499</u>	<u>628,911</u>
<b>EXPENDITURES</b>							
Current:							
Public safety	138,519	224,038	-	-	-	-	362,557
Health and welfare	-	-	-	184,738	-	-	184,738
Recreation and culture	-	-	29,289	-	-	-	29,289
Debt service:							
Principal	-	-	-	-	21,000	20,000	41,000
Interest	-	-	-	-	2,326	4,392	6,718
<b>Total expenditures</b>	<u>138,519</u>	<u>224,038</u>	<u>29,289</u>	<u>184,738</u>	<u>23,326</u>	<u>24,392</u>	<u>624,302</u>
<b>NET CHANGES IN FUND BALANCES</b>	-	-	15,730	-	(4,228)	(6,893)	4,609
<b>FUND BALANCES - BEGINNING</b>	-	-	3,998	-	39,634	39,619	83,251
<b>FUND BALANCES - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,728</u>	<u>\$ -</u>	<u>\$ 35,406</u>	<u>\$ 32,726</u>	<u>\$ 87,860</u>