



CASCADE CHARTER TOWNSHIP

KENT COUNTY, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020



Vredeveld Haefner LLC
CPAs and Consultants

Cascade Charter Township

TABLE OF CONTENTS

FINANCIAL SECTION	<u>PAGE</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12-13
Fund Financial Statements	
Balance Sheet - Governmental Funds	14-15
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to the Net Position of Governmental Activities on the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18-19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Fiduciary Net Position - Fiduciary Funds	21
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	22
Notes to Financial Statements	23-39
Required Supplementary Information	
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	41
Fire Special Revenue Fund	42
Police Special Revenue Fund	43
Library Special Revenue Fund	44
Pathways Special Revenue Fund	45
Inspections Special Revenue Fund	46
Open Space Special Revenue Fund	47
Defined Benefit Pension Plan	
Schedule of Changes in Employers Net Pension Liability and Other Ratios	48
Schedule of Employer Contributions	49
Notes to Required Supplementary Information	49
Combining and Individual Fund Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	52
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Cascade Dam Special Revenue Fund	53
Improvement Revolving Special Revenue Fund	54
HAZMAT Special Revenue Fund	55
CARES Act Special Revenue Fund	56

Cascade Charter Township

TABLE OF CONTENTS

	<u>PAGE</u>
Comparative Fund Financial Statements	
General Fund	
Comparative Balance Sheet	57
Comparative Schedule of Revenues	59
Comparative Schedule of Expenditures	60-61
Fire Special Revenue Fund	
Comparative Balance Sheet	62
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	63
Police Special Revenue Fund	
Comparative Balance Sheet	64
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	65
Improvement Revolving Special Revenue Fund	
Comparative Balance Sheet	66
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	67
Library Special Revenue Fund	
Comparative Balance Sheet	68
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	69
Pathways Special Revenue Fund	
Comparative Balance Sheet	70
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	71
Inspections Special Revenue Fund	
Comparative Balance Sheet	72
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	73
Open Space Special Revenue Fund	
Comparative Balance Sheet	74
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	75
Cascade Dam Major Repair Special Revenue Fund	
Comparative Balance Sheet	76
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	77
HAZMAT Special Revenue Fund	
Comparative Balance Sheet	78
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	79
CARES Act Special Revenue Fund	
Comparative Balance Sheet	80
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	81
Building Authority Debt Service Fund	
Comparative Balance Sheet	82
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	83
Cemetery Perpetual Care Fund	
Comparative Balance Sheet	84
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance	85
Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Fiduciary Funds	86
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds	87
Component Units	
Downtown Development Authority	
Balance Sheet/Statement of Net Position	88
Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	89



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INDEPENDENT AUDITORS' REPORT

June 9, 2021

Township Board
Cascade Charter Township
Kent County, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cascade Charter Township (the Township), as of and for the year ended December 31, 2020, 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.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the information on pages 41 through 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 2020 balances in the combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 balances in the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Township's basic financial statements for the year ended December 31, 2019, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the aggregate discretely presented component units, 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 Township's basic financial statements as a whole. The individual fund financial statements, related to the 2019 financial statements for the year ended December 31, 2020, 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 2019 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 auditing standards generally accepted in the United States of America. In our opinion, the 2019 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Uredewald Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of Cascade Charter Township (the 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, 2020. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The Township's net position increased through 2020 operations by \$869,657 (or 2.2%).
- Total expenses of the Township's programs were \$11,032,490.
- Total revenues, including all program and general revenues, were \$11,902,147.
- At the close of the current year, the Township's governmental funds reported combined ending fund balances of \$19,929,151, a decrease of \$2,300,186 from the previous year.
- At the end of the current year, the unassigned fund balance for the General Fund was \$4,696,049 or 75% of total General Fund expenditures and transfers out.
- Total long-term debt of the Township decreased by \$317,914 (or 11.7%) during the current year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Cascade Charter Township's financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 all of 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., earned but unused compensated absences, accrued interest, etc.).

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, public works, community and economic development, culture and recreation, and other township activities. The Township has no business-type activities.

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-related legal requirements. All of the funds of the Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general, fire, police, library, pathways, inspections, and open space funds which are considered major funds.

Data is combined into a single aggregated presentation for the other governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements and schedules*.

The Township adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules have been provided herein to demonstrate compliance with those budgets.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resource of those funds are *not* available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This consists of this management discussion and analysis, major fund budgetary schedules, and pension schedules.

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 and deferred outflows exceeded liabilities and deferred inflows by \$40,010,570 at the close of the most recent fiscal year. A summary of net position is as follows:

Net Position

	<u>Governmental activities</u>	
	<u>2020</u>	<u>2019</u>
Current and other assets	\$27,659,787	\$29,128,485
Capital assets	24,883,979	21,723,053
Total assets	<u>52,543,766</u>	<u>50,851,538</u>
Deferred outflows of resources - pension	<u>264,868</u>	<u>201,843</u>
Long-term liabilities outstanding	4,685,529	4,769,955
Other liabilities	1,556,007	828,118
Total liabilities	<u>6,241,536</u>	<u>5,598,073</u>
Deferred inflows of resources	<u>6,556,528</u>	<u>6,314,395</u>
Net position:		
Net investment in capital assets	22,482,979	19,048,053
Restricted	11,346,641	13,000,959
Unrestricted	<u>6,180,950</u>	<u>7,091,901</u>
Total net position	<u>\$40,010,570</u>	<u>\$39,140,913</u>

A portion of the Township's net position (15 percent) reflects unrestricted net position which is available for future operations while the largest portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), 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. The government's net position increased by \$869,657 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>	
	<u>2020</u>	<u>2019</u>
Revenue:		
Program revenue:		
Charges for services	\$ 2,864,675	\$ 2,690,695
Operating grants and contributions	543,686	1,089
Capital grants and contributions	-	800,000
General revenue:		
Property taxes	6,378,736	6,089,836
State sources	1,584,633	1,589,563
Intergovernmental	32,870	32,870
Unrestricted investment earnings	449,142	683,500
Other	48,405	76,193
Total revenue	<u>11,902,147</u>	<u>11,963,746</u>
Expenses:		
General government	3,467,973	2,619,681
Public safety	5,121,094	4,865,950
Public works	803,275	1,577,983
Community and economic development	491,649	558,337
Culture and recreation	1,101,295	1,166,065
Interest on long-term debt	47,204	55,981
Total expenses	<u>11,032,490</u>	<u>10,843,997</u>
Change in net position	869,657	1,119,749
Net position - beginning of year	<u>39,140,913</u>	<u>38,021,164</u>
Net position - end of year	<u>\$40,010,570</u>	<u>\$39,140,913</u>

Governmental Activities. During the year the Township invested \$5,121,094 or 46% of governmental activities expenses in public safety. General government expenses amounted to \$3,467,973 or 31% of governmental activities while public works, community and economic development, culture and recreation, interest on long-term debt, and other made up the remaining 23% of governmental activities expenses. The significant decrease in public works expense is the result of fewer street overlays in 2020 compared to 2019.

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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$19,929,151, a decrease of \$2,300,186 in comparison with the prior year. Of the \$19,929,151, \$6,909,939 is reported in the general fund.

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 \$4,696,049. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 75% of total general fund expenditures and transfers out. The fund balance of the Township's general fund decreased by \$1,101,905 during the current fiscal year. The decrease is primarily the result of the Township hall renovation, cemetery expansion and various other capital projects.

The Fire fund is used to account for Fire Department operations of the Township. At the end of the current fiscal year, fund balance was \$2,355,600, a decrease of \$34,081 over the prior year. The decrease is primarily the result of planned use of fund balance for capital purchases and a study of station #1.

The Police fund is used to account for the contract with the County Sheriff Department to provide police protection to the Township. At the end of the current fiscal year, fund balance was \$1,565,959, an increase of \$161,208 over the prior year.

The Library fund is used to account for the property tax millage and expenditures related to the Township library. At the end of the current fiscal year, fund balance was \$2,166,582, an increase of \$108,720 over the prior year. The increase is primarily the result of budget monitoring.

The Pathways fund is used to account for the property tax millage dedicated to the maintenance, operations and debt service related to the Townships pathway system. At the end of the current fiscal year, fund balance was \$660,037, a decrease of \$1,358,064 from the prior year. The decrease is due to significant pathway extension projects during the current year.

The Inspections fund collects inspection (building, mechanical, electrical, plumbing) permits from Cascade Township and other customer community residents to be used for maintaining the operations of the Inspections Department. At the end of the current fiscal year, fund balance was \$2,755,204, a decrease of \$264,989 over the prior year. The decrease is primarily the result of completion of the Township hall renovation.

The Open Space fund is used to account for the property tax millage dedicated to the development of Township parks. At the end of the current fiscal year, fund balance was \$766,856 an increase of \$12,546 from the prior year.

Capital Asset and Debt Administration

Capital assets. The Township's investment in capital assets for its governmental activities as of December 31, 2020, amounted to \$24,883,979 (net of accumulated depreciation).

The Township's capital assets (net of depreciation) are summarized as follows:

	2020	2019
Land	\$ 10,243,137	\$ 9,968,143
Land improvements	4,413,627	2,101,304
Infrastructure	420,000	448,000
Buildings and improvements	7,755,020	7,143,102
Furniture and equipment	648,660	557,859
Vehicles	1,403,535	1,504,645
Total	\$24,883,979	\$21,723,053

Additional information on the Township's capital assets can be found in the footnotes to the financial statements.

Debt. At the end of the current fiscal year, the Township had total debt outstanding as follows:

	<u>2020</u>	<u>2019</u>
Accrued employee benefits	\$ 311,636	\$ 104,513
Bonds payable	2,401,000	2,675,000
Other obligations payable	3,356	47,270
Total	<u>\$2,715,992</u>	<u>\$2,826,783</u>

Additional information on the Township's long-term debt can be found in the footnotes to the financial statements.

Budgetary Highlights

Over the course of the year, the Township revised the annual General and Special Revenue Funds operating budgets to comply with the Michigan Department of Treasury guidelines. The budget amendments were made to reflect changes in revenues and expenditures as they occurred during the year. Many of the Townships Revenues and Expenditures were affected by the Covid -19 pandemic, and changes were made accordingly.

- In the General Fund, the final amended budget estimated a decrease in fund balance of \$1,640,678, while the original budget anticipated an increase of \$233,019. The major amendments included:
 - The State Shared revenue was reduced by \$43,426 to reflect lower than estimated payments from the state due to the Covid-19 pandemic.
 - The Local Community Stabilization Share was increased by \$28,658 to reflect a higher reimbursement through the discretionary Tier III payment
 - The Passport Application Fees were decreased by \$20,500 to reflect the passport office being closed during the pandemic.
 - The interest on investments line was decreased by \$72,800 to reflect poor investment returns due to the pandemic.
 - The July 4th Sponsors line was decreased by \$20,000 to reflect the event being cancelled due to the Covid-19 pandemic.
 - Three lines in the election budget (Wages-Casual, Election Supplies and Election Misc. Supplies) were increased by a total of \$44,000 to reflect additional costs necessary to ensure a successful 2020 presidential election.
 - The Insect/Weed Control expense line was decreased by \$53,600 to reflect a smaller than anticipated Gypsy Moth Spray program
 - The Legal Fees line-item was increased by \$20,000 to reflect higher than usual usage of Township Legal counsel due to ongoing litigation, PFAS issues in the Township and complicated zoning cases.
 - The 4th of July line was decreased by \$50,000 to reflect the cancellation of the event due to the Covid-19 pandemic.
 - The Road Overlays expense line was increased by \$82,500 to reflect an enhanced local road improvement program approved by the Township Board.
 - The Transportation Services line was reduced by \$30,000 due to the availability of extra CDBG grant funding to help fund specialized transportation services in the Township and the reduction of ridership due to the Covid-19 pandemic.
 - The Parks Maintenance line item was increased by \$25,000 to reflect the dog park drainage project that was approved by the Township Board.
 - The Other Benefits expense line was increased by \$26,000 to fund the PTO buy-back program approved by the Township Board.
 - The Capital Outlay – Land Imp. expense line was increased by \$1,250,000 to forward funds from the fund balance that had been saved for projects, including:
 - 30th Street Cemetery Expansion (\$820,000)
 - Laraway Lake Drainage (\$160,000)
 - Schoolhouse Creek Rehab (\$225,000)
 - The Capital Outlay – Building Imp. expense line was increased by \$489,000 to forward funds from the fund balance that had been saved for projects, including:
 - Township Hall Renovation (\$819,000)
 - In addition, the rehabilitation of the Rec Park Maintenance Building was removed due to project delays (\$320,000)

- In the Fire Fund, the final amended budget estimated a decrease in fund balance of \$260,235, which was slightly larger than the originally budgeted decrease of \$119,831. The major amendments included:
 - The Community Stabilization Share was decreased by \$12,208 to reflect the money actually received from the State.
 - The interest on investments line was decreased by \$33,500 to reflect poor investment returns due to the pandemic.
 - The Fire Contractual Services expense line was increased by \$54,500 to reflect the fire station #1 study approved by the Township Board.
 - The Other Benefits expense line was increased by \$22,500 to fund the PTO buy-back program approved by the Township Board

- In the Dam Major Repair Fund, the final amended budget estimated a decrease in fund balance of \$239,500, which was slightly larger than the originally budgeted decrease in fund balance of \$159,150. The major amendments included:
 - The Expenses/Major Dam Repair line was increased by \$75,000 to include the full cost of due diligence and purchase of the doctor's office property next to Tassel Park as approved by the Township Board.

- In the Pathways Fund, the final amended budget estimated a decrease in fund balance of \$1,305,271, which was significantly different than the originally budgeted increase of \$424,213. The major amendment includes:
 - The Capital Outlay – Land Imp was increased by \$1,740,000 to reflect costs of four pathway extension projects approved by the Township Board. The projects approved included:
 - Pathways #1 & #5 - \$760,000
 - Pathways #2 & #3 - \$980,000

- In the Improvement Revolving Fund, the final amended budget estimated an increase in fund balance of \$296,500, which was slightly higher than the originally budgeted increase of \$174,400. The major amendments included:
 - The Hook-up fees revenue line was increased by \$150,000 to reflect an increase in water/sewer connection fees over what was originally anticipated.

- In the Downtown Development Authority Fund, the final amended budget estimated an increase in fund balance of \$145,711, which was lower than the original anticipated increase of \$275,976. The major amendments include:
 - Several tax collection revenue lines were increased due to higher than anticipated tax capture collections.
 - The Rent-Tuffy revenue line item was added and increased by \$66,000 to account for rent payments from Tuffy Muffler lease agreement
 - The Special Projects line was decreased by \$46,700 to reflect projects and programs that were cancelled or postponed due to the Covid-19 pandemic
 - The Capital Outlay – Land Imp was increased by \$410,000 for the DDA portion of the pathway #2 project and the completion of the Centennial Park sidewalk project.
 - The Capital Outlay – FFE expenditures line was decreased by \$230,000 as several capital purchases were delayed due to the Covid-19 pandemic.

- In the Building Fund, the final amended budget estimated a decrease in fund balance of \$520,906 which was significantly higher than the originally budgeted decrease of \$10,606. The major amendments included:
 - The Building Lease expense line was increased by \$35,000 to reflect the lease buy-out approved by the Township Board so the Building Department could relocate to the new Township Hall
 - The Capital Outlay – Bldg Imp. line was increased by \$438,200 to reflect the Building Department portion of the renovations of 5920 Tahoe for the new Township Hall.

- The Township created a CARES Act Fund to account for the revenues and expenditures associated with various CARES act relief that was received by the Township highlights include:
 - \$171,542 from the State of Michigan through the Public Safety and Public Health Payroll Reimbursement Program
 - \$30,000 from the State of Michigan through the First Responder Hazard Pay Program

- \$15,701 from the State of Michigan through the Coronavirus Relief Local Governments Grant program
- \$217,552 from Kent County through their CARES Act Relief fund allocation
- \$20,800 from Kent County through their public WiFi program
- \$22,396.50 from the State of Michigan through the HAVA program

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered in preparing the Township’s budget for the 2021 fiscal year:

- The FY2021 General and Special Funds budget was prepared utilizing the millage rates from the FY2020 budget with a slight Headlee Millage Reduction fraction applied (0.9957)
- For FY 2021 the Township’s initial General Fund Budget anticipates a year-end fund balance decrease of \$39,863. The Township continues to see an increase in real property tax revenue growth (4.04%) and state shared-revenue growth (1.9%). The FY2021 budget does also see an increase in Personal Property Tax Revenue (4.38%) even as the fifth year of Industrial Personal Property Tax elimination begins. Part of the loss of PPT revenues based on FY2013 levels is offset by PPT reimbursement from the State, which is estimated at \$49,156. For FY21 the Township budgeted moderate capital improvement expenditures including the rebuilding of the Recreation Park garage (\$320,000), a new generator for Township Hall (\$41,220) and the replacement of several pieces of B&G Equipment (\$36,000)
- In the FY 2021 Special Revenue and component funds, most funds will see modest budgeted increases to fund balance including the Police Fund (\$65,365), the Pathway Fund (\$386,725), the Infrastructure Revolving Fund (\$205,500), and the Downtown Development Authority (\$309,231). There is one fund, the Fire Fund, which will see a moderate fund balance decrease (\$262,837) due to a planned spend down of fund balance.

Requests for Information

This financial report is designed to provide a general overview of Cascade Charter Township’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Benjamin Swayze, Township Manager, Cascade Charter Township, 2865 Thornhills SE, Grand Rapids, MI 49546-7140, (616) 949-1500, or by email at bswayze@cascadetwp.com.

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BASIC FINANCIAL STATEMENTS

CASCADE CHARTER TOWNSHIP

STATEMENT OF NET POSITION

DECEMBER 31, 2020

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Assets		
Cash and pooled investments	\$ 20,705,489	\$ 1,443,956
Receivables		
Accounts	2,971,393	-
Taxes	3,196,268	311,182
Due from other governments	258,491	-
Prepaid items	<u>70,359</u>	<u>-</u>
Total current assets	<u>27,202,000</u>	<u>1,755,138</u>
Noncurrent assets		
Special assessments receivable	457,787	-
Capital assets		
Non-depreciable	10,243,137	59,366
Depreciable capital assets, net	<u>14,640,842</u>	<u>4,617,919</u>
Total noncurrent assets	<u>25,341,766</u>	<u>4,677,285</u>
Total assets	<u>52,543,766</u>	<u>6,432,423</u>
Deferred outflows of resources		
Pension related	<u>264,868</u>	<u>-</u>
Liabilities		
Accounts payable	1,135,478	18,356
Accrued payroll and benefits	130,410	-
Accrued interest payable	7,763	6,013
Current portion of bonds and obligations payable	<u>282,356</u>	<u>70,000</u>
Total current liabilities	<u>1,556,007</u>	<u>94,369</u>
Long-term liabilities		
Compensated absences	311,636	-
Net pension liability	2,251,893	-
Bonds and obligations payable	<u>2,122,000</u>	<u>668,700</u>
Total long-term liabilities	<u>4,685,529</u>	<u>668,700</u>
Total liabilities	<u>6,241,536</u>	<u>763,069</u>
Deferred inflows of resources		
Unavailable - taxes	5,915,894	311,182
Pension related	<u>640,634</u>	<u>-</u>
	<u>6,556,528</u>	<u>311,182</u>
Net position		
Net investment in capital assets	22,482,979	4,677,285
Restricted for		
Public safety	6,676,763	-
Public works	969,034	-
Culture and recreation	3,593,475	-
Cemetery trust	107,369	-
Unrestricted	<u>6,180,950</u>	<u>680,887</u>
Total net position	<u>\$ 40,010,570</u>	<u>\$ 5,358,172</u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 3,467,973	\$ 557,461	\$ 486,219	\$ -	\$ (2,424,293)
Public safety	5,121,094	1,803,771	49,147	-	(3,268,176)
Public works	803,275	460,885	-	-	(342,390)
Community and economic development	491,649	42,558	-	-	(449,091)
Culture and recreation	1,101,295	-	8,320	-	(1,092,975)
Interest on long-term debt	47,204	-	-	-	(47,204)
Total primary government	\$ 11,032,490	\$ 2,864,675	\$ 543,686	\$ -	\$ (7,624,129)
Component unit					
Downtown Development Authority	\$ 764,653	\$ -	\$ -	\$ -	\$ (764,653)
Total component unit	\$ 764,653	\$ -	\$ -	\$ -	\$ (764,653)

(Continued)

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Changes in net position		
Net (expense) revenue	\$ (7,624,129)	\$ (764,653)
General revenues		
Property taxes		
General purpose	2,344,666	-
Specific purpose	4,034,070	1,096,955
State shared revenues	1,584,633	-
Intergovernmental revenues	32,870	-
Unrestricted interest	449,142	24,724
Miscellaneous	<u>48,405</u>	<u>261,123</u>
Total general revenues and transfers	<u>8,493,786</u>	<u>1,382,802</u>
Change in net position	869,657	618,149
Net position, beginning of year	<u>39,140,913</u>	<u>4,740,023</u>
Net position, end of year	<u>\$ 40,010,570</u>	<u>\$ 5,358,172</u>

(Concluded)

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

GOVERNMENTAL FUNDS BALANCE SHEET

DECEMBER 31, 2020

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Library</u>
Assets				
Cash and pooled investments	\$ 7,084,713	\$ 2,407,317	\$ 1,626,189	\$ 2,170,994
Receivables				
Accounts	894,664	1,006,701	400,528	114,880
Taxes	1,020,203	1,142,248	398,697	130,170
Special assessments	-	-	-	-
Due from other funds	9,726	-	-	-
Due from other governments	258,491	-	-	-
Prepaid items	34,632	23,338	-	-
Total assets	<u>\$ 9,302,429</u>	<u>\$ 4,579,604</u>	<u>\$ 2,425,414</u>	<u>\$ 2,416,044</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 511,550	\$ 29,474	\$ 109,377	\$ 4,412
Accrued payroll and benefits	59,125	45,581	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>570,675</u>	<u>75,055</u>	<u>109,377</u>	<u>4,412</u>
Deferred inflows of resources				
Unavailable revenue	<u>1,821,815</u>	<u>2,148,949</u>	<u>750,078</u>	<u>245,050</u>
Fund balances				
Nonspendable				
Prepaid items	34,632	23,338	-	-
Cemetery trust	-	-	-	-
Restricted				
Dedicated millage	-	2,332,262	1,565,959	2,166,582
Inspection fees	-	-	-	-
Capital improvements	-	-	-	-
Committed				
Cemetery trust	-	-	-	-
Unfunded pension liability	499,543	-	-	-
Facility improvements	450,145	-	-	-
Assigned				
Future years expenditures	1,229,570	-	-	-
Special revenue funds	-	-	-	-
Unassigned	<u>4,696,049</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>6,909,939</u>	<u>2,355,600</u>	<u>1,565,959</u>	<u>2,166,582</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,302,429</u>	<u>\$ 4,579,604</u>	<u>\$ 2,425,414</u>	<u>\$ 2,416,044</u>

The accompanying notes are an integral part of these financial statements.

<u>Pathways</u>	<u>Inspections</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 992,498	\$ 2,912,903	\$ 767,934	\$ 2,742,941	\$ 20,705,489
269,025	-	176,027	18,501	2,880,326
305,217	-	199,733	-	3,196,268
-	-	-	457,787	457,787
-	-	-	-	9,726
-	-	-	-	258,491
-	12,389	-	-	70,359
<u>\$ 1,566,740</u>	<u>\$ 2,925,292</u>	<u>\$ 1,143,694</u>	<u>\$ 3,219,229</u>	<u>\$ 27,578,446</u>
\$ 332,461	\$ 134,658	\$ 1,078	\$ 12,468	\$ 1,135,478
-	25,704	-	-	130,410
-	9,726	-	-	9,726
<u>332,461</u>	<u>170,088</u>	<u>1,078</u>	<u>12,468</u>	<u>1,275,614</u>
<u>574,242</u>	<u>-</u>	<u>375,760</u>	<u>457,787</u>	<u>6,373,681</u>
-	12,389	-	-	70,359
-	-	-	107,369	107,369
660,037	-	766,856	-	7,491,696
-	2,742,815	-	-	2,742,815
-	-	-	2,629,691	2,629,691
-	-	-	11,205	11,205
-	-	-	-	499,543
-	-	-	-	450,145
-	-	-	-	1,229,570
-	-	-	709	709
-	-	-	-	4,696,049
<u>660,037</u>	<u>2,755,204</u>	<u>766,856</u>	<u>2,748,974</u>	<u>19,929,151</u>
<u>\$ 1,566,740</u>	<u>\$ 2,925,292</u>	<u>\$ 1,143,694</u>	<u>\$ 3,219,229</u>	<u>\$ 27,578,446</u>

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CASCADE CHARTER TOWNSHIP

RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

DECEMBER 31, 2020

Fund balances - total governmental funds	\$ 19,929,151
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - land	10,243,137
Add - capital assets (net of accumulated depreciation)	14,640,842
Certain assets are not due and receivable in the current period and therefore are offset with deferred revenue or not included in the funds.	
Add - special assessments deferred receivable	457,787
Add - accrued interest receivable	91,067
Deferred outflows and inflows reported on the statement of net position are recognized over future periods and therefore are not reported in the funds.	
Add - deferred outflows related to pensions	264,868
Deduct - deferred inflows related to pensions	(640,634)
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(311,636)
Deduct - net pension liability	(2,251,893)
Deduct - bonds, obligations, and notes payable	(2,404,356)
Deduct - accrued interest on bonds and notes payable	(7,763)
Net position of governmental activities	<u>\$ 40,010,570</u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Library</u>
Revenues				
Property taxes	\$ 2,344,666	\$ 2,100,492	\$ 733,180	\$ 246,185
Licenses and permits	406,709	-	-	-
Federal	-	-	-	-
State	1,610,358	-	-	-
Local	-	-	-	32,870
Charges for services	129,590	-	-	-
Interest	337,734	38,300	22,630	58,246
Miscellaneous	<u>167,038</u>	<u>2,672</u>	<u>49,147</u>	<u>-</u>
Total revenues	<u>4,996,095</u>	<u>2,141,464</u>	<u>804,957</u>	<u>337,301</u>
Expenditures				
Current				
General government	1,959,723	-	-	-
Public safety	-	2,550,104	603,387	-
Public works	742,823	-	-	-
Community and economic development	279,185	-	-	-
Culture and recreation	97,690	-	-	226,106
Other	827,465	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	<u>1,938,885</u>	<u>23,378</u>	<u>-</u>	<u>2,475</u>
Total expenditures	<u>5,845,771</u>	<u>2,573,482</u>	<u>603,387</u>	<u>228,581</u>
Revenues over (under) expenditures	<u>(849,676)</u>	<u>(432,018)</u>	<u>201,570</u>	<u>108,720</u>
Other financing sources (uses)				
Transfers in	190,471	400,000	-	-
Transfers out	<u>(442,700)</u>	<u>(2,000)</u>	<u>(40,362)</u>	<u>-</u>
Total other financing sources (uses)	<u>(252,229)</u>	<u>398,000</u>	<u>(40,362)</u>	<u>-</u>
Net changes in fund balances	(1,101,905)	(34,018)	161,208	108,720
Fund balances, beginning of year	<u>8,011,844</u>	<u>2,389,618</u>	<u>1,404,751</u>	<u>2,057,862</u>
Fund balances, end of year	<u>\$ 6,909,939</u>	<u>\$ 2,355,600</u>	<u>\$ 1,565,959</u>	<u>\$ 2,166,582</u>

The accompanying notes are an integral part of these financial statements.

<u>Pathways</u>	<u>Inspections</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 576,835	\$ -	\$ 377,378	\$ -	\$ 6,378,736
-	1,708,046	-	-	2,114,755
-	-	-	217,243	217,243
-	-	-	-	1,610,358
-	-	-	238,153	271,023
-	-	-	8,455	138,045
55,632	69,226	4,671	48,689	635,128
-	2,264	4,000	427,724	652,845
<u>632,467</u>	<u>1,779,536</u>	<u>386,049</u>	<u>940,264</u>	<u>12,018,133</u>
-	-	-	455,276	2,414,999
-	1,676,937	-	-	4,830,428
-	-	-	-	742,823
-	-	-	-	279,185
9,318	-	24,943	-	358,057
-	-	-	-	827,465
-	-	-	274,000	274,000
-	-	-	49,104	49,104
<u>1,930,239</u>	<u>268,453</u>	<u>25,456</u>	<u>353,372</u>	<u>4,542,258</u>
<u>1,939,557</u>	<u>1,945,390</u>	<u>50,399</u>	<u>1,131,752</u>	<u>14,318,319</u>
<u>(1,307,090)</u>	<u>(165,854)</u>	<u>335,650</u>	<u>(191,488)</u>	<u>(2,300,186)</u>
-	-	-	367,804	958,275
<u>(50,974)</u>	<u>(99,135)</u>	<u>(323,104)</u>	<u>-</u>	<u>(958,275)</u>
<u>(50,974)</u>	<u>(99,135)</u>	<u>(323,104)</u>	<u>367,804</u>	<u>-</u>
<u>(1,358,064)</u>	<u>(264,989)</u>	<u>12,546</u>	<u>176,316</u>	<u>(2,300,186)</u>
<u>2,018,101</u>	<u>3,020,193</u>	<u>754,310</u>	<u>2,572,658</u>	<u>22,229,337</u>
<u>\$ 660,037</u>	<u>\$ 2,755,204</u>	<u>\$ 766,856</u>	<u>\$ 2,748,974</u>	<u>\$ 19,929,151</u>

CASCADE CHARTER TOWNSHIP

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2020

Net changes in fund balances - total governmental funds	\$ (2,300,186)
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Amounts reported for *governmental activities* in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	4,082,166
Deduct - depreciation expense	(918,939)
Deduct - net book value of disposed capital assets	(2,301)

Special assessments receivable are long-term in nature and are collectable over several years. However the current receipts are reflected as revenues on the fund statements.

Deduct - net decrease in special assessments	(65,261)
--	----------

Interest receivable is recognized when earned in the statement of activities but is reflected as revenue on the fund statement when it is received.

Deduct - decrease in accrued interest receivable	(115,986)
--	-----------

Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Add - principal payments on debt	317,914
----------------------------------	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Add - decrease in net pension liability	9,193
Add - increase in deferred outflows related to pension	63,025
Add - decrease in deferred inflows related to pension	5,255
Deduct - increase in compensated absences	(207,123)
Add - decrease in accrued interest	1,900
	1,900

Change in net position of governmental activities	\$ <u>869,657</u>
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The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2020

	Custodial Funds
Assets	
Cash and pooled investments	\$ <u>3,965,185</u>
Total assets	\$ <u>3,965,185</u>
 Liabilities	
Accounts payable	\$ 2,741,504
Escrow deposits	193,589
Due to other governmental units	<u>1,030,092</u>
Total liabilities	<u>3,965,185</u>
 Net position	
Restricted	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2020

	Custodial Funds
Additions	
Property taxes collected for other governments	\$ 59,114,862
Escrow deposits collected	<u>113,517</u>
Total Additions	<u>59,228,379</u>
Deductions	
Property taxes distributed to other governments	59,114,862
Escrow fund used to cover expenses	<u>113,517</u>
Total deductions	<u>59,228,379</u>
Net increase	-
Net position, beginning of year	<u>-</u>
Net position, end of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Cascade Charter Township (the "Township") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

These financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Township's operations, so data from these units are combined with data of the primary government. Discretely presented component units are reported in separate columns in the financial statements to emphasize they are legally separate from the Township.

Blended Component Unit

The Building Authority (the "Authority") serves all the citizens of the Township and is governed by a Board appointed by the Township's Board. The primary purpose of the Authority is to acquire and construct Township public buildings. The Authority issues bonds that are approved by the Township Board, and the legal liability for the Authority's debt remains with the Township. The Authority then leases the assets to the Township to finance the repayment of the bonds. The Authority is reported as a debt service fund.

Discretely Presented Component Unit

The Downtown Development Authority (the "DDA") was created to correct and prevent deterioration in the downtown area and promote economic growth within downtown. The DDA governing body consists of individuals that are appointed by the Township's Board. The Township's Board approves the DDA's budget and has the ability to significantly influence operations of the DDA. Financial statements are not separately issued for the DDA.

This component unit provides services to the businesses located within the district. It is reported in a separate column to emphasize they are legally separate from the Township.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported in total. The Township had no business-type activities. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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*.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the 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*, except for agency funds which do not have a measurement focus. 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* 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, except for state shared revenue and reimbursement-based grants which use a one year collection 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, net pension liability and claims and judgments, are recorded only when payment is due. Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports the following major governmental funds:

The *General Fund* is the general operating fund of the Township. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *Fire Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain the operations and debt service of the Township Fire Department.

The *Police Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain law enforcement activities in the Township.

The *Library Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain operations and debt service of the Township library.

The *Pathways Special Revenue Fund* is used to account for a special tax millage levied by the Township to maintain operations and debt service of the Township pedestrian pathways system.

The *Inspections Special Revenue Fund* is used to account for permit fees collected to maintain the operations of the Township inspections department.

The *Open Space Special Revenue Fund* is used to account for a special tax millage levied by the Township purchase land needed for Township park development.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Additionally, the Township reports the following fund types:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than permanent trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The *Debt Service Fund* is used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs.

The *Permanent Fund* accounts for fees collected to be used for cemetery improvements.

The *Fiduciary Funds* are used to account for the collection and disbursement of funds that are collected on behalf of outside governments or other parties.

Budgets and Budgetary Accounting

Comparisons to budget are presented for the general and special revenue funds. General and special revenue funds adopt a legal budget with remaining funds maintaining budgets as a management control device. The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Township Manager submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Supplemental appropriations, when required to provide for appropriate expenditures are matched by additional anticipated revenues or an appropriation of available fund balance and must be approved by the Township Board. All appropriations lapse at year-end.

The appropriated budget is prepared by fund, function and department. The legal level of budgetary control is the department level. Supplemental appropriations were made during the year.

Cash and Pooled Investments

The Township's cash and pooled investments are considered to be cash equivalents because the balances are pooled and readily available similar to a demand deposit account.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Investments

Investments are stated at fair value at the balance sheet date.

State statutes and Township policy authorize the Township to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase that are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

Interfund 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for following the consumption method

Capital Assets

Capital assets, which include land, land improvements, infrastructure, buildings and improvements, vehicles, and furniture and equipment, are reported in the in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 or more than \$15,000 for land improvements and building improvements and an estimated useful life in excess of one year. Such assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their fair value (the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction) on the date received.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	10-25
Infrastructure	50
Buildings and improvements	5-50
Vehicles	5-20
Furniture and equipment	5-15

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Township has items that qualify for reporting in this category related to the net pension liability that is discussed in Note 7.

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 governmental funds and governmental activities report unearned revenues from property taxes levied for the following year. Additionally the governmental funds report unavailable revenue related to special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Township also has items that qualify for reporting in this category related to the net pension liability that is discussed in Note 7.

Long-Term Obligations

In the government-wide financial statements, the long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures/expenses regardless of fund or activity.

Compensated Absences

Under contracts negotiated with employee groups, individual employees have a vested right to receive payments for unused vacation and sick leave under formulas and conditions specified in the contracts. Accumulated compensated absences of governmental funds are recorded on the statement of net position and not on the governmental fund balance sheets because the balance is not expected to be liquidated with expendable available financial resources. For governmental activities, compensated absences are generally liquidated by the general fund.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense; information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications. Only the General Fund can have positive unassigned fund balance.

Net Position and Fund Balance Flow Assumptions

Sometimes the government 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/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Property Taxes

Township property taxes attach as an enforceable lien on property as of December 1 of each year and are due without penalty on or before February 14. Tax bills include the Township's own property taxes and taxes billed on behalf of other taxing units. Real property taxes not collected as of March 1 are turned over to the county for collection, which advances the Township 100% of the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the Township Treasurer. The December 1 levy is offset with unearned revenue at the end of the year because it is intended to fund expenditures of the following year.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. Remaining transactions are generally reflected as transfers.

Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year ended December 31, 2020, the Township carried commercial insurance to cover risks of losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

2. STATUTORY COMPLIANCE

Michigan law provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgeted funds have been shown on a departmental basis. The approved budgets of the Township for these budgeted funds were adopted at the department level. Changes in appropriations at the fund level require Board approval.

During the year ended December 31, 2020, the Township incurred expenditures in excess of the amount appropriated as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Public works			
Road construction and maintenance	\$ 515,800	\$ 533,851	\$18,051
Culture and recreation			
Historical	16,650	16,847	197
Transfers out	441,500	442,700	1,200
Library Special Revenue Fund			
Capital outlay	1,000	2,475	1,475
Pathways Special Revenue Fund			
Capital Outlay	1,859,000	1,930,239	71,239
Open Space Special Revenue Fund			
Culture and recreation	23,250	24,943	1,693

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

3. CASH AND POOLED INVESTMENTS

The captions on the financial statements relating to cash and pooled investments and investments are as follows:

	<u>Primary Government</u>	<u>Component Unit</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and pooled investments	\$20,705,489	\$1,443,956	\$3,965,185	\$26,114,630

The cash and investments making up the above balances are as follows:

Deposits	\$20,466,935
Petty cash	438
Investments	5,647,257
Total	\$26,114,630

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the Treasurer's investing options to financial institutions located in Michigan, with some exception. All accounts except as noted are in the name of the Township and a specific fund or common account. They are recorded in Township records at fair value. Interest is recorded when earned.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. State law does not require, and the Township does not have, a policy for deposit custodial credit risk. As of year-end, \$14,619,285 of the Township's bank balance of \$20,998,807 was exposed to custodial credit risk because the balance was uninsured and uncollateralized.

Investments

The Township chooses to disclose its investments by specifically identifying each. As of year-end, the Township had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
Investment pool accounts				
Kent County Investment Pool	N/A	\$1,174,724	Unrated	
MI Class Investment Pool	N/A	4,472,533	AAAm	S&P
Total		\$5,647,257		

The Township categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Township has the following recurring fair value measurements as of year-end:

- The Township does not have any investments that are valued using quoted market prices (Level 1 inputs).

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

- The Kent County Investment Pool and MI Class Investment Pool are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determining the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The Township does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

Investment and deposit risk

Interest Rate Risk. State law and Township policy limit the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each investment is identified above for investments held at year-end. There is no stated maturity date for the Township's investment in the Kent County Public Funds Investment Pool identified above.

At December 31, 2020, the balance of the Kent County Public Funds Investment Pool consisted of the following:

<u>Investment</u>	<u>Percentage of pool total</u>	<u>Maturity in years</u>
Government agency securities	14%	0-3
Certificates of deposits	67%	0-3
Deposits, money markets and other pools	19%	Not applicable

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year-end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the Township does not have, a policy for investment custodial credit risk. Of the above investments in pools and mutual funds, the Township's custodial credit risk exposure cannot be determined because the mutual funds and the investment pools do not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	<u>Balance January 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2020</u>
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 9,968,143	\$ 274,994	\$ -	\$10,243,137
Capital assets, being depreciated				
Land improvements	8,812,569	2,671,089	-	11,483,658
Infrastructure	1,400,000	-	-	1,400,000
Buildings and improvements	11,319,553	941,025	-	12,260,578
Furniture and equipment	1,486,193	182,323	18,565	1,649,951
Vehicles	2,362,729	12,735	23,212	2,352,252
Total capital assets, being depreciated	25,381,044	3,807,172	41,777	29,146,439
Less accumulated depreciation for				
Land improvements	6,711,265	358,766	-	7,070,031
Infrastructure	952,000	28,000	-	980,000
Buildings and improvements	4,176,451	329,107	-	4,505,558
Furniture and equipment	928,334	89,221	16,264	1,001,291
Vehicles	858,084	113,845	23,212	948,717
Total accumulated depreciation	13,626,134	918,939	39,476	14,505,597
Net capital assets, being depreciated	11,754,910	2,888,233	2,301	14,640,842
Governmental Activities capital assets, net	\$21,723,053	\$3,163,227	\$ 2,301	\$24,883,979
Component Unit				
Capital assets, not being depreciated				
Land	\$ 59,366	\$ -	\$ -	\$ 59,366
Construction in progress	599,007	-	599,007	-
Total capital assets, not being depreciated	658,373	-	599,007	59,366
Capital assets being depreciated				
Land improvements	7,556,909	986,264	-	8,543,173
Furniture and equipment	50,046	-	-	50,046
Vehicles	29,900	-	-	29,900
Total capital assets, being depreciated	7,636,855	986,264	-	8,623,119
Less accumulated depreciation for				
Land improvements	3,638,101	340,166	-	3,978,267
Furniture and equipment	10,735	5,004	-	15,739
Vehicles	4,780	6,414	-	11,194
Total accumulated depreciation	3,653,616	351,584	-	4,005,200
Net capital assets, being depreciated	3,983,239	634,680	-	4,617,919
Component Unit capital assets, net	\$4,641,612	\$634,680	\$599,007	\$4,677,285

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$253,550
Public safety	181,211
Recreation and cultural	<u>484,178</u>
Total depreciation expense - governmental activities	<u>\$918,939</u>

5. INTERFUND TRANSACTIONS

Interfund balances amount to \$9,726 owed to the general fund from the inspections fund. The amount is to reflect the portion of permit fees owed to the Township at year end.

Transfers in and out for the year are as follows:

Transfers out	Transfers in			
	<u>General fund</u>	<u>Fire fund</u>	<u>Non-major funds</u>	<u>Total</u>
General fund	\$ -	\$400,000	\$ 42,700	\$442,700
Fire fund	-	-	2,000	2,000
Police fund	40,362	-	-	40,362
Pathways	50,974	-	-	50,974
Inspections fund	99,135	-	-	99,135
Open space fund	-	-	323,104	323,104
	<u>\$190,471</u>	<u>\$400,000</u>	<u>\$367,804</u>	<u>\$958,275</u>

Transfers are used to (1) move unrestricted revenues collected in the general fund to finance capital and other various programs accounted for in other funds in accordance with budgetary authorizations and (2) move funds as provided for in the budget.

Amounts due to non-major funds from the general fund represent amounts allocated to the fund but not yet paid.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

6. LONG-TERM DEBT

The following is a summary of the debt of the Township for the year ended December 31, 2020:

	<u>Balance January 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2020</u>	<u>Due Within One Year</u>
\$2,739,000 General Obligation Refunding Bonds of 2017; due in annual installments of \$29,000 to \$321,000 plus interest at 1.94% through May 2028	\$2,675,000	\$ -	\$274,000	\$2,401,000	\$279,000
\$426,769 2018 Pension conversion obligation; due in annual installments ranging from \$85,579 to \$3,356 through December 2021	47,270	-	43,914	3,356	3,356
Total Long-Term Debt	2,722,270	-	317,914	2,404,356	282,356
Accrued compensated absences	104,513	207,123	-	311,636	10,658
Total Governmental Activities	\$2,826,783	\$207,123	\$317,914	\$2,715,992	\$293,014
Component Unit					
Downtown Development Authority					
\$912,000 Development Refunding Notes of 2010; due in annual installments of \$88,000 to \$103,000 plus interest at 1.90-3.65% through Oct. 2020	\$103,000	\$ -	\$103,000	\$ -	\$ -
\$800,000 Installment note payable; due in annual installments of \$60,000 to \$103,000 plus interest at 1.90-3.65% through Oct. 2020	800,000	-	61,300	738,700	70,000
	\$903,000	\$ -	\$164,300	\$738,700	\$70,000

The annual requirements to amortize all debt outstanding (excluding accrued compensated absences) as of December 31, 2020, are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Component Units</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 282,356	\$ 43,873	\$ 70,000	\$ 24,050
2022	284,000	38,412	75,000	21,775
2023	293,000	32,816	75,000	15,338
2024	297,000	27,093	80,000	16,900
2025	305,000	21,253	80,000	14,300
2026-2029	943,000	27,733	358,700	29,738
Total	\$2,404,356	\$191,180	\$738,700	\$122,101

All outstanding debt of the Township is considered private placement debt.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

7. PENSION PLANS

Defined Benefit Pension Plan

The Township participates in the Municipal Employees Retirement System of Michigan (MERS). MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

Only full-time employees participate in the plan. Benefits provided include a multiplier of 2.0 times final average compensation with a vesting period of 8 years. Normal retirement age is 60 with early retirement at 55 with 25 years of service with various benefits. Benefits are calculated using final average compensation of 5 years.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are 2.5%.

Membership of the defined benefit plan consisted of the following at the date of the latest actuarial valuation (December 31, 2019):

Active plan members	26
Inactive employees entitled but not yet receiving benefits	7
Inactive employees or beneficiaries currently receiving benefits	<u>25</u>
Total	<u><u>58</u></u>

The defined benefit plan was closed to new entrants during the year ended December 31, 2018 and participants were offered a one-time incentive to convert from the defined benefit plan to the defined contribution plan.

Contributions

The Township is required to contribute at an actuarially determined amount, which for the current year was \$18,161 per month. Contributions are determined based on participating employees. Participating employees are required to contribute 10.17% of gross wages to the Plan. The contribution requirements of the Township are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2020, with the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of December 31, 2019.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

The total pension liability calculated in the December 31, 2019 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increases: base wage inflation of 3.00% in the long-term (plus merit and longevity from 0 to 11% based on age)

Investment rate of return: 7.35%, net of investment expense, including inflation

Mortality rates used for non-disabled plan member were based on a weighted blend of RP-2014 mortality tables of a 50% Male and 50% Female blend. Mortality rates used for disabled plan member were based on a blend of RP-2014 disabled retiree mortality tables of a 50% Male and 50% Female blend of disabled retirees

The actuarial assumptions used in the valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global Equity	60.0%	7.75%	3.15%
Global Fixed Income	20.0%	3.75%	0.25%
Private investments	20.0%	9.75%	1.45%
Inflation			2.50%
Administrative fee			0.25%
Investment rate of return			<u>7.60%</u>

Discount rate. The discount rate used to measure the total pension liability is 7.60%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2019	\$10,970,120	\$8,709,034	\$2,261,086
Changes for the Year:			
Service cost	150,811	-	150,811
Interest	860,959	-	860,959
Change in benefits	(24,999)	-	(24,999)
Difference between expected and actual experience	(25,485)	-	(25,485)
Change in assumptions	397,302	-	397,302
Contributions: employer	-	191,435	(191,435)
Contributions: employee	-	115,847	(115,847)
Net investment Income	-	1,099,520	(1,099,520)
Benefit payments, including refunds	(567,082)	(567,082)	-
Administrative expense	-	(17,467)	17,467
Other changes	21,554	-	21,554
Net changes	813,060	822,253	(9,193)
Balance at December 31, 2020	<u>\$11,783,180</u>	<u>\$9,531,287</u>	<u>\$2,251,893</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (6.60%) or higher (8.60%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
Total Pension Liability	\$13,184,009	\$11,783,180	\$10,606,300
Fiduciary Net Position	9,531,287	9,531,287	9,531,287
Net Pension Liability	<u>\$ 3,652,722</u>	<u>\$ 2,251,893</u>	<u>\$1,075,013</u>

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2020 the employer recognized pension expense of \$113,962. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$ -	\$374,679
Differences in assumptions	264,868	-
Excess (deficit) investment returns	-	265,955
Total	<u>\$264,868</u>	<u>\$640,634</u>

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Amounts reported as deferred outflows and inflows of resources related to the pension will be recognized in pension expense as follows:

2021	\$(283,055)
2022	160,838
2023	(163,915)
2024	(89,634)
2025	-
Thereafter	-
Total	<u>\$(375,766)</u>

Defined Contribution Pension Plans

The Township maintains a defined contribution plan administered by an insurance company. The Township contributes 10 percent of each eligible employee's salary to the plan. Employees are also able to make additional voluntary contributions. Plan provision and contribution requirements are established and may be amended by the Board. The Township's contribution for 2020 was \$14,866.

The Township also maintains a defined contribution plan administered by MERS. Depending on hire date, the Township contributes 5 to 6 percent of each eligible employee's salary to the plan and will match an additional 5 to 6 percent of each eligible employee's salary. Plan provision and contribution requirements are established and may be amended by the Board. The Township's contribution for 2020 was \$243,123 and the employees' contribution was \$116,017.

8. LEASE AGREEMENT

The Township renewed an agreement in 2016, which provides for the leasing of the Cascade Dam to a private company for the purpose of generating and selling hydroelectric power. The original lease expired in 2018 and was automatically be extended for an additional 18 years through 2036. In years 2019 through 2029, the annual base rental is \$70,000 and from 2030 to 2036 the annual base rental will be \$72,000. The annual maintenance reserve fee will continue to be \$5,000 through the term of the new lease agreement. This is collected by the Township General Fund; \$40,000 plus the \$5,000 maintenance reserve fee is set aside each year in the Cascade Dam Major Repair Fund. At December 31, 2020, the Cascade Dam Major Repair Fund has accumulated \$511,247.

9. CONTINGENT LIABILITIES

In the normal course of its operations, the Township has become a party in various legal actions, including property tax appeals. Management of the Township is of the opinion that the outcome of such actions will not have a material effect on the financial position of the Township.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Township expects such amounts, if any, to be immaterial.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

10. TAX ABATEMENTS

The Township entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) 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 Industrial Facilities Exemption (IFE) certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 12 years as determined by the local unit of government. The agreements entered into by the Township include claw back provisions should the recipient of the tax abatement fail to fully meet its commitments, such as employment levels and timelines for relocation. The IFE is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended December 31, 2020 the Township abated property tax revenues of approximately \$42,500.

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REQUIRED SUPPLEMENTARY INFORMATION

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,279,050	\$ 2,299,708	\$ 2,344,666	\$ 44,958
Licenses and permits	417,300	417,300	406,709	(10,591)
State	1,620,902	1,567,476	1,610,358	42,882
Charges for services	126,000	123,500	129,590	6,090
Interest	420,804	348,004	337,734	(10,270)
Miscellaneous	148,426	161,249	167,038	5,789
Total revenues	<u>5,012,482</u>	<u>4,917,237</u>	<u>4,996,095</u>	<u>78,858</u>
Expenditures				
Current				
General government				
Township board	61,616	62,282	60,617	1,665
Supervisor	257,194	230,762	223,849	6,913
Manager	13,290	13,290	6,296	6,994
Clerk	95,087	112,882	97,115	15,767
Treasurer	138,030	140,685	131,852	8,833
Assessor	230,582	249,617	235,445	14,172
Elections	98,500	142,500	122,593	19,907
Buildings and grounds	569,278	554,547	524,177	30,370
Cemetery	21,000	21,000	4,951	16,049
Administration	658,637	592,568	552,828	39,740
Public works				
Drains	27,900	27,900	15,621	12,279
Road construction and maintenance	433,300	515,800	533,851	(18,051)
Street lighting	135,000	135,000	131,281	3,719
Waste collection	85,400	85,400	62,070	23,330
Community and economic development				
Planning commission	321,022	304,286	274,527	29,759
Building and zoning	21,500	21,500	4,658	16,842
Culture and recreation				
Parks and recreation	82,920	107,920	80,843	27,077
Historical	10,650	16,650	16,847	(197)
Other	862,393	865,162	827,465	37,697
Capital outlay	403,000	2,105,000	1,938,885	166,115
Total expenditures	<u>4,526,299</u>	<u>6,304,751</u>	<u>5,845,771</u>	<u>458,980</u>
Revenues over (under) expenditures	<u>486,183</u>	<u>(1,387,514)</u>	<u>(849,676)</u>	<u>537,838</u>
Other financing sources (uses)				
Transfers in	188,336	188,336	190,471	2,135
Transfers out	(441,500)	(441,500)	(442,700)	(1,200)
Total other financing sources (uses)	<u>(253,164)</u>	<u>(253,164)</u>	<u>(252,229)</u>	<u>935</u>
Net changes in fund balances	233,019	(1,640,678)	(1,101,905)	538,773
Fund balances, beginning of year	<u>8,011,844</u>	<u>8,011,844</u>	<u>8,011,844</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,244,863</u>	<u>\$ 6,371,166</u>	<u>\$ 6,909,939</u>	<u>\$ 538,773</u>

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 2,114,285	\$ 2,102,077	\$ 2,100,492	\$ (1,585)
Interest	63,500	30,000	38,300	8,300
Miscellaneous	1,500	1,500	2,672	1,172
Total revenues	<u>2,179,285</u>	<u>2,133,577</u>	<u>2,141,464</u>	<u>7,887</u>
Expenditures				
Current				
Public safety	2,729,439	2,812,135	2,550,104	262,031
Capital outlay	12,000	24,000	23,378	622
Total expenditures	<u>2,741,439</u>	<u>2,836,135</u>	<u>2,573,482</u>	<u>262,653</u>
Revenues over (under) expenditures	<u>(562,154)</u>	<u>(702,558)</u>	<u>(432,018)</u>	<u>270,540</u>
Other financing sources (uses)				
Transfers in	444,323	444,323	400,000	44,323
Transfers out	(2,000)	(2,000)	(2,000)	-
Total other financing sources (uses)	<u>442,323</u>	<u>442,323</u>	<u>398,000</u>	<u>44,323</u>
Net changes in fund balances	(119,831)	(260,235)	(34,018)	314,863
Fund balances, beginning of year	<u>2,389,618</u>	<u>2,389,618</u>	<u>2,389,618</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,269,787</u>	<u>\$ 2,129,383</u>	<u>\$ 2,355,600</u>	<u>\$ 314,863</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 741,791	\$ 741,791	\$ 733,180	\$ (8,611)
Interest	21,500	21,500	22,630	1,130
Miscellaneous	-	-	49,147	49,147
Total revenues	<u>763,291</u>	<u>763,291</u>	804,957	41,666
Expenditures				
Current				
Public safety	<u>655,150</u>	<u>655,150</u>	<u>603,387</u>	<u>51,763</u>
Revenues over (under) expenditures	108,141	108,141	201,570	93,429
Other financing sources (uses)				
Transfers out	<u>(40,362)</u>	<u>(40,362)</u>	<u>(40,362)</u>	<u>-</u>
Net changes in fund balances	67,779	67,779	161,208	93,429
Fund balances, beginning of year	<u>1,404,751</u>	<u>1,404,751</u>	<u>1,404,751</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,472,530</u>	<u>\$ 1,472,530</u>	<u>\$ 1,565,959</u>	<u>\$ 93,429</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 240,859	\$ 240,859	\$ 246,185	\$ 5,326
Local	32,870	32,870	32,870	-
Interest	66,000	66,000	58,246	(7,754)
Total revenues	339,729	339,729	337,301	(2,428)
Expenditures				
Current				
Culture and recreation	251,899	251,899	226,106	25,793
Capital outlay	1,000	1,000	2,475	(1,475)
Total expenditures	252,899	252,899	228,581	24,318
Net changes in fund balances	86,830	86,830	108,720	21,890
Fund balances, beginning of year	2,057,862	2,057,862	2,057,862	-
Fund balances, end of year	\$ 2,144,692	\$ 2,144,692	\$ 2,166,582	\$ 21,890

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 566,787	\$ 577,303	\$ 576,835	\$ (468)
Interest	<u>60,500</u>	<u>60,500</u>	<u>55,632</u>	<u>(4,868)</u>
Total revenues	<u>627,287</u>	<u>637,803</u>	<u>632,467</u>	<u>(5,336)</u>
Expenditures				
Current				
Culture and recreation	33,100	33,100	9,318	23,782
Capital outlay	<u>119,000</u>	<u>1,859,000</u>	<u>1,930,239</u>	<u>(71,239)</u>
Total expenditures	<u>152,100</u>	<u>1,892,100</u>	<u>1,939,557</u>	<u>(47,457)</u>
Revenues over (under) expenditures	475,187	(1,254,297)	(1,307,090)	(52,793)
Other financing sources (uses)				
Transfers out	<u>(50,974)</u>	<u>(50,974)</u>	<u>(50,974)</u>	<u>-</u>
Net changes in fund balances	424,213	(1,305,271)	(1,358,064)	(52,793)
Fund balances, beginning of year	<u>2,018,101</u>	<u>2,018,101</u>	<u>2,018,101</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,442,314</u>	<u>\$ 712,830</u>	<u>\$ 660,037</u>	<u>\$ (52,793)</u>

CASCADE CHARTER TOWNSHIP

INSPECTIONS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 1,709,500	\$ 1,709,500	\$ 1,708,046	\$ (1,454)
Interest	60,500	60,500	69,226	8,726
Miscellaneous	1,000	1,000	2,264	1,264
Total revenues	<u>1,771,000</u>	<u>1,771,000</u>	<u>1,779,536</u>	<u>8,536</u>
Expenditures				
Current				
Public safety	1,660,606	1,720,500	1,676,937	43,563
Capital outlay	24,000	462,200	268,453	193,747
Total expenditures	<u>1,684,606</u>	<u>2,182,700</u>	<u>1,945,390</u>	<u>237,310</u>
Revenues over (under) expenditures	86,394	(411,700)	(165,854)	245,846
Other financing sources (uses)				
Transfers out	(97,000)	(97,000)	(99,135)	(2,135)
Net changes in fund balances	(10,606)	(508,700)	(264,989)	243,711
Fund balances, beginning of year	<u>3,020,193</u>	<u>3,020,193</u>	<u>3,020,193</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,009,587</u>	<u>\$ 2,511,493</u>	<u>\$ 2,755,204</u>	<u>\$ 243,711</u>

CASCADE CHARTER TOWNSHIP

OPEN SPACE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 371,508	\$ 371,508	\$ 377,378	\$ 5,870
Interest	13,000	13,000	4,671	(8,329)
Miscellaneous	-	-	4,000	4,000
Total revenues	<u>384,508</u>	<u>384,508</u>	<u>386,049</u>	<u>1,541</u>
Expenditures				
Current				
Culture and recreation	23,250	23,250	24,943	(1,693)
Capital outlay	<u>24,000</u>	<u>24,000</u>	<u>25,456</u>	<u>(1,456)</u>
Total expenditures	<u>47,250</u>	<u>47,250</u>	<u>50,399</u>	<u>(3,149)</u>
Revenues over (under) expenditures	337,258	337,258	335,650	(1,608)
Other financing sources (uses)				
Transfers out	<u>(323,237)</u>	<u>(323,237)</u>	<u>(323,104)</u>	<u>133</u>
Net changes in fund balances	14,021	14,021	12,546	(1,475)
Fund balances, beginning of year	<u>754,310</u>	<u>754,310</u>	<u>754,310</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 768,331</u></u>	<u><u>\$ 768,331</u></u>	<u><u>\$ 766,856</u></u>	<u><u>\$ (1,475)</u></u>

CASCADE CHARTER TOWNSHIP

**DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total pension liability						
Service cost	\$ 232,044	\$ 269,359	\$ 301,620	\$ 324,267	\$ 152,708	\$ 150,811
Interest	672,517	697,204	813,553	830,058	890,346	860,959
Changes in benefit terms	-	-	-	-	(24,411)	(24,999)
Difference between expected and actual experience	-	360,728	(407,538)	13,247	(844,453)	(25,485)
Changes in assumptions	-	568,066	-	-	-	397,302
Benefit payments including employee refunds	(347,736)	(337,024)	(460,299)	(702,280)	(484,793)	(567,082)
Other	<u>(17,508)</u>	<u>(58,461)</u>	<u>68,638</u>	<u>265,356</u>	<u>(14,651)</u>	<u>21,554</u>
Net change in total pension liability	539,317	1,499,872	315,974	730,648	(325,254)	813,060
Total pension liability, beginning of year	<u>8,209,563</u>	<u>8,748,880</u>	<u>10,248,752</u>	<u>10,564,726</u>	<u>11,295,374</u>	<u>10,970,120</u>
Total pension liability, end of year	<u>\$ 8,748,880</u>	<u>\$ 10,248,752</u>	<u>\$ 10,564,726</u>	<u>\$ 11,295,374</u>	<u>\$ 10,970,120</u>	<u>\$ 11,783,180</u>
Plan fiduciary net position						
Contributions-employer	\$ 232,013	\$ 245,343	\$ 290,039	\$ 305,411	\$ 176,094	\$ 191,435
Contributions-employee	117,128	123,282	124,705	120,780	110,976	115,847
Net investment income	(105,931)	776,510	1,004,690	(324,408)	1,065,789	1,099,520
Benefit payments including employee refunds	(347,736)	(337,024)	(460,299)	(702,280)	(484,793)	(567,082)
Administrative expense	<u>(15,175)</u>	<u>(15,315)</u>	<u>(15,897)</u>	<u>(16,413)</u>	<u>(18,365)</u>	<u>(17,467)</u>
Net change in plan fiduciary net position	(119,701)	792,796	943,238	(616,910)	849,701	822,253
Plan fiduciary net position, beginning of year	<u>6,859,910</u>	<u>6,740,209</u>	<u>7,533,005</u>	<u>8,476,243</u>	<u>7,859,333</u>	<u>8,709,034</u>
Plan fiduciary net position, end of year	<u>\$ 6,740,209</u>	<u>\$ 7,533,005</u>	<u>\$ 8,476,243</u>	<u>\$ 7,859,333</u>	<u>\$ 8,709,034</u>	<u>\$ 9,531,287</u>
Employer net pension liability	<u>\$ 2,008,671</u>	<u>\$ 2,715,747</u>	<u>\$ 2,088,483</u>	<u>\$ 3,436,041</u>	<u>\$ 2,261,086</u>	<u>\$ 2,251,893</u>
Plan fiduciary net position as a percentage of the total pension liability	77%	74%	80%	70%	79%	81%
Covered employee payroll	\$ 2,047,653	\$ 2,314,281	\$ 2,474,196	\$ 2,626,444	\$ 1,656,630	\$ 1,570,546
Employer's net pension liability as a percentage of covered employee payroll	98%	117%	84%	131%	136%	143%

CASCADE CHARTER TOWNSHIP
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2015	2016	2017	2018	2019	2020
Actuarial determined contributions	\$ 232,013	\$ 245,343	\$ 290,039	\$ 305,411	\$ 176,094	\$ 191,435
Contributions in relation to the actuarially determined contribution	<u>232,013</u>	<u>245,343</u>	<u>290,039</u>	<u>305,411</u>	<u>176,094</u>	<u>191,435</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 2,047,653	\$ 2,314,281	\$ 2,474,196	\$ 2,626,444	\$ 1,656,630	\$ 1,570,546
Contributions as a percentage of covered employee payroll	11.3%	10.6%	11.7%	11.6%	10.6%	12.2%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	25 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary increases	3.00% (3.75% for 2015 through 2019)
Investment rate of return	7.35% (7.75% for 2015 through 2019)
Retirement age	Varies depending on plan adoption
Mortality	50% female/ 50% male RP-2014 mortality table

Notes to required supplementary information

Budgets and Budgetary Accounting

The Township adopts annual budgets for the general and special revenue funds fund following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.

Pension Schedules

Pension schedules are being accumulated prospectively until ten years of data is presented.

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CASCADE CHARTER TOWNSHIP

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

DECEMBER 31, 2020

	Special Revenue Funds				Debt Service Fund	Permanent	Total
	Cascade Dam Major Repair	Improvement Revolving	Hazmat	CARES Act	Building Authority	Cemetery Perpetual Care	
Assets							
Cash and pooled investments	\$ 511,247	\$ 2,073,983	\$ 38,326	\$ 811	\$ -	\$ 118,574	\$ 2,742,941
Receivables							
Accounts	-	18,501	-	-	-	-	18,501
Special assessments	-	457,787	-	-	-	-	457,787
Total assets	<u>\$ 511,247</u>	<u>\$ 2,550,271</u>	<u>\$ 38,326</u>	<u>\$ 811</u>	<u>\$ -</u>	<u>\$ 118,574</u>	<u>\$ 3,219,229</u>
Liabilities and fund balances							
Liabilities							
Accounts payable	\$ -	\$ 12,366	\$ -	\$ 102	\$ -	\$ -	\$ 12,468
Deferred inflows of resources							
Unavailable revenue	-	457,787	-	-	-	-	457,787
Fund balances							
Nonspendable							
Cemetery trust	-	-	-	-	-	107,369	107,369
Restricted							
Capital improvements	511,247	2,080,118	38,326	-	-	-	2,629,691
Committed							
Cemetery trust	-	-	-	-	-	11,205	11,205
Assigned							
Special revenue funds	-	-	-	709	-	-	709
Total fund balances	<u>511,247</u>	<u>2,080,118</u>	<u>38,326</u>	<u>709</u>	<u>-</u>	<u>118,574</u>	<u>2,748,974</u>
Total liabilities and fund balances	<u>\$ 511,247</u>	<u>\$ 2,550,271</u>	<u>\$ 38,326</u>	<u>\$ 811</u>	<u>\$ -</u>	<u>\$ 118,574</u>	<u>\$ 3,219,229</u>

CASCADE CHARTER TOWNSHIP
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue Funds				Debt Service		Permanent	Total
	Cascade Dam Major Repair	Improvement Revolving	Hazmat	CARES Act	Building Authority	Cemetery Perpetual Care		
Revenues								
Federal	\$ -	\$ -	\$ -	\$ 217,243	\$ -	\$ -	\$ 217,243	
Local	-	-	-	238,153	-	-	238,153	
Charges for services	-	-	6,000	-	-	2,455	8,455	
Interest	15,094	32,902	120	-	-	573	48,689	
Miscellaneous	5,000	422,724	-	-	-	-	427,724	
Total revenues	<u>20,094</u>	<u>455,626</u>	<u>6,120</u>	<u>455,396</u>	<u>-</u>	<u>3,028</u>	<u>940,264</u>	
Expenditures								
Current								
General government	-	-	-	454,687	-	589	455,276	
Debt service								
Principal	-	-	-	-	274,000	-	274,000	
Interest	-	-	-	-	49,104	-	49,104	
Capital outlay	277,009	75,126	1,237	-	-	-	353,372	
Total expenditures	<u>277,009</u>	<u>75,126</u>	<u>1,237</u>	<u>454,687</u>	<u>323,104</u>	<u>589</u>	<u>1,131,752</u>	
Revenues over (under) expenditures	(256,915)	380,500	4,883	709	(323,104)	2,439	(191,488)	
Other financing sources (uses)								
Transfers in	40,000	-	2,000	-	323,104	2,700	367,804	
Net changes in fund balances	(216,915)	380,500	6,883	709	-	5,139	176,316	
Fund balances, beginning of year	<u>728,162</u>	<u>1,699,618</u>	<u>31,443</u>	<u>-</u>	<u>-</u>	<u>113,435</u>	<u>2,572,658</u>	
Fund balances, end of year	<u>\$ 511,247</u>	<u>\$ 2,080,118</u>	<u>\$ 38,326</u>	<u>\$ 709</u>	<u>\$ -</u>	<u>\$ 118,574</u>	<u>\$ 2,748,974</u>	

CASCADE CHARTER TOWNSHIP

**CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 20,850	\$ 15,500	\$ 15,094	\$ (406)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total revenues	25,850	20,500	20,094	(406)
Expenditures				
Capital outlay	<u>225,000</u>	<u>300,000</u>	<u>277,009</u>	<u>22,991</u>
Revenues over (under) expenditures	(199,150)	(279,500)	(256,915)	22,585
Other financing sources (uses)				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net changes in fund balances	(159,150)	(239,500)	(216,915)	22,585
Fund balances, beginning of year	<u>728,162</u>	<u>728,162</u>	<u>728,162</u>	<u>-</u>
Fund balances, end of year	<u>\$ 569,012</u>	<u>\$ 488,662</u>	<u>\$ 511,247</u>	<u>\$ 22,585</u>

CASCADE CHARTER TOWNSHIP

**IMPROVEMENT REVOLVING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 40,900	\$ 28,000	\$ 32,902	\$ 4,902
Miscellaneous	<u>220,000</u>	<u>370,000</u>	<u>422,724</u>	<u>52,724</u>
Total revenues	260,900	398,000	455,626	57,626
Expenditures				
Capital outlay	<u>86,500</u>	<u>101,500</u>	<u>75,126</u>	<u>26,374</u>
Total expenditures	<u>86,500</u>	<u>101,500</u>	<u>75,126</u>	<u>26,374</u>
Net changes in fund balances	174,400	296,500	380,500	84,000
Fund balances, beginning of year	<u>1,699,618</u>	<u>1,699,618</u>	<u>1,699,618</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,874,018</u>	<u>\$ 1,996,118</u>	<u>\$ 2,080,118</u>	<u>\$ 84,000</u>

CASCADE CHARTER TOWNSHIP

HAZMAT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 4,000	\$ 4,000	\$ 6,000	\$ 2,000
Interest	100	100	120	20
Total revenues	<u>4,100</u>	<u>4,100</u>	<u>6,120</u>	<u>2,020</u>
Expenditures				
Current				
Public safety	5,000	5,000	-	5,000
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>1,237</u>	<u>1,763</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>1,237</u>	<u>6,763</u>
Revenues over (under) expenditures	(3,900)	(3,900)	4,883	8,783
Other financing sources (uses)				
Transfers in	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Net changes in fund balances	(1,900)	(1,900)	6,883	8,783
Fund balances, beginning of year	<u>31,443</u>	<u>31,443</u>	<u>31,443</u>	<u>-</u>
Fund balances, end of year	<u>\$ 29,543</u>	<u>\$ 29,543</u>	<u>\$ 38,326</u>	<u>\$ 8,783</u>

CASCADE CHARTER TOWNSHIP

**CARES ACT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal	\$ -	\$ 239,640	\$ 217,243	(22,397)
Local	-	238,152	238,153	1
Total revenues	-	477,792	455,396	(22,396)
Expenditures				
Current				
General government	-	477,792	454,687	23,105
Net changes in fund balances	-	-	709	709
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 709</u>	<u>\$ 709</u>

CASCADE CHARTER TOWNSHIP

GENERAL FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 7,084,713	\$ 7,601,071
Receivables		
Accounts	894,664	971,006
Taxes	1,020,203	968,292
Due from other funds	9,726	166,420
Due from other governments	258,491	264,796
Prepaid items	<u>34,632</u>	<u>18,467</u>
Total assets	<u>\$ 9,302,429</u>	<u>\$ 9,990,052</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 511,550	\$ 199,669
Accrued payroll and benefits	<u>59,125</u>	<u>40,231</u>
Total liabilities	<u>570,675</u>	<u>239,900</u>
Deferred inflows of resources		
Unavailable revenue	<u>1,821,815</u>	<u>1,738,308</u>
Fund balances		
Nonspendable		
Prepaid items	34,632	18,467
Committed		
Unfunded pension liability	499,543	499,543
Facility Improvements	450,145	2,500,000
Assigned		
Future years expenditures	1,229,570	-
Unassigned	<u>4,696,049</u>	<u>4,993,834</u>
Total fund balances	<u>6,909,939</u>	<u>8,011,844</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,302,429</u>	<u>\$ 9,990,052</u>

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CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,574,610	\$ 1,491,706
Street lighting assessment	77,350	72,773
Delinquent property taxes	2,902	2,997
Industrial facilities taxes	11,888	10,472
Interest and penalties on taxes	3,206	16,174
Tax administration fees	674,710	602,474
Total property taxes	<u>2,344,666</u>	<u>2,196,596</u>
Licenses and permits		
Cablevision fees	406,556	416,550
Dog licenses	153	108
Other permits	-	265
Total licenses and permits	<u>406,709</u>	<u>416,923</u>
State		
Sales taxes	1,592,881	1,610,478
PA 48/Metro Authority	17,477	15,215
Total state	<u>1,610,358</u>	<u>1,625,693</u>
Charges for services		
Planning and zoning fees	42,558	15,658
Summer tax collection fees	26,001	25,830
P.A. 198 tax application fees	1,000	2,000
Yard waste bag fees	872	1,733
Sewer and water implementation fees	37,289	23,185
Grave openings	10,915	14,464
Passport application fees	10,955	32,270
Total charges for services	<u>129,590</u>	<u>115,140</u>
Interest		
Interest on deposits and investments	163,072	233,333
Rental income	174,662	250,857
Total interest	<u>337,734</u>	<u>484,190</u>
Miscellaneous		
Sale of assets	2,538	8,833
Contributions	103,426	119,192
Park income	4,320	6,160
Reimbursements	26,823	2,194
Refunds and rebates	5,946	2,506
Other	23,985	3,624
Total miscellaneous	<u>167,038</u>	<u>142,509</u>
Total revenues	<u>\$ 4,996,095</u>	<u>\$ 4,981,051</u>

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Expenditures		
Current		
General government		
Township board		
Personnel services	\$ 39,834	\$ 39,898
Other services and charges	20,783	23,094
Total township board	<u>60,617</u>	<u>62,992</u>
Supervisor		
Personnel services	217,142	142,991
Other services and charges	6,707	8,469
Capital outlay	-	1,236
Total supervisor	<u>223,849</u>	<u>152,696</u>
Manager		
Other services and charges	<u>6,296</u>	<u>6,980</u>
Clerk		
Personnel services	90,686	99,222
Other services and charges	6,429	6,017
Total clerk	<u>97,115</u>	<u>105,239</u>
Treasurer		
Personnel services	127,775	127,419
Other services and charges	3,567	6,553
Capital outlay	510	760
Total treasurer	<u>131,852</u>	<u>134,732</u>
Assessor		
Personnel services	200,232	217,624
Supplies	5,076	253
Other services and charges	27,295	16,371
Capital outlay	2,842	2,132
Total assessor	<u>235,445</u>	<u>236,380</u>
Elections		
Personnel services	91,725	10,512
Supplies	15,221	-
Other services and charges	15,647	4,792
Total elections	<u>122,593</u>	<u>15,304</u>
Buildings and grounds		
Personnel services	322,379	309,468
Supplies	1,571	2,631
Other services and charges	199,142	184,818
Capital outlay	1,085	9,007
Total buildings and grounds	<u>524,177</u>	<u>505,924</u>
Cemetery		
Other services and charges	<u>4,951</u>	<u>10,265</u>
Administration		
Personnel services	150,777	83,125
Supplies	29,690	17,364
Other services and charges	363,210	559,207
Capital outlay	9,151	6,316
Total administration	<u>552,828</u>	<u>666,012</u>
Total general government	<u>1,959,723</u>	<u>1,896,524</u>

(Continued)

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Public works		
Drains		
Other services and charges	\$ 7,229	\$ 7,738
Capital outlay	<u>8,392</u>	<u>47,421</u>
Total drains	<u>15,621</u>	<u>55,159</u>
Road construction and maintenance		
Capital outlay	<u>533,851</u>	<u>1,169,435</u>
Street lighting		
Other services and charges	130,863	135,207
Capital outlay	<u>418</u>	<u>1,769</u>
Total street lighting	<u>131,281</u>	<u>136,976</u>
Waste collection		
Other services and charges	<u>62,070</u>	<u>96,086</u>
Total public works	<u>742,823</u>	<u>1,457,656</u>
Community and economic development		
Planning commission		
Personnel services	251,147	249,569
Supplies	1,278	1,042
Other services and charges	<u>22,102</u>	<u>48,868</u>
Total planning commission	<u>274,527</u>	<u>299,479</u>
Building and zoning		
Personnel services	<u>4,658</u>	<u>4,716</u>
Total community and economic development	<u>279,185</u>	<u>304,195</u>
Culture and recreation		
Parks and recreation		
Supplies	1,525	4,659
Other services and charges	79,318	63,715
Capital outlay	<u>-</u>	<u>-</u>
Total parks and recreation	<u>80,843</u>	<u>68,374</u>
Historical		
Supplies	6,000	6,000
Other services and charges	<u>10,847</u>	<u>17,208</u>
Total historical	<u>16,847</u>	<u>23,208</u>
Total culture and recreation	<u>97,690</u>	<u>91,582</u>
Other		
Employee benefits	621,081	529,199
Transportation services	<u>206,384</u>	<u>251,457</u>
Total other	<u>827,465</u>	<u>780,656</u>
Capital outlay	<u>1,938,885</u>	<u>1,397,101</u>
Total expenditures	<u>\$ 5,845,771</u>	<u>\$ 5,927,714</u>

(Concluded)

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 2,407,317	\$ 2,438,836
Receivables		
Accounts	1,006,701	980,350
Taxes	1,142,248	1,082,439
Prepaid items	23,338	19,352
Total assets	\$ 4,579,604	\$ 4,520,977
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 29,474	\$ 21,556
Accrued payroll and benefits	45,581	47,014
Total liabilities	75,055	68,570
Deferred inflows of resources		
Unavailable revenue	2,148,949	2,062,789
Fund balances		
Nonspendable		
Prepaid items	23,338	19,352
Restricted		
Dedicated millage	2,332,262	2,370,266
Total fund balances	2,355,600	2,389,618
Total liabilities, deferred inflows of resources and fund balances	\$ 4,579,604	\$ 4,520,977

CASCADE CHARTER TOWNSHIP

**FIRE SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 2,080,525	\$ 2,025,482
Delinquent property taxes	3,527	4,012
Industrial facilities taxes	16,092	14,175
Interest and penalties on taxes	348	424
Total property taxes	<u>2,100,492</u>	<u>2,044,093</u>
Interest	38,300	70,625
Miscellaneous		
Other	<u>2,672</u>	<u>24,791</u>
Total revenues	<u>2,141,464</u>	<u>2,139,509</u>
Expenditures		
Current		
Public safety		
Fire department		
Personnel services	2,117,812	2,162,565
Supplies	105,687	109,924
Other services and charges	326,605	248,759
Total public safety	<u>2,550,104</u>	<u>2,521,248</u>
Capital outlay	<u>23,378</u>	<u>89,858</u>
Total expenditures	<u>2,573,482</u>	<u>2,611,106</u>
Revenues over (under) expenditures	<u>(432,018)</u>	<u>(471,597)</u>
Other financing sources (uses)		
Transfers in	400,000	400,000
Transfers out	<u>(2,000)</u>	<u>(2,000)</u>
Total other financing sources (uses)	<u>398,000</u>	<u>398,000</u>
Net changes in fund balances	(34,018)	(73,597)
Fund balances, beginning of year	<u>2,389,618</u>	<u>2,463,215</u>
Fund balances, end of year	<u>\$ 2,355,600</u>	<u>\$ 2,389,618</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 1,626,189	\$ 1,542,769
Receivables		
Accounts	400,528	342,191
Taxes	<u>398,697</u>	<u>377,828</u>
Total assets	<u>\$ 2,425,414</u>	<u>\$ 2,262,788</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 109,377	\$ 106,519
Due to other funds	<u>-</u>	<u>31,499</u>
Total liabilities	<u>109,377</u>	<u>138,018</u>
Deferred inflows of resources		
Unavailable revenue	<u>750,078</u>	<u>720,019</u>
Fund balances		
Restricted		
Dedicated millage	<u>1,565,959</u>	<u>1,404,751</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,425,414</u>	<u>\$ 2,262,788</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 726,211	\$ 707,587
Delinquent property taxes	1,231	1,400
Industrial facilities taxes	5,617	4,948
Interest and penalties on taxes	<u>121</u>	<u>148</u>
 Total property taxes	 733,180	 714,083
 Interest	 22,630	 36,663
Miscellaneous	<u>49,147</u>	<u>-</u>
 Total revenues	 804,957	 750,746
 Expenditures		
Current		
Public safety		
Law enforcement		
Other services and charges	<u>603,387</u>	<u>625,906</u>
 Revenues over (under) expenditures	 201,570	 124,840
 Other financing sources (uses)		
Transfers out	<u>(40,362)</u>	<u>(31,499)</u>
 Net changes in fund balances	 161,208	 93,341
 Fund balances, beginning of year	 <u>1,404,751</u>	 <u>1,311,410</u>
 Fund balances, end of year	 <u>\$ 1,565,959</u>	 <u>\$ 1,404,751</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 2,073,983	\$ 1,711,478
Receivables		
Accounts	18,501	20,707
Special assessments	457,787	518,494
Due from other funds	<u>-</u>	<u>1,100</u>
Total assets	<u>\$ 2,550,271</u>	<u>\$ 2,251,779</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 12,366	\$ 5,888
Due to other funds	<u>-</u>	<u>23,185</u>
Total liabilities	<u>12,366</u>	<u>29,073</u>
Deferred inflows of resources		
Unavailable revenue	<u>457,787</u>	<u>523,088</u>
Fund balances		
Restricted		
Water and sewer improvements	<u>2,080,118</u>	<u>1,699,618</u>
Total fund balances	<u>2,080,118</u>	<u>1,699,618</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,550,271</u>	<u>\$ 2,251,779</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Interest		
Interest on deposits	\$ 26,256	\$ 22,016
Interest on special assessments	6,646	829
Total interest	<u>32,902</u>	<u>22,845</u>
Miscellaneous		
Special assessments	52,148	36,255
Hookup fees	370,576	231,852
Total miscellaneous	<u>422,724</u>	<u>268,107</u>
Total revenues	455,626	290,952
Expenditures		
Capital outlay	<u>75,126</u>	<u>72,165</u>
Total expenditures	<u>75,126</u>	<u>72,165</u>
Net changes in fund balances	380,500	218,787
Fund balances, beginning of year	<u>1,699,618</u>	<u>1,480,831</u>
Fund balances, end of year	<u>\$ 2,080,118</u>	<u>\$ 1,699,618</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 2,170,994	\$ 2,130,532
Receivables		
Accounts	114,880	111,915
Taxes	<u>130,170</u>	<u>123,394</u>
Total assets	<u>\$ 2,416,044</u>	<u>\$ 2,365,841</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 4,412	\$ 8,634
Due to other funds	<u>-</u>	<u>64,036</u>
Total liabilities	<u>4,412</u>	<u>72,670</u>
Deferred inflows of resources		
Unavailable revenue	<u>245,050</u>	<u>235,309</u>
Fund balances		
Restricted		
Dedicated millage	<u>2,166,582</u>	<u>2,057,862</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,416,044</u>	<u>\$ 2,365,841</u>

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 243,907	\$ 230,237
Delinquent property taxes	403	457
Industrial facilities taxes	1,835	1,616
Interest and penalties on taxes	40	48
Total property taxes	<u>246,185</u>	<u>232,358</u>
Local	32,870	32,870
Interest	58,246	12,566
Miscellaneous		
Donations	<u>-</u>	<u>70</u>
Total revenues	<u>337,301</u>	<u>277,864</u>
Expenditures		
Current		
Recreation and cultural		
Library		
Supplies	934	1,832
Other services and charges	225,172	262,519
Total recreation and cultural	<u>226,106</u>	<u>264,351</u>
Capital outlay	<u>2,475</u>	<u>-</u>
Total expenditures	<u>228,581</u>	<u>264,351</u>
Net changes in fund balances	108,720	13,513
Fund balances, beginning of year	<u>2,057,862</u>	<u>2,044,349</u>
Fund balances, end of year	<u>\$ 2,166,582</u>	<u>\$ 2,057,862</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 992,498	\$ 2,104,776
Receivables		
Accounts	269,025	262,043
Taxes	<u>305,217</u>	<u>289,300</u>
Total assets	<u>\$ 1,566,740</u>	<u>\$ 2,656,119</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 332,461	\$ 38,975
Due to other funds	<u>-</u>	<u>47,700</u>
Total liabilities	<u>332,461</u>	<u>86,675</u>
Deferred inflows of resources		
Unavailable revenue	<u>574,242</u>	<u>551,343</u>
Fund balances		
Restricted		
Dedicated millage	<u>660,037</u>	<u>2,018,101</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,566,740</u>	<u>\$ 2,656,119</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 571,498	\$ 541,558
Delinquent property taxes	943	1,075
Industrial facilities taxes	4,301	3,789
Interest and penalties on taxes	93	114
Total property taxes	<u>576,835</u>	<u>546,536</u>
Interest	<u>55,632</u>	<u>26,033</u>
Total revenues	<u>632,467</u>	<u>572,569</u>
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Supplies	7,336	12,583
Other services and charges	1,982	147,684
Total recreation and cultural	<u>9,318</u>	<u>160,267</u>
Capital outlay	<u>1,930,239</u>	<u>38,849</u>
Total expenditures	<u>1,939,557</u>	<u>199,116</u>
Revenues over (under) expenditures	(1,307,090)	373,453
Other financing sources (uses)		
Transfers out	<u>(50,974)</u>	<u>(47,700)</u>
Net changes in fund balances	(1,358,064)	325,753
Fund balances, beginning of year	<u>2,018,101</u>	<u>1,692,348</u>
Fund balances, end of year	<u>\$ 660,037</u>	<u>\$ 2,018,101</u>

CASCADE CHARTER TOWNSHIP

**INSPECTIONS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 2,912,903	\$ 3,031,861
Prepaid items	<u>12,389</u>	<u>15,001</u>
Total assets	<u>\$ 2,925,292</u>	<u>\$ 3,046,862</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ 134,658	\$ 4,596
Accrued payroll and benefits	25,704	20,973
Due to other funds	<u>9,726</u>	<u>1,100</u>
Total liabilities	<u>170,088</u>	<u>26,669</u>
Fund balances		
Nonspendable		
Prepaid items	12,389	15,001
Restricted		
Inspections	<u>2,742,815</u>	<u>3,005,192</u>
Total fund balances	<u>2,755,204</u>	<u>3,020,193</u>
Total liabilities and fund balances	<u>\$ 2,925,292</u>	<u>\$ 3,046,862</u>

CASCADE CHARTER TOWNSHIP

INSPECTIONS SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Licenses and permits		
Building permits	\$ 192,157	\$ 193,109
Electrical permits	61,566	75,270
Mechanical permits	93,074	87,953
Plumbing permits	46,078	43,100
Permits - other townships	1,272,701	1,162,480
Plan reviews	33,830	38,205
Contractor registration fees	8,640	13,575
Total licenses and permits	<u>1,708,046</u>	<u>1,613,692</u>
Interest	69,226	66,947
Miscellaneous	<u>2,264</u>	<u>1,900</u>
Total revenues	<u>1,779,536</u>	<u>1,682,539</u>
Expenditures		
Current		
Public safety		
Inspections		
Personnel services	1,156,844	1,082,630
Supplies	10,256	11,061
Other services and charges	509,837	418,548
Total public safety	<u>1,676,937</u>	<u>1,512,239</u>
Capital outlay	<u>268,453</u>	<u>453,115</u>
Total expenditures	<u>1,945,390</u>	<u>1,965,354</u>
Revenues over (under) expenditures	(165,854)	(282,815)
Other financing sources (uses)		
Transfers out	<u>(99,135)</u>	<u>(77,897)</u>
Net changes in fund balances	(264,989)	(360,712)
Fund balances, beginning of year	<u>3,020,193</u>	<u>3,380,905</u>
Fund balances, end of year	<u>\$ 2,755,204</u>	<u>\$ 3,020,193</u>

CASCADE CHARTER TOWNSHIP

**OPEN SPACE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 767,934	\$ 760,795
Receivables		
Accounts	176,027	171,422
Taxes	<u>199,733</u>	<u>189,277</u>
Total assets	<u>\$ 1,143,694</u>	<u>\$ 1,121,494</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	<u>\$ 1,078</u>	<u>\$ 6,486</u>
Deferred inflows of resources		
Unavailable revenue	<u>375,760</u>	<u>360,698</u>
Fund balances		
Restricted		
Dedicated millage	<u>766,856</u>	<u>754,310</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,143,694</u>	<u>\$ 1,121,494</u>

CASCADE CHARTER TOWNSHIP
OPEN SPACE SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes		
Current property taxes	\$ 373,886	\$ 352,916
Delinquent property taxes	617	701
Industrial facilities taxes	2,814	2,479
Interest and penalties on taxes	61	74
 Total property taxes	 377,378	 356,170
 Interest	 4,671	 12,681
Miscellaneous	4,000	1,089
 Total revenues	 386,049	 369,940
 Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Other services and charges	24,943	26,451
Capital outlay	25,456	-
 Total expenditures	 50,399	 26,451
 Revenues over (under) expenditures	 335,650	 343,489
 Other financing sources (uses)		
Transfers out	(323,104)	(321,537)
 Net changes in fund balances	 12,546	 21,952
 Fund balances, beginning of year	 754,310	 732,358
 Fund balances, end of year	 \$ 766,856	 \$ 754,310

CASCADE CHARTER TOWNSHIP

**CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 511,247	\$ 728,162
Receivables		
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ _____ -	\$ _____ -
Fund balances		
Committed		
Dam repairs	<u>511,247</u>	<u>728,162</u>
Total liabilities and fund balances	<u>\$ 511,247</u>	<u>\$ 728,162</u>

CASCADE CHARTER TOWNSHIP

CASCADE DAM MAJOR REPAIR SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Interest	\$ 15,094	\$ 8,395
Miscellaneous	<u>5,000</u>	<u>5,000</u>
Total revenues	20,094	13,395
Expenditures		
Capital outlay	<u>277,009</u>	<u>-</u>
Revenues over (under) expenditures	(256,915)	13,395
Other financing sources (uses)		
Transfers in	<u>40,000</u>	<u>40,000</u>
Net changes in fund balances	(216,915)	53,395
Fund balances, beginning of year	<u>728,162</u>	<u>674,767</u>
Fund balances, end of year	<u>\$ 511,247</u>	<u>\$ 728,162</u>

CASCADE CHARTER TOWNSHIP

**HAZMAT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 38,326	\$ 31,443
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Restricted		
HAZMAT	38,326	31,443
Total liabilities and fund balances	<u>\$ 38,326</u>	<u>\$ 31,443</u>

CASCADE CHARTER TOWNSHIP

HAZMAT SPECIAL REVENUE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Charges for services		
HAZMAT fees	\$ 6,000	\$ 4,000
Interest	<u>120</u>	<u>103</u>
Total revenues	<u>6,120</u>	<u>4,103</u>
Expenditures		
Current		
Public safety		
HAZMAT		
Other services and charges	-	2,137
Capital outlay	<u>1,237</u>	<u>-</u>
Total expenditures	<u>1,237</u>	<u>2,137</u>
Revenues over (under) expenditures	4,883	1,966
Other financing sources (uses)		
Transfers in	<u>2,000</u>	<u>2,000</u>
Net changes in fund balances	6,883	3,966
Fund balances, beginning of year	<u>31,443</u>	<u>27,477</u>
Fund balances, end of year	<u>\$ 38,326</u>	<u>\$ 31,443</u>

CASCADE CHARTER TOWNSHIP

**CARES ACT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 811	\$ -
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ 102	\$ -
Fund balances		
Restricted COVID	<u>709</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 811</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**CARES ACT SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Government grants		
Federal	\$ 217,243	\$ -
Local	<u>238,153</u>	<u>-</u>
Total revenues	<u>455,396</u>	<u>-</u>
Expenditures		
Current		
General government		
COVID		
Personnel services	327,887	-
Supplies	67,045	-
Other services and charges	<u>59,755</u>	<u>-</u>
Total expenditures	<u>454,687</u>	<u>-</u>
Net changes in fund balances	709	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 709</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**BUILDING AUTHORITY DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ -	\$ -
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Assigned		
Debt service	-	-
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

BUILDING AUTHORITY DEBT SERVICE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Interest	\$ -	\$ -
Expenditures		
Debt service		
Principal	274,000	265,000
Interest and fees	<u>49,104</u>	<u>56,537</u>
Total expenditures	<u>323,104</u>	<u>321,537</u>
Revenues over (under) expenditures	(323,104)	(321,537)
Other financing sources (uses)		
Transfers in	<u>323,104</u>	<u>321,537</u>
Net changes in fund balances	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**CEMETERY PERPETUAL CARE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and pooled investments	\$ 118,574	\$ 113,435
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Nonspendable		
Cemetery trust	107,369	104,914
Committed		
Cemetery trust	<u>11,205</u>	<u>8,521</u>
Total fund balances	<u>118,574</u>	<u>113,435</u>
Total liabilities and fund balances	<u>\$ 118,574</u>	<u>\$ 113,435</u>

CASCADE CHARTER TOWNSHIP

**CEMETERY PERPETUAL CARE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Charges for services		
Cemetery care fees	\$ 2,455	\$ 4,720
Interest	<u>573</u>	<u>554</u>
Total revenues	3,028	5,274
Expenditures		
Current		
General government		
Cemetery	<u>589</u>	<u>1,076</u>
Revenues over (under) expenditures	2,439	4,198
Other financing sources (uses)		
Transfers in	<u>2,700</u>	<u>-</u>
Net changes in fund balances	5,139	4,198
Fund balances, beginning of year	<u>113,435</u>	<u>109,237</u>
Fund balances, end of year	<u>\$ 118,574</u>	<u>\$ 113,435</u>

CASCADE CHARTER TOWNSHIP

**FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION**

DECEMBER 31, 2020

	Custodial Funds		
	Escrow Deposit Fund	Tax Collection Fund	Total
Assets			
Cash and pooled investments	\$ 199,788	\$ 3,765,397	\$ 3,965,185
Total assets	199,788	3,765,397	3,965,185
Liabilities			
Accounts payable	6,199	2,735,305	2,741,504
Escrow deposits	193,589	-	193,589
Due to other governments	-	1,030,092	1,030,092
Total liabilities	199,788	3,765,397	3,965,185
Net position			
Restricted	\$ -	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

**FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Custodial Funds</u>		<u>Total</u>
	<u>Escrow Deposit Fund</u>	<u>Tax Collection Fund</u>	
Additions			
Property taxes collected for other governments	\$ -	\$ 59,114,862	\$ 59,114,862
Escrow deposits collected	<u>113,517</u>	<u>-</u>	<u>113,517</u>
Total additions	<u>113,517</u>	<u>59,114,862</u>	<u>59,228,379</u>
Deductions			
Property taxes distributed to other governments	-	59,114,862	59,114,862
Escrow funds used to cover expenses	<u>113,517</u>	<u>-</u>	<u>113,517</u>
Total deductions	<u>113,517</u>	<u>59,114,862</u>	<u>59,228,379</u>
Net increase	-	-	-
Net position, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET/STATEMENT OF NET POSITION

DECEMBER 31, 2020

	Governmental Fund Type General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 1,443,956	\$ -	\$ 1,443,956
Receivables			
Taxes	311,182	-	311,182
Capital assets			
Non-depreciable	-	59,366	59,366
Depreciable capital assets, net	-	4,617,919	4,617,919
Total assets	<u>\$ 1,755,138</u>	<u>\$ 4,677,285</u>	<u>\$ 6,432,423</u>
Liabilities, deferred inflows of resources and fund balance			
Liabilities			
Accounts payable	\$ 18,356	\$ -	18,356
Accrued interest payable	-	6,013	6,013
Bonds and notes payable - current portion	-	70,000	70,000
Bonds and notes payable	-	668,700	668,700
Total liabilities	<u>18,356</u>	<u>744,713</u>	<u>763,069</u>
Deferred inflows of resources			
Unavailable revenue	<u>311,182</u>	<u>-</u>	<u>311,182</u>
Fund balance			
Unassigned	<u>1,425,600</u>	<u>\$ (1,425,600)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,755,138</u>		
Net position			
Net investment in capital assets			4,677,285
Unrestricted			<u>680,887</u>
Total net position			<u>\$ 5,358,172</u>
Reconciliation of fund balances to net position:			
Fund balance of governmental fund			\$ 1,425,600
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds			
Add - land and construction in progress			59,366
Add - capital assets (net of accumulated depreciation)			4,617,919
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Deduct - bonds and notes payable			(738,700)
Deduct - accrued interest			<u>(6,013)</u>
Net position of governmental activities			<u>\$ 5,358,172</u>

CASCADE CHARTER TOWNSHIP

**DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2020

	Governmental Fund Type General Fund	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 1,096,955	\$ -	\$ 1,096,955
Interest	24,724	-	24,724
Miscellaneous	<u>261,123</u>	<u>-</u>	<u>261,123</u>
Total revenues	<u>1,382,802</u>	<u>-</u>	<u>1,382,802</u>
Expenditures			
Current			
General government	771,053	(35,673)	735,380
Debt service			
Principal	164,300	(164,300)	-
Interest	<u>24,200</u>	<u>5,073</u>	<u>29,273</u>
Total expenditures	<u>959,553</u>	<u>(194,900)</u>	<u>764,653</u>
Net changes in fund balance	423,249		
Change in net position			618,149
Fund balance/net position, beginning of year	<u>1,002,351</u>		<u>4,740,023</u>
Fund balance/net position, end of year	<u>\$ 1,425,600</u>		<u>\$ 5,358,172</u>
Reconciliation of change in fund balances to change in net position			
Net change in fund balance of governmental fund			\$ 423,249
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.			
Add - capital outlay			387,257
Deduct - depreciation expense			(351,584)
Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position.			
Repayment of bond or note principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.			
Add - principal payments on debt			164,300
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.			
Add - decrease in accrued interest			<u>(5,073)</u>
Change in net position of governmental activities			<u>\$ 618,149</u>