



CASCADE CHARTER TOWNSHIP

KENT COUNTY, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021



Vredeveld Haefner LLC
CPAs and Consultants

Cascade Charter Township

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INDEPENDENT AUDITORS' REPORT

June 22, 2022

Township Board
Cascade Charter Township
Kent County, Michigan

Opinions

We have audited the 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, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10 and the information on pages 41 through 51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining 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 2021 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 2021 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, 2020, 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

2020 financial statements for the year ended December 31, 2021, 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 2020 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 2020 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Urederold Haefner LLC

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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, 2021. 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 2021 operations by \$1,959,401 (or 4.9%).
- Total expenses of the Township's programs were \$10,182,793.
- Total revenues, including all program and general revenues, were \$12,141,194.
- At the close of the current year, the Township's governmental funds reported combined ending fund balances of \$19,622,643, a decrease of \$306,508 from the previous year.
- At the end of the current year, the unassigned fund balance for the General Fund was \$5,981,821 or 111% of total General Fund expenditures and transfers out.
- Total long-term debt of the Township decreased by \$282,356 (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, Thornapple River SAD, library, pathways, inspections, Coronavirus relief, 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 \$41,969,971 at the close of the most recent fiscal year. A summary of net position is as follows:

Net Position

	<u>Governmental activities</u>	
	<u>2021</u>	<u>2020</u>
Current and other assets	\$29,839,411	\$27,659,787
Capital assets	25,205,775	24,883,979
Total assets	<u>55,045,186</u>	<u>52,543,766</u>
Deferred outflows of resources - pension	553,216	264,868
Long-term liabilities outstanding	4,354,171	4,685,529
Other liabilities	1,049,505	1,556,007
Total liabilities	<u>5,403,676</u>	<u>6,241,536</u>
Deferred inflows of resources	8,224,755	6,556,528
Net position:		
Net investment in capital assets	23,083,775	22,482,979
Restricted	10,990,453	11,346,641
Unrestricted	7,895,743	6,180,950
Total net position	<u>\$41,969,971</u>	<u>\$40,010,570</u>

A portion of the Township's net position (19%) 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 \$1,959,401 during the current fiscal year.

Changes in Net Position

	<u>Governmental activities</u>	
	<u>2021</u>	<u>2020</u>
Revenue:		
Program revenue:		
Charges for services	\$ 2,959,010	\$ 2,864,675
Operating grants and contributions	107,237	543,686
Capital grants and contributions	4,860	-
General revenue:		
Property taxes	6,558,860	6,378,736
State sources	2,171,716	1,584,633
Intergovernmental	32,870	32,870
Unrestricted investment earnings	288,179	449,142
Other	19,462	48,405
Total revenue	<u>12,142,194</u>	<u>11,902,147</u>
Expenses:		
General government	3,111,712	3,467,973
Public safety	5,584,033	5,121,094
Public works	76,255	803,275
Community and economic development	407,869	491,649
Culture and recreation	959,968	1,101,295
Interest on long-term debt	42,956	47,204
Total expenses	<u>10,182,793</u>	<u>11,032,490</u>
Change in net position	1,959,401	869,657
Net position - beginning of year	<u>40,010,570</u>	<u>39,140,913</u>
Net position - end of year	<u>\$41,969,971</u>	<u>\$40,010,570</u>

Governmental Activities. During the year the Township invested \$5,584,033 or 55% of governmental activities expenses in public safety. General government expenses amounted to \$3,111,712 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 14% of governmental activities expenses. The significant decrease in public works expense is the result of fewer street overlays in 2021 compared to 2020.

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 \$19,622,643, a decrease of \$306,508 in comparison with the prior year. Of the \$19,622,643, \$6,767,619 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 \$5,981,821. 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 111% of total general fund expenditures and transfers out. The fund balance of the Township's general fund decreased by \$142,320 during the current fiscal year. The decrease is primarily the result of the Township Hall renovation, cemetery expansion and various other capital equipment purchases.

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 \$1,753,539, a decrease of \$602,061 over the prior year. The decrease is primarily the result of planned use of fund balance for capital purchases and improvements to the fire headquarters.

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 \$1,662,813, an increase of \$96,854 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 \$2,241,068, an increase of \$74,486 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 \$528,999, a decrease of \$131,038 from the prior year. The decrease is due to significant pathway extension projects continued on from the prior 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 \$2,856,309, an increase of \$101,105 over the prior year. The increase is primarily the result of additional revenues and development in both the Township and contracted communities.

The Corona Virus Grants fund is used to account for revenue received from various COVID related grants and expenditures. At the end of the current fiscal year, fund balance was \$23,300, an increase of \$22,591 from the prior year.

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 \$814,064, an increase of \$47,208 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, 2021, amounted to \$25,205,775 (net of accumulated depreciation).

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

	2021	2020
Land	\$ 10,548,045	\$ 10,243,137
Land improvements	4,400,347	4,413,627
Infrastructure	392,000	420,000
Buildings and improvements	7,795,292	7,755,020
Furniture and equipment	668,980	648,660
Vehicles	1,401,111	1,403,535
Total	\$25,205,775	\$24,883,979

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>2021</u>	<u>2020</u>
Accrued employee benefits	\$ 265,688	\$ 311,636
Bonds payable	2,122,000	2,401,000
Other obligations payable	-	3,356
Total	<u>\$2,387,688</u>	<u>\$2,715,992</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 \$977,469, which was significantly larger than the original anticipated decrease of \$51,113. The major amendments included:
 - The State Shared revenue was increased by \$150,000 to reflect higher than estimated payments from the state due to the improved economy.
 - The Transfer from the Police Fund was decreased by \$40,362 to reflect the transfer being eliminated by the Township Board
 - The Complex maintenance expenses were increased by \$20,000 to reflect the additional costs related to HVAC system repairs
 - The Legal Fees Line-Item was increased by \$95,000 to reflect higher than usual usage to Township Legal counsel due to significant tax tribunal cases, the SAD process and a general increased reliance on Township legal counsel.
 - The Road Overlays expense line was increased by \$700,000 to reflect an enhanced local road improvement program approved by the Township Board.
 - The Bus Service 28th Street line was reduced by \$154,711 due to the full cost of the 28th Street bus line being transferred to the DDA beginning in May 2021
 - 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 line was increased by \$310,000 to reflect the purchase of park land on Wycliffe approved by the Township Board

- In the Fire Fund, the final amended budget estimated a decrease in fund balance of \$583,125, which was larger than the originally budgeted decrease of \$274,087. The major amendments included:
 - The Wages Full-Time line was decreased by \$50,010 to reflect costs transferred to the CARES Fund due to receiving additional, unanticipated funding.
 - Overtime was increased by \$45,000 due to additional funding needed to fill shifts vacant due to workers comp related absences.
 - The Workers Compensation line was increased by \$30,000 to reflect premium increases due to our experience modification
 - The Other Benefits expense line was increased by \$22,500 to fund the PTO buy-back program approved by the Township Board.
 - The Health Insurance Benefits line was increased by \$60,000 to reflect increase in cost due to mid-year changes in coverage.
 - Capital Outlay – Bldg Imp was increased by \$150,000 for the preliminary engineering and conceptual development of the Fire Station #1 project.

- In the Police Fund, the final amended budget estimated an increase in fund balance of \$85,727, which was larger the originally budgeted increase in fund balance of \$45,365. The major amendments included:
 - The Transfer to the General Fund was decreased by \$40,362 to reflect the transfer being eliminated by the Township Board

- In the Pathways Fund, the final amended budget estimated a decrease in fund balance of \$98,259, which was significantly lower than the originally budgeted increase of \$488,673. The major amendment includes:
 - The Maintenance line was increased by \$92,000 to reflect additional pathway repair work approved by the Township Board.
 - The Capital Outlay – Land Imp was increased by \$395,000 to reflect costs of four pathway extension projects started in FY 2020 but finished in FY 2021
- In the Inspections Fund, the final amended budget estimated a decrease in fund balance of \$235,523 which was slightly lower than the originally budgeted decrease of \$204,380. The major amendments included:
 - The Capital Outlay – Bldg Imp line was increased by \$57,051 to reflect the Building Department portion of the renovations of 5920 Tahoe for the new Township Hall that carried into FY 2021.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered in preparing the Township’s budget for the 2022 fiscal year:

- The FY2022 General and Special Revenue Funds budget was prepared utilizing the millage rates from the FY2021 budget with a slight Headlee Millage Reduction fraction applied (0.9975)
- For FY 2022 the Township’s initial General Fund Budget anticipates a year-end fund balance increase of \$169,622. The Township continues to see an increase in real property tax revenue growth (3.48%) and state shared-revenue growth (6.9%). The FY2022 budget does also see an decrease in Personal Property Tax Revenue (6.36%) even as the Industrial Personal Property Tax elimination enters its 6th year. Part of the loss of PPT revenues based on FY2013 levels is offset by PPT reimbursement from the State, which is estimated at \$61,480. For FY22 the Township budgeted moderate capital improvement expenditures including the resurfacing of the Recreation Park parking lot and drives (\$100,000), a new generator for Township Hall (\$41,220) and the replacement of several pieces of B&G Equipment (\$33,000)
- In the FY 2022 Special Revenue and component funds, most funds will see modest budgeted increases to fund balance including the Police Fund (\$142,993), the Pathway Fund (\$312,092), the Infrastructure Revolving Fund (\$29,239), and the Downtown Development Authority (\$347,239). There is one fund, the Fire Fund, which will see a moderate fund balance decrease (\$472,131) due to a planned spend down of fund balance as well as the Fire Station #1 project.

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, 5920 Tahoe Dr SE, Grand Rapids, MI 49546, (616) 949-1500, or by email at bswayze@cascadetwp.com.

BASIC FINANCIAL STATEMENTS

CASCADE CHARTER TOWNSHIP

STATEMENT OF NET POSITION

DECEMBER 31, 2021

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Downtown Development Authority</u>
Assets		
Cash and pooled investments	\$ 23,854,061	\$ 2,038,546
Receivables		
Accounts	239,830	-
Taxes	3,180,471	302,052
Due from other governments	638,842	-
Prepaid items	<u>76,169</u>	<u>-</u>
Total current assets	<u>27,989,373</u>	<u>2,340,598</u>
Noncurrent assets		
Special assessments receivable	1,850,038	-
Capital assets		
Non-depreciable	10,548,045	59,366
Depreciable capital assets, net	<u>14,657,730</u>	<u>4,361,317</u>
Total noncurrent assets	<u>27,055,813</u>	<u>4,420,683</u>
Total assets	<u>55,045,186</u>	<u>6,761,281</u>
Deferred outflows of resources		
Pension related	<u>553,216</u>	<u>-</u>
Liabilities		
Accounts payable	613,790	1,227
Accrued payroll and benefits	144,854	-
Accrued interest payable	6,861	5,444
Current portion of bonds and obligations payable	<u>284,000</u>	<u>75,000</u>
Total current liabilities	<u>1,049,505</u>	<u>81,671</u>
Long-term liabilities		
Compensated absences	265,688	-
Net pension liability	2,250,483	-
Bonds and obligations payable	<u>1,838,000</u>	<u>593,700</u>
Total long-term liabilities	<u>4,354,171</u>	<u>593,700</u>
Total liabilities	<u>5,403,676</u>	<u>675,371</u>
Deferred inflows of resources		
Unavailable - taxes	7,507,121	302,052
Pension related	<u>717,634</u>	<u>-</u>
	<u>8,224,755</u>	<u>302,052</u>
Net position		
Net investment in capital assets	23,083,775	4,420,683
Restricted for		
Public safety	6,272,661	-
Public works	2,087,111	-
Culture and recreation	3,584,131	-
Cemetery trust	112,729	-
Unrestricted	<u>6,829,564</u>	<u>1,363,175</u>
Total net position	<u>\$ 41,969,971</u>	<u>\$ 5,783,858</u>

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

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

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	\$ 3,111,712	\$ 556,752	\$ 95,153	\$ -	\$ (2,459,807)
Public safety	5,584,033	2,110,510	-	4,860	(3,468,663)
Public works	76,255	276,875	-	-	200,620
Community and economic development	407,869	14,873	-	-	(392,996)
Culture and recreation	959,968	-	12,084	-	(947,884)
Interest on long-term debt	42,956	-	-	-	(42,956)
Total primary government	\$ 10,182,793	\$ 2,959,010	\$ 107,237	\$ 4,860	\$ (7,111,686)
Component unit					
Downtown Development Authority	\$ 754,001	\$ -	\$ -	\$ -	\$ (754,001)
Total component unit	\$ 754,001	\$ -	\$ -	\$ -	\$ (754,001)

(Continued)

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

CASCADE CHARTER TOWNSHIP

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

	Primary Government Governmental Activities	Component Unit Downtown Development Authority
Changes in net position		
Net (expense) revenue	<u>\$ (7,111,686)</u>	<u>\$ (754,001)</u>
General revenues		
Property taxes		
General purpose	2,370,242	-
Specific purpose	4,188,618	1,096,646
State shared revenues	2,171,716	-
Intergovernmental revenues	32,870	-
Unrestricted interest	288,179	10,915
Miscellaneous	<u>19,462</u>	<u>72,126</u>
Total general revenues and transfers	<u>9,071,087</u>	<u>1,179,687</u>
Change in net position	1,959,401	425,686
Net position, beginning of year	<u>40,010,570</u>	<u>5,358,172</u>
Net position, end of year	<u>\$ 41,969,971</u>	<u>\$ 5,783,858</u>

(Concluded)

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

CASCADE CHARTER TOWNSHIP

GOVERNMENTAL FUNDS BALANCE SHEET

DECEMBER 31, 2021

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Thornapple River SAD</u>
Assets				
Cash and pooled investments	\$ 7,318,552	\$ 2,925,404	\$ 2,160,227	\$ 57,300
Receivables				
Accounts	130,290	-	-	-
Taxes	1,013,991	1,137,315	396,846	-
Special assessments	-	-	-	1,297,200
Due from other governments	638,842	-	-	-
Prepaid items	38,100	20,766	-	-
Total assets	<u>\$ 9,139,775</u>	<u>\$ 4,083,485</u>	<u>\$ 2,557,073</u>	<u>\$ 1,354,500</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 108,808	\$ 67,749	\$ 124,525	\$ -
Accrued payroll and benefits	53,868	56,213	-	-
Total liabilities	<u>162,676</u>	<u>123,962</u>	<u>124,525</u>	<u>-</u>
Deferred inflows of resources				
Unavailable revenue	<u>2,209,480</u>	<u>2,205,984</u>	<u>769,735</u>	<u>1,354,500</u>
Fund balances				
Nonspendable				
Prepaid items	38,100	20,766	-	-
Cemetery trust	-	-	-	-
Restricted				
Dedicated millage	-	1,732,773	1,662,813	-
Inspection fees	-	-	-	-
Capital improvements	-	-	-	-
Committed				
Cemetery trust	-	-	-	-
Unfunded pension liability	499,543	-	-	-
Facility improvements	248,155	-	-	-
Assigned				
Special revenue funds	-	-	-	-
Unassigned	5,981,821	-	-	-
Total fund balances	<u>6,767,619</u>	<u>1,753,539</u>	<u>1,662,813</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,139,775</u>	<u>\$ 4,083,485</u>	<u>\$ 2,557,073</u>	<u>\$ 1,354,500</u>

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

<u>Library</u>	<u>Pathways</u>	<u>Inspections</u>	<u>Corona-virus Grants</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 2,365,060	\$ 1,000,025	\$ 2,952,611	\$ 1,038,899	\$ 1,005,837	\$ 3,030,146	\$ 23,854,061
-	-	-	-	-	8,575	138,865
129,587	303,882	-	-	198,850	-	3,180,471
-	-	-	-	-	552,838	1,850,038
-	-	-	-	-	-	638,842
-	-	17,303	-	-	-	76,169
<u>\$ 2,494,647</u>	<u>\$ 1,303,907</u>	<u>\$ 2,969,914</u>	<u>\$ 1,038,899</u>	<u>\$ 1,204,687</u>	<u>\$ 3,591,559</u>	<u>\$ 29,738,446</u>
\$ 2,069	\$ 185,457	\$ 78,832	\$ -	\$ 4,929	\$ 41,421	\$ 613,790
-	-	34,773	-	-	-	144,854
<u>2,069</u>	<u>185,457</u>	<u>113,605</u>	<u>-</u>	<u>4,929</u>	<u>41,421</u>	<u>758,644</u>
<u>251,510</u>	<u>589,451</u>	<u>-</u>	<u>1,015,599</u>	<u>385,694</u>	<u>575,206</u>	<u>9,357,159</u>
-	-	17,303	-	-	-	76,169
-	-	-	-	-	112,729	112,729
2,241,068	528,999	-	-	814,064	-	6,979,717
-	-	2,839,006	-	-	-	2,839,006
-	-	-	-	-	2,848,626	2,848,626
-	-	-	-	-	13,577	13,577
-	-	-	-	-	-	499,543
-	-	-	-	-	-	248,155
-	-	-	23,300	-	-	23,300
-	-	-	-	-	-	5,981,821
<u>2,241,068</u>	<u>528,999</u>	<u>2,856,309</u>	<u>23,300</u>	<u>814,064</u>	<u>2,974,932</u>	<u>19,622,643</u>
<u>\$ 2,494,647</u>	<u>\$ 1,303,907</u>	<u>\$ 2,969,914</u>	<u>\$ 1,038,899</u>	<u>\$ 1,204,687</u>	<u>\$ 3,591,559</u>	<u>\$ 29,738,446</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, 2021

Fund balances - total governmental funds	\$ 19,622,643
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	10,548,045
Add - capital assets (net of accumulated depreciation)	14,657,730
Certain receivables are measurable but not available and are therefore deferred on the fund statements, but not the government-wide statements.	
Add - unavailable state revenue	326,072
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	1,523,966
Add - accrued interest receivable	100,965
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	553,216
Deduct - deferred inflows related to pensions	(717,634)
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(265,688)
Deduct - net pension liability	(2,250,483)
Deduct - bonds, obligations, and notes payable	(2,122,000)
Deduct - accrued interest on bonds and notes payable	(6,861)
Net position of governmental activities	<u>\$ 41,969,971</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, 2021

	<u>General</u>	<u>Fire</u>	<u>Police</u>	<u>Thornapple River SAD</u>
Revenues				
Property taxes	\$ 2,370,242	\$ 2,185,490	\$ 762,834	\$ -
Licenses and permits	402,070	-	-	-
Federal	15,701	-	-	-
State	1,875,373	4,860	-	-
Local	-	-	-	-
Charges for services	90,071	-	-	-
Interest	222,998	21,194	10,863	-
Miscellaneous	113,201	5,717	-	-
Total revenues	<u>5,089,656</u>	<u>2,217,261</u>	<u>773,697</u>	<u>-</u>
Expenditures				
Current				
General government	2,082,998	-	-	-
Public safety	-	2,938,574	676,843	-
Public works	1,161,334	-	-	-
Community and economic development	305,945	-	-	-
Culture and recreation	67,313	-	-	-
Other	734,103	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	609,213	278,748	-	-
Total expenditures	<u>4,960,906</u>	<u>3,217,322</u>	<u>676,843</u>	<u>-</u>
Revenues over (under) expenditures	<u>128,750</u>	<u>(1,000,061)</u>	<u>96,854</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	170,805	400,000	-	-
Transfers out	(441,875)	(2,000)	-	-
Total other financing sources (uses)	<u>(271,070)</u>	<u>398,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(142,320)	(602,061)	96,854	-
Fund balances, beginning of year	<u>6,909,939</u>	<u>2,355,600</u>	<u>1,565,959</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,767,619</u>	<u>\$ 1,753,539</u>	<u>\$ 1,662,813</u>	<u>\$ -</u>

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

<u>Library</u>	<u>Pathways</u>	<u>Inspections</u>	<u>Corona-virus Grants</u>	<u>Open Space</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 254,318	\$ 596,002	\$ -	\$ -	\$ 389,974	\$ -	\$ 6,558,860
-	-	2,006,781	-	-	-	2,408,851
-	-	-	79,452	-	-	95,153
-	-	-	-	-	-	1,880,233
32,870	-	-	-	-	-	32,870
-	-	-	-	-	9,360	99,431
15,299	8,890	37,464	903	(172)	30,842	348,281
-	-	7,054	-	-	256,573	382,545
<u>302,487</u>	<u>604,892</u>	<u>2,051,299</u>	<u>80,355</u>	<u>389,802</u>	<u>296,775</u>	<u>11,806,224</u>
-	-	-	57,764	-	-	2,140,762
-	-	1,723,231	-	-	548	5,339,196
-	-	-	-	-	-	1,161,334
-	-	-	-	-	-	305,945
228,001	31,326	-	-	19,736	-	346,376
-	-	-	-	-	-	734,103
-	-	-	-	-	279,000	279,000
-	-	-	-	-	43,858	43,858
-	653,630	107,132	-	-	113,435	1,762,158
<u>228,001</u>	<u>684,956</u>	<u>1,830,363</u>	<u>57,764</u>	<u>19,736</u>	<u>436,841</u>	<u>12,112,732</u>
<u>74,486</u>	<u>(80,064)</u>	<u>220,936</u>	<u>22,591</u>	<u>370,066</u>	<u>(140,066)</u>	<u>(306,508)</u>
-	-	-	-	-	366,733	937,538
-	(50,974)	(119,831)	-	(322,858)	-	(937,538)
-	(50,974)	(119,831)	-	(322,858)	366,733	-
74,486	(131,038)	101,105	22,591	47,208	226,667	(306,508)
<u>2,166,582</u>	<u>660,037</u>	<u>2,755,204</u>	<u>709</u>	<u>766,856</u>	<u>2,748,265</u>	<u>19,929,151</u>
<u>\$ 2,241,068</u>	<u>\$ 528,999</u>	<u>\$ 2,856,309</u>	<u>\$ 23,300</u>	<u>\$ 814,064</u>	<u>\$ 2,974,932</u>	<u>\$ 19,622,643</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, 2021

Net changes in fund balances - total governmental funds	\$ (306,508)
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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	1,296,647
Deduct - depreciation expense	(974,851)

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.

Add - net increase in special assessments	1,066,179
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Certain receivables are measurable but not available and are therefore deferred on the fund statements, but not the government-wide statements.

Add - increase in unavailable state revenue	326,072
---	---------

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

Add - increase in accrued interest receivable	9,898
---	-------

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	279,000
Add - principal paid on obligation payable	3,356

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	1,410
Add - increase in deferred outflows related to pension	288,348
Deduct - increase in deferred inflows related to pension	(77,000)
Add - decrease in compensated absences	45,948
Add - decrease in accrued interest	902

Change in net position of governmental activities	<u>\$ 1,959,401</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, 2021

	Custodial Funds
Assets	
Cash and pooled investments	\$ 2,756,316
Total assets	<u>\$ 2,756,316</u>
Liabilities	
Accounts payable	\$ 24,099
Escrow deposits	227,160
Due to other governmental units	<u>2,505,057</u>
Total liabilities	<u>2,756,316</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, 2021

	<u>Custodial Funds</u>
Additions	
Property taxes collected for other governments	\$ 57,359,583
Escrow deposits collected	<u>87,804</u>
Total Additions	<u>57,447,387</u>
Deductions	
Property taxes distributed to other governments	57,359,583
Escrow fund used to cover expenses	<u>87,804</u>
Total deductions	<u>57,447,387</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, 2021

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, 2021

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 *Thornapple River SAD Special Revenue Fund* is used to account for a special assessment levied by the Township within a specified area.

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 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 *Coronavirus Grants Special Revenue Fund* is used to account for revenues received and related expenditures for various coronavirus relief programs.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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.

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, 2021

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, 2021

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, 2021

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, 2021

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, 2021, 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, 2021, 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			
Street lighting	\$ 135,000	\$ 142,854	\$ 7,854
Community and economic development			
Building and zoning	21,500	34,516	13,016
Transfers out	441,500	441,875	375
Fire Special Revenue Fund			
Public safety	2,933,001	2,938,574	5,573
Pathways Special Revenue Fund			
Capital Outlay	621,000	653,630	32,630
Inspections Special Revenue Fund			
Transfers out	100,000	119,831	19,831
Coronavirus Grants Special Revenue Fund			
Current			
General government	-	57,764	57,764

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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	\$23,854,061	\$2,038,546	\$2,756,316	\$28,648,923

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

Deposits	\$23,444,132
Petty cash	405
Investments	5,204,386
Total	\$28,648,923

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, \$18,585,008 of the Township's bank balance of \$23,672,603 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	\$1,181,191	Unrated	
MI Class Investment Pool	N/A	4,023,195	AAAm	S&P
Total		\$5,204,386		

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, 2021

- 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, 2021, 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	18%	0-5
Certificates of deposits	61%	0-5
Deposits, money markets and other pools	21%	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, 2021

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Governmental Activities				
Capital assets, not being depreciated				
Land	\$10,243,137	\$ 304,908	\$ -	\$10,548,045
Capital assets, being depreciated				
Land improvements	11,483,658	366,662	-	11,850,320
Infrastructure	1,400,000	-	-	1,400,000
Buildings and improvements	12,260,578	386,771	-	12,647,349
Furniture and equipment	1,649,951	118,723	63,543	1,705,131
Vehicles	2,352,252	119,583	32,015	2,439,820
Total capital assets, being depreciated	29,146,439	991,739	95,558	30,042,620
Less accumulated depreciation for				
Land improvements	7,070,031	379,942	-	7,449,973
Infrastructure	980,000	28,000	-	1,008,000
Buildings and improvements	4,505,558	346,499	-	4,852,057
Furniture and equipment	1,001,291	98,403	63,543	1,036,151
Vehicles	948,717	122,007	32,015	1,038,709
Total accumulated depreciation	14,505,597	974,851	95,558	15,384,890
Net capital assets, being depreciated	14,640,842	16,888	-	14,657,730
Governmental Activities capital assets, net	\$24,883,979	\$321,796	\$ -	\$25,205,775
Component Unit				
Capital assets, not being depreciated				
Land	\$ 59,366	\$ -	\$ -	\$ 59,366
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	59,366	-	-	59,366
Capital assets being depreciated				
Land improvements	8,543,173	32,622	-	8,575,795
Furniture and equipment	50,046	-	-	50,046
Vehicles	29,900	30,435	-	60,335
Total capital assets, being depreciated	8,623,119	63,057	-	8,686,176
Less accumulated depreciation for				
Land improvements	3,978,267	305,631	-	4,283,898
Furniture and equipment	15,739	5,004	-	20,743
Vehicles	11,194	9,024	-	20,218
Total accumulated depreciation	4,005,200	319,659	-	4,324,859
Net capital assets, being depreciated	4,617,919	(256,602)	-	4,361,317
Component Unit capital assets, net	\$4,677,285	\$(256,602)	\$ -	\$4,420,683

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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

Governmental Activities	
General government	\$278,572
Public safety	223,118
Recreation and cultural	<u>473,161</u>
Total depreciation expense - governmental activities	<u>\$974,851</u>

5. INTERFUND TRANSACTIONS

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	\$ 41,875	\$441,875
Fire fund	-	-	2,000	2,000
Pathways	50,974	-	-	50,974
Inspections fund	119,831	-	-	119,831
Open space fund	-	-	322,858	322,858
	<u>\$170,805</u>	<u>\$400,000</u>	<u>\$366,733</u>	<u>\$937,538</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, 2021

6. LONG-TERM DEBT

The following is a summary of the debt of the Township for the year ended December 31, 2021:

	<u>Balance January 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2021</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	\$2,401,000	\$ -	\$279,000	\$2,122,000	\$284,000
\$426,769 2018 Pension conversion obligation; due in annual installments ranging from \$85,579 to \$3,356 through December 2021	3,356	-	3,356	-	-
Total Long-Term Debt	2,404,356	-	282,356	2,122,000	284,000
Accrued compensated absences	311,636	-	45,948	265,688	11,026
Total Governmental Activities	\$2,715,992	\$ -	\$328,304	\$2,387,688	\$295,026
Component Unit					
Downtown Development Authority					
\$800,000 Installment note payable; due in annual installments of \$60,000 to \$103,000 plus interest at 1.90-3.65% through Oct. 2030	\$738,700	\$ -	\$70,000	\$668,700	\$75,000

The annual requirements to amortize all debt outstanding (excluding accrued compensated absences) as of December 31, 2021, 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>
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	307,000	15,316	85,000	11,700
2027-2030	636,000	12,417	273,700	18,038
Total	\$2,122,000	\$147,307	\$668,700	\$98,051

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, 2021

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, 2020):

Active plan members	28
Inactive employees entitled but not yet receiving benefits	7
Inactive employees or beneficiaries currently receiving benefits	<u>23</u>
Total	<u>58</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 \$21,908 per month. Contributions are determined based on participating employees. Participating employees are required to contribute 10.73% 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, 2021, with the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of December 31, 2020.

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

The total pension liability calculated in the December 31, 2020 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, 2021

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, 2020	\$11,783,180	\$9,531,287	\$2,251,893
Changes for the Year:			
Service cost	143,934	-	143,934
Interest	876,808	-	876,808
Change in benefits	-	-	-
Difference between expected and actual experience	225,826	-	225,826
Change in assumptions	414,112	-	414,112
Contributions: employer	-	232,044	(232,044)
Contributions: employee	-	106,555	(106,555)
Net investment Income	-	1,335,395	(1,335,395)
Benefit payments, including refunds	(636,398)	(636,398)	-
Administrative expense	-	(15,324)	15,324
Other changes	(3,420)	-	(3,420)
Net changes	1,020,862	1,022,272	(1,410)
Balance at December 31, 2021	<u>\$12,804,042</u>	<u>\$10,553,559</u>	<u>\$2,250,483</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.

	1% Decrease	Current Discount Rate	1% Increase
Total Pension Liability	\$14,204,871	\$12,804,042	\$11,627,162
Fiduciary Net Position	10,553,559	10,553,559	10,553,559
Net Pension Liability	<u>\$ 3,651,312</u>	<u>\$ 2,250,483</u>	<u>\$1,073,603</u>

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2021 the employer recognized pension expense of \$19,286. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$144,707	\$ -
Differences in assumptions	408,509	-
Excess (deficit) investment returns	-	717,634
Total	<u>\$553,216</u>	<u>\$717,634</u>

CASCADE CHARTER TOWNSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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

2022	\$ 249,567
2023	(75,184)
2024	(214,217)
2025	(124,584)
2026	-
Thereafter	-
Total	<u>\$(164,418)</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 2021 was \$15,725.

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 2021 was \$285,638 and the employees' contribution was \$140,010.

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 2020 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, 2021, the Cascade Dam Major Repair Fund has accumulated \$563,145.

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, 2021

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, 2021 the Township abated property tax revenues of approximately \$62,000.

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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, 2021

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,359,895	\$ 2,364,557	\$ 2,370,242	\$ 5,685
Licenses and permits	406,550	406,550	402,070	(4,480)
Federal	-	-	15,701	15,701
State	1,591,396	1,746,801	1,875,373	128,572
Charges for services	111,000	101,000	90,071	(10,929)
Interest	261,400	261,400	222,998	(38,402)
Miscellaneous	135,426	115,426	113,201	(2,225)
Total revenues	<u>4,865,667</u>	<u>4,995,734</u>	<u>5,089,656</u>	<u>93,922</u>
Expenditures				
Current				
General government				
Township board	63,626	64,465	60,315	4,150
Supervisor	273,813	250,379	233,938	16,441
Manager	14,440	21,940	18,032	3,908
Clerk	106,011	106,984	73,447	33,537
Treasurer	146,675	150,315	140,623	9,692
Assessor	289,412	292,149	263,414	28,735
Elections	40,220	40,220	17,633	22,587
Buildings and grounds	583,329	608,961	533,679	75,282
Cemetery	21,000	21,000	6,151	14,849
Administration	665,465	764,693	735,766	28,927
Public works				
Drains	27,900	27,900	24,480	3,420
Road construction and maintenance	433,300	1,133,300	936,629	196,671
Street lighting	135,000	135,000	142,854	(7,854)
Waste collection	85,400	85,400	57,371	28,029
Community and economic development				
Planning commission	332,540	341,147	271,429	69,718
Building and zoning	21,500	21,500	34,516	(13,016)
Culture and recreation				
Parks and recreation	83,120	83,120	55,781	27,339
Historical	11,650	11,650	11,532	118
Other	923,745	804,084	734,103	69,981
Capital outlay	408,470	718,470	609,213	109,257
Total expenditures	<u>4,666,616</u>	<u>5,682,677</u>	<u>4,960,906</u>	<u>721,771</u>
Revenues over (under) expenditures	<u>199,051</u>	<u>(686,943)</u>	<u>128,750</u>	<u>815,693</u>
Other financing sources (uses)				
Transfers in	191,336	150,974	170,805	19,831
Transfers out	(441,500)	(441,500)	(441,875)	(375)
Total other financing sources (uses)	<u>(250,164)</u>	<u>(290,526)</u>	<u>(271,070)</u>	<u>19,456</u>
Net changes in fund balances	(51,113)	(977,469)	(142,320)	835,149
Fund balances, beginning of year	<u>6,909,939</u>	<u>6,909,939</u>	<u>6,909,939</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,858,826</u>	<u>\$ 5,932,470</u>	<u>\$ 6,767,619</u>	<u>\$ 835,149</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 2,188,406	\$ 2,188,548	\$ 2,185,490	\$ (3,058)
State	-	-	4,860	4,860
Interest	40,000	40,000	21,194	(18,806)
Miscellaneous	1,000	1,054	5,717	4,663
Total revenues	<u>2,229,406</u>	<u>2,229,602</u>	<u>2,217,261</u>	<u>(12,341)</u>
Expenditures				
Current				
Public safety	2,804,566	2,933,001	2,938,574	(5,573)
Capital outlay	141,250	326,250	278,748	47,502
Total expenditures	<u>2,945,816</u>	<u>3,259,251</u>	<u>3,217,322</u>	<u>41,929</u>
Revenues over (under) expenditures	<u>(716,410)</u>	<u>(1,029,649)</u>	<u>(1,000,061)</u>	<u>29,588</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	(274,087)	(587,326)	(602,061)	73,911
Fund balances, beginning of year	<u>2,355,600</u>	<u>2,355,600</u>	<u>2,355,600</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,081,513</u>	<u>\$ 1,768,274</u>	<u>\$ 1,753,539</u>	<u>\$ 73,911</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 764,127	\$ 764,127	\$ 762,834	\$ (1,293)
Interest	12,000	12,000	10,863	(1,137)
Total revenues	776,127	776,127	773,697	(2,430)
Expenditures				
Current				
Public safety	690,400	690,400	676,843	13,557
Revenues over (under) expenditures	85,727	85,727	96,854	11,127
Other financing sources (uses)				
Transfers out	40,362	-	-	-
Net changes in fund balances	126,089	85,727	96,854	11,127
Fund balances, beginning of year	1,565,959	1,565,959	1,565,959	-
Fund balances, end of year	<u>\$ 1,692,048</u>	<u>\$ 1,651,686</u>	<u>\$ 1,662,813</u>	<u>\$ 11,127</u>

CASCADE CHARTER TOWNSHIP

**THORNAPPLE RIVER SAD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Capital outlay	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 253,902	\$ 254,648	\$ 254,318	\$ (330)
Local	32,870	32,870	32,870	-
Interest	16,000	16,000	15,299	(701)
Total revenues	<u>302,772</u>	<u>303,518</u>	<u>302,487</u>	<u>(1,031)</u>
Expenditures				
Current				
Culture and recreation	255,071	257,079	228,001	29,078
Capital outlay	26,000	26,000	-	26,000
Total expenditures	<u>281,071</u>	<u>283,079</u>	<u>228,001</u>	<u>55,078</u>
Net changes in fund balances	21,701	20,439	74,486	54,047
Fund balances, beginning of year	<u>2,166,582</u>	<u>2,166,582</u>	<u>2,166,582</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,188,283</u>	<u>\$ 2,187,021</u>	<u>\$ 2,241,068</u>	<u>\$ 54,047</u>

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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 594,499	\$ 596,515	\$ 596,002	\$ (513)
Interest	<u>10,500</u>	<u>10,500</u>	<u>8,890</u>	<u>(1,610)</u>
Total revenues	<u>604,999</u>	<u>607,015</u>	<u>604,892</u>	<u>(2,123)</u>
Expenditures				
Current				
Culture and recreation	33,300	33,300	31,326	1,974
Capital outlay	<u>134,000</u>	<u>621,000</u>	<u>653,630</u>	<u>(32,630)</u>
Total expenditures	<u>167,300</u>	<u>654,300</u>	<u>684,956</u>	<u>(30,656)</u>
Revenues over (under) expenditures	437,699	(47,285)	(80,064)	(32,779)
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	488,673	(98,259)	(131,038)	(32,779)
Fund balances, beginning of year	<u>660,037</u>	<u>660,037</u>	<u>660,037</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,148,710</u>	<u>\$ 561,778</u>	<u>\$ 528,999</u>	<u>\$ (32,779)</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 1,702,550	\$ 1,752,840	\$ 2,006,781	\$ 253,941
Interest	35,000	35,000	37,464	2,464
Miscellaneous	1,500	6,434	7,054	620
Total revenues	<u>1,739,050</u>	<u>1,794,274</u>	<u>2,051,299</u>	<u>257,025</u>
Expenditures				
Current				
Public safety	1,783,180	1,798,496	1,723,231	75,265
Capital outlay	60,250	131,301	107,132	24,169
Total expenditures	<u>1,843,430</u>	<u>1,929,797</u>	<u>1,830,363</u>	<u>99,434</u>
Revenues over (under) expenditures	(104,380)	(135,523)	220,936	356,459
Other financing sources (uses)				
Transfers out	(100,000)	(100,000)	(119,831)	(19,831)
Net changes in fund balances	(204,380)	(235,523)	101,105	336,628
Fund balances, beginning of year	<u>2,755,204</u>	<u>2,755,204</u>	<u>2,755,204</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,550,824</u>	<u>\$ 2,519,681</u>	<u>\$ 2,856,309</u>	<u>\$ 336,628</u>

CASCADE CHARTER TOWNSHIP

**CORONAVIRUS GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal	\$ -	\$ -	\$ 79,452	\$ 79,452
Interest	-	-	903	903
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	-	80,355	80,355
Expenditures				
Current				
General government	-	-	57,764	(57,764)
	<hr/>	<hr/>	<hr/>	<hr/>
Net changes in fund balances	-	-	22,591	22,591
Fund balances, beginning of year	<hr/> 709	<hr/> 709	<hr/> 709	<hr/> -
Fund balances, end of year	<u>\$ 709</u>	<u>\$ 709</u>	<u>\$ 23,300</u>	<u>\$ 22,591</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 389,411	\$ 390,556	\$ 389,974	\$ (582)
Interest	<u>1,500</u>	<u>1,500</u>	<u>(172)</u>	<u>(1,672)</u>
Total revenues	390,911	392,056	389,802	(2,254)
Expenditures				
Current				
Culture and recreation	<u>25,050</u>	<u>26,050</u>	<u>19,736</u>	<u>6,314</u>
Revenues over (under) expenditures	365,861	366,006	370,066	4,060
Other financing sources (uses)				
Transfers out	<u>(322,873)</u>	<u>(322,873)</u>	<u>(322,858)</u>	<u>15</u>
Net changes in fund balances	42,988	43,133	47,208	4,075
Fund balances, beginning of year	<u>766,856</u>	<u>766,856</u>	<u>766,856</u>	<u>-</u>
Fund balances, end of year	<u>\$ 809,844</u>	<u>\$ 809,989</u>	<u>\$ 814,064</u>	<u>\$ 4,075</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, 2021

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total pension liability							
Service cost	\$ 232,044	\$ 269,359	\$ 301,620	\$ 324,267	\$ 152,708	\$ 150,811	\$ 143,934
Interest	672,517	697,204	813,553	830,058	890,346	860,959	876,808
Changes in benefit terms	-	-	-	-	(24,411)	(24,999)	-
Difference between expected and actual experience	-	360,728	(407,538)	13,247	(844,453)	(25,485)	225,826
Changes in assumptions	-	568,066	-	-	-	397,302	414,112
Benefit payments including employee refunds	(347,736)	(337,024)	(460,299)	(702,280)	(484,793)	(567,082)	(636,398)
Other	(17,508)	(58,461)	68,638	265,356	(14,651)	21,554	(3,420)
Net change in total pension liability	539,317	1,499,872	315,974	730,648	(325,254)	813,060	1,020,862
Total pension liability, beginning of year	8,209,563	8,748,880	10,248,752	10,564,726	11,295,374	10,970,120	11,783,180
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>	<u>\$ 12,804,042</u>
Plan fiduciary net position							
Contributions-employer	\$ 232,013	\$ 245,343	\$ 290,039	\$ 305,411	\$ 176,094	\$ 191,435	\$ 232,044
Contributions-employee	117,128	123,282	124,705	120,780	110,976	115,847	106,555
Net investment income	(105,931)	776,510	1,004,690	(324,408)	1,065,789	1,099,520	1,335,395
Benefit payments including employee refunds	(347,736)	(337,024)	(460,299)	(702,280)	(484,793)	(567,082)	(636,398)
Administrative expense	(15,175)	(15,315)	(15,897)	(16,413)	(18,365)	(17,467)	(15,324)
Net change in plan fiduciary net position	(119,701)	792,796	943,238	(616,910)	849,701	822,253	1,022,272
Plan fiduciary net position, beginning of year	6,859,910	6,740,209	7,533,005	8,476,243	7,859,333	8,709,034	9,531,287
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>	<u>\$ 10,553,559</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>	<u>\$ 2,250,483</u>
Plan fiduciary net position as a percentage of the total pension liability	77%	74%	80%	70%	79%	81%	82%
Covered employee payroll	\$ 2,047,653	\$ 2,314,281	\$ 2,474,196	\$ 2,626,444	\$ 1,656,630	\$ 1,570,546	1,463,208
Employer's net pension liability as a percentage of covered employee payroll	98%	117%	84%	131%	136%	143%	154%

CASCADE CHARTER TOWNSHIP
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2015	2016	2017	2018	2019	2020	2021
Actuarial determined contributions	\$ 232,013	\$ 245,343	\$ 290,039	\$ 305,411	\$ 176,094	\$ 191,435	\$ 232,044
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>	<u>232,044</u>
Contribution deficiency (excess)	<u>\$ -</u>	<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	\$ 1,463,208
Contributions as a percentage of covered employee payroll	11.3%	10.6%	11.7%	11.6%	10.6%	12.2%	15.9%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	19 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, 2021

	Special Revenue Funds				Debt Service Fund	Permanent	Total
	Cascade Dam Major Repair	Improvement Revolving	Laraway Lake SAD	Hazmat	Building Authority	Cemetery Perpetual Care	
Assets							
Cash and pooled investments	\$ 563,145	\$ 2,289,812	\$ 7,046	\$ 43,837	\$ -	\$ 126,306	\$ 3,030,146
Receivables							
Accounts	-	8,575	-	-	-	-	8,575
Special assessments	-	444,134	108,704	-	-	-	552,838
Total assets	<u>\$ 563,145</u>	<u>\$ 2,742,521</u>	<u>\$ 115,750</u>	<u>\$ 43,837</u>	<u>\$ -</u>	<u>\$ 126,306</u>	<u>\$ 3,591,559</u>
Liabilities and fund balances							
Liabilities							
Accounts payable	\$ -	\$ 41,421	\$ -	\$ -	\$ -	\$ -	\$ 41,421
Total liabilities	<u>-</u>	<u>41,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,421</u>
Deferred inflows of resources							
Unavailable revenue	-	459,456	115,750	-	-	-	575,206
Fund balances							
Nonspendable							
Cemetery trust	-	-	-	-	-	112,729	112,729
Restricted							
Capital improvements	563,145	2,241,644	-	43,837	-	-	2,848,626
Committed							
Cemetery trust	-	-	-	-	-	13,577	13,577
Total fund balances	<u>563,145</u>	<u>2,241,644</u>	<u>-</u>	<u>43,837</u>	<u>-</u>	<u>126,306</u>	<u>2,974,932</u>
Total liabilities and fund balances	<u>\$ 563,145</u>	<u>\$ 2,742,521</u>	<u>\$ 115,750</u>	<u>\$ 43,837</u>	<u>\$ -</u>	<u>\$ 126,306</u>	<u>\$ 3,591,559</u>

CASCADE CHARTER TOWNSHIP
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				Debt Service Fund	Permanent	Total
	Cascade Dam Repair	Major Improvement Revolving	Laraway Lake SAD	Hazmat	Building Authority	Cemetery Perpetual Care	
Revenues							
Charges for services	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ 5,360	\$ 9,360
Interest	6,898	23,333	-	114	-	497	30,842
Miscellaneous	5,000	251,573	-	-	-	-	256,573
Total revenues	<u>11,898</u>	<u>274,906</u>	<u>-</u>	<u>4,114</u>	<u>-</u>	<u>5,857</u>	<u>296,775</u>
Expenditures							
Current							
Public safety	-	-	-	548	-	-	548
Debt service							
Principal	-	-	-	-	279,000	-	279,000
Interest	-	-	-	-	43,858	-	43,858
Capital outlay	-	113,380	-	55	-	-	113,435
Total expenditures	<u>-</u>	<u>113,380</u>	<u>-</u>	<u>603</u>	<u>322,858</u>	<u>-</u>	<u>436,841</u>
Revenues over (under) expenditures	11,898	161,526	-	3,511	(322,858)	5,857	(140,066)
Other financing sources (uses)							
Transfers in	40,000	-	-	2,000	322,858	1,875	366,733
Total other financing sources (uses)	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>322,858</u>	<u>1,875</u>	<u>366,733</u>
Net changes in fund balances	51,898	161,526	-	5,511	-	7,732	226,667
Fund balances, beginning of year	<u>511,247</u>	<u>2,080,118</u>	<u>-</u>	<u>38,326</u>	<u>-</u>	<u>118,574</u>	<u>2,748,265</u>
Fund balances, end of year	<u>\$ 563,145</u>	<u>\$ 2,241,644</u>	<u>\$ -</u>	<u>\$ 43,837</u>	<u>\$ -</u>	<u>\$ 126,306</u>	<u>\$ 2,974,932</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 8,000	\$ 8,000	\$ 6,898	\$ (1,102)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total revenues	13,000	13,000	11,898	(1,102)
Expenditures				
Capital outlay	<u>85,000</u>	<u>85,000</u>	<u>-</u>	<u>85,000</u>
Revenues over (under) expenditures	(72,000)	(72,000)	11,898	83,898
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	(32,000)	(32,000)	51,898	83,898
Fund balances, beginning of year	<u>511,247</u>	<u>511,247</u>	<u>511,247</u>	<u>-</u>
Fund balances, end of year	<u>\$ 479,247</u>	<u>\$ 479,247</u>	<u>\$ 563,145</u>	<u>\$ 83,898</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, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 21,000	\$ 21,000	\$ 23,333	\$ 2,333
Miscellaneous	<u>220,000</u>	<u>220,000</u>	<u>251,573</u>	<u>31,573</u>
Total revenues	241,000	241,000	274,906	33,906
Expenditures				
Current				
Capital outlay	<u>38,500</u>	<u>322,500</u>	<u>113,380</u>	<u>209,120</u>
Net changes in fund balances	202,500	(81,500)	161,526	243,026
Fund balances, beginning of year	<u>2,080,118</u>	<u>2,080,118</u>	<u>2,080,118</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,282,618</u>	<u>\$ 1,998,618</u>	<u>\$ 2,241,644</u>	<u>\$ 243,026</u>

CASCADE CHARTER TOWNSHIP

**LARAWAY LAKE SAD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Capital outlay	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2021

	<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	\$ 4,000	\$ -
Interest	<u>120</u>	<u>120</u>	<u>114</u>	<u>(6)</u>
Total revenues	<u>4,120</u>	<u>4,120</u>	<u>4,114</u>	<u>(6)</u>
Expenditures				
Current				
Public safety	5,000	5,000	548	4,452
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>55</u>	<u>2,945</u>
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>603</u>	<u>7,397</u>
Revenues over (under) expenditures	(3,880)	(3,880)	3,511	7,391
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	(1,880)	(1,880)	5,511	7,391
Fund balances, beginning of year	<u>38,326</u>	<u>38,326</u>	<u>38,326</u>	<u>-</u>
Fund balances, end of year	<u>\$ 36,446</u>	<u>\$ 36,446</u>	<u>\$ 43,837</u>	<u>\$ 7,391</u>

CASCADE CHARTER TOWNSHIP

GENERAL FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 7,318,552	\$ 7,887,895
Receivables		
Accounts	130,290	91,482
Taxes	1,013,991	1,020,203
Due from other funds	-	9,726
Due from other governments	638,842	258,491
Prepaid items	<u>38,100</u>	<u>34,632</u>
Total assets	<u>\$ 9,139,775</u>	<u>\$ 9,302,429</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 108,808	\$ 511,550
Accrued payroll and benefits	<u>53,868</u>	<u>59,125</u>
Total liabilities	<u>162,676</u>	<u>570,675</u>
Deferred inflows of resources		
Unavailable revenue	<u>2,209,480</u>	<u>1,821,815</u>
Fund balances		
Nonspendable		
Prepaid items	38,100	34,632
Committed		
Unfunded pension liability	499,543	499,543
Facility Improvements	248,155	450,145
Assigned		
Future years expenditures	-	1,229,570
Unassigned	<u>5,981,821</u>	<u>4,696,049</u>
Total fund balances	<u>6,767,619</u>	<u>6,909,939</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,139,775</u>	<u>\$ 9,302,429</u>

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CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES**

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 1,622,533	\$ 1,574,610
Street lighting assessment	77,957	77,350
Delinquent property taxes	3,886	2,902
Industrial facilities taxes	17,331	11,888
Interest and penalties on taxes	6,139	3,206
Tax administration fees	642,396	674,710
Total property taxes	<u>2,370,242</u>	<u>2,344,666</u>
Licenses and permits		
Cablevision fees	401,939	406,556
Dog licenses	81	153
Other permits	50	-
Total licenses and permits	<u>402,070</u>	<u>406,709</u>
Federal grants	<u>15,701</u>	<u>-</u>
State		
Sales taxes	1,852,968	1,592,881
PA 48/Metro Authority	22,405	17,477
Total state	<u>1,875,373</u>	<u>1,610,358</u>
Charges for services		
Planning and zoning fees	14,873	42,558
Summer tax collection fees	26,421	26,001
P.A. 198 tax application fees	2,000	1,000
Yard waste bag fees	-	872
Sewer and water implementation fees	25,302	37,289
Grave openings	17,240	10,915
Passport application fees	4,235	10,955
Total charges for services	<u>90,071</u>	<u>129,590</u>
Interest		
Interest on deposits and investments	50,204	163,072
Rental income	172,794	174,662
Total interest	<u>222,998</u>	<u>337,734</u>
Miscellaneous		
Sale of assets	50	2,538
Contributions	103,280	103,426
Park income	8,230	4,320
Reimbursements	-	26,823
Refunds and rebates	-	5,946
Other	1,641	23,985
Total miscellaneous	<u>113,201</u>	<u>167,038</u>
Total revenues	<u>\$ 5,089,656</u>	<u>\$ 4,996,095</u>

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Expenditures		
Current		
General government		
Township board		
Personnel services	\$ 41,222	\$ 39,834
Other services and charges	19,093	20,783
Total township board	<u>60,315</u>	<u>60,617</u>
Supervisor		
Personnel services	220,282	217,142
Other services and charges	12,432	6,707
Capital outlay	1,224	-
Total supervisor	<u>233,938</u>	<u>223,849</u>
Manager		
Other services and charges	<u>18,032</u>	<u>6,296</u>
Clerk		
Personnel services	68,135	90,686
Other services and charges	5,312	6,429
Total clerk	<u>73,447</u>	<u>97,115</u>
Treasurer		
Personnel services	132,827	127,775
Other services and charges	4,530	3,567
Capital outlay	3,266	510
Total treasurer	<u>140,623</u>	<u>131,852</u>
Assessor		
Personnel services	223,896	200,232
Supplies	480	5,076
Other services and charges	37,825	27,295
Capital outlay	1,213	2,842
Total assessor	<u>263,414</u>	<u>235,445</u>
Elections		
Personnel services	14,786	91,725
Supplies	1,587	15,221
Other services and charges	1,260	15,647
Total elections	<u>17,633</u>	<u>122,593</u>
Buildings and grounds		
Personnel services	300,774	322,379
Supplies	2,238	1,571
Other services and charges	230,667	199,142
Capital outlay	-	1,085
Total buildings and grounds	<u>533,679</u>	<u>524,177</u>
Cemetery		
Other services and charges	<u>6,151</u>	<u>4,951</u>
Administration		
Personnel services	178,089	150,777
Supplies	28,588	29,690
Other services and charges	525,824	363,210
Capital outlay	3,265	9,151
Total administration	<u>735,766</u>	<u>552,828</u>
Total general government	<u>2,082,998</u>	<u>1,959,723</u>

(Continued)

CASCADE CHARTER TOWNSHIP

**GENERAL FUND
COMPARATIVE SCHEDULE OF EXPENDITURES**

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Public works		
Drains		
Other services and charges	\$ 11,255	\$ 7,229
Capital outlay	<u>13,225</u>	<u>8,392</u>
Total drains	<u>24,480</u>	<u>15,621</u>
Road construction and maintenance		
Capital outlay	<u>936,629</u>	<u>533,851</u>
Street lighting		
Other services and charges	142,803	130,863
Capital outlay	<u>51</u>	<u>418</u>
Total street lighting	<u>142,854</u>	<u>131,281</u>
Waste collection		
Other services and charges	<u>57,371</u>	<u>62,070</u>
Total public works	<u>1,161,334</u>	<u>742,823</u>
Community and economic development		
Planning commission		
Personnel services	262,553	251,147
Supplies	205	1,278
Other services and charges	<u>8,671</u>	<u>22,102</u>
Total planning commission	<u>271,429</u>	<u>274,527</u>
Building and zoning		
Personnel services	<u>34,516</u>	<u>4,658</u>
Total community and economic development	<u>305,945</u>	<u>279,185</u>
Culture and recreation		
Parks and recreation		
Supplies	4,443	1,525
Other services and charges	51,338	79,318
Capital outlay	<u>-</u>	<u>-</u>
Total parks and recreation	<u>55,781</u>	<u>80,843</u>
Historical		
Supplies	7,000	6,000
Other services and charges	<u>4,532</u>	<u>10,847</u>
Total historical	<u>11,532</u>	<u>16,847</u>
Total culture and recreation	<u>67,313</u>	<u>97,690</u>
Other		
Employee benefits	641,757	621,081
Transportation services	<u>92,346</u>	<u>206,384</u>
Total other	<u>734,103</u>	<u>827,465</u>
Capital outlay	<u>609,213</u>	<u>1,938,885</u>
Total expenditures	<u>\$ 4,960,906</u>	<u>\$ 5,845,771</u>

(Concluded)

CASCADE CHARTER TOWNSHIP

FIRE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 2,925,404	\$ 3,414,018
Receivables		
Taxes	1,137,315	1,142,248
Prepaid items	<u>20,766</u>	<u>23,338</u>
Total assets	<u>\$ 4,083,485</u>	<u>\$ 4,579,604</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 67,749	\$ 29,474
Accrued payroll and benefits	<u>56,213</u>	<u>45,581</u>
Total liabilities	<u>123,962</u>	<u>75,055</u>
Deferred inflows of resources		
Unavailable revenue	<u>2,205,984</u>	<u>2,148,949</u>
Fund balances		
Nonspendable		
Prepaid items	20,766	23,338
Restricted		
Dedicated millage	<u>1,732,773</u>	<u>2,332,262</u>
Total fund balances	<u>1,753,539</u>	<u>2,355,600</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,083,485</u>	<u>\$ 4,579,604</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 2,156,063	\$ 2,080,525
Delinquent property taxes	5,558	3,527
Industrial facilities taxes	23,460	16,092
Interest and penalties on taxes	409	348
Total property taxes	<u>2,185,490</u>	<u>2,100,492</u>
Interest	21,194	38,300
State grants	4,860	-
Miscellaneous		
Other	<u>5,717</u>	<u>2,672</u>
Total revenues	<u>2,217,261</u>	<u>2,141,464</u>
Expenditures		
Current		
Public safety		
Fire department		
Personnel services	2,539,082	2,117,812
Supplies	98,225	105,687
Other services and charges	301,267	326,605
Total public safety	<u>2,938,574</u>	<u>2,550,104</u>
Capital outlay	<u>278,748</u>	<u>23,378</u>
Total expenditures	<u>3,217,322</u>	<u>2,573,482</u>
Revenues over (under) expenditures	<u>(1,000,061)</u>	<u>(432,018)</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	(602,061)	(34,018)
Fund balances, beginning of year	<u>2,355,600</u>	<u>2,389,618</u>
Fund balances, end of year	<u>\$ 1,753,539</u>	<u>\$ 2,355,600</u>

CASCADE CHARTER TOWNSHIP

POLICE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 2,160,227	\$ 1,977,570
Receivables		
Accounts	-	49,147
Taxes	<u>396,846</u>	<u>398,697</u>
Total assets	<u>\$ 2,557,073</u>	<u>\$ 2,425,414</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 124,525	\$ 109,377
Deferred inflows of resources		
Unavailable revenue	769,735	750,078
Fund balances		
Restricted		
Dedicated millage	<u>1,662,813</u>	<u>1,565,959</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,557,073</u>	<u>\$ 2,425,414</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 752,562	\$ 726,211
Delinquent property taxes	1,940	1,231
Industrial facilities taxes	8,189	5,617
Interest and penalties on taxes	<u>143</u>	<u>121</u>
 Total property taxes	 762,834	 733,180
 Interest	 10,863	 22,630
Miscellaneous	<u>-</u>	<u>49,147</u>
 Total revenues	 773,697	 804,957
 Expenditures		
Current		
Public safety		
Law enforcement		
Other services and charges	<u>676,843</u>	<u>603,387</u>
 Revenues over (under) expenditures	 96,854	 201,570
 Other financing sources (uses)		
Transfers out	<u>-</u>	<u>(40,362)</u>
 Net changes in fund balances	 96,854	 161,208
 Fund balances, beginning of year	 <u>1,565,959</u>	 <u>1,404,751</u>
 Fund balances, end of year	 <u>\$ 1,662,813</u>	 <u>\$ 1,565,959</u>

CASCADE CHARTER TOWNSHIP

IMPROVEMENT REVOLVING SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 2,289,812	\$ 2,089,087
Receivables		
Accounts	8,575	3,397
Special assessments	<u>444,134</u>	<u>457,787</u>
Total assets	<u>\$ 2,742,521</u>	<u>\$ 2,550,271</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 41,421	\$ 12,366
Deferred inflows of resources		
Unavailable revenue	459,456	457,787
Fund balances		
Restricted		
Water and sewer improvements	<u>2,241,644</u>	<u>2,080,118</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,742,521</u>	<u>\$ 2,550,271</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Interest		
Interest on deposits	\$ 16,938	\$ 26,256
Interest on special assessments	6,395	6,646
Total interest	<u>23,333</u>	<u>32,902</u>
Miscellaneous		
Special assessments	(1,451)	52,148
Hookup fees	253,024	370,576
Total miscellaneous	<u>251,573</u>	<u>422,724</u>
Total revenues	274,906	455,626
Expenditures		
Capital outlay	<u>113,380</u>	<u>75,126</u>
Net changes in fund balances	161,526	380,500
Fund balances, beginning of year	<u>2,080,118</u>	<u>1,699,618</u>
Fund balances, end of year	<u>\$ 2,241,644</u>	<u>\$ 2,080,118</u>

CASCADE CHARTER TOWNSHIP

**LARAWAY LAKE SAD SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 7,046	\$ -
Receivables		
Special assessments	108,704	-
Total assets	<u>\$ 115,750</u>	<u>\$ -</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Restricted		
Water and sewer improvements	-	-
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 115,750</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**LARAWAY LAKE SAD SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Interest		
Interest on deposits	\$ -	\$ -
Interest on special assessments	-	-
Total interest	-	-
Miscellaneous		
Special assessments	-	-
Total revenues	-	-
Expenditures		
Capital outlay	-	-
Net changes in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

THORNAPPLE RIVER SAD SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 57,300	\$ -
Receivables		
Special assessments	<u>1,297,200</u>	<u>-</u>
Total assets	<u>\$ 1,354,500</u>	<u>\$ -</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Deferred inflows of resources		
Unavailable revenue	1,354,500	-
Fund balances		
Restricted		
Water and sewer improvements	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,354,500</u>	<u>\$ -</u>

CASCADE CHARTER TOWNSHIP

**THORNAPPLE RIVER SAD SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Interest		
Interest on deposits	\$ -	\$ -
Interest on special assessments	-	-
Total interest	-	-
Miscellaneous		
Special assessments	-	-
Total revenues	-	-
Expenditures		
Capital outlay	-	-
Net changes in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

LIBRARY SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 2,365,060	\$ 2,285,874
Receivables		
Taxes	<u>129,587</u>	<u>130,170</u>
Total assets	<u>\$ 2,494,647</u>	<u>\$ 2,416,044</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 2,069	\$ 4,412
Deferred inflows of resources		
Unavailable revenue	251,510	245,050
Fund balances		
Restricted		
Dedicated millage	<u>2,241,068</u>	<u>2,166,582</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,494,647</u>	<u>\$ 2,416,044</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 250,964	\$ 243,907
Delinquent property taxes	633	403
Industrial facilities taxes	2,674	1,835
Interest and penalties on taxes	47	40
Total property taxes	<u>254,318</u>	<u>246,185</u>
Local	32,870	32,870
Interest	<u>15,299</u>	<u>58,246</u>
Total revenues	<u>302,487</u>	<u>337,301</u>
Expenditures		
Current		
Recreation and cultural		
Library		
Supplies	-	934
Other services and charges	228,001	225,172
Total recreation and cultural	<u>228,001</u>	<u>226,106</u>
Capital outlay	<u>-</u>	<u>2,475</u>
Total expenditures	<u>228,001</u>	<u>228,581</u>
Net changes in fund balances	74,486	108,720
Fund balances, beginning of year	<u>2,166,582</u>	<u>2,057,862</u>
Fund balances, end of year	<u>\$ 2,241,068</u>	<u>\$ 2,166,582</u>

CASCADE CHARTER TOWNSHIP

PATHWAYS SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 1,000,025	\$ 1,261,523
Receivables		
Taxes	<u>303,882</u>	<u>305,217</u>
Total assets	<u>\$ 1,303,907</u>	<u>\$ 1,566,740</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 185,457	\$ 332,461
Deferred inflows of resources		
Unavailable revenue	589,451	574,242
Fund balances		
Restricted		
Dedicated millage	<u>528,999</u>	<u>660,037</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,303,907</u>	<u>\$ 1,566,740</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 588,105	\$ 571,498
Delinquent property taxes	1,519	943
Industrial facilities taxes	6,269	4,301
Interest and penalties on taxes	109	93
Total property taxes	<u>596,002</u>	<u>576,835</u>
Interest	<u>8,890</u>	<u>55,632</u>
Total revenues	<u>604,892</u>	<u>632,467</u>
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Supplies	14,725	7,336
Other services and charges	16,601	1,982
Total recreation and cultural	<u>31,326</u>	<u>9,318</u>
Capital outlay	<u>653,630</u>	<u>1,930,239</u>
Total expenditures	<u>684,956</u>	<u>1,939,557</u>
Revenues over (under) expenditures	(80,064)	(1,307,090)
Other financing sources (uses)		
Transfers out	<u>(50,974)</u>	<u>(50,974)</u>
Net changes in fund balances	(131,038)	(1,358,064)
Fund balances, beginning of year	<u>660,037</u>	<u>2,018,101</u>
Fund balances, end of year	<u>\$ 528,999</u>	<u>\$ 660,037</u>

CASCADE CHARTER TOWNSHIP

**INSPECTIONS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 2,952,611	\$ 2,912,903
Prepaid items	<u>17,303</u>	<u>12,389</u>
Total assets	<u>\$ 2,969,914</u>	<u>\$ 2,925,292</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ 78,832	\$ 134,658
Accrued payroll and benefits	34,773	25,704
Due to other funds	<u>-</u>	<u>9,726</u>
Total liabilities	<u>113,605</u>	<u>170,088</u>
Fund balances		
Nonspendable		
Prepaid items	17,303	12,389
Restricted		
Inspections	<u>2,839,006</u>	<u>2,742,815</u>
Total fund balances	<u>2,856,309</u>	<u>2,755,204</u>
Total liabilities and fund balances	<u>\$ 2,969,914</u>	<u>\$ 2,925,292</u>

CASCADE CHARTER TOWNSHIP
INSPECTIONS SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Licenses and permits		
Building permits	\$ 289,160	\$ 192,157
Electrical permits	103,060	61,566
Mechanical permits	106,803	93,074
Plumbing permits	52,608	46,078
Permits - other townships	1,398,466	1,272,701
Plan reviews	48,959	33,830
Contractor registration fees	7,725	8,640
Total licenses and permits	<u>2,006,781</u>	<u>1,708,046</u>
Interest	37,464	69,226
Miscellaneous	<u>7,054</u>	<u>2,264</u>
Total revenues	<u>2,051,299</u>	<u>1,779,536</u>
Expenditures		
Current		
Public safety		
Inspections		
Personnel services	1,271,888	1,156,844
Supplies	12,205	10,256
Other services and charges	439,138	509,837
Total public safety	<u>1,723,231</u>	<u>1,676,937</u>
Capital outlay	<u>107,132</u>	<u>268,453</u>
Total expenditures	<u>1,830,363</u>	<u>1,945,390</u>
Revenues over (under) expenditures	220,936	(165,854)
Other financing sources (uses)		
Transfers out	<u>(119,831)</u>	<u>(99,135)</u>
Net changes in fund balances	101,105	(264,989)
Fund balances, beginning of year	<u>2,755,204</u>	<u>3,020,193</u>
Fund balances, end of year	<u>\$ 2,856,309</u>	<u>\$ 2,755,204</u>

CASCADE CHARTER TOWNSHIP

OPEN SPACE SPECIAL REVENUE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 1,005,837	\$ 943,961
Receivables		
Taxes	<u>198,850</u>	<u>199,733</u>
Total assets	<u>\$ 1,204,687</u>	<u>\$ 1,143,694</u>
Liabilities, deferred inflows of resources and fund balances		
Liabilities		
Accounts payable	\$ 4,929	\$ 1,078
Deferred inflows of resources		
Unavailable revenue	385,694	375,760
Fund balances		
Restricted		
Dedicated millage	<u>814,064</u>	<u>766,856</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,204,687</u>	<u>\$ 1,143,694</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Property taxes		
Current property taxes	\$ 384,889	\$ 373,886
Delinquent property taxes	835	617
Industrial facilities taxes	4,179	2,814
Interest and penalties on taxes	71	61
	389,974	377,378
Total property taxes	389,974	377,378
Interest	(172)	4,671
Miscellaneous	-	4,000
	389,802	386,049
Total revenues	389,802	386,049
Expenditures		
Current		
Recreation and cultural		
Parks and recreations		
Other services and charges	19,736	24,943
Capital outlay	-	25,456
	19,736	50,399
Total expenditures	19,736	50,399
Revenues over (under) expenditures	370,066	335,650
Other financing sources (uses)		
Transfers out	(322,858)	(323,104)
	47,208	12,546
Net changes in fund balances	47,208	12,546
Fund balances, beginning of year	766,856	754,310
Fund balances, end of year	\$ 814,064	\$ 766,856

CASCADE CHARTER TOWNSHIP

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

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 563,145	\$ 511,247
Total assets	<u>\$ 563,145</u>	<u>\$ 511,247</u>
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Committed		
Dam repairs	<u>563,145</u>	<u>511,247</u>
Total liabilities and fund balances	<u>\$ 563,145</u>	<u>\$ 511,247</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Interest	\$ 6,898	\$ 15,094
Miscellaneous	<u>5,000</u>	<u>5,000</u>
Total revenues	11,898	20,094
Expenditures		
Current		
Capital outlay	<u>-</u>	<u>277,009</u>
Revenues over (under) expenditures	11,898	(256,915)
Other financing sources (uses)		
Transfers in	<u>40,000</u>	<u>40,000</u>
Net changes in fund balances	51,898	(216,915)
Fund balances, beginning of year	<u>511,247</u>	<u>728,162</u>
Fund balances, end of year	<u>\$ 563,145</u>	<u>\$ 511,247</u>

CASCADE CHARTER TOWNSHIP

**HAZMAT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 43,837	\$ 38,326
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Restricted HAZMAT	<u>43,837</u>	<u>38,326</u>
Total liabilities and fund balances	<u>\$ 43,837</u>	<u>\$ 38,326</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services		
HAZMAT fees	\$ 4,000	\$ 6,000
Interest	<u>114</u>	<u>120</u>
Total revenues	<u>4,114</u>	<u>6,120</u>
Expenditures		
Current		
Public safety		
HAZMAT		
Other services and charges	548	-
Capital outlay	<u>55</u>	<u>1,237</u>
Total expenditures	<u>603</u>	<u>1,237</u>
Revenues over (under) expenditures	3,511	4,883
Other financing sources (uses)		
Transfers in	<u>2,000</u>	<u>2,000</u>
Net changes in fund balances	5,511	6,883
Fund balances, beginning of year	<u>38,326</u>	<u>31,443</u>
Fund balances, end of year	<u>\$ 43,837</u>	<u>\$ 38,326</u>

CASCADE CHARTER TOWNSHIP

**CORONAVIRUS GRANTS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET**

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 1,038,899	\$ 811
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ 102
Deferred inflows of resources		
Unearned revenue	1,015,599	-
Fund balances		
Restricted		
COVID	<u>23,300</u>	<u>709</u>
Total liabilities and fund balances	<u>\$ 1,038,899</u>	<u>\$ 811</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Government grants		
Federal	\$ 79,452	\$ 217,243
Local	-	238,153
Interest	903	-
	<hr/>	<hr/>
Total revenues	80,355	455,396
	<hr/>	<hr/>
Expenditures		
Current		
General government		
COVID		
Personnel services	57,055	327,887
Supplies	709	67,045
Other services and charges	-	59,755
	<hr/>	<hr/>
Total expenditures	57,764	454,687
	<hr/>	<hr/>
Net changes in fund balances	22,591	709
Fund balances, beginning of year	709	-
	<hr/>	<hr/>
Fund balances, end of year	\$ 23,300	\$ 709
	<hr/>	<hr/>

CASCADE CHARTER TOWNSHIP

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

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ -	\$ -
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Assigned		
Debt service	-	-
Total liabilities and fund balances	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Interest	\$ -	\$ -
Expenditures		
Debt service		
Principal	279,000	274,000
Interest and fees	<u>43,858</u>	<u>49,104</u>
Total expenditures	<u>322,858</u>	<u>323,104</u>
Revenues over (under) expenditures	(322,858)	(323,104)
Other financing sources (uses)		
Transfers in	<u>322,858</u>	<u>323,104</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and pooled investments	\$ 126,306	\$ 118,574
Liabilities and fund balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund balances		
Nonspendable		
Cemetery trust	112,729	107,369
Committed		
Cemetery trust	<u>13,577</u>	<u>11,205</u>
Total fund balances	<u>126,306</u>	<u>118,574</u>
Total liabilities and fund balances	<u>\$ 126,306</u>	<u>\$ 118,574</u>

CASCADE CHARTER TOWNSHIP

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

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services		
Cemetery care fees	\$ 5,360	\$ 2,455
Interest	<u>497</u>	<u>573</u>
Total revenues	5,857	3,028
Expenditures		
Current		
General government		
Cemetery	<u>-</u>	<u>589</u>
Revenues over (under) expenditures	5,857	2,439
Other financing sources (uses)		
Transfers in	<u>1,875</u>	<u>2,700</u>
Net changes in fund balances	7,732	5,139
Fund balances, beginning of year	<u>118,574</u>	<u>113,435</u>
Fund balances, end of year	<u>\$ 126,306</u>	<u>\$ 118,574</u>

CASCADE CHARTER TOWNSHIP

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

DECEMBER 31, 2021

	Custodial Funds		
	Escrow Deposit Fund	Tax Collection Fund	Total
Assets			
Cash and pooled investments	\$ 228,705	\$ 2,527,611	\$ 2,756,316
Liabilities			
Accounts payable	1,545	22,554	24,099
Escrow deposits	227,160	-	227,160
Due to other governments	-	2,505,057	2,505,057
Total liabilities	228,705	2,527,611	2,756,316
Net position			
Restricted	\$ -	\$ -	\$ -

CASCADE CHARTER TOWNSHIP

FIDUCIARY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2021

	Custodial Funds		
	Escrow Deposit <u>Fund</u>	Tax Collection <u>Fund</u>	<u>Total</u>
Additions			
Property taxes collected for other governments	\$ -	\$ 57,359,583	\$ 57,359,583
Escrow deposits collected	87,804	-	87,804
Total additions	87,804	57,359,583	57,447,387
Deductions			
Property taxes distributed to other governments	-	57,359,583	57,359,583
Escrow funds used to cover expenses	87,804	-	87,804
Total deductions	87,804	57,359,583	57,447,387
Net increase	-	-	-
Net position, beginning of year	-	-	-
Net position, end of year	\$ -	\$ -	\$ -

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

DECEMBER 31, 2021

	Governmental Fund Type General Fund	Adjustments	Statement of Net Position
Assets			
Cash and pooled investments	\$ 2,038,546	\$ -	\$ 2,038,546
Receivables			
Taxes	302,052	-	302,052
Capital assets			
Non-depreciable	-	59,366	59,366
Depreciable capital assets, net	-	4,361,317	4,361,317
Total assets	<u>\$ 2,340,598</u>	<u>\$ 4,420,683</u>	<u>\$ 6,761,281</u>
Liabilities, deferred inflows of resources and fund balance			
Liabilities			
Accounts payable	\$ 1,227	\$ -	1,227
Accrued interest payable	-	5,444	5,444
Bonds and notes payable - current portion	-	75,000	75,000
Bonds and notes payable	-	593,700	593,700
Total liabilities	<u>1,227</u>	<u>674,144</u>	<u>675,371</u>
Deferred inflows of resources			
Unavailable revenue	<u>302,052</u>	<u>-</u>	<u>302,052</u>
Fund balance			
Unassigned	<u>2,037,319</u>	<u>\$ (2,037,319)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,340,598</u>		
Net position			
Net investment in capital assets			4,420,683
Unrestricted			<u>1,363,175</u>
Total net position			<u>\$ 5,783,858</u>
Reconciliation of fund balances to net position:			
Fund balance of governmental fund			\$ 2,037,319
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)			4,361,317
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Deduct - bonds and notes payable			(668,700)
Deduct - accrued interest			<u>(5,444)</u>
Net position of governmental activities			<u>\$ 5,783,858</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, 2021

	Governmental Fund Type General Fund	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 1,096,646	\$ -	\$ 1,096,646
Interest	10,915	-	10,915
Miscellaneous	<u>72,126</u>	<u>-</u>	<u>72,126</u>
Total revenues	<u>1,179,687</u>	<u>-</u>	<u>1,179,687</u>
Expenditures			
Current			
General government	473,918	256,602	730,520
Debt service			
Principal	70,000	(70,000)	-
Interest	<u>24,050</u>	<u>(569)</u>	<u>23,481</u>
Total expenditures	<u>567,968</u>	<u>186,033</u>	<u>754,001</u>
Net changes in fund balance	611,719		
Change in net position			425,686
Fund balance/net position, beginning of year	<u>1,425,600</u>		<u>5,358,172</u>
Fund balance/net position, end of year	<u>\$ 2,037,319</u>		<u>\$ 5,783,858</u>
Reconciliation of change in fund balances to change in net position			
Net change in fund balance of governmental fund			\$ 611,719
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			63,057
Deduct - depreciation expense			(319,659)
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			70,000
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>569</u>
Change in net position of governmental activities			<u>\$ 425,686</u>