

VILLAGE OF DIMONDALE



FINANCIAL STATEMENTS
YEAR ENDED
FEBRUARY 29, 2020



Drake

Certified
Public
Accountants

VILLAGE OF DIMONDALE

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-9
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	14
Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Proprietary Fund	
Statement of Net Position	16
Statement of Revenue, Expenses, and Changes in Net Position	17
Statement of Cash Flow	18
Notes to Financial Statements	19-34
REQUIRED SUPPLEMENTAL INFORMATION	
Net Pension Liability	
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	35
Schedule of Employer's Contributions	36
Budgetary Comparison Schedule	
General Fund	37
Major Streets Fund	38
Local Streets Fund	39
OTHER SUPPLEMENTAL INFORMATION	
General Fund	
Statement of Revenue, Expenditures, and Changes in Fund Balance	41-42
Special Revenue Funds	
Combining Balance Sheet	44
Combining Statement of Revenue, Expenditures, and Changes in Fund Balance	45
Statement of Revenue, Expenditures, and Changes in Fund Balance	
Budget and Actual - Major Streets Fund	46
Statement of Revenue, Expenditures, and Changes in Fund Balance	
Budget and Actual - Local Streets Fund	47





INDEPENDENT AUDITORS' REPORT

Village Council
Village of Dimondale
Dimondale, MI

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dimondale, as of and for the year ended February 29, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dimondale, as of February 29, 2020, and the respective changes in financial position, and where applicable, cash flow thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedule of changes in the employer's net pension liability and related ratios, the schedule of employer's contributions, and budgetary comparison information on pages 3-9 and 35-39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Dimondale's basic financial statements. The other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Drake Certified Public Accountants, PC

June 2, 2020



VILLAGE OF DIMONDALE

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Village of Dimondale's annual financial report presents discussion and analysis of the Village's financial performance during the fiscal year ended February 29, 2020. It is best read in conjunction with the Village's financial statements that follow this section.

Overview

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Village of Dimondale financially and the two types of statements present different points of view. The government-wide statements reflect information about the activities of the entire Village, presenting an aggregate view and a longer-term view of the Village's overall financial status. The fund financial statements focus on individual components of Village government, reporting the Village's operations in more detail and demonstrating how services were financed in the short term.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information about the Village as a whole using accounting methods similar to those used by private-sector companies. These statements are prepared to include all assets and liabilities, using the accrual basis of accounting. All of the year's revenue and expenses are taken into account regardless of when cash is received or paid. The two government-wide statements report the Village's net position- the difference between assets and liabilities- as one way to measure the Village's financial health or position. Over time, increases or decreases in the Village's net position is an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the Village, the reader needs to consider additional non-financial factors such as changes in the Village's property tax base and the condition of the Village's streets.

The government-wide financial statements of the Village are divided into two categories:

- *Governmental activities* - Most of the Village's basic services are included here, such as public works, parks and general administration. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* - Operation and maintenance of the sanitary sewer system is included here. User fees fund the cost of providing this service.

Fund Financial Statements

The fund financial statements provide more detailed information about the Village's most significant funds, not the Village as a whole. The Village Council establishes funds as needed to help it control and manage money for particular purposes or to demonstrate that it is meeting legal responsibilities.

The Village currently has two types of funds:

Governmental Funds

Most of the Village's basic services are included in governmental funds, which focus on how money flows in and out and the balances remaining at year-end that are available for spending. Activity is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the Village that helps determine whether there are more or less resources that can be spent in the near future to finance the Village's programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation.



Management's Discussion and Analysis

Fund Financial Statements (Continued)

Proprietary Funds

Services for which the Village charges customers a fee are reported in proprietary funds. Proprietary fund statements provide both long and short-term financial information. The Village's enterprise fund, the Sewer Fund, is a type of proprietary fund.

The Village as a Whole

The statement of net position presents the perspective of the Village as a whole. Table 1 provides a summary of the Village's net position as of February 29, 2020 and 2019, in thousands of dollars.

TABLE 1	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and Other Assets	\$ 1,253.2	\$ 936.5	\$ 953.1	\$ 794.2	\$ 2,206.3	\$ 1,730.7
Capital Assets	1,962.7	2,185.3	4,777.2	5,042.9	6,739.9	7,228.2
TOTAL ASSETS	3,215.9	3,121.8	5,730.3	5,837.1	8,946.2	8,958.9
DEFERRED OUTFLOWS OF RESOURCES						
	3.6	4.7	-	-	3.6	4.7
LIABILITIES						
Current Liabilities	12.5	0.3	28.4	28.6	40.9	28.9
Long-Term Liabilities	412.8	280.1	61.0	88.9	473.8	369.0
TOTAL LIABILITIES	425.3	280.4	89.4	117.5	514.7	397.9
DEFERRED INFLOWS OF RESOURCES						
	11.8	44.6	-	-	11.8	44.6
NET POSITION						
Net Investment in Capital Assets	1,801.6	2,185.3	4,691.7	4,931.0	6,493.3	7,116.3
Restricted	452.2	298.0	-	-	452.2	298.0
Unrestricted	528.6	149.2	949.2	788.6	1,477.8	937.8
TOTAL NET POSITION	\$ 2,782.4	\$ 2,632.5	\$ 5,640.9	\$ 5,719.6	\$ 8,423.3	\$ 8,352.1



VILLAGE OF DIMONDALE

Management's Discussion and Analysis

The Village as a Whole (Continued)

The Village, for two consecutive fiscal years, budgeted to make a \$10,000 lump payment to the outstanding pension liability and that practice is forecasted to continue as long as it remains a fiscally responsible decision. That may change in the future depending on the financial environment of the day, but currently the Village is on track to make that contribution annually. Looking ahead, a number of concerns are present that are out of the Village's control. There is threat of reduced State funding as a result of various aspects of the COVID-19 pandemic that will affect several funds. The General fund will likely see reduced funding as a result of decreased sales tax revenue across the state which fund Constitutional revenue sharing to the Village. As a result of that lost sales tax revenue, it is highly likely that the State legislature will once again return to de-funding statutory payments to local municipalities as a way to balance the State budget. Additionally, the quarantine resulted in drastically fewer miles traveled which, in turn, reduced fuel tax revenue. This will affect both the Major and the Local Street Funds, the extent to which is unknown.

The Village's combined net position was \$8.4 million at February 29, 2020, reflecting a minimal increase over 2019. Capital assets (net of related debt) totaling \$6.5 million compares the historical cost, less depreciation, to the long-term debt used to finance the acquisition of those assets. Restricted funds in Table 1 represent the balances at year end in the Street Funds. The \$1,477,850 in combined unrestricted net position reflects the accumulated results of all past years' operations. The healthy increase in Unrestricted funds between the fiscal years demonstrates the Village's positive financial position as a result of continued capital investment, debt retirement and resource management.

The following table shows the revenue and expense activity during the current fiscal year, and the change in net position (in thousands of dollars), as reported in the statement of activities.



Management's Discussion and Analysis

The Village as a Whole (Continued)

TABLE 2	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUE						
Program Revenue						
Charges for Services	\$ 5.2	\$ 2.8	\$ 547.1	\$ 544.0	\$ 552.3	\$ 546.8
Operating Grants	-	129.4	-	-	-	129.4
General Revenue						
Property Taxes	388.4	378.2	-	-	388.4	378.2
Federal Grants	-	-	-	-	-	-
State Entitlements	302.6	255.8	-	-	302.6	255.8
Interest Earnings	8.3	7.8	6.5	2.0	14.8	9.8
Transfers	-	-	-	-	-	-
Other	91.6	70.1	-	-	91.6	70.1
TOTAL REVENUE	796.1	844.1	553.6	546.0	1,349.7	1,390.1
EXPENSES						
General Government	230.8	366.0	-	-	230.8	366.0
Public Safety	2.5	3.4	-	-	2.5	3.4
Public Works	170.3	373.3	-	-	170.3	373.3
Recreation	11.4	9.6	-	-	11.4	9.6
Interest on Long-Term Debt	8.7	-	4.5	5.6	13.2	5.6
Depreciation (Unallocated)	222.5	229.6	-	-	222.5	229.6
Proprietary Fund Expenses	-	-	627.8	603.5	627.8	603.5
TOTAL EXPENSES	646.2	981.9	632.3	609.1	1,278.5	1,591.0
CHANGE IN NET POSITION	\$ 149.9	\$ (137.8)	\$ (78.7)	\$ (63.1)	\$ 71.2	\$ (200.9)

Governmental Activities

The governmental activities experienced an increase in net position of \$149,850. This is a result of careful attention to expenditures, and no large-scale projects or purchases made during the 2019-2020 fiscal year. The Village Council and administration has been financially conservative for quite some time. This has enabled the Village to accumulate a healthy fund balance. This positions the Village well for investment opportunities in the community, like parks, public spaces, and other such investment. These things are what make communities places that people want to live in. Looking forward there will be considerable thought given to what projects this balance can accomplish to further enhance the quality of the Village.



VILLAGE OF DIMONDALE

Management's Discussion and Analysis

The Village as a Whole (Continued)

Governmental Activities (Continued)

Major upcoming projects include a Capital Preventative Maintenance project on the Bridge Street bridge in FY2021-22; a road rehabilitation project on Washington in FY2022-23, and a potential park project in FY2021-22. The park project is, as of yet, unknown and will be based on the results of 6 pending grant applications. There are two projects proposed and the grant awards will determine what project, if any, will take place at Danford Island Park in the near future.

Long-term liabilities in the governmental activities currently consist of \$4,627 in sick time for Village employees and unfunded pension costs. The Actuarial Valuation dated December 31, 2018, shows our valuation of assets at 75.2% funded. Unfunded Accrued Liabilities totaled \$254,424. Changes were made to actuarial assumptions in the most recent Annual Actuarial Valuation. Some of those changes include updated mortality tables, and reduced Investment Return Assumption. When the newest Valuation report is released it will certainly show increased liability and a reduced percent funded as a result of the changed assumptions. As of writing, that report has not been made available to the Village. Undoubtedly a result of the COVID-19 pandemic and office closures.

Business-Type Activities

The Village's business-type activities consist of only the Sewer Fund. This fund experienced a decrease in net position of \$78,625 between fiscal years. A combination of activities caused this decline. Revenue in FY2019-20 was inflated by a substantial insurance reimbursement while revenue in from Ball Septic was down approximately 31% from the three-year average.

A number of force main repairs were made in the system during calendar year 2019 that had no explanation. Those repairs were costly and not budgeted for, as their occurrence could not have been predicted. These, and a budgeted repair to Jefferson Street for \$45,000, put a strain on the 2019-20 budget that was not anticipated. The sewer fund should have added to fund balance a sum larger than it did, but for the various repairs. Moving forward, we hope not to have a repeat of 2019 so that the fund can maintain its predilection for accumulating fund balance to fund its capital improvement program.

The sewer rate is based on a table called an REU Table. That stands for Residential Equivalent Unit. Because there are no water meters in the Village, sewer billing is based on REUs and is a flat rate. That rate is \$35 per one REU and that has not changed since 2013. Adjusting for inflation that is \$38 in 2019 value, yet the \$35/REU rate remains unchanged. Therefore, over the last 6 years, the rates will have lost approximately 9% of their buying power. There are challenges in the future that the Waste Water Treatment Plant will face that will require high-dollar investments to keep it running properly. Currently, the projected capital expenditures exceed the projected capital fund balance. But this should not be cause for great concern because the Sewer fund balance is high and if an emergency project needs to happen, it can be covered. However, for large scale projects that need significant planning and funding, a bond may be required if the current rates do not change. Plans for a thorough review of the rate structure are underway to identify a rate that will appropriately save for future planning and be fair to the users. Also, with a final loan payment to occur in FY2022-23, there will be approximately \$28,000 freed up each year for capital improvement savings. All things considered, the Sewer fund is well positioned for now, with adjustments in the future a possibility to be explored.



Management's Discussion and Analysis

The Village's Funds

Analysis of the Village's major funds follows the government-wide financial statements. As noted earlier, the Village creates funds to help manage money for specific purposes and to demonstrate accountability for certain activities. The Village's major governmental funds are the General Fund and the Major and Local Street Funds.

The General Fund pays for most of the Village's governmental services and supports capital improvements in the street funds. The General Fund is supported mainly by property taxes and state shared revenue, while the Street Funds are financed by the state gas and weight tax, a millage through Eaton County (1.5 mills for 12 years, starting in 2015) and transfers from the General Fund. At the conclusion of the current fiscal year, the governmental funds reported a combined fund balance of \$1,240,516 which is an increase of \$312,079 from the previous year.

General Fund Budgetary Highlights

Over the course of the year, the Village amended the budget in response to changing conditions and opportunities. Amendment activity in FY 2019-20 was due to the following circumstances:

- An increase in General Fund expenditures for the Eaton County Windsor Drain project (\$9,900)
- An increase in General Fund expenditures for road salt (\$5,000)
- An increase in General Fund expenditure for engineering (\$3,000)
- An increase in General Fund expenditures for staff training (\$1,200)
- An increase in Major Street expenditures for the Eaton County Windsor Drain project (\$1,900)
- An increase in Local Street expenditures for the Eaton County Windsor Drain project (\$5,100)
- A decrease in Sewer Fund Capital Outlay as a result of a project postponement (\$40,000)

Capital Asset and Debt Administration

At the end of the 2019-20 fiscal year, the Village managed capital assets valued at over \$6.7 million including property, buildings, roads, drains, equipment, and sewer lines. \$4,627 in employee compensated absences and \$161,128 in drain assessments account for the General Fund's long-term debt and approximately \$85,535 remains owed on the Installment Purchase Agreement in the Sewer Fund.

Capital Assets Net of Accumulated Depreciation
(dollars are in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Non-Depreciable Assets						
Land	\$ 191.0	\$ 191.0	\$ 54.5	\$ 54.5	\$ 245.5	\$ 245.5
Depreciable Assets						
Buildings and Improvements	276.3	299.6	84.4	92.6	360.7	392.2
Vehicles	119.5	131.4	-	-	119.5	131.4
Furniture and Equipment	28.9	36.3	10.6	12.0	39.5	48.3
Infrastructure	1,347.1	1,526.9	4,627.7	4,883.7	5,974.8	6,410.6
Total	\$ 1,962.8	\$ 2,185.2	\$ 4,777.2	\$ 5,042.8	\$ 6,740.0	\$ 7,228.0



VILLAGE OF DIMONDALE

Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

A number of significant factors will affect future budgets. Most immediately we can look to next year's tentative expenditures. FY 2020-21 budgeted \$35,000 for the Bridge St. bridge project design engineering. That project will occur in FY2021-22. There are also 6 pending grant applications for improvements at Danford Island Park. If a grant is awarded the Village will be investing a significant amount of money into the park in the form of engineering fees, project materials and other costs.

The Local Streets Fund may see a project in FY2021-22 if a grant is awarded that, as of writing, has been submitted to the Michigan Department of Transportation is under review.

The Sewer fund budgeted in FY2020-21 to spend \$60,000 in capital outlays for improvements at the WWTP; two building roofs and a major SCADA upgrade. The plant also is looking potential revenue increases as a number of semi-industrial uses become operational in the next 6 to 18 months. These new users will generate more revenue for the plant to continue funding maintenance and capital improvements.

Looking a little farther ahead and the longer-term effects of COVID-19 are on the forefront of budgetary concerns. Nobody knows how it will affect municipal budgets in the future, but we are being cautious. Revenue cuts may be on the horizon. Administration will be examining estimates from the Department of Treasury carefully to determine how much and for how long the cuts will affect the Village.

As of writing, FY2021-22 is scheduled for two significant Major Street Fund expenditures; Capital Preventative Maintenance on the Bridge St. bridge, and the engineering for the Washington St. rehabilitation project.

The Village closed its Defined Benefit plan in 2018. Employees hired in will be on a Defined Contribution plan with the Village contributing 10% of wages. In 2012 the Village adopted an 80%/20% arrangement for employee medical/healthcare insurance. In 2019 the DPW Supervisor retired. Their healthcare premiums were paid for 100% by the village and the new hire is on the 80%/20% plan. Over time this will be a significant savings to the Village.

An Eaton County Drain Project began in 2019 that obligates funds for the next 14 years from the General Fund, Major Streets Fund, and Local Streets Fund. The annual payment of which is roughly \$16,000. This will be a drain on resources and even more scrutiny must be given to expenditures to ensure funds are being spent wisely.

Contacting the Village's Management

This report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Village Manager, 136 N. Bridge Street, Dimondale, MI 48821.



BASIC FINANCIAL STATEMENTS



VILLAGE OF DIMONDALE

Government-Wide Financial Statements

STATEMENT OF NET POSITION

FEBRUARY 29, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 1,206,990	\$ 851,909	\$ 2,058,899
Due From Other Governmental Units	31,149	-	31,149
Accounts Receivable	949	77,139	78,088
Prepaid Expenses	14,118	24,038	38,156
TOTAL CURRENT ASSETS	1,253,206	953,086	2,206,292
NON-CURRENT ASSETS			
Capital Assets	6,145,638	9,546,486	15,692,124
Less: Accumulated Depreciation	(4,182,939)	(4,769,273)	(8,952,212)
TOTAL NON-CURRENT ASSETS	1,962,699	4,777,213	6,739,912
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	3,574	-	3,574
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,574	-	3,574
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,219,479	\$ 5,730,299	\$ 8,949,778
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable	\$ 4,322	\$ 956	\$ 5,278
Accrued Interest	-	-	-
Current Portion of Loans Payable	8,132	27,401	35,533
TOTAL CURRENT LIABILITIES	12,454	28,357	40,811
NON-CURRENT LIABILITIES			
Loans Payable	152,996	58,134	211,130
Compensated Absences and Severance Pay	4,627	2,914	7,541
Net Pension Liability	255,200	-	255,200
TOTAL NON-CURRENT LIABILITIES	412,823	61,048	473,871
TOTAL LIABILITIES	425,277	89,405	514,682
DEFERRED INFLOWS OF RESOURCES			
Pensions	11,815	-	11,815
TOTAL DEFERRED INFLOWS OF RESOURCES	11,815	-	11,815
NET POSITION			
Net Investment in Capital Assets	1,801,571	4,691,678	6,493,249
Restricted	452,182	-	452,182
Unrestricted	528,634	949,216	1,477,850
TOTAL NET POSITION	2,782,387	5,640,894	8,423,281
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 3,219,479	\$ 5,730,299	\$ 8,949,778

See Accompanying Notes to Financial Statements



STATEMENT OF ACTIVITIES

YEAR ENDED FEBRUARY 29, 2020

	Program Revenue		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges	Operating Grants	Governmental Activities	Business- Type Activities	Total
		For Services				
FUNCTIONS/PROGRAMS						
Governmental Activities						
General Government	\$ 230,766	\$ -	\$ -	\$ (230,766)	\$ -	\$ (230,766)
Public Safety	2,481	-	-	(2,481)	-	(2,481)
Public Works	170,280	4,359	-	(165,921)	-	(165,921)
Recreational and Cultural	11,379	839	-	(10,540)	-	(10,540)
Interest on Long-Term Debt	8,709	-	-	(8,709)	(4,518)	(13,227)
Depreciation (Unallocated)	222,565	-	-	(222,565)	-	(222,565)
Total Governmental Activities	646,180	5,198	-	(640,982)	(4,518)	(645,500)
Business-Type Activities						
Sewer	627,818	547,157	-	-	(80,661)	(80,661)
Total Activities	1,273,998	552,355	-	(640,982)	(85,179)	(726,161)
General Revenue						
Taxes						
Property Taxes, Levied for General Operations				388,344	-	388,344
Property Taxes, Levied for Debt Service				-	-	-
State of Michigan Aid, Unrestricted				302,574	-	302,574
Interest Earnings				8,297	6,554	14,851
Other				91,617	-	91,617
Total General Revenue				790,832	6,554	797,386
CHANGE IN NET POSITION				149,850	(78,625)	71,225
NET POSITION - BEGINNING OF YEAR				2,632,537	5,719,519	8,352,056
NET POSITION - END OF YEAR				\$ 2,782,387	\$5,640,894	\$8,423,281



VILLAGE OF DIMONDALE

Governmental Funds

BALANCE SHEET

FEBRUARY 29, 2020

	General	Major Streets	Local Streets	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 783,294	\$ 231,879	\$ 191,817	\$ 1,206,990
Accounts Receivable	286	-	-	286
Due from Other Governmental Units	-	10,753	20,396	31,149
Due from Other Funds	2,570	-	-	2,570
Prepaid Expenditures	14,118	-	-	14,118
TOTAL ASSETS	\$ 800,268	\$ 242,632	\$ 212,213	\$ 1,255,113
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 3,566	\$ 401	\$ 355	\$ 4,322
Due to Other Funds	-	1,265	642	1,907
Unearned Revenue	8,368	-	-	8,368
TOTAL LIABILITIES	11,934	1,666	997	14,597
FUND BALANCES				
Non-spendable	14,118	-	-	14,118
Restricted	-	240,966	211,216	452,182
Assigned	46,187	-	-	46,187
Unrestricted	728,029	-	-	728,029
TOTAL FUND BALANCES	788,334	240,966	211,216	1,240,516
TOTAL LIABILITIES AND FUND BALANCES	\$ 800,268	\$ 242,632	\$ 212,213	\$ 1,255,113
TOTAL GOVERNMENTAL FUND BALANCES				\$ 1,240,516
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources, and are not reported in the funds:				
Cost of the Capital Assets				6,145,638
Accumulated Depreciation				(4,182,939)
				<u>1,962,699</u>
Long-term liabilities are not due and payable in the current period and are not reported in the fund:				
Assessment Payable				(161,128)
Compensated Absences				(4,627)
Net Pension Liability				(255,200)
Accrued interest is not included as a liability in governmental fund				-
Deferred Property Tax Revenue				8,368
Deferred Outflows of Resources				3,574
Deferred Inflows of Resources				(11,815)
NET POSITION OF GOVERNMENTAL ACTIVITIES				\$ 2,782,387

See Accompanying Notes to Financial Statements



STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED FEBRUARY 29, 2020

	General	Major Streets	Local Streets	Totals
REVENUE				
Property Taxes	\$ 341,219	\$ -	\$ 47,125	\$ 388,344
State Grants	152,746	109,014	40,814	302,574
Federal Grants	-	-	-	-
Charges for Services	839	4,359	-	5,198
Interest	6,723	826	748	8,297
Other	91,617	-	-	91,617
TOTAL REVENUE	<u>593,144</u>	<u>114,199</u>	<u>88,687</u>	<u>796,030</u>
EXPENDITURES				
General Government	284,222	-	-	284,222
Public Safety	2,481	-	-	2,481
Public Works	127,453	30,419	12,408	170,280
Recreational and Cultural	11,379	-	-	11,379
Debt Service	9,718	962	4,909	15,589
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>435,253</u>	<u>31,381</u>	<u>17,317</u>	<u>483,951</u>
EXCESS OF REVENUE OVER EXPENDITURES	157,891	82,818	71,370	312,079
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	157,891	82,818	71,370	312,079
FUND BALANCES - BEGINNING OF YEAR	<u>630,443</u>	<u>158,148</u>	<u>139,846</u>	<u>928,437</u>
FUND BALANCES - END OF YEAR	<u>\$ 788,334</u>	<u>\$ 240,966</u>	<u>\$ 211,216</u>	<u>\$ 1,240,516</u>



VILLAGE OF DIMONDALE

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

YEAR ENDED FEBRUARY 29, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 312,079
---	-------------------

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

- Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation.

Depreciation Expense	(222,565)	
Capital Outlay	<u>-</u>	(222,565)

- Accrued interest is recorded in the statement of activities when incurred; it is not reported in governmental funds until paid.

-

- Repayment of assessment principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt).

7,734

- Property tax revenue not collected is deferred in governmental funds, but not in the statement of activities

633

- Compensated absences are included in expenditures in the statement of activities but not in the governmental funds.

9,343

- Deferred outflows of resources are recorded on the statement of net position but not in the governmental funds.

(1,127)

- Deferred inflows of resources related to pensions are recorded on the statement of net position but not in the governmental funds.

32,834

- Net pension liability is recorded on the statement of net position but not in the governmental funds.

10,919

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 149,850
---	-------------------

**STATEMENT OF NET POSITION**

FEBRUARY 29, 2020

ASSETS

Current Assets

Cash and Cash Equivalents	\$	851,909
Accounts Receivable		77,139
Prepaid Expenses		24,038

Total Current Assets		<u>953,086</u>
----------------------	--	----------------

Non-Current Assets

Capital Assets		<u>4,777,213</u>
----------------	--	------------------

TOTAL ASSETS	\$	<u>5,730,299</u>
---------------------	-----------	-------------------------

LIABILITIES

Current Liabilities

Current Portion	\$	27,401
Compensated Absences		2,914
Accounts Payable		293
Due to Other Funds		663

Total Current Liabilities		<u>31,271</u>
---------------------------	--	---------------

Long-Term Liabilities		<u>58,134</u>
-----------------------	--	---------------

TOTAL LIABILITIES	\$	<u>89,405</u>
--------------------------	-----------	----------------------

NET POSITION

Net Investment in Capital Assets	\$	4,691,678
Restricted for Debt Service		-
Unrestricted		949,216

TOTAL NET POSITION	\$	<u>5,640,894</u>
---------------------------	-----------	-------------------------



VILLAGE OF DIMONDALE

Proprietary Fund

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED FEBRUARY 29, 2020

OPERATING REVENUE

Charges for Services	\$ 547,157
----------------------	------------

OPERATING EXPENSES

Salaries	20,010
Employee Benefits	5,996
Office Supplies	1,567
Contractual Services	2,238
Supplies and Chemicals	103,482
Maintenance	12,576
Utilities	96,298
Insurance	80,548
Communication	10,805
Permits	2,814
Depreciation	281,380
Other	885
Professional Fees	9,219

TOTAL OPERATING EXPENSES

627,818

OPERATING INCOME (LOSS)

(80,661)

NON-OPERATING REVENUE (EXPENSES)

Interest Revenue	6,554
Interest Expense	(4,518)
Sale of Assets	-
Loss on Disposal of Assets	-

TOTAL NON-OPERATING REVENUE (EXPENSES)

2,036

CHANGE IN NET POSITION

(78,625)

NET ASSETS - BEGINNING OF YEAR

5,719,519

NET ASSETS - END OF YEAR

\$ 5,640,894

See Accompanying Notes to Financial Statements



STATEMENT OF CASH FLOW

YEAR ENDED FEBRUARY 29, 2020

CASH FLOW FROM OPERATING ACTIVITIES

Cash Received from Customers	\$ 535,376
Cash Payments for Good and Services	(324,563)
Cash Payments to Employees	(20,010)
Cash Payments for Employee Benefits	(5,996)

NET CASH PROVIDED BY OPERATING ACTIVITIES	184,807
--	---------

CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES

Contributions from Other Governments	-
--------------------------------------	---

CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Bond Proceeds	-
Principal Payments	(26,347)
Interest Payments	(4,518)

NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(30,865)
---	----------

CASH FLOW FROM INVESTING ACTIVITIES

Receipts of Interest and Dividends	6,554
Sale of Assets	-
Purchase of Assets	(15,682)

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(9,128)
---	---------

NET INCREASE IN CASH	144,814
-----------------------------	---------

CASH - BEGINNING OF YEAR	707,095
--------------------------	---------

CASH - END OF YEAR	\$ 851,909
---------------------------	------------

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income (Loss)	\$ (80,661)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	281,380
Decrease (Increase) in Accounts Receivable	(11,781)
Decrease (Increase) in Prepaid Expenses	(2,322)
Increase (Decrease) in Accounts Payable	(1,809)

NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 184,807
--	------------



VILLAGE OF DIMONDALE

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village conform to United States generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

A. REPORTING ENTITY

The Village of Dimondale is a general law village located in Eaton County, Michigan. The Village operates under an elected council consisting of seven members and provides various services to its approximately 1,234 residents.

As defined by Governmental Accounting Standards Board (GASB) No. 14, the financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government has financial accountability if it:

1. appoints a voting majority of the organization's board, and has the ability to impose its will on the organization; or
2. there is a potential for the component unit to provide certain financial benefits to, or impose certain financial burdens on, the primary government.

Based on the above criteria, no additional organizations or entities are included in these financial statements.

B. BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments, and other items not properly included among program revenue are reported instead as general revenue.

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.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Government-Wide Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flow. Property taxes are recognized as revenue in the year for which they are levied. Grants, categorical aid and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Fund Based Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and severance pay, are recorded only when payment is due.

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

GOVERNMENTAL FUNDS

General Fund

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than Building and Site Funds) that are legally restricted to expenditures for specified purposes. The Special Revenue Funds maintained by the Village are the Major Streets Fund and Local Streets Fund.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Fund Based Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

C. BUDGETS AND BUDGETARY ACCOUNTING

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets are adopted on the modified accrual basis of accounting. Amendments are by action of the Board.

P.A. 621 of 1978, Section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Village's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Village for these budgetary funds were adopted at the functional level.

D. PROPERTY TAXES

Real and personal property taxes are assessed as of December 31, and attach as an enforceable lien on property as of July 1, of the subsequent year. Taxes are due and payable as of September 14. The County of Eaton prepares the tax bills for the Village of Dimondale, and the Village collects the taxes prior to return to the County. The property tax revenue in the accompanying financial statements was recognized as that levied during the year.

All unpaid taxes become delinquent after September 14, at which time the uncollected real taxes are returned to Eaton County for collection and to be added to the delinquent tax rolls. The County of Eaton purchases delinquent real property taxes of the Village of Dimondale. The County sells tax notes, the proceeds of which are used to pay the Village for the taxes. Such proceeds are included in the current year in the accompanying financial statements.

The Village is authorized to assess 12.5 mills for general operations. Millage rates levied for 2019 were 10.000 mills for operations. Total taxable value of real and personal property in the Village was \$34,648,953.

The Village is responsible for the collection of delinquent personal property taxes.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. CASH EQUIVALENTS

The Village considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

F. FINANCIAL INSTRUMENTS

The Village does not require collateral to support financial instruments subject to credit risk. However, Union Bank has pledged collateral to expand their risk coverage to \$450,000, which is \$200,000 more than current FDIC coverage.

G. SHORT-TERM INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.

H. EQUITY

Net Position

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

Fund Balance

In the fund financial statements, governmental funds report the following components of fund balance:

- Non-spendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- Committed - Amounts that have been formally set aside by the board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the board.
- Assigned - Intent to spend resources on specific purposes expressed by the board.
- Unassigned - Balances that do not otherwise fall into one of the above categories.



VILLAGE OF DIMONDALE

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets (e.g. streets, bridges, drains) are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$2,500 and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value materially extended asset life are not capitalized.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Building and additions	15-50 years
Vehicles	5-10 years
Other equipment	5-20 years

J. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

M. ESTIMATES

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

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. LEGAL OR CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS

The Michigan Political Subdivisions Act No. 20, Public Acts of 1943, as amended by Act No. 217, Public Acts of 1982, states the Department, by resolution, may authorize investment of surplus funds as follows:



NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS (CONTINUED)

A. LEGAL OR CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS (CONTINUED)

1. In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
2. In certificates of deposit, savings accounts, or depository receipts of a bank, which is a member of the Federal Deposit Insurance Corporation; or a savings and loan association, which a member of the Federal Savings and Loan Insurance Corporation; or a credit union, which is insured by the National Credit Union Association; but only if the bank, savings and loan association, or credit union complies with Subsection (2).
3. In commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase. Not more than 50% of any fund may be invested in commercial paper at any time.
4. In United States government or Federal agency obligation repurchase agreements.
5. In bankers' acceptances of United States banks.
6. In mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Village is in compliance with State law regarding their cash deposits.

The Village maintains all of its cash deposits at seven banks.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Village's cash deposits are as follows:

<u>Deposits</u>	<u>Book Value</u>	<u>Carrying Amounts</u>
Insured (FDIC)	\$ 900,000	\$ 900,000
Uninsured & Uncollateralized	1,158,899	1,180,849
Total Deposits	<u>\$ 2,058,899</u>	<u>\$ 2,080,849</u>

The differences between the book value and the bank carrying amounts are caused by deposits in transit and outstanding checks.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village does have a policy for custodial credit risk, requiring diligence and prudence of investment officials when considering investments in obligations other than those of an agency of the United States. At year end, the Village had no investment securities that were uninsured and unregistered with securities held by the counterparty or by its trust department or agent but not in the Village's name.



VILLAGE OF DIMONDALE

Notes to Financial Statements

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS (CONTINUED)

A. LEGAL OR CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Village's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity. At year end, the Village had no such investments.

Concentration of Credit Risk

The Authority does limit the amount the Village may invest in any one issuer. The Village currently has no one investment which exceeds 20 percent of its total investments.

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. The Village restricts the amount of investments in foreign currency and, thus, at year end had no securities subject to foreign currency risk.

NOTE 3 - ACCUMULATED FUND DEFICITS

There were no accumulated fund deficits at February 29, 2020.

NOTE 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Due from Other Governmental Units at February 29, 2020, is comprised of the following:

Major Streets Fund - Due from State of Michigan	\$	10,753
Local Streets Fund - Due from State of Michigan		3,825
Local Streets Fund - Due from Eaton County		16,571
	\$	31,149

NOTE 5 - DUE TO/FROM OTHER FUNDS

Due to/due from at February 29, 2020, consisted of the following:

Due To:		Due From:	
General Fund	\$ 1,265	Major Streets	\$ 1,265
General Fund	642	Local Streets	642
General Fund	663	Sewer Fund	663
	\$ 2,570		\$ 2,570



NOTE 6 - FUND BALANCE

Components of Fund Balance at February 29, 2020, are as follows:

\$46,187 of fund balance in the General Fund is assigned. This amount represents money collected for future Parks and Recreation expenditures.

NOTE 7 - CAPITAL ASSETS

Capital asset activity of the Village’s Governmental activities was as follows:

	March 1, 2019	Additions	Disposals and Adjustments	February 29, 2020
Assets not being depreciated:				
Land	\$ 191,000	\$ -	\$ -	\$ 191,000
Capital assets being depreciated:				
Building and improvements	528,865	-	-	528,865
Vehicles	180,403	-	-	180,403
Furniture and equipment	77,052	-	-	77,052
Infrastructure	5,168,318	-	-	5,168,318
Subtotal	5,954,638	-	-	5,954,638
Accumulated depreciation:				
Building and improvements	229,282	23,320	-	252,602
Vehicles	48,957	11,975	-	60,932
Furniture and equipment	40,760	7,390	-	48,150
Infrastructure	3,641,375	179,880	-	3,821,255
Subtotal	3,960,374	222,565	-	4,182,939
Net capital assets being depreciated	1,994,264	(222,565)	-	1,771,699
Net Capital Assets	\$ 2,185,264	\$ (222,565)	\$ -	\$ 1,962,699

Depreciation expense was not charged to activities as the Department considers its assets to impact multiple activities and allocation is not practical.



VILLAGE OF DIMONDALE

Notes to Financial Statements

NOTE 7 - CAPITAL ASSETS (CONTINUED)

Capital asset activity of the Village's Business-type activities was as follows:

	March 1, 2019	Additions	Disposals and Adjustments	February 29, 2020
Assets not being depreciated:				
Land	\$ 54,544	\$ -	\$ -	\$ 54,544
Capital assets being depreciated:				
Building and improvements	152,614	-	-	152,614
Sewer System	9,294,605	15,682	-	9,310,287
Equipment	29,041	-	-	29,041
Subtotal	9,476,260	15,682	-	9,491,942
Accumulated depreciation:				
Building and improvements	59,997	8,252	-	68,249
Sewer System	4,410,881	271,687	-	4,682,568
Equipment	17,015	1,441	-	18,456
Subtotal	4,487,893	281,380	-	4,769,273
Net capital assets being depreciated	4,988,367	(265,698)	-	4,722,669
Net capital assets	\$ 5,042,911	\$ (265,698)	\$ -	\$ 4,777,213

NOTE 8 - BUDGETARY ACCOUNTING

During the year ended February 29, 2020, the Village incurred no expenditures that were in excess of the amounts appropriated.

NOTE 9 - RISK MANAGEMENT AND LITIGATION

The Village is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years the Village has obtained coverage from commercial insurance companies and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. At February 29, 2020, no claims have been entered into the accounting records.



NOTE 10 - LONG-TERM DEBT

GENERAL LONG-TERM DEBT

DRAIN ASSESSMENT

During the year ended February 28, 2019, Eaton County assessed the Village for work done on Village drains. Various separate assessments were made with varying payment schedules and interest rates. The payment terms are for 15 years. The balance due from these assessments at February 29, 2020, was \$161,128.

Year Ended February 28/29,	Interest	Principal	Total
2021	\$ 8,309	\$ 8,132	\$ 16,441
2022	7,890	8,551	16,441
2023	7,448	8,993	16,441
2024	6,985	9,457	16,442
2025	6,497	9,944	16,441
2026	5,985	10,457	16,442
2027	5,445	10,996	16,441
2028	4,878	11,563	16,441
2029	4,282	12,159	16,441
2030	3,655	12,786	16,441
2031	2,995	13,446	16,441
2032	2,303	14,140	16,443
2033	1,573	14,868	16,441
2034	806	15,636	16,442
	<u>\$ 69,051</u>	<u>\$ 161,128</u>	<u>\$ 230,179</u>



VILLAGE OF DIMONDALE

Notes to Financial Statements

NOTE 10 - LONG-TERM DEBT (CONTINUED)

SEWER FUND

INSTALLMENT PURCHASE AGREEMENT

The Village borrowed \$250,000 on October 1, 2012, to assist in the construction of the Bridge Street River Crossing Force Main and Pumping Station. The contract bears interest at 4% and will be repaid with semi-annual interest payments on April 1 and October 1 and annual principal payments on October 1. The total balance due at February 29, 2020, was \$85,535. Future obligations are as follows:

Year Ended February 28,	Interest April 1	Interest October 1	Principal October 1	Total
2021	\$ 1,711	\$ 1,710	\$ 27,401	\$ 30,822
2022	1,163	1,162	28,497	30,822
2023	592	593	29,637	30,822
	<u>\$ 3,466</u>	<u>\$ 3,465</u>	<u>\$ 85,535</u>	<u>\$ 92,466</u>

Debt activity during the year ended February 29, 2020, was as follows:

	March 1, 2019	Additions	Disbursements	February 29, 2020
Sewer Loan	\$ 111,882	\$ -	\$ 26,347	\$ 85,535
Drain Assessment	168,862	-	7,734	161,128
	<u>\$ 280,744</u>	<u>\$ -</u>	<u>\$ 34,081</u>	<u>\$ 246,663</u>

NOTE 11 - DEFINED BENEFIT PENSION PLAN

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN

Summary of Significant Accounting Policies

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.



NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan

The employer’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. 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

	2018 Valuation
Benefit Multiplier	2.00% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	-
Early Retirement (Reduced)	50/25 55/15
Final Average Compensation	5 years
Member Contributions	4%
DC Plan for New Hires	3/1/2018
Act 88	Yes (Adopted 8/9/1999)

EMPLOYEES COVERED BY BENEFIT TERMS

At the December 31, 2018, valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to but not yet receiving benefits	1
Active employees	2
Total	9

CONTRIBUTIONS

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

Employer contributions range from 11%-14% based on annual payroll for open divisions.



NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

NET PENSION LIABILITY

The employer's Net Pension Liability was measured as of December 31, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The total pension liability in the December 31, 2018, annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increases: 3.75% in the long-term

Investment rate of return: 7.75%, net of investment expense, including inflation

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

Mortality rates used were based on the RP-2014 Group Annuity Mortality Table of a 50% Male and 50% Female blend.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2009-2013.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	57.5%	5.02%
Global Fixed Income	20.0%	2.18%
Real Assets	12.5%	4.23%
Diversifying Strategies	10.0%	6.56%



NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

DISCOUNT RATE

The discount rate used to measure the total pension liability is 8.0%. 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.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 969,166	\$ 703,047	\$ 266,119
Changes for the Year			
Service Cost	7,813	-	7,813
Interest on Total Pension Liability	74,719	-	74,719
Changes in Benefits	-	-	-
Differences Between Expected and Actual Experience	35,931	-	35,931
Changes in Assumptions	-	-	-
Employer Contributions	-	31,828	(31,828)
Employee Contributions	-	3,101	(3,101)
Net Investment Income	-	93,461	(93,461)
Benefit Payments Including Employee Refunds	(78,160)	(78,160)	-
Administrative Expense	-	(1,606)	1,606
Other Changes	(2,598)	-	(2,598)
Net changes	37,705	48,624	(10,919)
Balances as of December 31, 2019	\$ 1,006,871	\$ 751,671	\$ 255,200



VILLAGE OF DIMONDALE

Notes to Financial Statements

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in Net Pension Liability (Continued)

SENSITIVITY OF THE NET POSITION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 8% as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (7%) or 1% higher (9%) than the current rate.

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net Pension Liability as December 31, 2019		\$ 1,006,871	
Change in Net Pension Liability	92,186	-	(79,460)
Calculated Net Pension Liability	<u>\$ 1,099,057</u>	<u>\$ 1,006,871</u>	<u>\$ 927,411</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended February 29, 2020, the employer recognized pension expense of \$105,271. 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	\$ -	\$ -
Differences in Assumptions	-	-
Excess (Deficit) Investment Returns	-	11,815
Contributions Subsequent to the Measurement Date*	<u>3,574</u>	<u>-</u>
Total	<u>\$ 3,574</u>	<u>\$ 11,815</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending February 29, 2020.



NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

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

Year Ended February 28/29,	
2021	\$ (3,262)
2022	(2,722)
2023	(10,059)
2024	7,802
2025	-
Thereafter	-
	<u>\$ (8,241)</u>

Required Supplementary Information

Required supplementary information schedules are required with GASB 68. The Schedule of Employer Contributions shows the employer’s required annual contributions from the annual actuarial valuation, compared with the actual contributions remitted over the past ten years. Note that this is a 10 year schedule prospectively.

The Schedule of Changes in Employer’s Net Pension Liability and Related Ratios shows the changes in total pension liability less the statement of changes in fiduciary net position resulting in the Net Pension Liability calculation for the employer. There are ratios calculated, as well, involving covered employee payrolls. Note that this is a 10 year schedule prospectively.

NOTE 12 - SUBSEQUENT EVENTS

Subsequent to the financial statement date, a stay-at-home mandate was put in place in the State of Michigan, which included the population of the Village, due to the Covid-19 pandemic. The stay-at-home order was lifted June 1, 2020. However, many businesses still remained closed. As of June 2, 2020, the Village had not encountered any substantial adverse economic effects due the stay-at-home mandate.



VILLAGE OF DIMONDALE

Net Pension Liability

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

LAST 10 FISCAL YEARS (BEGINNING IN 2016)

AMOUNTS DETERMINED AS OF THE LAST DAY OF FEBRUARY OF EACH FISCAL YEAR

	2020	2019	2018	2017	2016
Total Pension Liability					
Service Cost	\$ 7,813	\$ 14,113	\$ 13,815	\$ 12,834	\$ 12,247
Interest	74,719	73,413	71,969	68,885	66,328
Changes of Benefit Terms	-	(565)	-	34	-
Difference between expected and actual experience	35,931	(11,222)	(10,761)	(22,555)	-
Changes of assumptions	-	-	-	52,346	-
Benefit payments including employee refunds	(78,160)	(61,136)	(42,574)	(42,574)	(42,574)
Other	(2,598)	13,387	(5,270)	(4,814)	(5,247)
Net Change in Total Pension Liability	37,705	27,990	27,179	64,156	30,754
Pension Liability Beginning of Year	969,166	941,176	913,997	849,841	819,137
Pension Liability End of Year	\$ 1,006,871	\$ 969,166	\$ 941,176	\$ 913,997	\$ 849,891
Plan Fiduciary Net Position					
Contributions - Employer	\$ 31,828	\$ 22,199	\$ 20,356	\$ 17,083	\$ 17,568
Contributions - Employee	3,101	4,740	5,775	4,403	4,084
Net Investment Income	93,461	(29,294)	91,522	72,779	(10,031)
Benefit Payments Included Employee Refunds	(78,160)	(61,136)	(42,574)	(42,574)	(42,574)
Administrative Expenses	(1,606)	(1,480)	(1,449)	(1,437)	(1,471)
Net Change in Plan Fiduciary Net Position	48,624	(64,971)	73,630	50,254	(32,424)
Plan Fiduciary Net Position Beginning of Year	703,047	768,018	694,386	644,134	676,558
Plan Fiduciary Net Position End of Year	\$ 751,671	\$ 703,047	\$ 768,016	\$ 694,388	\$ 644,134
Employer Net Pension Liability	\$ 255,200	\$ 266,119	\$ 173,160	\$ 219,609	\$ 205,757
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75%	73%	82%	76%	76%
Covered Employee Payroll	\$ 84,571	\$ 149,980	\$ 146,809	\$ 143,221	\$ 138,014
Employer's Net Pension Liability as a Percentage of Covered Employee Payroll	302%	177%	118%	153%	149%

Notes to Schedule:

Benefit changes: There were no benefit changes affecting the 2018 valuation.

Changes in assumptions: There were no assumption changes affecting the 2018 valuation.



SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

LAST 10 FISCAL YEARS (BEGINNING IN 2016)

AMOUNTS DETERMINED AS OF THE LAST DAY OF FEBRUARY OF EACH FISCAL YEAR

	2020	2019	2018	2017	2016
Actuarial Determined Contributions	\$ 21,660	\$ 21,660	\$ 20,004	\$ 16,507	\$ 16,572
Contributions in Relation to the Actuarially Determined Contribution	31,828	22,199	20,356	17,083	17,568
Contribution Deficiency (Excess)	\$ (10,168)	\$ (539)	\$ (352)	\$ (576)	\$ (996)
Covered Employee Payroll	\$ 84,571	\$ 149,980	\$ 143,221	\$ 143,221	\$ 138,014
Contributions as a Percentage of Covered Employee Payroll	38%	15%	14%	12%	13%

Notes to Schedule:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, open
Remaining Amortization Period	22 years
Asset Valuation Method	5 year smoothed
Inflation	2.50%
Salary Increases	3.75%
Investment Rate of Return	7.75%
Retirement Age	Varies depending on plan adoption
Mortality	50% Female/50% Male RP-2014 Group Annuity Mortality Table



VILLAGE OF DIMONDALE

Budgetary Comparison Schedule

GENERAL FUND

YEAR ENDED FEBRUARY 29, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Variance
	Original	Final		
REVENUE				
Property Taxes	\$ 327,400	\$ 330,000	\$ 341,219	\$ 11,219
State Grants	140,000	105,000	152,746	47,746
Charges for Services	1,900	1,900	839	(1,061)
Interest	1,500	2,000	6,723	4,723
Other	23,600	37,300	91,617	54,317
Transfers In	-	-	-	-
TOTAL REVENUE	494,400	476,200	593,144	116,944
EXPENDITURES				
General Government	353,400	345,350	284,222	61,128
Public Safety	8,450	8,500	2,481	6,019
Public Works	139,950	150,050	127,453	22,597
Recreation and Culture	24,000	25,000	11,379	13,621
Debt Service	9,900	9,900	9,718	182
Capital Outlay	(57,000)	-	-	-
Other Uses-Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	478,700	538,800	435,253	103,547
EXCESS OF REVENUE OVER EXPENDITURES AND OTHER USES	15,700	(62,600)	157,891	220,491
BUDGETARY FUND BALANCE- MARCH 1, 2019	630,443	630,443	630,443	-
BUDGETARY FUND BALANCE- FEBRUARY 29, 2020	\$ 646,143	\$ 567,843	\$ 788,334	\$ 220,491



Budgetary Comparison Schedule

MAJOR STREETS FUND

YEAR ENDED FEBRUARY 29, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Variance
	Original	Final		
REVENUE				
Property Taxes	\$ -	\$ -	\$ -	\$ -
State Grants	145,700	81,700	109,014	27,314
Federal Grants	-	-	-	-
Charges for Services	49,500	1,500	4,359	2,859
Interest	100	100	826	726
Other	-	-	-	-
Transfers In	-	-	-	-
TOTAL REVENUE	195,300	83,300	114,199	30,899
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	312,775	56,765	30,419	26,346
Recreation and Culture	-	-	-	-
Debt Service	1,900	1,900	962	938
Capital Outlay	-	-	-	-
Other Uses-Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	314,675	58,665	31,381	27,284
EXCESS OF REVENUE OVER EXPENDITURES AND OTHER USES	(119,375)	24,635	82,818	58,183
BUDGETARY FUND BALANCE- MARCH 1, 2019	158,148	158,148	158,148	-
BUDGETARY FUND BALANCE- FEBRUARY 29, 2020	\$ 38,773	\$ 182,783	\$ 240,966	\$ 58,183



VILLAGE OF DIMONDALE

Budgetary Comparison Schedule

LOCAL STREETS FUND

YEAR ENDED FEBRUARY 29, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Variance
	Original	Final		
REVENUE				
Property Taxes	\$ 45,000	\$ 45,000	\$ 47,125	\$ 2,125
State Grants	32,000	32,000	40,814	8,814
Charges for Services	-	-	-	-
Interest	100	100	748	648
Other	-	-	-	-
Transfers In	-	-	-	-
TOTAL REVENUE	<u>77,100</u>	<u>77,100</u>	<u>88,687</u>	<u>11,587</u>
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	26,630	27,705	12,408	15,297
Recreation and Culture	-	-	-	-
Debt Service	5,100	5,100	4,909	191
Capital Outlay	-	-	-	-
Other Uses-Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	<u>31,730</u>	<u>32,805</u>	<u>17,317</u>	<u>15,488</u>
EXCESS OF REVENUE OVER EXPENDITURES AND OTHER USES	45,370	44,295	71,370	27,075
BUDGETARY FUND BALANCE- MARCH 1, 2019	<u>139,846</u>	<u>139,846</u>	<u>139,846</u>	<u>-</u>
BUDGETARY FUND BALANCE- FEBRUARY 29, 2020	<u>\$ 185,216</u>	<u>\$ 184,141</u>	<u>\$ 211,216</u>	<u>\$ 27,075</u>



OTHER SUPPLEMENTAL INFORMATION



VILLAGE OF DIMONDALE

General Fund

STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

YEAR ENDED FEBRUARY 29, 2020

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
Taxes	\$ 330,000	\$ 341,219	\$ 11,219
State Shared Revenue	105,000	112,853	7,853
State Grant Revenue	-	39,893	39,893
Other State Revenue	15,000	39,882	24,882
Other Grant Revenue	-	-	-
Reimbursements	6,000	10,793	4,793
Donations	-	11,058	11,058
Charges for Services	1,900	2,739	839
Interest	2,000	6,723	4,723
Rentals	5,500	10,427	4,927
CATV Franchise	6,000	5,893	(107)
Payroll Administration	3,600	3,600	-
Miscellaneous	1,200	8,064	6,864
TOTAL REVENUE	476,200	593,144	116,944
EXPENDITURES			
GENERAL GOVERNMENT			
Village Council	11,100	7,501	3,599
Village President	2,700	2,210	490
Elections	-	-	-
Attorney	7,000	5,269	1,731
Clerk's Office	98,550	89,823	8,727
Auditor	4,500	2,500	2,000
Treasurer	1,000	732	268
Village Hall and Grounds	6,500	3,866	2,634
Christmas Decorations	500	-	500
Engineers	4,200	2,487	1,713
Rubbish Collection	52,000	51,025	975
Employee Benefits	77,700	54,654	23,046
Payroll Taxes	15,000	11,764	3,236
Insurance	8,000	6,781	1,219
EC Surcharge	3,700	1,107	2,593
Community Development	51,600	43,403	8,197
Other	1,300	1,100	200
TOTAL GENERAL GOVERNMENT	\$ 345,350	\$ 284,222	\$ 61,128



STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL (CONTINUED)

YEAR ENDED FEBRUARY 29, 2020

	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES (CONTINUED)			
PUBLIC SAFETY			
Code Enforcement	\$ 2,700	\$ 830	\$ 1,870
Emergency Disaster	2,000	-	2,000
Planning Commission	3,800	1,651	2,149
TOTAL PUBLIC SAFETY	8,500	2,481	6,019
PUBLIC WORKS			
Public Works	137,550	118,134	19,416
Trees	10,500	7,803	2,697
Drains	2,000	1,516	484
TOTAL PUBLIC WORKS	150,050	127,453	22,597
RECREATION AND CULTURE			
Parks and Recreation	25,000	11,379	13,621
DEBT SERVICE	9,900	9,718	182
CAPITAL OUTALY	-	-	-
TOTAL EXPENDITURES	538,800	435,253	103,547
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(62,600)	157,891	220,491
OTHER FINANCING SOURCES (USES)			
Bond Proceeds	-	-	-
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(62,600)	157,891	220,491
BUDGETARY FUND BALANCE- MARCH 1, 2019	630,443	630,443	-
BUDGETARY FUND BALANCE- FEBRUARY 29, 2020	\$ 567,843	\$ 788,334	\$ 220,491



VILLAGE OF DIMONDALE

SPECIAL REVENUE FUNDS



COMBINING BALANCE SHEET

FEBRUARY 29, 2020

	Major Streets	Local Streets	Totals
ASSETS			
Cash	\$ 231,879	\$ 191,817	\$ 423,696
Accounts Receivable	-	-	-
Prepaid Expenses	-	-	-
Due from Other Governments	10,753	20,396	31,149
Due from Other Funds	-	-	-
TOTAL ASSETS	\$ 242,632	\$ 212,213	\$ 454,845
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ 401	\$ 355	\$ 756
Due to Other Funds	1,265	642	1,907
TOTAL LIABILITIES	1,666	997	2,663
FUND EQUITY			
Fund Balance	240,966	211,216	452,182
TOTAL LIABILITIES AND FUND BALANCE	\$ 242,632	\$ 212,213	\$ 454,845



VILLAGE OF DIMONDALE

Special Revenue Funds

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED FEBRUARY 29, 2020

	Major Streets	Local Streets	Totals
REVENUE			
Taxes	\$ -	\$ 47,125	\$ 47,125
State Grants	109,014	40,814	149,828
Federal Grants	-	-	-
Miscellaneous Services	4,359	-	4,359
Interest	826	748	1,574
TOTAL REVENUE	114,199	88,687	202,886
EXPENDITURES			
Public Works	30,419	12,408	42,827
Capital Outlay	-	-	-
Debt Service	962	4,909	5,871
TOTAL EXPENDITURES	31,381	17,317	42,827
EXCESS OF REVENUE OVER EXPENDITURES	82,818	71,370	154,188
FUND BALANCE - MARCH 1, 2019	158,148	139,846	297,994
FUND BALANCE - FEBRUARY 29, 2020	\$ 240,966	\$ 211,216	\$ 452,182



Major Streets Fund

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL**

YEAR ENDED FEBRUARY 29, 2020

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
State Grants	\$ 81,700	\$ 109,014	\$ 27,314
Federal Grants	-	-	-
Miscellaneous Services	1,500	4,359	2,859
Interest	100	826	726
TOTAL REVENUE	83,300	114,199	30,899
EXPENDITURES			
PUBLIC WORKS			
Construction	-	-	-
Routine Maintenance	32,335	14,818	17,517
Traffic Services	3,550	241	3,309
Non-motorized	2,250	787	1,463
Winter Maintenance	15,230	13,823	1,407
Administration	3,400	750	2,650
TOTAL PUBLIC WORKS	56,765	30,419	26,346
CAPITAL OUTLAY	-	-	-
DEBT SERVICE	1,900	962	938
TOTAL EXPENDITURES	58,665	31,381	27,284
EXCESS OF REVENUE OVER EXPENDITURES	24,635	82,818	58,183
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	24,635	82,818	58,183
FUND BALANCE - MARCH 1, 2019	158,148	158,148	-
FUND BALANCE - FEBRUARY 29, 2020	\$ 182,783	\$ 240,966	\$ 58,183



VILLAGE OF DIMONDALE

Local Streets Fund

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL

YEAR ENDED FEBRUARY 29, 2020

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUE			
Current Taxes	\$ 45,000	\$ 47,125	\$ 2,125
State Grants	32,000	40,814	8,814
Miscellaneous Services	-	-	-
Interest	100	748	648
TOTAL REVENUE	<u>77,100</u>	<u>88,687</u>	<u>11,587</u>
EXPENDITURES			
PUBLIC WORKS			
Construction	-	-	-
Routine Maintenance	11,305	3,214	8,091
Traffic Services	-	-	-
Non-motorized	1,000	49	951
Winter Maintenance	12,650	8,394	4,256
Administration	2,750	751	1,999
TOTAL PUBLIC WORKS	<u>27,705</u>	<u>12,408</u>	<u>15,297</u>
CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>-</u>
DEBT SERVICE	<u>5,100</u>	<u>4,909</u>	<u>191</u>
TOTAL EXPENDITURES	<u>32,805</u>	<u>17,317</u>	<u>15,488</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>44,295</u>	<u>71,370</u>	<u>27,075</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>44,295</u>	<u>71,370</u>	<u>27,075</u>
FUND BALANCE - MARCH 1, 2019	<u>139,846</u>	<u>139,846</u>	<u>-</u>
FUND BALANCE - FEBRUARY 29, 2020	<u>\$ 184,141</u>	<u>\$ 211,216</u>	<u>\$ 27,075</u>