

# **Zeeland Charter Township**

## **Annual Financial Report**

**Year Ended December 31, 2020**



**Kiekover, Scholma & Shumaker, PC**  
*Certified Public Accountants and Consultants*

**ZEELAND CHARTER TOWNSHIP  
OTTAWA COUNTY, MICHIGAN  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2020**

**KIEKOVER, SCHOLMA & SHUMAKER, PC  
Certified Public Accountants  
Zeeland, Michigan**

**Zeeland Charter Township, Michigan**  
**ANNUAL FINANCIAL REPORT**  
**Year Ended December 31, 2020**

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# Kiekoever Scholma & Shumaker PC

Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

May 19, 2021

Township Board  
Zeeland Charter Township, Michigan

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Zeeland Charter Township, Michigan, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Zeeland Charter Township, Michigan, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter******Change in Accounting Principle***

As discussed in Note 1 to the basic financial statements, the Township adopted the new accounting guidance of GASB Statement No. 84, *Fiduciary Activities*, during the year ended December 31, 2020. Our opinion is not modified with respect to this matter.

***Other Matters******Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages III through VIII and 21 through 24 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 Zeeland Charter Township, Michigan's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements 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 combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Kickover, Scholma & Shumaker, PC***

Zeeland, Michigan

## Management's Discussion and Analysis

As management of Zeeland Charter Township, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the Township's financial statements that follow this section.

### Financial Highlights

- The assets and deferred outflows of Zeeland Charter Township exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$33,308,277 (*net position*). Of this amount, \$14,644,217 (*unrestricted net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$2,352,596. Net investment in capital assets decreased by \$349,101, while restricted net position increased by \$490,546, and unrestricted net position increased by \$2,211,151.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$17,766,963, an increase of \$2,699,254 in comparison with the prior year. Approximately 13% of this total amount, \$2,300,152, is *available for spending* at the Township's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,300,152 or 178% of total General Fund expenditures and transfers out.
- The Township's total debt decreased by \$205,000 (24%) during the current fiscal year. This is the result of the Township making its required scheduled debt service payments.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Zeeland Charter Township's basic 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 includes supplementary information intended to furnish additional detail support 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 and, therefore, are prepared using the accrual basis of accounting. These statements provide a long-term view of the Township's finances and whether taxpayers have funded the full cost of providing government services. The first two statements are government-wide and include the following:

- The *statement of net position* presents information on all of the Township's assets, liabilities, and deferred inflows/outflows with the difference 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 Township's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and state shared revenues and earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of Zeeland Charter 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, and recreation and culture. The Township has no business-type activities.

The government-wide financial statements can be found on pages 1-2 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Zeeland Charter 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 *balances of spendable resources* at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Zeeland Charter Township maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the four major funds. The Township has three non-major funds. These include one special revenue fund, one debt service fund, and one capital project fund. Data from the three non-major governmental funds are combined into a single aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Township adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison schedules have been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with that budget.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

**Proprietary funds.** Proprietary funds are used to report *business-type activities*. The Township has no business-type activities and therefore no proprietary funds.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government, in which the Township acts solely as trustee or agent. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Zeeland Charter Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 7-8 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 9-20 of this report.

**Other information.** In addition to the basic financial statement and accompanying notes, this report also presents certain *required supplementary information* presenting budgetary comparison for the Township's General Fund and major Special Revenue Funds. Required supplementary information can be found on pages 21-24 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining fund statements can be found on pages 25-26 of this report.

### **Financial Analysis of the Township as a Whole**

**Net Position** - As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Zeeland Charter Township, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33,308,277 at the close of the fiscal year ended December 31, 2020.

The largest portion of the Township's net position (46%) reflects its investment in capital assets. The Township uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of the Township totaled \$3,331,949. This net position has limits on its use that are externally imposed by restrictions such as enabling legislation or bond covenants. These resources can only be used for the specific purposes for which they were intended, such as expenditures for fire services, road maintenance, water and sewer, and debt service. The remaining unrestricted net position (\$14,644,217) may be used to meet the Township's ongoing operations.

The following table shows, in a condensed format, the net position of Zeeland Charter Township as of December 31, 2020 and 2019.

#### **Zeeland Charter Township's Net Position**

	Governmental Activities	
	2020	2019
Current and other assets	\$ 21,237,115	\$ 18,474,849
Capital assets	15,968,277	16,516,906
Total assets	<u>37,205,392</u>	<u>34,991,755</u>
Deferred outflows of resources	<u>8,834</u>	<u>14,306</u>
Long-term liabilities outstanding	645,000	850,000
Other liabilities	254,799	125,694
Total liabilities	<u>899,799</u>	<u>975,694</u>
Deferred inflows of resources	<u>3,006,150</u>	<u>3,074,686</u>
Net position:		
Net investment in capital assets	15,332,111	15,681,212
Restricted	3,331,949	2,841,403
Unrestricted	<u>14,644,217</u>	<u>12,433,066</u>
Total net position	<u>\$ 33,308,277</u>	<u>\$ 30,955,681</u>

**Change in Net Position** - The Township's total revenues were \$5,368,369 for the current year. The total cost of all programs and services at December 31, 2020 was \$3,015,773. Township expenses cover a wide range of services.

The Township's total net position increased by \$2,352,596 during the fiscal year ended December 31, 2020, compared to an increase of \$2,498,830 in 2019.



The following analysis highlights the changes in net position for the years ended December 31, 2020 and 2019:

### **Zeeland Charter Township's Changes in Net Position**

	Governmental Activities			
	2020		2019	
	Amount	% of total	Amount	% of total
Program revenues				
Charges for services	\$ 679,500	12.7%	\$ 599,653	11.2%
Operating grants and contributions	65,290	1.2%	15,000	0.3%
Capital grants and contributions	218,273	4.1%	314,990	5.9%
General revenues				
Property taxes	3,091,332	57.6%	3,064,007	57.2%
State shared revenues	966,870	18.0%	976,858	18.2%
Investment income	335,227	6.2%	380,682	7.1%
Other revenue	11,877	0.2%	7,269	0.1%
Total revenues	<u>5,368,369</u>	<u>100%</u>	<u>5,358,459</u>	<u>100%</u>
Program expenses				
General government	591,484	19.6%	553,859	19.4%
Public safety	1,128,060	37.4%	1,056,848	37.0%
Public works	889,308	29.5%	845,248	29.6%
Economic development	46,476	1.5%	32,881	1.1%
Recreation and culture	318,535	10.6%	306,475	10.7%
Other	14,444	0.5%	15,986	0.6%
Interest on long-term debt	27,466	0.9%	48,332	1.7%
Total expenses	<u>3,015,773</u>	<u>100%</u>	<u>2,859,629</u>	<u>100%</u>
Change in net position	<u>\$ 2,352,596</u>		<u>\$ 2,498,830</u>	

### **Financial Analysis of the Township's Funds**

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The individual funds help to manage money for specific purposes as well as to show accountability for activities or projects funded by special property tax millage, grants, contributions, etc. The Township's major governmental funds for 2020 are the General Fund, Road Fund, Fire Fund, and the Sewer Capital Improvements Fund.

**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, unrestricted 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 \$17,766,963, an increase of \$2,699,254 from the prior year combined ending fund balances of \$15,067,709. Approximately 81% of this amount (\$14,439,380) constitutes unrestricted fund balances (either committed, assigned or unassigned), which is available for spending at the government's discretion. The remainder of fund balance is either non-spendable (\$54,410) or restricted to indicate that it is not available for discretionary spending because it is restricted (1) to purposes related to firemen compensation and fire operations (\$305,274), (2) to purposes related to roads (\$2,654,436), (3) to purposes related to water and sewer (\$303,942), and (4) to purposes related to construction code activities (\$9,521).

The General Fund is the primary operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,300,152, while total fund balance was \$11,101,061. As a measure of the General Fund's liquidity, it may be useful to compare this fund balance to total fund expenditures. The \$2,300,152 total unassigned fund balance is approximately 77% of the 2021 budgeted expenditures and transfers to other funds, which amount to \$2,992,450.

The fund balance of the Township's General Fund increased by \$1,919,515 during the current fiscal year compared to an increase of \$1,315,430 in the prior year. Factors that influenced the current year change in fund balance include:

- Total revenues decreased by \$88,355 or 2.7%.
- Tax revenues decreased by \$121,169 or 7.5% due to a decrease in millage rate.
- Federal grants were \$24,850 compared to \$0 in 2019
- State shared revenues increased by \$5,178 or 0.5% due to the impacts of COVID-19 on the State's budget
- Investment earnings decreased by \$28,664 or 12.4%
- Licenses and permits increased by \$18,897 or 4.1%
- Charges for services and other revenues increased by \$12,553.
- Total expenditures decreased by \$302,565 or 19.0%.
- General government expenditures increased by \$28,781 or 5.6%.
- Public safety expenditures increased by \$61,971 or 23.9% due to increased expenditures for building inspection services.
- Public works expenditures decreased by \$25,228 or 17.4%
- Community and economic development expenditures increased by \$13,595 or 41.3% due to increased expenditures for services for the planning commission
- Recreation and culture expenditures increased by \$12,210 or 7.0%.
- Capital outlay expenditures were \$60,576 compared to \$452,928 in 2019 as several projects were delayed due to the COVID-19 pandemic.
- Transfers out to other funds were \$0 compared to \$389,875 in 2019.

### **General Fund Budgetary Highlights**

Over the course of the year, the Township Board amended the annual operating budget to take into account events during the year. The budget for total revenues was increased by \$17,800 and actual total revenues were over the final amended budget by \$49,143. The budget for total expenditures and other financing uses was decreased by \$226,700, and total expenditures were less than the final budget by \$212,122.

### **Capital Asset and Debt Administration**

At the end of 2020, the Township had \$15,968,277 (net of depreciation) invested in a broad range of capital assets, including buildings, fire equipment, park land and improvements, and water and sewer lines. The Township's investment in capital assets for the current fiscal year (net of depreciation) decreased by \$548,629 (3.3%) for governmental activities.

Major capital asset events during the current fiscal year included the following:

- \$100,909 expended for sewer system improvements
- \$ 33,380 expended for an extrication training lot
- \$ 20,380 expended for community center improvements
- \$ 20,196 expended for Drenthe Grove Park improvements
- \$ 20,000 expended for bike paths
- \$ 14,736 expended for public safety equipment

At December 31, 2020, the Township had \$645,000 of long-term contractual obligations and bonded debt outstanding after repayments of \$205,000. These long-term debt obligations are scheduled to mature serially through fiscal year 2023.

### **Economic Factors and Next Year's Budgets and Rates**

The Township's 2021 fiscal budget reflects tax revenues from the 2020 winter tax collection. Township's overall tax rate is to decrease to 6.1901 mills for the year ended December 31, 2021, with a decrease of 0.5161 mills in the road tax levy. The taxable value is anticipated to increase by 6% for the 2021 fiscal year. The Township will continue to monitor expenditures in the coming year.

In March 2020, the World Health Organization classified the outbreak of a novel coronavirus (COVID-19) as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township's operational and financial performance. The extent of the impact of COVID-19 on the Township's financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on services, employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak at this time.

### **Contacting the Township's Management**

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township's finance director.

# Basic Financial Statements

**Zeeland Charter Township, Michigan**  
**STATEMENT OF NET POSITION**  
**December 31, 2020**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 19,276,248
Receivables:	
Taxes	1,553,774
Accounts	47,498
Assessments	61,726
Interest	25,423
Due from other governments	218,036
Prepaid items	54,410
Capital assets not being depreciated	1,137,758
Capital assets (net of accumulated depreciation)	<u>14,830,519</u>
 <b>Total Assets</b>	 <u><b>37,205,392</b></u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on refunding	<u>8,834</u>
 <b>LIABILITIES</b>	
Accounts payable	182,969
Accrued payroll	65,060
Accrued interest	2,950
Customer deposits payable	3,820
Noncurrent liabilities:	
Due within one year	215,000
Due in more than one year	<u>430,000</u>
 <b>Total Liabilities</b>	 <u><b>899,799</b></u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue-property taxes	<u>3,006,150</u>
 <b>NET POSITION</b>	
Net investment in capital assets	15,332,111
Restricted for:	
Water and sewer	342,306
Public safety	305,274
Public works	2,654,436
Debt service	20,412
Construction code activities	9,521
Unrestricted	<u>14,644,217</u>
 <b>Total Net Position</b>	 <u><u><b>\$ 33,308,277</b></u></u>

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
\$ 591,484	\$ 178,677	\$ -	\$ -	\$ (412,807)
1,128,060	331,350	65,290	-	(731,420)
889,308	157,623	-	218,273	(513,412)
46,476	5,920	-	-	(40,556)
318,535	5,930	-	-	(312,605)
14,444	-	-	-	(14,444)
27,466	-	-	-	(27,466)
<u>\$ 3,015,773</u>	<u>\$ 679,500</u>	<u>\$ 65,290</u>	<u>\$ 218,273</u>	<u>(2,052,710)</u>
<b>General revenues:</b>				
	Property taxes			3,091,332
	State shared revenues			966,870
	Investment earnings			335,227
	Other			<u>11,877</u>
	<b>Total General Revenues</b>			<u>4,405,306</u>
<b>Change in Net Position</b>				2,352,596
<b>Net Position - Beginning</b>				<u>30,955,681</u>
<b>Net Position - Ending</b>				\$ 33,308,277

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**Zeeland Charter Township, Michigan**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2020**

	General Fund	Road Fund	Fire Fund	Sewer Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and investments	\$ 11,849,533	\$ 3,957,681	\$ 981,287	\$ 1,954,323	\$ 533,424	\$ 19,276,248
Receivables:						
Taxes	815,792	367,553	247,843	-	122,586	1,553,774
Accounts	47,498	-	-	-	-	47,498
Assessments	-	-	-	-	61,726	61,726
Interest	15,734	5,211	1,088	2,817	573	25,423
Due from other governments	46,541	-	-	15,979	5,089	67,609
Prepaid items	11,388	-	43,022	-	-	54,410
<b>Total Assets</b>	<b>\$ 12,786,486</b>	<b>\$ 4,330,445</b>	<b>\$ 1,273,240</b>	<b>\$ 1,973,119</b>	<b>\$ 723,398</b>	<b>\$ 21,086,688</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 80,812	\$ 25,224	\$ 29,390	\$ 16,536	\$ 31,007	\$ 182,969
Accrued payroll	22,444	-	237	-	42,379	65,060
Deposits	3,820	-	-	-	-	3,820
<b>Total Liabilities</b>	<b>107,076</b>	<b>25,224</b>	<b>29,627</b>	<b>16,536</b>	<b>73,386</b>	<b>251,849</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue-property taxes	1,578,349	711,118	479,512	-	237,171	3,006,150
Unavailable revenue-special assessments	-	-	-	-	61,726	61,726
<b>Total Deferred Inflows of Resources</b>	<b>1,578,349</b>	<b>711,118</b>	<b>479,512</b>	<b>-</b>	<b>298,897</b>	<b>3,067,876</b>
<b>FUND BALANCES</b>						
Non-spendable	11,388	-	43,022	-	-	54,410
Restricted	9,521	2,654,436	281,648	208,017	119,551	3,273,173
Committed	8,780,000	-	-	-	-	8,780,000
Assigned	-	939,667	439,431	1,748,566	231,564	3,359,228
Unassigned	2,300,152	-	-	-	-	2,300,152
<b>Total Fund Balances</b>	<b>11,101,061</b>	<b>3,594,103</b>	<b>764,101</b>	<b>1,956,583</b>	<b>351,115</b>	<b>17,766,963</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 12,786,486</b>	<b>\$ 4,330,445</b>	<b>\$ 1,273,240</b>	<b>\$ 1,973,119</b>	<b>\$ 723,398</b>	<b>\$ 21,086,688</b>

See Notes to Financial Statements

**Zeeland Charter Township, Michigan**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2020**

<b>Total Governmental Fund Balances</b>	<b>\$ 17,766,963</b>
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:	
General capital assets	7,009,697
Infrastructure capital assets	8,958,580
State shared revenues (sales taxes) collected and held by the State at year end are not considered available to pay for current year expenditures	150,427
Special assessments receivable are expected to be collected over several years and are not available to pay for current year expenditures	61,726
Interest accrued on bonds and notes payable is not reported in the funds	(2,950)
Long-term liabilities are not due and payable in the current period and are not reported in the funds	(645,000)
Unamortized deferred bond refunding losses are not reported in the funds	<u>8,834</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 33,308,277</u></b>



**Zeeland Charter Township, Michigan**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2020**

	General Fund	Road Fund	Fire Fund	Sewer Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes	\$ 1,501,983	\$ 907,535	\$ 456,180	\$ -	\$ 225,634	\$ 3,091,332
Licenses and permits	476,997	-	-	-	-	476,997
Federal grants	24,850	-	-	-	39,140	63,990
State shared revenues	950,891	14,675	3,301	-	1,672	970,539
Charges for services	44,842	-	3,774	62,728	91,159	202,503
Investment earnings	201,942	68,225	16,119	36,879	12,062	335,227
Special assessments	-	-	-	-	212,930	212,930
Other	11,838	-	1,339	-	-	13,177
<b>Total Revenues</b>	<u>3,213,343</u>	<u>990,435</u>	<u>480,713</u>	<u>99,607</u>	<u>582,597</u>	<u>5,366,695</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	543,936	-	-	-	-	543,936
Public safety	321,770	-	279,886	-	259,200	860,856
Public works	119,887	389,916	-	-	67,823	577,626
Community and economic development	46,476	-	-	-	-	46,476
Recreation and culture	186,739	-	-	-	-	186,739
Other	14,444	-	-	-	-	14,444
<b>Debt Service:</b>						
Principal retirement	-	-	-	-	205,000	205,000
Interest and other charges	-	-	-	-	22,763	22,763
<b>Capital Outlay</b>	<u>60,576</u>	<u>-</u>	<u>48,116</u>	<u>100,909</u>	<u>-</u>	<u>209,601</u>
<b>Total Expenditures</b>	<u>1,293,828</u>	<u>389,916</u>	<u>328,002</u>	<u>100,909</u>	<u>554,786</u>	<u>2,667,441</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>1,919,515</u>	<u>600,519</u>	<u>152,711</u>	<u>(1,302)</u>	<u>27,811</u>	<u>2,699,254</u>
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	-	105,000	105,000
Transfers out	-	-	-	(105,000)	-	(105,000)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(105,000)</u>	<u>105,000</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	1,919,515	600,519	152,711	(106,302)	132,811	2,699,254
<b>Fund Balances - January 1</b>	<u>9,181,546</u>	<u>2,993,584</u>	<u>611,390</u>	<u>2,062,885</u>	<u>218,304</u>	<u>15,067,709</u>
<b>Fund Balances - December 31</b>	<u>\$ 11,101,061</u>	<u>\$ 3,594,103</u>	<u>\$ 764,101</u>	<u>\$ 1,956,583</u>	<u>\$ 351,115</u>	<u>\$ 17,766,963</u>

See Notes to Financial Statements

**Zeeland Charter Township, Michigan**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2020**

<b>Net change in fund balances-Total Governmental Funds</b>	\$ 2,699,254
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Amounts reported for the 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:

Current year capital outlays capitalized - general capital assets	168,383
Current year capital outlays capitalized - infrastructure capital assets	41,218
Current year depreciation expense on capitalized assets	(758,230)

Timing of revenue recognition differs in the statement of activities versus the funds financial statements for certain revenues that do not provide current financial resources:

State shared revenues	(3,669)
Special assessment revenues	5,343

Repayments of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	205,000
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Governmental funds report the effect of debt premiums, discounts, refunding gains/losses and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	(5,472)
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due	769
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<b>Change in net position of governmental activities</b>	<b><u>\$ 2,352,596</u></b>
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**Zeeland Charter Township, Michigan**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**December 31, 2020**

	Tax Collection
<b>ASSETS</b>	
Cash and investments	\$ 1,342,170
<b>LIABILITIES</b>	
Due to other governments	1,342,170
<b>NET POSITION</b>	
Restricted for individuals and other governments	\$ -

**Zeeland Charter Township, Michigan**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**December 31, 2020**

	<u>Tax Collection</u>
<b>Additions:</b>	
Property taxes collected for other governments	\$ 15,304,975
<b>Deductions:</b>	
Property taxes distributed to other governments	<u>15,304,975</u>
<b>Change in Fiduciary Net Position</b>	-
<b>Net Position - Beginning</b>	<u>-</u>
<b>Net Position - Ending</b>	<u><u>\$ -</u></u>

**Zeeland Charter Township, Michigan**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Zeeland Charter Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Zeeland Charter Township:

***Reporting Entity***

The Charter Township of Zeeland was chartered in 1984 and covers an area of approximately 34 ½ square miles. The Township is governed by an elected seven-member board of trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legally separate entities, in substance, they are part of the Township's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government (see discussion below for description).

***Blended Component Unit.*** The Township has no blended component units

***Discretely Presented Component Unit.*** The Township has no discretely presented component units.

***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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Township does not have any business type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. (Zeeland Charter Township has no such component units.)

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The Township does not have any proprietary funds. 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, as are the fiduciary fund financial statements. Revenue is 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 revenue 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. 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, intergovernmental revenues, special assessments due within the current fiscal year, licenses, interest revenue, and charges for services. Sales taxes (state shared revenues) collected and held by the State at year end on behalf of the Township and paid to the Township at the end of the following February are recognized as revenue in the year received. Such amounts are not normally received within 60 days of the end of the current fiscal year and are budgeted for use by the Township in the year received. Other revenue is recorded when received.

The Township reports the following major governmental funds:

*General Fund* - The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Road Fund* - The Road Fund accounts for the financial resources used for the construction and dust control of roads within the township.

*Fire Fund* - The Fire Fund accounts for the financial resources used for providing, training and maintaining a Fire Department within the Township.

*Sewer Capital Improvements Fund* - This fund accounts for the financial resources used for the general improvements to the sewer systems within the Township.

Additionally, the Township reports the following fund types:

#### ***Governmental Funds***

*Special Revenue Funds* - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

*Debt Service Funds* - Debt Service Funds account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

*Capital Projects Funds* - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

#### ***Proprietary Funds***

Proprietary funds are used to report *business-type activities*. The Township has no business-type activities and therefore no proprietary funds.

#### ***Fiduciary Funds (Not included in government-wide statements)***

*Custodial Funds* - Custodial Funds account for assets held by the Township in a fiduciary capacity. These funds are custodial in nature and do not involve the measurement of results of operations. The Township maintains one custodial fund to account for tax collections and related payments.

As a general rule, the effect of the 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.

### ***Budgets and Budgetary Accounting***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year end. In June of each year, all departments of the Township submit requests for appropriations to the supervisor and the finance director so that a budget may be prepared. By September 1, the proposed budget is presented to the Board of Trustees for review. The Board of Trustees holds study sessions and public hearings and a final budget must be prepared and adopted by December 31.

The budget document presents information by fund, function, and department. The legal level of budgetary control adopted by the governing body is the department level. Expenditures may not legally exceed budget appropriations at the department level within the fund. Appropriated budgets are amended from time to time throughout the course of the fiscal year by supplementary resolutions approved by a majority vote of the board of trustees.

Amounts encumbered for purchase orders, contracts, etc., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

### ***Bank Deposits and Investments***

The Township pools cash resources of its various funds to facilitate the management of cash. The balances in the pooled cash accounts are available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Township's investments. The following accounts are maintained on a separate basis outside of the combined cash management pool: petty cash accounts and the Tax Collection Fund.

Investments are recorded at fair value. Earnings in the pooled cash accounts are allocated to each fund based upon respective balances of cash and investments.

### ***Receivables and Payables***

In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Allowances for uncollectible amounts are not material.

### ***Inventories and Prepaid Items***

Inventories, if material, are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are not material and are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

### ***Capital Assets***

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., water/sewer lines, bike paths, and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Interest incurred during the construction of capital assets is included as part of the capitalized value of the assets constructed. During the current year \$0 of interest expense was capitalized as part of the cost of assets under construction.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40-60
Building improvements	15-30
Land improvements	15-30
Water and sewer lines	40-50
Vehicles	5-25
Office equipment	5-7
Machinery and equipment	3-20

### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position or balance sheet 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 one item that qualifies for reporting in this category. This item is the deferred charge on debt refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item that qualifies under this category-unavailable revenue. Unavailable revenue-property taxes are reported in the governmental activities statement of financial position and governmental funds balance sheet. Unavailable revenues-special assessments are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

### ***Net Position Flow Assumption/Fund Balance Flow Assumptions***

In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

In order to calculate the amounts reported as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance is applied in the following order: committed, assigned, and unassigned.

### ***Long-Term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as debt service expenses. Bonds payable are reported net of the applicable bond premium or discount. 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 while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.



## ***Fund Equity***

In governmental fund financial statements, fund balances are classified as follows:

- Non-spendable – amounts that are not in spendable form (such as prepaids, inventory and long-term receivables) or are required to be maintained intact such as the corpus of a permanent fund.
- Restricted – amounts constrained to specific purposes by their providers (such as creditors, grantors, contributors, or laws and regulations) or imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts constrained to specific purposes determined by formal action by Township Board ordinance or resolution, and that remains binding unless removed in the same manner.
- Assigned – amounts, neither restricted nor committed, a government intends to use for a specific purpose; intent can be expressed by the Township Board or a body or official to which the Township Board has delegated the authority to assign amounts for specific purposes.
- Unassigned – amounts that are available for any purpose; positive amounts are reported only in the general fund.

## ***Property Taxes***

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Real and personal property taxes are collected without additional charge through February 14. The Township continues to collect taxes until March 1, at which time the delinquent real property taxes are returned to the county for collection. Taxes returned delinquent to the county treasurer are subject to penalty and interest. The county's policy has been to pay the Township for all delinquent real property taxes returned. The Township continues to collect delinquent personal property taxes.

Although the Township's 2020 ad valorem tax is levied and collectible on December 1, 2020, it is the Township's policy to recognize revenue from this levy in the year ended December 31, 2021, when the proceeds of this levy are budgeted and made available for the financing of operations.

## ***Use of Estimates***

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

## ***New Accounting Standard***

The Township implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year ended December 31, 2020. The Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The Township's tax collection fund meets the criteria for a fiduciary activity and has been reported accordingly in the basic financial statements. No adjustment to beginning net position is required as a result of the implementation of the Standard.

## 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### *State Construction Code Act*

The Township oversees building construction, in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. Beginning January 1, 2000, the law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs.

The Township accounts for the activity of its building inspection department within its General Fund. Following is a summary of the cumulative deficit and activity detail for the year ended December 31, 2020:

Surplus (deficit) - January 1, 2020		\$	22,889
Charges for services	\$	174,301	
Building inspection expenditures		<u>(187,669)</u>	<u>(13,368)</u>
Surplus (deficit) - December 31, 2020		\$	<u>9,521</u>

### *Excess of Expenditures Over Appropriations in Budgeted Funds*

During the year, the Township incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows:

	<u>Budget Appropriation</u>	<u>Actual Expenditure</u>
<b>General Fund</b>		
Public Safety		
Electrical inspection	\$ 23,000	\$ 23,675
<b>Fire Fund</b>		
Public Safety		
Insurance	65,000	65,594
Utilities	22,000	22,526

## 3. DEPOSITS AND INVESTMENTS

*Michigan Compiled Laws, Section 129.91*, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township Board has designated several banks for the deposit of Township funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in all of State statutory authority as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and investments	<u>\$ 19,276,248</u>	<u>\$ 1,342,170</u>	<u>\$ 20,618,418</u>

The breakdown between deposits and investments is as follows:

Bank deposits (checking and savings accounts, certificates of deposit)	\$ 7,394,564
Investments	<u>13,223,854</u>
Total deposits and investments	<u>\$ 20,618,418</u>

### Deposits

**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. The Township does not have a deposit policy for custodial credit risk. At year end the bank balance of the Township's deposits was \$7,394,564 of which \$5,918,302 was covered by federal depository insurance and \$1,476,262 was exposed due to custodial credit risk because it was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits Township funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

### Investments

The Township chooses to disclose its investments by utilizing the specific identification method. As of December 31, 2020, the Township had the following investments:

Prime Commercial Paper	\$ 7,780,133
Municipal Bonds	3,969,670
Federal Home Loan Mortgage Corporation	125,855
Federal National Mortgage Association	104,474
Government National Mortgage Association	1,133,077
Federated Treasury Obligations Fund	<u>110,645</u>
Total	<u>\$ 13,223,854</u>

The Township's investments in prime commercial paper, municipal bonds, and US Government Agency Obligations at year end consists of:

Investments	Maturities	Fair Value	S&P Rating	Investments	Maturities	Fair Value	S&P Rating
<b>Prime Commercial Paper:</b>				<b>Municipal Bonds:</b>			
Eni Fin USA Inc.	1/7/21	\$ 249,996	A-2	Allendale Mich Pub Sch	5/1/28	208,688	AA
FMC Technologies Inc.	2/1/21	1,249,911	A-2	Bangor Mich Pub Sch	5/1/28	239,554	AA
Glencore Funding LLC	3/5/21	1,399,701	A-2	Bangor Mich Pub Sch	5/1/29	262,276	AA
HSBC USA Inc.	4/9/21	749,629	A-2	Chippewa Valley Mich Schs	5/1/26	202,022	AA+
Harley-Davidson Finl Svcs Inc.	1/5/21	899,990	A-2	Chippewa Valley Mich Schs	5/1/27	251,495	AA+
Harley-Davidson Finl Svcs Inc.	4/6/21	504,757	A-2	Chippewa Valley Mich Schs	5/1/28	504,955	AA+
Sinopec Cnty Bright Cap Inv Am	2/1/21	999,929	A-1	Garden City Mich Sch Dist	5/1/21	50,410	AA
Volkswagen Group Amer Fin LLC	8/6/21	726,810	A-2	Garden City Mich Sch Dist	5/1/22	25,822	AA
Walgreens Boots Alliance	4/28/21	999,410	A-2	Goodrich Mich Area Sch Dist	5/1/25	252,143	AA
Total Prime Commercial Paper		<u>7,780,133</u>		Perry Mich Pub Schs	5/1/26	513,440	AA
<b>U.S. Government Agency Obligations:</b>				Portage Mich Pub Schs	11/1/26	667,369	AA-
Federal Home Loan Mtg Corp	7/15/39	94,226	AA+	Rochester Mich	10/1/23	100,128	AAA
Federal Home Loan Mtg Corp	6/5/41	31,629	AA+	Rochester Mich	10/1/24	120,940	AAA
Federal Natl Mortgage Assoc	11/15/30	104,474	AA+	Rochester Mich	10/1/25	126,200	AAA
Government National Mtg Assoc	12/20/48	631,580	AA+	West Ottawa Mich Pub Sch	5/1/26	214,672	AA+
Government National Mtg Assoc	11/20/49	501,497	AA+	West Ottawa Mich Pub Sch	5/1/27	229,556	AA+
Total U.S. Government Agency Obligations		<u>1,363,406</u>		Total Municipal Bonds		<u>3,969,670</u>	
Federated Treasury Obligations	2/6/21	<u>110,645</u>	AAAm	<b>Total Investments</b>		<u>\$ 13,223,854</u>	AAAm

*Interest rate risk.* Except as limited by state law as listed in the above list of authorized investments, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity dates of the Township's investments are identified above.

*Credit risk.* The Township has no investment policy that limits its investment choices beyond those required by state law. The ratings for each investment are 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 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 the outside party. The Township has not adopted a policy for investment custodial credit risk. As of December 31, 2020, the Township's investments were held by a third party in the Township's name. The Township's investments in money market accounts are not subject to risk categorization.

*Concentration of Credit Risk.* State law does not limit and the Township has not adopted a formal policy on the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in Harley-Davidson (10.6%), Glencore (10.6%), FMC Technologies (9.5%), Government National Mortgage Association (8.6%), Sinopec Century Bright Capital Investment (7.6%), Walgreens Boots (7.6%), Chippewa Valley Schools (7.2%), HSBC USA (5.7%), and Volkswagen (5.5%).

*Foreign Currency Risk.* The Township is not authorized to invest in investments which have this type of risk.

### ***Fair Value Measurement***

The Township categorizes its fair value measurements 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. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances in which inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Township's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The Township has the following recurring fair value measurements for its investments as of December 31, 2020.

- Municipal bonds in the amount of \$3,969,670 are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2). This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, those bonds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.
- United States Government Agency Obligations in the amount of \$1,363,406 are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2).

The Township did not have any investments valued with Level 1 or Level 3 inputs at December 31, 2020.

Investments in prime commercial paper in the amount of \$7,780,133 are recorded at amortized cost which approximates fair value and is not subject to fair value disclosures.

The Federated Treasury Obligations in the amount of \$110,645 complies with Rule 2a-7's definition of a government money market fund. Accordingly, it is not subject to fair value disclosure.

#### 4. CAPITAL ASSETS

Capital asset activity of the Township for the current year was as follows:

<b>Governmental Activities</b>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Completed Construction</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated					
Land	\$ 1,028,992	\$ -	\$ -	\$ -	\$ 1,028,992
Construction in progress	<u>13,879</u>	<u>133,267</u>	<u>-</u>	<u>(38,380)</u>	<u>108,766</u>
Subtotal	<u>1,042,871</u>	<u>133,267</u>	<u>-</u>	<u>(38,380)</u>	<u>1,137,758</u>
Capital Assets Being Depreciated					
Building and Improvements	3,869,653	20,380	(9,107)	-	3,880,926
Improvements other than buildings	2,643,463	-	(281,313)	38,380	2,400,530
Machinery and equipment	3,762,277	14,736	(96,114)	-	3,680,899
Infrastructure	<u>11,029,524</u>	<u>41,218</u>	<u>-</u>	<u>-</u>	<u>11,070,742</u>
Subtotal	<u>21,304,917</u>	<u>76,334</u>	<u>(386,534)</u>	<u>38,380</u>	<u>21,033,097</u>
Less Accumulated Depreciation for					
Building and Improvements	(938,138)	(102,396)	9,107	-	(1,031,427)
Improvements other than buildings	(1,656,871)	(225,871)	281,313	-	(1,601,429)
Machinery and equipment	(1,344,439)	(209,235)	96,114	-	(1,457,560)
Infrastructure	<u>(1,891,434)</u>	<u>(220,728)</u>	<u>-</u>	<u>-</u>	<u>(2,112,162)</u>
Subtotal	<u>(5,830,882)</u>	<u>(758,230)</u>	<u>386,534</u>	<u>-</u>	<u>(6,202,578)</u>
Net Capital Assets Being Depreciated	<u>15,474,035</u>	<u>(681,896)</u>	<u>-</u>	<u>38,380</u>	<u>14,830,519</u>
Governmental Activities Total					
Capital Assets-Net of Depreciation	<u>\$ 16,516,906</u>	<u>\$ (548,629)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,968,277</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 47,548
Public safety	267,204
Public works	311,682
Recreation and culture	<u>131,796</u>
	<u>\$ 758,230</u>

*Construction Commitments*-The Township has no construction commitments at December 31, 2020.

## 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The Township had no interfund balances at December 31, 2020.

At December 31, 2020, interfund transfers reported in the funds statements were as follows:

	Transfers Out
	Sewer Capital Improvement Fund
Transfers In:	
Adams Street Sewer Bond Fund	\$ 105,000 (1)

The following describes the nature of significant transfers:

- (1) Transfer from Sewer Capital Improvement Fund for debt service

## 6. LONG-TERM DEBT

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the district) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Bond and contractual obligation activity can be summarized as follows:

	Original Issue	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>						
County Contractual Obligations						
Adams Street Sewer Bond (2013 refunding) due in annual installments of \$25,000 to \$265,000 through November 1, 2023; interest from 0.95% to 3%	\$ 1,485,000	\$ 850,000	\$ -	\$ (205,000)	\$ 645,000	\$ 215,000

Annual debt service requirements to maturity for the above obligations are as follows:

Year End December 31	Governmental Activities	
	Principal	Interest
2021	\$ 215,000	\$ 17,700
2022	230,000	12,325
2023	200,000	6,000
	<u>\$ 645,000</u>	<u>\$ 36,025</u>

*Commitment* - Zeeland Charter Township, along with other local municipalities, purchases water from the City of Wyoming for storage and distribution to the Township's customers. The City of Wyoming bills Ottawa County for this water purchase which in turn bills the individual municipalities.

Ottawa County has issued general obligation bonds to provide for the construction and acquisition of a portion of the City of Wyoming water system for the benefit of the local municipalities. Each participating municipality has pledged its full faith and credit for the payment of its respective share of contract payments to Ottawa County sufficient to pay the principal and interest on the bonds.

Separate contract payments for principal and interest on these bonds are not made by the Township but instead are included as part of the overall water rate charged by Ottawa County to the Township.

At December 31, 2020, the portion of these Ottawa County bonds outstanding for which the Township has pledged its full faith and credit amounted to \$4,562,070.

## **7. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased full multi-peril insurance coverage underwritten by the Michigan Township Participating Plan. The Township is fully insured for workers compensation claims by coverage underwritten by the Michigan Municipal Workers Compensation Fund. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

## **8. TAX ABATEMENTS**

As of December 31, 2020, the Township provides tax abatement through one program: The Industrial Facilities Exemption.

### ***Industrial Facilities Exemption***

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. The Industrial Facilities Exemption 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 1-12 years as determined by the local unit of government. The IFT on a new plant and non-industrial property, such as some high-tech personal property is computed at half the local property tax millage rate. This amounts to a reduction in property taxes of approximately 50%.

For the year ended December 31, 2020, the Township abated property tax revenues totaling \$116,644 under this program.

## **9. COVID-19**

In March 2020, the World Health Organization classified the outbreak of a novel coronavirus (COVID-19) as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township's operational and financial performance. The extent of the impact of COVID-19 on the Township's financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on services, employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak at this time.

## 10. FUND BALANCES – GOVERNMENTAL FUNDS

Detailed information on governmental fund balances at December 31, 2020 is as follows:

	General Fund	Road Fund	Fire Fund	Sewer Capital Improvements Fund	Non-major Funds	Total
Non-spendable:						
Prepaid items	\$ 11,388	\$ -	\$ 43,022	\$ -	\$ -	\$ 54,410
Restricted for:						
Fire operations	-	-	281,648	-	-	281,648
Firemen compensation	-	-	-	-	23,626	23,626
Roads	-	2,654,436	-	-	-	2,654,436
Water and sewer	-	-	-	208,017	95,925	303,942
Construction code	9,521	-	-	-	-	9,521
Total Restricted	9,521	2,654,436	281,648	208,017	119,551	3,273,173
Committed for:						
Fire capital	2,200,000	-	-	-	-	2,200,000
Utilities	4,000,000	-	-	-	-	4,000,000
Bike paths	900,000	-	-	-	-	900,000
Parks	775,000	-	-	-	-	775,000
Building and grounds	700,000	-	-	-	-	700,000
Cemetery	100,000	-	-	-	-	100,000
Disaster relief	30,000	-	-	-	-	30,000
Emergency management	75,000	-	-	-	-	75,000
Total Committed	8,780,000	-	-	-	-	8,780,000
Assigned for:						
Fire operations	-	-	439,431	-	-	439,431
Firemen compensation	-	-	-	-	25,431	25,431
Roads	-	939,667	-	-	-	939,667
Water and sewer	-	-	-	1,748,566	204,735	1,953,301
Debt service	-	-	-	-	1,398	1,398
Total Assigned	-	939,667	439,431	1,748,566	231,564	3,359,228
Unassigned	2,300,152	-	-	-	-	2,300,152
Total fund balances governmental funds	\$ 11,101,061	\$ 3,594,103	\$ 764,101	\$ 1,956,583	\$ 351,115	\$ 17,766,963



# Required Supplementary Information

**Zeeland Charter Township, Michigan**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
<b>Revenues:</b>				
Taxes	\$ 1,486,500	\$ 1,501,900	\$ 1,501,983	\$ 83
Licenses and permits	451,600	469,800	476,997	7,197
Federal grants	-	24,800	24,850	50
State shared revenues	938,300	938,300	950,891	12,591
Charges for services	9,000	35,600	44,842	9,242
Investment earnings	257,000	182,000	201,942	19,942
Other	4,000	11,800	11,838	38
<b>Total Revenues</b>	<u>3,146,400</u>	<u>3,164,200</u>	<u>3,213,343</u>	<u>49,143</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Township board	31,350	31,350	24,344	7,006
Supervisor	69,250	69,250	66,334	2,916
Township manager	49,600	49,600	40,719	8,881
General administration	85,300	75,300	65,519	9,781
Computer services	33,500	38,500	36,928	1,572
Clerk	34,600	34,600	30,460	4,140
Attorney	25,000	30,000	28,482	1,518
Audit	15,500	15,500	15,225	275
Accounting	16,050	16,050	15,609	441
Board of review	1,800	1,800	1,098	702
Treasurer	33,550	33,550	31,553	1,997
Assessor	49,150	49,150	48,836	314
Elections	34,000	36,500	34,011	2,489
Building and grounds	63,350	63,350	54,567	8,783
Cemetery	32,300	45,300	39,677	5,623
Macatawa Watershed	10,000	10,600	10,574	26
<b>Total General Government</b>	<u>584,300</u>	<u>600,400</u>	<u>543,936</u>	<u>56,464</u>
<b>Public Safety:</b>				
Fire protection	1,550	1,550	403	1,147
Zoning administration/building inspection	53,050	105,550	98,809	6,741
Police protection	180,000	170,000	164,383	5,617
Electrical inspection	20,000	23,000	23,675	(675)
Mechanical inspection	20,000	22,000	20,600	1,400
Plumbing inspection	11,200	15,200	13,900	1,300
<b>Total Public Safety</b>	<u>285,800</u>	<u>337,300</u>	<u>321,770</u>	<u>15,530</u>

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget
<b>Public Works:</b>				
Drains	35,000	35,000	25,438	9,562
Roads	1,100	1,100	194	906
Street lighting	43,600	43,600	41,523	2,077
Engineering	37,000	37,000	12,569	24,431
Bike paths	20,000	42,000	40,163	1,837
<b>Total Public Works</b>	<u>136,700</u>	<u>158,700</u>	<u>119,887</u>	<u>38,813</u>
<b>Community and Economic Development</b>				
Planning Commission and administration	14,850	34,850	29,613	5,237
Zoning Board of Appeals	2,300	2,300	786	1,514
Macatawa Area Coordinating Council	13,000	13,000	11,077	1,923
Economic development	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<b>Total Community and Economic Development</b>	<u>35,150</u>	<u>55,150</u>	<u>46,476</u>	<u>8,674</u>
<b>Recreation and Culture:</b>				
Drenthe Grove	45,200	45,200	41,350	3,850
VanZoeren Woods	10,000	16,700	3,072	13,628
Parks	500	500	-	500
Library	130,000	130,000	130,000	-
Community services	<u>25,000</u>	<u>25,000</u>	<u>12,317</u>	<u>12,683</u>
<b>Total Recreation and Culture</b>	<u>210,700</u>	<u>217,400</u>	<u>186,739</u>	<u>30,661</u>
<b>Other:</b>				
Insurance	15,000	16,000	14,444	1,556
Contingencies	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other</b>	<u>65,000</u>	<u>16,000</u>	<u>14,444</u>	<u>1,556</u>
<b>Capital Outlay:</b>				
General government	150,000	21,000	20,380	620
Public works	165,000	25,000	20,000	5,000
Recreation and culture	<u>100,000</u>	<u>75,000</u>	<u>20,196</u>	<u>54,804</u>
<b>Total Capital Outlay</b>	<u>415,000</u>	<u>121,000</u>	<u>60,576</u>	<u>60,424</u>
<b>Total Expenditures</b>	<u>1,732,650</u>	<u>1,505,950</u>	<u>1,293,828</u>	<u>212,122</u>
<b>Net Change in Fund Balances</b>	1,413,750	1,658,250	1,919,515	261,265
<b>Fund Balances - January 1</b>	<u>9,181,546</u>	<u>9,181,546</u>	<u>9,181,546</u>	<u>-</u>
<b>Fund Balances - December 31</b>	<u>\$ 10,595,296</u>	<u>\$ 10,839,796</u>	<u>\$ 11,101,061</u>	<u>\$ 261,265</u>

**Zeeland Charter Township, Michigan**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - ROAD FUND**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
<b>Revenues:</b>				
Taxes	\$ 898,000	\$ 898,000	\$ 907,535	\$ 9,535
State shared revenues	18,500	18,500	14,675	(3,825)
Investment earnings	80,000	80,000	68,225	(11,775)
<b>Total Revenues</b>	<u>996,500</u>	<u>996,500</u>	<u>990,435</u>	<u>(6,065)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Works:</b>				
Dust control	14,000	14,000	13,496	504
Road improvements	655,000	655,000	376,420	278,580
Miscellaneous	2,000	2,000	-	2,000
<b>Total Expenditures</b>	<u>671,000</u>	<u>671,000</u>	<u>389,916</u>	<u>281,084</u>
<b>Net Change in Fund Balances</b>	325,500	325,500	600,519	275,019
<b>Fund Balances - January 1</b>	<u>2,993,584</u>	<u>2,993,584</u>	<u>2,993,584</u>	<u>-</u>
<b>Fund Balances - December 31</b>	<u>\$ 3,319,084</u>	<u>\$ 3,319,084</u>	<u>\$ 3,594,103</u>	<u>\$ 275,019</u>

**Zeeland Charter Township, Michigan**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - FIRE FUND**  
**Year Ended December 31, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
<b>Revenues:</b>				
Taxes	\$ 451,000	\$ 451,000	\$ 456,180	\$ 5,180
State shared revenues	5,000	5,000	3,301	(1,699)
Charges for services	1,000	1,000	3,774	2,774
Investment earnings	15,000	15,000	16,119	1,119
Other	-	-	1,339	1,339
<b>Total Revenues</b>	<u>472,000</u>	<u>472,000</u>	<u>480,713</u>	<u>8,713</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Contracted services	18,000	20,000	18,534	1,466
Hydrant rental	51,000	52,100	52,100	-
Dues and subscriptions	1,000	1,000	970	30
Insurance	65,000	65,000	65,594	(594)
Miscellaneous	5,500	5,500	3,161	2,339
Repairs and maintenance	68,000	68,000	55,554	12,446
Salaries and fringes	4,350	4,350	2,777	1,573
Supplies	60,000	60,000	52,224	7,776
Training	11,000	11,000	6,446	4,554
Utilities	22,000	22,000	22,526	(526)
<b>Total Public Safety</b>	<u>305,850</u>	<u>308,950</u>	<u>279,886</u>	<u>29,064</u>
<b>Capital Outlay</b>	<u>25,000</u>	<u>50,400</u>	<u>48,116</u>	<u>2,284</u>
<b>Total Expenditures</b>	<u>330,850</u>	<u>359,350</u>	<u>328,002</u>	<u>31,348</u>
<b>Net Change in Fund Balances</b>	141,150	112,650	152,711	40,061
<b>Fund Balances - January 1</b>	<u>611,390</u>	<u>611,390</u>	<u>611,390</u>	<u>-</u>
<b>Fund Balances - December 31</b>	<u>\$ 752,540</u>	<u>\$ 724,040</u>	<u>\$ 764,101</u>	<u>\$ 40,061</u>

# Other Supplementary Information

## Nonmajor Governmental Funds

### **Special Revenue Funds**

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

Fire Compensation Fund – was established to account for the Fire Compensation millage separately from the general fire protection service millage.

### **Debt Service Funds**

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Adams Street Sewer Bond Fund – was established to account for special assessment revenue and General Fund contributions to make annual principal and interest payments for the Adams Street Sewer Improvements.

### **Capital Projects Funds**

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Water Capital Improvements Fund – was established to account for contributions from the General Fund for future capital improvement projects.

**Zeeland Charter Township, Michigan**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2020**

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Fire Compensation	Adams Street Sewer Bond	Water Capital Improvements	
<b>ASSETS</b>				
Cash and investments	\$ 205,888	\$ 21,856	\$ 305,680	\$ 533,424
Receivables:				
Taxes	122,586	-	-	122,586
Assessments	-	23,362	38,364	61,726
Interest	133	22	418	573
Due from other governments	-	-	5,089	5,089
<b>Total Assets</b>	<u>\$ 328,607</u>	<u>\$ 45,240</u>	<u>\$ 349,551</u>	<u>\$ 723,398</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 20,480	\$ 10,527	\$ 31,007
Accrued payroll	42,379	-	-	42,379
<b>Total Liabilities</b>	<u>42,379</u>	<u>20,480</u>	<u>10,527</u>	<u>73,386</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-property taxes	237,171	-	-	237,171
Unavailable revenue-special assessments	-	23,362	38,364	61,726
<b>Total Deferred Inflows of Resources</b>	<u>237,171</u>	<u>23,362</u>	<u>38,364</u>	<u>298,897</u>
<b>FUND BALANCES</b>				
Restricted	23,626	-	95,925	119,551
Assigned	25,431	1,398	204,735	231,564
<b>Total Fund Balances</b>	<u>49,057</u>	<u>1,398</u>	<u>300,660</u>	<u>351,115</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 328,607</u>	<u>\$ 45,240</u>	<u>\$ 349,551</u>	<u>\$ 723,398</u>

**Zeeland Charter Township, Michigan**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2020**

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Fire Compensation	Adams Street Sewer Bond	Water Capital Improvements	
<b>Revenues:</b>				
Taxes	\$ 225,634	\$ -	\$ -	\$ 225,634
Federal grants	39,140	-	-	39,140
State shared revenues	1,672	-	-	1,672
Charges for services	-	-	91,159	91,159
Investment earnings	3,259	2,908	5,895	12,062
Special assessments	-	86,662	126,268	212,930
	<u>-</u>	<u>86,662</u>	<u>126,268</u>	<u>212,930</u>
<b>Total Revenues</b>	<u>269,705</u>	<u>89,570</u>	<u>223,322</u>	<u>582,597</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	259,200	-	-	259,200
Public works	-	37,480	30,343	67,823
<b>Debt Service:</b>				
Principal retirement	-	205,000	-	205,000
Interest and other charges	-	22,763	-	22,763
	<u>-</u>	<u>22,763</u>	<u>-</u>	<u>22,763</u>
<b>Total Expenditures</b>	<u>259,200</u>	<u>265,243</u>	<u>30,343</u>	<u>554,786</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	10,505	(175,673)	192,979	27,811
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	105,000	-	105,000
	<u>-</u>	<u>105,000</u>	<u>-</u>	<u>105,000</u>
<b>Net Change in Fund Balances</b>	10,505	(70,673)	192,979	132,811
<b>Fund Balances - January 1</b>	<u>38,552</u>	<u>72,071</u>	<u>107,681</u>	<u>218,304</u>
<b>Fund Balances - December 31</b>	<u>\$ 49,057</u>	<u>\$ 1,398</u>	<u>\$ 300,660</u>	<u>\$ 351,115</u>