

# **COHOCTAH TOWNSHIP**

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## **Annual Financial Report**

**For the Year Ended March 31, 2021**

**COHOCTAH TOWNSHIP**

**TOWNSHIP OFFICIALS**

Supervisor - Mark Fosdick

Treasurer - Tami Bock

Clerk - Barb Fear

**TOWNSHIP BOARD OF TRUSTEES**

Tami Bock

Phil Charette

Mark Fosdick

Barb Fear

Mark Torigian

**TOWNSHIP ATTORNEYS**

Michael J. Kehoe, P.C.

**TOWNSHIP AUDITORS**

Pfeffer, Hanniford & Palka  
Certified Public Accountants

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**PFEFFER ■ HANNIFORD ■ PALKA**  
*Certified Public Accountants*

**John M. Pfeffer, C.P.A.**  
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**INDEPENDENT AUDITOR'S REPORT**

September 9, 2021

To the Board of Trustees  
Cohoctah Township  
10518 Antcliff Road  
Fowlerville, MI 48836

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information, of Cohoctah Township, Michigan, as of and for the year ended March 31, 2021, and the related notes to the financial statements, which collectively comprise Cohoctah 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 Cohoctah Township, Michigan, as of March 31, 2021, 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 the management's discussion and analysis and budgetary comparison information on pages 7- 10 and 33 - 34 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 Cohoctah Township, Michigan's, basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

*Pfeffer, Hanniford & Palka, P.C.*

PFEFFER, HANNIFORD & PALKA  
Certified Public Accountants

## **MANAGEMENT DISCUSSION AND ANALYSIS**

## Management Discussion and Analysis

### March 31, 2021

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Within this section of Cohoctah Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended March 31, 2021. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

#### **Overview of the Financial Statements**

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

#### ***Government-wide Financial Statements***

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, 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, as a whole, is improving or deteriorating. Evaluation of the overall health of the Township may extend to various nonfinancial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net position changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, public safety, and planning and zoning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

#### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

**Governmental funds** are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net position.

**Fiduciary funds** are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

#### ***Notes to the financial statements***

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

#### ***Other information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

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

The Township's net position at the end of the fiscal year was \$2,161,047. This is a decrease of \$4,577 over last year's net position of \$2,165,624.

The following tables provide a summary of the Township's financial activities and changes in net position:

#### **Summary of Net Position**

	<b>Governmental Activities</b>	
	<b><u>3/31/2021</u></b>	<b><u>3/31/2020</u></b>
<b>Assets</b>		
Current and other assets	\$ 1,522,780	\$ 1,380,785
Capital assets	<u>660,632</u>	<u>798,522</u>
<b>Total assets</b>	<u>2,183,412</u>	<u>2,179,307</u>
<b>Liabilities</b>		
Accounts payable	<u>22,365</u>	<u>14,788</u>
<b>Net position:</b>		
Invested in capital assets, net of related debt	660,632	798,522
Restricted - roads	171,481	61,120
Unrestricted	<u>1,328,934</u>	<u>1,305,982</u>
<b>Total net position</b>	<u><u>\$ 2,161,047</u></u>	<u><u>\$ 2,165,624</u></u>



The governmental funds experienced a decrease in net position of \$4,577 for the year ended March 31, 2021, as compared to an increase of \$120,613 in the prior year. This decrease in net position is primarily due to depreciation.

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

Cohoctah Township determined it has two major governmental funds, the General Fund and the Road Fund. In the fiscal year ending March 31, 2021, the General Fund increased its fund balance by \$107,952. An increase in State shared revenues along with an increase in charges for services were the reason for the increase in the fund balance.

The Road Fund increased its fund balance by \$25,361. This was primarily due to fewer road projects this year.

### **General Fund Budgetary Highlights**

The Township approved a budget prior to the start of the fiscal year. The Township Board made immaterial amendments during the year to bring it closer to economic reality.

### **Summary of Changes in Net Position**

	<b>Governmental Activities</b>	
	<b><u>3/31/2021</u></b>	<b><u>3/31/2020</u></b>
<b>Revenues:</b>		
Program revenues		
Charges for services	\$ 107,872	\$ 124,513
General revenues		
Property taxes	274,665	266,712
State revenues	303,598	306,631
Interest income	6,365	6,302
Other income	17,834	2,544
<b>Total revenues</b>	<b><u>710,334</u></b>	<b><u>706,702</u></b>
<b>Expenses</b>		
General government	370,866	202,507
Public works	194,849	230,990
Refuse	99,013	97,018
Cemetery	26,765	27,939
Recreation	23,418	27,635
<b>Total expenses</b>	<b><u>714,911</u></b>	<b><u>586,089</u></b>
<b>Changes in net position</b>	<b>(4,577)</b>	<b>120,613</b>
<b>Beginning net position</b>	<b><u>2,165,624</u></b>	<b><u>2,045,011</u></b>
<b>Ending net position</b>	<b><u>\$ 2,161,047</u></b>	<b><u>\$ 2,165,624</u></b>

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

The Township acquired only one capital asset during the year ended March 31, 2021. This was a tabulator that cost the Township \$2,723, with the other half being paid for with a grant. No assets were disposed of.

The parcel of land with a house on it, owned by the Township, was broken out into separate accounting of land and the house. The land was valued at \$75,000 and the house was valued at \$242,507. The house was placed in service as a rental property in 2005 and depreciation for the portion of the value allocated to the house was added to the statement of net position.

The governmental funds issued no debt during the year and has no outstanding debt.

### **Economic Conditions and Future Activities**

Possible future decreases in state revenue sharing could have a substantial effect on operations for subsequent periods. State shared revenues represent a significant portion of the governmental fund revenues.

The COVID-19 pandemic impacted many sectors of the economy, with a decline of growth and an increase in the unemployment rate.

While the duration and long-term impact of COVID-19 remains unclear, the Township has taken successful measures to continue operations with few interruptions. Overall, the Township's financial position remains strong and healthy.

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

This report is designed to provide a general overview of the Township's financial position and to comply with finance-related regulations. If you have any further questions about this report or require additional information, please contact Cohoctah Township at 10518 Antcliff Road, Fowlerville, Michigan 48836.

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

COHOCTAH TOWNSHIP

STATEMENT OF NET POSITION  
MARCH 31, 2021

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,454,717
Taxes receivable	17,193
State shared revenues receivable	49,906
Due from others	964
Capital assets	
Non-depreciable	365,093
Depreciable, net of accumulated depreciation	<u>295,539</u>
<b>Total assets</b>	<u>2,183,412</u>
 <b>LIABILITIES</b>	
Accounts payable	<u>22,365</u>
 <b>NET POSITION</b>	
Invested in capital assets, net of related debt	660,632
Restricted	171,481
Unrestricted	<u>1,328,934</u>
<b>Total net position</b>	<u><u>\$ 2,161,047</u></u>

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

**COHOCTAH TOWNSHIP**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2021**

<b><u>Functions/Programs</u></b>	<b><u>Expenses</u></b>	<b><u>Program Revenues Charges for Services</u></b>	<b><u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u></b>
Governmental activities:			
General government	\$ (370,866)	\$ 21,215	\$ (349,651)
Public works	(194,849)		(194,849)
Refuse	(99,013)	75,618	(23,395)
Cemetery	(26,765)	11,039	(15,726)
Recreation	(23,418)		(23,418)
<b>Total governmental activities</b>	<b><u>\$ (714,911)</u></b>	<b><u>\$ 107,872</u></b>	<b><u>(607,039)</u></b>
<b>General Revenues:</b>			
			274,665
Property taxes			11,451
Licenses and permits			303,598
State revenues			6,365
Interest income			3,661
Other income			2,722
Donated assets			<u>2,722</u>
<b>Total general revenues</b>			<b><u>602,462</u></b>
<b>Changes in net position</b>			<b>(4,577)</b>
<b>Net position, April 1, 2020</b>			<b><u>2,165,624</u></b>
<b>Net position, March 31, 2021</b>			<b><u>\$ 2,161,047</u></b>

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

## **FUND FINANCIAL STATEMENTS**

**COHOCTAH TOWNSHIP**

**BALANCE SHEET  
GOVERNMENTAL FUND  
MARCH 31, 2021**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,304,324	\$ 150,393	\$ 1,454,717
Receivables:			
Taxes	5,884	11,309	17,193
State shared revenues	49,906		49,906
Due from others	330	633	963
Due from other funds	<u>507</u>	<u>9,652</u>	<u>10,159</u>
 <b>Total assets</b>	 <u><u>\$ 1,360,951</u></u>	 <u><u>\$ 171,987</u></u>	 <u><u>\$ 1,532,938</u></u>
 <b>LIABILITIES</b>			
Accounts payable	\$ 22,365	\$	\$ 22,365
Due to other funds	<u>9,652</u>	<u>506</u>	<u>10,158</u>
 <b>Total liabilities</b>	 <u>32,017</u>	 <u>506</u>	 <u>32,523</u>
 <b>FUND BALANCES</b>			
Restricted for:			
Roads		171,481	171,481
Committed for:			
Capital improvement	219,954		219,954
Unassigned	<u>1,108,980</u>		<u>1,108,980</u>
 <b>Total fund balances</b>	 <u>1,328,934</u>	 <u>171,481</u>	 <u>1,500,415</u>
 <b>Total liabilities and fund balances</b>	 <u><u>\$ 1,360,951</u></u>	 <u><u>\$ 171,987</u></u>	 <u><u>\$ 1,532,938</u></u>

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



**COHOCTAH TOWNSHIP**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
MARCH 31, 2021**

**Total fund balance per balance sheet** \$ 1,500,415

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 therefore, are not reported in the  
governmental funds:

Historical costs	\$ 893,321	
Accumulated depreciation	<u>(232,689)</u>	
Capital assets, net of depreciation		<u>660,632</u>
<b>Net position of governmental activities</b>		<b><u><u>\$ 2,161,047</u></u></b>

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

**COHOCTAH TOWNSHIP**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED MARCH 31, 2021**

	<b>General Fund</b>	<b>Road Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Taxes	\$ 93,920	\$ 180,745	\$ 274,665
Licenses and permits	11,451		11,451
State revenues	301,635	1,963	303,598
Charges for services	107,872		107,872
Interest	6,288	77	6,365
Miscellaneous	3,661		3,661
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	<b>524,827</b>	<b>182,785</b>	<b>707,612</b>
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current			
General government	227,531		227,531
Public works	22,425	172,424	194,849
Refuse	99,013		99,013
Cemetery	26,765		26,765
Recreation	23,418		23,418
Capital outlay			
General government	2,723		2,723
	<hr/>	<hr/>	<hr/>
<b>Total expenditures</b>	<b>401,875</b>	<b>172,424</b>	<b>574,299</b>
	<hr/>	<hr/>	<hr/>
<b>Excess of revenues over (under) expenditures</b>	<b>122,952</b>	<b>10,361</b>	<b>133,313</b>
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in		15,000	15,000
Transfer (out)	(15,000)		(15,000)
	<hr/>	<hr/>	<hr/>
<b>Total other financing sources (uses)</b>	<b>(15,000)</b>	<b>15,000</b>	
	<hr/>	<hr/>	<hr/>
<b>Net change in fund balance</b>	<b>107,952</b>	<b>25,361</b>	<b>133,313</b>
<b>FUND BALANCE, APRIL 1, 2020</b>	<b>1,220,982</b>	<b>146,120</b>	<b>1,367,102</b>
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, MARCH 31, 2021</b>	<b>\$ 1,328,934</b>	<b>\$ 171,481</b>	<b>\$ 1,500,415</b>
	<hr/>	<hr/>	<hr/>

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

**COHOCTAH TOWNSHIP**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2021**

<b>Net change in fund balance - governmental fund</b>	<b>\$ 133,313</b>
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Amounts reported for governmental activities in the  
Statement of Activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the Statement of Activities the cost of those assets  
are allocated over their useful lives as depreciation expense.

The amount by which capital outlay exceeded depreciation  
is as follows:

Capital outlay	\$	2,723	
Donated capital assets		2,722	
Depreciation expense		<u>(143,335)</u>	
Total			<u>(137,890)</u>

<b>Change in net position of governmental activities</b>	<b>\$ <u>(4,577)</u></b>
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The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUND  
MARCH 31, 2021

	<u>Current Tax Fund</u>
<b>ASSETS</b>	
Cash	<u>\$ 5,780</u>
<b>LIABILITIES</b>	
Due to others	\$ 5,779
Due to other funds	<u>1</u>
<b>Total liabilities</b>	<u>\$ 5,780</u>

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

## **NOTES TO FINANCIAL STATEMENTS**

## COHOCTAH TOWNSHIP

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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

The accounting policies of Cohoctah Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

##### **A. BASIC FINANCIAL STATEMENTS**

In accordance with GASB Standards, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Position reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net position, with the assets and liabilities shown in order of their relative liquidity. Net positions are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net position not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expense between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

**COHOCTAH TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**

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

The Township reports the following major governmental funds:

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

The Road Fund is for the Township road improvement. It collects taxes for a special approved mileage and expenses for approved road improvements.

**B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

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

**C. BUDGETARY DATA**

The Township's original budget was adopted prior to April 1, 2020. A budget was adopted for the General Fund and Road Fund as required. Amendments made during the fiscal year are reflected in the budget column.

The Township adopts its budget by functional activity which is the level of classification detail at which expenditures may not legally exceed appropriations. Expenditures did not exceed budgeted appropriations.

**D. PROPERTY TAX REVENUE RECOGNITION**

The Township property tax is levied each December 1 on the taxable value of property located in the Township as of the preceding December 31. Assessed values are established annually by the County and are equalized by the State at an estimated 50 percent of current market value. Real and personal property in the Township for the 2020 levy was assessed and equalized at \$124,157,462. Taxes are due and payable by February 28. Delinquent real property taxes are returned to the County Treasurer for collection. Information related to the 2020 tax levy is as follows:

	<b><u>Millage Rate</u></b>
Township operations	0.7520
Roads	<u>1.4452</u>
<b>Total Township millage</b>	<b><u>2.1972</u></b>

**E. CAPITAL ASSETS**

Under GASB standards, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

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

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

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.



## COHOCTAH TOWNSHIP

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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

##### **F. MANAGEMENT ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### **G. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

##### **H. CASH AND CASH EQUIVALENTS**

The Township considers its deposits and restricted deposits and investments held with maturities of three months or less are considered to be cash equivalents.

##### **I. DATE OF MANAGEMENT'S REVIEW**

Subsequent events have been evaluated through September 9, 2021, which is the date the financial statements were available to be issued.

##### **J. FUND EQUITY**

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

- *Nonspendable:* 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 Township Board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Township Board.
- *Assigned:* Intent to spend resources on specific purposes expressed by the Township Board; or Supervisor, Clerk, and Treasurer; who are authorized by policy approved by the Township Board to make assignments.
- *Unassigned:* Amounts that do not fall into any other aforementioned category. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

**COHOCTAH TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**

**NOTE 2 - FINANCIAL REPORTING ENTITY**

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) standards, certain other governmental organizations are not considered to be part of the reporting entity for financial statement purposes.

The criteria established by GASB standards for various governmental organizations to be included in the reporting entity's financial statements include accountability, control, and significant financial relationships.

The accompanying financial statements of Cohoctah Township as of March 31, 2021, include any and all boards, agencies, funds and account groups under the jurisdiction of the Cohoctah Township Board.

**NOTE 3 - INTERFUND BALANCES**

Interfund balances between individual funds of the Township, as reported in the fund financial statements, as of March 31, 2021. Interfund receivables and payables were as follows:

	<b>Interfund Receivable</b>		<b>Interfund Payable</b>	<b>Purpose</b>
General Fund	\$ 506	Road Fund	\$ 506	Repay expenses
General Fund	1	Current Tax Collection Fund	1	Reimbursement
Road Fund	<u>9,652</u>	General Fund	<u>9,652</u>	Repay personal property tax
<b>Total</b>	<u><u>\$ 10,159</u></u>		<u><u>\$ 10,159</u></u>	

Interfund transfers were as follows:

<b>Transfer into</b>	<b>Transfer out from</b>	<b>Amount</b>	<b>Purpose</b>
Road Fund	General Fund	<u><u>\$ 15,000</u></u>	Fund road improvements

**COHOCTAH TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the governmental funds for the year ended March 31, 2021 was as follows:

	<u>Balance 4/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Eliminations</u>	<u>Balance 3/31/2021</u>
<b><u>Governmental Funds</u></b>					
<b>Capital assets not being depreciated</b>					
Land	\$ 607,600	\$	\$	\$ (242,507)	\$ 365,093
<b>Other capital assets:</b>					
Building and improvements	259,031			242,507	501,538
Equipment	21,245	5,445			26,690
<b>Total other capital assets at historical cost</b>	<u>280,276</u>	<u>5,445</u>		<u>242,507</u>	<u>528,228</u>
<b>Less accumulated depreciation for:</b>					
Buildings and improvements	(86,713)	(141,206)			(227,919)
Vehicles and equipment	(2,641)	(2,129)			(4,770)
<b>Total accumulated depreciation</b>	<u>(89,354)</u>	<u>(143,335)</u>			<u>(232,689)</u>
<b>Other capital assets, net</b>	<u>190,922</u>	<u>(137,890)</u>		<u>242,507</u>	<u>295,539</u>
<b>Governmental activities capital asset, net</b>	<u>\$ 798,522</u>	<u>\$ (137,890)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 660,632</u>

**Depreciation was charged to functions as follows:**

General government	\$ 139,025
Fire protection	<u>4,310</u>
	<u>\$ 143,335</u>

Depreciation expense is being recorded in the government-wide statement of activities based upon the activity utilizing the assets. The Township uses the straight line method to depreciate capital assets over their estimated useful lives.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

**NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; 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 obligation repurchase agreements; bankers' acceptance of United States banks, commercial paper rated by two standard rating agencies 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 investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township's deposits are in accordance with statutory authority.

The investment policy adopted by the Board has authorized investments in all of the investments mentioned in the preceding paragraph.

As of March 31, 2021, deposits and investments consist of the following:

<b>Deposits</b>	
Checking accounts	\$ 496,930
Savings	405,114
Money Market	30,259
Certificates of deposit	<u>554,507</u>
<b>Total deposits</b>	<u><u>\$ 1,486,810</u></u>

Deposits and investments are presented in the financial statements in the following areas:

<b>Statement of Net Position</b>	
Cash	\$ 1,454,717
<b>Fiduciary Funds</b>	
Cash	<u>5,780</u>
<b>Total cash and investments</b>	<u><u>\$ 1,460,497</u></u>

The carrying amount of cash is stated at \$1,486,810 as of March 31, 2021. The difference between the carrying amounts and amounts mentioned above stem from outstanding checks and an unrecorded deposit.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021

**NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS - continued**

**Deposits - Custodial Credit Risk**

This is the risk that in the event of a bank failure, the Township will be able to recover its deposits. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

As of March 31, 2021, deposits in banks totaled \$1,486,810, which was exposed to custodial credit risks as follows:

Insured by FDIC	\$ 1,090,299
Uninsured and uncollateralized	<u>396,511</u>
	<u>\$ 1,486,810</u>

The Township's investment policy does not address this risk.

**NOTE 6 - AGREEMENT TO LEASE COHOCTAH TOWNSHIP FIRE SUB-STATION**

Cohoctah Township entered into a lease agreement to lease space to the Howell Area Fire Authority in the Cohoctah Township Fire Sub-station. The Authority is responsible for its operating expenses such as utilities, maintenance and repairs and replacements. The Township agreed not to collect the lease this year.

**NOTE 7 - CONTINGENCIES**

The Township is involved in various legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

**NOTE 8 - DEFERRED COMPENSATION PLAN**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the Nationwide Retirement Solutions, Inc.

**NOTE 9 - COVID-19**

In March of 2020, the governor of Michigan took measures to contain the spread of the COVID-19 virus, including travel bans, quarantines, social distancing, and closures of non-essential services. This has triggered significant disruptions to the economy. The Township has taken steps to reduce the negative effect on its financial position by taking cost reduction measures and applying for various grants. The Township continues to carefully monitor the situation.

**COHOCTAH TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**

**NOTE 10 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through September 9, 2021, which is the date the financial statements were available to be issued.

Management has determined the ongoing COVID-19 events mentioned in Note 9 are non-adjusting subsequent events. Accordingly, the financial position and statement of activities as of and for the year ended March 31, 2021 have not been adjusted for their impact. The duration and impact of COVID-19 remains unclear at this time. While the Township is optimistic about continuing operations going forward, it is not possible to reliably estimate the duration and severity of these consequences, nor their impact on the financial position and statement of activities of the Township for future periods.

Management has determined that the Township does not have any other material recognizable or non-recognizable events.

**NOTE 11 - UPCOMING GASB PRONOUNCEMENTS**

***GASB 87 - LEASES***

The Governmental Accounting Standards Board (GASB) issued GASB Standard No. 87, Leases to improve the accounting and financial reporting of leases by governments. This Standard requires the recognition of lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows and outflows of resources based on the payment provisions of the contract. This Standard will require a lessee to recognize a lease liability and right-to-use lease asset and a lessor to recognize a lease receivable and a deferred inflow of resources.

The Township is currently assessing the impact that this Standard will have on the Township's financial statements. The Standard was originally required to be implemented for the statements for the year ended March 31, 2021. However, the Governmental Accounting Standards Board released GASB Standard No. 95, extending the implementation date of this standard by 18 months, requiring the Standard to be implemented for the Township's statements for the year ended March 31, 2023.

***GASB 89 - ACCOUNTING FOR INTEREST COST INCURRED BEFORE THE END OF A CONSTRUCTION PERIOD***

The Governmental Accounting Standards Board (GASB) issued GASB Standard No. 89 to establish accounting requirements for interest costs that are incurred before the end of a construction period. This Statement will require interest costs incurred before the end of a construction period to be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As such, the interest will no longer be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Standard should be applied prospectively.

The Township is currently assessing the impact that this Standard will have on the Township's financial statements. The Standard was originally required to be implemented for the statements for the year ended March 31, 2021. The Governmental Accounting Standards Board released GASB Standard No. 95 extending the implementation date of this Standard by 12 months, requiring the standard to be implemented for the Township's statements for the year ended March 31, 2022.

**COHOCTAH TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2021**

**NOTE 11 - UPCOMING GASB PRONOUNCEMENTS - continued**

***GASB 96 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS***

In May 2020, GASB issued Statement No. 96, Subscription-based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the Standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Township is currently evaluating the impact this standard will have on the financial statements when implemented for the Township's statements for the year ended March 31, 2023.

The Township is assessing the impact that these Standards will have on its financial statements. The Township has considered the impact of Standards No 88, 90, 91, 92, 93 and 94 (implemented by GASB) and does not expect these Standards to have any impact on the Township's financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**COHOCTAH TOWNSHIP**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<b>Budget Amount</b>			<b>Variance with Final Budget Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 100,000	\$ 100,000	\$ 93,920	\$ (6,080)
Licenses and permits	1,800	1,800	11,451	9,651
State revenues	303,000	303,000	301,635	(1,365)
Charges for services	117,600	117,600	107,872	(9,728)
Interest income	3,200	3,200	6,288	3,088
Miscellaneous	10,390	10,390	3,661	(6,729)
<b>Total revenues</b>	<b>535,990</b>	<b>535,990</b>	<b>524,827</b>	<b>(11,163)</b>
<b>EXPENDITURES</b>				
General government	260,400	252,400	230,254	22,146
Public works	19,500	23,500	22,425	1,075
Refuse	95,000	99,000	99,013	(13)
Cemetery	34,100	34,100	26,765	7,335
Recreation	31,900	31,900	23,418	8,482
<b>Total expenditures</b>	<b>440,900</b>	<b>440,900</b>	<b>401,875</b>	<b>39,025</b>
<b>Excess of revenues over (under) expenditures</b>	<b>95,090</b>	<b>95,090</b>	<b>122,952</b>	<b>27,862</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer (out)	(15,000)	(15,000)	(15,000)	
<b>Net change in fund balance</b>	<b>80,090</b>	<b>80,090</b>	<b>107,952</b>	<b>27,862</b>
<b>FUND BALANCE, APRIL 1, 2020</b>	<b>1,220,982</b>	<b>1,220,982</b>	<b>1,220,982</b>	
<b>FUND BALANCE, MARCH 31, 2021</b>	<b>\$ 1,301,072</b>	<b>\$ 1,301,072</b>	<b>\$ 1,328,934</b>	<b>\$ 27,862</b>

**COHOCTAH TOWNSHIP**

**ROAD FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<b>Budget Amount</b>			<b>Variance with Final Budget Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 190,000	\$ 190,000	\$ 180,745	\$ (9,255)
State revenues			1,963	1,963
Interest income	200	200	77	(123)
<b>Total revenues</b>	190,200	190,200	182,785	(7,415)
<b>EXPENDITURES</b>				
Road improvements	290,200	290,200	172,424	117,776
<b>Excess of revenues over (under) expenditures</b>	(100,000)	(100,000)	10,361	110,361
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	15,000	15,000	15,000	
<b>Net change in fund balance</b>	(85,000)	(85,000)	25,361	110,361
<b>FUND BALANCE, APRIL 1, 2020</b>	146,120	146,120	146,120	
<b>FUND BALANCE, MARCH 31, 2021</b>	<u>\$ 61,120</u>	<u>\$ 61,120</u>	<u>\$ 171,481</u>	<u>\$ 110,361</u>

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

COHOCTAH TOWNSHIP

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED MARCH 31, 2021

**NOTE - BUDGETARY INFORMATION**

**Budget Overruns**

The following expenditures exceeded appropriations in one fund:

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance (Unfavorable)</u>
<b>General Fund</b>			
Township board	\$ 47,500	\$ 48,947	\$ (1,447)
Treasurer	31,900	32,795	(895)
Trash pick up	99,000	99,013	(13)
	<u>\$ 178,400</u>	<u>\$ 180,755</u>	<u>\$ (2,355)</u>

## **SUPPLEMENTARY INFORMATION**

## **COMBINING FINANCIAL STATEMENTS**

**COHOCTAH TOWNSHIP**

**COMBINING BALANCE SHEETS  
FUNDS INCLUDED IN GASB 54 CONSOLIDATION  
MARCH 31, 2021**

	<b>General Fund Pre GASB 54 Consolidation</b>	<b>Capital Improvement Fund</b>	<b>Trust and Agency Fund</b>	<b>Eliminations</b>	<b>Total Restated General Fund</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,080,319	\$ 219,954	\$ 4,051	\$	\$ 1,304,324
Receivable					
Taxes	5,884				5,884
State shared revenues	49,906				49,906
Due from others	330				330
Due from other funds	518		105	(116)	507
<b>Total assets</b>	<u>\$ 1,136,957</u>	<u>\$ 219,954</u>	<u>\$ 4,156</u>	<u>\$ (116)</u>	<u>\$ 1,360,951</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 18,220	\$	\$ 4,145	\$	\$ 22,365
Due to other funds	9,757		11	(116)	9,652
<b>Total liabilities</b>	<u>27,977</u>		<u>4,156</u>	<u>(116)</u>	<u>32,017</u>
<b>FUND BALANCE</b>					
Committed					
Capital improvement		219,954			219,954
Unassigned	1,108,980				1,108,980
<b>Total fund balance</b>	<u>1,108,980</u>	<u>219,954</u>			<u>1,328,934</u>
<b>Total liabilities and fund balance</b>	<u>\$ 1,136,957</u>	<u>\$ 219,954</u>	<u>\$ 4,156</u>	<u>\$ (116)</u>	<u>\$ 1,360,951</u>

**COHOCTAH TOWNSHIP**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FUNDS INCLUDED IN GASB 54 CONSOLIDATION  
FOR THE YEAR ENDED MARCH 31, 2021**

	<b>General Fund Pre GASB 54 Consolidation</b>	<b>Capital Improvement Fund</b>	<b>Trust and Agency Fund</b>	<b>Totals Restated General Fund</b>
<b>REVENUES</b>				
Taxes	\$ 93,920	\$	\$	\$ 93,920
License and permits	11,451			11,451
State revenues	301,635			301,635
Charges for services	107,872			107,872
Interest income	4,669	1,619		6,288
Miscellaneous	3,661			3,661
<b>Total revenues</b>	<u>523,208</u>	<u>1,619</u>		<u>524,827</u>
<b>EXPENDITURES</b>				
Current				
General government	227,531			227,531
Public works	22,425			22,425
Refuse	99,013			99,013
Cemetery	26,765			26,765
Recreation	23,418			23,418
Capital outlay:				
General government	2,723			2,723
<b>Total expenditures</b>	<u>401,875</u>			<u>401,875</u>
<b>Excess of revenues over (under) expenditures</b>	121,333	1,619		122,952
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer (out)	(15,000)			(15,000)
<b>Net changes in fund balances</b>	106,333	1,619		107,952
<b>FUND BALANCE, APRIL 1, 2020</b>	<u>1,002,647</u>	<u>218,335</u>		<u>1,220,982</u>
<b>FUND BALANCE, MARCH 31, 2021</b>	<u>\$ 1,108,980</u>	<u>\$ 219,954</u>	<u>\$</u>	<u>\$ 1,328,934</u>



## INDIVIDUAL FUNDS

**GENERAL FUND (PRE GASB 54 RESTATEMENT)**

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
BALANCE SHEET  
MARCH 31, 2021**

**ASSETS**

Cash	\$ 1,080,319
Receivables:	
Taxes	5,884
State shared	49,906
Due from others	330
Due from other funds	<u>518</u>
<b>Total assets</b>	<b><u>\$ 1,136,957</u></b>

**LIABILITIES**

Accounts payable	\$ 18,220
Due to other funds	<u>9,757</u>
<b>Total liabilities</b>	<b>27,977</b>

**FUND BALANCE**

	<u>1,108,980</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 1,136,957</u></b>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Taxes	\$ 100,000	\$ 93,920	\$ (6,080)
Licenses and permits	1,800	11,451	9,651
State revenues	303,000	301,635	(1,365)
Charges for services	117,600	107,872	(9,728)
Interest income	2,000	4,669	2,669
Miscellaneous	10,390	3,661	(6,729)
<b>Total revenues</b>	<u>534,790</u>	<u>523,208</u>	<u>(11,582)</u>
<b>EXPENDITURES</b>			
<b>General government:</b>			
Township board	47,500	48,947	(1,447)
Supervisor	21,000	19,958	1,042
Election	17,000	16,189	811
Attorney	15,000	12,552	2,448
Assessor	39,600	38,567	1,033
Clerk	25,300	23,766	1,534
Board of review	2,100	2,039	61
Treasurer	31,900	32,795	(895)
Buildings and grounds	18,000	16,403	1,597
Planning and zoning	9,700	7,891	1,809
Insurance and bonds	9,200	9,132	68
Contingencies	16,100	2,015	14,085
<b>Public works:</b>			
Drains at large	16,000	15,972	28
Streetlights	7,500	6,453	1,047
<b>Refuse:</b>			
Trash pick up	99,000	99,013	(13)
<b>Cemetery:</b>			
Cemetery	34,100	26,765	7,335
<b>Recreation:</b>			
Recreation	31,900	23,418	8,482
<b>Total expenditures</b>	<u>440,900</u>	<u>401,875</u>	<u>39,025</u>
<b>Excess of revenues over (under) expenditures</b>	93,890	121,333	27,443
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	<u>(15,000)</u>	<u>(15,000)</u>	
<b>Net change in fund balance</b>	78,890	106,333	27,443
<b>FUND BALANCE, APRIL 1, 2020</b>	<u>1,002,647</u>	<u>1,002,647</u>	
<b>FUND BALANCE, MARCH 31, 2021</b>	<u><u>\$ 1,081,537</u></u>	<u><u>\$ 1,108,980</u></u>	<u><u>\$ 27,443</u></u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>TAXES</b>	<u>\$ 100,000</u>	<u>\$ 93,920</u>	<u>\$ (6,080)</u>
<b>LICENSES AND PERMITS</b>	<u>1,800</u>	<u>11,451</u>	<u>9,651</u>
<b>STATE REVENUES</b>			
State shared revenues		295,628	
Local community stabilization		6,007	
<b>Total state revenues</b>	<u>303,000</u>	<u>301,635</u>	<u>(1,365)</u>
<b>CHARGES FOR SERVICES</b>			
Franchise fees		12,642	
Tax collection fees		5,559	
School election reimbursement		2,847	
Burial service and cemetery plots		11,039	
Trash pick up		75,618	
Miscellaneous		167	
<b>Total charges for services</b>	<u>117,600</u>	<u>107,872</u>	<u>(9,728)</u>
<b>INTEREST INCOME</b>	<u>2,000</u>	<u>4,669</u>	<u>2,669</u>
<b>MISCELLANEOUS</b>	<u>10,390</u>	<u>3,661</u>	<u>(6,729)</u>
<b>Total revenues</b>	<u><u>\$ 534,790</u></u>	<u><u>\$ 523,208</u></u>	<u><u>\$ (11,582)</u></u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>GENERAL GOVERNMENT</b>			
<b>Township board</b>			
Trustee wages	\$	\$ 14,100	\$
Supplies		1,003	
Contracted services		26,775	
Telephone		770	
Conferences		398	
Publishing		560	
Payroll expense		5,191	
Dues		150	
<b>Total township board</b>	<u>47,500</u>	<u>48,947</u>	<u>(1,447)</u>
<b>Supervisor</b>	<u>21,000</u>	<u>19,958</u>	<u>1,042</u>
<b>Election</b>			
Wages		5,506	
Supplies		6,178	
Publishing		303	
Repairs and maintenance		499	
Small equipment		3,703	
<b>Total election</b>	<u>17,000</u>	<u>16,189</u>	<u>811</u>
<b>Attorney</b>	<u>15,000</u>	<u>12,552</u>	<u>2,448</u>
<b>Assessor</b>	<u>39,600</u>	<u>38,567</u>	<u>1,033</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Clerk</b>			
Salary		19,958	
Deputy wages		2,218	
Mileage		512	
Supplies		1,078	
<b>Total clerk</b>	<u>25,300</u>	<u>23,766</u>	<u>1,534</u>
<b>Board of review</b>	<u>2,100</u>	<u>2,039</u>	<u>61</u>
<b>Treasurer</b>			
Salary		19,958	
Deputy		2,780	
Mileage		1,544	
Supplies		2,996	
Contracted services		5,517	
<b>Total treasurer</b>	<u>31,900</u>	<u>32,795</u>	<u>(895)</u>
<b>Building and grounds</b>			
Supplies		347	
Telephone		8,525	
Utilities		1,806	
Repairs and maintenance		5,725	
<b>Total buildings and grounds</b>	<u>18,000</u>	<u>16,403</u>	<u>1,597</u>
<b>Planning and zoning</b>			
Wages		7,798	
Supplies		93	
<b>Total planning and zoning</b>	<u>9,700</u>	<u>7,891</u>	<u>1,809</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**GENERAL FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued  
FOR THE YEAR ENDED MARCH 31, 2021**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Insurance and bonds</b>	9,200	9,132	68
<b>Contingencies</b>	16,100	2,015	14,085
<b>TOTAL GENERAL GOVERNMENT</b>	252,400	230,254	22,146
<b>PUBLIC WORKS</b>			
Drains at large	16,000	15,972	28
Streetlights	7,500	6,453	1,047
<b>TOTAL PUBLIC WORKS</b>	23,500	22,425	1,075
<b>REFUSE</b>			
Trash pick up	99,000	99,013	(13)
<b>CEMETERY</b>			
Burials		5,400	
Foundations		3,550	
Wages		3,489	
Supplies		149	
Lawn care and maintenance		14,177	
<b>TOTAL CEMETERY</b>	34,100	26,765	7,335
<b>RECREATION</b>			
Wages		3,730	
Lawn care		8,350	
Recreation - contracted		1,653	
Community promotion		4,616	
Utilities		347	
Park maintenance and improvement		4,722	
<b>TOTAL RECREATION</b>	31,900	23,418	8,482
<b>Total expenditures</b>	<u>\$ 440,900</u>	<u>\$ 401,875</u>	<u>\$ 39,025</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.



**CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)**

**COHOCTAH TOWNSHIP**

**CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)  
BALANCE SHEET  
MARCH 31, 2021**

**ASSETS**

Cash	\$ 219,954
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**FUND BALANCE**

Committed - capital improvement	\$ 219,954
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This supplementary information shows the Capital Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**COHOCTAH TOWNSHIP**

**CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Interest income	\$ 1,200	\$ 1,619	\$ 419
<b>EXPENDITURES</b>			
Net change in fund balance	1,200	1,619	419
<b>FUND BALANCE, APRIL 1, 2020</b>	<u>218,335</u>	<u>218,335</u>	
<b>FUND BALANCE, MARCH 31, 2021</b>	<u>\$ 219,535</u>	<u>\$ 219,954</u>	<u>\$ 419</u>

This supplementary information shows the Capital Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

**ROAD FUND**

**COHOCTAH TOWNSHIP**

**ROAD FUND  
BALANCE SHEET  
MARCH 31, 2021**

**ASSETS**

Cash	\$	150,393
Receivables:		
Taxes		11,309
Due from others		633
Due from other funds		<u>9,652</u>

<b>Total assets</b>	<b>\$</b>	<b><u>171,987</u></b>
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**LIABILITIES**

Due to other funds	\$	506
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<b>FUND BALANCE</b>		<u>171,481</u>
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<b>Total liabilities and fund balance</b>	<b>\$</b>	<b><u>171,987</u></b>
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**COHOCTAH TOWNSHIP**

**ROAD FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>			
Taxes	\$ 190,000	\$ 180,745	\$ (9,255)
State property tax reimbursement		1,963	1,963
Interest income	<u>200</u>	<u>77</u>	<u>(123)</u>
<b>Total revenues</b>	190,200	182,785	(7,415)
<b>EXPENDITURES</b>			
Road improvements	<u>290,200</u>	<u>172,424</u>	<u>117,776</u>
<b>Excess of revenues over (under) expenditures</b>	(100,000)	10,361	110,361
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	<u>15,000</u>	<u>15,000</u>	
<b>Net change in fund balance</b>	(85,000)	25,361	110,361
<b>FUND BALANCE, APRIL 1, 2020</b>	<u>146,120</u>	<u>146,120</u>	
<b>FUND BALANCE, MARCH 31, 2021</b>	<u><u>\$ 61,120</u></u>	<u><u>\$ 171,481</u></u>	<u><u>\$ 110,361</u></u>

**CURRENT TAX COLLECTION FUND**

**COHOCTAH TOWNSHIP**  
**CURRENT TAX COLLECTION FUND**  
**BALANCE SHEET**  
**MARCH 31, 2021**

**ASSETS**

Cash	\$ 5,780
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**LIABILITIES**

Due to others	\$ 5,779
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Due to other funds	<u>1</u>
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<b>Total liabilities</b>	<u><u>\$ 5,780</u></u>
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**TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)**

COHOCTAH TOWNSHIP

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)  
BALANCE SHEET  
MARCH 31, 2021

**ASSETS**

Cash	\$	4,051
Due from other funds		<u>105</u>
<b>Total assets</b>	<b>\$</b>	<b><u>4,156</u></b>

**LIABILITIES**

Due to others	\$	4,145
Due to other funds		<u>11</u>
<b>Total liabilities</b>	<b>\$</b>	<b><u>4,156</u></b>

This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.