

# **Village of New Haven**

## **Financial Statements**

**March 31, 2025**



# **YEO & YEO**

**BUSINESS SUCCESS  
PARTNERS**

## Table of Contents

Section	Page
1 <b>Independent Auditors' Report</b>	1 – 1
2 <b>Management's Discussion and Analysis</b>	2 – 1
3 <b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position	3 – 1
Statement of Activities	3 – 2
Fund Financial Statements	
Governmental Funds	
Balance Sheet	3 – 3
Reconciliation of Fund Balances of Governmental Funds to Net Position of Governmental Activities	3 – 4
Statement of Revenues, Expenditures and Changes in Fund Balances	3 – 5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	3 – 6
Proprietary Funds	
Statement of Net Position	3 – 7
Statement of Revenues, Expenses and Changes in Fund Net Position	3 – 8
Statement of Cash Flows	3 – 9
Notes to the Financial Statements	3 – 10
4 <b>Required Supplementary Information</b>	
Budgetary Comparison Schedules	
General Fund	4 – 1
Major Street Fund	4 – 2
Local Street Fund	4 – 3
Highway Fund	4 – 4
Fire Fund	4 – 5
Other Postemployment Benefits	
Schedule of Changes in Total OPEB Liability and Related Ratios	4 – 6
Schedule of Employer Contributions	4 – 7
Notes to the Required Supplementary Information	4 – 8
5 <b>Other Supplementary Information</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet	5 – 1
Combining Statement of Revenue, Expenditures and Changes in Fund Balance	5 – 2

Nonmajor Propriety Funds

Combining Statement of Net Position	5 – 3
Combining Statement of Revenue, Expenditures and Changes in Fund Balance	5 – 4
Combining Statement of Cash Flows	5 – 5

6 **Other Reports**

Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> – Independent Auditors' Report	6 – 1
---	-------

## **Independent Auditors' Report**

Management and the Village Council  
Village of New Haven  
New Haven, Michigan

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of New Haven (the Village), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of March 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Adoption of New Accounting Standard**

As discussed in Note 1 to the financial statements, during the year ended March 31, 2025, the Village adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

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

## Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

## Required Supplementary Information

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

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 by us. In our opinion, based on our audit, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Yeo & Yeo, P.C.*

Troy, Michigan  
August 5, 2025

**Village of New Haven  
Management's Discussion and Analysis  
Year Ended March 31, 2025**

---

Our discussion and analysis of the Village of New Haven's (the Village) financial performance provides an overview of the Village's financial activities for the fiscal year ended March 31, 2025. Please read it in conjunction with the Village's financial statements.

**Financial Highlights**

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended March 31, 2025.

Total net position related to the Village's governmental activities is \$12,212,766. The unrestricted portions of net position are \$2,628,245.

Tax revenues, the Village's largest revenue source, increased approximately \$243,195 from prior year due to increases in taxable values.

**Using this Annual Report**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing governmental services.

The fund financial statements present a short-term view; they tell us how the taxpayer's resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide financial statements by providing information about the Village's most significant funds.

**Village of New Haven**  
**Management's Discussion and Analysis**  
**Year Ended March 31, 2025**

**The Village as a Whole**

The following table shows, in a condensed format, the statement of net position as of March 31, 2025 and 2024.

	Governmental Activities 2025	Governmental Activities 2024	Business-type Activities 2025	Business-type Activities 2024	Total 2025	Total 2024
Current assets	\$ 5,558,051	\$ 5,349,613	\$ 2,382,735	\$ 2,188,115	\$ 7,940,786	\$ 7,537,728
Restricted assets	-	-	305,839	291,530	305,839	291,530
Capital assets	7,521,475	7,263,859	12,640,485	13,025,773	20,161,960	20,289,632
Deferred outflows	-	-	31,317	34,797	31,317	34,797
Total assets	<u>13,079,526</u>	<u>12,613,472</u>	<u>15,360,376</u>	<u>15,540,215</u>	<u>28,439,902</u>	<u>28,153,687</u>
Current liabilities	104,855	195,849	185,265	185,067	290,120	380,916
Noncurrent liabilities	761,905	783,576	6,372,371	7,010,572	7,134,276	7,794,148
Deferred inflows	-	-	38,310	44,251	38,310	44,251
Total liabilities	<u>866,760</u>	<u>979,425</u>	<u>6,595,946</u>	<u>7,239,890</u>	<u>7,462,706</u>	<u>8,219,315</u>
Total net position	<u>\$ 12,212,766</u>	<u>\$ 11,634,047</u>	<u>\$ 8,764,430</u>	<u>\$ 8,300,325</u>	<u>\$ 20,977,196</u>	<u>\$ 19,934,372</u>

The Village's net position for governmental activities is \$12,212,766 and \$8,764,430 for business-type activities; of these amounts \$2,628,245 (governmental) and \$2,211,779 (business-type) are unrestricted assets.

	Governmental Activities 2025	Governmental Activities 2024	Business-type Activities 2025	Business-type Activities 2024	Total 2025	Total 2024
<b>Revenue</b>						
Program revenue						
Charges for services	\$ 284,310	\$ 283,163	\$ 3,056,550	\$ 3,025,661	\$ 3,340,860	\$ 3,308,824
Operating grants and contributions	729,802	1,220,865	-	-	729,802	1,220,865
General revenue:						
Property taxes	2,289,651	2,046,456	-	-	2,289,651	2,046,456
State-shared revenue	756,020	756,431	-	-	756,020	756,431
Unrestricted investment earnings	179,974	101,323	61,917	44,430	241,891	145,753
Gain on sale of capital assets	-	2,656	-	-	-	2,656
Miscellaneous revenue	12,298	6,028	3,802	3,594	16,100	9,622
Total revenue	<u>4,252,055</u>	<u>4,416,922</u>	<u>3,122,269</u>	<u>3,073,685</u>	<u>7,374,324</u>	<u>7,490,607</u>
<b>Program expenses</b>						
General government	840,763	804,754	-	-	840,763	804,754
Public safety	1,568,238	1,483,732	-	-	1,568,238	1,483,732
Public works	941,607	1,022,767	-	-	941,607	1,022,767
Community and economic development	7,900	7,900	-	-	7,900	7,900
Recreation and culture	277,980	227,763	-	-	277,980	227,763
Interest on long-term debt	15,855	3,878	-	-	15,855	3,878
Water, Sewer, Building & Trash	-	-	2,658,164	2,594,590	2,658,164	2,594,590
Total program expenses	<u>3,652,343</u>	<u>3,550,794</u>	<u>2,658,164</u>	<u>2,594,590</u>	<u>6,310,507</u>	<u>6,145,384</u>
<b>Change in net position</b>	<u>\$ 599,712</u>	<u>\$ 866,128</u>	<u>\$ 464,105</u>	<u>\$ 479,095</u>	<u>\$ 1,063,817</u>	<u>\$ 1,345,223</u>



**Village of New Haven  
Management's Discussion and Analysis  
Year Ended March 31, 2025**

---

**Governmental Activities**

The Village's total governmental activity revenues decreased compared to the prior year, which is attributed primarily to the Village receiving less operating grants and contributions.

**Business-Type Activities**

The Village of New Haven's business-type activities consist of Water Fund, Sewer Fund, Building Fund, and Garbage Fund. The Water and Sewer Funds are major funds.

The Village provides treated water to the Village residents. Water is purchased from the Great Lakes Water Authority. The Village has a revenue bond for recent system wide improvements.

The Village also provides municipal sanitary sewer to its residents. Revenue bonds and general obligation bonds have financed system wide improvements.

**Village of New Haven Funds**

The fund financial statements provide detailed information about the most significant funds, not the Village as a whole. The Village Council creates funds to help manage money for specific purposes as well as show accountability for certain activities, such as State of Michigan Act 51, and Major and Local Street funds for 2025. The Village's major governmental funds are the General Fund, Major Street Fund, Local Street Fund, Highway Fund, and Fire Fund.

**a) General Fund**

Functions relating to the general governmental activities of the Village, which are financed by property tax levies, by distribution of State revenues, and from fees charged for various municipal activities and services are recorded in the General Fund. The Village increased the fund balance from \$2,380,162 to \$2,799,307 at year end.

**b) Major Street Fund**

This fund is used to account for the maintenance and improvement activities for streets designated as "major" within the Village. The Village decreased the fund balance from \$1,375,266 to \$1,257,690 at year end.

**c) Local Street Fund**

This fund is used to account for the maintenance and improvement activities for streets designated as "local" within the Village. The Village decreased the fund balance from \$340,913 to \$112,252 at year end.

**d) Highway Fund**

This fund is used to account for property tax revenue collected to maintain roads and highways. The Village increased the fund balance from \$483,095 to \$665,919 at year end.

**Village of New Haven  
Management's Discussion and Analysis  
Year Ended March 31, 2025**

---

**e) Fire Fund**

This fund is used to account for the special assessments levied on all real property of the Village collected to operate the Village fire department. The Village increased the fund balance from \$185,030 to \$210,559 at year end.

**General Fund Budgetary Highlights**

Over the course of the year, the Village Council and Village administration monitor and amend the budget to account for unanticipated events during the year. Prudent budgeting and continued monitoring of all expenditures reduced the effect of these issues.

**Capital Asset and Debt Administration**

At the end of 2025 the Village has acquired a wide range of capital assets and right to use assets, including land, buildings, equipment, vehicles, land improvements, infrastructure, and water and sewer lines \$43,119,153. The net book value of the capital and right to use assets, net of accumulated depreciation and amortization contained in this report, is \$20,161,960 at the end of 2025.

Debt reported in these financial statements is related to the construction of the above-mentioned infrastructure assets and buildings and is reported as a liability on the statement of net position.

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

The Village needs to continue to monitor its budget very closely. The state-wide Tax Reform Act limits growth in taxable value on any individual property to the lesser of inflation or 5 percent. Because some properties increase by less than inflation, the mathematical result of this is that the total taxable value for the Village will grow less than inflation, before considering new property additions. The Village currently has several residential communities in the development stages that could add additional growth that could increase the taxable value more than inflation. State revenue-sharing payments increased slightly from the previous year. The Village expects similar revenue-sharing payments next year. The Village also expects a slight increase in property tax revenue next year. These factors, coupled with anticipated rising costs, remind the Village Council of the importance of the budget process.

To encourage additional growth the Village has taken advantage of all grant opportunities available. While a financial match is often required of the Village for grant funded projects, the Village has taken a fiscally responsible approach of ensuring adequate funds are available for such projects. In addition, the Village has continued to view economic development as a primary focus. While economic concerns are often left behind in difficult financial times, the Village has taken the approach that without ensuring a solid future tax base the tough times will only continue to exist.

**Contacting the Village of New Haven's Management**

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have any questions about this report or need additional information, we welcome you to contact the Village at (586) 749-5301.

**Village of New Haven**  
**Statement of Net Position**  
**March 31, 2025**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 5,269,117	\$ 2,030,242	\$ 7,299,359
Receivables			
Accounts	43,613	352,493	396,106
Due from other units of government	241,496	-	241,496
Prepaid items	3,825	-	3,825
Restricted assets			
Cash and cash equivalents	-	250,804	250,804
Due from other governments	-	55,035	55,035
Capital assets not being depreciated	1,066,046	-	1,066,046
Capital assets, net of accumulated depreciation	<u>6,455,429</u>	<u>12,640,485</u>	<u>19,095,914</u>
 Total assets	 <u>13,079,526</u>	 <u>15,329,059</u>	 <u>28,408,585</u>
 <b>Deferred outflows of resources</b>			
Bond refundings	<u>-</u>	<u>31,317</u>	<u>31,317</u>
 <b>Liabilities</b>			
Accounts payable	63,884	117,284	181,168
Payroll and other liabilities	39,999	67,981	107,980
Interest payable	972	-	972
Noncurrent liabilities			
Debt due within one year	215,207	660,154	875,361
Debt due in more than one year	447,640	5,712,217	6,159,857
Total OPEB liability	<u>99,058</u>	<u>-</u>	<u>99,058</u>
Total liabilities	<u>866,760</u>	<u>6,557,636</u>	<u>7,424,396</u>
 <b>Deferred inflows of resources</b>			
Bond refundings	<u>-</u>	<u>38,310</u>	<u>38,310</u>
 <b>Net position</b>			
Net investment in capital assets	6,929,660	6,261,121	13,190,781
Restricted for			
Major streets	1,257,690	-	1,257,690
Local streets	112,252	-	112,252
Highways	665,919	-	665,919
Fire protection	210,559	-	210,559
Cemetery	318,036	-	318,036
Drug law enforcement	14,295	-	14,295
Perpetual care			
Nonexpendable	61,109	-	61,109
Expendable	15,001	-	15,001
Debt service	-	239,629	239,629
Capital improvements	-	51,901	51,901
Unrestricted	<u>2,628,245</u>	<u>2,211,779</u>	<u>4,840,024</u>
 Total net position	 <u>\$ 12,212,766</u>	 <u>\$ 8,764,430</u>	 <u>\$ 20,977,196</u>

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Statement of Activities**  
**For the Year Ended March 31, 2025**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/programs	Expenses						
Governmental activities							
General government	\$ 840,763	\$ 232,535	\$ 34,289	\$ -	\$ (573,939)	\$ -	\$ (573,939)
Public safety	1,568,238	46,310	-	-	(1,521,928)	-	(1,521,928)
Public works	941,607	5,465	695,513	-	(240,629)	-	(240,629)
Community and economic development	7,900	-	-	-	(7,900)	-	(7,900)
Recreation and culture	277,980	-	-	-	(277,980)	-	(277,980)
Interest on long-term debt	15,855	-	-	-	(15,855)	-	(15,855)
Total governmental activities	3,652,343	284,310	729,802	-	(2,638,231)	-	(2,638,231)
Business-type activities							
Building Department	155,562	94,830	-	-	-	(60,732)	(60,732)
Sewer	1,043,067	1,068,016	-	-	-	24,949	24,949
Water & Sewer	1,166,317	1,573,125	-	-	-	406,808	406,808
Rubbish Collection	293,218	320,579	-	-	-	27,361	27,361
Total business-type activities	2,658,164	3,056,550	-	-	-	398,386	398,386
Total	\$ 6,310,507	\$ 3,340,860	\$ 729,802	\$ -	(2,638,231)	398,386	(2,239,845)
General revenues							
Property taxes					2,289,651	-	2,289,651
Unrestricted state-shared revenue					756,020	-	756,020
Unrestricted investment earnings					179,974	61,917	241,891
Miscellaneous					12,298	3,802	16,100
Total general revenues					3,237,943	65,719	3,303,662
Change in net position					599,712	464,105	1,063,817
Net position - beginning of year, as previously reported					11,634,047	8,300,325	19,934,372
Adjustments					(20,993)	-	(20,993)
Net position - beginning of year, as adjusted					11,613,054	8,300,325	19,913,379
Net position - end of year					\$ 12,212,766	\$ 8,764,430	\$ 20,977,196

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Governmental Funds**  
**Balance Sheet**  
**March 31, 2025**

	Special Revenue Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	Major Streets	Local Streets	Highway	Fire		
<b>Assets</b>							
Cash and cash equivalents	\$ 2,643,817	\$ 1,223,896	\$ 84,470	\$ 670,652	\$ 237,798	\$ 408,484	\$ 5,269,117
Receivables							
Accounts	41,513	-	-	-	2,100	-	43,613
Due from other units of government	124,058	84,057	33,381	-	-	-	241,496
Prepaid items	<u>3,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,825</u>
Total assets	<u>\$ 2,813,213</u>	<u>\$ 1,307,953</u>	<u>\$ 117,851</u>	<u>\$ 670,652</u>	<u>\$ 239,898</u>	<u>\$ 408,484</u>	<u>\$ 5,558,051</u>
<b>Liabilities</b>							
Accounts payable	\$ 4,195	\$ 47,338	\$ 1,964	\$ 4,733	\$ 5,611	\$ 43	\$ 63,884
Payroll and other liabilities	<u>9,711</u>	<u>2,925</u>	<u>3,635</u>	<u>-</u>	<u>23,728</u>	<u>-</u>	<u>39,999</u>
Total liabilities	<u>13,906</u>	<u>50,263</u>	<u>5,599</u>	<u>4,733</u>	<u>29,339</u>	<u>43</u>	<u>103,883</u>
<b>Fund balances</b>							
Non-spendable							
Prepaid items	3,825	-	-	-	-	-	3,825
Restricted for							
Major streets	-	1,257,690	-	-	-	-	1,257,690
Local streets	-	-	112,252	-	-	-	112,252
Highway	-	-	-	665,919	-	-	665,919
Fire protection	-	-	-	-	210,559	-	210,559
Cemetery	-	-	-	-	-	318,036	318,036
Drug law enforcement	-	-	-	-	-	14,295	14,295
Perpetual care							
Expendable	-	-	-	-	-	15,001	15,001
Nonexpendable	-	-	-	-	-	61,109	61,109
Unassigned	<u>2,795,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,795,482</u>
Total fund balances	<u>2,799,307</u>	<u>1,257,690</u>	<u>112,252</u>	<u>665,919</u>	<u>210,559</u>	<u>408,441</u>	<u>5,454,168</u>
Total liabilities and fund balances	<u>\$ 2,813,213</u>	<u>\$ 1,307,953</u>	<u>\$ 117,851</u>	<u>\$ 670,652</u>	<u>\$ 239,898</u>	<u>\$ 408,484</u>	<u>\$ 5,558,051</u>

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Governmental Funds**  
**Reconciliation of Fund Balances of Governmental Funds**  
**to Net Position of Governmental Activities**  
**March 31, 2025**

---

<b>Total fund balances for governmental funds</b>	\$ 5,454,168
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	1,066,046
Capital assets, net of accumulated depreciation	6,455,429
Accrued interest	(972)
Compensated absences	(71,032)
Bonds, notes, premiums and discounts	(56,196)
Lease liabilities	(535,619)
Total OPEB liability	<u>(99,058)</u>
<b>Net position of governmental activities</b>	<u><u>\$ 12,212,766</u></u>

**Village of New Haven**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended March 31, 2025**

	Special Revenue Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	Major Street	Local Street	Highway	Fire		
<b>Revenues</b>							
Taxes	\$ 1,477,311	\$ -	\$ -	\$ 294,655	\$ 451,992	\$ 65,693	\$ 2,289,651
Licenses and permits	43,437	-	-	-	-	-	43,437
State grants	758,767	493,614	196,014	-	-	-	1,448,395
Local contributions	7,045	-	-	-	-	-	7,045
Charges for services	31,542	-	-	-	-	16,370	47,912
Fines and forfeitures	23,507	-	-	-	-	-	23,507
Rental income	180,143	-	-	-	-	-	180,143
Investment income	86,117	48,754	12,766	18,149	4,392	9,796	179,974
Other revenue	9,188	-	-	-	22,803	-	31,991
Total revenues	<u>2,617,057</u>	<u>542,368</u>	<u>208,780</u>	<u>312,804</u>	<u>479,187</u>	<u>91,859</u>	<u>4,252,055</u>
<b>Expenditures</b>							
Current							
General government	612,878	-	-	-	-	66,862	679,740
Public safety	1,094,036	-	-	-	396,000	-	1,490,036
Public works	-	240,030	211,696	57,203	-	-	508,929
Community and economic development	7,900	-	-	-	-	-	7,900
Recreation and culture	269,121	-	-	-	-	-	269,121
Capital outlay	107,777	17,910	623,741	67,977	17,603	5,480	840,488
Debt service							
Principal retirement	94,217	1,778	1,778	4,258	36,756	1,767	140,554
Interest and fiscal charges	11,983	226	226	542	3,299	225	16,501
Total expenditures	<u>2,197,912</u>	<u>259,944</u>	<u>837,441</u>	<u>129,980</u>	<u>453,658</u>	<u>74,334</u>	<u>3,953,269</u>
Excess (deficiency) of revenues over expenditures	<u>419,145</u>	<u>282,424</u>	<u>(628,661)</u>	<u>182,824</u>	<u>25,529</u>	<u>17,525</u>	<u>298,786</u>
<b>Other financing sources (uses)</b>							
Transfers in	-	-	400,000	-	-	-	400,000
Transfers out	-	(400,000)	-	-	-	-	(400,000)
Total other financing sources (uses)	<u>-</u>	<u>(400,000)</u>	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	419,145	(117,576)	(228,661)	182,824	25,529	17,525	298,786
Fund balances - beginning of year	<u>2,380,162</u>	<u>1,375,266</u>	<u>340,913</u>	<u>483,095</u>	<u>185,030</u>	<u>390,916</u>	<u>5,155,382</u>
Fund balances - end of year	<u>\$ 2,799,307</u>	<u>\$ 1,257,690</u>	<u>\$ 112,252</u>	<u>\$ 665,919</u>	<u>\$ 210,559</u>	<u>\$ 408,441</u>	<u>\$ 5,454,168</u>

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Governmental Funds**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended March 31, 2025**

---

<b>Net change in fund balances - total governmental funds</b>	\$ 298,786
---	------------

Total change in net position reported for governmental activities in the statement of activities is different because:

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

Depreciation and amortization expense	(577,756)
Capital outlay	835,372

Expenses are recorded when incurred in the statement of activities.

Accrued interest	646
Compensated absences	1,168

The statement of net position reports the total OPEB liability and deferred outflows of resources and deferred inflows related to the total OPEB liability and pension expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.

Net change in the total OPEB liability	(99,058)
--	----------

Long-term liabilities and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.

Repayments of long-term debt	<u>140,554</u>
------------------------------	----------------

<b>Change in net position of governmental activities</b>	<u><u>\$ 599,712</u></u>
--	--------------------------



**Village of New Haven**  
**Proprietary Funds**  
**Statement of Net Position**  
**March 31, 2025**

	Water	Sewer	Nonmajor Enterprise Funds	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 931,985	\$ 742,121	\$ 356,136	\$ 2,030,242
Receivables				
Accounts	117,991	185,716	48,786	352,493
Total current assets	1,049,976	927,837	404,922	2,382,735
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	250,804	-	-	250,804
Due from other governments	-	55,035	-	55,035
Capital assets, net of accumulated depreciation	4,698,917	7,913,126	28,442	12,640,485
Total noncurrent assets	4,949,721	7,968,161	28,442	12,946,324
Total assets	5,999,697	8,895,998	433,364	15,329,059
<b>Deferred outflows of resources</b>				
Bond refundings	-	31,317	-	31,317
<b>Liabilities</b>				
Current liabilities				
Accounts payable	46,575	54,566	16,143	117,284
Payroll and other liabilities	4,260	1,683	62,038	67,981
Current portion of long-term liabilities	180,000	474,831	5,323	660,154
Total current liabilities	230,835	531,080	83,504	845,419
Noncurrent liabilities				
Long-term liabilities	889,649	4,800,423	22,145	5,712,217
Total liabilities	1,120,484	5,331,503	105,649	6,557,636
<b>Deferred inflows of resources</b>				
Bond refundings	-	38,310	-	38,310
<b>Net position</b>				
Net investment in capital assets	3,629,268	2,630,879	974	6,261,121
Restricted for				
Debt service	239,629	-	-	239,629
Capital improvements	-	51,901	-	51,901
Unrestricted	1,010,316	874,722	326,741	2,211,779
Total net position	\$ 4,879,213	\$ 3,557,502	\$ 327,715	\$ 8,764,430

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended March 31, 2025**

	Water	Sewer	Nonmajor Enterprise Funds	Total
<b>Operating revenue</b>				
Customer fees	\$ 1,068,016	\$ 1,573,125	\$ 415,409	\$ 3,056,550
Other revenue	<u>668</u>	<u>3,134</u>	<u>-</u>	<u>3,802</u>
Total operating revenue	<u>1,068,684</u>	<u>1,576,259</u>	<u>415,409</u>	<u>3,060,352</u>
<b>Operating expenses</b>				
Personnel services	153,719	44,111	143,341	341,171
Supplies	13,047	5,154	-	18,201
Contractual services	533,539	639,295	293,218	1,466,052
Utilities	32,854	5,787	-	38,641
Repairs and maintenance	53,923	3,547	-	57,470
Other expenses	24,753	12,545	5,423	42,721
Depreciation and amortization	<u>193,943</u>	<u>261,551</u>	<u>6,121</u>	<u>461,615</u>
Total operating expenses	<u>1,005,778</u>	<u>971,990</u>	<u>448,103</u>	<u>2,425,871</u>
Operating income (loss)	<u>62,906</u>	<u>604,269</u>	<u>(32,694)</u>	<u>634,481</u>
<b>Nonoperating revenue (expenses)</b>				
Investment income	34,643	15,930	11,344	61,917
Interest expense	<u>(37,289)</u>	<u>(194,327)</u>	<u>(677)</u>	<u>(232,293)</u>
Total nonoperating revenues (expenses)	<u>(2,646)</u>	<u>(178,397)</u>	<u>10,667</u>	<u>(170,376)</u>
Income (loss)	60,260	425,872	(22,027)	464,105
Net position - beginning of year	<u>4,818,953</u>	<u>3,131,630</u>	<u>349,742</u>	<u>8,300,325</u>
Net position - end of year	<u>\$ 4,879,213</u>	<u>\$ 3,557,502</u>	<u>\$ 327,715</u>	<u>\$ 8,764,430</u>

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2025**

	Water	Sewer	Nonmajor Enterprise Funds	Total
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 1,032,169	\$ 1,525,066	\$ 398,580	\$ 2,955,815
Payments to suppliers	(653,052)	(660,128)	(299,047)	(1,612,227)
Payments to employees	(153,719)	(44,111)	(143,341)	(341,171)
Net cash provided (used) by operating activities	225,398	820,827	(43,808)	1,002,417
<b>Cash flows from capital and related financing activities</b>				
Purchases/construction of capital assets	(3,816)	(70,603)	(1,908)	(76,327)
Principal and interest paid on long-term debt	(245,557)	(624,878)	(6,000)	(876,435)
Net cash provided (used) by capital and related financing activities	(249,373)	(695,481)	(7,908)	(952,762)
<b>Cash flows from investing activities</b>				
Interest received	34,643	15,930	11,344	61,917
Net change in cash and cash equivalents	10,668	141,276	(40,372)	111,572
Cash and cash equivalents - beginning of year	1,172,121	600,845	396,508	2,169,474
Cash and cash equivalents - end of year	\$ 1,182,789	\$ 742,121	\$ 356,136	\$ 2,281,046
<b>Reconciliation to statement of net position</b>				
Cash and cash equivalents	\$ 931,985	\$ 742,121	\$ 356,136	\$ 2,030,242
Restricted cash and cash equivalents	250,804	-	-	250,804
Cash and cash equivalents - end of year	\$ 1,182,789	\$ 742,121	\$ 356,136	\$ 2,281,046
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>				
Operating income (loss)	\$ 62,906	\$ 604,269	\$ (32,694)	\$ 634,481
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization expense	193,943	261,551	6,121	461,615
Changes in assets and liabilities				
Receivables (net)	(36,515)	(48,059)	(16,829)	(101,403)
Due from other units of government	-	(3,134)	-	(3,134)
Prepaid items	5,032	132	2,016	7,180
Deferred loss on bond refunding	-	3,480	-	3,480
Accounts payable	3,955	3,574	15,516	23,045
Accrued and other liabilities	(3,923)	(986)	(17,938)	(22,847)
Net cash provided (used) by operating activities	\$ 225,398	\$ 820,827	\$ (43,808)	\$ 1,002,417

See Accompanying Notes to the Financial Statements

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity**

The Village of New Haven (the Village) is governed by an elected nine-member Council, including a President, elected by the citizens of the Village. The accompanying financial statements present the government for which the Village is considered to be financially accountable.

**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 Village. *Government activities*, which normally are 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 Village does not have any component units.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise 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 proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

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

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

The Major Street Fund accounts for the maintenance and improvement activities for streets designated as “major” within the Village. Funding is primarily through state shared gas and weight taxes.

The Local Street Fund accounts for the maintenance and improvement activities for streets designated as “local” within the Village. Funding is primarily through state shared gas and weight taxes.

The Highway Fund accounts for revenues from property taxes and is used to maintain highways.

The Fire Fund accounts for the Village’s fire department expenditures. Expenditures are funded by a special assessment levied on all real property.

The Village reports the following major proprietary funds:

The Sewer Fund accounts for the activities of the sewage collection system.

The Water Fund accounts for the activities of the water distribution system.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the Village’s proprietary functions and various other functions of the Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Sewer, Water, Building and Garbage Funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for Sewer, Water, Building and Garbage Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Assets, Liabilities, and Net Position or Fund Balance**

Deposits and investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. The statement of cash flows includes both restricted and unrestricted cash and cash equivalents. Investments are stated at fair value based on quoted market price. Certificate of deposits are stated at cost which approximates fair value.

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 arrangement 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 allowance for uncollectible amounts. The Village considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded. Property taxes are levied on each July 1<sup>st</sup>. Taxes are considered delinquent on October 1<sup>st</sup>, at which time penalties and interest are assessed.

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

The 2024 taxable valuation of the Village totaled \$160,959,015, on which ad valorem taxes consisted of 8.4875 mills for operating purposes. This resulted in \$1,351,831 for operating expenses, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

The Village has established a special assessment district consisting of all real property, as approved by the voters, in which 3 mills is levied annually for the operations of the fire department. This resulted in total revenue of \$451,992, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

In addition, the Village has also established special revenue ad valorem taxes, as approved by the voters, in which 1.85 mills and .4125 mills is levied annually for the highway and cemetery funds, respectively. This resulted in total revenue for the highway fund of \$294,655 and the cemetery fund of \$65,693, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the Village follows the consumption method, and therefore are capitalized as prepaid items in both government-wide and fund financial statements.

Restricted assets – Certain revenue bonds of the enterprise funds require amounts to be set aside for a bond reserve. An amount of \$250,804 has been classified as restricted cash and cash equivalents in the Water Fund. The Sewer Fund reports \$55,035 in a restricted asset as the Macomb County Department of Public Works has drawn down bond payments to be used on wastewater projects that are in progress. As the project continues, the restricted asset will be used for the projects or applied directly to future bond payments.

Capital assets – Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the Village values these capital assets at the estimated acquisition value of the item at the date of its donation.

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

Land improvements	10 to 20 years
Buildings and improvements	7 to 50 years
Vehicles	5 to 10 years
Equipment	5 to 20 years
Infrastructure	20 to 30 years
Sewer system	30 to 50 years
Water system	30 to 50 years

Deferred outflows of resources – A deferred outflow of resources represents a consumption of net assets by the Village that applies to future periods. The Village may report deferred outflows of resources as a result of the following:

- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

Compensated absences – It is the Village’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for unpaid accumulated sick leave is time available according to the Village’s union contracts and personnel policies. All vacation pay is accrued when incurred in the government-wide, and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term obligations – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payables 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 on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred inflows of resources – A deferred inflow of resources represents an acquisition of net assets by the Village that applies to future periods. The Village may report deferred inflows of resources as a result of the following:

- Unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period.
- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

Fund balance – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – assets that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the Village’s highest level of decision-making, its council. A fund balance commitment may be established, modified, or rescinded by a resolution of the Village Council.

Assigned – amounts intended to be used for specific purposes, as determined by the Village President. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments, and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village’s policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the Village’s policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

The Perpetual Care Fund is used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for the perpetual care of cemetery lots. The permanent fund has both a restricted and non-spendable fund balance. The non-spendable fund balance portion contains the amount of \$61,109 which is placed with the local unit in trust to be invested. The income earned on the investments is closed to restricted fund balance and used only for the perpetual care of cemetery lots.

**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, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Adoption of New Accounting Standards**

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**Upcoming Accounting and Reporting Changes**

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending March 31, 2026.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending March 31, 2027.

Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. This statement is effective for the year ending March 31, 2027.

The Village is evaluating the impact that the above GASB statements will have on its financial reporting.



**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 2 - Stewardship, Compliance, and Accountability**

**Budgetary Information**

The Village is subject to the budgetary control requirements of the Uniform Budgeting and Accounting Act (P.A. 2 of 1968, as amended). Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal yearend.

Prior to March 31, the Village President submits to the Village a proposed operating budget for the fiscal year commencing the following April 1. Public hearings are obtained to obtain taxpayer comments and the budget is approved by council through passage of a motion prior to March 31.

The budget document presents information by fund, activity, department, and line items. The legal level of budgetary control adopted by the governing body is the activity level. The Village Clerk is authorized to transfer budgeted amounts between line items within an activity; however, any revisions that alter the total expenditures of an activity must be approved by the Village.

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

**Expenditures in Excess of Appropriations:**

	<u>Appropriations</u>	<u>Actual</u>	<u>Budget Variance</u>
General Fund			
General government			
President	\$ 14,400	\$ 14,508	\$ 108
Clerk	7,500	7,556	56
Debt services			
Interest and fiscal charges	-	11,983	11,983
Local Street Fund			
Public works	208,729	211,696	2,967
Highway Fund			
Public works	51,500	57,203	5,703
Interest and fiscal charges	-	542	542
Fire Fund			
Interest and fiscal charges	65	3,299	3,234

**Note 3 - Deposits and Investments**

At year end the Village's deposits and investments were reported in the financial statements in the following categories:

	<u>Cash and Cash Equivalents</u>	<u>Restricted Cash and Cash Equivalents</u>	<u>Total</u>
Governmental activities	\$ 5,269,117	\$ -	\$ 5,269,117
Business-type activities	2,030,242	250,804	2,281,046
Total	<u>\$ 7,299,359</u>	<u>\$ 250,804</u>	<u>\$ 7,550,163</u>

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

The breakdown between deposits and investments is as follows:

Bank deposits (checking and savings accounts, money markets and certificates of deposit)	\$7,549,673
Petty cash and cash on hand	<u>490</u>
	<u>\$7,550,163</u>

*Interest rate risk* – The Village does not have a formal investment policy to manage its exposure to fair value losses from changes in interest rates.

*Credit risk* – State statutes and the Village's investment policy authorize the Village 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 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 any of its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

*Concentration of credit risk* – The Village investment policy states that the investments will be diversified by security type and institution to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

*Custodial credit risk - deposits* – In the case of deposits, this is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. As of yearend, \$7,212,223 was exposed to custodial credit risk because it was uninsured and uncollateralized.

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 4 - Capital Assets**

Capital assets activity for the current year is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 974,704	\$ -	\$ -	\$ 974,704
Construction-in-progress	<u>91,342</u>	<u>-</u>	<u>-</u>	<u>91,342</u>
Total capital assets not being depreciated	<u>1,066,046</u>	<u>-</u>	<u>-</u>	<u>1,066,046</u>
Capital assets being depreciated				
Building	696,893	27,956	-	724,849
Land improvements	399,170	-	-	399,170
Vehicles	485,891	-	-	485,891
Equipment	2,112,255	128,677	-	2,240,932
Infrastructure	16,677,437	678,739	-	17,356,176
Right to use asset - buildings, additions and improvements	<u>841,242</u>	<u>-</u>	<u>-</u>	<u>841,242</u>
Total capital assets being depreciated	<u>21,212,888</u>	<u>835,372</u>	<u>-</u>	<u>22,048,260</u>
Less accumulated depreciation for				
Building	392,220	19,771	-	411,991
Land improvements	309,780	11,962	-	321,742
Vehicles	476,450	2,981	-	479,431
Equipment	1,606,931	127,092	-	1,734,023
Infrastructure	12,016,288	309,247	-	12,325,535
Right to use asset - buildings, additions and improvements	<u>213,406</u>	<u>106,703</u>	<u>-</u>	<u>320,109</u>
Total accumulated depreciation	<u>15,015,075</u>	<u>577,756</u>	<u>-</u>	<u>15,592,831</u>
Net capital assets being depreciated	<u>6,197,813</u>	<u>257,616</u>	<u>-</u>	<u>6,455,429</u>
Governmental activities net capital assets	<u>\$ 7,263,859</u>	<u>\$ 257,616</u>	<u>\$ -</u>	<u>\$ 7,521,475</u>

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets being depreciated				
Land improvements	\$ 81,050	\$ -	\$ -	\$ 81,050
Wells	86,911	-	-	86,911
Buildings, additions and improvements	1,339,945	-	-	1,339,945
Machinery and equipment	146,678	13,787	-	160,465
Meters	135,442	-	-	135,442
Vehicles	11,925	-	-	11,925
Sewer system	10,667,658	62,540	-	10,730,198
Water system	6,876,512	-	-	6,876,512
Right to use asset - buildings additions and improvements	582,399	-	-	582,399
Total capital assets being depreciated	<u>19,928,520</u>	<u>76,327</u>	<u>-</u>	<u>20,004,847</u>
Less accumulated depreciation for				
Land improvements	45,840	3,443	-	49,283
Wells	86,911	-	-	86,911
Buildings, additions and improvements	842,242	16,243	-	858,485
Machinery and equipment	93,214	9,103	-	102,317
Meters	61,898	4,514	-	66,412
Vehicles	7,206	1,491	-	8,697
Sewer system	3,066,423	215,307	-	3,281,730
Water system	2,551,269	137,642	-	2,688,911
Right to use asset - buildings additions and improvements	147,744	73,872	-	221,616
Total accumulated depreciation	<u>6,902,747</u>	<u>461,615</u>	<u>-</u>	<u>7,364,362</u>
Net capital assets being depreciated	<u>13,025,773</u>	<u>(385,288)</u>	<u>-</u>	<u>12,640,485</u>
Business-type capital assets, net	<u>\$ 13,025,773</u>	<u>\$ (385,288)</u>	<u>\$ -</u>	<u>\$ 12,640,485</u>

Depreciation and amortization expense was charged to programs as follows:

**Governmental activities**

General government	\$ 17,391
Public safety	78,202
Public works	473,304
Recreation and culture	8,859
Total governmental activities	<u>577,756</u>

**Business-type activities**

Building Department Fund	6,121
Sewer Fund	261,551
Water Fund	193,943
Total business-type activities	<u>461,615</u>

Total	<u>\$ 1,039,371</u>
-------	---------------------

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 5 - Lease Liability**

The lease agreement is summarized as follows:

Description	Agreement Date	Payment Terms	Payment Amount	Interest Rate	Balance as of March 31, 2025
Building	2/11/2005	25 years	\$ 198,000	2.23%	<u>\$ 906,433</u>

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending March 31,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 106,136	\$ 10,864	\$ 73,479	\$ 7,521
2027	108,527	8,473	75,134	5,867
2028	110,972	6,028	76,827	4,173
2029	113,472	3,528	78,557	2,443
2030	96,512	989	66,817	685
	<u>\$ 535,619</u>	<u>\$ 29,882</u>	<u>\$ 370,814</u>	<u>\$ 20,689</u>

**Note 6 - Long-Term Debt**

The Village issues bonds to provide for the acquisition and construction of major capital projects. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. The Village has installment purchase agreements for a fire truck. The Village also has a lease liability for the Village Hall building which is described in more detail in Note 5. Other long-term obligations include compensated absences. Compensated absences additions and reductions are reported net.

# Village of New Haven

## Notes to the Financial Statements

### March 31, 2025

Long-term obligation activity is summarized as follows:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance As Restated	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>									
Installment purchase agreements									
Fire Truck	\$ 320,000	2027	3%	\$18,157 - \$38,039	\$ 92,952	\$ -	\$ 36,756	\$ 56,196	\$ 38,039
Leases					639,417	-	103,798	535,619	106,136
Compensated absences					72,200	-	1,168	71,032	71,032
Total governmental activities					<u>\$ 804,569</u>	<u>\$ -</u>	<u>\$ 141,722</u>	<u>\$ 662,847</u>	<u>\$ 215,207</u>
<b>Business-type activities</b>									
Bonds and notes payable									
General obligation bonds									
North Gratiot Interceptor Drain Drainage District:									
Phase 2, 3, 4 - Series 2010 (LTO - Limited Tax General Obligation)	\$ 8,244	4/1/2035	2.00% - 4.25%	\$328 - \$474	\$ 4,422	\$ -	\$ 338	\$ 4,084	\$ 350
North Gratiot Interceptor Drain Drainage District:									
Phase 2, 3, 4 (Series 2010)	3,868,614	4/1/2035	1.00% - 6.35%		2,075,118	-	130,851	1,944,267	164,185
Oakland-Macomb Interceptor Drain Drainage District:									
Refunding Bonds Series 2019	24,259	4/1/2030	1.85%	153,924 - 222,333	14,712	-	2,232	12,480	2,313
Series 2020A	406,055	7/1/2040	2.00% - 5.00%	2,152 - 2,690	378,873	-	10,894	367,979	11,426
Project 5368-01 (2010A - SRF Project -1/22/10 Issue Date)	140,263	4/1/2030	3%	7,396 - 8,797	57,233	-	7,584	49,649	7,773
Project 5368-02 (2011 - SRF Project - 12/16/11 Issue Date)	168,603	4/1/2033	2.50%	8,255 - 10,536	94,638	-	8,453	86,185	8,651
Project 5368-03 (2013 - SRF Project)	367,911	10/1/2034	2.00%	17,735 - 22,052	220,215	-	18,102	202,113	18,441
Project 2014A	82,537	10/1/2034	2.00% - 3.13%	2,528 - 19,451	49,154	-	2,565	46,589	2,639
Project 5487	53,794	4/1/2034	2.30%	3,951 - 6,996	41,396	-	-	41,396	4,143
Project 5540	21,682	10/1/2033	2.00%	1,060 - 4,940	14,094	-	-	14,094	1,108
Drinking Water Revolving Loan Bond Payable	3,177,000	4/1/2030	2.50%	147,976 - 195,000	1,072,976	-	175,000	897,976	180,000
SAW Project 2001-01 2015A	107,603	4/1/36	2.50%	1,900 - 6,591	70,849	-	5,133	65,716	5,133
Drainage District Drain Refunding Bonds, Series 2015	1,422,562	5/1/33	3.50% - 5.00%	15,704 - 96,707	820,338	-	81,219	739,119	81,217
Macomb County Wastewater Drain District:									
SRF 5624	34,555	10/1/35	2.50%	1,598 - 2,783	22,764	-	1,316	21,448	1,692
2010 2017 Refunding	604,503	5/1/34	5.00%	21,387 - 46,451	426,227	-	30,084	396,143	30,086
Sinkhole 2017A	486,190	5/1/2042	5.00%	13,222 - 30,609	403,137	-	14,597	388,540	14,597
North Gratiot Interceptor Drain Drainage District Refunding									
Bonds Series 2020	574,454	5/1/2032	5.00%	36,212 - 69,120	429,591	-	36,216	393,375	36,212
Macomb Interceptor Drain Drainage District Refunding									
Bonds Series 2020	160,524	5/1/2031	5.00%	12,792 - 19,353	112,899	-	13,577	99,322	14,248
Total general obligation bonds					6,308,636	-	538,161	5,770,475	584,214
Unamortized bond premiums					259,263	-	28,181	231,082	2,461
Leases					442,673	-	71,859	370,814	73,479
Total business-type activities					<u>\$ 7,010,572</u>	<u>\$ -</u>	<u>\$ 638,201</u>	<u>\$ 6,372,371</u>	<u>\$ 660,154</u>

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

	Governmental Activities		Business-type Activities	
	Notes from Direct			
	Borrowings and Direct			
Year Ending	Placements		Bonds	
March 31,	Principal	Interest	Principal	Interest
2026	\$ 38,039	\$ 1,961	\$ 584,214	\$ 198,662
2027	18,157	634	622,153	177,361
2028	-	-	647,046	154,590
2029	-	-	663,753	131,047
2030	-	-	644,794	107,227
2031-2035	-	-	2,211,271	250,205
2036-2040	-	-	291,436	48,624
2041-2044	-	-	105,808	7,324
	<u>\$ 56,196</u>	<u>\$ 2,595</u>	<u>\$ 5,770,475</u>	<u>\$ 1,075,040</u>

### Deferred Amounts on Refunding

The Village has the following deferred amounts on refunding as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Deferred loss on refunding	\$ (34,797)	\$ 3,480	\$ -	\$ (31,317)
Deferred gain on refunding	44,251	-	5,941	38,310
	<u>\$ 9,454</u>	<u>\$ 3,480</u>	<u>\$ 5,941</u>	<u>\$ 6,993</u>

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Compensated Absences**

The Village's employment policies provide for vacation benefits to be earned in varying amounts depending on the employee's years of service. Vacation benefits earned are credited to each employee on a bi-weekly basis. The Village has established a formal policy regarding a maximum of 2 years authorized accumulation of vacation hours per individual union agreement.

The Village's employment policies provide for sick leave benefits to be earned in varying amounts depending on the employee's hours worked and union agreements. Sick leave is earned by all village employees at the rate of 12 days annually and each day being made available as of the last day of the month. A maximum of 30 days may be accrued.

**Note 7 - Net Investment in Capital Assets**

The composition of net investment in capital assets as of March 31, 2025, is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Capital assets		
Capital assets not being depreciated	\$ 1,066,046	\$ -
Capital assets, net of accumulated depreciation	<u>6,455,429</u>	<u>12,640,485</u>
Total capital assets	<u>7,521,475</u>	<u>12,640,485</u>
Related debt		
General obligation bonds	-	(5,770,475)
Installment purchase agreements	(56,196)	-
Leases	(535,619)	(370,814)
Unamortized bond premiums	-	(231,082)
Deferred charge on bond refunding	-	(6,993)
Total related debt	<u>(591,815)</u>	<u>(6,379,364)</u>
Net investment in capital assets	<u>\$ 6,929,660</u>	<u>\$ 6,261,121</u>

**Note 8 - Interfund Receivables, Payables, and Transfers**

The details for interfund transfers are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>	
		<u>Major Street</u>	<u>Total</u>
Local Street	\$	400,000	\$ 400,000

The Transfer from the Major Streets fund to Local Streets fund was to supplement Act 51 funds provided by the state of Michigan for road maintenance.

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 9 - Risk Management**

The Village 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 Village has purchased commercial insurance for all claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**Note 10 - Defined Contribution Plan**

The Village has a defined contribution plan covering all full-time personnel which requires contributions by the Village. The plan is referred to as "The Village of New Haven Retirement Program" and plan assets are maintained by Municipal Employees' Retirement System. The Village of New Haven is the plan administrator. The plan was developed under authority of Internal Revenue Code Section 401 and any amendments must comply with current laws and regulations as administered by the Internal Revenue Service.

Total compensation of covered employees for the year ended March 31, 2025, amounted to \$698,862. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specified how contributions to the participants' accounts are to be determined instead of specifying the amount of benefits the individual is to receive. Such benefits depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits prior to vesting. Contributions to the plan are made by the Village based upon 5 percent of the participant's gross wages. Participants may contribute to the plan, at their option, with after-tax dollars. During the year ended March 31, 2025, the Village contributed \$34,943 to the plan.

**Note 11 - Contingent Liabilities**

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

**Note 12 - Other Postemployment Benefits**

Plan description – The Village administers an OPEB Plan (the Plan) – a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for certain employees who meet eligibility requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Village Council has the authority to modify or terminate the plan.

Benefits provided – The Plan provides healthcare benefits to eligible employees. Employees who meet certain requirements (based on age and years of service) are eligible to receive post-employment benefits upon retirement in the form of healthcare insurance benefits.

Employees covered by benefit terms – At March 31, 2025, the plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	<u>1</u>
--	----------

Contributions – Retiree healthcare costs are paid by the Village on a "pay-as-you-go" basis. The Village has no obligation to contributions in advance of when the insurance premiums are due for payment. For the fiscal year ended March 31, 2025, the Village made payments for post-employment health benefit premiums of \$3,641.

Total OPEB liability – The total OPEB liability was measured as of March 31, 2025.



**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

Actuarial assumptions – The total OPEB liability was determined by an alternative measurement method calculation as of March 31, 2025, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry-age normal
Amortization method	Level dollar
Remaining amortization period	24 years, closed
Discount rate:	3.93%
Salary increases:	3.65%
Investment rate of return	3.93%
Retirement age	60
Mortality	Pub 2010 mortality tables with future mortality projected generationally using Scale MP-2021
Healthcare Cost Trend Rate	Pre-65: 7.50% gradually decreasing .25% per year to an ultimate rate of 4.5%
	Post 65: 5.75% gradually decreasing .25% per year to an ultimate rate of 4.5%

Discount rate – The discount rate used to measure the total OPEB liability was 3.93%. The discount rate was based on the 20-year Aa Municipal Bond Rate.

	Total OPEB Liability
Balances as of April 1, 2024	\$ -
Changes for the year	
Experience differences	102,699
Benefit payments and refunds	(3,641)
Net changes	99,058
Balances as of March 31, 2025	\$ 99,058

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate.

1% Decrease	Current Discount Rate	1% Increase
\$ 110,100	\$ 99,058	\$ 89,486

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates.

1% Decrease	Healthcare Cost Trend Rates	1% Increase
\$ 88,491	\$ 99,058	\$ 109,876

**Village of New Haven**  
**Notes to the Financial Statements**  
**March 31, 2025**

---

**Note 13 - Adoption of New Accounting Standard**

The Village restated net position in the Governmental Activities as the result of adopting GASB Statement No. 101, *Compensated Absences*.

	March 31, 2024, As Previously Reported	Adoption of New Accounting Standard	March 31, 2024, As Adjusted
<b>Governmental Activities</b>	\$ 11,634,047	\$ (20,993)	\$ 11,613,054

**Village of New Haven**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended March 31, 2025**

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Final Budget
<b>Revenues</b>				
Taxes				
Property taxes	\$ 1,424,500	\$ 1,462,391	\$ 1,477,311	\$ 14,920
Licenses and permits	52,605	52,605	43,437	(9,168)
State-shared revenue	774,656	774,656	756,020	(18,636)
State grants	4,600	4,600	2,747	(1,853)
Local contributions	2,000	7,490	7,045	(445)
Charges for services	31,000	31,000	31,542	542
Fines and forfeitures	21,000	21,000	23,507	2,507
Rental income	130,000	148,000	180,143	32,143
Investment income	30,000	83,000	86,117	3,117
Other revenue	2,350	3,600	9,188	5,588
	<u>2,472,711</u>	<u>2,588,342</u>	<u>2,617,057</u>	<u>28,715</u>
Total revenues				
<b>Expenditures</b>				
General government				
Village board	14,400	14,400	13,400	(1,000)
President	14,400	14,400	14,508	108
General Government	620,950	525,713	485,209	(40,504)
Clerk	7,500	7,500	7,556	56
Audit	32,600	33,800	33,800	-
Board of review	4,320	4,320	2,640	(1,680)
Treasurer	5,400	5,400	4,514	(886)
Building and grounds	67,500	67,500	51,251	(16,249)
	<u>767,070</u>	<u>673,033</u>	<u>612,878</u>	<u>(60,155)</u>
Total general government				
Public safety				
Police/sheriff/constable	1,187,721	1,186,821	1,094,036	(92,785)
Community and economic development				
Planning	7,600	25,400	7,900	(17,500)
Recreation and culture				
Parks and recreation department	239,075	331,550	269,121	(62,429)
Capital outlay	270,000	375,123	107,777	(267,346)
Debt service				
Principal retirement	-	106,200	94,217	(11,983)
Interest and fiscal charges	-	-	11,983	11,983
	<u>-</u>	<u>106,200</u>	<u>106,200</u>	<u>-</u>
Total debt service				
Total expenditures	<u>2,471,466</u>	<u>2,698,127</u>	<u>2,197,912</u>	<u>(500,215)</u>
Net change in fund balance	1,245	(109,785)	419,145	528,930
Fund balance - beginning of year	2,380,162	2,380,162	2,380,162	-
Fund balance - end of year	<u>\$ 2,381,407</u>	<u>\$ 2,270,377</u>	<u>\$ 2,799,307</u>	<u>\$ 528,930</u>

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Street Fund**  
**For the Year Ended March 31, 2025**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
State grants	\$ 480,000	\$ 480,000	\$ 493,614	\$ 13,614
Investment income	30,000	38,700	48,754	10,054
Total revenues	510,000	518,700	542,368	23,668
<b>Expenditures</b>				
Current				
Public works	205,107	251,055	240,030	(11,025)
Capital outlay	300,000	21,500	17,910	(3,590)
Debt service				
Principal retirement	-	2,004	1,778	(226)
Interest and fiscal charges	-	-	226	226
Total expenditures	505,107	274,559	259,944	(14,615)
Excess of revenues (deficiency) over expenditures	4,893	244,141	282,424	38,283
<b>Other financing sources (uses)</b>				
Transfers out	-	(400,000)	(400,000)	-
Net change in fund balance	4,893	(155,859)	(117,576)	38,283
Fund balance - beginning of year	1,375,266	1,375,266	1,375,266	-
Fund balance - end of year	\$ 1,380,159	\$ 1,219,407	\$ 1,257,690	\$ 38,283

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Local Street Fund**  
**For the Year Ended March 31, 2025**

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
State grants	\$ 192,000	\$ 192,000	\$ 196,014	\$ 4,014
Investment income	3,300	9,600	12,766	3,166
Total revenues	195,300	201,600	208,780	7,180
<b>Expenditures</b>				
Current				
Public works	192,665	208,729	211,696	2,967
Capital outlay	113,000	631,150	623,741	(7,409)
Debt service				
Principal retirement	-	2,004	1,778	(226)
Interest and fiscal charges	-	-	226	226
Total expenditures	305,665	841,883	837,441	(4,442)
Excess of revenues (deficiency) over expenditures	(110,365)	(640,283)	(628,661)	11,622
<b>Other financing sources (uses)</b>				
Transfers in	-	400,000	400,000	-
Net change in fund balance	(110,365)	(240,283)	(228,661)	11,622
Fund balance - beginning of year	340,913	340,913	340,913	-
Fund balance - end of year	\$ 230,548	\$ 100,630	\$ 112,252	\$ 11,622

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Highway Fund**  
**For the Year Ended March 31, 2025**

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$ 290,000	\$ 295,974	\$ 294,655	\$ (1,319)
Investment income	4,000	12,300	18,149	5,849
Total revenues	294,000	308,274	312,804	4,530
<b>Expenditures</b>				
Current				
Public works	48,400	51,500	57,203	5,703
Capital outlay	-	70,000	67,977	(2,023)
Debt service				
Principal retirement	-	4,800	4,258	(542)
Interest and fiscal charges	-	-	542	542
Total expenditures	48,400	126,300	129,980	3,680
Net change in fund balance	245,600	181,974	182,824	850
Fund balance - beginning of year	483,095	483,095	483,095	-
Fund balance - end of year	\$ 728,695	\$ 665,069	\$ 665,919	\$ 850

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Fire Fund**  
**For the Year Ended March 31, 2025**

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 445,000	\$ 451,992	\$ 451,992	\$ -
State grants	20,000	-	-	-
Investment income	-	4,600	4,392	(208)
Other revenue	5,200	20,500	22,803	2,303
Total revenues	470,200	477,092	479,187	2,095
<b>Expenditures</b>				
Current				
Public safety	419,172	450,535	396,000	(54,535)
Capital outlay	-	19,077	17,603	(1,474)
Debt service				
Principal retirement	40,000	40,000	36,756	(3,244)
Interest and fiscal charges	-	65	3,299	3,234
Total expenditures	459,172	509,677	453,658	(56,019)
Net change in fund balance	11,028	(32,585)	25,529	58,114
Fund balance - beginning of year	185,030	185,030	185,030	-
Fund balance - end of year	\$ 196,058	\$ 152,445	\$ 210,559	\$ 58,114

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Required Supplementary Information**  
**Other Postemployment Benefits**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**

---

Fiscal year ended March 31,	<u>2025</u>
<b>Total OPEB liability</b>	
Changes in assumptions	\$ 102,699
Benefit payments and refunds	<u>(3,641)</u>
Net change in total OPEB liability	99,058
Total OPEB liability - beginning	<u>-</u>
Total OPEB liability - ending (a)	<u><u>\$ 99,058</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	0%

See Accompanying Notes to Required Supplementary Information



**Village of New Haven**  
**Required Supplementary Information**  
**Other Postemployment Benefits**  
**Schedule of Employer Contributions**

---

Fiscal Year Ending March 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	\$ -	\$ 3,641	\$ (3,641)	\$ -	N/A

See Accompanying Notes to Required Supplementary Information

**Village of New Haven**  
**Notes to the Required Supplementary Information**  
**March 31, 2025**

---

**OPEB Information**

**Notes to the Schedule of Changes in Total OPEB Liability and Related Ratios**

The March 31, 2025, changes in assumptions are due to the following:

- The discount rate used at the valuation date at March 31, 2025 was 3.93%.

**Notes to the Schedule of Employer Contributions**

- Alternative measurement method calculation date March 31, 2025.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level dollar
Remaining amortization period	24 years, closed
Discount rate:	3.93%
Salary increases:	3.65%
Investment rate of return	3.93%
Retirement age	60
Mortality	Pub 2010 mortality tables with future mortality projected generationally using Scale MP-2021
Healthcare Cost Trend Rate	Pre-65: 7.50% gradually decreasing .25% per year to an ultimate rate of 4.5%
	Post 65: 5.75% gradually decreasing .25% per year to an ultimate rate of 4.5%

**Village of New Haven**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**March 31, 2025**

	<u>Special Revenue Funds</u>		<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Cemetery</u>	<u>Drug Law Enforcement</u>	<u>Perpetual Care</u>	
<b>Assets</b>				
Cash and cash equivalents	<u>\$ 318,079</u>	<u>\$ 14,295</u>	<u>\$ 76,110</u>	<u>\$ 408,484</u>
<b>Liabilities</b>				
Accounts payable	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43</u>
<b>Fund balances</b>				
Non-spendable				
Perpetual care	-	-	61,109	61,109
Restricted for				
Cemetery	318,036	-	-	318,036
Drug law enforcement	-	14,295	-	14,295
Perpetual care	<u>-</u>	<u>-</u>	<u>15,001</u>	<u>15,001</u>
 Total fund balances	<u>318,036</u>	<u>14,295</u>	<u>76,110</u>	<u>408,441</u>
 Total liabilities and fund balances	<u>\$ 318,079</u>	<u>\$ 14,295</u>	<u>\$ 76,110</u>	<u>\$ 408,484</u>

**Village of New Haven**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended March 31, 2025**

	Special Revenue Funds		Permanent Fund	Total Nonmajor Governmental Funds
	Cemetery	Drug Law Enforcement	Perpetual Care	
<b>Revenues</b>				
Taxes	\$ 65,693	\$ -	\$ -	\$ 65,693
Charges for services	15,550	-	820	16,370
Investment income	7,626	-	2,170	9,796
Total revenues	88,869	-	2,990	91,859
<b>Expenditures</b>				
Current				
General government	66,862	-	-	66,862
Capital outlay	5,480	-	-	5,480
Debt service				
Principal retirement	1,767	-	-	1,767
Interest and fiscal charges	225	-	-	225
Total expenditures	74,334	-	-	74,334
Net change in fund balances	14,535	-	2,990	17,525
Fund balances - beginning of year	303,501	14,295	73,120	390,916
Fund balances - end of year	<u>\$ 318,036</u>	<u>\$ 14,295</u>	<u>\$ 76,110</u>	<u>\$ 408,441</u>

**Village of New Haven**  
**Other Supplementary Information**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**March 31, 2025**

	Enterprise Funds		
	Building	Garbage	Total
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 268,266	\$ 87,870	\$ 356,136
Receivables			
Accounts	-	48,786	48,786
Total current assets	268,266	136,656	404,922
Noncurrent assets			
Capital assets, net of accumulated depreciation	28,442	-	28,442
Total assets	296,708	136,656	433,364
<b>Liabilities</b>			
Current liabilities			
Accounts payable	16,143	-	16,143
Payroll and other liabilities	62,038	-	62,038
Current portion of long-term liabilities	5,323	-	5,323
Total current liabilities	83,504	-	83,504
Noncurrent liabilities			
Long-term liabilities	22,145	-	22,145
Total liabilities	105,649	-	105,649
<b>Net position</b>			
Net investment in capital assets	974	-	974
Unrestricted	190,085	136,656	326,741
Total net position	\$ 191,059	\$ 136,656	\$ 327,715

**Village of New Haven**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended March 31, 2025**

	Building	Garbage	Total
<b>Operating revenue</b>			
Customer fees	\$ 94,830	\$ 320,579	\$ 415,409
<b>Operating expenses</b>			
Personnel services	143,341	-	143,341
Contractual services	-	293,218	293,218
Other expenses	5,423	-	5,423
Depreciation and amortization	6,121	-	6,121
Total operating expenses	154,885	293,218	448,103
Operating income (loss)	(60,055)	27,361	(32,694)
<b>Nonoperating revenue (expenses)</b>			
Investment income	8,662	2,682	11,344
Interest expense	(677)	-	(677)
Total nonoperating revenues (expenses)	7,985	2,682	10,667
Income (loss)	(52,070)	30,043	(22,027)
Net position - beginning of year	243,129	106,613	349,742
Net position - end of year	\$ 191,059	\$ 136,656	\$ 327,715

**Village of New Haven**  
**Other Supplementary Information**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended March 31, 2025**

	Building	Garbage	Total
<b>Cash flows from operating activities</b>			
Receipts from customers	\$ 95,232	\$ 303,348	\$ 398,580
Payments to suppliers	(5,829)	(293,218)	(299,047)
Payments to employees	(143,341)	-	(143,341)
Net cash provided (used) by operating activities	(53,938)	10,130	(43,808)
<b>Cash flows from capital and related financing activities</b>			
Purchases/construction of capital assets	(1,908)	-	(1,908)
Principal and interest paid on long-term debt	(6,000)	-	(6,000)
<b>Cash flows from investing activities</b>			
Interest received	8,662	2,682	11,344
Net change in cash and cash equivalents	(53,184)	12,812	(40,372)
Cash and cash equivalents - beginning of year	321,450	75,058	396,508
Cash and cash equivalents - end of year	\$ 268,266	\$ 87,870	\$ 356,136
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
Operating income (loss)	\$ (60,055)	\$ 27,361	\$ (32,694)
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation and amortization expense	6,121	-	6,121
Changes in assets and liabilities			
Receivables (net)	402	(17,231)	(16,829)
Prepaid items	2,016	-	2,016
Accounts payable	15,516	-	15,516
Accrued and other liabilities	(17,938)	-	(17,938)
Net cash provided (used) by operating activities	\$ (53,938)	\$ 10,130	\$ (43,808)



800.968.0010 | YEOANDYEO.COM

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

### **Independent Auditors' Report**

Management and the Village Council  
Village of New Haven  
New Haven, MI

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of New Haven, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Village of New Haven's basic financial statements, and have issued our report thereon dated August 5, 2025.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village of New Haven's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of New Haven's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of New Haven's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village of New Haven's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Yeo & Yeo, P.C.

Troy, MI  
August 5, 2025