

**VILLAGE OF BLISSFIELD
LENAWEE COUNTY, MICHIGAN**

**REPORT ON FINANCIAL STATEMENTS
(with required and other
supplementary information)**

YEAR ENDED SEPTEMBER 30, 2024



TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS.....	10
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities.....	16
Proprietary Funds	
Statement of Net Position.....	17
Statement of Revenues, Expenses, and Changes in Fund Net Position.....	18
Statement of Cash Flows.....	19-20
Notes to Financial Statements	21-43
REQUIRED SUPPLEMENTARY INFORMATION.....	44
Budgetary Comparison Schedule - General Fund	45-46
Budgetary Comparison Schedule - Major Streets Fund	47
Budgetary Comparison Schedule - Library Fund	48
Defined Benefit Pension Plan	
Schedule of Changes in the Village's Net Pension Liability and Related Ratios	49
Schedule of Village's Pension Contributions.....	50
Note to Required Supplementary Information	51
OTHER SUPPLEMENTARY INFORMATION	52
Nonmajor Governmental Funds	
Combining Balance Sheet	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	54
Nonmajor Special Revenue Funds	
Combining Balance Sheet	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	56
Nonmajor Debt Service Fund	
Combining Balance Sheet	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	58



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INDEPENDENT AUDITOR'S REPORT

To the Honorable President and
Members of the Village Council
Village of Blissfield, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Blissfield (the Village), as of and for the year ended September 30, 2024, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, as of September 30, 2024, 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. 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 Village of Blissfield and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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, 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 information, and historical pension supplementary information, 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 accompanying 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. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maney Costeiman PC

March 18, 2025

VILLAGE OF BLISSFIELD MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Reporting

This discussion and analysis of the Village's financial performance provides an overview of the Village's financial activities for the fiscal year ended September 30, 2024. Please read it in conjunction with the Village's financial statements.

Financial Highlights

As discussed in further detail in this analysis, the following represents the most significant financial issues for the year ended September 30, 2024:

- Property tax revenues, the Village's largest source of revenue, increased 5.0% from the prior fiscal year.
- General Fund fund balance increased \$209,542, or approximately 11.5% as a result of current year activity.
- Net pension liability decreased \$291,944 as a result of various changes including investment gains on the plan's fiduciary net position and current year contributions offset by interest on the total pension liability and the calculated difference between expected and actual experience.

Using this Annual Report

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

Government-wide Financial Statements. The 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 government services.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

VILLAGE OF BLISSFIELD MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The Village maintains approximately 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Major Streets Fund, and Library Fund which are considered to be major funds. The Local Streets, Municipal Streets, Garbage Collection, Recreation, Drug Forfeitures, Drug Law Enforcement, ARPA, Debt Service Funds, and Capital Project Funds are nonmajor governmental funds and are detailed in the combining financial statements in the Other Supplementary Information section of the audit report.

The Village adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund, Major Streets Fund, and Library Fund to demonstrate compliance with these budgets.

Proprietary Funds. The Village maintains two different types of proprietary funds, *enterprise funds* and *internal service funds*. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer systems as well as building inspection activity. *Internal service funds* are an accounting device used to accumulate and allocate cost internally among the Village's various functions. The Village uses an internal service fund to account for its motor pool. These services predominantly benefit governmental rather than business-type functions, therefore, they have been allocated to governmental activities in the government-wide financial statements.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-43 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, such as this Management's Discussion and Analysis and the General Fund budgetary comparison schedule. Combining statements referred to earlier in connection with nonmajor governmental funds are presented as other supplementary information.

**VILLAGE OF BLISSFIELD
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Village as a Whole

The following table shows, in a condensed format, a comparative analysis of the net position as of September 30, 2024 and 2023.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current and Other Assets	\$ 4,331,096	\$ 3,768,415	\$ 4,319,957	\$ 3,838,298	\$ 8,651,053	\$ 7,606,713
Capital Assets	5,421,252	5,534,700	17,111,515	16,967,677	22,532,767	22,502,377
TOTAL ASSETS	9,752,348	9,303,115	21,431,472	20,805,975	31,183,820	30,109,090
DEFERRED OUTFLOWS OF RESOURCES	311,879	490,250	270,310	409,307	582,189	899,557
LIABILITIES						
Current Liabilities	641,668	845,077	520,761	480,695	1,162,429	1,325,772
Noncurrent Liabilities	2,385,831	2,723,328	8,653,601	9,092,167	11,039,432	11,815,495
TOTAL LIABILITIES	3,027,499	3,568,405	9,174,362	9,572,862	12,201,861	13,141,267
DEFERRED INFLOWS OF RESOURCES	151,510	109,896	131,317	91,752	282,827	201,648
NET POSITION						
Net Investment in Capital Assets	3,385,117	3,169,778	8,606,295	8,155,457	11,991,412	11,325,235
Restricted	1,660,113	1,433,206	-	-	1,660,113	1,433,206
Unrestricted	1,839,988	1,512,080	3,789,808	3,395,211	5,629,796	4,907,291
TOTAL NET POSITION	\$ 6,885,218	\$ 6,115,064	\$ 12,396,103	\$ 11,550,668	\$ 19,281,321	\$ 17,665,732

Net position may serve over time as a useful indicator of a government's financial position. The Village's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,281,321 as of September 30, 2024. A portion of the Village's net position, \$5,629,796, reflects its balance of unrestricted net position.

The Village's net position invested in capital assets (e.g., land, buildings, equipment), less any related debt used to acquire those assets that are still outstanding was \$11,991,412 at September 30, 2024. The Village used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position, \$1,660,113, represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net position. Overall net position increased by \$1,581,119 during the current year as indicated below.

**VILLAGE OF BLISSFIELD
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following table illustrates the varying results of the governmental activities and business-type activities, which combine to capture the Village's total net position, for the years ended September 30, 2024 and 2023.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues						
Charges for Services	\$ 292,475	\$ 259,526	\$ 3,827,260	\$ 3,681,811	\$ 4,119,735	\$ 3,941,337
Operating Grants and Contributions	762,066	828,546	-	-	762,066	828,546
General Revenues						
Property Taxes	1,544,862	1,471,601	-	-	1,544,862	1,471,601
Unrestricted State Shared Revenues	423,277	416,238	-	-	423,277	416,238
Investment Earnings	25,865	11,839	41,350	13,158	67,215	24,997
Miscellaneous	146,419	101,775	44,814	3,934	191,233	105,709
Transfers	221,188	244,358	(221,188)	(244,358)	-	-
TOTAL REVENUES	3,416,152	3,333,883	3,692,236	3,454,545	7,108,388	6,788,428
EXPENSES						
General Government	306,864	254,116	-	-	306,864	254,116
Public Safety	752,207	707,580	-	-	752,207	707,580
Public Works	520,635	486,860	-	-	520,635	486,860
Community and Economic Development	49,635	55,025	-	-	49,635	55,025
Recreation and Culture	978,424	988,340	-	-	978,424	988,340
Other	72,703	89,764	2,846,801	2,698,984	2,919,504	2,788,748
TOTAL EXPENSES	2,680,468	2,581,685	2,846,801	2,698,984	5,527,269	5,280,669
Change in Net Position	\$ 735,684	\$ 752,198	\$ 845,435	\$ 755,561	\$ 1,581,119	\$ 1,507,759

Governmental Activities

Governmental activities increased the Village's net position by \$735,684 during fiscal year 2024. The main reasons for the increase were an increase in property taxes and miscellaneous revenues combined with small increases in investment earnings and state shared revenue payments. Additionally, there was also an increase in cost of goods and supplies necessary for the Village to provide services to residents.

Business-type Activities

Business-type activities increased the Village's net position by \$845,435 during fiscal year 2024. The increase in net position is related to an increase in rates coupled with an increase in water usage due to drier than normal weather conditions, increases in investment earnings, and the ongoing need to complete projects and maintenance to provide quality ongoing services to residents. There was also an increase in miscellaneous revenues due to a reimbursement for a line break that was broken by an outside firm.

The Village's Funds

Governmental Funds. The analysis of the Village's major funds begins on page 13, following the government-wide financial statements. The fund financial statements provide detailed information about the governmental funds, not the Village as a whole. The Village Council creates funds to help manage money for specific purposes. The Village's major governmental funds for the fiscal year ended September 30, 2024, were the General Fund and Major Streets Fund. The General Fund pays for most of the Village's governmental services. The General Fund's most significant service during the fiscal year was public safety which incurred expenditures of \$740,912 for the fiscal year.

**VILLAGE OF BLISSFIELD
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Proprietary Funds. The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer, Water, and the Building Inspection Funds at the end of the year amounted to \$2,141,615, \$1,600,997, and \$47,196, respectively. For fiscal year 2024, the increase in net position for the Sewer Fund was \$620,949, the increase for the Water Fund \$220,396 and the increase for the Building Inspection Fund was \$4,090. Other factors concerning the finances of these three funds have already been addressed in the discussion of the Village's business-type activities on the previous page.

General Fund and Budgetary Highlights

Over the course of the fiscal year, the Village Council made amendments to the budget as originally adopted. The budget was amended as new and more accurate information became available to the Village. Budgeted revenues and other financing sources were increased \$97,231 during the year. Actual revenues and other financing sources were \$154,868, or roughly 6.87% more than what was budgeted. Budgeted expenditures and other financing uses were increased by \$65,599. Actual expenditures and other financing uses were approximately 28.10% under budget at the fiscal year end. Actual revenues increased approximately 1.74% from the prior fiscal year. This increase in revenues can be largely attributed to an increase in taxable values. Actual expenditures increased approximately 9.00% from the prior fiscal year. This increase in expenditures can be attributed to funded capital projects focused on maintaining the assets the Village currently has.

Major Streets Fund

The Major Streets Fund is used to account for the construction and maintenance of the Village's major street system. Fund balance increased \$162,072 to \$861,831 as a result of projects for road construction being awarded in the current fiscal year, but construction commencing in the following fiscal year. Construction and payments for the road construction were completed in the following fiscal year. The Village also invested part of the Major Street funds into a certificate of deposit, bringing in triple the amount of interest revenue from the previous year.

Library Fund

The Library Fund is used to account for the curation and maintenance of the City's books and operation of the Library. Fund balance decreased \$31,691 to \$109,925 as a result of the library fund becoming a District Library.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year, the Village had \$22,532,767, net of accumulated depreciation, invested in a broad range of governmental and business-type capital assets, including buildings, land, equipment, and utility systems. Current year investments in capital assets include equipment purchases and infrastructure improvements related to roads and sewer system. Refer to Note 5 for further capital asset details.

Long-term Obligations. The Village made principal payments on existing obligations in the amount of \$648,985, and recognized amortization of bond premiums of \$2,628, ending the year with a balance of \$10,541,355. The carrying amount of the Village's obligation for compensated absences was \$119,000 at the fiscal year end. Refer to Note 6 for further details related to the Village's long-term obligations.

Current Economic Factors

The Village continues to see property values increase as local economic conditions improve, and prospective residential purchasers observe the many benefits and outstanding services available to them within the Village. Several new construction projects are underway which will also increase the Village's tax base.

**VILLAGE OF BLISSFIELD
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Contacting the Village'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 demonstrate the Village's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Blissfield, 130 South Lane Street, Blissfield, Michigan 49228.

BASIC FINANCIAL STATEMENTS

**VILLAGE OF BLISSFIELD
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Current assets				
Cash and cash equivalents	\$ 3,446,763	\$ 2,068,167	\$ 5,514,930	\$ 173,786
Investments	412,880	797,517	1,210,397	-
Receivables	107,898	572,698	680,596	12,202
Due from other governmental units	260,335	426,267	686,602	15,793
Internal balances	(10,550)	10,550	-	-
Prepays	99,500	403,785	503,285	-
Inventory	14,270	40,973	55,243	-
Total current assets	4,331,096	4,319,957	8,651,053	201,781
Noncurrent assets				
Capital assets not being depreciated	389,814	8,264,594	8,654,408	-
Capital assets being depreciated, net	5,031,438	8,846,921	13,878,359	390,681
Total noncurrent assets	5,421,252	17,111,515	22,532,767	390,681
TOTAL ASSETS	9,752,348	21,431,472	31,183,820	592,462
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	311,879	270,310	582,189	-
LIABILITIES				
Current liabilities				
Accounts payable	-	25,639	25,639	-
Deposits payable	-	76,025	76,025	-
Accrued liabilities	27,120	20,762	47,882	1,365
Accrued interest payable	31,661	53,527	85,188	-
Unearned revenue	308,750	-	308,750	10,630
Current portion of compensated absences	89,192	29,808	119,000	-
Current portion of long-term debt	184,945	315,000	499,945	-
Total current liabilities	641,668	520,761	1,162,429	11,995
Noncurrent liabilities				
Noncurrent portion of long-term debt	1,851,190	8,190,220	10,041,410	-
Net pension liability	534,641	463,381	998,022	-
Total noncurrent liabilities	2,385,831	8,653,601	11,039,432	-
TOTAL LIABILITIES	3,027,499	9,174,362	12,201,861	11,995
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	151,510	131,317	282,827	-
NET POSITION				
Net investment in capital assets	3,385,117	8,606,295	11,991,412	390,681
Restricted				
Streets and highways	1,266,244	-	1,266,244	-
Swimming pool	53,845	-	53,845	-
Garbage collection	26,160	-	26,160	-
Parks and recreation	12,367	-	12,367	-
Library	109,925	-	109,925	-
Drug and law enforcement	3,944	-	3,944	-
Debt service	187,628	-	187,628	-
Unrestricted	1,839,988	3,789,808	5,629,796	189,786
TOTAL NET POSITION	\$ 6,885,218	\$ 12,396,103	\$ 19,281,321	\$ 580,467

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Downtown Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 306,864	\$ 61,362	\$ 227,198	\$ 34,470	\$ 16,166	\$ -	\$ 16,166	\$ -
Public safety	752,207	4,073	2,996	-	(745,138)	-	(745,138)	-
Public works	520,635	91,224	477,293	-	47,882	-	47,882	-
Community and economic development	49,635	10,834	-	-	(38,801)	-	(38,801)	-
Recreation and culture	978,424	124,982	32,703	-	(820,739)	-	(820,739)	-
Interest and fees on long-term debt	72,703	-	21,876	-	(50,827)	-	(50,827)	-
Total governmental activities	2,680,468	292,475	762,066	34,470	(1,591,457)	-	(1,591,457)	-
Business-type activities								
Sewer	1,050,207	1,773,436	-	-	-	723,229	723,229	-
Water	1,761,312	2,014,697	-	-	-	253,385	253,385	-
Building Inspection	35,282	39,127	-	-	-	3,845	3,845	-
Total business-type activities	2,846,801	3,827,260	-	-	-	980,459	980,459	-
Total primary government	\$ 5,527,269	\$ 4,119,735	\$ 762,066	\$ 34,470	(1,591,457)	980,459	(610,998)	-
Component unit								
Downtown Development Authority	\$ 251,075	\$ -	\$ 128,222	\$ -	-	-	-	(122,853)
General revenues								
Property taxes					1,544,862	-	1,544,862	112,341
Unrestricted state shared revenues					423,277	-	423,277	-
Investment earnings					25,865	41,350	67,215	928
Miscellaneous					146,419	44,814	191,233	262
Transfers					221,188	(221,188)	-	-
Total general revenues and transfers					2,361,611	(135,024)	2,226,587	113,531
Change in net position					770,154	845,435	1,615,589	(9,322)
Net position, beginning of year					6,115,064	11,550,668	17,665,732	589,789
Net position, end of year					\$ 6,885,218	\$ 12,396,103	\$ 19,281,321	\$ 580,467

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2024**

	General Fund	Major Streets	Library	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 1,656,415	\$ 598,005	\$ 114,011	\$ 944,092	\$ 3,312,523
Investments	206,440	206,440	-	-	412,880
Receivables					
Accounts	7,955	500	-	622	9,077
Taxes	89,549	-	-	9,272	98,821
Due from other governmental units	172,267	57,707	-	30,361	260,335
Inventory	-	-	-	14,270	14,270
TOTAL ASSETS	<u>\$ 2,132,626</u>	<u>\$ 862,652</u>	<u>\$ 114,011</u>	<u>\$ 998,617</u>	<u>\$ 4,107,906</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accrued liabilities	\$ 20,365	\$ 821	\$ 4,086	\$ 794	\$ 26,066
Due to other funds	10,550	-	-	-	10,550
Unearned revenue	-	-	-	308,750	308,750
TOTAL LIABILITIES	<u>30,915</u>	<u>821</u>	<u>4,086</u>	<u>309,544</u>	<u>345,366</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	63,842	-	-	6,611	70,453
FUND BALANCES					
Nonspendable					
Inventory	-	-	-	14,270	14,270
Restricted					
Swimming pool	53,845	-	-	-	53,845
Streets and highways	-	861,831	-	404,413	1,266,244
Garbage collection	-	-	-	11,890	11,890
Parks and recreation	-	-	-	12,367	12,367
Library	-	-	109,925	-	109,925
Drug and law enforcement	-	-	-	3,944	3,944
Debt service	-	-	-	219,289	219,289
Assigned					
ARPA projects	-	-	-	4,139	4,139
Capital improvements	-	-	-	12,150	12,150
Subsequent year's expenditures	1,164,622	-	-	-	1,164,622
Unassigned	819,402	-	-	-	819,402
TOTAL FUND BALANCES	<u>2,037,869</u>	<u>861,831</u>	<u>109,925</u>	<u>682,462</u>	<u>3,692,087</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,132,626</u>	<u>\$ 862,652</u>	<u>\$ 114,011</u>	<u>\$ 998,617</u>	<u>\$ 4,107,906</u>

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Total Fund Balances - Governmental Funds \$ 3,692,087

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds.

The cost of capital assets is	\$ 19,921,427	
Accumulated depreciation is	<u>(14,630,423)</u>	
Capital assets, net		5,291,004

Long-term receivables are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds balance sheet.

Property taxes		70,453
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Governmental funds report actual pension expenditures for the fiscal year, whereas the governmental activities will recognize the net pension liability as of the measurement date. Pension contributions subsequent to the measurement date will be deferred in the statement of net position. In addition, resources related to changes of assumptions, differences between expected and actual experience, and differences between projected and actual pension plan investment earnings will be deferred over time in the government-wide financial statements. These amounts consist of:

Deferred outflows of resources related to pensions	311,879	
Deferred inflows of resources related to pensions	<u>(151,510)</u>	
		160,369

Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Government-wide Statement of Net Position.

Net position of governmental activities accounted for in the Internal Service Funds		362,934
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. Long-term liabilities and related deferred charges at year-end consist of:

Long-term debt	(1,999,353)	
Unamortized deferred amounts on debt issuance	(36,782)	
Accrued interest payable	(31,661)	
Compensated absences	(89,192)	
Net pension liability	<u>(534,641)</u>	
		<u>(2,691,629)</u>

Net Position of Governmental Activities		\$ <u>6,885,218</u>
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**VILLAGE OF BLISSFIELD
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024**

	General Fund	Major Streets	Library	Nonmajor Governmental Funds	Total
REVENUES					
Property taxes	\$ 1,393,626	\$ -	\$ -	\$ 144,190	\$ 1,537,816
Licenses and permits	30,453	3,250	-	2,250	35,953
Intergovernmental	648,805	355,121	-	181,514	1,185,440
Charges for services	59,254	-	1,433	141,262	201,949
Fines and forfeits	9,249	-	14,804	-	24,053
Interest and rents	45,743	9,332	1,959	3,569	60,603
Other	122,915	11,840	31,329	10,490	176,574
TOTAL REVENUES	2,310,045	379,543	49,525	483,275	3,222,388
EXPENDITURES					
Current					
General government	263,605	-	-	-	263,605
Public safety	720,308	-	-	1,169	721,477
Public works	120,300	147,071	-	227,682	495,053
Community and economic development	46,074	-	-	-	46,074
Recreation and culture	553,812	-	329,517	64,110	947,439
Capital outlay	20,604	-	-	34,470	55,074
Debt service	4,778	-	-	422,439	427,217
TOTAL EXPENDITURES	1,729,481	147,071	329,517	749,870	2,955,939
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	580,564	232,472	(279,992)	(266,595)	266,449
OTHER FINANCING SOURCES (USES)					
Leases issued	20,604	-	-	-	20,604
Transfers in	80,000	-	248,301	501,986	830,287
Transfers out	(471,626)	(70,400)	-	(67,073)	(609,099)
TOTAL OTHER FINANCING SOURCES (USES)	(371,022)	(70,400)	248,301	434,913	241,792
NET CHANGE IN FUND BALANCES	209,542	162,072	(31,691)	168,318	508,241
Fund balances, beginning of year, as previously reported	1,828,327	699,759	-	655,760	3,183,846
Change within financial reporting entity (nonmajor to major fund)	-	-	141,616	(141,616)	-
Fund balances, beginning of year, as restated	1,828,327	699,759	141,616	514,144	3,183,846
Fund balances, end of year	<u>\$ 2,037,869</u>	<u>\$ 861,831</u>	<u>\$ 109,925</u>	<u>\$ 682,462</u>	<u>\$ 3,692,087</u>

See accompanying notes to financial statements.

VILLAGE OF BLISSFIELD
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 508,241

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 250,938	
Depreciation/amortization expense	(311,843)	
	(311,843)	
Excess of depreciation expense over capital outlay		(60,905)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. In the current period, these amounts consist of:

Change in unavailable property tax receivable	7,046
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Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the Internal Service Funds is allocated to the governmental activities in the Government-wide Statement of Activities.

Change in net position of governmental activities accounted for in the Internal Service Funds	53,213
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Debt proceeds provide current financial resources to governmental funds in the period issued, but issuing long-term debt increases liabilities in the statement of net position. Items resulting from the repayment of long-term debt are reported as expenditures in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current period, these amounts consist of:

Debt principal retirement	346,763	
Leases issued	(20,604)	
Change in capitalized bond premiums	2,628	
		328,787

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in accrued interest payable	5,123	
(Increase) in accrued compensated absences	(19,744)	
Decrease in net pension liability	168,378	
(Decrease) in deferred outflows of resources related to pensions	(178,371)	
(Increase) in deferred inflows of resources related to pensions	(41,614)	
		(66,228)

Change in Net Position of Governmental Activities **\$ 770,154**

**VILLAGE OF BLISSFIELD
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Business-type Activities			Total	Governmental Activities
	Sewer Fund	Water Fund	Nonmajor Building Inspection Fund		Internal Service Fund
ASSETS					
Current assets					
Cash and cash equivalents	\$ 907,046	\$ 1,113,611	\$ 47,510	\$ 2,068,167	\$ 134,240
Investments	591,077	206,440	-	797,517	-
Accounts receivable	258,891	313,807	-	572,698	-
Due from other governmental units	426,267	-	-	426,267	-
Due from other funds	-	10,550	-	10,550	-
Prepays	203,785	200,000	-	403,785	99,500
Inventory	2,320	38,653	-	40,973	-
Total current assets	<u>2,389,386</u>	<u>1,883,061</u>	<u>47,510</u>	<u>4,319,957</u>	<u>233,740</u>
Noncurrent assets					
Capital assets not being depreciated	7,979,184	285,410	-	8,264,594	-
Capital assets, net of depreciation	<u>2,988,433</u>	<u>5,858,488</u>	<u>-</u>	<u>8,846,921</u>	<u>130,248</u>
Total noncurrent assets	<u>10,967,617</u>	<u>6,143,898</u>	<u>-</u>	<u>17,111,515</u>	<u>130,248</u>
TOTAL ASSETS	<u>13,357,003</u>	<u>8,026,959</u>	<u>47,510</u>	<u>21,431,472</u>	<u>363,988</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pensions	<u>110,907</u>	<u>159,403</u>	<u>-</u>	<u>270,310</u>	<u>-</u>
LIABILITIES					
Current liabilities					
Accounts payable	14,151	11,488	-	25,639	-
Deposits payable	39,359	36,666	-	76,025	-
Accrued liabilities	8,479	11,969	314	20,762	1,054
Accrued interest payable	38,481	15,046	-	53,527	-
Current portion of compensated absences	14,206	15,602	-	29,808	-
Current portion of long-term debt	<u>220,000</u>	<u>95,000</u>	<u>-</u>	<u>315,000</u>	<u>-</u>
Total current liabilities	<u>334,676</u>	<u>185,771</u>	<u>314</u>	<u>520,761</u>	<u>1,054</u>
Noncurrent liabilities					
Noncurrent portion of long-term debt	7,380,220	810,000	-	8,190,220	-
Net pension liability	<u>190,123</u>	<u>273,258</u>	<u>-</u>	<u>463,381</u>	<u>-</u>
Total noncurrent liabilities	<u>7,570,343</u>	<u>1,083,258</u>	<u>-</u>	<u>8,653,601</u>	<u>-</u>
TOTAL LIABILITIES	<u>7,905,019</u>	<u>1,269,029</u>	<u>314</u>	<u>9,174,362</u>	<u>1,054</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to pensions	<u>53,879</u>	<u>77,438</u>	<u>-</u>	<u>131,317</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	3,367,397	5,238,898	-	8,606,295	130,248
Unrestricted	<u>2,141,615</u>	<u>1,600,997</u>	<u>47,196</u>	<u>3,789,808</u>	<u>232,686</u>
TOTAL NET POSITION	<u>\$ 5,509,012</u>	<u>\$ 6,839,895</u>	<u>\$ 47,196</u>	<u>\$ 12,396,103</u>	<u>\$ 362,934</u>

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Governmental Activities
	Sewer Fund	Water Fund	Nonmajor Building Inspection Fund	Total	Internal Service Fund
OPERATING REVENUES					
Charges for services	\$ 1,773,436	\$ 2,014,697	\$ 39,127	\$ 3,827,260	\$ 216,888
Other	1,395	43,419	-	44,814	1,921
TOTAL OPERATING REVENUES	<u>1,774,831</u>	<u>2,058,116</u>	<u>39,127</u>	<u>3,872,074</u>	<u>218,809</u>
OPERATING EXPENSES					
Wages and benefits	497,630	683,934	27,498	1,209,062	36,729
Contractual services	139,235	127,673	105	267,013	-
Insurance	13,545	20,431	163	34,139	10,370
Maintenance	31,598	33,796	2,054	67,448	28,057
Supplies	22,852	258,299	3,106	284,257	28,642
Other operating costs	184,749	341,376	2,356	528,481	-
Depreciation	65,498	259,394	-	324,892	65,120
TOTAL OPERATING EXPENSES	<u>955,107</u>	<u>1,724,903</u>	<u>35,282</u>	<u>2,715,292</u>	<u>168,918</u>
OPERATING INCOME	<u>819,724</u>	<u>333,213</u>	<u>3,845</u>	<u>1,156,782</u>	<u>49,891</u>
NONOPERATING REVENUES (EXPENSES)					
Gain on sale of capital assets	-	-	-	-	2,650
Interest revenue	29,970	11,135	245	41,350	672
Interest expenses	(95,100)	(36,409)	-	(131,509)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(65,130)</u>	<u>(25,274)</u>	<u>245</u>	<u>(90,159)</u>	<u>3,322</u>
INCOME BEFORE TRANSFERS	<u>754,594</u>	<u>307,939</u>	<u>4,090</u>	<u>1,066,623</u>	<u>53,213</u>
TRANSFERS					
Transfers out	(133,645)	(87,543)	-	(221,188)	-
CHANGE IN NET POSITION	<u>620,949</u>	<u>220,396</u>	<u>4,090</u>	<u>845,435</u>	<u>53,213</u>
Net position, beginning of year	<u>4,888,063</u>	<u>6,619,499</u>	<u>43,106</u>	<u>11,550,668</u>	<u>309,721</u>
Net position, end of year	<u>\$ 5,509,012</u>	<u>\$ 6,839,895</u>	<u>\$ 47,196</u>	<u>\$ 12,396,103</u>	<u>\$ 362,934</u>

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Governmental Activities
	Sewer Fund	Water Fund	Nonmajor Building Inspection Fund	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers and interfund services	\$ 1,761,455	\$ 2,060,186	\$ 39,127	\$ 3,860,768	\$ 218,809
Cash paid to suppliers	(579,252)	(973,675)	(7,784)	(1,560,711)	(166,569)
Cash paid to employees	(471,485)	(646,616)	(27,184)	(1,145,285)	(36,045)
NET CASH PROVIDED BY OPERATING ACTIVITIES	710,718	439,895	4,159	1,154,772	16,195
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Changes in interfund balances	(91,869)	(176,321)	(1,910)	(270,100)	(1,718)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal payments on long-term debt	(217,000)	(90,000)	-	(307,000)	-
Interest payments on long-term debt	(99,805)	(37,905)	-	(137,710)	-
Capital purchases	(135,661)	(333,069)	-	(468,730)	(12,577)
Proceeds from disposal of capital assets	-	-	-	-	2,650
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(452,466)	(460,974)	-	(913,440)	(9,927)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(591,077)	(206,440)	-	(797,517)	-
Interest received	29,970	11,135	245	41,350	672
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(561,107)	(195,305)	245	(756,167)	672
NET INCREASE (DECREASE) IN CASH	(394,724)	(392,705)	2,494	(784,935)	5,222
Cash and cash equivalents, beginning of year	1,301,770	1,506,316	45,016	2,853,102	129,018
Cash and cash equivalents, end of year	<u>\$ 907,046</u>	<u>\$ 1,113,611</u>	<u>\$ 47,510</u>	<u>\$ 2,068,167</u>	<u>\$ 134,240</u>

**VILLAGE OF BLISSFIELD
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (continued)
 YEAR ENDED SEPTEMBER 30, 2024**

	Business-type Activities				Governmental Activities
	Sewer Fund	Water Fund	Nonmajor	Total	Internal Service Fund
			Building Inspection Fund		
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 819,724	\$ 333,213	\$ 3,845	\$ 1,156,782	\$ 49,891
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	65,498	259,394	-	324,892	65,120
(Increase) decrease in:					
Accounts receivable	(13,376)	2,070	-	(11,306)	-
Prepays	(203,785)	(200,000)	-	(403,785)	(99,500)
Inventory	(515)	(4,559)	-	(5,074)	-
Deferred outflows of resources related to pensions	58,700	80,297	-	138,997	-
Increase (decrease) in:					
Accounts payable	14,151	11,488	-	25,639	-
Deposits payable	2,876	971	-	3,847	-
Accrued wages	3,920	2,861	314	7,095	684
Compensated absences	759	927	-	1,686	-
Net pension liability	(53,093)	(70,473)	-	(123,566)	-
Deferred inflows of resources related to pensions	15,859	23,706	-	39,565	-
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>\$ 710,718</u>	 <u>\$ 439,895</u>	 <u>\$ 4,159</u>	 <u>\$ 1,154,772</u>	 <u>\$ 16,195</u>

See accompanying notes to financial statements.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Blissfield (the Village), operates under an elected Village Council, which consists of the President, and six council members, with daily activities operated by the Village Administrator and Village Treasurer.

The financial statements of the Village have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to village governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Village's more significant accounting policies are described below.

Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activities of the Village of Blissfield (primary government) and its component unit, entities for which the primary government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Village's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Village.

Discretely Presented Component Unit

The Downtown Development Authority (the "DDA") was created as a separate legal entity under Public Act 197 of 1975 of the State of Michigan. The purpose of the DDA is to plan and develop the downtown area of the Village and to attract new businesses and residents. The governing body of the DDA is appointed by the Village Council for a fixed term. The Village approves the annual budget and any capital projects of the DDA. Prior approval by the Village is needed on any taxation by the DDA and the Village's approval is needed for any borrowing done by the DDA. Separate financial statements are not prepared.

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities (the government-wide financial statements) present information for the primary government and its component unit as a whole. For the most part, interfund activity has been eliminated in the preparation of these statements. Governmental 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 statement of activities presents the direct functional expenses of the primary government and its component unit and the program revenues that support them. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to recipients of goods or services and grants and contributions that are restricted to meeting the operational or capital requirements of that function. Revenues that are not required to be presented as program revenues are general revenues. This includes all taxes, interest, unrestricted State revenue sharing payments, and other general revenues and shows how governmental functions are either self-financing or supported by general revenues.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

FUND FINANCIAL STATEMENTS

The fund financial statements present the Village's individual major funds and aggregated nonmajor funds. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following *Major Governmental Funds*:

- a. The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government except for those that are required to be accounted for in another fund.
- b. The *Major Streets Fund* is used to account for restricted financial resources (primarily Act 51 revenues) that are used for repairs and maintenance of the Village's major streets.
- c. The *Library Fund* is used to account for all financial resources of the Library that are used to curate and maintain the Village's books and operate library related activities.

The Village reports the following *Major Enterprise Funds*:

- a. The *Sewer Fund* is used to account for the operations of the Village's sewage disposal system. Costs (expenses, including depreciation) are financed or recovered primarily through user charges.
- b. The *Water Fund* is used to account for the operations of the Village's water distribution system. Costs (expenses, including depreciation) are financed or recovered primarily through user charges.

Additionally, the Village reports the following *Fund Types*:

- a. The *Special Revenue Funds* account for revenue sources that are restricted or committed to expenditures for specific purposes other than debt service, capital projects, or permanent funds.
- b. The *Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- c. The *Capital Project Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.
- d. The *Internal Service Fund* accounts for the management of the motor vehicle pool provided to various departments of the Village on a cost-reimbursement basis.

Measurement Focus

The government-wide and proprietary fund financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations to the government-wide financial statements are provided that explain the differences in detail.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus (continued)

All governmental funds are presented using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balances.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both “measurable” and “available to finance expenditures of the current period”). The length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements is 60 days. Revenues that are considered measurable but not available are recorded as a receivable and unavailable revenue. Significant revenues susceptible to accrual include certain intergovernmental revenues and charges for services. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

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 enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and other costs of running the activity. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

If/when both restricted and unrestricted resources are available for use, it is the Village’s policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

The General Fund and major special revenue fund budgets shown as required supplementary information to the financial statements were prepared on a basis consistent with the modified accrual basis used to reflect actual results. The Village employs the following procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to June 1, the Village Council and Village Administrator prepare and submit their proposed operating budgets for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and resources to finance them.
- b. A Public Hearing is conducted to obtain taxpayers’ comments.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting (continued)

- c. Prior to September 1, the budget is legally enacted through passage of a resolution.
- d. The budget is legally adopted at the activity level for the General Fund and total expenditure level for the special revenue funds; however, they are maintained at the account level for control purposes.
- e. After the budget is adopted, all transfers of budgeted amounts between departments within the General Fund or any revisions that alter the total expenditures of any fund must be approved by the Village Council.
- f. Appropriations unused at September 30 are not carried forward to the following fiscal year.
- g. The Village does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.
- h. Budgeted amounts are reported as originally adopted or amended by the Village Council during the year. Individual amendments were not material in relation to the original budgets which were amended.

Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments consist of checking, savings, certificates of deposit, and petty cash. The investments are recorded at cost, which approximates fair value.

In accordance with Michigan Compiled Laws, the Village is authorized to invest in the following investment vehicles:

- a. Bonds, securities, and other obligations of the United States or any agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 5 or 6 of Act No. 105 of the Public Acts of 1855 as amended, being Section 21.145 and 21.146 or Michigan Compiled Laws.
- c. Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services, and which matures not more than 270 days after the date of purchase.
- d. The United States government or federal agency obligations repurchase agreements.
- e. Bankers acceptances of United States banks.
- f. Mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables

Receivables consist of amounts due from various individuals and businesses related to charges for services and taxes levied that have not been collected.

Due from Other Governmental Units

Due from other governmental units consists of amounts due from the State of Michigan or other governments for various payments and grants.

Inventory

Inventory is valued on a first-in, first-out cost basis. Inventory is recorded in both the government-wide and fund financial statements. Reportable inventory is equally offset by nonspendable fund balance, when applicable, which indicates they do not constitute “available spendable resources” even though they are a component of net current assets.

Capital Assets

Capital assets are those with an initial individual cost of \$5,000 or more and an estimated useful life of more than one year. Capital assets are not recorded in the governmental funds. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the government-wide and proprietary financial statements (net of accumulated depreciation, if applicable). All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition cost on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation is computed using the straight-line method over the following useful lives:

Land improvements	20-50 years
Buildings	50 years
Equipment, furniture, and books	10 - 20 years
Infrastructure	10 - 100 years

Compensated Absences

In accordance with the Village personnel policies and/or contracts negotiated with the various employee groups of the Village, individual employees have vested rights upon termination of employment to receive payment for unused sick leave under formulas and conditions specified in the respective personnel policies and/or contracts.

Vested sick leave earned as of September 30, 2024, including related payroll taxes, is recorded entirely in the government-wide and proprietary fund financial statements.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long-Term Obligations

Long-term debt and other long-term obligations are recognized as a liability in the government-wide and proprietary fund type financial statements when incurred. The portion of those liabilities expected to be paid within the next year is a current liability with the remaining amounts shown as noncurrent. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from debt proceeds received, are reported as expenses.

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

Unearned Revenue

Unearned revenues are reported for resources that have been received but not yet earned.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position or balance sheet will, when applicable, report separate sections for deferred outflows of resources and deferred inflows of resources. *Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. *Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Village reports deferred inflows of resources in the governmental funds for unavailable revenues for revenues not collected within 60 days of fiscal year end. The Village also reports deferred outflows of resources and deferred inflows of resources which correspond to the Village's net pension liability and are related to differences between expected and actual experience, changes in assumptions, differences between projected and actual plan investment earnings, and contributions subsequent to the measurement date. These amounts are deferred and recognized as an outflow or inflow of resources in the period to which they apply.

Net Pension Liability

The Village offers a defined benefit pension plan to its employees. The Village records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax

The Village bills and collects its own property taxes. The Village's property tax revenue recognition policy and related tax calendar disclosures are as follows:

Property taxes are levied by the Village on July 1 and are payable without penalty through September 15. The July 1 levy is composed of the Village's millage and voted millage. All real property taxes not paid to the Village by the due date are turned over to the Lenawee County Treasurer for collection. The Lenawee County Treasurer purchases the receivables of all taxing districts on any delinquent real property taxes. Delinquent personal property taxes are retained by the Village for subsequent collection. Village property tax revenues are recognized as revenues in the fiscal year levied.

The Village is permitted to levy up to 17.5000 mills (\$17.50 per \$1,000 of taxable valuation) for general governmental services, 0.4000 mills (\$0.40 per \$1,000 of taxable valuation) for bridge services, and 2.0000 mills (\$2.00 per \$1,000 of taxable valuation) for pool services. For the year ended September 30, 2024, the Village levied 14.0033 mills for general governmental services, 0.2000 mills for bridge services, and 1.2500 mills for the pool services. The total taxable value for the 2024 levy for the property within the Village was \$103,672,971.

Interfund Transactions

During the course of normal operations, the Village has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Balances for transfers that have not yet cleared as of the balance sheet date are considered interfund receivables and payables or advances.

Restricted Net Position

Restrictions of net position shown in the government-wide and proprietary fund type financial statements indicate restrictions that have been imposed by outside sources which preclude a portion of net position from their use for unrestricted purposes.

Fund Balance Classifications

Fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The following are the five classifications:

Nonspendable - assets that are not available in a spendable form such as inventory, prepaid expenditures, and long-term receivables not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

Restricted - amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF VILLAGE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance Classifications (continued)

Committed - amounts constrained on use imposed by formal action of the government’s highest level of decision-making authority (i.e., Board, Council, etc.).

Assigned - amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee or a delegated municipality official.

Unassigned - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, no matter which fund the deficit occurs in.

Fund Balance Classification Policies and Procedures

For committed fund balance, the Village’s highest level of decision-making authority is the Village Council. Formal action that is required to be taken to establish a fund balance commitment is a resolution of the Village Council. If a fund balance commitment is made, the commitment remains in effect until a resolution is made to remove it.

For assigned fund balance, the Village has not approved a policy indicating who is authorized to assign amounts to a specific purpose. In the absence of such a policy, authorization is deemed to rest with the Village Council.

The Village has not formally adopted a policy that determines when both restricted and unrestricted fund balances are available which should be used first. In the absence of such a policy, resources with the highest level of restriction will be used first.

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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DEPOSITS

The cash, cash equivalents, and investments referred to below have been reported in the financial statements based upon criteria disclosed in Note 1. The following summarizes the categorization of these amounts as of September 30, 2024:

	Primary Government	Component Unit	Reporting Entity
Cash and cash equivalents	\$ 5,514,930	\$ 173,786	\$ 5,688,716
Investments	1,210,397	-	1,210,397
	\$ 6,725,327	\$ 173,786	\$ 6,899,113

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - DEPOSITS (continued)

As of September 30, 2024, the Village had cash, cash equivalents, and investments summarized by the following categorization:

Deposits	
Checking	\$ 5,205,082
Savings	482,779
Certificates of deposit	1,210,397
Petty cash	855
	<hr/>
	\$ 6,899,113
	<hr/>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. As of September 30, 2024, \$6,298,934 of the Village's bank balance of \$7,290,180 was exposed to custodial credit risk because it was uninsured and uncollateralized.

The Village will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and investing through pre-approved third-party custodians.

Credit Risk

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's). Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. As of September 30, 2024, the Village did not have any investments that would be subject to rating.

Interest Rate Risk

In accordance with its investment policy, the Village will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by designing the investment portfolio with the objective of obtaining a rate of return throughout the budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio.

Concentration of Credit Risk

The Village will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Village investment in a single issuer, by diversifying the investment portfolio by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. No more than 50% of the Village's total investment portfolio can be invested in a single security type or with a single financial institution.

Foreign Currency Risk

The Village is not authorized to invest in investments which have this type of risk.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - INTERFUND PAYABLES AND RECEIVABLES

The amount of interfund receivables and payables at September 30, 2024, are as follows:

	Due From Other Funds
	Water Fund
Due To Other Funds	
Governmental	
General Fund	\$ 10,550

Amounts appearing as interfund payables and receivables arise from two types of transactions. One type of transaction is where a fund will pay for a good or service that at least a portion of the benefit belongs to another fund. The second type of transaction is where one fund provides a good or service to another fund. Balances at the end of the year are for transfers that have not yet cleared as of the balance sheet date.

NOTE 4 - INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds and enterprise funds have been eliminated.

	Transfers In			Total
	General Fund	Library Fund	Nonmajor Governmental Funds	
Transfers Out				
Governmental				
General Fund	\$ -	\$ 248,301	\$ 223,325	\$ 471,626
Major Streets Fund	-	-	70,400	70,400
Nonmajor governmental funds	-	-	67,073	67,073
Proprietary				
Sewer Fund	40,000	-	93,645	133,645
Water Fund	40,000	-	47,543	87,543
Total	\$ 80,000	\$ 248,301	\$ 501,986	\$ 830,287

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

Governmental Activities

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024
Capital assets not being depreciated				
Land	\$ 341,545	\$ -	\$ -	\$ 341,545
Construction in progress	-	48,269	-	48,269
Capital assets not being depreciated	<u>341,545</u>	<u>48,269</u>	<u>-</u>	<u>389,814</u>
Capital assets being depreciated				
Land improvements	1,220,966	68,475	-	1,289,441
Buildings	4,173,902	40,895	-	4,214,797
Equipment, furniture, and books	1,964,981	50,403	(10,150)	2,005,234
Right of use - equipment	-	20,604	-	20,604
Infrastructure	13,029,870	34,869	-	13,064,739
Subtotal	<u>20,389,719</u>	<u>215,246</u>	<u>(10,150)</u>	<u>20,594,815</u>
Less accumulated depreciation for				
Land improvements	(730,815)	(40,074)	-	(770,889)
Buildings	(1,166,551)	(126,386)	-	(1,292,937)
Equipment, furniture, and books	(1,652,791)	(96,170)	10,150	(1,738,811)
Right of use - equipment	-	(1,374)	-	(1,374)
Infrastructure	<u>(11,646,407)</u>	<u>(112,959)</u>	<u>-</u>	<u>(11,759,366)</u>
Subtotal	<u>(15,196,564)</u>	<u>(376,963)</u>	<u>10,150</u>	<u>(15,563,377)</u>
Net capital assets being depreciated	<u>5,193,155</u>	<u>(161,717)</u>	<u>-</u>	<u>5,031,438</u>
Capital assets, net	<u>\$ 5,534,700</u>	<u>\$ (113,448)</u>	<u>\$ -</u>	<u>\$ 5,421,252</u>

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - CAPITAL ASSETS (continued)

Business-type Activities

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024
Capital assets not being depreciated				
Construction in progress	\$ 7,989,934	\$ 274,660	\$ -	\$ 8,264,594
Capital assets being depreciated				
Land improvements	-	5,886	-	5,886
Equipment	271,911	44,036	-	315,947
Infrastructure	16,351,190	144,148	-	16,495,338
Subtotal	16,623,101	194,070	-	16,817,171
Less accumulated depreciation for				
Land improvements	-	(49)	-	(49)
Equipment	(193,255)	(12,311)	-	(205,566)
Infrastructure	(7,452,103)	(312,532)	-	(7,764,635)
Subtotal	(7,645,358)	(324,892)	-	(7,970,250)
Net capital assets being depreciated	8,977,743	(130,822)	-	8,846,921
Capital assets, net	\$ 16,967,677	\$ 143,838	\$ -	\$ 17,111,515

Depreciation expense was charged to the following governmental and business-type activities:

	Governmental Activities	Business-type Activities
General government	\$ 46,660	\$ -
Public safety	13,020	-
Public works	162,722	-
Recreation and culture	154,561	-
Sewer	-	65,498
Water	-	259,394
	\$ 376,963	\$ 324,892

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - CAPITAL ASSETS (continued)

Component Unit

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024
Capital assets being depreciated				
Land improvements	\$ 869,885	\$ -	\$ -	\$ 869,885
Less accumulated depreciation for				
Land improvements	(461,807)	(17,397)	-	(479,204)
Capital assets, net	<u>\$ 408,078</u>	<u>\$ (17,397)</u>	<u>\$ -</u>	<u>\$ 390,681</u>

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations (including current portion) of the Village for the year ended September 30, 2024:

	Balance Oct. 1, 2023	Additions	Deletions	Balance Sept. 30, 2024	Amounts Due Within One Year
Governmental activities					
General obligation bonds					
2014 Refunding Bonds	\$ 165,000	\$ -	\$ (165,000)	\$ -	\$ -
2017 Recreation Parks	225,000	-	(25,000)	200,000	25,000
2018 Public Swimming Pool	1,595,000	-	(100,000)	1,495,000	100,000
Direct borrowing and direct placements					
Municipal purchase agreement	340,512	-	(51,985)	288,527	53,805
Lease payable	-	20,604	(4,778)	15,826	3,512
Deferred amounts					
Bond premium	39,410	-	(2,628)	36,782	2,628
Compensated absences	69,448	104,911	(85,167)	89,192	89,192
Total governmental activities	<u>2,434,370</u>	<u>125,515</u>	<u>(434,558)</u>	<u>2,125,327</u>	<u>274,137</u>
Business-type activities					
General obligation bonds					
2011 Capital Improvement	995,000	-	(90,000)	905,000	95,000
Revenue Refunding Bonds					
1998 Wastewater Treatment Plant	235,000	-	(55,000)	180,000	55,000
Direct borrowing and direct placements					
2020 Series A & B Wastewater Treatment	7,582,220	-	(162,000)	7,420,220	165,000
Compensated absences	28,122	38,786	(37,100)	29,808	29,808
Total business-type activities	<u>8,840,342</u>	<u>38,786</u>	<u>(344,100)</u>	<u>8,535,028</u>	<u>344,808</u>
Total	<u>\$ 11,274,712</u>	<u>\$ 164,301</u>	<u>\$ (778,658)</u>	<u>\$ 10,660,355</u>	<u>\$ 618,945</u>

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - LONG-TERM OBLIGATIONS (continued)

Significant details regarding outstanding long-term debt (including current portion) are presented below:

Governmental Activities

Governmental Activities

\$355,000 2017 General Obligation Unlimited Tax Bonds, dated March 14, 2017, due in annual installments ranging from \$25,000 to \$30,000 through May 1, 2031, with interest of 3.75%, payable semi-annually.	\$ 200,000
\$2,080,000 2018 General Obligation Unlimited Tax Bonds, dated June 26, 2018, due in annual installments ranging from \$100,000 to \$120,000 through May 1, 2038, with interest of 3.50%, payable semi-annually.	1,495,000
\$736,000 2014 Municipal Installment Purchase Agreement, dated February 18, 2014, due in annual installments ranging from \$53,805 to \$61,742 through February 18, 2029, with interest of 3.50%, payable annually.	288,527
\$15,826 Lease payable, dated June 1, 2024, for the right to use an in car camera system for police vehicles through June 1, 2029, due in annual payments of \$4,778, including interest of 8.00%.	15,826
	\$ 1,999,353

Business-type Activities

Business-type Activities

\$1,650,000 2011 General Obligation Capital Improvement Bonds, dated October 20, 2011, due in annual installments ranging from \$95,000 to \$125,000 through May 1, 2032, with interest of 3.990%, payable semi-annually.	\$ 905,000
\$995,000 1998 Revenue Refunding Bonds, dated November 17, 1998, due in annual installments ranging from \$55,000 to \$65,000 through July 1, 2028, with interest of 5.200%, payable semi-annually.	180,000
\$6,849,000 2020 Series A Loans, dated November 24, 2020, due in annual installments ranging from \$138,000 to \$216,000 through November 1, 2060, with interest of 1.250%, payable semi-annually.	6,237,707
\$1,300,000 2020 Series B Loans, dated November 24, 2020, due in annual installments ranging from \$27,000 to \$40,000 through November 1, 2060, with interest of 1.125%, payable semi-annually.	1,182,513
	\$ 8,505,220

The Village's outstanding obligations from direct borrowings and direct placements contain provisions that in an event of default, either by (1) unable to make principal or interest payments (2) false or misrepresentation is made to the lender (3) become insolvent or make an assignment for the benefit of its creditors (4) if the lender at any time in good faith believes that the prospect of payment of any indebtedness is impaired. Upon the occurrence of any default event, the outstanding amounts, including accrued interest become immediately due and payable.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - LONG-TERM OBLIGATIONS (continued)

The annual requirements to pay the debt principal and interest outstanding for bonds and installment purchase agreements are as follows:

Governmental Activities

Year Ending September 30,	General Obligations Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2025	\$ 125,000	\$ 59,825	\$ 57,317	\$ 11,364
2026	125,000	55,388	59,481	9,200
2027	130,000	50,950	61,734	6,948
2028	130,000	46,325	64,079	4,603
2029	130,000	41,700	61,742	2,161
2030-2034	600,000	140,255	-	-
2035-2039	455,000	40,425	-	-
	<u>\$ 1,695,000</u>	<u>\$ 434,868</u>	<u>\$ 304,353</u>	<u>\$ 34,276</u>

Business-type Activities

Year Ending September 30,	General Obligations Bonds		Revenue Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 95,000	\$ 34,214	\$ 55,000	\$ 9,360	\$ 165,000	\$ 94,323
2026	95,000	30,424	60,000	6,500	167,000	92,294
2027	95,000	26,633	65,000	3,380	168,000	90,240
2028	120,000	22,344	-	-	171,000	88,174
2029	125,000	17,456	-	-	173,000	86,071
2030-2034	375,000	22,444	-	-	898,000	397,889
2035-2039	-	-	-	-	953,000	341,341
2040-2044	-	-	-	-	1,015,000	281,245
2045-2049	-	-	-	-	1,080,000	217,220
2050-2054	-	-	-	-	1,147,000	149,190
2055-2059	-	-	-	-	1,221,000	76,789
2060-2061	-	-	-	-	510,000	9,425
Less: amounts not drawn	-	-	-	-	(247,780)	-
	<u>\$ 905,000</u>	<u>\$ 153,515</u>	<u>\$ 180,000</u>	<u>\$ 19,240</u>	<u>\$ 7,420,220</u>	<u>\$ 1,924,201</u>

Compensated Absences

In accordance with the Village personnel policies and/or contracts negotiated with the various employee groups of the Village, individual employees have vested rights upon termination of employment to receive payment for unused sick leave under formulas and conditions specified in the respective personnel policies and/or contracts. At September 30, 2024, the dollar amount of these vested rights, including related payroll taxes, amounted to \$89,192 and \$29,808 for sick leave in governmental activities and business-type activities, respectively. For governmental activities, these liabilities are expected to be liquidated primarily by the General Fund.

VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - RISK MANAGEMENT

The Village participates in a pool, the Michigan Municipal League Workers' Compensation Fund, with other municipalities for workers' compensation losses. The pool is organized under Public Act 317 of 1969, as amended. In the event the pool's claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The Village has not been informed of any special assessments being required.

The Village also participates in a pool, the Michigan Municipal League Liability and Property Pool, with other municipalities for property, liability, bonding, and casualty losses. The pool is organized under Public Act 138 of 1982, as amended. In the event the pool's claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The Village has not been informed of any special assessments being required.

NOTE 8 - CONTINGENCIES

In the normal course of its activities, the Village has become a party in various legal actions, including property tax assessment appeals. Management of the Village is of the opinion that the outcome of such actions will not have a material effect on the financial position of the Village and, therefore, has not reflected loss reserves in the financial statements.

Amounts received or receivable from grantor 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 which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

NOTE 9 - DEFINED BENEFIT PENSION PLAN

Plan Description

The Village's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The Village participates in the Municipal Employees' Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan's Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com.

Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

Benefits Provided

Pension are calculated as final average compensation (based on a 3-year period) and multipliers at 2.00% with no max. Participants are considered to be fully vested in the plan after 6 years. Normal retirement age is 60 with early retirement at age 55 with 25 years of service, or reduced early retirement at age 50 with 25 years of service or age 55 with 15 years of service.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Village Council, generally after negotiations of the terms with affected unions.

Plan Membership

At the December 31, 2023, valuation date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	12
Inactive plan members entitled to but not yet receiving benefits	13
Active members	<u>24</u>
	<u><u>49</u></u>

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For the year ended September 30, 2024, employer contributions were 15.13% of annual payroll. In addition, the employer may establish contribution rates to be paid by its covered employees. Currently, members are not required to contribute to the plan.

Payable to the Pension Plan

At September 30, 2024, there were no amounts outstanding by the Village for contributions to the pension plan required for the year ended September 30, 2024.

Net Pension Liability

The Village's net pension liability reported at September 30, 2024, was determined using a measure of the total pension liability and the pension net position as of December 31, 2023. The December 31, 2023 total pension liability was determined by an actuarial valuation performed as of that date.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions

The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50%

Salary increases: 3.00% plus merit and longevity; 3.00% in the long term.

Investment rate of return: 7.18%, net of investment and administrative expenses, including inflation.

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in the valuation were based on the results of the 2014-2018 Five-year Experience Study.

Projected Cash Flows

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Expected Money-Weighted Rate of Return</u>
Global equity	60.00%	4.38%	2.63%
Global fixed income	20.00%	2.00%	0.40%
Private investments	20.00%	7.00%	1.40%
	<u>100.00%</u>		4.43%
Inflation			<u>2.50%</u>
Assumed investment rate of return			6.93%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return (discount rate)			<u>7.18%</u>

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability is 7.18%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

Changes in the net pension liability during the measurement year were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2022	\$ 5,554,442	\$ 4,264,476	\$ 1,289,966
Changes for the year			
Service cost	149,985	-	149,985
Interest on total pension liability	397,437	-	397,437
Difference between expected and actual experience	(183,854)	-	(183,854)
Changes in assumptions	47,575	-	47,575
Employer contributions	-	231,157	(231,157)
Net investment income	-	481,948	(481,948)
Benefit payments, including employee refunds	(295,094)	(295,094)	-
Administrative expense	-	(10,018)	10,018
Net changes	116,049	407,993	(291,944)
Balances as of December 31, 2023	\$ 5,670,491	\$ 4,672,469	\$ 998,022

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Village, calculated using the discount rate of 7.18%, as well as what the Village's net pension liability would be using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease	Current Discount	1% Increase
Net pension liability	\$ 1,752,945	\$ 998,022	\$ 374,169

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 9 - DEFINED BENEFIT PENSION PLAN (continued)

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

For the year ended September 30, 2024, the Village recognized pension expense of \$334,363. The Village reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 282,827
Changes in assumptions	181,144	-
Difference between expected and actual investment experience	224,748	-
Contributions subsequent to the measurement date*	176,297	-
	\$ 582,189	\$ 282,827

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending September 30, 2025.

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

Year Ending September 30,	Pension Expense (Benefit)
2025	\$ 33,079
2026	66,445
2027	85,886
2028	(62,345)
	\$ 123,065

Changes in Assumptions

Change in discount rate from 7.25% to 7.18% during plan year 2023.

Changes in Benefits Terms

There were no changes in benefit terms during plan year 2023.

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets represents the following:

	Governmental Activities	Business-type Activities
Capital assets, net	\$ 5,421,252	\$ 17,111,515
Less: Outstanding principal of capital related debt	(1,999,353)	(8,505,220)
Plus: Deferred amounts on debt issuance	(36,782)	-
Net investment in capital assets	\$ 3,385,117	\$ 8,606,295

NOTE 11 - CHANGES WITHIN THE FINANCIAL REPORTING ENTITY

For the year ended September 30, 2024, the Village implemented: GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, which was issued in June 2022. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error correction. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period.

During the year ended September 30, 2024, changes to or within the financial reporting entity resulted in adjustments to beginning fund balance as follows:

	Reporting Units Affected by Adjustments to Beginning	
	Library Fund	Nonmajor Governmental Funds
Fund balances, beginning of year, as previously reported	\$ -	\$ 655,760
Change from nonmajor fund to major fund	141,616	(141,616)
Fund balances, beginning of year, as restated	\$ 141,616	\$ 514,144

VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS

NOTE 12 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. The Village is currently evaluating the impact this standard will have on the financial statements when adopted during the 2024-2025 fiscal year.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of circumstances disclosed and the government's vulnerability to the risk of substantial impact. The Village is currently evaluating the impact this standard will have on the financial statements when adopted during the 2024-2025 fiscal year.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following:

- a. Management's discussion and analysis (MD&A);
 - i. Requires that the information presented in MD&A be limited to the related topics discussed in five specific sections:
 - 1) Overview of the Financial Statements,
 - 2) Financial Summary,
 - 3) Detailed Analyses,
 - 4) Significant Capital Asset and Long-Term Financing Activity,
 - 5) Currently Known Facts, Decisions, or Conditions;
 - ii. Stresses detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed;
 - iii. Removes the requirement for discussion of significant variations between original and final budget amounts and between final budget amounts and actual results;
- b. Unusual or infrequent items;
- c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
 - i. Requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and clarifies the definition of operating and nonoperating revenues and expenses;
 - ii. Requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses and defines subsidies;

**VILLAGE OF BLISSFIELD
NOTES TO FINANCIAL STATEMENTS**

NOTE 12 - UPCOMING ACCOUNTING PRONOUNCEMENTS (continued)

- d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements of should be presented after the fund financial statements;
- e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

The Village is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 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 assets 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. The Village is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

**VILLAGE OF BLISSFIELD
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Property taxes	\$ 1,303,500	\$ 1,308,000	\$ 1,393,626	\$ 85,626
Licenses and permits	27,100	29,600	30,453	853
Intergovernmental	570,000	580,000	648,805	68,805
Charges for services	36,750	59,695	59,254	(441)
Fines and forfeits	9,000	10,070	9,249	(821)
Interest and rents	33,200	42,300	45,743	3,443
Other	99,000	146,116	122,915	(23,201)
	<u>2,078,550</u>	<u>2,175,781</u>	<u>2,310,045</u>	<u>134,264</u>
EXPENDITURES				
Current				
General government				
Village council	23,025	31,425	21,871	9,554
Village administrator	37,295	40,045	37,281	2,764
Aministrative assistant	9,035	9,550	6,668	2,882
Clerk	25,785	26,885	24,018	2,867
Treasurer	28,185	28,585	25,389	3,196
Village hall and grounds	206,700	207,600	94,422	113,178
Professional services	32,500	32,500	27,167	5,333
Historical depot	29,150	29,150	7,526	21,624
Boy scout building	8,575	8,625	7,309	1,316
Municipal improvements	25,100	25,450	11,954	13,496
	<u>425,350</u>	<u>439,815</u>	<u>263,605</u>	<u>176,210</u>
Total general government				
Public safety				
Police	908,240	913,190	720,308	192,882
Public works				
Department of public works	91,650	94,100	67,759	26,341
Engineering	50,000	50,000	45,391	4,609
Recycling	6,535	7,535	7,150	385
	<u>148,185</u>	<u>151,635</u>	<u>120,300</u>	<u>31,335</u>
Total public works				
Community and economic development				
Planning commission	11,025	11,825	4,872	6,953
Zoning administrator	6,985	7,026	4,618	2,408
Economic development	36,685	38,885	36,584	2,301
	<u>54,695</u>	<u>57,736</u>	<u>46,074</u>	<u>11,662</u>
Total community and economic development				

**VILLAGE OF BLISSFIELD
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE (continued)
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
EXPENDITURES (continued)				
Current (continued)				
Recreation and culture				
Pool	\$ 257,916	\$ 288,139	\$ 218,276	\$ 69,863
Festival	7,375	7,725	6,280	1,445
Parks	431,472	440,322	163,264	277,058
Urban forestry	190,650	190,920	122,865	68,055
Library	100,000	100,000	43,127	56,873
Total recreation and culture	<u>987,413</u>	<u>1,027,106</u>	<u>553,812</u>	<u>473,294</u>
Capital outlay	-	-	20,604	(20,604)
Debt service	-	-	4,778	(4,778)
TOTAL EXPENDITURES	<u>2,523,883</u>	<u>2,589,482</u>	<u>1,729,481</u>	<u>860,001</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(445,333)</u>	<u>(413,701)</u>	<u>580,564</u>	<u>994,265</u>
OTHER FINANCING SOURCES (USES)				
Leases issued	-	-	20,604	20,604
Transfers in	80,000	80,000	80,000	-
Transfers out	(471,801)	(471,801)	(471,626)	175
TOTAL OTHER FINANCING SOURCES (USES)	<u>(391,801)</u>	<u>(391,801)</u>	<u>(371,022)</u>	<u>20,779</u>
NET CHANGE IN FUND BALANCE	<u>(837,134)</u>	<u>(805,502)</u>	<u>209,542</u>	<u>1,015,044</u>
Fund balance, beginning of year	<u>1,828,327</u>	<u>1,828,327</u>	<u>1,828,327</u>	<u>-</u>
Fund balance, end of year	<u>\$ 991,193</u>	<u>\$ 1,022,825</u>	<u>\$ 2,037,869</u>	<u>\$ 1,015,044</u>

**VILLAGE OF BLISSFIELD
MAJOR STREETS FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Licenses and permits	\$ -	\$ 3,500	\$ 3,250	\$ (250)
Intergovernmental	340,500	340,500	355,121	14,621
Interest	600	9,100	9,332	232
Other	-	12,000	11,840	(160)
	<u>341,100</u>	<u>365,100</u>	<u>379,543</u>	<u>14,443</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Public works	<u>669,485</u>	<u>669,940</u>	<u>147,071</u>	<u>522,869</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(328,385)</u>	<u>(304,840)</u>	<u>232,472</u>	<u>537,312</u>
OTHER FINANCING (USES)				
Transfers out	<u>(70,400)</u>	<u>(70,400)</u>	<u>(70,400)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(398,785)	(375,240)	162,072	537,312
Fund balance, beginning of year	<u>699,759</u>	<u>699,759</u>	<u>699,759</u>	<u>-</u>
Fund balance, end of year	<u>\$ 300,974</u>	<u>\$ 324,519</u>	<u>\$ 861,831</u>	<u>\$ 537,312</u>

**VILLAGE OF BLISSFIELD
LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 1,550	\$ 1,550	\$ 1,433	\$ (117)
Fines and forfeitures	8,000	15,000	14,804	(196)
Interest and rents	1,700	1,700	1,959	259
Other	8,000	26,000	31,329	5,329
	<u>19,250</u>	<u>44,250</u>	<u>49,525</u>	<u>5,275</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Recreation and culture	332,579	375,579	329,517	46,062
	<u>332,579</u>	<u>375,579</u>	<u>329,517</u>	<u>46,062</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	<u>(313,329)</u>	<u>(331,329)</u>	<u>(279,992)</u>	<u>51,337</u>
OTHER FINANCING SOURCES				
Transfers in	248,301	248,301	248,301	-
	<u>248,301</u>	<u>248,301</u>	<u>248,301</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(65,028)</u>	<u>(83,028)</u>	<u>(31,691)</u>	<u>51,337</u>
Fund balance, beginning of year as previously reported	-	-	-	-
Change within financial reporting entity (nonmajor to major fund)	141,616	141,616	141,616	-
	<u>141,616</u>	<u>141,616</u>	<u>141,616</u>	<u>-</u>
Fund balances, beginning of year, as restated	<u>141,616</u>	<u>141,616</u>	<u>141,616</u>	<u>-</u>
Fund balance, end of year	<u>\$ 76,588</u>	<u>\$ 58,588</u>	<u>\$ 109,925</u>	<u>\$ 51,337</u>

VILLAGE OF BLISSFIELD
SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT DATES
(AMOUNTS WERE DETERMINED AS OF 12/31 OF EACH FISCAL YEAR)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
CHANGE IN TOTAL PENSION LIABILITY										
Service cost	\$ 149,985	\$ 146,240	\$ 131,632	\$ 122,514	\$ 113,666	\$ 106,461	\$ 99,933	\$ 102,383	\$ 101,440	\$ 92,111
Interest	397,437	390,757	384,744	343,124	337,474	321,058	325,488	317,624	193,711	272,458
Differences between expected and actual experience	(183,854)	(148,872)	(116,050)	202,210	(38,760)	(10,036)	(286,795)	(138,965)	70,517	-
Changes in assumptions	47,575	-	222,269	166,095	125,743	-	-	-	185,504	-
Benefit payments, including refunds of member contributions	(295,094)	(300,637)	(304,482)	(277,272)	(215,102)	(216,656)	(177,899)	(185,113)	(179,570)	(179,570)
NET CHANGE IN TOTAL PENSION LIABILITY	116,049	87,488	318,113	556,671	323,021	200,827	(39,273)	95,929	371,602	184,999
TOTAL PENSION LIABILITY, BEGINNING	5,554,442	5,466,954	5,148,841	4,592,170	4,269,149	4,068,322	4,107,595	4,011,666	3,640,064	3,455,065
TOTAL PENSION LIABILITY, ENDING (A)	\$ 5,670,491	\$ 5,554,442	\$ 5,466,954	\$ 5,148,841	\$ 4,592,170	\$ 4,269,149	\$ 4,068,322	\$ 4,107,595	\$ 4,011,666	\$ 3,640,064
CHANGE IN PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 231,157	\$ 206,997	\$ 173,719	\$ 147,200	\$ 136,497	\$ 145,297	\$ 127,768	\$ 111,509	\$ 108,569	\$ 91,270
Net investment income (loss)	481,948	(538,136)	648,252	506,372	490,532	(150,232)	456,158	360,156	175,208	193,799
Benefit payments, including refunds of member contributions	(295,094)	(300,637)	(304,482)	(277,272)	(215,102)	(216,656)	(177,899)	(185,113)	(179,570)	(179,570)
Administrative expenses	(10,018)	(8,943)	(7,036)	(8,054)	(8,453)	(7,452)	(7,219)	(7,108)	-	-
NET CHANGE IN PLAN FIDUCIARY NET POSITION	407,993	(640,719)	510,453	368,246	403,474	(229,043)	398,808	279,444	104,207	105,499
PLAN FIDUCIARY NET POSITION, BEGINNING	4,264,476	4,905,195	4,394,742	4,026,496	3,623,022	3,852,065	3,453,257	3,173,813	3,499,283	3,393,784
RESTATEMENT	-	-	-	-	-	-	-	-	(429,677)	-
PLAN FIDUCIARY NET POSITION, ENDING (B)	\$ 4,672,469	\$ 4,264,476	\$ 4,905,195	\$ 4,394,742	\$ 4,026,496	\$ 3,623,022	\$ 3,852,065	\$ 3,453,257	\$ 3,173,813	\$ 3,499,283
VILLAGE'S NET PENSION LIABILITY, ENDING (A)-(B)	\$ 998,022	\$ 1,289,966	\$ 561,759	\$ 754,099	\$ 565,674	\$ 646,127	\$ 216,257	\$ 654,338	\$ 837,853	\$ 140,781
Plan fiduciary net position as a percentage of the total pension liability	82.40%	76.78%	89.72%	85.35%	87.68%	84.87%	94.68%	84.07%	79.11%	96.13%
Covered payroll	\$ 1,428,426	\$ 1,396,750	\$ 1,385,604	\$ 1,308,913	\$ 1,200,276	\$ 1,164,784	\$ 1,089,783	\$ 1,084,562	\$ 1,093,104	\$ 992,577
Village's net pension liability as a percentage of covered payroll	69.87%	92.35%	40.54%	57.61%	47.13%	55.47%	19.84%	60.33%	76.65%	14.18%

**VILLAGE OF BLISSFIELD
SCHEDULE OF VILLAGE'S PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
(AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH YEAR)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution ⁽¹⁾	\$ 228,529	\$ 232,581	\$ 204,765	\$ 151,895	\$ 159,823	\$ 141,195	\$ 144,257	\$ 111,509	\$ 108,569	\$ 91,270
Contributions in relation to the actuarially determined contribution	<u>228,529</u>	<u>232,581</u>	<u>204,765</u>	<u>151,895</u>	<u>159,823</u>	<u>141,195</u>	<u>144,257</u>	<u>111,509</u>	<u>108,569</u>	<u>91,270</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,508,157	\$ 1,467,201	\$ 1,397,433	\$ 1,442,330	\$ 1,338,382	\$ 1,246,945	\$ 1,229,443	\$ 1,084,562	\$ 1,093,104	\$ 992,577
Contributions as a percentage of covered payroll	15.15%	15.85%	14.65%	10.53%	11.94%	11.32%	11.73%	10.28%	9.93%	9.20%

⁽¹⁾ The actuarially determined contribution was calculated based on projected covered payroll. Employer contributions were made in full based on actual covered payroll. Accordingly, the actuarially determined contribution has been expressed above as a percentage of actual payroll.

**VILLAGE OF BLISSFIELD
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2024**

NOTE 1 - DEFINED BENEFIT PENSION PLAN

Actuarial valuation information relative to the determination of contributions:

Valuation date:	December 31, 2023
Measurement date:	December 31, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, open
Asset valuation method	5-year smoothing
Remaining amortization period	16 years
Investment rate of return	7.00%, net of investment and administrative expense, including inflation
Discount rate	7.25%
Salary increases	3.00% in the long-term, plus merit and longevity
Inflation rate	2.50%
Mortality	Version of Pub-2010 and fully generated MP-2019

Changes in assumptions: The discount rate changed from 7.25% to 7.18% during plan year 2023.

Changes in benefits terms: There were no changes in benefit terms during plan year 2023.

OTHER SUPPLEMENTARY INFORMATION

**VILLAGE OF BLISSFIELD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024**

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Fund Municipal Building</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 725,830	\$ 206,112	\$ 12,150	\$ 944,092
Receivables				
Accounts	622	-	-	622
Taxes	-	9,272	-	9,272
Due from other governmental units	19,845	10,516	-	30,361
Inventory	14,270	-	-	14,270
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 760,567</u>	<u>\$ 225,900</u>	<u>\$ 12,150</u>	<u>\$ 998,617</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accrued liabilities	\$ 794	\$ -	\$ -	\$ 794
Unearned revenue	308,750	-	-	308,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>309,544</u>	<u>-</u>	<u>-</u>	<u>309,544</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	6,611	-	6,611
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES				
Nonspendable				
Inventory	14,270	-	-	14,270
Restricted				
Streets and highways	404,413	-	-	404,413
Garbage collection	11,890	-	-	11,890
Parks and recreation	12,367	-	-	12,367
Drug and law enforcement	3,944	-	-	3,944
Debt service	-	219,289	-	219,289
Assigned				
ARPA projects	4,139	-	-	4,139
Capital improvements	-	-	12,150	12,150
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u>451,023</u>	<u>219,289</u>	<u>12,150</u>	<u>682,462</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	<u>\$ 760,567</u>	<u>\$ 225,900</u>	<u>\$ 12,150</u>	<u>\$ 998,617</u>

**VILLAGE OF BLISSFIELD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue Funds	Debt Service Funds	Capital Project Fund Municipal Building	Total
REVENUES				
Property taxes	\$ -	\$ 144,190	\$ -	\$ 144,190
Licenses and permits	2,250	-	-	2,250
Intergovernmental	159,638	21,876	-	181,514
Charges for services	141,262	-	-	141,262
Interest and rents	2,700	806	63	3,569
Other	10,490	-	-	10,490
TOTAL REVENUES	316,340	166,872	63	483,275
EXPENDITURES				
Current				
Public safety	1,169	-	-	1,169
Public works	227,682	-	-	227,682
Recreation and culture	64,110	-	-	64,110
Capital outlay	34,470	-	-	34,470
Debt service	-	422,439	-	422,439
TOTAL EXPENDITURES	327,431	422,439	-	749,870
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(11,091)	(255,567)	63	(266,595)
OTHER FINANCING SOURCES (USES)				
Transfers in	270,400	231,586	-	501,986
Transfers out	(67,073)	-	-	(67,073)
TOTAL OTHER FINANCING SOURCES (USES)	203,327	231,586	-	434,913
NET CHANGE IN FUND BALANCES	192,236	(23,981)	63	168,318
Fund balances, beginning of year, as previously reported	400,403	243,270	12,087	655,760
Change within financial reporting entity (nonmajor to major fund)	(141,616)	-	-	(141,616)
Fund balances, beginning of year, as restated	258,787	243,270	12,087	514,144
Fund balances, end of year	<u>\$ 451,023</u>	<u>\$ 219,289</u>	<u>\$ 12,150</u>	<u>\$ 682,462</u>

**VILLAGE OF BLISSFIELD
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024**

	Local Streets	Garbage Collection	Recreation	Drug Forfeitures	Drug Law Enforcement	Law Enforcement CPE Training	ARPA	Total
ASSETS								
Cash and investments	\$ 385,207	\$ 11,268	\$ 12,522	\$ 93	\$ 1,351	\$ 2,500	\$ 312,889	\$ 725,830
Accounts receivable	-	622	-	-	-	-	-	622
Due from other governmental units	19,845	-	-	-	-	-	-	19,845
Inventory	-	14,270	-	-	-	-	-	14,270
TOTAL ASSETS	\$ 405,052	\$ 26,160	\$ 12,522	\$ 93	\$ 1,351	\$ 2,500	\$ 312,889	\$ 760,567
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accrued liabilities	\$ 639	\$ -	\$ 155	\$ -	\$ -	\$ -	\$ -	\$ 794
Unearned revenue	-	-	-	-	-	-	308,750	308,750
TOTAL LIABILITIES	639	-	155	-	-	-	308,750	309,544
FUND BALANCES								
Nonspendable								
Inventory	-	14,270	-	-	-	-	-	14,270
Restricted								
Streets and highways	404,413	-	-	-	-	-	-	404,413
Garbage collection	-	11,890	-	-	-	-	-	11,890
Parks and recreation	-	-	12,367	-	-	-	-	12,367
Drug and law enforcement	-	-	-	93	1,351	2,500	-	3,944
Assigned								
ARPA projects	-	-	-	-	-	-	4,139	4,139
TOTAL FUND BALANCES	404,413	26,160	12,367	93	1,351	2,500	4,139	451,023
TOTAL LIABILITIES AND FUND BALANCES	\$ 405,052	\$ 26,160	\$ 12,522	\$ 93	\$ 1,351	\$ 2,500	\$ 312,889	\$ 760,567

**VILLAGE OF BLISSFIELD
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2024**

	Local Streets	Garbage Collection	Recreation	Drug Forfeitures	Drug Law Enforcement	Law Enforcement CPE Training	Formerly Nonmajor Library	ARPA	Total
REVENUES									
Licenses and permits	\$ 2,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250
Intergovernmental	122,172	-	-	-	496	2,500	-	34,470	159,638
Charges for services	-	85,724	55,538	-	-	-	-	-	141,262
Interest	929	59	42	-	-	-	-	1,670	2,700
Other	7,340	-	3,150	-	-	-	-	-	10,490
TOTAL REVENUES	132,691	85,783	58,730	-	496	2,500	-	36,140	316,340
EXPENDITURES									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	1,169	-	-	-	1,169
Public works	148,009	79,673	-	-	-	-	-	-	227,682
Recreation and culture	-	-	64,110	-	-	-	-	-	64,110
Capital outlay	-	-	-	-	-	-	-	34,470	34,470
TOTAL EXPENDITURES	148,009	79,673	64,110	-	1,169	-	-	34,470	327,431
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(15,318)	6,110	(5,380)	-	(673)	2,500	-	1,670	(11,091)
OTHER FINANCING SOURCES (USES)									
Transfers in	270,400	-	-	-	-	-	-	-	270,400
Transfers out	(67,073)	-	-	-	-	-	-	-	(67,073)
TOTAL OTHER FINANCING SOURCES (USES)	203,327	-	-	-	-	-	-	-	203,327
NET CHANGE IN FUND BALANCES	188,009	6,110	(5,380)	-	(673)	2,500	-	1,670	192,236
Fund balances, beginning of year, as previously reported	216,404	20,050	17,747	93	2,024	-	141,616	2,469	400,403
Change within financial reporting entity (nonmajor to major)	-	-	-	-	-	-	(141,616)	-	(141,616)
Fund balances, beginning of year , as restated	216,404	20,050	17,747	93	2,024	-	-	2,469	258,787
Fund balances, end of year	\$ 404,413	\$ 26,160	\$ 12,367	\$ 93	\$ 1,351	\$ 2,500	\$ -	\$ 4,139	\$ 451,023

**VILLAGE OF BLISSFIELD
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024**

	Bridge	Swimming Pool	Municipal Building	Franklin Street	Total
ASSETS					
Cash and investments	\$ 35,848	\$ 170,264	\$ -	\$ -	\$ 206,112
Taxes receivable	1,279	7,993	-	-	9,272
Due from other governmental units	1,856	8,660	-	-	10,516
TOTAL ASSETS	\$ 38,983	\$ 186,917	\$ -	\$ -	\$ 225,900
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	912	5,699	-	-	6,611
FUND BALANCES					
Restricted					
Debt service	38,071	181,218	-	-	219,289
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 38,983	\$ 186,917	\$ -	\$ -	\$ 225,900

**VILLAGE OF BLISSFIELD
NONMAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2024**

	Bridge	Swimming Pool	Municipal Building	Franklin Street	Total
REVENUES					
Property taxes	\$ 19,899	\$ 124,291	\$ -	\$ -	\$ 144,190
Intergovernmental	3,192	18,684	-	-	21,876
Interest	167	639	-	-	806
TOTAL REVENUES	23,258	143,614	-	-	166,872
EXPENDITURES					
Debt service	33,438	157,415	63,903	167,683	422,439
EXCESS OF REVENUES (UNDER) EXPENDITURES	(10,180)	(13,801)	(63,903)	(167,683)	(255,567)
OTHER FINANCING SOURCES					
Transfers in	-	-	63,903	167,683	231,586
NET CHANGE IN FUND BALANCES	(10,180)	(13,801)	-	-	(23,981)
Fund balances, beginning of year	48,251	195,019	-	-	243,270
Fund balances, end of year	<u>\$ 38,071</u>	<u>\$ 181,218</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,289</u>