



GRAND HAVEN, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020



Vredeveld Haefner LLC
CPAs and Consultants

NORTHWEST OTTAWA RECREATION AUTHORITY

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INDEPENDENT AUDITORS' REPORT

November 3, 2020

Members of the Board
Northwest Ottawa Recreation Authority
Grand Haven, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Northwest Ottawa Recreation Authority (the Authority) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Northwest Ottawa Recreation Authority as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 and the budgetary comparison information on page 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Orlando Haefner LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Northwest Ottawa Recreation Authority

Management's Discussion and Analysis

Our discussion and analysis of the Northwest Ottawa Recreation Authority's (the Authority) financial performance provides a narrative overview of the Authority's financial activities for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- Beginning July 2019, the Authority's administrative services are provided by the City of Grand Haven.
- The Authority's primary funding comes from program fees and contributions from local units of government.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statement of activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by intergovernmental and fee revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Authority currently has no business-type activities.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other units of government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority utilizes a single governmental fund.

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 the Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Authority'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 the government-wide financial statements to facilitate this comparison between *governmental funds* and *governmental activities*.

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.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This includes this discussion and analysis as well as a budgetary comparison schedule which is provided for the General fund to demonstrate compliance with the annual appropriated budget.

Condensed Financial Information

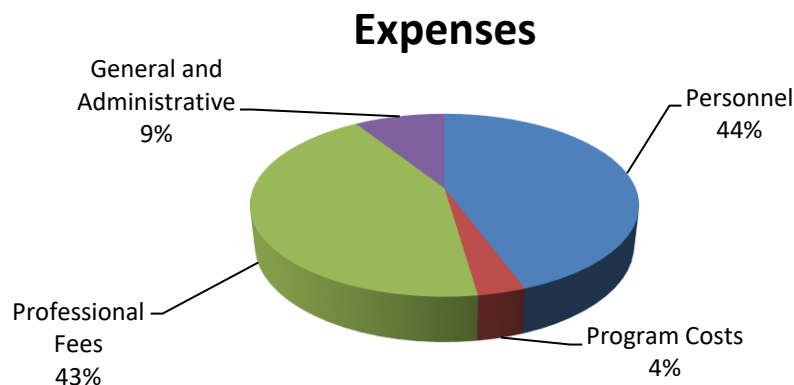
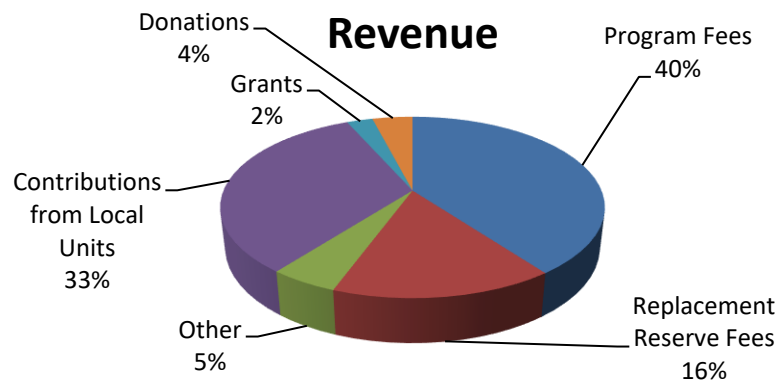
The following table represents condensed information about the Authority's financial position for the past two fiscal years.

	<u>2020</u>	<u>2019</u>
Current and other assets	\$130,012	\$96,299
Total assets	<u>130,012</u>	<u>96,299</u>
Current and other liabilities	31,008	33,701
Long-term liabilities	43,100	-
Total liabilities	<u>74,108</u>	<u>33,701</u>
Net position		
Unrestricted	55,904	62,598
Total net position	<u>\$55,904</u>	<u>\$62,598</u>

Income and Expenses

The Authority has maintained a stable financial position during the year ended June 30, 2020. Program fees income fell short as a result of cancelled programming due to the COVID-19 pandemic. Net position decreased \$6,694 during the year. The Authority started collecting replacement reserve fees for baseball and soccer. A summary of revenues and expenses for the past two fiscal years is presented below.

	<u>2020</u>	<u>2019</u>
Program revenues		
Program fees	\$144,443	\$201,770
Replacement reserve fees	57,438	-
Contributions from local units	119,182	114,689
Grants	9,440	-
Donations	14,641	12,991
Other	17,752	257
Total revenues	362,896	329,707
Functions/program expenses		
Recreation and culture	369,590	307,905
Change in net position	(6,694)	21,802
Net position, beginning of year	62,598	40,796
Net position, end of year	\$ 55,904	\$ 62,598



General Fund Budgetary Highlights

- Revenues and programming expenditures were reduced due to the COVID-19 pandemic.
- The Authority applied for and received a Small Business Association Payroll Protection Program loan and is waiting on guidance for repayment or forgiveness based on meeting the requirements.
- The Authority also received funding from local organizations such as United Way and the Grand Haven Area Community Foundation to assist in providing programming.

Capital Asset and Long-Term Debt Activities

The Authority currently has no capital assets.

The Authority's only long-term debt is a Payroll Protection Program loan payable. Additional information on the Authority's long-term debt can be found in Note 4 of these financial statements.

Future Projections

- While uncertain due to the COVID-19 pandemic, the Authority is projecting to increase program offerings and continue funding through program fees and local grants.

Requests for Information

This financial report provides an overview of the current and prospective financial condition of the Authority's operations and financial position. If there are questions concerning this report or if additional information is desired, please contact Chris Van Hekken, Director by phone at 616-850-5125 or by e-mail at vanhekkenc@norarec.org.

BASIC FINANCIAL STATEMENTS

NORTHWEST OTTAWA RECREATION AUTHORITY

GOVERNMENTAL FUNDS BALANCE SHEET/ STATEMENT OF NET POSITION

JUNE 30, 2020

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets			
Cash	\$ 128,478	\$ -	\$ 128,478
Accounts receivable	602	-	602
Prepaid items	932	-	932
Total assets	<u>\$ 130,012</u>	<u>-</u>	<u>130,012</u>
Liabilities and fund balance			
Liabilities			
Accounts payable	\$ 19,092	-	19,092
Accrued liabilities	10,668	-	10,668
Unearned revenue	1,248	-	1,248
Note payable	-	43,100	43,100
Total liabilities	<u>31,008</u>	<u>43,100</u>	<u>74,108</u>
Fund balance			
Nonspendable	932	(932)	-
Assigned for baseball replacement reserve	3,597	(3,597)	-
Assigned for soccer replacement reserve	53,841	(53,841)	-
Unassigned	40,634	(40,634)	-
Total fund balance	<u>99,004</u>	<u>(99,004)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 130,012</u>		
Net position			
Unrestricted		55,904	55,904
Total net position			<u>\$ 55,904</u>

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

NORTHWEST OTTAWA RECREATION AUTHORITY
RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET POSITION OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

JUNE 30, 2020

Fund balances - total governmental funds	\$ 99,004
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Certain liabilities, such as compensated absences are not payable in the current period and therefore are not reported in the funds.	
Deduct - note payable	<u>(43,100)</u>
Net position of governmental activities	<u><u>\$ 55,904</u></u>

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

NORTHWEST OTTAWA RECREATION AUTHORITY

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE/ STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Program revenues			
Contributions from local units			
City of Grand Haven	\$ 33,920	\$ -	\$ 33,920
City of Ferrysburg	8,511	-	8,511
Grand Haven Township	60,998	-	60,998
Port Sheldon Township	2,000	-	2,000
Robinson Township	13,753	-	13,753
Grants	9,440	-	9,440
Donations	14,641	-	14,641
Charges for services			
Program fees	144,443	-	144,443
Replacement reserve fee	57,438	-	57,438
General revenue			
Interest and other	17,752	-	17,752
Total revenues	<u>362,896</u>	<u>-</u>	<u>362,896</u>
Expenditures/expenses			
Current			
Recreation and culture			
Personnel	163,919	-	163,919
Program costs	12,432	-	12,432
Professional fees	159,961	-	159,961
General and administrative	33,278	-	33,278
Total expenditures	<u>369,590</u>	<u>-</u>	<u>369,590</u>
Revenues over (under) expenditures	<u>(6,694)</u>	<u>-</u>	<u>(6,694)</u>
Other financing sources (uses)			
Issuance of note payable	43,100	(43,100)	-
Net changes in fund balance/net position	36,406	(43,100)	(6,694)
Fund balance, beginning of year	<u>62,598</u>		
Fund balance, end of year	<u><u>\$ 99,004</u></u>		
Net position, beginning of year			<u>62,598</u>
Net position, end of year			<u><u>\$ 55,904</u></u>

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

NORTHWEST OTTAWA RECREATION AUTHORITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

Net changes in fund balances - governmental funds	\$ 36,406
Amounts reported for <i>governmental activities</i> in the statement of activities are different because	
Bond or note proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position.	
Deduct - note issue	<u>(43,100)</u>
Change in net position of governmental activities	<u>\$ (6,694)</u>

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

NORTHWEST OTTAWA RECREATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Northwest Ottawa Recreation Authority (the Authority) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

The Authority serves the Cities of Grand Haven and Ferrysburg and the Townships of Grand Haven, Port Sheldon and Robinson located within Ottawa County. The Authority was established in 2009 under Michigan Public Act 321 of 2000 for the purpose of planning and administering park and recreational programs and services for the citizens of the member units.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Authority. There are no component units to be included. The criteria for including a component unit include significant operational or financial relationships with the Authority.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. *Governmental activities*, which normally are supported by program fees and intergovernmental revenues are reported in total. The Authority has no business-type or fiduciary activities.

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

The Authority maintains only one fund, the General fund, which is reported as a major governmental fund and is used to account for all financial resources of the Authority. A combined financial statement is provided for the governmental funds balance sheet and the statement of net position as well as the governmental fund statement of revenues, expenditures and changes in fund balance and the statement of activities. The General fund is considered to be a major fund for financial reporting purposes. The Authority does not utilize any proprietary or fiduciary funds.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Basis of accounting refers to when revenues and expenditures or expenses 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.

NORTHWEST OTTAWA RECREATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

Governmental funds are accounted for using the *modified accrual basis of accounting*. Their revenues are recognized when they become measurable and available. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants and interest which use a one-year collection period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include: (1) principal and interest on long-term debt and (2) payment for compensated absences, which are recognized when due.

Governmental funds are accounted for on a spending or “flow of financial resources” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of “available, spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available, spendable resources” during a period.

Budgets and Budgetary Accounting

Comparisons to budget are presented for the General fund. The Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Director submits to the Board of Trustees (Board) a proposed operating budget for the fiscal year commencing the following July 1.
2. Prior to July 1, the budget is legally enacted through a Board motion.
3. Formal budgetary integration is employed as a management control device during the year for the General fund.
4. The budget for the General fund is adopted on a basis consistent with generally accepted accounting principles.
5. Adoption and amendment of the budget used by the Authority is governed by Michigan Law. The appropriations are based on the projected expenditures budget of the various functions of the Authority. Any amendment to the original budget must meet the requirements of Michigan Law. The Authority amended its budget during the year. Any revisions that alter the expenditures at the function level within the General fund must be approved by the Board.

Deposits and Investments

State statutes and Board policy authorize the Authority to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

NORTHWEST OTTAWA RECREATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

Receivables

Accounts receivable are due from member units of government and/or program participants.

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for following the consumption method of accounting.

Unearned Revenue

Funds report *unearned revenue* in connection with program fee and youth scholarship resources that have been received but not yet earned.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

1. Non-spendable – the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted – the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed – the related assets can only be spent for a specific purpose identified by formal resolution of the Authority's governing board.
4. Assigned – the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned – is the residual classification and includes all spendable amounts not contained in the other classifications.

Net Position and Fund Balance Flow Assumptions

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to use restricted resources first, then unrestricted resource as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance to cover risks of losses. The Authority has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

NORTHWEST OTTAWA RECREATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2020

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

Michigan law provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Authority's actual expenditures and budgeted expenditures for the budgetary fund has been shown at the object level. The approved budget of the Authority for the budgetary fund was adopted at the function level. During the year ended June 30, 2020, the Authority incurred expenditures in the General fund which were in excess of the amounts appropriated as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (Unfavorable)</u>
General Fund			
Recreation and culture	\$324,800	\$369,590	\$(44,790)

3. DEPOSITS

The balance on the financial statements for cash was \$128,478. This balance was in a financial institution located in Michigan. State policy limits the Authority's deposit options to financial institutions located in Michigan. All accounts are in the name of the Authority and are recorded in Authority records at fair value.

Deposit risk

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. As of year-end, the Authority's entire bank balance of \$124,798 was FDIC insured.

4. LOAN PAYABLE

The Payroll Protection Program loan was obtained under the program established by the U.S. Government to provide relief to small businesses during the coronavirus pandemic. The amount is payable on demand and matures by April 28, 2022 with interest at 1.0% unless certain conditions are met in which case it may be partly or wholly forgiven.

5. RETIREMENT PLAN

The Authority provides a defined contribution pension plan (externally managed IRS Section 401a plan), which provides pension benefits to qualified employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority's contribution for employees eligible to participate in the plan has cliff vesting of 5 years. Vesting is credited using elapsed time method (employees will be credited with one vesting year for each 12 months of continuous employment from the date of hire). Participants contribute 4% of covered wages which is matched by the Authority. Authority contributions were \$3,491 and participant contributions were \$3,491 to the plan during the year. The plan provisions and contribution amounts were established and may be amended by the Authority Board.

REQUIRED SUPPLEMENTARY INFORMATION

NORTHWEST OTTAWA RECREATION AUTHORITY

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Positive</u> <u>(Negative)</u>
Revenues				
Contributions from local units				
City of Grand Haven	\$ 33,920	\$ 33,920	\$ 33,920	\$ -
City of Ferrysburg	8,511	8,511	8,511	-
Grand Haven Township	60,998	60,998	60,998	-
Port Sheldon Township	2,000	2,000	2,000	-
Robinson Township	13,753	13,753	13,753	-
Grants	-	-	9,440	9,440
Donations	11,581	11,817	14,641	2,824
Charges for services				
Program fees	196,196	151,653	144,443	(7,210)
Replacement reserve fee	-	-	57,438	57,438
Interest and other	-	17,519	17,752	233
Total revenues	<u>326,959</u>	<u>300,170</u>	<u>362,896</u>	<u>62,726</u>
Expenditures				
Current				
Recreation and culture				
Personnel	62,735	140,719	163,919	(23,200)
Program costs	16,000	10,425	12,432	(2,007)
Professional fees	213,707	142,052	159,961	(17,909)
General and administrative	25,225	31,605	33,278	(1,673)
Total expenditures	<u>317,667</u>	<u>324,800</u>	<u>369,590</u>	<u>(44,790)</u>
Revenues over (under) expenditures	9,292	(24,630)	(6,694)	17,936
Other financing sources (uses)				
Issuance of note payable	-	43,100	43,100	-
Net changes in fund balance	9,292	18,470	36,406	17,936
Fund balance, beginning of year	<u>62,598</u>	<u>62,598</u>	<u>62,598</u>	<u>-</u>
Fund balance, end of year	<u>\$ 71,890</u>	<u>\$ 81,068</u>	<u>\$ 99,004</u>	<u>\$ 17,936</u>

Note to Required Supplementary Information

Budgets and Budgetary Accounting

The Board adopts an annual budget for the General fund following the GAAP basis of accounting. Unexpended appropriations lapse at year-end.