

VILLAGE OF ST. CHARLES

COMPONENT UNITS

STATEMENT OF NET POSITION

March 31, 2018

	<i>Downtown Development Authority</i>	<i>Local Development Finance Authority</i>	<i>Total</i>
Assets:			
Cash and cash equivalents	\$ 247,473	\$ 648,233	\$ 895,706
Receivables	2,410	1,089	3,499
Capital assets not being depreciated	-	110,646	110,646
Capital assets being depreciated, net	107,583	-	107,583
Total assets	357,466	759,968	1,117,434
Liabilities:			
Accounts payable and accrued expenses	5,705	8,713	14,418
Net position:			
Investment in capital assets	107,583	110,646	218,229
Unrestricted	244,178	640,609	884,787
Total net position	\$ 351,761	\$ 751,255	\$ 1,103,016

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

VILLAGE OF ST. CHARLES

COMPONENT UNITS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

Year Ended March 31, 2018

	<i><u>Downtown Development Authority</u></i>	<i><u>Local Development Finance Authority</u></i>	<i><u>Total</u></i>
Revenues:			
Program revenues			
Charges for services	\$ 40,028	\$ 13,068	\$ 53,096
General revenues			
Property taxes captured	81,571	43,319	124,890
Unrestricted investment earnings	<u>1,593</u>	<u>4,360</u>	<u>5,953</u>
Total revenues	<u>123,192</u>	<u>60,747</u>	<u>183,939</u>
Expenses:			
Community and economic development	<u>137,164</u>	<u>81,281</u>	<u>218,445</u>
Changes in net position	(13,972)	(20,534)	(34,506)
Net position, beginning of year	<u>365,733</u>	<u>771,789</u>	<u>1,137,522</u>
Net position, end of year	<u>\$ 351,761</u>	<u>\$ 751,255</u>	<u>\$ 1,103,016</u>

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

UNION OF CHARLES

NOTES TO FINANCIAL STATEMENTS

Year 1999

STATEMENT OF ACCOUNTING PRINCIPLES

The financial statements of the Union of Charles are prepared in accordance with the accounting principles generally accepted in the United States of America.

The financial statements are prepared on the basis of the following assumptions:

1. The Union of Charles is a going concern. The financial statements are prepared on the basis of the assumption that the Union of Charles will continue to operate for the foreseeable future.

NOTES TO FINANCIAL STATEMENTS

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VILLAGE OF ST. CHARLES

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies used by the Village of St. Charles, (the "Village"):

Reporting Entity:

The Village of St. Charles was incorporated in 1869. The Village operates on a Council-Manager form of government and provides the following services to approximately 2,100 citizens as authorized by its charter: Public Safety (Police), highways and streets, sanitation, sewer and water, recreation and culture, public improvements, planning and zoning, and general administration.

The accompanying financial statements present the Village as the primary government. Component units are separate legal entities for which the Village is financially accountable. Blended component units are, in substance, part of the primary government's operations, and presented as funds of the primary government. Discretely presented component units are reported in separate columns in the government-wide financial statements. The Village has determined that it has two component units and that they should be discretely presented.

Discretely Presented Component Units:

Downtown Development Authority – The members of the governing board of the Downtown Development Authority (DDA) are appointed by the Village Council. The issuance of bonded debt and levying of taxes by the DDA must be approved by the Village Council. The Village also has the ability to significantly influence operations of the DDA.

Local Development Finance Authority – The members of the governing board of the Local Development Finance Authority (LDFA) are appointed by the Village Council. The issuance of bonded debt and levying of taxes by the LDFA must be approved by the Village Council. The Village also has the ability to significantly influence operations of the LDFA.

Joint Venture:

Swan Creek Township, James Township, and Village of St. Charles Water Authority – In 2001, the Townships of Swan Creek and James and the Village of St. Charles jointly established this Water Authority. Each of the three municipalities appoints two members to serve on the Water Authority Board. The operating and capital budgets are funded by equal contributions from each governmental unit. The Village's equity interest of \$121,162 is 1/3 of the net position of the Water Authority at March 31, 2018. Complete financial statements for the Water Authority can be obtained from the Village Office at 110 W. Spruce Street, St. Charles, Michigan.

Jointly Governed Organization:

Mid Michigan Waste Authority – The Village is a member of and receives trash collection services from Mid Michigan Waste Authority. The Authority was created in 1991 by twelve municipal corporations within Saginaw County under the provisions of Act 233, Public Acts of Michigan, 1995 as amended, for the purpose of acquiring, owning, improving, enlarging, extending and operating a solid waste management system. The Village does not have any equity interest in the Waste Authority. The cost of trash collection services for the year ended March 31, 2018 was \$111,836.