

VILLAGE OF MANCELONA
ANTRIM COUNTY, MICHIGAN
AUDITED FINANCIAL STATEMENTS
FEBRUARY 28, 2026

VILLAGE OFFICIALS

PRESIDENT

MIKE ALLISON

PRESIDENT PRO-TEM

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JEREMY DAVIS

VILLAGE OF MANCELONA

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INDEPENDENT AUDITORS' REPORT

To the Village Council
Village of Mancelona, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and each major fund of the Village of Mancelona as of and for the year ended February 28, 2026, and the related notes to the financial statements, which collectively comprise the Village of Mancelona'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 discretely presented component unit, and each major fund of the Village of Mancelona, as of February 28, 2026, 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.

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 the Village of Mancelona 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 of Mancelona'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 of Mancelona'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 of Mancelona'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 and budgetary comparison information on pages 4-7 and 25-30 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.

Dan Smith & Company, PC
Gaylord, MI

May 12, 2026

VILLAGE OF MANCELONA
120 West State Street
Mancelona, MI 49659

MANAGEMENT'S DISCUSSION & ANALYSIS
YEAR ENDED FEBRUARY 28, 2026

This section of the Village of Mancelona's annual financial report presents our discussion and analysis of the Village's financial performance during the fiscal year ended February 28, 2026. Please read it in conjunction with the financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Village assets at February 28, 2026, as reported in the Statement of Net Position, totaled approximately \$2,972,700 for governmental activities and \$352,300 for our component unit (the Mancelona Downtown Development Authority), compared to \$2,873,000 and \$276,500 respectively, at February 28, 2025. Of the total Village assets, approximately \$1,702,400 represents capital assets net of depreciation.

Overall revenues were approximately \$1,004,340 (\$333,600 from program revenues and \$670,740 from general revenues). Overall expenses approximated \$895,200.

The Village did not incur additional debt during the year, and \$230,019 in capitalized purchases were made. Long-term debt and capital asset activity are addressed further in a subsequent section of this letter.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts, management's discussion & analysis, the basic financial statements, and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the Village.

The first two statements are government-wide financial statements and provide both long and short-term information about our overall financial status. These statements present the governmental activities of the Village.

The remaining statements are fund financial statements, which focus on individual parts of the Village in more detail.

The notes to the financial statements explain some of the information in the statements and provide more detailed data. Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the Village as a whole using accounting methods used by private companies. The Statement of Net Position includes all the entity's assets and liabilities. The Statement of Activities records all the current year revenues and expenses regardless of when received or paid.

The two government-wide statements report net position and how it has changed. Net position is the difference between the Village's assets and liabilities; this is one method to measure the Village's financial health or position.

Over time, increases or decreases in an entity's net position is an indicator of whether financial position is improving or deteriorating.

To assess overall health of an entity, you may also have to consider additional factors such as tax base changes, facility conditions, and personnel changes.

All the activities of the Village are reported as governmental activities. These would include the general fund, major streets, and local streets.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Village's funds, focusing on significant (major) funds, not the Village as a whole. Funds are used to account for specific activities or funding sources. Some funds are required by law or bond covenants. The Village Council also may create them. Funds are established to account for funding and spending of specific financial resources and to show proper expenditure of those resources.

The Village has the following types of funds:

Governmental Funds: All of the Village's activities are included in the governmental fund category. These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that the differences between the Village's government-wide statements and the fund statements are disclosed in reconciling statements to explain the differences between them.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Net Position: The Village's combined net position increased \$109,185 during the year ended February 28, 2026 totaling \$2,862,330. The increase is primarily due to minimal street work throughout the year.

Government Funds: The fund balances for governmental funds decreased \$27,932. The general fund had a decrease of \$166,621, while local and major streets had a combined increase of \$138,689.

Following is a summary of our fiscal position and fiscal activity for the past two years:

	Statement of Net Position	
	2026	2025
Current and Other Assets	\$ 1,270,210	\$ 1,306,084
Capital Assets, Net	<u>1,702,441</u>	<u>1,566,922</u>
Total Assets	2,972,651	2,873,006
Current Liabilities	58,518	66,460
Non-Current Liabilities	<u>51,803</u>	<u>53,401</u>
Total Liabilities	110,321	119,861
Net Position:		
Invested in Capital Assets	1,702,441	1,566,922
Unrestricted & Unassigned	434,527	599,550
Restricted	395,362	256,673
Assigned	<u>330,000</u>	<u>330,000</u>
Total Net Position	<u>\$ 2,862,330</u>	<u>\$ 2,753,145</u>

	Statement of Activities	
	2026	2025
Total Revenues	\$ 1,004,375	\$ 1,051,337
Total Expenses	<u>895,190</u>	<u>1,221,083</u>
Change in Net Position	109,185	(169,746)
Net Position:		
Beginning of the Year	<u>2,753,145</u>	<u>2,922,891</u>
End of Year	<u>\$ 2,862,330</u>	<u>\$ 2,753,145</u>

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

General Fund: This fund is used to record all activities of the Village not required to be recorded in a separate fund. This would include parks, building and grounds, legislative, administrative, elections and police activities. The major sources of revenue for the general fund are from the Village tax base and the revenue sharing from the State of Michigan. The major expenses for this fiscal year include the general operating activities of the Village.

Major Streets: This fund is used to record revenues and expenses for major (state-owned) streets located within the Village. The major source of revenue comes from the State of Michigan in the form of transportation taxes. The major expenses for this fund are road reconstruction, wages and equipment rental for snow removal and street repair.

Local Streets: This fund is used to record revenues and expenses for local (Village-owned) streets. Local street revenue comes from property taxes and from the State in the form of gas and weight taxes. The major expenses incurred this year include road reconstruction, wages, and equipment rental.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets: Additions to the Village assets for this year include the following: 2025 Tahoe for police vehicles in the amount of \$67,740, and the completion of the alley improvement near the Village building in the amount of \$162,279. Total capital asset purchases were \$230,019.

Long-Term Debt:

The Village has no long-term debt at February 28, 2026.

KNOWN FACTORS AFFECTING FUTURE OPERATIONS

The Village anticipates maintaining a conservative fiscal plan. All potential capital improvements will be carefully analyzed before further investments are made.

CONTACTING VILLAGE MANAGEMENT

This financial report is designed to provide our taxpayers, creditors, investors, and customers with a general overview of the Village's finances and to demonstrate the Village's accountability for the revenues it receives. If you have any questions concerning this report, please contact Maureen Naumcheff, Village Clerk at 120 West State Street, Mancelona, MI 49659.

**VILLAGE OF MANCERONA
STATEMENT OF NET POSITION
FEBRUARY 28, 2026**

	PRIMARY GOVERNMENT	COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	DOWNTOWN DEVELOPMENT AUTHORITY
	<hr/>	<hr/>
ASSETS		
Current Assets:		
Cash	\$ 753,967	\$ 97,158
Certificates of Deposit	440,593	-
Receivables:		
Delinquent Property Taxes	39,778	50,095
Due from Other Governments	35,872	-
Due from Primary Government	-	57,825
	<hr/>	<hr/>
Total Current Assets	1,270,210	205,078
	<hr/>	<hr/>
Non-Current Assets:		
Non-Depreciable Capital Assets	422,669	-
Depreciable Capital Assets, Net	1,279,772	147,239
	<hr/>	<hr/>
Total Non-Current Assets	1,702,441	147,239
	<hr/>	<hr/>
Total Assets	\$ 2,972,651	\$ 352,317
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES		
Current Liabilities:		
Due to the DDA/MAWSA	\$ 58,518	\$ -
	<hr/>	<hr/>
Total Current Liabilities	58,518	-
	<hr/>	<hr/>
NonCurrent Liabilities:		
Compensated Absences	51,803	-
	<hr/>	<hr/>
Total NonCurrent Liabilities	51,803	-
	<hr/>	<hr/>
Total Liabilities	110,321	-
	<hr/> <hr/>	<hr/> <hr/>
NET POSITION		
Net Investment in Capital Assets	1,702,441	147,239
Net Position, Restricted	395,362	-
Net Position, Unrestricted and Unassigned	434,527	205,078
Net Position, Assigned	330,000	-
	<hr/>	<hr/>
Total Net Position	\$ 2,862,330	\$ 352,317
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to the financial statements

**VILLAGE OF MANCERLONA
STATEMENT OF ACTIVITIES
YEAR ENDED FEBRUARY 28, 2026**

PROGRAM REVENUES

	PROGRAM REVENUES			NET (EXPENSE) REVENUES AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRI- BUTIONS	CAPITAL GRANTS & CONTRI- BUTIONS	PRIMARY GOVERNMENT	COMPONENT UNIT
GOVERNMENTAL ACTIVITIES						
Village Administration	\$ (117,513)	\$ -	\$ 39,000	\$ -	\$ (78,513)	\$ -
Buildings and Grounds	(166,179)	7,930	-	-	(158,249)	-
Streets and Highways	(86,370)	-	242,390	-	156,020	-
Parks and Recreation	(55,560)	-	-	-	(55,560)	-
Law Enforcement	(326,650)	12,549	-	-	(314,101)	-
Motor Pool	(110,456)	-	-	-	(110,456)	-
Sewer Assessment	(31,766)	31,766	-	-	-	-
Unallocated Depreciation	(696)	-	-	-	(696)	-
Downtown Devel. Authority	-	-	-	-	-	(33,623)
Total Governmental Activities	(895,190)	52,245	281,390	-	(561,555)	(33,623)
GENERAL REVENUES						
Property Taxes Levied for:						
General Operations					240,825	-
Local Streets					67,052	-
Downtown Development Authority					-	107,920
State Shared Revenue & Marijuana Revenue					310,547	-
Franchise/Facility Fees					15,844	-
Interest Earnings					26,205	1,469
Other					10,267	-
Total General Revenues					670,740	109,389
CHANGE IN NET POSITION					109,185	75,766
NET POSITION - MARCH 1, 2025					2,753,145	276,551
NET POSITION - FEBRUARY 28, 2026					\$ 2,862,330	\$ 352,317

See accompanying notes to the financial statements

**VILLAGE OF MANCELONA
BALANCE SHEET
GOVERNMENTAL FUNDS
FEBRUARY 28, 2026**

	M A J O R F U N D S			TOTAL
	GENERAL	MAJOR STREET	LOCAL STREET	
<u>ASSETS</u>				
Cash	\$ 290,883	\$ 150,868	\$ 312,216	\$ 753,967
Certificates of Deposit	440,593	-	-	440,593
Receivables:				
Delinquent Taxes	31,734	-	8,044	39,778
Accounts	-	20,656	15,216	35,872
Due From Other Funds	100,391	442	1,055	101,888
Total Assets	863,601	171,966	336,531	1,372,098
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Due to Other Funds	1,497	52,322	48,069	101,888
Due to the DDA	45,081	-	12,744	57,825
Due to MAWSA	693	-	-	693
Total Liabilities	47,271	52,322	60,813	160,406
Fund Balance:				
Fund Balance - Restricted	-	119,644	275,718	395,362
Fund Balance - Unassigned	486,330	-	-	486,330
Fund Balance - Assigned	330,000	-	-	330,000
Total Fund Balance	816,330	119,644	275,718	1,211,692
Total Liabilities and Fund Balance	\$ 863,601	\$ 171,966	\$ 336,531	\$ 1,372,098

See accompanying notes to the financial statements.

**VILLAGE OF MANCERONA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FEBRUARY 28, 2026**

TOTAL FUND BALANCES - GOVERNMENTAL ACTIVITIES (PER THE BALANCE SHEET PAGE 10)	\$	1,211,692
Amounts reported for governmental activities in the Statement of Net Position (page 8) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore; are not used in the funds		1,702,441
Long-term liabilities and accrued interest are not due and payable in the current period and, therefore; are not reported in the funds		(51,803)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES (PER STATEMENT OF NET POSITION - PAGE 8)		\$ 2,862,330

See accompanying notes to the financial statements

VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED FEBRUARY 28, 2026

	<u>M A J O R F U N D S</u>			<u>TOTAL</u>
	<u>GENERAL</u>	<u>MAJOR STREET</u>	<u>LOCAL STREET</u>	
REVENUES				
Property Taxes	\$ 240,825	\$ -	\$ 67,052	\$ 307,877
State Shared Revenue	202,513	155,381	87,009	444,903
Marijuana Shared Revenue	108,034	-	-	108,034
Equipment Rental and Admin.	101,206	-	-	101,206
Sewer Special Assessment	31,766	-	-	31,766
School Resource Officer	39,000	-	-	39,000
Franchise Fee	11,844	-	-	11,844
Local Fees - Marijuana Facilities	4,000	-	-	4,000
Refunds and Rebates	1,263	-	-	1,263
Charges for Services	7,930	-	-	7,930
Interest Earnings	24,708	442	1,055	26,205
Police	12,549	-	-	12,549
Other	9,004	-	-	9,004
Total Revenues	794,642	155,823	155,116	1,105,581
EXPENDITURES				
General Government	463,545	-	-	463,545
Public Safety:				
Police	374,580	-	-	374,580
Highways and Streets	-	87,257	84,993	172,250
Motor Pool	91,372	-	-	91,372
MAWSA - Sewer Assessment	31,766	-	-	31,766
Total Expenditures	961,263	87,257	84,993	1,133,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	(166,621)	68,566	70,123	(27,932)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Net Change in Fund Balance	(166,621)	68,566	70,123	(27,932)
Fund Balance - Beginning of Year	982,951	51,078	205,595	1,239,624
Fund Balance - End of Year	\$ 816,330	\$ 119,644	\$ 275,718	\$ 1,211,692

See accompanying notes to the financial statements

**VILLAGE OF MANCERONA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
YEAR ENDED FEBRUARY 28, 2026**

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS	\$	(27,932)
Amounts reported for governmental activities in the Statement of Activities (page 9) are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives.		230,019
Depreciation expense is reported in the Statement of Activities but not the governmental funds financial statements.		(94,500)
Governmental funds do not record the "Compensated Absences"; However, the Government-wide statements do record the liability and the appropriate change in the liability.		1,598
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES PER THE STATEMENT OF ACTIVITIES	\$	109,185

See accompanying notes to the financial statements

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE A: ENTITY

The Village of Mancelona is a General Law Village of the State of Michigan organized in 1879, located in Antrim County, Michigan. It was incorporated under Act 3 of 1895. The criteria for determining the various governmental functions to be included in the reporting entity's financial statements include oversight responsibility, scope of public service, and special financing relationships. On this basis, the financial statements include all of the governmental functions of the Village of Mancelona.

DOWNTOWN DEVELOPMENT AUTHORITY

The Village passed Ordinance 74, effective July 12, 1994, creating the Downtown Development Authority (DDA) of the Village of Mancelona. In 1996, the DDA commissioned the preparation of the "The Development and Financing Plan for the Downtown Development District," which was adopted by the Village of Mancelona Board through Ordinance 81, and renewed to extend until 2050. The Authority is a component unit of the Village. The Village Council has the power to dissolve the Authority at will. The Authority may not impose taxes nor obligate the Village in any manner without approval of the Village Council. The activities of the Authority are presented as a discrete component unit of the Village of Mancelona in these financial statements. The DDA is audited under a separate cover, and those financial statements are available for review at the Village offices.

MANCELONA FIRE DISTRICT

This report does not include the financial activity of the Mancelona Fire District. The Mancelona Fire District is part of the Township of Mancelona.

MANCELONA AREA WATER AND SEWER AUTHORITY

The Mancelona Area Water and Sewer Authority was established in 2000 as a joint venture by the Village of Mancelona, the Township of Mancelona, and the Township of Custer. The Authority was established to meet the water and sewer needs most effectively of the Mancelona area. The financial statements of the Authority are audited under separate cover and are not included in this report. The Authority had long-term debt of approximately \$2,864,000 as of December 31, 2024, along with restricted equity for debt service of \$596,824.

JOINT PLANNING COMMISSION

The Mancelona Area Planning Commission is a joint planning commission consisting of Mancelona Township and the Village of Mancelona. At February 28, 2026 the Commission had \$11,418 in the shared checking account.

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of the Village of Mancelona are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations including required disclosures of the Village's financial activities. The accounting policies of the Village of Mancelona conform to the generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Village as a whole, excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Village general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. At this time, the Village has no business-type activities.

The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with functional programs. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the Village's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not included as program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental funds are reported in separate columns with composite columns for non-major funds. The Village does not maintain any non-major funds. The measurement focus and basis of accounting for the government-wide and fund financial statements are described in a subsequent section of this note.

**VILLAGE OF MANCERLONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION
(CONTINUED)**

FUND TYPES AND MAJOR FUNDS

Governmental Funds

The Village reports the following major governmental funds:

General Fund – This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants, and other inter-governmental revenues.

Major Street Fund – This fund is used to account for all financial transactions related to the Village's "major" (state-owned) streets. Revenues are derived primarily from state grants.

Local Street Fund – This fund is used to account for all financial transactions related to the Village's local streets. Revenues are derived primarily from property taxes and state grants.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds).

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

**VILLAGE OF MANCERLONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND TYPES AND MAJOR FUNDS (CONTINUED)

Governmental Fund Financial Statements

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include sales and use taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

Property tax revenues are recognized as follows:

Properties are assessed as of December 31 and the related property taxes become a lien on July 1 of the following year. These taxes are due on September 15 with the final collection date of February 28 before they are added to the county delinquent tax rolls. In accordance with GASB 33 "Accounting and Financial Reporting for Nonexchange Transactions", the Village records property tax revenue on the lien date, when it becomes an enforceable legal claim for the Village. Accordingly, taxes levied on July 1, 2025 are recorded as revenue in the current year. Unpaid taxes are recorded as receivables of the respective funds.

Property taxes were levied as follows for the year ended February 28, 2026:

General	10.6114 mills
Local Street	3.0000 mills

The taxable value of the Village for the 2025 tax year totaled \$26,965,284.

CAPITAL ASSETS AND DEPRECIATION

The Villages property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The Village maintains infrastructure asset records consistent with all other capital assets. Donated assets are stated at fair value on the date donated. The Village generally capitalizes assets with historical cost of \$1,000 or more as purchase and construction outlays occur.

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	50-75
Improvements, other than buildings	10-20
Machinery and equipment	5-10
Vehicles	5-10
Infrastructure	20-40

For information describing capital assets, see Note F.

LONG-TERM DEBT, DEFERRED DEBT EXPENSE, AND BOND DISCOUNT/PREMIUMS

In the government-wide financial statements, outstanding debt is reported as liabilities. Bond issuance costs, bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are expensed in the year of issuance.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

USE OF ESTIMATES

The financial statements have been prepared in conformity with generally accepted accounting principles as applicable to governments and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

BUDGETS

Public Act 621 of 1978 as amended provides that a local unit shall not incur expenditures in excess of the amount appropriated. The approved budgets of the Village for these budgetary funds were adopted on a fund level, using the modified accrual basis of accounting. Amendments are made to the budget

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(BUDGETS CONTINUED)**

when determined to be necessary throughout the year. The budget is presented as originally adopted and as amended. There are no carryover budget items.

NOTE C: CASH AND CASH EQUIVALENTS

At year end, the carrying amount of the Village's bank deposits including certificates of deposit was \$1,194,560. The bank balance was \$1,204,278. Of the bank balance, \$358,788 was covered by federal depository insurance and \$845,490 was uninsured. The uninsured deposits are held by the bank in the Village's name and collateralized with securities.

Statutory Authority

Act 217, PA 1982, authorizes the Village to deposit and invest in:

- (a) Bonds and other direct obligations of the United States or its agencies
- (b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of federally insured banks, insured savings and loan associations or credit unions insured by the National Credit Union Administration that are eligible to be the depository of surplus money belonging to the state under section 5 or 6 of Act 105, PA 1855, as amended.
- (c) Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services. Maturity cannot be more than 270 days after purchase, and not more than 50 percent of any fund may be invested in commercial paper at any time.
- (d) United States Government or Federal Agency obligation repurchase agreements.
- (e) Banker's acceptance of United States bank.
- (f) Mutual funds composed of investments which are legal for direct investments by local units of government in Michigan.

The Village's cash deposits and investments are in accordance with statutory authority.

NOTE D: RECEIVABLES

The Village's receivables as of February 28, 2026 are as follows:

Fund Financial Statements:

	<u>GENERAL</u>	<u>MAJOR STREET</u>	<u>LOCAL STREET</u>
Delinquent Taxes	\$ 31,734	\$ -	\$ 8,044
State Revenue/Grants	-	\$ 20,656	\$ 15,216
Total	<u>\$ 31,734</u>	<u>\$ 20,656</u>	<u>\$ 23,260</u>

**VILLAGE OF MANCERLONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE E: DUE FROM/TO OTHER FUNDS

The amounts of interfund receivables and payable are as follows:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>FUND</u>	<u>INTERFUND PAYABLE</u>
Local	\$ 1,055	Major Street	\$ 52,322
Major	442	General	1,497
General	<u>100,391</u>	Local Street	<u>48,069</u>
	<u>\$ 101,888</u>		<u>\$ 101,888</u>

Interfund receivables are short-term in nature and no interest is charged on the above amounts. Above amounts are the result of fringe benefit allocations, equipment rental and administration.

GASB 34 requires that all interfund receivables and payables are eliminated within each activity type for purposes of the government-wide financial statements.

NOTE F: CAPITAL ASSETS

	NOT DEPR.	DEPRECIATED				<u>TOTALS</u>
	<u>LAND & IMPROV.</u>	<u>BUILDINGS</u>	<u>POLICE VEHICLES</u>	<u>MACHINERY & EQUIPMENT</u>	<u>INFRA- STRUCTURE</u>	
Governmental Activities						
Balance, March 1, 2025	\$422,669	\$1,048,901	\$124,022	\$934,422	\$459,776	\$2,989,790
Increases	-	162,279	67,740	-	-	230,019
Decreases	-	-	-	-	-	-
Balance, Feb. 28, 2026	<u>422,669</u>	<u>1,211,180</u>	<u>191,762</u>	<u>934,422</u>	<u>459,776</u>	<u>3,219,809</u>
Governmental Activities						
Accumulated Depreciation						
Balance, March 1, 2025	-	348,949	84,593	700,600	288,726	1,422,868
Increases	-	34,143	17,308	27,723	15,326	94,500
Decreases	-	-	-	-	-	-
Balance, Feb. 28, 2026	<u>-</u>	<u>383,092</u>	<u>101,901</u>	<u>728,323</u>	<u>304,052</u>	<u>1,517,368</u>
Governmental Activities						
Capital Assets, Net	<u>\$422,669</u>	<u>\$828,088</u>	<u>\$89,861</u>	<u>\$206,099</u>	<u>\$155,724</u>	<u>\$1,702,441</u>

Depreciation expense was charged to functions of the Village as follows:

Motor Pool	\$ 19,084
Street & Sidewalks	15,326
Parks	5,441
Law Enforcement	19,810
Buildings and Grounds	34,143
Unallocated	<u>696</u>
Total	<u>\$ 94,500</u>

**VILLAGE OF MANCERLONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE G: LONG-TERM DEBT

The Village does not have any debt as of February 28, 2026.

NOTE H: COMPENSTATED ABSENCES

All full-time employees (non-elected officials) may accumulate compensated absences (vacation and personal days) in accordance with the employment policies of the Village. Upon termination, employees are either paid one-half their individual accumulated amount or the full amount, depending on the details of each employment contract. At February 28, 2026, the Village was liable for \$51,803 of compensated absences.

NOTE I: NET POSITION AND FUND BALANCE REPORTING

Governmental funds report fund balance in the following five categories:

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

The assigned fund balance and net position, totaling \$330,000, have been “set-aside” by the Village Council for anticipated future costs. The allocation of the assigned fund balance is as follows: DPW \$50,000, Police \$50,000, Parks \$100,000, unfunded employee benefits \$30,000, and Capital Improvements \$100,000.

NOTE J: DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred outflows or inflows of resources. The outflows represent a consumption of net position, while the inflows represent an acquisition of net position. They both apply to a future period and will not be recognized as an outflow (expense/expenditure) or inflow (revenue) of resources until then. The Village has no items that qualify for reporting in these categories for the year ended February 28, 2026.

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE K: INTRA/INTER-FUND REVENUE AND EXPENSE

Following is a summary of all equipment rental and administration charges between and within funds (all general fund revenues).

Local Street	\$ 38,719		
Major Street	\$ <u>43,152</u>		
Motor Pool Equip		Buildings & Grounds	
Rental & Admin.	\$ <u>81,871</u>	and Parks	\$ <u>19,335</u>

The Local and Major Street Funds incur the above stated expenditures and pay the General Fund accordingly. The Building and Grounds and Parks incur equipment rental expenses, while matching revenue is recorded, however no payments are made for this **intra-fund** activity.

All inter/intra-fund activity has been eliminated in the government-wide financial statements.

NOTE L: PENSION/ 457 PLAN

The Village of Mancelona has a defined contribution pension plan covering substantially all its (non-elected) employees. Employees are fully vested in the sixth year of employment. A defined contribution pension plan provides benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

Under the Village's defined contribution pension plan, the benefits a participant will receive depend on the amount contributed to the participant's account and the returns earned on investments of those contributions.

The plan is provided by the Michigan Employers Retirement System (MERS). The total pension expense for the year approximated \$14,336. This, in addition to a forfeiture credit of \$8,367 with MERS meets the contribution requirements of the Village for the fiscal year. The Village contributes 7% of eligible employee wages which was approximately \$324,329 for the period. The policy provides for group retirement annuities and contributions to be used for the purchase of annuity benefits, so there are no separate plan assets.

Additionally, the Village offers a deferred compensation "457 Plan", which allows for employees to defer a portion of their taxable wages. No employer contribution is made to the 457 Plan.

**VILLAGE OF MANCERLONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE M: TOWNSHIP AMBULANCE AUTHORITY LEASE

In 2011, the Village entered into a lease agreement with the Township Ambulance Authority. The Ambulance Authority paid approximately \$325,000 in leasehold improvements to the "village hall" building. In turn for these improvements, the Authority has "rent free" use of the facility for a period of 40 years. The Village has not recorded the leasehold improvements as a capital asset, nor has it recorded a matching deferred revenue as a liability.

NOTE N: INSURANCE COVERAGES

The Village is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Village participates in the Municipal League Liability and Property Pool, a self-insured group. The pool is considered a public entity risk pool. The Village pays annual premiums to the pool for the respective insurance coverage. In the event a pool's total claims and expense for a policy year exceed the total normal annual premiums for said years, all members of the pool's policy year may be subject to special assessment to make up the deficiency. The pool maintains reinsurance for claims generally in excess of \$500,000 for each occurrence with the overall maximum coverage varying depending on the specific type of coverage of reinsurance. The Village has not been informed of any special assessments being required.

There were no significant changes in coverage, nor were there any significant claims for the year. The Village carries commercial insurance for other types of losses, including employee health and accident insurance.

The Village has the following coverages:

	<u>COVERAGES</u>
Property	\$ 2,653,137
General Liability	2,000,000
Public Officials Liability	2,000,000
Law Enforcement	2,000,000
Automobile	2,000,000
Crime	100,000
Surety Bond	100,000
Position Fidelity Bond	13,320
Worker's Compensation	Statutory

**VILLAGE OF MANCELONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2026**

NOTE O: SUBSEQUENT EVENTS

The Village has evaluated subsequent events and transactions for potential recognition and disclosure through May 12, 2026, the date the financial statements were available to be issued.

NOTE P: WATER & SEWER AUTHORITY DEBT/CONTINGENCY

In the event the Mancelona Area Water and Sewer Authority was in default on its debt, the Village would be responsible for its share. The Authorities total debt at December 31, 2024 was \$2,864,000, with restricted equity of \$596,824 for debt service. The Village's portion of the debt would be based on its share of Authority wide taxable values.

VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED FEBRUARY 28, 2026

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
REVENUES:				
Property Taxes	\$ 238,500	\$ 238,500	\$ 240,825	\$ 2,325
State Shared Revenue	187,500	187,500	195,223	7,723
Marijuana Shared Revenue	150,000	150,000	108,034	(41,966)
Special Assessment - Sewer	35,000	35,000	31,766	(3,234)
Grants	25,000	35,000	39,000	4,000
Local Fees - Marijuana Facilities	6,000	6,000	4,000	2,000
Metro Act Funds	6,000	6,000	7,290	1,290
Charges for Services	2,000	2,000	7,930	5,930
Sub - Total	650,000	660,000	634,068	(25,932)
Police:				
Ordinance Fines	1,500	7,700	7,877	177
State Rev Training	1,500	1,500	2,767	1,267
Liquor License	2,200	2,200	1,905	(295)
Total Police	5,200	11,400	12,549	1,149
Equipment Rental and Admin:				
Local and Major Streets	70,000	70,000	81,871	11,871
Buildings & Grounds/ Parks	17,000	17,000	19,335	2,335
Total Equipment Rental and Admin.	87,000	87,000	101,206	14,206
Other:				
Franchise Fees	16,000	16,000	11,844	(4,156)
Interest Earnings	23,500	23,500	24,708	1,208
Sale of Property	-	-	72	72
Miscellaneous	500	500	8,932	8,432
Refunds and Rebates	-	-	1,263	(1,263)
Total Other	40,000	40,000	46,819	6,819
Total Revenues	\$ 782,200	\$ 798,400	\$ 794,642	\$ (3,758)

**VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED FEBRUARY 28, 2026**

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
EXPENDITURES:				
GENERAL GOVERNMENT				
Village Council:				
Wages	\$ 15,000	\$ 15,000	\$ 10,550	\$ 4,450
Fringe Benefits	1,000	1,000	821	179
Insurance	24,000	24,000	24,286	(286)
Professional Fees	17,000	17,000	17,989	(989)
Printing	1,500	1,500	223	1,277
Planning/Zoning/Joint PC	7,750	7,750	3,349	4,401
Miscellaneous	3,500	16,500	1,835	14,665
Total Village Council	69,750	82,750	59,053	23,697
Village Clerk:				
Wages	29,000	29,000	27,603	1,397
Fringe Benefits	5,200	5,200	3,517	1,683
Office Supplies & Other	6,000	7,000	7,374	(374)
Telephone	3,600	3,600	3,269	331
Total Village Clerk	43,800	44,800	41,763	3,037
Village Treasurer:				
Wages	15,500	12,500	12,534	(34)
Fringe Benefits	2,250	2,250	1,607	643
Tax Roll	1,000	1,000	695	305
Office Supplies	1,750	4,250	3,459	791
Total Village Treasurer	\$ 20,500	\$ 20,000	\$ 18,295	\$ 1,705

VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED FEBRUARY 28, 2026

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
Buildings and Grounds:				
Wages	\$ 27,500	\$ 27,500	\$ 25,424	\$ 2,076
Fringe Benefits	13,000	13,000	9,957	3,043
Capital Outlay	1,000	172,000	162,279	9,721
Contractual Services	22,000	30,000	32,679	(2,679)
Sewer Assessment	17,000	17,000	15,691	1,309
Utilities	32,000	32,000	34,125	(2,125)
Equipment Rental	9,000	9,000	9,623	(623)
Operating Supplies	2,000	3,000	3,260	(260)
Building Supplies	2,000	2,000	1,277	723
Total Buildings and Grounds	125,500	305,500	294,315	11,185
Parks and Recreation:				
Wages	17,500	19,500	19,429	71
Fringe Benefits	12,000	12,000	7,609	4,391
Equipment Rental	8,000	8,000	9,729	(1,729)
Utilities	6,500	6,500	5,459	1,041
Supplies	5,500	9,500	7,893	1,607
Contractual Services	500	500	-	500
Total Parks and Recreation	50,000	56,000	50,119	5,881
TOTAL GENERAL GOVERNMENT	\$ 309,550	\$ 509,050	\$ 463,545	\$ 45,505

VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED FEBRUARY 28, 2026

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
PUBLIC SAFETY				
Police				
Wages	\$ 215,000	\$ 215,000	\$ 200,840	\$ 14,160
Fringes	90,000	90,000	68,628	21,372
Gasoline	7,500	7,500	5,843	1,657
Contractual Services	3,000	3,000	963	2,037
Operating Supplies	5,500	5,500	10,742	(5,242)
Telephone	6,000	6,000	5,151	849
Training & Mileage	5,000	12,500	12,846	(346)
New Equipment	-	68,000	67,740	260
Miscellaneous	2,000	2,000	1,827	173
Total Police	334,000	409,500	374,580	34,920
MOTOR POOL				
Wages	41,500	47,000	49,955	(2,955)
Fringe Benefits	20,000	20,000	13,657	6,343
Gasoline	10,000	13,000	12,376	624
New Equipment	10,000	1,000	482	518
Debt Service	10,000	-	-	-
Utilities	6,000	9,200	7,654	1,546
Equipment Supplies	3,000	5,000	5,184	(184)
Operating Supplies	1,500	1,500	1,563	(63)
Contractual Services	1,000	1,000	248	752
Miscellaneous	500	500	253	247
Total Motor Pool	103,500	98,200	91,372	6,828
MAWSA - Sewer Assessment	35,000	35,000	31,766	3,234
Total Expenditures	782,050	1,051,750	961,263	90,487
Excess (Deficiency) of Revenues over Expenditures	150	(253,350)	(166,621)	86,729
Fund Balance - Beginning of Year	982,951	982,951	982,951	-
Fund Balance - End of Year	\$ 983,101	\$ 729,601	\$ 816,330	\$ 86,729

VILLAGE OF MANCERONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - MAJOR STREET FUND
YEAR ENDED FEBRUARY 28, 2026

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
REVENUES:				
State Funds	\$ 150,000	\$ 150,000	\$ 150,881	\$ 881
County Funds	3,000	3,000	4,500	(1,500)
Interest	4,000	4,000	442	(3,558)
Total Revenues	157,000	157,000	155,823	(1,177)
EXPENDITURES:				
Reconstruction	60,000	60,000	-	60,000
Routine Maintenance:				
Wages	6,000	6,000	5,895	105
Supplies, Equip. Rental, Other	20,500	20,500	19,077	1,423
Winter Maintenance:				
Wages	9,000	9,000	14,243	(5,243)
Supplies, Equip. Rental, Other	26,000	26,000	30,559	(4,559)
M-88 Maintenance:				
Wages	2,000	2,000	2,265	(265)
Equipment Rental, Other	3,000	3,000	6,048	(3,048)
Fringe Benefits	8,000	8,000	9,170	(1,170)
Total Expenditures	134,500	134,500	87,257	47,243
Excess (Deficiency) of Revenues over Expenditures	22,500	22,500	68,566	46,066
OTHER FINANCING SOURCES (USES):				
Transfers Out	-	-	-	-
Net Change in Fund Balance	22,500	22,500	68,566	(46,066)
Fund Balance - Beginning of Year	51,078	51,078	51,078	-
Fund Balance - End of Year	\$ 73,578	\$ 73,578	\$ 119,644	\$ 46,066

VILLAGE OF MANCERLONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LOCAL STREET FUND
YEAR ENDED FEBRUARY 28, 2026

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
REVENUES:				
Property Taxes	\$ 67,000	\$ 67,000	\$ 67,052	\$ 52
State Funds - Act 51	80,000	80,000	84,984	4,984
State Funds - Stabilization Funds	2,000	2,000	2,025	25
Interest	4,000	4,000	1,055	(2,945)
Total Revenues	153,000	153,000	155,116	2,116
EXPENDITURES:				
Resurfacing	100,000	100,000	3,905	96,095
Contractual Repair	-	-	1,387	(1,387)
Routine Maintenance:				
Wages	7,000	7,000	7,824	(824)
Supplies, Equip. Rental, Other	13,500	13,500	10,019	3,481
Winter Maintenance:				
Wages	10,000	10,000	15,401	(5,401)
Supplies, Equip. Rental, Other	28,500	28,500	37,108	(8,608)
Fringes	6,000	6,000	9,349	(3,349)
Total Expenditures	165,000	165,000	84,993	80,007
Excess (Deficiency) of Revenues Over Expenditures	(12,000)	(12,000)	70,123	82,123
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Net Change in Fund Balance	(12,000)	(12,000)	70,123	82,123
Fund Balance - Beginning of Year	205,595	205,595	205,595	-
Fund Balance - End of Year	\$ 193,595	\$ 193,595	\$ 275,718	\$ 82,123