

VILLAGE OF ROSCOMMON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

COMPONENT UNITS OF VILLAGE OF ROSCOMMON

FOR THE YEAR ENDED DECEMBER 31, 2024

	DOWNTOWN DEVELOPMENT AUTHORITY	ROSCOMMON AREA RECREATION AUTHORITY	TOTAL COMPONENT UNITS
<u>REVENUES</u>			
Taxes	\$ 143,707	\$ 0	\$ 143,707
Contributions from Local Units	0	27,686	27,686
Charges for Services	0	191,692	191,692
Interest and Rent	16,886	70,397	87,283
Other Revenue	5,825	53,101	58,926
Total Revenues	166,418	342,876	509,294
<u>EXPENDITURES</u>			
Economic Development	215,521	0	215,521
Recreation and Culture	0	262,250	262,250
Total Expenditures	215,521	262,250	477,771
Net Change in Fund Balance	(49,103)	80,626	31,523
<u>FUND BALANCE</u> - Beginning of Year	495,252	142,755	638,007
<u>FUND BALANCE</u> - End of Year	\$ 446,149	\$ 223,381	\$ 669,530

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

Net Change in Fund Balances Total Governmental Funds	\$ 31,523
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Amounts reported for governmental activities are different because:

Governmental funds report capital outlays as expenditures in the Statement of Activities. These costs are allocated over their estimated useful lives as depreciation. Additionally, only the gain or loss on the sale of capital assets is reported in the Statement of Activities, whereas the entire proceeds are reported in the governmental funds.

Depreciation Expense	(54,762)
Capital Outlay	144,592
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 121,353

Budget Adoption

There was no budget adopted for the Roscommon Area Recreation Authority for 2024. Going forward, the Roscommon Area Recreation Authority should adopt a budget and provide the approved budget to the Village.

Equipment Rental Reconciliation and Recording

During our test of equipment rental, we found some minor discrepancies where the equipment rental charged did not agree to the equipment rental timesheets. We also noted that for a portion of the year the prior year rates were being used. We recommend taking the time to make sure the equipment rent is properly charged and that the correct rates mandated by the State of Michigan are being used.

Budget Amendments

The budget amendments need to be approved by Council and all amendments need to be clearly documented in the minutes.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis and the Budgetary Comparison Schedule, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combined component unit financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information section, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Village Council and management of the Village of Roscommon and is not intended to be, and should not be, used by anyone other than these specified parties.

UHY LLP

Cadillac, Michigan
February 28, 2025