

A Regular Meeting of the Sylvan Lake City Council was held on Wednesday, November 15, 2023, opening at 7:30 p.m. Mayor Cowper presided over the Pledge of Allegiance.

Present: Segal, Zubrzycki, Buchanan, Clarke, Cowper

Absent: None

Also Present: Interim City Manager O'Donohue, Administrative Contractor Martin, Attorney Schultz, and Clerk Dryden

APPROVAL OF AGENDA

Moved by Clarke, seconded Buchanan, to approve the City Council Agenda for November 15, 2023, as presented.

Yes: All

No: None

MOTION CARRIED

APPROVAL OF CONSENT AGENDA

Moved by Clarke, seconded Segal, to approve the following items on the consent agenda as submitted.

- A. October 18, 2023, Regular Meeting, October 24, 2023, Study Session, and Executive Session
- B. Disbursement Report, Payroll check #'s 12260-12262, DD5115-5139, EFT1809-1815, STUB223-STUB224; and A/P check #'s 52520-52548, EFT & ACH 3017-3039; TOTALING: \$ 500,708.32.
- C. Acceptance of Public Works and Police Department for October 2023.

Yes: All

No: None

MOTION CARRIED

COMMITTEE REPORTS

Police Department Award – Chief O'Donohue

P1-004-23

Chief O'Donohue announced he is honored to present Lifesaving Awards to Sylvan Lake Police Sgt. Joe Molinaro and several members of the West Bloomfield Fire Department.

On October 15th, the Sylvan Lake Police Department received a call regarding a medical emergency on the 1700 block of Woodland. Sgt. Joe Molinaro quickly responded and found a resident attempting CPR on her husband, who was unresponsive and without a pulse. Joe

immediately took over CPR and instructed the resident to wait outside for the fire department to help guide them in. He continued CPR until the WBFD arrived and relieved him. West Bloomfield Firefighters took over life saving measures, and once the patient was stabilized, promptly transported him to the hospital.

Due to the quick, compassionate, and skilled actions of the first responders, a tragedy was averted, and a life was saved.

Sgt. Joe Molinaro and the WBFD, we appreciate and applaud your selfless service and commitment to the well-being of our community.

Chief Flynn thanked the council for recognition for what the Fire Department does for a living. He stated it is an honor to serve the city and great to see the husband and wife together.

There were no other reports.

BRIEF PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

Mayor Cowper opened the meeting to the public.

There were 11 people in the audience.

Jan Hays brought to City Council's attention a letter her attorney wrote and emailed to council which never received a response to. She provided a copy of the letter and asked that they address the letter.

There were no other comments.

CTY MANAGER COMMENTS

Martin shared City Hall is working on the same issues, improvements, and projects he mentioned last month. Some of those projects have progressed. We will be trimming and removing some trees in Memorial Park to open it up from the front, making drainage improvements to Ferndale park, and we finished this round of crack fill on several streets and parking lots. The road right of way and construction repair guarantee bond are on the agenda tonight.

It was known leaves were potentially going to be an issue this year when they refused to fall off the trees for so long. We're aware that they are there on the streets and the crews are out collecting them. We hope the weather will hold out. If we get snow or freezing temperatures, it will slow them down even more. Again, if residents want to make sure their leaves are picked up quickly, please put them in yard waste bags and they will be picked up on Thursday, but remember, yard waste collection ends the end of November.

City Hall is very happy that Mr. Wagner is still with us and Congratulations to Sgt. Joe Molinaro on his life saving award. For those of you who haven't met Joe, he is a very nice, capable, and humble man. We're very happy he's with us here in Sylvan Lake and happy Corey is here as the Chief.

Martin hoped everybody had a safe Halloween and will have a wonderful Thanksgiving.

CITY COUNCIL COMMENTS

Zubrzycki congratulated and thanked Molinaro for his life saving act and thanked Chief O'Donohue for recognizing those involved. Zubrzycki acknowledged Veteran's Day and thanked all veterans. He thanked whoever removed the small island from Ferndale.

Segal shared a new pickleball court facility is opening at 14 Mile and Orchard Lake Road. It is going to be 26,000 square feet. Leaf pickup workers have been working very hard and they are just as frustrated as the residents.

Cowper also acknowledged Veteran's Day. He thanked Martin for thanking Luke and those who helped with lighting the tree and hopes everyone will attend the lighting ceremony.

Buchanan shared new events are happening. Midge's Sweet Dreams has started. Beds are built and she is accepting complete comforter and bedding sets along with a small bunny to donate to the cause. The Sylvan Lake book club started last night with 26 attending. January 9th is the next meeting at 6:30 for social hour and 7:30 discussion. They have an email sylvanlakebookclub@gmail.com or contact Ruth Anderson or Sharon Miller. The Parks & Recreation is holding their wine tasting event this Friday from 7-9:30 p.m. Wednesday is still game night. Thursday weekly is yoga. The first and third Thursday is knitting, and the second Thursday is craft night. Last Thursday they made bracelets. She thanked Midge for sharing her home and time.

Clarke also announced the Harvest Wine Tasting that Parks & Rec is hosting this Friday from 7-9:30 p.m. Patty Harrop added December 3rd at 7 p.m. is the tree lighting. Helen Jane Peters got the Big Chief Barbershop to help with Christmas carols. There will be treats and hot chocolate too.

PUBLIC HEARING

B3-001-23 PH-002-23

Mayor Cowper opened the public hearing for CDBG 2024 Application/Funds at 7:48 p.m. There were eleven people in the audience. There were no comments.

Mayor Cowper closed the public hearing at 7:50 p.m.

ACTION ITEMS

a. Resolution to Accept 2024 CDBG Funds

B3-002-23 R2-006-23

Martin explained this resolution accepts the CDBG funds. We will receive the same funding of \$7,000. This will provide funding for seniors for lawn mowing in the summer and fall cleanup.

Clarke asked what other communities use their funds for. Martin stated most other communities receive more money than Sylvan Lake does so they can provide minor home repairs for seniors. Clarke asked if the funds could be used for sidewalk repairs. Martin replied it has to be for low income areas and Sylvan Lake doesn't have any.

Moved by Buchanan, seconded by Zubrzycki, to approve the agreement for I.T. services with Oakland County as presented.

Yes: Cowper, Segal, Zubrzycki, Buchanan, Clarke

No: None

RESOLUTION ADOPTED

b. Appointments to Planning Commission

A2-004-23

Mayor Cowper appointed Jim Smith and Shannon Dickstein to the Planning Commission for a three-year term. He shared his reasons for the appointments.

Clarke didn't agree with not reappointing Meg Morley. He felt he was throwing out someone with good experience and a good attendance record. He thought Shannon Dickstein and Jan Hays are friends and feels this could be a conflict of interest with the Lakeview issues.

Jon Farms asked how many applications were received. Mayor Cowper replied one.

Nicole Menuck expressed she appreciates the Mayor trying to get new people involved. She stated volunteers work really hard and if they are showing up they should be reappointed as long as they want to serve.

Moved by Segal, seconded Zubrzycki, to approve the Mayor's appointment of Jim Smith and Shannon Dickstein to the Planning Commission for a three-year term.

Yes: Segal, Zubrzycki, Buchanan, Cowper

No: Clarke

MOTION CARRIED

c. Ordinance 365 Right of Way (ROW)

O-010-23

S-007-23

Martin first clarified this is not a zoning ordinance but a code ordinance amendment to Chapter

56. This addresses the requirements to apply to enclose, eliminate, or modify a ditch in the road right of way. It will require a plan to be submitted by a licensed professional engineer indicating the requested work and showing that the proposed improvements would work. The city's engineer will then review the application and drawings to ensure the improvements will perform as required.

Clarke asked how much an engineer will cost residents. Martin is not sure. Clarke asked if this should be applied to areas who are having drainage problems. Martin replied it would be impossible to put into groups. He stated it should not be on the city's shoulders to fund a ditch problem that someone is enclosing or has enclosed. It is possible it will eliminate those who just want a parking area because this is what is causing many problems. Martin reiterated this only applies to ditch enclosures, not all improvements in the ROW.

Moved by Buchanan, seconded Clarke, to approve Ordinance 365, adding regulations for filling drains or ditches.

Yes: Buchanan, Clarke, Cowper, Segal, Zubrzycki
No: None

ORDINANCE ADOPTED

d. Ordinance 366 Site Restoration Bond for Construction O-11-23

Martin explained this ordinance adds a new section to the building regulations in Chapter 14 of the code of ordinances. It states the damage to anything on public property, drainage, etc., during a construction project, will be repaired or replaced to the same level as before construction. It also addresses maintaining construction sites, keeping streets clear of mud and debris, and maintaining drainage. Martin recommended setting the bond at \$5,000 cash.

Clarke asked why a percentage wasn't set. Martin stated it was found it doesn't matter. If they damage a ditch, the percentage of the project doesn't matter. Clarke asked if smaller amount should be set for smaller projects. Martin stated if there is no impact on the road or right-of-way it won't be collected.

Moved by Zubrzycki, seconded Segal, to approve Ordinance 366, adding Article 8, site restoration bond, to Chapter 14 of the Code of Ordinances, and set the bond amount at \$5,000 cash to be paid at the time a zoning permit for construction is approved if deemed necessary by the City Manager based on the nature of the construction.

Yes: Clarke, Cowper, Segal, Zubrzycki, Buchanan
No: None

ORDINANCE ADOPTED

e. Community Garden Progress

Martin stated this has been discussed at the last couple of meetings. Jon Farms started this project on a trial basis, and it took off. People love it. He thanked Farms for coming up with the idea and spear heading. Martin acknowledged Farms provided the wood and put in all the beds. The city provided the electrical and irrigation system. Now they would like to extend the gardens towards the lake and come up with one fence design to enclose it all. They also need to come up with an application and use policy.

Cowper asked if the expansion request would increase at a later date or if this would be it. Martin stated because of the space there they probably won't be able to increase it after this expansion. The city will pay for the expansion of the garden beds and fence. Segal feels it is a wonderful idea.

City Council agreed to move forward with the project.

f. Adjourn to Executive Session to Discuss Collective Bargaining Negotiations

Moved by Zubrzycki, seconded by Buchanan, to adjourn to executive session to discuss collective bargaining negotiations.

Yes: Zubrzycki, Buchanan, Clarke, Cowper, Segal

No: None

MOTION CARRIED

The meeting adjourned to closed session at 8:21 p.m.

At 9:23 p.m. City Council reconvened the regular City Council meeting.

ADJOURNMENT

Moved by Segal, seconded Zubrzycki, to adjourn the regular City Council Meeting.

Yes: All

No: None

MOTION CARRIED

The meeting was adjourned at 9:23 p.m.

Dennise Dryden, City Clerk

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CHECK REGISTER FOR CITY OF SYLVAN LAKE
CHECK DATE FROM 11/16/2023 - 12/20/2023

Page: 1/3

Check Date	Bank	Check	Vendor	Vendor Name	Description	Amount
Bank GEN GENERAL CHECKING						
11/16/2023	GEN	52549	OCTA	OAKLAND COUNTY TREASURER'S ASSOC.	HOLIDAY LUNCHEON-DRYDEN & MARTIN	96.00
11/21/2023	GEN	52550	PENCHURA	PENCHURA, L.L.C.	BENCH--CLARK 1/2 DOWN PAYMENT	1,000.00
11/21/2023	GEN	52551	MAMC	MI. ASSOC. OF MUNICIPAL CLERKS	DRYDEN MAMC MEMBER DUES 2024	75.00
11/30/2023	GEN	3040 (E)	HOME DEPOT	HOME DEPOT CREDIT SERVICES	CC: INSTALL SHELF, CURTAIN IN CLOSET	46.95
					MAILBOX SUPPLIES	244.67
					MAILBOX RACK SUPPLIES	109.95
					CLAMPS FOR SNOW FENCE	91.71
						493.28
11/30/2023	GEN	52552	GREENWALT	AMY GREENWALT	COM CTR CLEANING--NOVEMBER 2023	250.00
11/30/2023	GEN	52553	BOSTICK	BOSTICK TRUCK CENTER	PLOW--SHOE ASSEMBLY--2022 FORD F-450	255.20
					MOTOR FOR SALT SPINNER--08 FORD F-550	192.58
						447.78
11/30/2023	GEN	52554	BUCHANAN B	BROOKE BUCHANAN	PRE GRANTED REFUND STX 84-13-36-480-017	2,320.49
11/30/2023	GEN	52555	C & G	C & G PUBLISHING	PUBLISH ORD 365 & 366	274.46
11/30/2023	GEN	52556	CYNERGY	CYNERGY PRODUCTS	PD: EQUIP NEW TAHOE	15,812.01
11/30/2023	GEN	52557	DOG WASTE	DOG WASTE DEPOT	DOG WASTE BAGS - 2- 30 ROLL CASES	343.48
11/30/2023	GEN	52558	FORSTER	FORSTER PARRY SYLVAN LLC	10 WASHES-- OCTOBER 2023	80.00
11/30/2023	GEN	52559	GIFFELS	GIFFELS WEBSTER	RETAINER--OCTOBER 2023	500.00
11/30/2023	GEN	52560	HRC	HUBBELL, ROTH & CLARK	SERVICE VERIFICATION PROGRAM	1,014.71
					GLWA MEETINGS OCT 2023	67.28
					LAKEVIEW SEAWALL REVIEW	493.99
					ADMIN SERVICES 10/14/23 10/28/23	13,800.00
					PAVING CIP	578.62
					ROW REVIEW	1,643.91
						17,598.51
11/30/2023	GEN	52561	HRC	VOID		
11/30/2023	GEN	52562	MAJIK	MAJIK GRAPHICS, INC.	GRAPHICS FOR 2023 CHEVY TAHOE	535.00
11/30/2023	GEN	52563	MYFLEETCEN	MYFLEETCENTER.COM	PD: FULL SERVE OIL CHANGE	58.20
11/30/2023	GEN	52564	OCACP	OAK. CTY. ASSOC OF CHIEFS OF POLICE	O'DONOHUE MEMBERSHIP OCACP 2024	30.00
11/30/2023	GEN	52565	OCTA-EH	OAKLAND COUNTY TREASURER'S ASSOC.	2024 OCTA DUES--DRYDEN	20.00
11/30/2023	GEN	52566	OCWRC	OC WATER RESOURCES COMMISSIONER	SEWAGE DISPOSAL OCTOBER 2023	31,791.57
11/30/2023	GEN	52567	OFFICE	ODP BUSINESS SOLUTIONS, LLC	COPY PAPER	121.04
					TABBED DIVIDERS	8.99
					6 2024 DESKPAD CALENDARS	95.94
					BINDER INDEX TAB DIVIDERS	25.20
						251.17
11/30/2023	GEN	52568	PROBST	PROBST LANDSCAPE SERVICES	LAWN SERVICES --OCTOBER 2023	4,635.00
11/30/2023	GEN	52569	PROBST	PROBST LANDSCAPE SERVICES	CDBG -- OCTOBER 2023	1,130.00
11/30/2023	GEN	52570	RCOC	ROAD COMMISSION FOR OAK. CO.	MAINT. DTE & ATT--TRAFFIC LIGHTS	416.54
11/30/2023	GEN	52571	SCHULTZ	ROSATI SCHULTZ JOPPICH AMTSBUECHLER	OCT 2023 CITY ATTN'Y-- RETAINER	500.00
					OCT 2023 CITY ATTN'Y--GEN MATTERS	4,624.00
					OCT 2023 CITY ATTN'Y--PROSECUTIONS	1,200.00
						6,324.00
11/30/2023	GEN	52572	S & B PLUM	S & B PLUMBING, INC.	DITCHING 4 AREAS	4,158.50
11/30/2023	GEN	52573	UNIFIRST C	UNIFIRST CORPORATION	MATS FOR CITY HALL 11-9-2023	125.52
11/30/2023	GEN	52574	WESTON	WESTON COMPUTER SERVICE, INC.	SERVER MAINT--NOVEMBER 2023	62.50

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Page: 2/3

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11/30/2023	GEN	52575	WINNING	WINNING IMPRINTS	NAME PLATE SHANNON DICKSTEIN	15.00
12/20/2023	GEN	3041 (E)	AT&T	AT&T	INTERNET COM CTR 11/21-12/20/2023	195.25
12/20/2023	GEN	3042 (E)	BCBS	BLUE CROSS BLUE SHIELD OF MICHIGAN	POLICE DEPT HEALTH INSURANCE 12/15/23-1/ NON UNION INSUR-12/15/23-1/14/24 RETIREEES UNDER 65--12/15/23-1/14/24	8,604.77 5,168.92 3,297.70
						17,071.39
12/20/2023	GEN	3043 (E)	BCBS	VOID		
12/20/2023	GEN	3044 (E)	COMCAST	COMCAST	INTERNET SVS PD/CH 11/21-12/20/2023	203.42
12/20/2023	GEN	3045 (E)	CONSUMERS	CONSUMERS ENERGY	ACTL RD 2685 GARLAND 10/31-11/30/2023 ACTL RD 2025 GARLAND 11/1-11/30/2023 ACTL READ 2456 PONTIAC DR 11/1-11/30/20 ACTL RD 1820 1/2 INVERNESS -10/31-11/29/ ACTL READ 1820 INVERNESS 10/31-11/29/202	16.00 16.00 259.78 183.81 95.37
						570.96
12/20/2023	GEN	3046 (E)	DETROIT ED	DTE ENERGY	STREET LIGHTING FOR OCT 2023 ACT'L RD 2456 PONTIAC 10/21-11/20/2023 ACT'L RD 2110 FERNDAL 10/21-11/20/2023 ACT'L RD 2685 GARLAND 10/21-11/20/2023 ACT'L RD 2025 GARLAND 10/21-11/20/2023 ACT'L RD 2245 WOODROW WLSN 10/21-11/20/2 ACT'L RD 2104 AVONDALE 10/21-11/20/2023	2,549.20 97.11 57.04 190.36 182.20 33.53 14.95
						3,124.39
12/20/2023	GEN	3047 (E)	DETROIT ED	VOID		
12/20/2023	GEN	3048 (E)	DTE	DTE ENERGY	ACTL READ 1820 INVERNESS 10/21-11/20/202	565.53
12/20/2023	GEN	3049 (E)	FLAGSTAR	FLAGSTAR BANK CARDMEMBER SERVICE	SNOW FENCE CLOUD STORAGE/IOLO P&R FOOD TRUCK--HAUNTED TRAIL REDI-STRIP EXPANSION ENVELOPE, REFILL IN MAILCHIMP 11-18 MENORAH: LIGHT STRIP DESK ORGANIZER,HANGING FILE FOLDERS CAR MATS, SEAT COVERS, CRADLEPOINT CLEMI MACP SUM 2023 CONFERENCE--O'DONOHUE	449.94 41.74 945.00 39.73 60.00 295.00 68.93 1,378.99 280.00
						3,559.33
12/20/2023	GEN	3050 (E)	FLAGSTAR	VOID		
12/20/2023	GEN	3051 (E)	LINCOLN	LINCOLN FINANCIAL GROUP	LIFE INSURANCE POLICE DEPT DEC 2023 LIFE INSURANCE - DEC 2023	79.88 79.87
						159.75
12/20/2023	GEN	3052 (E)	PITNEY BOW	PITNEY BOWES GLOBAL FINANCIAL SERV	POWER GUARD 2 MODEUM	105.00
12/20/2023	GEN	3053 (E)	PB PURCHAS	PURCHASE POWER	POSTAGE METER REFILL 11/21/2023	500.00
12/20/2023	GEN	3054 (E)	RICOH	RICOH	COPIER RENT & ADD'L IMAGES 11/13-12/12/2	262.81
12/20/2023	GEN	3055 (E)	VERIZON WI	VERIZON WIRELESS	PHONES/DATA 10/14-11/13/2023 CH PHONES 10/14-11/13/2023	272.68 368.96
						641.64
12/20/2023	GEN	3056 (E)	WEX	WEX BANK	PD/DPW FUEL PURCHASES --NOV 2023	1,526.48
12/20/2023	GEN	3057 (A)	GFL	GFL EVERGLADES HOLDINGS LLC	812 RESIDENTIAL COLLECTION DEC 2023	13,682.20
12/20/2023	GEN	3058 (A)	GLWA	GREAT LAKES WATER AUTHORITY	WATER USAGE - OCTOBER 2023	20,352.76

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CHECK REGISTER FOR CITY OF SYLVAN LAKE
CHECK DATE FROM 11/16/2023 - 12/20/2023

Page: 3/3

Check Date	Bank	Check	Vendor	Vendor Name	Description	Amount
12/20/2023	GEN	3059 (A)	SILVER M	MARK SILVER	MEDICARE STIPEND - DEC 2023	200.00
12/20/2023	GEN	3060 (A)	MCTAVISH	MCTAVISH, CAROL	MEDICARE STIPEND - DEC 2023	200.00
12/20/2023	GEN	3061 (A)	SILVER	SILVER, DOROTHY	MEDICARE STIPEND DEC 2023	200.00
12/20/2023	GEN	52576	BOSTICK	BOSTICK TRUCK CENTER	SPINNER FOR 2008 DUMP TRUCK SET UP NEW DUMP FOR WINTER	31.78 16,873.00
						16,904.78
12/20/2023	GEN	52577	FORSTER	FORSTER PARRY SYLVAN LLC	8 WASHES--NOV 2023	64.00
12/20/2023	GEN	52578	GIFFELS	GIFFELS WEBSTER	PLAN RETAINER, ZONING AMENDS, MTGS, SITE	2,411.25
12/20/2023	GEN	52579	HRC	HUBBELL, ROTH & CLARK	WATER SERVICE VERIFICATION PROGRAM GLWA MTG NOV 2023 LAKEVIEW SEAWALL TOPO SURVEY REVIEW STORMWATER/ROW REVIEW DOCK LAYOUT FOR NEW WALL ADMIN SERVICES FOR SYLVAN LAKE NOV 2023	191.84 67.28 350.96 347.91 158.05 13,800.00
						14,916.04
12/20/2023	GEN	52580	HRC	VOID		
12/20/2023	GEN	52581	KIESLER	KIESLER POLICE SUPPLY	PD; AMMUNITION	1,472.60
12/20/2023	GEN	52582	KUSTOM	KUSTOM SIGNALS, INC.	PD: CFG-RAPTOR	1,714.00
12/20/2023	GEN	52583	LEWIS, MAR	MARY LEWIS	DBR-DISABLED VET EXEMPT 18-01-202-011	2,450.96
12/20/2023	GEN	52584	MONDEAU	MICHAEL MONDEAU	REIMBURSE FOR PD POSTAGE	17.10
12/20/2023	GEN	52585	NATL BAND	NATIONAL BAND AND TAG CO.	PARK/SPORTS TAGS 2024	208.53
12/20/2023	GEN	52586	OCT	OAKLAND COUNTY TREASURER	2023 S.A. DRAINS/LAKE LEVEL	8,552.67
12/20/2023	GEN	52587	PROBST	PROBST LANDSCAPE SERVICES	CDBG NOV 2023	650.00
12/20/2023	GEN	52588	SCHULTZ	ROSATI SCHULTZ JOPPICH AMTSBUECHLER	NOV 2023 CITY ATTN'Y-- RETAINER NOV 2023 CITY ATTN'Y--GEN MATTERS NOV 2023 CITY ATTN'Y--PROSECUTIONS	508.80 8,902.60 1,062.50
						10,473.90
12/20/2023	GEN	52589	S & B PLUM	S & B PLUMBING, INC.	WINTERIZE FAUCETS/BATHROOMS	1,439.50
12/20/2023	GEN	52590	UNIFIRST C	UNIFIRST CORPORATION	MATS FOR CITY HALL 12-7	125.52
12/20/2023	GEN	52591	VER CON	VERIZON CONNECT FLEET USA LLC	PD/DPW GPS--NOV 2023	113.70
12/20/2023	GEN	52592	WESTON	WESTON COMPUTER SERVICE, INC.	REMOTE SESSION	93.75

GEN TOTALS:

Total of 66 Checks:	213,573.22
Less 5 Void Checks:	0.00
Total of 61 Disbursements:	213,573.22

***PUBLIC WORKS DEPARTMENT
MONTHLY REPORT
November
2023***

DEPARTMENT	HOURS	O.T.	TOTAL HOURS
ELECTIONS	0		0
VEHICLE MAINTENANCE	31		31
MISCELLANEOUS	10		10
BUILDINGS AND GROUNDS	26		26
PARKS	44		44
COMMUNITY CENTER	42		42
MAJOR STREETS - Maint/Traffic Serv.	12		12
MAJOR STREETS - Winter Maint.			0
LOCAL STREETS - Maint/Traffic Serv.	16		16
LOCAL STREETS - Winter Maint.	12		12
GARBAGE AND RUBBISH	53		53
COMMUNITY PROMOTION	55		55
RECREATIONAL VEH. STORAGE	3		3
SEWER	5		5
WATER	2		2
MUNICIPAL GARAGE	41		41
SICK	8		8
VACATION/PERSONAL	35		35
TOTAL HOURS WORKED	352	0	352

FUEL CONSUMPTION

EQUIPMENT	FUEL	
PICK UP TRUCKS	145	
2001' 1 1/2 TON DUMP (Diesel)		
2008' 1 1/2 TON DUMP (Diesel)		
MISCELLANEOUS	18	track fill machine
TRACTOR (Diesel)		
TOTAL CONSUMPTION	163	

SUBMITTED BY JOHN MARTIN, PUBLIC WORKS MANAGER

**PUBLIC WORKS DEPARTMENT
MONTHLY REPORT
November
2022**

2022

DEPARTMENT	HOURS	O.T.	TOTAL HOURS
ELECTIONS			0
ELECTIONS	17		17
VEHICLE MAINTENANCE	20		20
MISCELLANEOUS	8		8
BUILDINGS AND GROUNDS	16		16
COMMUNITY CENTER	40		40
PARKS	35		35
MAJOR STREETS - Maint/Traffic Serv.	23		23
MAJOR STREETS - Winter Maint.	5	2	7
LOCAL STREETS - Maint/Traffic Serv.	21		21
LOCAL STREETS - Winter Maint.	15	1	16
RECREATIONAL VEHICLE AREA	2		2
SEWER DEPARTMENT	5		5
WATER DEPARTMENT	10		10
GARBAGE AND RUBBISH	51		51
COMMUNITY PROMOTION	57		57
MUNICIPAL GARAGE	27		27
SICK	16		16
VACATION/PERSONAL	1		1
TOTAL HOURS WORKED	352	3	355

FUEL CONSUMPTION

EQUIPMENT	FUEL	
PICK UP TRUCKS	176	
2001' 1 1/2 TON DUMP (Diesel)	30	
2008' 1 1/2 TON DUMP (Diesel)	29.5	
MISCELLANEOUS	6	Power Washer
TRACTOR (Diesel)		
TOTAL CONSUMPTION	241.5	
SUBMITTED BY JOHN MARTIN, CITY MANAGER		



Sylvan Lake Police Department

1820 Inverness
Sylvan Lake, MI 48320
www.sylvanlake.org

Corrigan O'Donohue
Chief of Police

Main: (248) 682.2104
Fax: (248) 326.4380

November 2023 Crime Report

Calls for Service	Nov 2023	Nov 2022	YTD 2023	YTD 2022
SEXUAL PENETRATION-CSC 1ST DEGREE	0	0	0	1
SEXUAL PENETRATION -CSC 1ST DEGREE	0	0	0	1
SEXUAL CONTACT FORCIBLE -CSC 4TH DEGREE	0	0	1	0
NONAGGRAVATED ASSAULT	0	1	4	4
AGGRAVATED/FELONIOUS ASSAULT	0	0	0	3
INTIMIDATION/STALKING	2	2	4	7
BURGLARY -ENTRY WITHOUT FORCE	0	0	2	0
LARCENY -THEFT FROM BUILDING	0	0	4	5
LARCENY -THEFT FROM MOTOR VEHICLE	1	0	7	2
LARCENY -OTHER	0	1	2	9
MOTOR VEHICLE THEFT	0	0	2	2
FORGERY/COUNTERFEITING	0	0	0	2
FRAUD -FALSE PRETENSE	0	0	4	7
FRAUD -CREDIT CARD/ATM	0	0	2	2
FRAUD -WIRE FRAUD	1	0	1	0
FRAUD - IDENTITY THEFT	0	0	1	3
EMBEZZLEMENT	0	0	1	1
DAMAGE TO PROPERTY	0	0	4	2
RETAIL FRAUD -THEFT	0	0	0	1
VIOLATION OF CONTROLLED SUBSTANCE ACT	0	0	2	0
WEAPONS OFFENSE -EXPLOSIVES	0	0	1	2
FRAUD -BAD CHECKS	1	0	6	0
SEX OFFENSE -OTHER	0	0	1	0
OBSTRUCTING POLICE	0	0	0	1
DISORDERLY CONDUCT	0	0	3	6
PUBLIC PEACE -OTHER	0	0	0	1
OWI LIQUOR OR DRUGS	0	0	1	2
HEALTH AND SAFETY	0	0	2	2
CONSERVATION	0	0	1	0
MISCELLANEOUS CRIMINAL OFFENSE	2	1	18	31
JUVENILE OFFENSES AND COMPLAINTS	0	0	1	1
TRAFFIC OFFENSES	1	17	56	76
WARRANTS	0	0	1	2
TRAFFIC CRASHES	4	9	41	67
SICK / INJURY COMPLAINT	1	4	25	37
MISCELLANEOUS COMPLAINTS	76	89	1231	1039
WATERCRAFT COMPLAINTS / ACCIDENTS	0	0	2	0
NON - CRIMINAL COMPLAINTS	80	41	714	231
MISCELLANEOUS TRAFFIC COMPLAINTS	10	21	239	166
ANIMAL COMPLAINTS	1	6	30	32
ALARMS	3	12	46	66

HAZARDOUS TRAFFIC CITATIONS / WARNINGS	6	4	118	125
NON-HAZARDOUS TRAFFIC CITATIONS / WARNINGS	1	0	5	3
PARKING CITATIONS	0	0	12	8
LICENSE / TITLE / REGISTRATION CITATIONS	0	1	1	2
FIRE CLASSIFICATIONS	0	1	1	3
MISCELLANEOUS ACTIVITIES (6000)	0	0	5	62
Total	190	210	2602	2017

November 2023 Citation Report		
Citations	YTD 2023	Nov 2023
ABANDONED VEHICLE-PUBLIC OR PRIVATE PROPERTY	2	0
BLIGHT ORDINANCE	8	0
BUILDING WITHOUT A PERMIT	5	0
CARELESS DRIVING (CONSTRUCTION)	1	0
CARELESS DRIVING	3	0
CMV: DROVE CMV W/OUT CMV LICENSE IN DRIVER'S POSSESSION	2	0
CMV: OPERATE CMV/BUS WHILE READING,TYPING,TEXTING	1	0
DISOBEY INOPERATIVE TRAFFIC SIGNAL (TREAT LIKE 4 WAY STOP)	1	0
DISOBEY STOP SIGN	95	2
DISOBEY TRAFFIC CONTROL DEVICE (CONSTRUCTION ZONE)	1	0
DISOBEY TRAFFIC CONTROL DEVICE	17	1
DISOBEY TRAFFIC SIGNAL	3	0
DISRUPTION OF RIGHT-OF-WAY	1	0
DRIVING RECKLESS	1	0
DROVE WHILE LICENSE EXPIRED	2	0
DROVE WHILE LICENSE NOT VALID	4	0
DROVE WHILE LICENSE SUSPENDED/REV/DENIED	5	0
DROVE WITHOUT CHAUFFEURS LICENSE-NEVER OBTAINED	1	0
Duty to keep under control, dog off leash	2	0
FAIL TO OBTAIN BUILDING PERMIT	1	0
FAIL TO OBTAIN ELECTRICAL PERMIT	1	0
FAIL TO OBTAIN MECHANICAL PERMIT	1	0
FAIL TO STOP WITHIN ASSURED CLEAR DISTANCE AHEAD (ACCIDENT)	1	0
FAIL TO YIELD RIGHT OF WAY (ACCIDENT)	4	0
GDL 1 OR 2 DRIVER OPERATING WHILE USING CELL PHONE	1	0
IMPEDING TRAFFIC	5	0
IMPROPER LANE USAGE/LANE CHANGE (ACCIDENT)	1	0
IMPROPER LANE USAGE/LANE CHANGE	2	0
IMPROPER LANE USE/LANE CHANGE (CONSTRUCTION ZONE)	1	0
IMPROPER TURN	8	0
INSURANCE:NO PROOF	5	0
LICENSE PLATE VIOL-EXPIRED, NO PLATES, NO VALID PLATE	5	1
License required, dog	1	0
Manner of Parking (facing the flow of traffic)	4	1
MISCELLANEOUS CIVIL INFRACTION	9	0
MISCELLANEOUS MISDEMEANOR	2	0
NO OPS ON PERSON	5	0
OPERATING - LICENSE SUSPENDED	1	0
PARKING VIOLATION: (IMPROPER)	4	1

PARKING VIOLATION: (PROHIBITED-INCLUDING FIRE LANE)	3	0
Prohibited Parking (2-6am)	63	1
Prohibited Parking (2-6am)	1	0
PROHIBITED TURN	33	0
PROPERTY IDENTIFICAION NUMBERS	1	0
SPEEDING: 1- 5 MPH OVER (CONSTRUCTION ZONE)	6	0
SPEEDING: 1- 5 MPH OVER	59	4
SPEEDING: 6-10 MPH OVER (CONSTRUCTION ZONE)	7	0
SPEEDING: 6-10 MPH OVER	27	2
SPEEDING: 11-15 MPH OVER (CONSTRUCTION ZONE)	2	1
SPEEDING: 11-15 MPH OVER	2	0
SPEEDING: 16-20 MPH OVER	2	0
SPEEDING: 21-25 MPH OVER (CONSTRUCTION ZONE)	1	0
SPEEDING: 21-25 MPH OVER	5	1
Total	429	15

**CITY OF SYLVAN LAKE
Oakland County, Michigan**

AUDITED FINANCIAL REPORT

**For the Fiscal Year Ended
June 30, 2023**

CITY OF SYLVAN LAKE
For the Year Ended June 30, 2023

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-7
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Position.....	8
Statement of Activities.....	9-10
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	11
Reconciliation of the Balance Sheet to the Statement of Net Position.....	12
Statement of Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds.....	13
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	14
Balance Sheet – Proprietary Fund.....	15
Statement of Revenues, Expenditures, and Changes in Net Position – Proprietary Fund	16
Statement of Cash Flows – Proprietary Fund	17
Fiduciary Funds – Statement of Fiduciary Net Position.....	18
Fiduciary Funds – Statement of Changes in Fiduciary Net Position.....	18
Notes to Financial Statements.....	19-40

CITY OF SYLVAN LAKE
For the Year Ended June 30, 2023

Table of Contents

	<u>Page</u>
Required Supplemental Information:	
Schedule of Changes in the Net Pension Liability and Related Ratios.....	41
Schedule of Pension Contributions	42
Schedule of Changes in the Net OPEB Liability and Related Ratios.....	43
Schedule of OPEB Contributions	44
Budgetary Comparison Schedule - General Fund	45
Budgetary Comparison Schedule – Major Road Fund.....	46
Budgetary Comparison Schedule – Local Road Fund	47
Other Supplemental Information:	
Combining Balance Sheet – Nonmajor Governmental Funds	48
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	49
Combining Balance Sheet – Nonmajor Special Revenue Funds	50-51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	52-53

PSLZ PLLC

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Independent Auditor's Report

To the Honorable Mayor and Members of
the City Council
City of Sylvan Lake, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sylvan Lake, Michigan, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sylvan Lake, Michigan, as of June 30, 2023, and the respective changes in its 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 (GAAS). 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 City and to meet our 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 these 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 City'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 GAAS 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.

Honorable Mayor and
Members of the City Council
City of Sylvan Lake, Michigan

In performing an audit in accordance with GAAS, 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 City'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 City'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental 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, which 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sylvan Lake's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose 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 underlying accounting and other records used to prepare the basic financial statements or 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 supplemental information, as identified in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully,



PSLZ PLLC
Certified Public Accountants

November 14, 2023

Management's Discussion and Analysis

As management of the City of Sylvan Lake, Michigan (the City), we offer readers this narrative overview and analysis of the financial activities for the year ended June 30, 2023.

Overview of the Financial Statements

The City's annual report consists of management's discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplemental information, and other supplemental information.

The government-wide financial statements are designed to provide a broad overview of the City's finances. The government-wide financial statements are presented on a full accrual basis, with an emphasis on measuring all economic resources and not just current financial resources, as measured in the individual fund statements. Two government-wide statements are provided.

The statement of net position presents information on all of the City's assets and liabilities with the difference shown as net position. Increases or decreases of net position from period to period provide useful information on the direction of the City's financial position over time.

The statement of activities provides information on how the government-wide net position changed during the fiscal year. This statement provides information on income, expenses, and other increases or decreases in net position.

Following the government-wide statements, individual fund financial statements are provided for the City's major funds with one column provided for nonmajor funds. These statements are grouped into governmental funds, which account for the cost of providing governmental-type services such as public safety and public works; business-type funds, which account for functions that are intended to recover all or a significant portion of their costs through user fees and charges, and fiduciary funds, which account for assets held for outside parties.

Reconciliation between the individual fund statements and the government-wide financial statements is provided following the individual fund statements. The differences between the statement of net position and the fund-based balance sheet are primarily related to inclusion of capital assets and long-term liabilities in the government-wide statement of net position, which are not included in the fund-based balance sheet. The differences between the statement of activities and the statement of revenues, expenditures, and changes in fund balances primarily relate to the timing of reporting capital outlays and debt principal payments in the fund statements and a difference in the timing of the recognition of certain revenues and expenditures such as debt principal payments, and accrued employee leave time.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Sylvan Lake, assets exceeded liabilities by \$5,393,194 at the close of the most recent fiscal year.

The following table shows in a condensed format, the net position of the City's governmental activities as of June 30, 2023:

City of Sylvan Lake - Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 2,718,879	\$ 3,013,599	\$ 860,595	\$ 920,651	\$ 3,579,474	\$ 3,934,250
Capital Assets	1,998,684	2,078,081	1,601,694	1,687,215	3,600,378	3,765,296
Total Assets	4,717,563	5,091,680	2,462,289	2,607,866	7,179,852	7,699,546
Deferred Outflows	96,186	493,696	-	118	96,186	493,814
Long-term Liabilities						
Outstanding	729,801	428,895	-	-	729,801	428,895
Other Liabilities	107,484	434,074	207,886	226,252	315,370	660,326
Total Liabilities	837,285	862,969	207,886	226,252	1,045,171	1,089,221
Deferred Inflows	832,673	613,575	-	-	832,673	613,575
Net Position:						
Net Investment in						
capital assets	1,908,684	1,741,707	1,601,694	1,588,966	3,510,378	3,330,673
Restricted	354,778	747,717	-	-	354,778	747,717
Unrestricted	880,329	1,619,408	652,709	792,766	1,533,038	2,412,174
Total Net Position	\$ 3,143,791	\$ 4,108,832	\$ 2,254,403	\$ 2,381,732	\$ 5,398,194	\$ 6,490,564

A portion (65%) of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Sylvan Lake used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. An additional portion (7%) of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$1,533,038) reflects what may be used to meet the government's ongoing obligations to citizens and creditors.

The City's combined net position is \$5,398,194 as compared to \$6,490,564 in the prior year. This represents a decrease of \$1,092,370 or 17 percent. The governmental activities portion of net position decreased by 23 percent and the business-type activities decreased by 5 percent.

The following table shows the changes of the net position during the year ended June 30, 2023:

City of Sylvan Lake - Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenues:						
Charges for Services	\$ 246,731	\$ 411,818	\$ 1,136,333	\$ 1,124,236	\$ 1,383,064	\$ 1,536,054
Operating Grants & Contributions	447,474	440,749	-	-	447,474	440,749
Capital Grants & Contributions	-	-	-	-	-	-
General Revenues:						
Property Taxes	2,061,771	1,987,823	102,524	100,661	2,164,295	2,088,484
State Shared Revenues	214,704	223,135	-	2,598	214,704	225,733
Franchise Fees	37,820	40,189	-	-	37,820	40,189
Unrestricted Investment Earnings	61,361	11,762	16,994	2,708	78,355	14,470
Other	-	87,230	-	-	-	87,230
Total Revenues	3,069,861	3,202,706	1,255,851	1,230,203	4,325,712	4,432,909
Program Expenses:						
General Government	654,229	172,828	-	-	654,229	172,828
Public Safety	1,718,722	1,473,576	-	-	1,718,722	1,473,576
Public Works	1,165,136	805,408	-	-	1,165,136	805,408
Community Development	195,213	165,024	-	-	195,213	165,024
Recreation and Cultural	292,808	332,343	-	-	292,808	332,343
Interest on Long-Term Debt	8,794	13,515	-	-	8,794	13,515
Water and Sewer	-	-	1,359,532	1,288,270	1,359,532	1,288,270
Recreational Vehicle Storage	-	-	23,648	14,668	23,648	14,668
Total Expenses	4,034,902	2,962,694	1,383,180	1,302,938	5,418,082	4,265,632
Change in Net Position	\$ (965,041)	\$ 240,012	\$ (127,329)	\$ (72,735)	\$ (1,092,370)	\$ 167,277

Governmental Activities

The City had a decrease of \$965,041 in net position in its governmental activities for the fiscal year ended June 30, 2023, as compared to a \$240,012 increase for the prior year. The City's total governmental revenue totaled \$3,069,861 in the current year. Property taxes represent \$2,061,771, or 67 percent of the total and increased from the prior year due to an increase in the City's taxable value. Charges for services totaled \$246,731 which is a decrease of \$165,087 over the prior year. The prior year included a \$12,240 insurance grant reimbursement and an increase of \$65,090 in site plan review fees.

Business-type Activities

The City's business-type activities consist of the Sewer and Water Operation Funds and the Recreational Vehicle Storage Fund. The City provides sewer service to 840 customers and water service to 842 customers.

Governmental Funds

The City's fund financial statements provide detailed information about the most significant funds or major funds. The City's major funds for the year ended June 30, 2023, were the General Fund, the Major Road Fund, and the Local Road Fund. The General Fund is the main operating fund of the City. Total revenue for the year were approximately \$2,160,000. Of this revenue, 68% was from property taxes, 12% was from charges for services and 11% was from state shared revenue. Total expenditures for the year were approximately \$2,254,000. Of these expenditures, 50% was for public safety and 19% was for general government. At June 30, 2023, the unassigned fund balance of \$1,301,400 represented 58% of the total General Fund expenditures for the year.

The Major Road Fund accounts for the repairs, maintenance and construction of all City major streets. The fund balance of this fund at June 30, 2023 was \$50,101.

The Local Road Fund accounts for the repairs, maintenance and construction of all City local streets. The fund balance of this fund at June 30, 2023 was \$46,327.

General Fund Budgetary Highlights

Over the course of the year, the City Council amended the budget to take into account events during the year. The capital outlay budget was increased for seawall improvements and budgeted federal grant expenditures were increased \$110,255 for stormwater, seawall, and trailway improvements.

City departments overall stayed below budget, resulting in total expenditures approximately \$243,000 below budget. Actual revenue was more than budgeted amounts by approximately \$105,000. The General Fund fund balance decreased by approximately \$93,000, compared to a budgeted reduction of approximately \$457,000 to prior year fund balance.

Capital Assets

As of June 30, 2023, the City had \$3,600,378 invested in a broad range of capital assets (net of accumulated depreciation), including buildings, equipment, roads, and water and sewer lines. During the year, the City spent \$22,440 on seawall improvements, \$69,366 for a police vehicle and radio equipment, and \$84,469 for a dump truck.

Long-term Debt

At the end of the current fiscal year, the City had total general obligation bond debt outstanding of \$90,000. The City's total bonded decreased by \$345,000 during the current fiscal year as a result of annual debt payments made. The City maintains a AA+ rating from Standard & Poors.

Economic Factors and Next Year's Budget

The City has adopted a balanced budget for the 2023-2024 fiscal year. The City is projecting an increase in property tax revenues due to increased property values.

Requests for Further Information

This financial report is intended to provide a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have questions about this report please contact the Clerk's Office, at the City of Sylvan Lake, 1820 Inverness Avenue, Sylvan Lake, Michigan 48320.

BASIC FINANCIAL STATEMENTS

CITY OF SYLVAN LAKE
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Investments	\$ 1,901,535	\$ 571,366	\$ 2,472,901
Receivables (net of allowance for uncollectibles):			
Accounts	49,835	287,886	337,721
Leases	417,129	-	417,129
Due from Other Governmental Units	75,530	-	75,530
Prepaid Expense	8,207	1,343	9,550
Net Other Post Employment Asset	266,643	-	266,643
Capital Assets:			
Nondepreciable Assets	316,716	-	316,716
Depreciable Assets	1,681,968	1,601,694	3,283,662
Total Assets	<u>4,717,563</u>	<u>2,462,289</u>	<u>7,179,852</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows related to Pension	31,230	-	31,230
Deferred Outflows related to OPEB	64,956	-	64,956
Total Deferred Outflows of Resources	<u>96,186</u>	<u>-</u>	<u>96,186</u>
<u>LIABILITIES</u>			
Accounts Payable	45,041	205,518	250,559
Accrued Liabilities	34,335	2,368	36,703
Refundable Deposits and Bonds	28,108	-	28,108
Noncurrent Liabilities:			
Due within one year:			
Current Portion of Long-term Debt	30,000	-	30,000
Due in more than one year:			
Compensated Absences	143,845	-	143,845
Net Pension Liability	495,956	-	495,956
Long-Term Debt	60,000	-	60,000
Total Liabilities	<u>837,285</u>	<u>207,886</u>	<u>1,045,171</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows related to Pension	321,605	-	321,605
Deferred Inflows related to OPEB	93,939	-	93,939
Deferred Inflows related to Leases	417,129	-	417,129
Total Deferred Inflows of Resources	<u>832,673</u>	<u>-</u>	<u>832,673</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	1,908,684	1,601,694	3,510,378
Restricted for:			
Streets	96,428	-	96,428
Home and Garden Tour	20,431	-	20,431
Garbage and Rubbish	114,403	-	114,403
Community Promotion/Economic Development	36,186	-	36,186
Building Department	4,854	-	4,854
Library	2,414	-	2,414
Lake Level/Drains	21,392	-	21,392
Debt	58,670	-	58,670
Unrestricted	880,329	652,709	1,533,038
Total Net Position	<u>\$ 3,143,791</u>	<u>\$ 2,254,403</u>	<u>\$ 5,398,194</u>

CITY OF SYLVAN LAKE
Statement of Activities
For the Year Ended June 30, 2023

<u>Functions/Programs</u>	Program Revenues			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General Government	\$ 654,229	\$ 22,501	\$ 197,700	\$ -
Public Safety	1,718,722	83,817	7,195	-
Public Works	1,165,136	26,210	237,139	-
Community Development	195,213	16,824	-	-
Recreation and Culture	292,808	97,379	5,440	-
Interest on Long-Term Debt	8,794	-	-	-
Total Governmental Activities	<u>4,034,902</u>	<u>246,731</u>	<u>447,474</u>	<u>-</u>
Business-type Activities:				
Sewer	701,457	648,784	-	-
Water	658,075	460,794	-	-
Recreational Vehicle Storage	23,648	26,755	-	-
Total Business-type Activities	<u>1,383,180</u>	<u>1,136,333</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 5,418,082</u>	<u>\$ 1,383,064</u>	<u>\$ 447,474</u>	<u>\$ -</u>

General Revenues:
Property Taxes
State Shared Revenue
Cable Franchise Fees
Unrestricted Investment Earnings
Total General Revenues and Transfers

Change in Net Position
Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (434,028)	\$ -	\$ (434,028)
(1,627,710)	-	(1,627,710)
(901,787)	-	(901,787)
(178,389)	-	(178,389)
(189,989)	-	(189,989)
(8,794)	-	(8,794)
<u>(3,340,697)</u>	<u>-</u>	<u>(3,340,697)</u>
-	(52,673)	(52,673)
-	(197,281)	(197,281)
-	3,107	3,107
<u>-</u>	<u>(246,847)</u>	<u>(246,847)</u>
<u>(3,340,697)</u>	<u>(246,847)</u>	<u>(3,587,544)</u>
2,061,771	102,524	2,164,295
214,704	-	214,704
37,820	-	37,820
61,361	16,994	78,355
<u>2,375,656</u>	<u>119,518</u>	<u>2,495,174</u>
(965,041)	(127,329)	(1,092,370)
<u>4,108,832</u>	<u>2,381,732</u>	<u>6,490,564</u>
\$ <u>3,143,791</u>	\$ <u>2,254,403</u>	\$ <u>5,398,194</u>

CITY OF SYLVAN LAKE
Balance Sheet
Governmental Funds
June 30, 2023

	<u>General</u>	<u>Major Road</u>	<u>Local Road</u>	<u>Nonmajor Other Governmental</u>	<u>Total Governmental</u>
<u>ASSETS</u>					
Cash and Investments	\$ 1,539,375	\$ 25,155	\$ 31,750	\$ 255,438	\$ 1,851,718
Receivables (net of allowance for uncollectibles):					
Accounts	39,692	2,718	2,600	4,343	49,353
Due from Other Governmental Units	38,637	25,943	10,950	-	75,530
Prepaid Expenditures	4,844	1,142	1,142	988	8,116
Total Assets	\$ <u>1,622,548</u>	\$ <u>54,958</u>	\$ <u>46,442</u>	\$ <u>260,769</u>	\$ <u>1,984,717</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 37,367	\$ 4,743	\$ -	\$ 1,670	\$ 43,780
Accrued and Other Liabilities	33,233	114	115	749	34,211
Refundable Deposits and Bonds	28,108	-	-	-	28,108
Total Liabilities	<u>98,708</u>	<u>4,857</u>	<u>115</u>	<u>2,419</u>	<u>106,099</u>
Fund Balances:					
Nonspendable-Prepays	4,844	1,142	1,142	988	8,116
Restricted:					
Special Revenue Funds	-	48,959	45,185	198,692	292,836
Debt Service	-	-	-	58,670	58,670
Committed:					
Capital Outlay	166,214	-	-	-	166,214
Property Maintenance	51,382	-	-	-	51,382
Unassigned	1,301,400	-	-	-	1,301,400
Total Fund Balances	<u>1,523,840</u>	<u>50,101</u>	<u>46,327</u>	<u>258,350</u>	<u>1,878,618</u>
Total Liabilities and Fund Balances	\$ <u>1,622,548</u>	\$ <u>54,958</u>	\$ <u>46,442</u>	\$ <u>260,769</u>	\$ <u>1,984,717</u>

CITY OF SYLVAN LAKE
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2023

Fund Balances Reported in Governmental Funds \$ 1,878,618

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

Capital assets used in governmental activities are not financial resources and are not recorded in the funds. 1,998,684

Bonds payable are not due and payable in the current period and are not reported in the funds. (90,000)

Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:

Employee Compensated Absences	(143,845)
Net Pension Liability	(786,331)
Other Post Employment Benefit Liability	237,660

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of Internal service funds are included in the statement of net position.

49,005

Net Position of Governmental Activities **\$ 3,143,791**

CITY OF SYLVAN LAKE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General</u>	<u>Major Road</u>	<u>Local Road</u>	<u>Nonmajor Other Governmental</u>	<u>Total Governmental</u>
<u>Revenues</u>					
Property Taxes	\$ 1,474,075	\$ -	\$ -	\$ 587,696	\$ 2,061,771
Licenses and Permits	15,932	-	-	-	15,932
Intergovernmental:					
Federal, State and Local	239,357	152,953	65,991	3,942	462,243
Charges for Services	249,569	-	-	69,166	318,735
Fines and Forfeitures	8,633	-	-	-	8,633
Interest	50,344	1,772	912	8,333	61,361
Franchise Fees	37,820	-	-	-	37,820
Other	84,840	2,381	2,747	3,771	93,739
Total Revenues	<u>2,160,570</u>	<u>157,106</u>	<u>69,650</u>	<u>672,908</u>	<u>3,060,234</u>
<u>Expenditures</u>					
Current:					
General Government	439,052	-	-	-	439,052
Public Safety	1,128,866	-	-	69,144	1,198,010
Public Works	94,254	215,681	205,289	226,746	741,970
Community Development	90,778	-	-	58,632	149,410
Recreation and Cultural	218,236	-	-	22,563	240,799
Debt Service:					
Principal	-	-	-	246,634	246,634
Interest and Other Charges	-	-	-	9,472	9,472
Capital Outlay	283,181	-	-	-	283,181
Total Expenditures	<u>2,254,367</u>	<u>215,681</u>	<u>205,289</u>	<u>633,191</u>	<u>3,308,528</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(93,797)</u>	<u>(58,575)</u>	<u>(135,639)</u>	<u>39,717</u>	<u>(248,294)</u>
<u>Other Financing Sources (Uses)</u>					
Transfers In	-	-	38,238	-	38,238
Transfers Out	-	(38,238)	-	-	(38,238)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(38,238)</u>	<u>38,238</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(93,797)	(96,813)	(97,401)	39,717	(248,294)
Fund Balances - Beginning	<u>1,617,637</u>	<u>146,914</u>	<u>143,728</u>	<u>218,633</u>	<u>2,126,912</u>
Fund Balances - Ending	<u>\$ 1,523,840</u>	<u>\$ 50,101</u>	<u>\$ 46,327</u>	<u>\$ 258,350</u>	<u>\$ 1,878,618</u>

CITY OF SYLVAN LAKE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds	\$	(248,294)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital Outlay		208,851
Depreciation Expense		(288,248)

Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The net revenue(loss) of certain activities of internal service funds is reported with governmental activities.

9,628

Change in Net Pension Liability		(1,045,386)
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Change in Other Post Employment Benefits		177,141
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Interest expense is recognized in the government-wide statements as it accrues.		938
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Payments		246,634
Bond Premium Amortization		(260)
Increase in Compensated Absences		(26,045)

Change in net position in governmental activities	\$	<u>(965,041)</u>
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CITY OF SYLVAN LAKE**Balance Sheet****Proprietary Funds****June 30, 2023**

	Business-type Activities - Enterprise Funds				Governmental
			Nonmajor Fund		Activity-
	Sewer	Water	Recreational	Total	Internal
	Fund	Fund	Vehicle Storage		Service Fund
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 339,583	\$ 136,935	\$ 94,848	\$ 571,366	\$ 49,817
Accounts Receivable	168,910	118,029	947	287,886	482
Prepaid Expense	737	606	-	1,343	91
Total Current Assets	<u>509,230</u>	<u>255,570</u>	<u>95,795</u>	<u>860,595</u>	<u>50,390</u>
Noncurrent Assets:					
Capital Assets	1,818,547	1,902,103	11,047	3,731,697	57,042
Less: Accumulated Depreciation	(1,016,671)	(1,102,285)	(11,047)	(2,130,003)	(57,042)
Net Capital Assets	<u>801,876</u>	<u>799,818</u>	<u>-</u>	<u>1,601,694</u>	<u>-</u>
Total Assets	<u>\$ 1,311,106</u>	<u>\$ 1,055,388</u>	<u>\$ 95,795</u>	<u>\$ 2,462,289</u>	<u>\$ 50,390</u>
LIABILITIES AND NET POSITION					
Current Liabilities:					
Accounts Payable	\$ 104,753	\$ 97,048	\$ 3,717	\$ 205,518	\$ 1,261
Accrued Liabilities	1,076	1,020	272	2,368	124
Total Current Liabilities	<u>105,829</u>	<u>98,068</u>	<u>3,989</u>	<u>207,886</u>	<u>1,385</u>
NET POSITION:					
Net Investment in Capital Assets	801,876	799,818	-	1,601,694	-
Unrestricted	403,401	157,502	91,806	652,709	49,005
Total Net Position	<u>1,205,277</u>	<u>957,320</u>	<u>91,806</u>	<u>2,254,403</u>	<u>49,005</u>
Total Liabilities and Net Position	<u>\$ 1,311,106</u>	<u>\$ 1,055,388</u>	<u>\$ 95,795</u>	<u>\$ 2,462,289</u>	<u>\$ 50,390</u>

CITY OF SYLVAN LAKE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds				Governmental
	Sewer Fund	Water Fund	Nonmajor Fund	Total	Activity- Internal Service Fund
			Recreational Vehicle Storage		
<u>Operating Revenues:</u>					
Charges for Services	\$ 648,784	\$ 460,794	\$ 26,755	\$ 1,136,333	\$ 39,939
<u>Operating Expenses:</u>					
Contractual Services	470,325	259,784	-	730,109	-
Operation and Maintenance	186,647	356,396	23,648	566,691	31,469
Depreciation	43,993	41,528	-	85,521	-
Total Operating Expenses	700,965	657,708	23,648	1,382,321	31,469
Operating Income (Loss)	(52,181)	(196,914)	3,107	(245,988)	8,470
<u>Non-Operating Revenues (Expenses):</u>					
Property Taxes	58,767	43,757	-	102,524	-
Interest Earned	9,586	4,495	2,913	16,994	1,158
Interest Expense	(492)	(367)	-	(859)	-
Total Non-Operating Revenues (Expenses)	67,861	47,885	2,913	118,659	1,158
Change in Net Position	15,680	(149,029)	6,020	(127,329)	9,628
Net Position, Beginning	1,189,597	1,106,349	85,786	2,381,732	39,377
Net Position, Ending	\$ 1,205,277	\$ 957,320	\$ 91,806	\$ 2,254,403	\$ 49,005

CITY OF SYLVAN LAKE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds				Governmental
	Sewer Fund	Water Fund	Nonmajor Fund	Total	Activity- Internal Service Fund
			Recreational Vehicle Storage		
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts from customers and users	\$ 631,028	\$ 446,272	\$ 25,815	\$ 1,103,115	\$ -
Receipts from interfund users	-	-	-	-	39,460
Payments to suppliers	(545,795)	(521,830)	(10,710)	(1,078,335)	(30,605)
Payments to employees	(63,680)	(65,452)	(10,348)	(139,480)	-
Net Cash Provided by Operating Activities	21,553	(141,010)	4,757	(114,700)	8,855
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Property taxes collected for debt	58,767	43,757	-	102,524	-
Principal Paid on Debt	(56,384)	(41,983)	-	(98,367)	-
Interest Paid on Debt	(424)	(317)	-	(741)	-
Net Cash Provided by Capital and Related Financing Activities	1,959	1,457	-	3,416	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Interest Earned	9,586	4,495	2,913	16,994	1,158
Net Increase (Decrease) in Cash	33,098	(135,058)	7,670	(94,290)	10,013
Cash and Cash Equivalents, Beginning	306,485	271,993	87,178	665,656	39,804
Cash and Cash Equivalents, Ending	\$ 339,583	\$ 136,935	\$ 94,848	\$ 571,366	\$ 49,817
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>					
Operating Income (Loss)	\$ (52,181)	\$ (196,914)	\$ 3,107	\$ (245,988)	\$ 8,470
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:					
Depreciation Expense	43,993	41,528	-	85,521	-
Change in assets and liabilities:					
Receivables	(17,756)	(14,522)	(940)	(33,218)	(479)
Prepaid Expense	(649)	(367)	-	(1,016)	30
Accounts Payable	49,020	30,097	3,442	82,559	978
Accrued Liabilities	(874)	(832)	(852)	(2,558)	(144)
Net Cash Provided (Used) by Operating Activities	21,553	(141,010)	4,757	(114,700)	8,855

CITY OF SYLVAN LAKE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	Other Postemployment Benefits Fund	Custodial Funds
ASSETS		
Cash and Investments	\$ 922,275	\$ -
LIABILITIES		
Accounts Payable	-	-
NET POSITION		
Restricted:		
Other Post-Employment Benefits	\$ 922,275	\$ -

CITY OF SYLVAN LAKE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

	Other Postemployment Benefits Fund	Custodial Funds
ADDITIONS:		
Investment Earnings (Loss)	\$ 65,813	\$ -
Contributions-Employer	-	-
Property Taxes Collected	-	2,741,979
Total Additions	65,813	2,741,979
DEDUCTIONS:		
Benefit Payments	28,865	-
Administrative Expense	1,670	
Payments of Taxes Disbursed to Others	-	2,741,979
Total Deductions	30,535	2,741,979
Net Increase in fiduciary net position	35,278	-
Net Position, Beginning of Year	886,997	-
Net Positions, End of Year	\$ 922,275	\$ -

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies

Reporting Entity

The City of Sylvan Lake, Michigan (the "City") is governed by an elected five-member council.

Accounting and Reporting Principles

The City follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the City.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives – the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included amount program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the City's water and sewer function and various other functions.

Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the City has spent its resources.

Expenditures are reported when the goods are received, or the services are rendered. Capital outlays are reported as expenditures (rather than capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, state gas and weight tax revenue, district court fines, and interest associated with the current fiscal period. Conversely, for certain amounts due from businesses and residents collected after the period of availability, receivables have been recorded for these along with a deferred inflow.

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Accounting

The City accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the City to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds and debt service funds. The City reports the following funds as major governmental funds:

-The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

-The Major Road Fund is a special revenue fund used to account for the resources obtained through state gas and weight revenues that are restricted for use on major roads.

-The Local Road Fund is a special revenue fund used to account for the resources obtained through state gas and weight revenues that are restricted for use on local roads.

Proprietary Funds

Proprietary funds include enterprise funds that provide goods or services to users in exchange for charges or fees. The City reports the following fund as major enterprise funds:

- The Water Revenue Fund accounts for the operation, maintenance and distribution of the water system.
- the Sewer Service Fund accounts for the operation, maintenance and collection of the sewer system.

Internal Service Fund

The City's only internal service fund is the Municipal Garage Fund. This fund accounts for the costs of maintaining automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the City's programs.

Interfund Activity

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e. the enterprise funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported as gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

Specific Balances and Transactions

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Prepaid Items

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Water System	34-40
Sewer System	20-50
Roads	20
Buildings and Improvements	5-50
Furniture and Equipment	5-20
Vehicles	5-10

Compensated Absences

Sick pay earned is recognized in the governmental financial statements when it is paid. The long-term portion of compensated absences related to governmental funds is a liability recorded in the Statement of Net Position.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows related to pensions and OPEB, as detailed in Notes 8 and 9, respectively.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows related to receivables collected beyond the City's period of availability, which are reported only in the governmental funds. The City also reports deferred inflows related to pensions and OPEB, as detailed in Notes 8 and 9, respectively.

Net Position

Net position of the City is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The City will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City has authorized the City Manager to assign fund balance. The City's fund balance policy is to maintain a minimum unassigned fund balance in the General Fund of 30% of the expenditures of the immediately prior fiscal year.

Property Tax Revenue

Property taxes are assessed on each December 31 and become an enforceable lien on December 1 of the following year. The tax is based on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on February 28 of the following year, at which time penalties and interest are assessed.

The City's 2022 property tax revenue was levied and collectible on July 1, 2022 and is recognized as revenue in the year ended June 30, 2023 when the proceeds of the levy are budgeted and available for the financing of operations.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

Pension

The City offers defined benefit pension benefits to eligible retirees hired before July 1, 2013. The City 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 position liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions 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.

Other Postemployment Benefit Costs

The City offers retiree health care benefits to eligible retirees hired before July 1, 2013. The City records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences (Vacation and Sick Leave)

It is the City's policy to permit employees to accumulated earned but unused sick and vacation pay benefits. Sick pay is accrued for the estimated amount that the City will pay upon employment termination, which is half of the total accumulated sick leave in accordance with City policy; vacation pay is accrued when incurred. Both of these are reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. The General Fund is used to liquidate the obligations.

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue 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 revenue of proprietary funds is charges to customers for sales or services. The Water and Sewer Fund also recognizes tap fees intended to cover the cost of connecting new customers to the system as operating revenue. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 1 – Significant Accounting Policies (Continued)

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Leases

The City is a lessor for noncancelable leases of cell towers. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts. The City uses the incremental borrowing rate as the discount rate for leases.

Note 2 -Stewardship, Compliance, and Accountability

Budgetary Information

The City adopts its annual budgets on a basis consistent with generally accepted accounting principles for the General Fund and Special Revenue Funds. The legal level of budgetary control adopted by the governing body is the activity level. The City Manager has the responsibility to enforce the budget. Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered. All budgets lapse at year end.

The budget is adopted by department and fund on a departmental basis. Line item detail is provided as a general guideline. All amendments and supplemental appropriations must be approved by the City Council. The City Manager can transfer appropriations between line items within a department or activity without governing body approval.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 3 -Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes the City to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loans associations that have offices in Michigan. The law also allows investments outside the State of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that mature no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The City has designated various financial institutions for the deposit of City funds. The Treasurer maintains a list of approved financial institutions. The investment policy adopted by the City Council in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government, bank accounts and certificates of deposit, repurchase agreements, investment pools organized under the local government investment pool act, commercial paper rated within the two highest classifications, and bankers' acceptance of United States banks, but not the remainder of State statutory authority as listed above. The City's deposits and investments are in accordance with its investment policy and statutory authority.

The City's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At year end, the City had \$1,349,861 of bank deposits that were insured. The City believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity.

At year end, the City had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Investment Pool - Oakland County	\$ 414,209	430 days
Michigan CLASS Investment Pool	708,832	77 days

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 3 -Deposits and Investments (Continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of June 30, 2023, the credit quality ratings of debt securities are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Investment Pool - Oakland County	\$ 414,209	N/A	N/A
Michigan CLASS Investment Pool	708,832	AAAm	S&P

Investments in Entities that Calculated Net Asset Value per Share

The City holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At June 30, 2023, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Identical Assets Carrying Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
Oakland County Local				
Investment Pool-Oakland County	\$ 414,209	\$ -	None	None
Michigan CLASS Investment Pool	708,832	-	None	None
MERS Total Market Portfolio	922,275	-	None	None

The Oakland County Local Government Investment Pool (LGIP) is not registered with the SEC and does not issue a separate report. The pool does not meet the requirements under GASB 79 to report its value for financial reporting purposes at amortized costs. Accordingly, the investment is reported at fair value. The fair value of the position in the pool is not the same as the value of the pool shares because the pool redeems shares at \$1 per share, regardless of current fair value.

The MERS Total Market Portfolio is a fully diversified portfolio combining traditional stocks and bonds with alternative asset classes, including real estate, private equity, and commodities. The objective is to provide current income and capital appreciation while minimizing the volatility of the capital markets. The Municipal Employees' Retirement System (MERS) manages the asset allocation and monitors the underlying investment managers of the MERS Total Market Portfolio.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 4 -Capital Assets

Capital asset activity of the City's governmental and business-type activities was as follows:

Governmental Activities

<u>Governmental Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, not depreciated:				
Land	\$ 316,716	\$ -	\$ -	\$ 316,716
Capital Assets, being depreciated:				
Roads	4,300,469	-	-	4,300,469
Building and Improvements	1,638,103	8,250	-	1,646,353
Vehicles	279,822	128,469	-	408,291
Furniture and Equipment	249,455	72,132	-	321,587
	<u>6,467,849</u>	<u>208,851</u>	<u>-</u>	<u>6,676,700</u>
Less: Accumulated Depreciation:				
Roads	(3,808,916)	(215,024)	-	(4,023,940)
Building and Improvements	(507,998)	(45,794)	-	(553,792)
Vehicles	(248,689)	(13,338)	-	(262,027)
Furniture and Equipment	(140,881)	(14,092)	-	(154,973)
	<u>(4,706,484)</u>	<u>(288,248)</u>	<u>-</u>	<u>(4,994,732)</u>
Governmental Activities				
Capital Assets, net	\$ <u>2,078,081</u>	\$ <u>(79,397)</u>	\$ <u>-</u>	\$ <u>1,998,684</u>

Depreciation expense was charged on the Statement of Activities as follows:

General Government	\$ 15,800
Public Safety	18,143
Public Works	220,012
Recreation and Cultural	34,293
	<u>\$ 288,248</u>

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 4 -Capital Assets (Continued)

Business-type Activities

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, being depreciated:				
Improvements	\$ 11,047	\$ -	\$ -	\$ 11,047
Machinery and Equipment	326,625	-	-	326,625
Sewer System	1,600,803	-	-	1,600,803
Water System	1,793,222	-	-	1,793,222
	<u>3,731,697</u>	<u>-</u>	<u>-</u>	<u>3,731,697</u>
Less: Accumulated Depreciation:				
Improvements	(11,047)	-	-	(11,047)
Machinery and Equipment	(259,097)	(13,240)	-	(272,337)
Sewer System	(802,511)	(34,682)	-	(837,193)
Water System	(971,827)	(37,599)	-	(1,009,426)
	<u>(2,044,482)</u>	<u>(85,521)</u>	<u>-</u>	<u>(2,130,003)</u>
Business-type Activities Capital Assets, net	\$ <u>1,687,215</u>	\$ <u>(85,521)</u>	\$ <u>-</u>	\$ <u>1,601,694</u>

Note 5-Interfund Receivables, Payables, and Transfers

Interfund transfers reported in the fund financial statements are composed of the following:

<u>Paying Fund (Transfer Out)</u>	<u>Receiving Fund (Transfer In)</u>	<u>Amount</u>
Major Road Fund	Local Road Fund	\$ <u>38,238</u>

The transfer from the Major Street Fund to the Local Street Fund represents the sharing of gas and weight tax revenue in accordance with Act 51.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 6-Long-term Debt

Long-term debt activity for the year ended June 30, 2023 can be summarized as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental Activities:					
GO Bonds-Community Center	\$ 120,000	\$ -	\$ 30,000	\$ 90,000	\$ 30,000
GO Bonds-Road & Drainage	216,634	-	216,634	-	-
Compensated Absences	117,800	26,045	-	143,845	-
	<u>\$ 454,434</u>	<u>\$ 26,045</u>	<u>\$ 246,634</u>	<u>\$ 233,845</u>	<u>\$ 30,000</u>
Business-type Activities:					
General Obligation Bonds	<u>\$ 98,367</u>	<u>\$ -</u>	<u>\$ 98,367</u>	<u>\$ -</u>	<u>\$ -</u>

In May 2007, the City of Sylvan Lake sold general obligation bonds in the amount of \$500,000 for those purposes of funding the City of Sylvan Lake community center project. The bonds were issued with various rates of interest and dates of maturity and are to be retired through an annual property tax levy. The schedule of required principal and interest payments is as follows:

Year Ended	Interest Rate	Governmental Activities	
		Principal	Interest
2024	4.75%	\$ 30,000	\$ 4,275
2025	4.75%	30,000	2,850
2026	4.75%	30,000	1,425
		<u>\$ 90,000</u>	<u>\$ 8,550</u>

Note7-Risk Management

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries, as well as medical benefits provided to employees. The City has purchased commercial insurance for storage tank and health care. The City participates in the Michigan Municipal Workers Compensation Fund for claims relating to workers' compensation and participates in the Michigan Municipal Risk Management Authority state pool for claims related to general liability and property damage. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal Risk Management Authority's state pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. A portion of the excess insurance coverage is underwritten by the Authority itself.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 8-Defined Benefit Pension Plan

Plan Description

The City participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees Retirement System of Michigan. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmich.com or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. Retirement benefits for employees are calculated as 2 to 2.25 percent of the employee's final 5 year average compensation times the employee's years of service. Vesting period is 10 years. Normal retirement age is 60 with early retirement at 55 with 15 years of service, or at 50 with 25 years of service for reduced benefits. Member contributions range from 3% to 5%. The plan is closed to employees hired after June 30, 2013.

Employees Covered by Benefit Terms

At the December 31, 2022 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	5
Active Plan Members	<u>3</u>
Total Employees covered by the plan	<u>14</u>

Contributions

Article 9, Section 24 of the State of Michigan constitution requires public employers to make pension contributions in accordance with an actuarial valuation. 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 City may establish contribution rates to be paid by its covered employees.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 8-Defined Benefit Pension Plans (continued)

Net Pension Liability

The net pension liability reported at June 30, 2023 was determined using a measure of the total pension liability and the pension net position as of December 31, 2022. The December 31, 2022 total pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at January 1, 2022	\$ 3,767,848	\$ 3,546,753	\$ 221,095
Service Cost	31,359	-	31,359
Interest	271,341	-	271,341
Contributions-Employer	-	109,628	(109,628)
Contributions-Employee	-	12,769	(12,769)
Net Investment Income(Loss)	-	(369,279)	369,279
Differences between expected and actual experience	(281,372)	-	(281,372)
Benefit Payments, including refunds	(81,839)	(81,839)	-
Administrative Expenses	-	(6,651)	6,651
Net Changes	(60,511)	(335,372)	274,861
Balance at December 31, 2022	\$ 3,707,337	\$ 3,211,381	\$ 495,956

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

For the year ended June 30, 2023, the City recognized pension expense of \$1,045,386. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 180,919
Difference between expected and actual experience	-	140,686
Employer contributions to the plan subsequent to the measurement date	31,230	-
Total	\$ 31,230	\$ 321,605

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 8-Defined Benefit Pension Plans (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date, which will impact the net pension liability in fiscal year 2023, rather than pension expense.

Years Ending	
<u>June 30</u>	<u>Amount</u>
2024	\$ (137,366)
2025	(26,993)
2026	(56,822)
2027	(100,424)

Discount Rate

As shown below, the discount rate of 7.25% used to measure the total pension liability was determined after considering a projection of the cash flows to determine whether the future contributions (made at the current contribution rates) will be sufficient to allow the pension plans' fiduciary net position to make all projected future benefit payments of current active and inactive employees.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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.

Investment Rate of Return

Best estimates of arithmetic real rates of return as of the December 31, 2022 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	60%	4.50%
Global Fixed Income	20%	2.00%
Private Investments	20%	7.00%

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 8-Defined Benefit Pension Plans (continued)

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

The following presents the net pension liability of the City, calculated using the discount rate of 7.25 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ <u>862,379</u>	\$ <u>495,956</u>	\$ <u>184,037</u>

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued financial report. 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 plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Note 9 – Other Postemployment Benefit Plan

Plan Description

The City provides retiree health care benefits to eligible employees, in accordance with labor contracts and City policy. This is a single-employer defined benefit OPEB plan administered by the City. This plan is closed to new employees hired after October 31, 2008. All investments are held in the MERS of Michigan Retiree Health Funding Vehicle. MERS issues a publicly available financial report.

Benefits Provided

The plan provides pre-Medicare medical, dental and vision benefits for eligible retirees and their spouses through a fully-insured plan administered by Blue Cross Blue Shield of Michigan. Medicare-eligible retirees receive a monthly stipend of \$200 per eligible retiree and spouse.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 9 – Other Postemployment Benefit Plan – (Continued)

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

Date of member count	<u>January 1, 2023</u>
Inactive plan members currently receiving benefits	4
Active plan members	<u>4</u>
Total plan members	<u><u>8</u></u>

Contributions

Retiree health care costs are paid by the City on a pay-as-you-go basis. The City has no obligation to make contributions in advance of when the insurance premiums are due for payment. For the fiscal year ended June 30, 2023, the City made no contributions into the plan to advance fund these benefits, as determined by the City Council through annual budget resolutions.

Net OPEB Liability

The City has chosen to use the June 30 measurement date as its measurement date for the net OPEB liability. The June 30, 2023 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the June 30, 2023 measurement date. The June 30, 2023 total OPEB liability was determined by an actuarial valuation performed as of January 1, 2023, which used update procedures to roll forward the estimated liability to June 30, 2023.

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

<u>Changes in Net OPEB Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB Liability (Asset)</u>
Balance at July 1, 2022	\$ <u>673,195</u>	\$ <u>886,997</u>	\$ <u>(213,802)</u>
Service Cost	8,939	-	8,939
Interest	44,645	-	44,645
Difference between expected and actual experience	(74,948)	-	(74,948)
Change in Assumptions	32,666	-	32,666
Net Investment Income	-	65,813	(65,813)
Benefit Payments, including refunds	(28,865)	(28,865)	-
Administrative Expenses	-	(1,670)	1,670
Net Changes	<u>(17,563)</u>	<u>35,278</u>	<u>(52,841)</u>
Balance at June 30, 2023	\$ <u><u>655,632</u></u>	\$ <u><u>922,275</u></u>	\$ <u><u>(266,643)</u></u>

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note – 9 Other Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized \$(177,141) of OPEB expense.

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

<u>Source</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on investments	\$ 32,643	\$ -
Differences between expected and actual experience	11,029	57,833
Changes in Assumptions	21,284	36,106
Total	<u>\$ 64,956</u>	<u>\$ 93,939</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2024	\$ (40,486)
2025	(18,456)
2026	30,308
2027	(348)
2028	(1)

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using and inflation assumption of 3.00 percent; assumed salary increases (including inflation) of between 3.0 percent; an investment rate of return (net investment expenses) of 7.00 percent; a health care cost trend rate of 7.00 percent, decreasing 0.25 percent per year to an ultimate rate of 4.50 percent; and the Pub-2010 Mortality Tables. These assumptions were applied to all periods included in the measurement.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note – 9 Other Postemployment Benefit Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed the City will continue to fund OPEB benefits on a pay as you go basis. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of plan investment expense, was -10.55 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2023 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	60%	4.50%
Global Fixed Income	20%	2.00%
Private Investments	20%	7.00%

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note – 9 Other Postemployment Benefit Plan (Continued)

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

The following presents the net OPEB liability of the City, calculated using the discount rate of 7.00 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB Liability (Asset)	\$ (215,899)	\$ (266,643)	\$ (312,490)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the City, calculated using the health care cost trend rate of 7.25 percent, as well as what the City's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ (321,170)	\$ (266,643)	\$ (205,212)

OPEB Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is not available in the separately issued financial report. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

CITY OF SYLVAN LAKE
Notes to Financial Statements
June 30, 2023

Note 10 – Defined Contribution Pension Plan

The City participates in the Municipal Employees' Retirement System of Michigan, an agent multiple-employer defined contribution pension plan. In a defined contribution pension plan, benefits depend solely on the amount contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment and are fully vested immediately. The plan is provided to full-time employees hired after July 1, 2014. City contributions are calculated on an employees' earnings at a rate of two percent from hire date through the first two years of service, increase to three percent until the completion of five years of service, then increase to four percent. Participants are required to contribute five percent of earnings to their account. The City's contribution for the fiscal year ended June 30, 2023 was \$43,465 and employees contributed \$21,590.

Note 11 – Joint Ventures and Related Organizations

The City has an agreement with the Tri-City Fire Department for fire protection. The Tri-City Fire Department services the City of Sylvan Lake, the City of Keego Harbor, and the City of Orchard Lake Village. The governing body of the Tri-City Fire Department is made up of two members from each city. The fire protection agreement is an annual agreement and can be renewed by the governing bodies of each upon not less than six months notice. Each city is obligated to pay to the Tri-City Fire Department an amount equal to one-third of the total approved annual budget of the Tri-City Fire Department. As of June 30, 2023, \$341,460 was paid for fire protection. Financial statements of the Tri-City Fire Department are available for review at the fire hall.

The City participates in an annual programming grant that Comcast Cable provides. The grant money is paid to West Bloomfield/Tri-Cities Cable Joint Venture Fund, which is under the joint ownership of four communities – the Cities of Orchard Lake Village, Keego Harbor, Sylvan Lake and the Township of West Bloomfield. The money in this fund must be used for support of community cable programming. The fund is administered by the West Bloomfield Township accounting department.

Pursuant to agreements with the City of Pontiac and West Bloomfield Township, the City is provided with sewer service. The agreements call for the City to lease sewer capacity from the two municipalities. Funds for operation of the system are provided by initial tap-in fees and sewer disposal service charges to customers.

Note 12 – Upcoming Accounting Pronouncements

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences as well as the disclosure requirements. This statement requires that the compensated absence liability be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. This statement is effective for the City's financial statements beginning with the fiscal year ending June 30, 2025.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF SYLVAN LAKE

Required Supplemental Information

Schedule of Changes in the Net Pension Liability and Related Ratios

Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service Cost	\$ 31,359	\$ 30,864	\$ 28,152	\$ 26,326	\$ 36,180	\$ 35,227	\$ 33,340	\$ 33,351	\$ 33,540
Interest	271,341	250,249	241,119	213,387	235,148	227,339	225,578	205,998	199,470
Difference between expected and actual experience	(281,372)	(26,572)	18,342	87,415	(273,174)	(23,268)	(86,532)	6,906	-
Change in assumptions	-	120,518	101,270	96,165	-	-	-	146,539	-
Benefit payments, including refunds	(81,839)	(111,145)	(111,145)	(115,846)	(133,867)	(150,467)	(151,054)	(157,909)	(157,199)
Other	-	12,082	-	54,187	-	1	(548)	6,437	6,234
Net Change in Total Pension Liability	(60,511)	275,996	277,738	361,634	(135,713)	88,832	20,784	241,322	82,045
Total Pension Liability, Beginning of year	3,767,848	3,491,852	3,214,114	2,852,480	2,988,193	2,899,361	2,878,577	2,637,255	2,555,210
Total Pension Liability, End of year	\$ 3,707,337	\$ 3,767,848	\$ 3,491,852	\$ 3,214,114	\$ 2,852,480	\$ 2,988,193	\$ 2,899,361	\$ 2,878,577	\$ 2,637,255
Plan Fiduciary Net Position:									
Contributions - Employer	\$ 109,628	\$ 92,214	\$ 44,346	\$ 99,829	\$ 587,581	\$ 113,373	\$ 127,812	\$ 91,440	\$ 94,411
Contributions - Employee	12,769	14,060	14,108	16,242	18,222	17,815	16,875	16,748	16,916
Net Investment Income (Loss)	(369,279)	443,365	360,572	339,613	(86,709)	248,001	193,352	(26,249)	107,308
Benefit payments, including refunds	(81,839)	(111,145)	(111,145)	(115,846)	(133,867)	(150,467)	(151,054)	(157,909)	(157,199)
Administrative Expense	(6,651)	(5,083)	(5,674)	(5,861)	(4,145)	(3,923)	(3,812)	(3,844)	(3,948)
Net Change in Plan Fiduciary Net Position	(335,372)	433,411	302,207	333,977	381,082	224,799	183,173	(79,814)	57,488
Plan Fiduciary Net Position, Beg. of year	3,546,753	3,113,342	2,811,135	2,477,158	2,096,076	1,871,277	1,688,104	1,767,918	1,710,430
Plan Fiduciary Net Position, End of year	\$ 3,211,381	\$ 3,546,753	\$ 3,113,342	\$ 2,811,135	\$ 2,477,158	\$ 2,096,076	\$ 1,871,277	\$ 1,688,104	\$ 1,767,918
City's Net Pension Liability	\$ 495,956	\$ 221,095	\$ 378,510	\$ 402,979	\$ 375,322	\$ 892,117	\$ 1,028,084	\$ 1,190,473	\$ 869,337
Plan Fiduciary Net Position as a Percent of Total Pension Liability	87%	94%	89%	87%	87%	70%	65%	59%	67%
Covered Payroll	\$ 247,550	\$ 281,142	\$ 282,212	\$ 269,661	\$ 366,787	\$ 357,970	\$ 339,184	\$ 337,842	\$ 339,989
City's Net Pension Liability as a Percent of Covered Payroll	200%	79%	134%	149%	102%	249%	303%	352%	256%

CITY OF SYLVAN LAKE
Required Supplemental Information
Schedule of City Pension Contributions
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 55,627	\$ 41,484	\$ 43,416	\$ 71,792	\$ 81,864	\$ 77,373	\$ 67,812	\$ 63,557	\$ 64,397	\$ 45,816
Contributions in relation to the actuarially determined contribution	62,460	92,214	44,346	99,829	587,581	113,373	127,812	91,440	94,411	51,305
Contribution Excess (Deficiency)	\$ 6,833	\$ 50,730	\$ 930	\$ 28,037	\$ 505,717	\$ 36,000	\$ 60,000	\$ 27,883	\$ 30,014	\$ 5,489
Covered Payroll	\$ 252,809	\$ 281,142	\$ 282,212	\$ 269,661	\$ 366,787	\$ 357,970	\$ 339,184	\$ 337,842	\$ 339,989	
Contributions as a Percentage of Covered Payroll	24.7%	32.8%	15.7%	37.0%	160.2%	31.7%	37.7%	27.1%	27.8%	

Actuarial valuation information relative to the determination of contributions:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 18 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-age normal
Amortization Method	Level percentage of pay, open
Remaining Amortization Period	11 years
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	3.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience based tables of rates that are specific to the type of eligibility condition
Mortality	50% Male - 50% Female blend of the RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%; RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables

CITY OF SYLVAN LAKE

Required Supplemental Information

Schedule of Changes in the Net OPEB Liability and Related Ratios

Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 75)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service Cost	\$ 8,939	\$ 9,731	\$ 10,153	9,792	\$ 7,266	\$ 7,505	\$ 7,216
Interest	44,645	47,676	52,818	53,125	64,454	62,911	62,376
Effect of economic/demographic gains/losses	(74,948)	-	20,394	-	(222,247)	-	-
Change in assumptions	32,666	-	(143,350)	-	40,615	-	-
Benefit payments, including refunds	(28,865)	(24,689)	(29,778)	(33,169)	(35,251)	(55,496)	(52,483)
Other	-	(21,587)	23,398	(21,339)	(8,198)	(4,352)	(8,607)
Net Change in Total Pension Liability	(17,563)	11,131	(66,365)	8,409	(153,361)	10,568	8,502
Total OPEB Liability, Beginning of year	673,195	662,064	728,429	720,020	873,381	862,813	854,311
Total OPEB Liability, End of year	\$ 655,632	\$ 673,195	\$ 662,064	728,429	\$ 720,020	\$ 873,381	\$ 862,813
Plan Fiduciary Net Position:							
Contributions - Employer	\$ -	\$ (29,781)	\$ 29,778	58,169	\$ 85,251	\$ 142,496	\$ 150,526
Net Investment Income (Loss)	65,813	(80,132)	224,912	17,551	21,570	46,771	57,736
Benefit payments, including refunds	(28,865)	(24,689)	(29,778)	(33,169)	(35,251)	(55,496)	(52,483)
Administrative Expense	(1,670)	(1,795)	(1,654)	(1,416)	(1,470)	(1,548)	(1,167)
Net Change in Plan Fiduciary Net Position	35,278	(136,397)	223,258	41,135	70,100	132,223	154,612
Plan Fiduciary Net Position, Beginning of year	886,997	1,023,394	800,136	759,001	688,901	556,678	402,066
Plan Fiduciary Net Position, End of year	\$ 922,275	\$ 886,997	\$ 1,023,394	800,136	\$ 759,001	\$ 688,901	\$ 556,678
City's Net OPEB Liability(Asset)	\$ (266,643)	\$ (213,802)	\$ (361,330)	(71,707)	\$ (38,981)	\$ 184,480	\$ 306,135
Plan Fiduciary Net Position as a Percent of Total OPEB Liability	141%	132%	155%	110%	105%	79%	65%
Covered Employee Payroll	382,650	328,227	391,393	334,382	334,382	305,240	305,240
City's Net OPEB Liability as a Percent of Covered Employee Payroll	-70%	-65%	-92%	-21%	-12%	60%	100%

CITY OF SYLVAN LAKE
Required Supplemental Information
Schedule of City OPEB Contributions
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ 14,951	\$ 14,542	\$ 63,896	\$ 66,586	\$ 57,594	\$ 57,594	\$ 57,594
Contributions in relation to the actuarially determined contribution	-	-	29,778	58,169	85,251	90,892	159,484	125,978	123,819	117,953
Contribution Excess (Deficiency)	\$ -	\$ -	\$ 29,778	\$ 43,218	\$ 70,709	\$ 26,996	\$ 92,898	\$ 68,384	\$ 66,225	\$ 60,359
Covered Employee Payroll	382,650	328,227	391,393	334,382	334,382	305,240	305,240	349,450	349,450	349,450
Contributions as a Percentage of Covered Employee Payroll	0%	0%	8%	17%	25%	30%	52%	36%	35%	34%

Actuarial valuation information relative to the determination of contributions:

Valuation Date Actuarially determined contribution rates are calculated as of June 30 each year.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-age normal
Inflation	2.50%
Healthcare cost trend rates	7.25 percent, gradually decreasing to 4.5 percent in year 2033
Investment Rate of Return	7.00%
Retirement Age	Experience based tables of rates that are specific to the type of eligibility condition
Mortality	Pub. 2010 General and Safety Mortality Tables with generational projection using MP-2020

CITY OF SYLVAN LAKE
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 1,463,517	\$ 1,463,517	\$ 1,474,075	\$ 10,558
Licenses and Permits	10,350	10,350	15,932	5,582
Intergovernmental	206,882	209,850	239,357	29,507
Charges for Services	240,467	240,467	249,569	9,102
Fines and Forfeitures	11,350	11,350	8,633	(2,717)
Interest	10,000	10,000	50,344	40,344
Franchise Fees	46,306	46,306	37,820	(8,486)
Other Revenues	26,800	63,478	84,840	21,362
Total Revenues	<u>2,015,672</u>	<u>2,055,318</u>	<u>2,160,570</u>	<u>105,252</u>
<u>Expenditures:</u>				
General Government:				
City Council	3,400	3,400	2,604	796
City Manager	32,611	32,611	29,483	3,128
City Clerk	33,761	33,761	31,576	2,185
Treasurer	28,595	28,595	27,817	778
Assessor	25,000	27,500	27,500	-
Board of Review	650	650	518	132
Elections	16,744	20,544	20,432	112
Building and Grounds	68,972	68,972	63,814	5,158
Professional Fees	81,204	87,754	80,385	7,369
Other General Services	187,841	187,841	154,923	32,918
Total General Government	<u>478,778</u>	<u>491,628</u>	<u>439,052</u>	<u>52,576</u>
Public Safety:				
Police	771,171	786,171	770,200	15,971
Fire	356,886	358,186	357,155	1,031
Animal Shelter	2,400	2,400	1,511	889
Total Public Safety	<u>1,130,457</u>	<u>1,146,757</u>	<u>1,128,866</u>	<u>17,891</u>
Community Development:				
Planning Commission	6,725	6,725	2,151	4,574
Planning and Zoning	100,115	100,115	82,907	17,208
Community Development Block Grant	7,200	7,200	5,720	1,480
Total Community Development	<u>114,040</u>	<u>114,040</u>	<u>90,778</u>	<u>23,262</u>
Public Works:				
Department of Public Works	58,851	58,851	54,541	4,310
Storm Water Management	27,500	27,500	18,351	9,149
Street Lighting	50,000	50,000	21,362	28,638
Total Public Works	<u>136,351</u>	<u>136,351</u>	<u>94,254</u>	<u>42,097</u>
Recreation and Cultural:				
Parks and Recreation	141,420	141,420	132,445	8,975
Community Center	90,427	90,427	85,791	4,636
Total Recreation and Cultural	<u>231,847</u>	<u>231,847</u>	<u>218,236</u>	<u>13,611</u>
Capital Outlay	<u>226,750</u>	<u>377,005</u>	<u>283,181</u>	<u>93,824</u>
Total Expenditures	<u>2,318,223</u>	<u>2,497,628</u>	<u>2,254,367</u>	<u>243,261</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(302,551)</u>	<u>(442,310)</u>	<u>(93,797)</u>	<u>348,513</u>
Other Financing Uses:				
Transfers Out	<u>(15,029)</u>	<u>(15,029)</u>	<u>-</u>	<u>15,029</u>
Change in Fund Balance	<u>(317,580)</u>	<u>(457,339)</u>	<u>(93,797)</u>	<u>363,542</u>
Fund Balance - July 1	<u>1,617,637</u>	<u>1,617,637</u>	<u>1,617,637</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 1,300,057</u>	<u>\$ 1,160,298</u>	<u>\$ 1,523,840</u>	<u>\$ 363,542</u>

CITY OF SYLVAN LAKE
Budgetary Comparison Schedule
Major Road Fund
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
State	\$ 139,980	\$ 139,980	\$ 152,953	\$ 12,973
Interest	300	300	1,772	1,472
Other	300	300	2,381	2,081
Total Revenues	<u>140,580</u>	<u>140,580</u>	<u>157,106</u>	<u>16,526</u>
Expenditures:				
Streets:				
Street Maintenance	165,889	207,889	202,278	5,611
Traffic Services	6,300	6,300	5,513	787
Winter Maintenance	7,000	7,000	5,592	1,408
Administration	2,430	2,430	2,298	132
Total Expenditures	<u>181,619</u>	<u>223,619</u>	<u>215,681</u>	<u>7,938</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(41,039)</u>	<u>(83,039)</u>	<u>(58,575)</u>	<u>24,464</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(34,995)</u>	<u>(34,995)</u>	<u>(38,238)</u>	<u>(3,243)</u>
Net Change in Fund Balance	(76,034)	(118,034)	(96,813)	21,221
Fund Balance - July 1	<u>146,914</u>	<u>146,914</u>	<u>146,914</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 70,880</u>	<u>\$ 28,880</u>	<u>\$ 50,101</u>	<u>\$ 21,221</u>

CITY OF SYLVAN LAKE
Budgetary Comparison Schedule
Local Road Fund
For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
State	\$ 59,044	\$ 59,044	\$ 64,524	\$ 5,480
County	1,438	1,438	1,467	29
Interest	1,000	1,000	912	(88)
Other	500	500	2,747	2,247
Total Revenues	61,982	61,982	69,650	7,668
Expenditures:				
Streets:				
Street Maintenance	129,283	204,283	194,014	10,269
Traffic Services	3,000	3,000	2,734	266
Winter Maintenance	6,500	6,500	6,243	257
Administration	2,630	2,630	2,298	332
Total Expenditures	141,413	216,413	205,289	11,124
Excess (Deficiency) of Revenues Over Expenditures	(79,431)	(154,431)	(135,639)	18,792
Other Financing Sources:				
Transfers In	34,995	34,995	38,238	3,243
Net Change in Fund Balance	(44,436)	(119,436)	(97,401)	22,035
Fund Balance - July 1	143,728	143,728	143,728	-
Fund Balance - June 30	\$ 99,292	\$ 24,292	\$ 46,327	\$ 22,035

OTHER SUPPLEMENTAL INFORMATION

CITY OF SYLVAN LAKE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	<u>Special Revenue</u>	<u>Community Center Bond Debt Service</u>	<u>Street and Drainage Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 196,768	\$ 10,646	\$ 48,024	\$ 255,438
Accounts Receivable	2,438	-	-	2,438
Interest Receivable	1,905	-	-	1,905
Prepaid Expenditures	988	-	-	988
Total Assets	<u>\$ 202,099</u>	<u>\$ 10,646</u>	<u>\$ 48,024</u>	<u>\$ 260,769</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 1,670	\$ -	\$ -	\$ 1,670
Accrued Liabilities	749	-	-	749
Total Liabilities	<u>2,419</u>	<u>-</u>	<u>-</u>	<u>2,419</u>
Fund Balance:				
Restricted	<u>199,680</u>	<u>10,646</u>	<u>48,024</u>	<u>258,350</u>
Total Liabilities and Fund Balance	<u>\$ 202,099</u>	<u>\$ 10,646</u>	<u>\$ 48,024</u>	<u>\$ 260,769</u>

CITY OF SYLVAN LAKE
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue	Community Center Bond Debt Service	Street and Drainage Debt Service	Total Nonmajor Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$ 327,459	\$ 36,668	\$ 223,569	\$ 587,696
State	1,337	381	2,224	3,942
Charges for Services	69,166	-	-	69,166
Interest	5,936	919	1,478	8,333
Other	3,771	-	-	3,771
Total Revenues	<u>407,669</u>	<u>37,968</u>	<u>227,271</u>	<u>672,908</u>
<u>Expenditures:</u>				
Public Safety	69,144	-	-	69,144
Public Works	226,746	-	-	226,746
Community Development	58,632	-	-	58,632
Recreation and Cultural	22,563	-	-	22,563
Debt Service:				
Principal	-	30,000	216,634	246,634
Interest and Other Charges	-	6,375	3,097	9,472
Total Expenditures	<u>377,085</u>	<u>36,375</u>	<u>219,731</u>	<u>633,191</u>
Excess (Deficiency) of Revenues Over Expenditures	30,584	1,593	7,540	39,717
Fund Balances - July 1	<u>169,096</u>	<u>9,053</u>	<u>40,484</u>	<u>218,633</u>
Fund Balances - June 30	<u>\$ 199,680</u>	<u>\$ 10,646</u>	<u>\$ 48,024</u>	<u>\$ 258,350</u>

CITY OF SYLVAN LAKE
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	<u>Home and Garden Tour</u>	<u>Rubbish Collection</u>	<u>Community Promotion/ Econ Dev</u>	<u>Building Department</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 20,235	\$ 111,015	\$ 37,132	\$ 4,808
Accounts Receivable	-	2,438	-	-
Interest Receivable	196	1,075	360	46
Prepaid Expenditures	-	988	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>20,431</u>	\$ <u>115,516</u>	\$ <u>37,492</u>	\$ <u>4,854</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 885	\$ 785	\$ -
Accrued Liabilities	-	228	521	-
Total Liabilities	<u> </u>	<u>1,113</u>	<u>1,306</u>	<u> </u>
Fund Balance:				
Restricted	<u>20,431</u>	<u>114,403</u>	<u>36,186</u>	<u>4,854</u>
Total Liabilities and Fund Balance	\$ <u>20,431</u>	\$ <u>115,516</u>	\$ <u>37,492</u>	\$ <u>4,854</u>

<u>Library</u>	<u>Lake Level/ Drains</u>	<u>Total</u>
\$ 2,391	\$ 21,187	\$ 196,768
-	-	2,438
23	205	1,905
-	-	988
<u>2,414</u>	<u>21,392</u>	<u>202,099</u>

\$ -	\$ -	\$ 1,670
-	-	749
<u>-</u>	<u>-</u>	<u>2,419</u>

<u>2,414</u>	<u>21,392</u>	<u>199,680</u>
\$ <u>2,414</u>	\$ <u>21,392</u>	\$ <u>202,099</u>

CITY OF SYLVAN LAKE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	<u>Home and Garden Tour</u>	<u>Rubbish Collection</u>	<u>Community Promotion/ Econ Dev</u>	<u>Building Department</u>
<u>Revenues:</u>				
Property Taxes	\$ -	\$ 233,391	\$ 49,916	\$ -
State	-	624	500	-
Charges for Services	-	-	22	69,144
Interest Earned	552	3,089	1,372	134
Other	1,020	2,438	313	-
	<u>1,572</u>	<u>239,542</u>	<u>52,123</u>	<u>69,278</u>
Total Revenues	<u>1,572</u>	<u>239,542</u>	<u>52,123</u>	<u>69,278</u>
<u>Expenditures:</u>				
Public Safety	-	-	-	69,144
Public Works	-	217,844	-	-
Community Development	-	-	58,632	-
Recreation and Cultural	222	-	-	-
	<u>222</u>	<u>217,844</u>	<u>58,632</u>	<u>69,144</u>
Total Expenditures	<u>222</u>	<u>217,844</u>	<u>58,632</u>	<u>69,144</u>
Excess (Deficiency) of Revenues Over Expenditures	1,350	21,698	(6,509)	134
Fund Balance - July 1	<u>19,081</u>	<u>92,705</u>	<u>42,695</u>	<u>4,720</u>
Fund Balance - June 30	<u>\$ 20,431</u>	<u>\$ 114,403</u>	<u>\$ 36,186</u>	<u>\$ 4,854</u>

<u>Library</u>	<u>Lake Level/ Drains</u>	<u>Total</u>
\$ 22,165	\$ 21,987	\$ 327,459
213	-	1,337
-	-	69,166
184	605	5,936
-	-	3,771
<u>22,562</u>	<u>22,592</u>	<u>407,669</u>
-	-	69,144
-	8,902	226,746
-	-	58,632
<u>22,341</u>	<u>-</u>	<u>22,563</u>
<u>22,341</u>	<u>8,902</u>	<u>377,085</u>
221	13,690	30,584
<u>2,193</u>	<u>7,702</u>	<u>169,096</u>
\$ <u>2,414</u>	\$ <u>21,392</u>	\$ <u>199,680</u>