

CHARTER TOWNSHIP OF BRIGHTON

Report on Audit of Financial Statements and Supplementary Information

For the Year Ended March 31, 2023

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

Supervisor - Patrick Michel

Clerk - Joseph Riker

Treasurer - Rose Drouillard

BOARD OF TRUSTEES

Rose Drouillard

Patrick Michel

Joseph Riker

Steve Combs

Cathy Doughty

Dan Schifko

Sam Theis

TOWNSHIP ATTORNEY

John K. Harris

Harris & Literski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

August 21, 2023

To the Board of Trustees
Charter Township of Brighton
4363 Buno Road
Brighton, Michigan 48114

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Brighton, Michigan, as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Township'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 Charter Township of Brighton, Michigan, as of March 31, 2023, and the respective changes in 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 Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township'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. 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 Township'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 Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 9 - 14 and 56 - 61 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying supplementary information such as the combining and individual fund financial statements are presented for purposes of additional analysis and are 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 the underlying accounting and other records used to prepare the basic financial statements or to 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 combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

March 31, 2023

Within this section of the Charter Township of Brighton's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended March 31, 2023. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net position changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water and sewer system operations. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the combining statements later in this report.

The Township has three kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net position.

Proprietary funds are reported in the fund financial statements and are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary funds are reported in the fiduciary fund financial statements but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole

The Township's net position at the end of the fiscal year was \$55,106,645. This is a \$3,728,534 increase over last year's net position of \$51,378,111.

The following tables provide a summary of the Township's financial activities and changes in net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Totals	
	3/31/2023	3/31/2022	3/31/2023	3/31/2022	3/31/2023	3/31/2022
ASSETS						
Current and other assets	\$ 37,812,401	\$ 29,812,702	\$ 5,885,915	\$ 4,493,907	\$ 43,698,316	\$ 34,306,609
Capital assets	4,960,800	3,908,402	15,295,433	16,084,385	20,256,233	19,992,787
Total assets	42,773,201	33,721,104	21,181,348	20,578,292	63,954,549	54,299,396
DEFERRED OUTFLOWS OF RESOURCES						
Pension-related activities	465,583	237,410			465,583	237,410
LIABILITIES						
Other liabilities	4,680,711	1,521,011	188,693	234,864	4,869,404	1,755,875
Long-term liabilities	1,910,000	1,165,000			1,910,000	1,165,000
Total liabilities	6,590,711	2,686,011	188,693	234,864	6,779,404	2,920,875
DEFERRED INFLOWS OF RESOURCES						
Deferred inflow - leases	2,509,298				2,509,298	
Pension-related activities	24,785	237,820			24,785	237,820
Total deferred inflows of resources	2,534,083	237,820			2,534,083	237,820
NET POSITION						
Net investment in capital assets	14,117,595	12,535,440	15,295,433	16,084,385	29,413,028	28,619,825
Restricted	2,263,103	1,263,898	4,391,729	3,296,408	6,654,832	4,560,306
Unrestricted	17,733,292	17,235,345	1,305,493	962,635	19,038,785	18,197,980
Total net position	\$ 34,113,990	\$ 31,034,683	\$ 20,992,655	\$ 20,343,428	\$ 55,106,645	\$ 51,378,111

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Totals	
	3/31/2023	3/31/2022	3/31/2023	3/31/2022	3/31/2023	3/31/2022
REVENUES						
Program revenues						
Charges for services	\$ 2,134,857	\$ 1,197,849	\$ 1,488,263	\$ 1,409,696	\$ 3,623,120	\$ 2,607,545
Operating grants and contributions	459,573	2,492,053	26,980		486,553	2,492,053
General revenues						
Property taxes	1,121,391	1,069,838			1,121,391	1,069,838
State revenues	2,303,910	2,220,797			2,303,910	2,220,797
Interest	326,399	39,596	26,791	13,193	353,190	52,789
Tap In fees			1,005,480	1,118,340	1,005,480	1,118,340
Donated assets	568,618				568,618	
Other	637,537	634,538	29,113	23,644	666,650	658,182
Change in investment in joint venture	927,597	873,286			927,597	873,286
Total revenues	8,479,882	8,527,957	2,576,627	2,564,873	11,056,509	11,092,830
EXPENSES						
General government	3,093,927	2,274,914			3,093,927	2,274,914
Public safety	99,442	107,606			99,442	107,606
Recreation	169,800	206,745			169,800	206,745
Public works/roads	2,037,406	936,520			2,037,406	936,520
Sewer system			1,927,400	1,873,489	1,927,400	1,873,489
Total expenses	5,400,575	3,525,785	1,927,400	1,873,489	7,327,975	5,399,274
Changes in net position	3,079,307	5,002,172	649,227	691,384	3,728,534	5,693,556
Beginning net position	31,034,683	26,032,511	20,343,428	19,652,044	51,378,111	45,684,555
Ending net position	\$ 34,113,990	\$ 31,034,683	\$ 20,992,655	\$ 20,343,428	\$ 55,106,645	\$ 51,378,111

The governmental funds experienced an increase in equity due mainly to an increased number of water connection fees received.

The business-type activities saw an increase in net position of \$649,227. This was due, in large part, to sewer tap in fee revenue.

Financial Analysis of the Township’s Major Funds

The Township’s General Fund increased its fund balance by \$1,040,807. This was due, in large part, to the increased number of connection fees received.

The Township’s ARPA Fund increased its fund balance by \$9,449, due to interest income. The Township spent \$457,652 of ARPA grant money in the current fiscal year on various projects, including townhall bathroom renovations, tabulators, and the East Grand River sidewalk project.

The Township’s only major business-type fund, the Sewer Fund, reported an increase in net position of \$649,227.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Several budget amendments were made during the year to bring the budget closer to economic reality. Some of its expense lines exceed budgeted appropriations but no departments exceeded budget appropriations.

Capital Asset and Debt Administration

The Township government acquired \$3,532,547 of new capital assets during the year. Items purchased were:

<u>Schedule of Capital Asset Additions</u>		
Lawnmower	\$	10,719
Server		7,928
Fire Station Fascia		171,297
Bathroom Renovations		144,293
High Speed Tabulator		96,875
Carpet		45,187
East Grand River Sidewalk		206,102
Deerfield Pathways		90,900
		<hr/>
Total additions	\$	773,301
		<hr/>

In addition, the Township also had \$170,777 of contributed capital from a developer for the Deerfield Pathway.

As of March 31, 2023, the Township had one project that qualified as construction in progress - a water main on Hilton Road. The Township recorded contributed capital of \$397,840 related to this project in fiscal year 2023. The project is approximately 93% complete as of March 31, 2023. The governmental funds did not experience any disposals during the fiscal year.

Principal of \$180,000 was paid on the Township’s governmental debt during the year (related to special assessment bond), taking the total from \$1,345,000 to \$1,165,000.

The business-type activities acquired two capital assets this year. These were a bypass pump (\$35,960) and a furnace (\$10,800). The business-type activities did not have any sales or disposals during the year.

The business-type activities did not have any outstanding debt at the end of the year.

Economic Conditions and Future Activities

Overall, the Township's financial position remains strong and healthy.

There was a moderate increase in tax revenues for the Township's general operations, due to increasing taxable values.

During fiscal year 23, the Township received \$991,238 in funds under the State and Local Fiscal Recovery Program ("SLFRP") in relation to the American Rescue Plan Act ("ARPA"), which was passed to help communities recover from negative impacts of the COVID-19 pandemic. The Township had received \$991,261 in the prior year. The Township spent \$457,652 of ARPA grant money during the fiscal year ending March 31, 2023 on various projects, including townhall bathroom renovations, high speed tabulator, and the East Grand River sidewalk project. At the March 6, 2023 meeting, the Board obligated \$14,143 of ARPA money to be expended in fiscal year 24 for the construction of countertop barrier installation project.

Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and to comply with finance-related regulations. If you have any further questions about this report or require additional information, please contact the Township manager at (810) 229-0550 or visit the Township Hall located at 4363 Buno Road, Brighton, Michigan 48114.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON

**STATEMENT OF NET POSITION
MARCH 31, 2023**

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash, cash equivalents and investments	\$ 21,611,276	\$ 5,069,302	\$ 26,680,578
Receivables			
Taxes	44,637		44,637
Special assessments	246,634	139,564	386,198
State shared revenues	317,641		317,641
Accounts	101,937	411,596	513,533
Leases receivable	2,541,743		2,541,743
Prepaid expenses	74,922	13,873	88,795
Right of use asset	2,079,711		2,079,711
Inventory		251,580	251,580
Net pension asset	527,067		527,067
Capital assets			
Non-depreciable	1,110,038	1,395,224	2,505,262
Depreciable - net of accumulated depreciation	3,850,762	13,900,209	17,750,971
Investment in joint ventures	10,266,833		10,266,833
Total assets	42,773,201	21,181,348	63,954,549
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related activities	465,583		465,583
LIABILITIES			
Accounts payable and other accrued expenses	53,828	133,953	187,781
Accrued wages/taxes	43,356		43,356
Compensated absences	26,311		26,311
Lease payable	2,101,519		2,101,519
Due to others	44,577		44,577
Unearned revenues	2,089,681	54,740	2,144,421
Bond premium	61,439		61,439
Long term obligations			
Other due within one year	260,000		260,000
Other due in more than one year	1,910,000		1,910,000
Total liabilities	6,590,711	188,693	6,779,404
DEFERRED INFLOWS OF RESOURCES			
Pension-related activities	24,785		24,785
Deferred inflows related to leases	2,509,298		2,509,298
Total deferred inflows of resources	2,534,083		2,534,083
NET POSITION			
Net investment in capital assets	14,117,595	15,295,433	29,413,028
Restricted	2,263,103	4,391,729	6,654,832
Unrestricted	17,733,292	1,305,493	19,038,785
Total net position	\$ 34,113,990	\$ 20,992,655	\$ 55,106,645

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2023

Functions/Programs	Expenses	Programs Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT						
General government	\$ (3,055,963)	\$ 989,832	\$ 459,573	\$ (1,606,558)	\$	\$ (1,606,558)
Public works	(803,235)	1,145,025		341,790		341,790
Recreation	(169,800)			(169,800)		(169,800)
Roads	(1,234,171)			(1,234,171)		(1,234,171)
Public safety	(99,442)			(99,442)		(99,442)
Cemetery	(29,511)			(29,511)		(29,511)
Interest on long-term debt	(8,453)			(8,453)		(8,453)
Total primary government	(5,400,575)	2,134,857	459,573	(2,806,145)		(2,806,145)
BUSINESS-TYPE ACTIVITIES						
Sewer system	(1,927,400)	1,488,263	26,980		(412,157)	(412,157)
Total	\$ (7,327,975)	\$ 3,623,120	\$ 486,553	(2,806,145)	(412,157)	(3,218,302)
General revenues						
Property taxes				1,121,391		1,121,391
Licenses and permits				376,868		376,868
State revenues				2,303,910		2,303,910
Interest income				326,399	21,821	348,220
Special assessments interest income					4,970	4,970
Rental income				233,423		233,423
Other income				27,246	29,113	56,359
Tap In fees					1,005,480	1,005,480
Donated assets				568,618		568,618
Change in investment in joint venture				927,597		927,597
Total general revenues				5,885,452	1,061,384	6,946,836
Changes in net position				3,079,307	649,227	3,728,534
Net position, April 1, 2022				31,034,683	20,343,428	51,378,111
Net position, March 31, 2023				\$ 34,113,990	\$ 20,992,655	\$ 55,106,645

The notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON

**GOVERNMENTAL FUNDS
BALANCE SHEET
MARCH 31, 2023**

	General Fund	ARPA Fund	Non-major Funds	Total
ASSETS				
Cash, cash equivalents and investments	\$ 17,878,286	\$ 1,580,139	\$ 2,152,851	\$ 21,611,276
Receivables				
Taxes	44,637			44,637
Special assessments	69,665		176,969	246,634
State shared revenues	317,641			317,641
Accounts	81,283		20,453	101,736
Lease receivable	2,541,743			2,541,743
Due from other funds	45,953		5	45,958
Prepaid expenditures	74,785		137	74,922
Total assets	<u>\$ 21,053,993</u>	<u>\$ 1,580,139</u>	<u>\$ 2,350,415</u>	<u>\$ 24,984,547</u>
LIABILITIES				
Accounts payable	\$ 43,945	\$	\$ 9,883	\$ 53,828
Accrued wages and vacations	43,089		267	43,356
Due to others	44,577			44,577
Due to other funds	5	45,187	565	45,757
Unearned revenue	564,834	1,524,847		2,089,681
Total liabilities	<u>696,450</u>	<u>1,570,034</u>	<u>10,715</u>	<u>2,277,199</u>
DEFERRED INFLOW				
Deferred inflow from leases	<u>\$ 2,509,298</u>			<u>\$ 2,509,298</u>
FUND BALANCES				
Nonspendable - prepaid items	74,785		137	74,922
Restricted				
Public safety			54,604	54,604
Roads			741,726	741,726
Refuse			74,330	74,330
Aquatics			210,779	210,779
Streetlights			23,440	23,440
Municipal water			1,158,224	1,158,224
Committed				
Roads	805,579			805,579
Capital improvement		10,105		10,105
Parks and recreation	2,137,652			2,137,652
Cemetery	145,518			145,518
Assigned				
Township board	2,451,360			2,451,360
Future budget obligation	288,000		76,460	364,460
Unassigned	11,945,351			11,945,351
Total fund balance	<u>17,848,245</u>	<u>10,105</u>	<u>2,339,700</u>	<u>20,198,050</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 21,053,993</u>	<u>\$ 1,580,139</u>	<u>\$ 2,350,415</u>	<u>\$ 24,984,547</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

GOVERNMENTAL FUNDS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
MARCH 31, 2023**

Total fund balance per balance sheet	\$ 20,198,050
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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 therefore are not reported in the funds:

Historical cost	\$ 9,639,725	
Depreciation	(4,678,925)	
	4,960,800	
Capital assets, net of depreciation:	4,960,800	
Right to use asset	2,079,711	
	7,040,511	
Total assets		7,040,511

Investment in joint ventures are not current financial resources and therefore, are not reported in the fund financial statements:

10,266,833

Pension-related activities are not a consumption of current resources and, therefore, are reported as deferred outflows and (inflows) of resources in the Statement of Net Position:

Pension changes in investments	325,592	
Pension changes in assumptions	107,556	
Pension changes in experience	(24,785)	
Subsequent pension contributions	32,435	
	440,798	
Total pension-related deferred outflows (inflows) of resources:		440,798

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These include:

Compensated absences	(26,311)	
Bond premium	(61,439)	
Lease payable	(2,101,519)	
Bonds payable	(2,170,000)	
	(4,359,269)	
Total long-term liabilities:		(4,359,269)

Pension assets, net of pension plan fiduciary net position, are not due or receivable in the current period and are not reported in the fund financial statements:

Net pension asset:	527,067
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Net position of governmental activities	\$ 34,113,990
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The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2023**

	General Fund	ARPA Fund	Non-major Funds	Total
REVENUES				
Taxes	\$ 1,121,391	\$	\$	\$ 1,121,391
Connection fees	57,000		332,383	389,383
Special assessments	1,280		755,642	756,922
Licenses and permits	365,050		11,818	376,868
Intergovernmental - state	2,303,910			2,303,910
Rental income	233,423			233,423
Charges for services	988,552			988,552
Interest	308,087	9,449	8,863	326,399
Reimbursements	16,076			16,076
Grant revenue		457,652	1,921	459,573
Miscellaneous	11,170			11,170
Total revenues	5,405,939	467,101	1,110,627	6,983,667
EXPENDITURES				
Current				
General government	3,153,062			3,153,062
Parks and recreation	169,800			169,800
Public safety	7,959		11,473	19,432
Road improvements	84,617		1,149,554	1,234,171
Cemetery	26,133			26,133
Public works	586,105		217,130	803,235
Capital outlay				
General government	18,647	286,355		305,002
Parks and recreation	297,001			297,001
Fire protection		171,297		171,297
Debt service				
Principal			175,000	175,000
Interest			8,453	8,453
Total expenditures	4,343,324	457,652	1,561,610	6,362,586
Excess of revenues over (under) expenditures	1,062,615	9,449	(450,983)	621,081
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds			1,241,439	1,241,439
Transfers in			148,003	148,003
Transfers (out)			(148,003)	(148,003)
Total other financing sources (uses)			1,241,439	1,241,439
Net changes in fund balances	1,062,615	9,449	790,456	1,862,520
FUND BALANCE, APRIL 1, 2022	16,785,630	656	1,549,244	18,335,530
FUND BALANCE, MARCH 31, 2023	\$ 17,848,245	\$ 10,105	\$ 2,339,700	\$ 20,198,050

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

**GOVERNMENTAL FUNDS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2023**

Net change in fund balances - governmental funds **\$ 1,862,520**

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their useful lives as depreciation expense. The amount by which capital outlay exceeded depreciation is as follows:

Capital outlay	\$	773,301	
Donated assets		568,617	
Depreciation expense		<u>(289,520)</u>	
Total:			1,052,398

Investments in joint venture used in the governmental activities are not current financial resources and, therefore, are not reported in the funds:

Change in investment in joint ventures	927,597
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Some pension activities in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the Governmental Funds:

Change in net pension liability/asset, and related activities	323,724
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Some expenditures in the Statement of Activities are not a use of current financial resources, and therefore, are not reported in the Governmental Funds:

Change in compensated absences	1,315		
Right to use asset amortization		(110,918)	
Lease principal payment		89,110	
Bond principal payment		175,000	
Bond proceeds		<u>(1,241,439)</u>	
Total:			<u>(1,086,932)</u>

Change in net position of governmental activities	<u>\$ 3,079,307</u>
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The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

PROPRIETARY FUND
STATEMENT OF NET POSITION
MARCH 31, 2023

	<u>Sewer Fund</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 5,069,302
Receivables	
Special assessments	139,564
Accounts	411,596
Prepaid expenses	13,873
Inventory	251,580
Total before capital assets	<u>5,885,915</u>
Non-current assets	
Land	1,395,224
Utility systems	31,512,101
Total cost	32,907,325
Less accumulated depreciation	<u>(17,611,892)</u>
Non-current assets, net	<u>15,295,433</u>
Total assets	<u>21,181,348</u>
LIABILITIES	
Current liabilities	
Accounts payable	40,607
Accrued grinder pump expense	50,000
New connections - escrow funds	43,346
Unearned revenue	54,740
Total liabilities	<u>188,693</u>
NET POSITION	
Net investment in capital assets	15,295,433
Restricted	4,391,729
Unrestricted	1,305,493
Total net position	<u><u>\$ 20,992,655</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2023

	<u>Sewer Fund</u>
OPERATING REVENUES	
Utility billings	\$ 1,488,263
OPERATING EXPENSES	<u>1,927,400</u>
Operating (loss)	<u>(439,137)</u>
NON-OPERATING REVENUES (EXPENSES)	
Grant income	26,980
Interest income - cash and equivalents	21,821
Interest income - special assessments	4,970
Tap In fees	1,005,480
Other revenue	<u>29,113</u>
Total non-operating revenues (expenses)	1,088,364
Change in net position	649,227
NET POSITION, APRIL 1, 2022	<u>20,343,428</u>
NET POSITION, MARCH 31, 2023	<u><u>\$ 20,992,655</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

**PROPRIETARY FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>SEWER FUND</u>	
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Cash received from customers	\$ 1,436,407	
Payments to suppliers for goods or services	<u>(1,155,113)</u>	
Net cash from operating activities		\$ 281,294
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of fixed assets	(46,760)	
Collections of special assessment (principal and interest)	51,064	
Other revenues	29,113	
Grant income	26,980	
Tap In fees	<u>885,438</u>	
Net cash from capital and related financing activities		945,835
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on cash and cash equivalents		<u>21,821</u>
Net increase in cash and cash equivalents		1,248,950
CASH AND CASH EQUIVALENTS AT APRIL 1, 2022		<u>3,820,352</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2023		<u><u>\$ 5,069,302</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES		
Operating (loss)		\$ (439,137)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities:		
Depreciation and amortization	\$ 835,712	
Changes in assets and liabilities		
(Increase) in accounts and delinquents receivable	(51,856)	
(Increase) in prepaid expense	(2,809)	
(Increase) in inventory	(14,445)	
Increase in accounts payable	10,460	
(Decrease) in new connections escrow	(22,500)	
(Decrease) in unearned revenues	<u>(34,131)</u>	
Total adjustments		<u>720,431</u>
Net cash from operating activities		<u><u>\$ 281,294</u></u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

FIDUCIARY FUND

STATEMENT OF ASSETS AND LIABILITIES

MARCH 31, 2023

	<u>Current Tax</u>
ASSETS	
Cash	<u>\$ 201</u>
 LIABILITIES	
Due to other funds	<u>\$ 201</u>

The notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Township conform to generally accepted accounting principles applicable to state and local governments. The more significant accounting policies of the Township are described below.

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Standards, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

The government-wide Statement of Net Position reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net position, with the assets and liabilities shown in order of their relative liquidity. Net positions are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations or other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net position not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Also, part of the basic financial statements are fund financial statements for governmental funds and proprietary funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), it also gives governments the option of displaying other funds as major funds. Other nonmajor funds are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

- The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The American Rescue Plan Act Fund (ARPA Fund) accounts for receiving and spending the federal grants applicable to the American Rescue Plan Act.

The Township reports the following major enterprise fund:

- The Sewer Fund accounts for the activities associated with operating the Township's sewage system.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

1. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues, charges for services, fines, forfeits and penalties, and interest.
2. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
3. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available resources.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary funds financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary funds financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds are eliminated in the consolidation for the government-wide financial statements but are included in the fund columns in the proprietary fund financial statements.

Enterprise funds account for operations where the intent of the Township is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for any activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges of the activity, or 3) it is the policy of the Township to establish activity fees or charges to recover the cost of providing services, including capital costs.

On the proprietary fund financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

In accordance with GASB standards, the Township has elected for proprietary funds not to apply Financial Accounting Standards Board statements issued after November 30, 1989.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs. The Township previously maintained an agency fund to account for the monies collected and paid on behalf of developer's escrow accounts, but with the implementation of GASB 84, this fund has been consolidated with the General Fund via the GASB 54 consolidation.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets, whether owned by governmental activities or business-type activities are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Real property is considered capital assets regardless of initial cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

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

Buildings, structures and improvements	5 to 50 years
Utility plant	5 to 50 years
Machinery and equipment	2 to 40 years
Infrastructure	25 to 50 years

Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

D. ACCRUED COMPENSATED ABSENCES

The Township has recorded a liability for compensated absences of its employees. The policies regarding compensated absences are outlined in the Township's "Personnel Policies".

E. BUDGETARY DATA

The Board of Trustees follows the procedures as outlined in the Uniform Budgeting Manual for Local Units of Government in Michigan in the establishment of the various annual budgets.

The Township manager prepares the annual budgets through information received by the clerk. The proposed budget is then submitted for discussion and approved by the entire Township Board. The budget is approved by activity rather than line item. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the Township Board at any of their regular meetings. Budget appropriations made, but not expended by year-end, will lapse with the fiscal year-end.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. PROPERTY TAXES

The Township's property taxes are levied and become a lien on each December 1st based on the taxable valuation of property located in the Township as of the preceding December 31st. These taxes are due on February 14, with the final collection date of February 28. The Township recognized the amount levied December 1, 2022 as revenue for the year ended March 31, 2023.

The 2022 adjusted taxable value totaled \$1,286,534,047. Taxes levied consisted of .8698 mills for Township operating purposes. The delinquent real property taxes of Charter Township of Brighton are purchased by Livingston County. The county sells tax notes, the proceeds of which will be used to pay the Township for these property taxes.

G. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. INVESTMENTS

Investments are stated at fair value.

I. CASH EQUIVALENTS

For purposes of the statement of cash flow, demand deposits, money market funds and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

J. RISK MANAGEMENT

The Township is exposed to various risks of loss pertaining to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for these claims. Settled claims related to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

K. INVENTORIES AND PREPAID ITEMS

Inventories are valued at cost. Cost is determined using the first-in, first-out method. Inventory consists of expendable supplies held for consumption. Inventories are capitalized under the consumption method, whereby expenditures are capitalized as inventory until used.

L. CAPITALIZATION OF INTEREST

A portion of the interest cost incurred on capital projects is capitalized on assets that require a period of time for construction or to otherwise prepare them for their intended use. Such amounts are amortized over the useful lives of the assets.

M. INCOME TAXES

As a governmental agency, the Township is exempt from both federal and state income taxes.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. FUND EQUITY

The objective of GASB Statement No. 54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications - nonspendable, restricted, committed, assigned, and unassigned.

In the fund financial statements, governmental funds report the following components of fund balance:

- Nonspendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- Committed - Amounts that have been formally set aside by the Township Board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Township Board.
- Assigned - Intent to spend resources on specific purposes expressed by the Township Board; or Supervisor, Clerk, and Treasurer; who are authorized by policy approved by the Township Board to make assignments. All current year assignments have been made by the Township Board.
- Unassigned - Amounts that do not fall into any other aforementioned category. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and had not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

O. DEFINED PENSION BENEFIT PLAN

For purposes of measuring the Net Pension Liability (Asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. 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.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. LEASE RECEIVABLE

The Township is a lessor of two noncancelable leases of cell tower space located on the Township's land. The Township also is the sublessor of a building. The Township recognizes lease receivables and deferred inflow of resources in the fund financial statements.

At the commencement of each lease agreement, the Township initially measures the lease receivable at the present value of payments expected to be received. 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 using straight line amortization.

The Township uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the Lessor is not provided, the Township generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option price that the Township is reasonably certain to receive.

Key estimates and judgements include how the Township determines (1) the discount rate used to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The Township monitors changes in circumstances that would require a remeasurement of this lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Q. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Under GASB standards, the Township will report two new sections in the Statement of Net Position (Government-Wide Statements) and in the Balance Sheet (Fund Statements) which are called *deferred outflows* (previously called *assets*) and *deferred inflows* (previously called *liabilities*).

These separate financial statement elements which meet the definition of deferred outflows and inflows are no longer considered assets or liabilities.

Deferred outflows of resources represent a consumption of net position that applies to a future period. The element will not be recognized as an expense and (or) expenditure until the time restriction is met.

For the year ended March 31, 2023, the Township records deferred outflows of resources on the Statement of Net Position relating to pension differences from investment return compared to actual, changes in assumptions, and contributions made subsequent to the Net Pension Liability (Asset) measurement date.

Deferred inflows of resources represent an acquisition of net position that applies to a future period. The element will not be recognized as revenue until the time restriction is met.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (continued)

For the year ended March 31, 2023, the Township records deferred inflows of resources on the Statement of Net Position relating to pension changes in experience, and deferred inflows related to leases.

Deferred outflows (inflows) of resources as of March 31, 2023 are as follows:

Deferred Outflows (Inflows) of Resources			
	Outflows	(Inflows)	Net
Differences in experience	\$	\$ (24,785)	\$ (24,785)
Differences in actuarial assumptions	107,556		107,556
Differences in investment expectations versus actual	325,592		325,592
Contributions subsequent to measurement date	32,435		32,435
Leases		(2,509,298)	(2,509,298)
Totals	\$ 465,583	\$ (2,534,083)	\$ (2,068,500)

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

In accordance with Governmental Accounting Standards Board (GASB) standards, all funds, agencies, and activities of the Township as the primary government have been included in the financial statements. Several potential component units have been evaluated under the criteria established by GASB standards and determined not to be component units based on financial independence and accountability.

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 3 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivables and payables between individual funds of the Township, as reported in the fund financial statements, as of March 31, 2023, were:

	<u>Interfund Receivable</u>		<u>Interfund Payable</u>
General Fund	\$ 201	Current Tax Collection Fund	\$ 201
General Fund	565	Streetlights Fund	565
General Fund	45,187	ARPA Fund	45,187
Acquatics Fund	2	General Fund	2
2022 Road Improvement	1	General Fund	1
2022 Road Improvement SAD	2	General Fund	2
Total	<u><u>\$ 45,958</u></u>		<u><u>\$ 45,958</u></u>

Interfund receivables and payables were eliminated between combined funds on the fund financial statement balance sheet presentation.

Interfund transfers, as reported in the fund financial statements, as of March 31, 2023, were:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
2022 Road Improvement SAD	2022 Road Improvement Fund	<u><u>\$ 148,003</u></u>

Interfund transfers were eliminated between combined funds on the fund financial statement of revenues, expenditures and changes in fund balances presentation.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2023, was as follows:

	<u>Balance 4/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reclass- ifications</u>	<u>Balance 3/31/2023</u>
Governmental activities:					
Capital assets not being depreciated					
Land	\$ 712,198	\$	\$	\$	\$ 712,198
Construction in progress		397,840			397,840
Total capital assets not being depreciated	<u>712,198</u>	<u>397,840</u>			<u>1,110,038</u>
Other capital assets:					
Buildings and improvements	6,896,546	828,556			7,725,102
Vehicles and equipment	689,063	115,522			804,585
Total other capital assets at historical cost	<u>7,585,609</u>	<u>944,078</u>			<u>8,529,687</u>
Less accumulated depreciation for:					
Buildings and improvements	(3,952,825)	(218,392)			(4,171,217)
Vehicles and equipment	(436,580)	(71,128)			(507,708)
Total accumulated depreciation	<u>(4,389,405)</u>	<u>(289,520)</u>			<u>(4,678,925)</u>
Other capital assets, net	<u>3,196,204</u>	<u>654,558</u>			<u>3,850,762</u>
Governmental capital assets, net	<u>\$3,908,402</u>	<u>\$1,052,398</u>	<u>\$</u>	<u>\$</u>	<u>\$4,960,800</u>

There is no related debt to these fixed assets.

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 206,132
Public safety	80,010
Cemetery	3,378
Total	<u>\$ 289,520</u>

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 4 - CAPITAL ASSETS (continued)

	<u>Balance 4/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2023</u>
Business-type activities:				
Capital assets not being depreciated				
Land - sewer	\$ 1,395,224	\$	\$	\$ 1,395,224
Other capital assets:				
Plant and collection system - sewer	31,442,841	46,760		31,489,601
Furniture and fixtures - sewer	22,500			22,500
Total other capital assets at historical cost	<u>31,465,341</u>	<u>46,760</u>		<u>31,512,101</u>
Less accumulated depreciation for:				
Plant and collection system - sewer	(16,753,680)	(835,712)		(17,589,392)
Furniture and fixtures - sewer	(22,500)			(22,500)
Total accumulated depreciation	<u>(16,776,180)</u>	<u>(835,712)</u>		<u>(17,611,892)</u>
Other capital assets, net	<u>14,689,161</u>	<u>(788,952)</u>		<u>13,900,209</u>
Business-type capital assets, net	<u><u>\$16,084,385</u></u>	<u><u>\$ (788,952)</u></u>	<u><u>\$</u></u>	<u><u>\$15,295,433</u></u>

Depreciation was charged to functions as follows:

Business-type activities:	
Sewer service	<u><u>\$ 835,712</u></u>

NOTE 5 - DEFINED BENEFIT PLAN

Plan Description

The employer's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com and is available to the public.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Benefits Provided

As of the December 31, 2022 actuarial valuation, the defined benefit plan was comprised of four divisions. Division 01 is for general employees hired prior to November, 2011 and is closed to new hires. Division 10 is for officials elected prior to November 2011 and is closed to new hires. Division 11 is open to all full time general Township employees hired after November 2011. Division 12 is for officials elected after November 2011 and remains open to new hires.

For Division 01 and Division 10 the plan calls for benefits to be paid as 2.00% of the final average compensation per year of service with no benefit maximum. For Division 11 and Division 12, benefits are to be paid as 1.50% of the final average compensation per year of service with no maximum benefit. Final average compensation is calculated based on the employee's final 3 years wages for all divisions. All divisions have a plan vesting period of 6 years, with normal retirement at age 60, and early retirement with reduced benefits eligible at age 50 with 25 years of service or age 55 with 15 years of service.

Employees covered by benefit terms

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

	<u>Division 01</u>	<u>Division 10</u>	<u>Division 11</u>	<u>Division 12</u>
Inactive employees or beneficiaries currently receiving benefits	9	2	0	0
Inactive employees entitled to but not yet receiving benefits	1	2	1	0
Active employees	3	0	7	2
Pending refunds	0	0	1	0
	<u>13</u>	<u>4</u>	<u>9</u>	<u>2</u>

Contributions

The Township 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 cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The actuarially determined rates for the plan year ended March 31, 2023 were \$6,195 per month for Division 01, \$0 per month for Division 10, 4.18% of eligible wages for Division 11, and 3.31% of eligible wages for Division 12. The Township elected to make additional voluntary contributions of 4.00% of eligible wages for all divisions and required employees to contribute 5.00% of eligible wages for all divisions.

Net Pension Liability (Asset)

The Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined from the annual actuarial valuation as of December 31, 2022.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Actuarial assumptions

The total pension liability in the December 31, 2022 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50%.

Salary Increases: 3.00% in the long term.

Investment rate of return: 7.00%, net of investment expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with price inflation of 2.50%.

Mortality rates used were based on the 2014 Healthy Annuitant Annuity Mortality Table, Employee Mortality Table, and Juvenile Mortality Table with a 50% Male and 50% Female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

The actuarial assumptions used in the valuation were based on the results of the most recent actuarial experience study in 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>		<u>Target Allocation Gross Rate of Return</u>		<u>Long-Term Expected Real Rate of Return</u>
Global Equity	60.00%	x	7.00%	=	4.20%
Global Fixed Income	20.00%	x	4.50%	=	0.90%
Private Investments	20.00%	x	9.50%	=	1.90%
					<u>7.00%</u>

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flow used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Changes in Net Pension Liability (Asset)

	Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position
	(a)	(b)
Balance at 12/31/2021	\$ 2,975,607	\$ 3,620,158
Changes for the year		
Service cost	78,399	
Interest on total pension liability	214,721	
Difference between expected and actual experience	(37,877)	
Changes in assumptions		
Employer contributions		479,149
Employee contributions		40,307
Net investment (loss)		(374,908)
Benefit payments, including employee refunds	(106,278)	(106,278)
Administrative expense		(6,789)
Other changes		
Net changes	148,965	31,481
Balance at 12/31/2022	\$ 3,124,572	\$ 3,651,639

Sensitivity of the Net Pension Liability (Asset) to changes in the discount rate

The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1% point lower (6.25%) or 1% higher (8.25%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Net Pension Liability (Asset) at 12/31/2022	\$ (527,067)	\$ (527,067)	\$ (527,067)
Change in Net Pension Liability (NPL) from change in discount rate	418,646		(348,543)
Calculated NPL	<u>\$ (108,421)</u>	<u>\$ (527,067)</u>	<u>\$ (875,610)</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 5 - DEFINED BENEFIT PLAN (continued)

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

For the fiscal year ended March 31, 2023, the Township recognized pension expense of \$164,048. The Township reported deferred outflows and (inflows) of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Totals
Deferred outflows (inflows) to be amortized			
Differences in experience	\$	\$ (24,785)	\$ (24,785)
Differences in assumptions	107,556		107,556
Excess (Deficit) of Investment Returns	325,592		325,592
Total deferred outflows (inflows) to be amortized	433,148	(24,785)	408,363
Contributions subsequent to the measurement date	32,435		32,435
Totals	<u>\$ 465,583</u>	<u>\$ (24,785)</u>	<u>\$ 440,798</u>

The amount reported as deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability (Asset) for the year ending March 31, 2023.

Amounts reported as deferred outflows and inflows of resources related to other pension activities will be amortized as part of pension expense as follows:

Year Ended March 31,	Expense
2023	\$ 111,666
2024	86,594
2025	79,683
2026	130,420
Total	<u>\$ 408,363</u>

NOTE 6 - DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the VOYA Financial.

The Township had amended the plan to be in compliance with the Small Business Job Protection Act of 1996. The assets of the plan have been moved to a trust to be held for the exclusive benefit of the participants and their beneficiaries. Prior to June 30, 1998, the assets of the plan have been reported in an agency fund.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 7 - DEFINED CONTRIBUTION PLAN

The Township participates in the John Hancock Defined Contribution Pension Plan for Michigan Township Employees. This is a single-employer plan. All Township trustees and the Township supervisor are eligible to participate in the plan. The Township contributes 10% of the supervisor's compensation and 25% of the trustees' compensation, while an employee may contribute between 1% and 10% of compensation. Annual compensation used to determine the current year contribution is as of April 1 of the preceding year. Contribution information is as follows:

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS \$ 12,076

Effective April 1, 2009, the Township adopted a MERS Uniform Defined Contribution Program. Beginning April 1, 2018, the Township contributes 10% of compensation and employees contribute 6% of compensation. The manager is the only participant in this program.

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS \$ 13,079

NOTE 8 - LONG-TERM OBLIGATIONS

Contracts Payable

The Township entered into a contract to repay bonds issued by Livingston County Drain Commission in which the proceeds of such bonds were used to construct and expand a sewer system. These bonds were extinguished during the fiscal year.

Bonds Payable

During fiscal year 2021, the Township received bond proceeds for a road improvement project. This bond was received from Huntington National Bank and principal payments began during the current fiscal year. The bond is expected to be extinguished in 2030.

During the current fiscal year, the Township received bond proceeds for a road improvement project. This bond was received from Huntington National Bank and principal payments begin in fiscal year 2024. The bond is expected to be extinguished in 2032.

The bond payable currently outstanding is as follows:

Purpose	Issuance Amount	Principal Installments	Final Maturity	Interest Rates	Debt Outstanding
Governmental activities:					
Huntington National Bank					
Road Improvement Project					
Special Assessment Bonds, Series 2020	\$ 1,345,000	\$ 180,000 — \$ 120,000	5/1/2029	0.05 — 1.25%	\$ 990,000
Huntington National Bank					
Road Improvement Project					
Special Assessment Bonds, Series 2022	\$ 1,180,000	\$ 120,000 — \$ 90,000	5/1/2032	4%	\$ 1,180,000

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS (continued)

Annual debt service requirements to maturity for the long-term debt of the Township are as follows:

Year Ending March 31	Governmental Activities	
	Principal	Interest
2024	\$ 260,000	\$ 59,875
2025	290,000	49,329
2026	290,000	43,256
2027	280,000	36,325
2028	280,000	29,525
2029-3031	770,000	61,313
	<u>\$ 2,170,000</u>	<u>\$ 279,623</u>

Pollution Remediation Obligation

On January 15, 2009, a consent order was issued to conclude the litigation between the Township and the State of Michigan over the clean-up of the former Collett Road dump site. In the order, the Township agreed to immediately pay \$1,350,000 to the State of Michigan and monitor the site and nearby groundwater for a period of up to ten (10) years. The Township has adopted GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, to account for its future obligation related to the consent order. As of March 31, 2023, the future monitoring costs to be borne by the Township were paid in full. However, the Township has determined that the remediation is not complete. The expected amount to be spent in future years is not exactly known, but the Township has elected to set aside a significant portion of its fund balance as restricted to deal with the remaining remediation procedures.

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the Township for the year ended March 31, 2023:

	Balance 4/1/2022	Additions	Reductions	Balance 3/31/2023	Due Within One Year
Governmental activities:					
Accumulated compensated absences	\$ 27,626	\$	\$ (1,315)	\$ 26,311	\$ 26,311
Bonds payable	1,165,000	1,180,000	(175,000)	2,170,000	260,000
Bonds premium		61,439		61,439	6,144
Total governmental debt	<u>\$ 1,192,626</u>	<u>\$ 1,241,439</u>	<u>\$ (176,315)</u>	<u>\$ 2,257,750</u>	<u>\$ 292,455</u>

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township deposits are in accordance with statutory authority.

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

As of March 31, 2023, cash, cash equivalents and investments consist of the following:

	<u>Total</u>	<u>Cash</u>	<u>Investments</u>
Deposits			
Checking accounts	\$ 20,302,614	\$ 20,302,614	\$
Money market and savings accounts	2,137,759	2,137,759	
Non-negotiable CDs	<u>3,935,656</u>		<u>3,935,656</u>
Total deposits	26,376,029	22,440,373	3,935,656
Investments			
External investment pool	<u>514,246</u>		<u>514,246</u>
Total deposits and investments	<u>\$ 26,890,275</u>	<u>\$ 22,440,373</u>	<u>\$ 4,449,902</u>

Cash, cash equivalents and investments are presented in the financial statements in the following areas:

Statement of Net Position

Cash, cash equivalents, and investments \$ 26,680,578

Fiduciary Funds

Cash 201

Total cash, cash equivalents and investments \$ 26,680,779

The difference between the carrying amount of cash and the amount mentioned above stems from cash on hand and outstanding items as of March 31, 2023.

The Township's cash and investments are subject to several types of risk which are explained in detail below.

Custodial Credit Risk

Deposits - This is the risk that in the event of a bank failure, the Township will not be able to recover its deposits. The Township does not have a deposit policy for custodial credit risk. The Township 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.

As of March 31, 2023 deposits in banks totaled \$26,890,275 which was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 15,650,820
Uninsured and collateralized	10,430,511
Uninsured and uncollateralized	<u>808,944</u>
	<u>\$ 26,890,275</u>

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Investments - This is the risk that in the event of the failure of a counterparty to a transaction, the Township will not be able to recover the value of its investments. The Township does not have a policy to cover custodial credit risk of investments. The Township evaluates each financial institution with which it invests and assesses the level of risk of each institution. Investments are made only those institutions with an acceptable estimated risk level.

The investments in external investment pools are not issued in securities form and therefore not subject to custodial credit risk disclosures. Amount invested in an external investment pool is \$514,246 as of March 31, 2023.

Concentration of Credit Risk

Concentration of credit risk is the risk attributed to the magnitude of a Township's investment in a single issuer. The Township's investment policy requires diversification with a primary focus on safety. However, the policy does not place a fixed percentage limit for any one issuer.

Investments in external investment pools are not subject to concentration of credit risk.

Investment Type	Issuer	Percent of Portfolio
Non-negotiable Certificate of Deposit	Horizon Bank	9%
Non-negotiable Certificate of Deposit	Comerica	6%
Non-negotiable Certificate of Deposit	Flagstar Bank	6%

Interest Rate Risk

Interest rate risk is the risk that changes in market will adversely affect the fair values of investments and cash deposits. The Township's investment policy requires this risk to be minimized by investing primarily in short-term deposits and investments thus avoiding the need to sell prior to maturity.

As of March 31, 2023 the Township had the following investments subject to interest rate risk:

Investment Type	Fair Value	Maturities (In-Years)	
		< 1	1- 3 years
Non-negotiable Certificates of Deposit	\$ 3,935,656	\$ 2,664,090	\$ 1,271,566

The Township's investment in the MBIA Investment Pool meets the definition of a 2a7-like pool and is therefore not subject to disclosures of interest rate risk. Investment in external investments pools at March 31, 2023 is \$514,246.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township investment policy limits investments to those authorized by Public Act 20 of 1943. Commercial paper must be rated within the two (2) highest classifications established by not less than two (2) standard ratings services. Ratings are not required for US Treasuries and money market accounts. As of March 31, 2023, the Township's investments were exposed to credit risk as follows:

<u>Investment Type</u>	<u>Rating by Standard & Poor</u>	<u>Amount</u>
Non-negotiable Certificates of Deposit	Unrated	\$ 3,935,656
		<u>\$ 3,935,656</u>

NOTE 10 - SEGMENT INFORMATION - ENTERPRISE FUNDS

Selected financial information with respect to the Enterprise Fund maintained by the Township for sewer service is as follows:

	<u>3/31/2023</u>
Operating revenues	\$ 1,488,263
Depreciation and amortization	835,712
Operating (loss)	(439,137)
Net working capital	1,305,493
Total assets	21,181,348
Reserved retained earnings	19,687,162
Unreserved retained earnings	1,305,493
Total fund equity	20,992,655

NOTE 11 - STATEMENT OF CASH FLOW - ENTERPRISE FUNDS

Pursuant to the Governmental Accounting Standards Board (GASB) standards, a statement of cash flow is presented. The purpose of the statement of cash flow is to explain the change in cash and cash equivalents during the year. Cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less. The direct method was utilized to present cash flow from operations. The following summarizes beginning and ending cash and cash equivalents:

	<u>April 1, 2022</u>	<u>March 31, 2023</u>
Cash and cash equivalents	<u>\$ 3,820,352</u>	<u>\$ 5,069,302</u>

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 12 - OTHER FINANCING SOURCES (USES)

The transfers of cash between the various funds are budgeted but reported separate from revenues and expenditures as transfers in or (out) unless they represent temporary advances that are to be repaid in which case they are carried as assets or liabilities of the advancing or borrowing fund.

NOTE 13 - TAX ABATEMENT

The Township has not made any commitments or agreements to abate property taxes. The Township is not subject to any tax abatement agreements entered into by other governmental entities.

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 21, 2023, which is the date the financial statements were available to be issued. Management has determined that the Township does not have any other material recognizable or non-recognizable events.

NOTE 15 - INVESTMENTS IN JOINT VENTURE

As of March 31, 2023, the Township has investments in four joint ventures. These joint ventures are described as follows:

Fonda, Island & Briggs Lake Joint Water Authority

The Charter Township of Brighton is a member of the Fonda, Island & Briggs Lake Joint Water Authority, (hereinafter "Authority"). The Authority pursuant to the provisions of Act 196, Public Acts of 1952. The system was constructed by the State of Michigan at no cost to the users with the expense after construction to be incurred by the users.

The Charter Township of Brighton does not hold an equity interest in this joint venture but maintains joint control and may experience an ongoing financial responsibility in the joint venture.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements for Fonda, Island & Briggs Lake Joint Water Authority can be obtained from the administrative offices of the Authority, at 11510 Grand River Ave., Brighton, Michigan 48116.

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 15 - INVESTMENTS IN JOINT VENTURE (continued)

Livingston Community Water Authority

The Charter Township of Brighton is a member of the Livingston Community Water Authority (hereinafter "LCWA"). LCWA was established under Act No. 233, Public Acts of Michigan on June 23, 2000. LCWA was formed to acquire, own, improve, enlarge, extend, operate, maintain and administer water supply systems to residents of the member communities.

The Charter Township of Brighton holds a 22.77% share of the equity in this joint venture, which amounted to \$4,163,187 as of March 31, 2023. The amount is recorded in the government-wide Statement of Net Position as investments in joint ventures.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements for LCWA can be obtained from the administrative offices of LCWA at 10001 Silver Lake Road, Brighton, Michigan 48116.

Selected financial information of Livingston Community Water Authority as of, and for, the fiscal year ended December 31, 2022 (the date financial information was last available) is as follows:

Total assets	\$	18,427,324
Total liabilities	\$	143,676
Total net assets	\$	18,283,648
Total revenues	\$	1,547,429
Total expenditures	\$	1,203,897

Southeastern Livingston County Recreation Authority

The Charter Township of Brighton is a member of the Southeastern Livingston County Recreation Authority (hereinafter "SELCRA"). SELCRA was jointly incorporated by the City of Brighton, the Charter Township of Brighton, the Charter Township of Genoa, and Green Oak Charter Township in 2002 under provisions of Public Act 321. SELCRA was formed to provide recreational services to the respective communities.

The City of Brighton and the Charter Township of Genoa have since withdrawn from the Authority in 2015. The Charter Township of Brighton does not hold an equity interest in the joint venture but maintains joint control and ongoing financial responsibility in SELCRA.

Complete financial statements for SELCRA can be obtained from its administrative offices at 218 E. Grand River Ave, Brighton, Michigan 48116.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 15 - INVESTMENTS IN JOINT VENTURE (continued)

Brighton Area Fire Authority

The Charter Township of Brighton is a member of the Brighton Area Fire Authority (hereinafter "BAFA"). BAFA was incorporated by the City of Brighton, the Charter Townships of Brighton, and the Charter Township of Genoa. BAFA was formed for the purpose of providing fire protection and safety services to the residents of its incorporating members. BAFA operations are funded through a voter approved millage. The Charter Township of Brighton holds a 1/3 share of the equity in this joint venture, which amounted to \$6,103,646 as of March 31, 2023. This amount is recorded in the government-wide Statement of Net Position as total investments in joint ventures.

The Township is unaware of any circumstances that would cause additional benefit or burden to the participating governments of the joint venture in the foreseeable future. Complete financial statements for BAFA can be obtained from its administrative offices at 615 W. Grand River Ave., Brighton, Michigan 48116. Selected financial information of BAFA as of and for the fiscal year ended June 30, 2022 (the date financial information was last available) is as follows:

Total assets	\$	19,846,762
Total liabilities	\$	1,535,825
Total net assets	\$	18,310,937
Total revenues	\$	7,614,112
Total expenditures	\$	5,065,990

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 16 - LEASES

The Township implemented GASB Standard No 87, *Leases*, for the year ended March 31, 2023, and has determined that it has several long-term lease receivable agreements. The Township is the lessor for noncancelable leases of land upon which various lessees have constructed cell towers. The Township recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements. The Township has an operating lease for the office building at 4337 Buno Rd, Brighton, MI, with Mr. and Mrs. Bruce Dietz. The lease began on February 11, 2011 and is for the duration of 30 years, terminating on December 31, 2041. The Township leased land to the Dietz's to build a building on it, to be rented out to the Michigan State Police Department. Once the building was completed, the building was leased back to the Township, who then subleased the building to the Michigan State Police Department. Rent is paid by the Michigan State Police Department to the Township. The Township then pays the Dietz's the rent collected. The Township recognizes a lease receivable and a deferred inflow of resources related to the rent received from the Michigan State Police Department in the government-wide and fund financial statements.

Leases were valued at implementation based on the present value of future lease payments, using a discount rate of 2.25%, based on the Township's calculated incremental borrowing rate as of April 1, 2022.

The net present value at implementation, lease term, rent earned, interest earned and remaining balance of these leases as of March 31, 2023 are presented below:

<u>Lease</u>	<u>Term</u>	<u>Balance at Implementation April 1, 2022</u>	<u>Reduction in Lease Receivable</u>	<u>Balance at March 31, 2023</u>	<u>Interest Earned</u>	<u>Total Received</u>
AT&T	5 Years	\$ 137,897	\$ 33,620	\$ 104,277	\$ 2,761	\$ 36,381
American Tower Asset	5 Years	397,613	61,666	335,947	8,317	69,983
Building - 4337 Buno Rd, Brighton, Michigan	30 years	2,190,629	89,110	2,101,519	48,374	137,484
Total		<u>\$ 2,726,139</u>	<u>\$ 184,396</u>	<u>\$ 2,541,743</u>	<u>\$ 59,452</u>	<u>\$ 243,848</u>

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

NOTE 16 - LEASES (continued)

Future expected lease receipts, including principal and interest, are expected to be received as noted below:

<u>Year Ended March 31,</u>	<u>Reduction in lease receivable</u>	<u>Interest Revenue</u>	<u>Total Receipts</u>
2024	\$ 191,697	\$ 55,229	\$ 246,926
2025	199,262	50,838	250,100
2026	196,713	46,294	243,007
2027	172,084	42,204	214,288
2028	157,343	38,316	195,659
2029-2041	1,624,644	265,760	1,890,404
Total	\$ 2,541,743	\$ 498,641	\$ 3,040,384

As noted above, the Township leased the building from the Dietz's.

The following charts summarizes the maturity analysis and balance of the lease payable:

<u>Lease Payable</u>		<u>Cash</u>	<u>Interest Expense</u>	<u>Liability Reduction</u>	<u>Lease Payable Balance</u>
Building - 4337 Buno Rd, Brighton, Michigan	2023	\$ 137,484	\$ 48,374	\$ 89,110	\$ 2,101,519
	2024	\$ 137,484	\$ 46,348	\$ 91,136	\$ 2,010,383
	2025	\$ 137,484	\$ 44,276	\$ 93,208	\$ 1,917,175
	2026	\$ 137,484	\$ 42,157	\$ 95,327	\$ 1,821,848
	2027	\$ 137,484	\$ 39,990	\$ 97,494	\$ 1,724,354
	2028-2041	\$ 2,027,889	\$ 303,535	\$ 1,724,354	

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023

NOTE 17 - UPCOMING PRONOUNCEMENTS

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, Subscription Based Information Technology Arrangements (SBITAs), which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This Statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Township is currently evaluating the impact this Standard will have on the financial statements when adopted. The provisions of this Statement are effective for the Township's financial statements for the year ending March 31, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The Township is currently evaluating the impact this Standard will have on the financial statements for the year ending March 31, 2025.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, Compensated Absences, which updates the recognition and measurement guidance for compensated absences under a unified model. This Statement requires that liabilities for compensated absences 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 and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this Statement are effective for the Township's financial statements for the year ending March 31, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Budget Amount			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,080,870	\$ 1,080,870	\$ 1,121,391	\$ 40,521
Connection fees			57,000	57,000
Special assessments			1,280	1,280
Licenses and permits	333,700	333,700	365,050	31,350
Intergovernmental - state	1,701,000	1,701,000	2,303,910	602,910
Rental income	229,484	229,484	233,423	3,939
Charges for services	574,530	1,074,530	988,552	(85,978)
Interest	32,100	32,100	308,087	275,987
Reimbursements			16,076	16,076
Miscellaneous	7,500	7,500	11,170	3,670
Total revenues	3,959,184	4,459,184	5,405,939	946,755
EXPENDITURES				
General government	3,634,180	4,133,796	3,171,709	962,087
Parks and recreation	1,944,000	1,969,000	466,801	1,502,199
Public safety	252,100	262,280	7,959	254,321
Road improvement	115,000	115,000	84,617	30,383
Cemetery	39,000	39,000	26,133	12,867
Public works	508,100	1,028,100	586,105	441,995
Total expenditures	6,492,380	7,547,176	4,343,324	3,203,852
Excess of revenues over (under) expenditures	(2,533,196)	(3,087,992)	1,062,615	4,150,607
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers (out)	(4,000)	(4,000)		4,000
Total other financing sources (uses)	(4,000)	(4,000)		4,000
Net change in fund balance	(2,537,196)	(3,091,992)	1,062,615	4,154,607
FUND BALANCE, APRIL 1, 2022	16,785,630	16,785,630	16,785,630	
FUND BALANCE, MARCH 31, 2023	\$ 14,248,434	\$ 13,693,638	\$ 17,848,245	\$ 4,154,607

CHARTER TOWNSHIP OF BRIGHTON

ARPA FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Budget			Variance Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Grant income		\$ 412,465.00	\$ 457,652.00	\$ 45,187.00
Interest	100	100	9,449	9,349
Total revenues	100	412,565	467,101	54,536
EXPENDITURES		426,400	457,652	(31,252)
Net change in fund balance	100	(13,835)	9,449	23,284
FUND BALANCE, APRIL 1, 2022	656	656	656	
FUND BALANCE, MARCH 31, 2023	<u>\$ 756.00</u>	<u>\$ (13,179.00)</u>	<u>\$ 10,105.00</u>	<u>\$ 23,284.00</u>

CHARTER TOWNSHIP OF BRIGHTON
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED MARCH 31, 2023

Schedule of Employer Contributions

	For the Plan Year Ended							
	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Actuarial determined contributions	\$ 87,067	\$ 61,881	\$ 47,902	\$ 38,134	\$ 21,280	\$ 32,558	\$ 9,179	\$ 6,376
Contributions in relation to the actuarial determined contribution	392,083	254,269	305,659	286,423	149,984	58,991	29,226	23,021
Contribution (deficiency) excess	<u>\$ 305,016</u>	<u>\$ 192,388</u>	<u>\$ 257,757</u>	<u>\$ 248,289</u>	<u>\$ 128,704</u>	<u>\$ 26,433</u>	<u>\$ 20,047</u>	<u>\$ 16,645</u>
Covered employee payroll	<u>\$ 778,687</u>	<u>\$ 719,110</u>	<u>\$ 712,079</u>	<u>\$ 600,806</u>	<u>\$ 511,739</u>	<u>\$ 523,920</u>	<u>\$ 511,727</u>	<u>\$ 457,995</u>
Contributions as a percentage of covered payroll	<u>50.35%</u>	<u>35.36%</u>	<u>42.92%</u>	<u>47.67%</u>	<u>29.31%</u>	<u>11.26%</u>	<u>5.71%</u>	<u>5.03%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available will be presented.

Notes to the Schedule of Employer Contributions (All divisions)

Actuarial cost method	Entry age
Amortization method	Layered by division
Remaining amortization period	Division 01: Initial UAL - 23 years, 2016 (Gain)/Loss - 22 years, 2017 (Gain)/Loss - 21 years Division 10: Initial UAL - 10 years, (Gain)/Loss - 15 years Division 11: Initial UAL - 10 years, (Gain)/Loss - 15 years Division 12: (Gain)/Loss - 15 years
Asset valuation method	5 year smoothing
Inflation	2.50%
Salary increases	3.00%
Investment rate of return	7.00%
Retirement age	Age 60. Early retirement with reduced benefits at age 50 with 25 years of service or 55 with 15 years of service.
Mortality	50% Female/50% Male, based on the 2014 Healthy Annuitant Annuity Mortality Table, Employee Mortality Table, and Juvenile Mortality Table.

UAL = Unfunded Accrued Liability

Previous Actuarial Methods and Assumptions

A seven-year smoothed asset valuation method was used for the time period of 2005 through 2013, and a 10-year smoothed asset valuation method was used through 2015. The Investment Rate of Return Assumption was previously assumed to be 7.35%.

CHARTER TOWNSHIP OF BRIGHTON

**DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED MARCH 31, 2023**

	For the Plan Year Ended							
	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
TOTAL PENSION LIABILITY								
Service cost	\$ 78,399	\$ 69,715	\$ 64,116	\$ 56,136	\$ 47,103	\$ 51,344	\$ 44,499	\$ 44,302
Interest	214,721	193,766	179,028	162,645	160,076	152,671	144,760	129,220
Changes in benefit terms								
Differences between expected and actual experience	(37,877)	7,265	(42)	31,764	35,737	4,783	18,428	78,534
Changes of assumptions		121,047	188,132	61,514				90,409
Benefit payments, including refunds of employee contributions	(106,278)	(126,634)	(107,439)	(110,008)	(107,815)	(119,820)	(104,648)	(94,079)
Other changes		9,355		8,536	23	(3)	(1)	
Net change in total pension liability	148,965	274,514	323,795	210,587	135,124	88,975	103,038	248,386
TOTAL PENSION LIABILITY - BEGINNING	2,975,607	2,701,093	2,377,298	2,166,711	2,031,587	1,942,612	1,839,574	1,591,188
TOTAL PENSION LIABILITY - ENDING	\$ 3,124,572	\$2,975,607	\$2,701,093	\$2,377,298	\$2,166,711	\$2,031,587	\$1,942,612	\$1,839,574
PLAN FIDUCIARY NET POSITION								
Contributions - employer	\$ 479,149	\$ 316,149	\$ 353,561	\$ 286,423	\$ 149,984	\$ 58,993	\$ 29,226	\$ 22,801
Contributions - employee	40,307	36,012	35,437	30,178	28,415	26,196	25,058	23,570
Net investment (loss) income	(374,908)	429,644	316,960	262,728	(76,897)	230,111	181,169	(25,009)
Benefit payments, including refunds of employee contributions	(106,278)	(126,634)	(107,439)	(110,008)	(107,815)	(119,820)	(104,648)	(94,079)
Administrative expenses	(6,789)	(4,950)	(4,859)	(4,518)	(3,738)	(3,639)	(3,578)	(3,660)
Net change in plan fiduciary net position	31,481	650,221	593,660	464,803	(10,051)	191,841	127,227	(76,377)
PLAN FIDUCIARY NET POSITION, BEGINNING	3,620,158	2,969,937	2,376,277	1,911,474	1,921,525	1,729,684	1,602,457	1,678,834
PLAN FIDUCIARY NET POSITION, ENDING	\$ 3,651,639	\$3,620,158	\$2,969,937	\$2,376,277	\$1,911,474	\$1,921,525	\$1,729,684	\$1,602,457
NET PENSION LIABILITY (ASSET)								
(TOTAL PENSION LIABILITY (ASSET) - PLAN FIDUCIARY NET POSITION)	\$ (527,067)	\$ (644,551)	\$ (268,844)	\$ 1,021	\$ 255,237	\$ 110,062	\$ 212,928	\$ 237,117
Plan fiduciary net position as a percentage of the total pension liability	116.87%	121.66%	109.95%	99.96%	88.22%	94.58%	89.04%	87.11%
Covered employee payroll	\$ 778,687	\$ 719,110	\$ 712,079	\$ 600,806	\$ 511,739	\$ 523,920	\$ 511,727	\$ 457,995
Net pension liability (asset) as a percentage of covered employee payroll	-67.69%	-89.63%	-37.75%	0.17%	49.88%	21.01%	41.61%	51.77%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available will be presented.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2023

NOTE - BUDGETARY INFORMATION

Budget Overruns

The following expenditures exceed appropriations:

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance (Unfavorable)</u>
ARPA Fund	<u>426,400</u>	<u>457,652</u>	<u>(31,252)</u>
	<u>\$426,400</u>	<u>\$ 457,652</u>	<u>\$ (31,252)</u>

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON

**FUNDS INCLUDED IN GASB 54 CONSOLIDATION
COMBINING BALANCE SHEETS**

MARCH 31, 2023

	General Fund	Budget Stabilization Fund	Parks Fund	Cemetery Fund	Future Road Improvement Fund	Trust and Agency Fund	Pathway Fund	Construction Escrow Fund	Eliminations	Restated General Fund
ASSETS										
Cash, cash equivalents and investments	\$ 13,597,735	\$ 289,214	\$ 1,258,556	\$ 145,518	\$ 1,093,579	\$ 44,681	\$ 883,596	\$ 565,407	\$	\$ 17,878,286
Receivables										
Taxes	44,637									44,637
Special assessments	69,665									69,665
State shared revenues	317,641									317,641
Lease receivable	2,541,743									2,541,743
Accounts	81,083							200		81,283
Due from other funds	46,830								(877)	45,953
Prepaid expenditures	74,785									74,785
Total assets	<u>\$ 16,774,119</u>	<u>\$ 289,214</u>	<u>\$ 1,258,556</u>	<u>\$ 145,518</u>	<u>\$ 1,093,579</u>	<u>\$ 44,681</u>	<u>\$ 883,596</u>	<u>\$ 565,607</u>	<u>\$ (877)</u>	<u>\$ 21,053,993</u>
LIABILITIES										
Accounts payable	\$ 39,445	\$	\$	\$	\$	\$	\$ 4,500	\$	\$	\$ 43,945
Accrued wages and vacation	43,089									43,089
Due to others						44,577				44,577
Due to other funds	5					104		773	(877)	5
Unearned revenue								564,834		564,834
Total liabilities	<u>82,539</u>					<u>44,681</u>	<u>4,500</u>	<u>565,607</u>	<u>(877)</u>	<u>696,450</u>
DEFERRED INFLOW OF RESOURCES										
Deferred inflow from leases	<u>2,509,298</u>									<u>2,509,298</u>
FUND BALANCE										
Nonspendable	74,785									74,785
Committed										
Roads					805,579					805,579
Parks and recreation			1,258,556				879,096			2,137,652
Cemetery				145,518						145,518
Assigned										
Township board	2,451,360									2,451,360
Future budget obligation					288,000					288,000
Unassigned	<u>11,656,137</u>	<u>289,214</u>								<u>11,945,351</u>
Total fund balance	<u>14,182,282</u>	<u>289,214</u>	<u>1,258,556</u>	<u>145,518</u>	<u>1,093,579</u>		<u>879,096</u>			<u>17,848,245</u>
Total liabilities, deferred inflow and fund balance	<u>\$ 16,774,119</u>	<u>\$ 289,214</u>	<u>\$ 1,258,556</u>	<u>\$ 145,518</u>	<u>\$ 1,093,579</u>	<u>\$ 44,681</u>	<u>\$ 883,596</u>	<u>\$ 565,607</u>	<u>\$ (877)</u>	<u>\$ 21,053,993</u>

CHARTER TOWNSHIP OF BRIGHTON

NONMAJOR FUNDS
COMBINING BALANCE SHEETS
MARCH 31, 2023

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUNDS			
	Liquor Law	SAD Road Maintenance	Municipal Refuse	SAD Aquatics	Opioid	2022 Road Bond SAD	Streetlights	2020 Road Bond SAD	2022 Road Improvement	Municipal Water	Totals
ASSETS											
Cash, cash equivalents and investments	\$ 54,725	\$ 145,283	\$ 70,725	\$ 265,170	\$ 1,927	377,821	\$	\$ 229,778	\$ 20	\$ 1,007,402	\$ 2,152,851
Receivables											
Special assessments							26,147			150,822	176,969
Accounts		3,503	3,605	4,267		3,643		5,435			20,453
Due from other funds				2		1		2			5
Prepaid expenditures	137										137
Total assets	\$ 54,862	\$ 148,786	\$ 74,330	\$ 269,439	\$ 1,927	\$ 381,465	\$ 26,147	\$ 235,215	\$ 20	\$ 1,158,224	\$ 2,350,415
LIABILITIES											
Accounts payable	\$ 21	\$ 2,060	\$	\$ 5,660	\$	\$	\$ 2,142	\$	\$	\$	\$ 9,883
Accrued wages	267										267
Due to other funds							565				565
Total liabilities	288	2,060		5,660			2,707				10,715
FUND BALANCE											
Non-spendable	137										137
Restricted											
Public safety	52,677				1,927						54,604
Roads		125,026				381,465		235,215	20		741,726
Public works			74,330	210,779			23,440			1,158,224	1,466,773
Assigned	1,760	21,700		53,000							76,460
Total fund balance	54,574	146,726	74,330	263,779	1,927	381,465	23,440	235,215	20	1,158,224	2,339,700
Total liabilities and fund balance	\$ 54,862	\$ 148,786	\$ 74,330	\$ 269,439	\$ 1,927	\$ 381,465	\$ 26,147	\$ 235,215	\$ 20	\$ 1,158,224	\$ 2,350,415

CHARTER TOWNSHIP OF BRIGHTON

**FUNDS INCLUDED IN GASB 54 CONSOLIDATION
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2023**

	General Fund	Budget Stabilization Fund	Parks Fund	Cemetery Fund	Future Road Improvement Fund	Trust and Agency Fund	Pathway Fund	Construction Escrow Fund	Eliminations	Restated General Fund
REVENUES										
Taxes	\$ 1,121,391	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,121,391
Connection fees	57,000									57,000
Special assessments	1,280									1,280
Licenses and permits	365,050									365,050
Intergovernmental - state	2,303,910									2,303,910
Rental income	233,423									233,423
Charges for services	462,931							525,621		988,552
Interest	289,441	1,256	9,378	595	4,315		3,102			308,087
Reimbursements	16,076									16,076
Miscellaneous	11,170									11,170
Total revenues	4,861,672	1,256	9,378	595	4,315		3,102	525,621		5,405,939
EXPENDITURES										
Current										
General government	2,627,441							525,621		3,153,062
Parks and recreation	154,000		15,800							169,800
Public safety	7,959									7,959
Road improvements	50,274				34,343					84,617
Cemetery	26,133									26,133
Public works	586,105									586,105
Capital outlay										
General government	18,647									18,647
Parks and recreation							297,001			297,001
Total expenditures	3,470,559		15,800		34,343		297,001	525,621		4,343,324
Excess of revenues over (under) expenditures	1,391,113	1,256	(6,422)	595	(30,028)		(293,899)			1,062,615
OTHER FINANCING SOURCES (USES)										
Transfers in			50,000	10,000	200,000		550,000		(810,000)	
Transfers (out)	(810,000)								810,000	
Total other financing sources (uses)	(810,000)		50,000	10,000	200,000		550,000			
Net change in fund balances	581,113	1,256	43,578	10,595	169,972		256,101			1,062,615
FUND BALANCE, APRIL 1, 2022	13,601,169	287,958	1,214,978	134,923	923,607		622,995			16,785,630
FUND BALANCE, MARCH 31, 2023	\$ 14,182,282	\$ 289,214	\$ 1,258,556	\$ 145,518	\$ 1,093,579	\$	\$ 879,096	\$	\$	\$ 17,848,245

CHARTER TOWNSHIP OF BRIGHTON

NONMAJOR FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2023

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUNDS			
	Liquor Law	SAD Road Maintenance	Municipal Refuse	SAD Aquatics	Opioid	2022 Road Bond SAD	Streetlights	2020 Road Bond SAD	2022 Road Improvement	Municipal Water	Totals
REVENUES											
Connection fees	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 332,383	\$ 332,383
Special assessments		76,415	117,421	117,565		232,916	26,151	180,331		4,843	755,642
Licenses and permits	11,818										11,818
Interest	1,135	449	264	947	6	546		619	1,174	3,723	8,863
Miscellaneous					1,921						1,921
Total revenues	12,953	76,864	117,685	118,512	1,927	233,462	26,151	180,950	1,174	340,949	1,110,627
EXPENDITURES											
Current											
Public safety	11,473										11,473
Road improvements		54,964							1,094,590		1,149,554
Public works			114,777	75,227			22,692			4,434	217,130
Debt service											
Principal								175,000			175,000
Interest								8,453			8,453
Total expenditures	11,473	54,964	114,777	75,227			22,692	183,453	1,094,590	4,434	1,561,610
Excess of revenues over (under) expenditures	1,480	21,900	2,908	43,285	1,927	233,462	3,459	(2,503)	(1,093,416)	336,515	(450,983)
OTHER FINANCING SOURCES (USES)											
Proceeds from bonds									1,241,439		1,241,439
Transfer (out)									(148,003)		(148,003)
Transfers in						148,003					148,003
Total other financing sources (uses)						148,003			1,093,436		1,241,439
Net changes in fund balances	1,480	21,900	2,908	43,285	1,927	381,465	3,459	(2,503)	20	336,515	790,456
FUND BALANCE, APRIL 1, 2022	53,094	124,826	71,422	220,494			19,981	237,718		821,709	1,549,244
FUND BALANCE, MARCH 31, 2023	\$ 54,574	\$ 146,726	\$ 74,330	\$ 263,779	\$ 1,927	\$ 381,465	\$ 23,440	\$ 235,215	\$ 20	\$ 1,158,224	\$ 2,339,700

INDIVIDUAL FUNDS

GENERAL FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash, cash equivalents and investments	\$ 13,597,735	
Receivables:		
Taxes	44,637	
Special assessments	69,665	
State shared revenues	317,641	
Accounts	81,083	
Lease	2,541,743	
Due from other funds	46,830	
Prepaid expenditures	74,785	
Total assets		\$ 16,774,119

LIABILITIES

Accounts payable	\$ 39,445	
Accrued wages and vacation	43,089	
Due to other funds	5	
Total liabilities		\$ 82,539

DEFERRED INFLOW OF RESOURCES

Deferred inflow from leases	2,509,298
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FUND BALANCE

Nonspendable - prepaid	74,785	
Assigned - Township board	2,451,360	
Unassigned	11,656,137	
Total fund balance		14,182,282
Total liabilities and fund balance		\$ 16,774,119

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND (PRE GASB 54 RESTATEMENT)

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,080,870	\$ 1,121,391	\$ 40,521
Connection fees		57,000	57,000
Special assessments		1,280	1,280
Licenses and permits	333,700	365,050	31,350
Intergovernmental - state	1,701,000	2,303,910	602,910
Rental income	229,484	233,423	3,939
Charges for services	424,530	462,931	38,401
Interest	25,000	289,441	264,441
Reimbursements		16,076	16,076
Miscellaneous	7,400	11,170	3,770
Total revenues	3,801,984	4,861,672	1,059,688
EXPENDITURES	5,032,076	3,470,559	1,561,517
Excess of revenues over (under) expenditures	(1,230,092)	1,391,113	2,621,205
OTHER FINANCING SOURCES (USES)			
Transfers in	2,000		(2,000)
Transfers (out)	(812,000)	(810,000)	2,000
Total other financing sources (uses)	(810,000)	(810,000)	
Net change in fund balance	(2,040,092)	581,113	2,621,205
FUND BALANCE, APRIL 1, 2022	13,601,169	13,601,169	
FUND BALANCE, MARCH 31, 2023	\$ 11,561,077	\$ 14,182,282	\$ 2,621,205

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TAXES			
Current property taxes	\$	\$ 1,118,378	\$
Delinquent property taxes		2,568	
Penalties/interest - delinquent taxes		151	
Trailer park fees		294	
Total taxes	<u>1,080,870</u>	<u>1,121,391</u>	<u>40,521</u>
CONNECTION FEES		57,000	57,000
SPECIAL ASSESSMENTS		1,280	1,280
LICENSES AND PERMITS			
Franchise fees		342,955	
Other licenses and permits		22,095	
Total licenses and permits	<u>333,700</u>	<u>365,050</u>	<u>31,350</u>
INTERGOVERNMENTAL - STATE			
State shared revenue		2,171,309	
Personal property tax reimbursement		111,265	
Right of way revenues		21,336	
Total intergovernmental - State	<u>1,701,000</u>	<u>2,303,910</u>	<u>602,910</u>
RENTAL INCOME	<u>229,484</u>	<u>233,423</u>	<u>3,939</u>
CHARGES FOR SERVICES			
Property tax administration fee		389,813	
Planning and zoning fees		58,496	
Dog licenses		272	
Other charges for services		14,350	
Total charges for services	<u>424,530</u>	<u>462,931</u>	<u>38,401</u>
INTEREST	<u>25,000</u>	<u>289,441</u>	<u>264,441</u>
REIMBURSEMENTS		16,076	16,076
MISCELLANEOUS			
Utilities administration fee		4,800	
Other revenue		6,370	
Total miscellaneous	<u>7,400</u>	<u>11,170</u>	<u>3,770</u>
Total revenues	<u>\$ 3,801,984</u>	<u>\$ 4,861,672</u>	<u>\$ 1,059,688</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

GENERAL FUND (PRE GASB 54 RESTATEMENT)

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED MARCH 31, 2023

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TOWNSHIP BOARD			
Wages, salaries and per diems	\$	\$ 34,332	\$
Payroll taxes		2,627	
Pension		8,686	
Insurance - life		206	
Consulting		7,155	
Worker's compensation		74	
Education/travel		748	
Printing and publishing		6,114	
Ordinance codification		1,092	
Dues		12,844	
Engineering services		15,000	
Total township board	<u>120,913</u>	<u>88,878</u>	<u>32,035</u>
SUPERVISOR			
Wages, salaries and per diems		35,506	
Payroll taxes		2,716	
Pension		3,570	
Insurance - life		62	
Worker's compensation		68	
Total supervisor	<u>43,889</u>	<u>41,922</u>	<u>1,967</u>
MANAGER			
Wages, salaries and per diems		131,489	
Wages, salaries and per diems - other		92,195	
Payroll taxes		17,448	
Insurance - benefits		4,400	
Pension		20,572	
Insurance - liability		5,177	
Insurance - life		640	
Health savings plan		1,220	
Insurance - disability		2,981	
Health care savings plan		17,077	
Supplies		733	
Consulting		1,067	
Worker's compensation		887	
Postage		220	
Education/travel		2,332	
Dues		2,099	
Total manager	<u>312,305</u>	<u>300,537</u>	<u>11,768</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ELECTIONS			
Wages, salaries and per diems		100,987	
Payroll taxes		5,534	
Pension		3,204	
Insurance - liability		10,313	
Insurance - life		192	
Health savings plan		1,389	
Insurance - disability		271	
Health care savings plan		2,846	
Supplies		15,045	
Worker's compensation		89	
Postage		22,292	
Repairs and maintenance		10,645	
Education /travel		13	
Consulting		10,522	
Dues		363	
Capital outlay		4,156	
Total elections	<u>361,235</u>	<u>187,861</u>	<u>173,374</u>
ASSESSOR			
Wages, salaries and per diems		195,327	
Payroll taxes		15,336	
Insurance - benefits		1,100	
Pension		34,282	
Insurance - liability		46,239	
Insurance - life		812	
Health savings plan		6,655	
Insurance - disability		3,205	
Health care savings plan		11,884	
Supplies		441	
Small equipment		3,215	
Worker's compensation		1,041	
Postage		4,987	
Printing and publishing		1,557	
Education and travel		1,358	
Telephone		781	
Dues		500	
Total assessor	<u>344,994</u>	<u>328,720</u>	<u>16,274</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
CLERK			
Wages, salaries and per diems - Clerk		64,402	
Wages, salaries and per diems - other		147,021	
Payroll taxes		16,290	
Pension		29,901	
Insurance - liability		51,483	
Insurance - life		632	
Health savings plan		7,069	
Insurance - disability		1,609	
Health care savings plan		15,780	
Supplies		1,366	
Professional fees		9,320	
Worker's compensation		588	
Postage		63	
Record retention		1,218	
Education/travel		563	
Newsletter		5,117	
Dues		608	
		<u>608</u>	
Total clerk	<u>367,130</u>	<u>353,030</u>	<u>14,100</u>
TREASURER			
Wages, salaries and per diems - Treasurer		85,870	
Wages, salaries and per diems - other		88,934	
Payroll taxes		13,531	
Insurance - benefits		2,750	
Pension		24,882	
Insurance - liability		26,401	
Insurance - life		588	
Health savings plan		2,779	
Insurance - disability		1,237	
Health care savings plan		12,332	
Supplies		566	
Tax forms		2,267	
Small equipment		414	
Professional fees		9,330	
Worker's compensation		535	
Postage		11,514	
Education/travel		1,998	
Dues		522	
Capital outlay		659	
		<u>659</u>	
Total treasurer	<u>335,744</u>	<u>287,109</u>	<u>48,635</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
SEWER AND WATER			
Per diems		300	
Professional fees		520,000	
Total sewer and water	<u>547,000</u>	<u>520,300</u>	<u>26,700</u>
ROADS	<u>65,000</u>	<u>50,274</u>	<u>14,726</u>
OTHER CHARGES AND SERVICES			
Pension expense		359,016	
Fuel		776	
Contracted services		51,295	
Legal fees		46,053	
Insurance - identity theft		777	
Telephone		2,415	
Equipment maintenance and repair		8,766	
Vehicle maintenance and repair		3,150	
Computer support		11,434	
Insurance - liability		42,588	
Equipment rental		1,741	
Lease interest		48,374	
Lease principal		89,110	
Capital outlay		16,865	
Total other charges and services	<u>879,000</u>	<u>682,360</u>	<u>196,640</u>
PLANNING			
Wages, salaries and per diems		81,306	
Payroll taxes		5,617	
Pension		20,346	
Insurance - liability		17,152	
Insurance - life		203	
Health savings plan		2,292	
Insurance - disability		1,090	
Health care savings plan		5,650	
Supplies		323	
Worker's compensation		410	
Postage		351	
Education/travel		82	
Printing and publishing		3,930	
Dues		65	
Engineering services		32,011	
Total planning	<u>219,986</u>	<u>170,828</u>	<u>49,158</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TOWNSHIP HALL/GROUNDS			
Wages, salaries and per diems		50,000	
Payroll taxes		3,825	
Pension		3,926	
Insurance		18,066	
Health care savings plan		3,360	
Supplies		14,609	
Contracted services		1,757	
Worker's compensation		299	
Street lighting		8,432	
Utilities		23,557	
Grounds maintenance and repairs		7,134	
Building maintenance and repairs		26,020	
Equipment maintenance and repairs		13,701	
Miscellaneous		285	
Tax chargebacks		871	
Capital outlay		13,702	
	<u>472,359</u>	<u>189,544</u>	<u>282,815</u>
Total township hall/grounds			
	<u>39,000</u>	<u>26,133</u>	<u>12,867</u>
CEMETERY			
FIRE PROTECTION			
Contracted services		1,858	
Water/sewer fee		80	
Street lighting		507	
Equipment maintenance and repair		65	
Building maintenance and repair		360	
Capital improvements		5,089	
	<u>262,280</u>	<u>7,959</u>	<u>254,321</u>
Total fire protection			

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EMERGENCY PREPAREDNESS	<u>8,500</u>	<u>509</u>	<u>7,991</u>
ENVIRONMENTAL	<u>54,000</u>	<u>47,019</u>	<u>6,981</u>
MUNICIPAL REFUSE COLLECTION	<u>15,000</u>	<u>10,705</u>	<u>4,295</u>
PARKS AND RECREATION	<u>154,000</u>	<u>154,000</u>	
DRAINS	<u>403,500</u>	<u>7,572</u>	<u>395,928</u>
CODE ENFORCEMENT			
Wages, salaries and per diems		8,900	
Payroll taxes		681	
Pension		2,466	
Insurance - benefits		2,079	
Insurance - life		25	
Health savings plan		278	
Insurance - disability		132	
Health care savings plan		685	
Worker's compensation		<u>53</u>	
Total code enforcement	<u>16,241</u>	<u>15,299</u>	<u>942</u>
CONTINGENCIES	<u>10,000</u>		<u>10,000</u>
Total expenditures	<u><u>\$ 5,032,076</u></u>	<u><u>\$ 3,470,559</u></u>	<u><u>\$ 1,561,517</u></u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

PARKS FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Parks Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

PARKS FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash

\$ 1,258,556

FUND BALANCE

\$ 1,258,556

This supplementary information shows the Parks Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

PARKS FUND (PRE GASB 54 RESTATEMENT)

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 4,000	\$ 9,378	\$ 5,378
EXPENDITURES	<u>725,000</u>	<u>15,800</u>	<u>709,200</u>
Excess of revenues over (under) expenditures	(721,000)	(6,422)	714,578
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>50,000</u>	<u>50,000</u>	
Net change in fund balance	(671,000)	43,578	714,578
FUND BALANCE, APRIL 1, 2022	<u>1,214,978</u>	<u>1,214,978</u>	
FUND BALANCE, MARCH 31, 2023	<u><u>\$ 543,978</u></u>	<u><u>\$ 1,258,556</u></u>	<u><u>\$ 714,578</u></u>

This supplementary information shows the Parks Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CEMETERY FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Cemetery Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON
CEMETERY FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS	
Cash	<u>\$ 145,518</u>
 FUND BALANCE	 <u>\$ 145,518</u>

This supplementary information shows the Cemetery Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

CEMETERY FUND (PRE GASB 54 RESTATEMENT)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 200	\$ 595	\$ 395
EXPENDITURES			
Excess of revenues over (under) expenditures	200	595	395
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	10,000	
Net change in fund balance	10,200	10,595	395
FUND BALANCE, APRIL 1, 2022	134,923	134,923	
FUND BALANCE, MARCH 31, 2023	<u>\$ 145,123</u>	<u>\$ 145,518</u>	<u>\$ 395</u>

This supplementary information shows the Cemetery Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

BUDGET STABILIZATION FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Budget Stabilization Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

BUDGET STABILIZATION FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 289,214
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FUND BALANCE

\$ 289,214

This supplementary information shows the Budget Stabilization Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**BUDGET STABILIZATION FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 300	\$ 1,256	\$ 956
EXPENDITURES			
Net change in fund balance	300	1,256	956
FUND BALANCE, APRIL 1, 2022	<u>287,958</u>	<u>287,958</u>	
FUND BALANCE, MARCH 31, 2023	<u>\$ 288,258</u>	<u>\$ 289,214</u>	<u>\$ 956</u>

This supplementary information shows the Budget Stabilization Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

FUTURE ROAD IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Future Road Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**FUTURE ROAD IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023**

ASSETS

Cash	<u>\$ 1,093,579</u>
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FUND BALANCE

<u>\$ 1,093,579</u>

This supplementary information shows the Future Road Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**FUTURE ROAD IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 2,000	\$ 4,315	\$ 2,315
EXPENDITURES			
Road improvements	50,000	34,343	15,657
Excess of revenues over (under) expenditures	(48,000)	(30,028)	17,972
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,000	
Net change in fund balance	152,000	169,972	17,972
FUND BALANCE, APRIL 1, 2022	923,607	923,607	
FUND BALANCE, MARCH 31, 2023	\$ 1,075,607	\$ 1,093,579	\$ 17,972

This supplementary information shows the Future Road Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

PATHWAYS FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Pathways Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

PATHWAYS FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 883,596
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LIABILITIES

Accounts payable	\$ 4,500
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FUND BALANCE

879,096

Total liabilities and fund balance	\$ 883,596
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This supplementary information shows the Pathways Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

PATHWAYS FUND (PRE GASB 54 RESTATEMENT)

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 600	\$ 3,102	\$ 2,502
EXPENDITURES	<u>1,090,000</u>	<u>297,001</u>	<u>792,999</u>
Excess of revenues over (under) expenditures	(1,089,400)	(293,899)	795,501
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>550,000</u>	<u>550,000</u>	
Net change in fund balance	(539,400)	256,101	795,501
FUND BALANCE, APRIL 1, 2022	<u>622,995</u>	<u>622,995</u>	
FUND BALANCE, MARCH 31, 2023	<u>\$ 83,595</u>	<u>\$ 879,096</u>	<u>\$ 795,501</u>

This supplementary information shows the Pathways Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

LIQUOR LAW ENFORCEMENT FUND

CHARTER TOWNSHIP OF BRIGHTON

LIQUOR LAW ENFORCEMENT FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 54,725
Prepaid expenditures	<u>137</u>

Total assets	<u><u>\$ 54,862</u></u>
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LIABILITIES

Accounts payable	\$ 21
Wages payable	<u>267</u>

Total liabilities	288
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FUND BALANCE	<u>54,574</u>
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Total liabilities and fund balance	<u><u>\$ 54,862</u></u>
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CHARTER TOWNSHIP OF BRIGHTON

LIQUOR LAW ENFORCEMENT FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Licenses and permits	\$ 10,616	\$ 11,818	\$ 1,202
Interest	300	1,135	835
Total revenues	10,916	12,953	2,037
EXPENDITURES			
Public safety	11,746	11,473	273
Net change in fund balance	(830)	1,480	2,310
FUND BALANCE, APRIL 1, 2022	53,094	53,094	
FUND BALANCE, MARCH 31, 2023	<u>\$ 52,264</u>	<u>\$ 54,574</u>	<u>\$ 2,310</u>

SAD ROAD MAINTENANCE FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD ROAD MAINTENANCE FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 145,283
Receivables	
Due from county	<u>3,503</u>

Total assets	<u>\$ 148,786</u>
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LIABILITIES

Accounts payable	\$ 2,060
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FUND BALANCE	<u>146,726</u>
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Total liabilities and fund balance	<u>\$ 148,786</u>
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CHARTER TOWNSHIP OF BRIGHTON

SAD ROAD MAINTENANCE FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$ 76,790	\$ 76,415	\$ (375)
Interest	300	449	149
Total revenues	77,090	76,864	(226)
EXPENDITURES			
Road improvements	173,550	54,964	118,586
Net change in fund balance	(96,460)	21,900	118,360
FUND BALANCE, APRIL 1, 2022	124,826	124,826	
FUND BALANCE, MARCH 31, 2023	<u>\$ 28,366</u>	<u>\$ 146,726</u>	<u>\$ 118,360</u>

STREETLIGHT FUND

CHARTER TOWNSHIP OF BRIGHTON

**STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2023**

ASSETS

Receivables	
Special assessments	<u>\$ 26,147</u>

LIABILITIES

Accounts payable	\$ 2,142
Due to other funds	<u>565</u>

Total liabilities 2,707

FUND BALANCE 23,440

Total liabilities and fund balance \$ 26,147

CHARTER TOWNSHIP OF BRIGHTON

STREETLIGHT FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	<u>\$ 27,235</u>	<u>\$ 26,151</u>	<u>\$ (1,084)</u>
EXPENDITURES			
Public works	<u>27,235</u>	<u>22,692</u>	<u>4,543</u>
 Net change in fund balance		3,459	3,459
 FUND BALANCE, APRIL 1, 2022	<u>19,981</u>	<u>19,981</u>	<u></u>
 FUND BALANCE, MARCH 31, 2023	<u><u>\$ 19,981</u></u>	<u><u>\$ 23,440</u></u>	<u><u>\$ 3,459</u></u>

MUNICIPAL REFUSE FUND

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL REFUSE FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 70,725
Receivables	
Due from county	<u>3,605</u>

Total assets	<u><u>\$ 74,330</u></u>
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FUND BALANCE	<u><u>\$ 74,330</u></u>
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CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL REFUSE FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$ 115,965	\$ 117,421	\$ 1,456
Interest	90	264	174
Total revenues	116,055	117,685	1,630
EXPENDITURES			
Public works	118,970	114,777	4,193
Net change in fund balance	(2,915)	2,908	5,823
FUND BALANCE, APRIL 1, 2022	71,422	71,422	
FUND BALANCE, MARCH 31, 2023	<u>\$ 68,507</u>	<u>\$ 74,330</u>	<u>\$ 5,823</u>

SAD AQUATICS FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD AQUATICS FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 265,170
Receivables	
Due from county	4,267
Due from other funds	<u>2</u>

Total assets	\$ 269,439
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LIABILITIES

Accounts payable	\$ 5,660
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FUND BALANCE	<u>263,779</u>
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Total liabilities and fund balance	<u>\$ 269,439</u>
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CHARTER TOWNSHIP OF BRIGHTON

SAD AQUATICS FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 115,055	\$ 117,565	\$ 2,510
Interest	140	947	807
Total revenues	115,195	118,512	3,317
EXPENDITURES			
Public works	294,380	75,227	219,153
Net change in fund balance	(179,185)	43,285	222,470
FUND BALANCE, APRIL 1, 2022	220,494	220,494	
FUND BALANCE, MARCH 31, 2023	<u>\$ 41,309</u>	<u>\$ 263,779</u>	<u>\$ 222,470</u>

MUNICIPAL WATER CAPITAL PROJECTS FUND

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL WATER CAPITAL PROJECTS FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash \$ 1,007,402

Receivables

Special assessments 150,822

Total assets \$ 1,158,224

FUND BALANCE \$ 1,158,224

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL WATER CAPITAL PROJECTS FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Connection fees	\$ 264,500	\$ 332,383	\$ 67,883
Special assessments	3,300	4,843	1,543
Interest	500	3,723	3,223
Total revenues	<u>268,300</u>	<u>340,949</u>	<u>72,649</u>
EXPENDITURES			
Contracted services	<u>14,500</u>	<u>4,434</u>	<u>10,066</u>
Net change in fund balance	253,800	336,515	82,715
FUND BALANCE, APRIL 1, 2022	<u>821,709</u>	<u>821,709</u>	
FUND BALANCE, MARCH 31, 2023	<u><u>\$ 1,075,509</u></u>	<u><u>\$ 1,158,224</u></u>	<u><u>\$ 82,715</u></u>

2022 ROAD IMPROVEMENT FUND

CHARTER TOWNSHIP OF BRIGHTON

**2022 ROAD IMPROVEMENT FUND
BALANCE SHEET
MARCH 31, 2023**

ASSETS

Cash

\$ 20

FUND BALANCE

\$ 20

CHARTER TOWNSHIP OF BRIGHTON

**2022 ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest	\$ 950	\$ 1,174	\$ 224
EXPENDITURES	<u>1,094,590</u>	<u>1,094,590</u>	
Excess of revenues over (under) expenditures	(1,093,640)	(1,093,416)	224
OTHER FINANCING SOURCES (USES)			
Proceeds from bonds	1,241,440	1,241,439	(1)
Transfers (out)	<u>(147,780)</u>	<u>(148,003)</u>	<u>(223)</u>
Net change in fund balance	20	20	
FUND BALANCE, APRIL 1, 2022	<u></u>	<u></u>	<u></u>
FUND BALANCE, MARCH 31, 2023	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$</u>

OPIOID FUND

CHARTER TOWNSHIP OF BRIGHTON

**OPIOID FUND
BALANCE SHEET
MARCH 31, 2023**

ASSETS

Cash

\$ 1,927

FUND BALANCE

\$ 1,927

CHARTER TOWNSHIP OF BRIGHTON

OPIOID FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Grant income	\$ 2,000	\$ 1,921	\$ (79)
Interest	10	6	(4)
Total revenues	2,010	1,927	(83)
EXPENDITURES			
Net change in fund balance	2,010	1,927	(83)
FUND BALANCE, APRIL 1, 2022			
FUND BALANCE, MARCH 31, 2023	<u>\$ 2,010</u>	<u>\$ 1,927</u>	<u>\$ (83)</u>

ARPA FUND

CHARTER TOWNSHIP OF BRIGHTON

ARPA FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 1,580,139
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LIABILITIES

Unearned revenue	\$ 1,524,847
Due to other funds	45,187

Total liabilities	\$ 1,570,034
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FUND BALANCE	10,105
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Total liabilities and fund balance	\$ 1,580,139
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CHARTER TOWNSHIP OF BRIGHTON

ARPA FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Grant income	\$ 412,465	\$ 457,652	\$ 45,187
Interest	100	9,449	9,349
Total revenues	412,565	467,101	54,536
EXPENDITURES	426,400	457,652	(31,252)
Net change in fund balance	(13,835)	9,449	23,284
FUND BALANCE, APRIL 1, 2022	656	656	
FUND BALANCE, MARCH 31, 2023	<u>\$ (13,179)</u>	<u>\$ 10,105</u>	<u>\$ 23,284</u>

2022 ROAD BOND SAD FUND

CHARTER TOWNSHIP OF BRIGHTON

2022 ROAD BOND SAD FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 377,821
Receivables	
Due from county	3,643
Due from other funds	<u>1</u>

Total assets	<u><u>\$ 381,465</u></u>
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FUND BALANCE	<u><u>\$ 381,465</u></u>
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CHARTER TOWNSHIP OF BRIGHTON

**2022 ROAD BOND SAD FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 232,917	\$ 232,916	\$ (1)
Interest	110	546	436
Total revenues	<u>233,027</u>	<u>233,462</u>	<u>435</u>
 OTHER FINANCING SOURCES (USES)			
Transfers in	<u>147,780</u>	<u>148,003</u>	<u>223</u>
 Net change in fund balance	<u>380,807</u>	<u>381,465</u>	<u>658</u>
 FUND BALANCE, APRIL 1, 2022	<u> </u>	<u> </u>	<u> </u>
 FUND BALANCE, MARCH 31, 2023	<u><u>\$ 380,807</u></u>	<u><u>\$ 381,465</u></u>	<u><u>\$ 658</u></u>

2020 ROAD BOND SAD FUND

CHARTER TOWNSHIP OF BRIGHTON

2020 ROAD BOND SAD FUND
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 229,778
Receivables	
Due from county	5,435
Due from other funds	<u>2</u>

Total assets	\$ 235,215
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FUND BALANCE	<u>\$ 235,215</u>
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CHARTER TOWNSHIP OF BRIGHTON

**2020 ROAD BOND SAD FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessments	\$ 305,705	\$ 180,331	\$ (125,374)
Interest	<u>180</u>	<u>619</u>	<u>439</u>
Total revenues	<u>305,885</u>	<u>180,950</u>	<u>(124,935)</u>
EXPENDITURES			
Debt service:			
Principal		175,000	(175,000)
Interest	<u>8,920</u>	<u>8,453</u>	<u>467</u>
Total expenditures	<u>8,920</u>	<u>183,453</u>	
Net change in fund balance	296,965	(2,503)	(299,468)
FUND BALANCE, APRIL 1, 2022	<u>237,718</u>	<u>237,718</u>	
FUND BALANCE, MARCH 31, 2023	<u><u>\$ 534,683</u></u>	<u><u>\$ 235,215</u></u>	<u><u>\$ (299,468)</u></u>

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 44,681
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LIABILITIES

Due to others	\$ 44,577
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Due to other funds	104
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Total liabilities	\$ 44,681
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This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CONSTRUCTION ESCROW FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Construction Escrow Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

CONSTRUCTION ESCROW FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2023

ASSETS

Cash	\$ 565,407
Receivables	
Other	<u>200</u>
Total assets	<u><u>\$ 565,607</u></u>

LIABILITIES

Due to other funds	\$ 773
Unearned revenues	<u>564,834</u>
Total liabilities	<u><u>\$ 565,607</u></u>

This supplementary information shows the Construction Escrow Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CHARTER TOWNSHIP OF BRIGHTON

**CONSTRUCTION ESCROW FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Charges for services	\$ 650,000	\$ 525,621	\$ (124,379)
EXPENDITURES			
General government	<u>650,000</u>	<u>525,621</u>	<u>124,379</u>
Net change in fund balance			
FUND BALANCE, APRIL 1, 2022	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE, MARCH 31, 2023	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

This supplementary information shows the Construction Escrow Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

SEWER FUND

CHARTER TOWNSHIP OF BRIGHTON

SEWER FUND BALANCE SHEET MARCH 31, 2023

CURRENT ASSETS

Cash and cash equivalents	\$ 887,476
Accounts receivable - usage	310,654
Accounts receivable - other	13,642
Due from county - delinquents	16,961
Inventory - pumps and parts	251,580
Prepaid expenditures	<u>13,873</u>

Total current assets \$ 1,494,186

RESTRICTED ASSETS

Cash and cash equivalents - debt service	587,132
Cash and cash equivalents - capital replacement	3,594,694
Accounts receivable - debt service (usage)	59,022
Special assessments receivable	139,564
Due from county - delinquents	<u>11,317</u>

Total restricted assets 4,391,729

CAPITAL ASSETS

Land	1,395,224
Sewer infrastructure	<u>31,512,101</u>
	32,907,325
Less: accumulated depreciation	<u>(17,611,892)</u>

Net capital assets 15,295,433

Total assets \$ 21,181,348

CURRENT LIABILITIES

Accounts payable	\$ 40,607
Accrued grinder pump expense	50,000
New connections - escrow funds	43,346
Unearned revenue	<u>54,740</u>

Total current liabilities \$ 188,693

NET POSITION

Retained earnings	<u>20,992,655</u>
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Total liabilities and net position \$ 21,181,348

CHARTER TOWNSHIP OF BRIGHTON

SEWER FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2023

OPERATING REVENUES

Sewer usage	\$ 1,242,012	
Sewer usage - debt service charges	<u>246,251</u>	
Total operating revenues		\$ 1,488,263

OPERATING EXPENSES

Administration	4,800	
Alarm maintenance	615	
Audit services	4,660	
Computer services	6,623	
Contracted services - operators	332,247	
Depreciation expense	835,712	
Legal	60	
Liability insurance	28,004	
Office expenses	14,070	
Permit fees	3,411	
Repairs and maintenance - grinder pumps and parts	294,344	
Repairs and maintenance - collection system	47,196	
Repairs and maintenance - equipment	19,559	
Repairs and maintenance - buildings and grounds	14,209	
Sludge removal	40,653	
Supplies	52,842	
Telephone	629	
Utilities	129,025	
Capital outlay	<u>98,741</u>	
Total operating expenses		<u>1,927,400</u>
Operating (loss)		(439,137)

NON-OPERATING REVENUES (EXPENSES)

Grant income	26,980	
Interest income - banks	21,821	
Interest income - special assessment	4,970	
Tap In fees	1,005,480	
Other revenue	<u>29,113</u>	
Total non-operating revenues		<u>1,088,364</u>
Change in net position		649,227
NET POSITION, APRIL 1, 2022		<u>20,343,428</u>
NET POSITION, MARCH 31, 2023		<u><u>\$ 20,992,655</u></u>

CHARTER TOWNSHIP OF BRIGHTON

**SEWER FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2023**

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Cash received from customers	\$ 1,436,407
Payments to suppliers for goods or services	<u>(1,155,113)</u>
Net cash from operating activities	\$ 281,294
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of fixed assets	(46,760)
Collections of special assessment (principal and interest)	51,064
Other revenues	29,113
Grant income	26,980
Tap In fees	<u>885,438</u>
Net cash from capital and related financing activities	945,835
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received on cash and cash equivalents	<u>21,821</u>
Net increase in cash and cash equivalents	1,248,950
CASH AND CASH EQUIVALENTS AT APRIL 1, 2022	<u>3,820,352</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2023	<u>\$ 5,069,302</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES	
Operating (loss)	\$ (439,137)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities:	
Depreciation and amortization	\$ 835,712
Changes in assets and liabilities	
(Increase) in accounts and delinquents receivable	(51,856)
(Increase) in prepaid expense	(2,809)
(Increase) in inventory	(14,445)
Increase in accounts payable	10,460
(Decrease) in new connections escrow	(22,500)
(Decrease) in unearned revenues	<u>(34,131)</u>
Total adjustments	<u>720,431</u>
Net cash from operating activities	<u>\$ 281,294</u>
SUPPLMENTAL DISCLOSURE OF NON CASH TRANSACTIONS:	
Additional special assessments levied included in tap fee income	<u>\$ 120,042</u>

CURRENT TAX COLLECTION FUND

CHARTER TOWNSHIP OF BRIGHTON

**CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2023**

ASSETS

Cash	\$ 201
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LIABILITIES

Due to other funds	\$ 201
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