



PFEFFER • HANNIFORD • PALKA

Certified Public Accountants

John M. Pfeffer, C.P.A.
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(810) 229-5550
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July 21, 2025

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

In planning and performing our audit of 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 as of and for the year ended March 31, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the Charter Township of Brighton's internal control over financial reporting (internal control) as a basis for designing and auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given those limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Thank you for your assistance and hospitality toward our firm while conducting the audit of the Charter Township of Brighton.

If you should have any questions, comments, or concerns, please do not hesitate to call us.

This report is intended solely for the information and use of the Board of Trustees and management of the Charter Township of Brighton and is not intended to be and should not be used by anyone other than these specified parties

Very truly yours,

Pfeffer, Hanniford & Palka, P.C.

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July 21, 2025

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Charter Township of Brighton, Michigan (the Township) as of and for the year ended March 31, 2025, and have issued our report thereon dated July 21, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 1, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Township solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding internal control over financial reporting and compliance noted during our audit in a separate letter to you dated July 21, 2025.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated April 1, 2025.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Township's Significant Accounting Practices Significant Accounting Policies

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Township is included in Note 1 to the financial statements.

There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025, except as noted in Note 18.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Depreciation

Management's estimate of the depreciation expense is based on the estimated useful lives and salvage value of capital assets. We have evaluated the key factors and assumptions used to develop the estimate for depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Lease Receivable

Management's estimate of the net present value of leases is based on the incremental borrowing rate and remaining lease term. We have evaluated the key factors and assumptions used to develop the estimate for net present value of leases in determining that it is reasonable in relation to the financial statements taken as a whole.

Pension - Actuarial Accrued Liability

Management has recorded an estimate for the actuarial accrued liability for future defined benefit retirement contributions. The liability is based on an estimate of wage increases, mortality tables to estimate the number of members who will reach retirement age and receive benefits during retirement, assumed retirement rates of employees, assumed rate of return on investments, and future changes in benefit provisions. We have evaluated the key factors and assumptions in developing an estimated actuarial accrued liability in determining that it is reasonable in relation to the financial statement taken as a whole.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosure, and the financial statements as a whole and each applicable opinion unit. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Township's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated July 21, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Township, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Township's auditors.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our financial statements or to the financial statements themselves.

This report is intended solely for the information and use of the Township Board of Trustees and management of Charter Township of Brighton, Michigan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

CHARTER TOWNSHIP OF BRIGHTON

**Report on Audit of Financial Statements and
Supplementary Information**

For the Year Ended March 31, 2025

CHARTER TOWNSHIP OF BRIGHTON

TOWNSHIP OFFICIALS

Supervisor - Patrick Michel
Clerk - Joseph Riker
Treasurer - Rose Drouillard

BOARD OF TRUSTEES

Rose Drouillard
Patrick Michel
Joseph Riker
Cathy Doughty
Dan Schifko
Sam Theis
Brian J. VanSingel

TOWNSHIP ATTORNEY

John K. Harris
Harris & Literski

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

July 21, 2025

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, 2025, 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, 2025, 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 58 - 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, 2025

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, 2025. 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 \$64,105,871. This is a \$3,943,350 increase over last year's net position of \$60,162,521.

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	
	3/31/2025	3/31/2024	3/31/2025	3/31/2024	3/31/2025	3/31/2024
ASSETS						
Current and other assets	\$ 42,475,840	\$ 39,339,507	\$ 7,795,879	\$ 7,128,096	\$ 50,271,719	\$ 46,467,603
Capital assets	6,237,987	6,021,515	14,197,131	14,669,586	20,435,118	20,691,101
Total assets	48,713,827	45,361,022	21,993,010	21,797,682	70,706,837	67,158,704
DEFERRED OUTFLOWS OF RESOURCES						
Pension-related activities	297,827	280,355			297,827	280,355
LIABILITIES						
Other liabilities	3,240,845	3,223,980	140,650	140,095	3,381,495	3,364,075
Long-term liabilities	1,330,000	1,620,000			1,330,000	1,620,000
Total liabilities	4,570,845	4,843,980	140,650	140,095	4,711,495	4,984,075
DEFERRED INFLOWS OF RESOURCES						
Deferred inflow - leases	2,187,298	2,292,463			2,187,298	2,292,463
Pension-related activities						
Total deferred inflows of resources	2,187,298	2,292,463			2,187,298	2,292,463
NET POSITION						
Net investment in capital assets	18,172,710	16,993,173	14,197,131	14,669,586	32,369,841	31,662,759
Restricted	2,007,832	2,511,396	5,736,518	5,364,937	7,744,350	7,876,333
Unrestricted	22,072,969	19,000,365	1,918,711	1,623,064	23,991,680	20,623,429
Total net position	\$ 42,253,511	\$ 38,504,934	\$ 21,852,360	\$ 21,657,587	\$ 64,105,871	\$ 60,162,521

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Totals	
	3/31/2025	3/31/2024	3/31/2025	3/31/2024	3/31/2025	3/31/2024
REVENUES						
Program revenues						
Charges for services	\$ 1,324,348	\$ 1,740,607	\$ 1,652,571	\$ 1,662,173	\$ 2,976,919	\$ 3,402,780
Operating grants and contributions	300,264	1,226,183			300,264	1,226,183
General revenues						
Property taxes	1,290,980	1,201,327			1,290,980	1,201,327
State revenues	2,261,439	2,310,918			2,261,439	2,310,918
Interest	968,827	877,708	190,180	172,463	1,159,007	1,050,171
Tap In fees			82,080	718,200	82,080	718,200
Donated assets		39,735				39,735
Other	579,060	674,104	14,036	26,058	593,096	700,162
Bond premium amortization	6,144	6,144			6,144	6,144
Gain on sale of asset	6,000	31,191			6,000	31,191
Change in investment in joint venture	963,065	704,825			963,065	704,825
Total revenues	7,700,127	8,812,742	1,938,867	2,578,894	9,638,994	11,391,636
EXPENSES						
General government	2,872,183	2,992,365			2,872,183	2,992,365
Public safety	29,058	59,895			29,058	59,895
Recreation	235,195	314,370			235,195	314,370
Public works/roads	815,114	1,055,168			815,114	1,055,168
Sewer system			1,744,094	1,913,962	1,744,094	1,913,962
Total expenses	3,951,550	4,421,798	1,744,094	1,913,962	5,695,644	6,335,760
Changes in net position	3,748,577	4,390,944	194,773	664,932	3,943,350	5,055,876
Beginning net position	38,504,934	34,113,990	21,657,587	20,992,655	60,162,521	55,106,645
Ending net position	\$ 42,253,511	\$ 38,504,934	\$ 21,852,360	\$ 21,657,587	\$ 64,105,871	\$ 60,162,521

The governmental funds experienced an increase in equity due mainly to a decrease in expenditures.

The business-type activities saw an increase in net position of \$194,773. 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 \$2,812,897. This was due to a decrease in expenditures, as well as a transfer in of \$525,000 from the Municipal Water Fund.

The Township's ARPA Fund decreased its fund balance by \$44,766, as all ARPA money was spent. The Township spent \$347,377 of ARPA grant money in the current fiscal year on various projects, including Veteran's Park restroom, Veteran's Park playground, and Veteran's Park improvements.

The Township's only major business-type fund, the Sewer Fund, reported an increase in net position of \$194,773.

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. No departments exceeded budget appropriations.

Capital Asset and Debt Administration

The Township government acquired \$492,928 of new capital assets during the year. Items purchased were:

Schedule of Capital Asset Additions

Fire Station 32 door	\$	5,000
Roofing changes Fire Station 32		15,962
Fire Station 33 garage door		11,800
Encoder		5,918
Color copier		5,872
Security cameras - weber street		16,906
BAS server		10,706
2025 Ford Maverick		29,262
Township hall server		5,804
Veteran's Park improvement		93,354
Veteran's Park restroom		140,456
Veteran's Park playground		<u>151,888</u>
 Total additions		<u>\$ 492,928</u>

The governmental funds traded in a fully depreciated 2014 Ford Escape when the 2025 Ford Maverick was purchased, at a trade in value of \$6,000.

Principal of \$290,000 was paid on the Township's governmental debt during the year (related to special assessment bond), taking the total from \$1,910,000 to \$1,620,000.

The business-type activities acquired \$117,734 of new capital assets this year – which included two RAS VFOs for \$10,951, a wasting flow meter for \$10,100, a pump at Station #3 for \$34,492, a pump at Station #5 for \$22,201, a pump at Station #6 for \$15,000 and a garage door for \$24,990.

The business-type activities have one project that qualifies as construction in process - the WWTP generator replacement. The Township spent \$131,930 on this project as of March 31, 2025. 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.

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, 2025

	Primary Government Governmental Activities		Business-type Activities	Total
ASSETS				
Cash, cash equivalents and investments	\$ 24,950,712		\$ 6,637,040	\$ 31,587,752
Receivables				
Taxes	55,579			55,579
Special assessments	163,386		153,284	316,670
State shared revenues	351,914			351,914
Accounts	92,983		397,748	490,731
Leases receivable	2,259,872			2,259,872
Prepaid expenses	115,406		12,477	127,883
Right of use asset	1,857,875			1,857,875
Inventory			595,330	595,330
Net pension asset	693,390			693,390
Capital assets				
Non-depreciable	712,197		1,577,309	2,289,506
Depreciable - net of accumulated depreciation	5,525,790		12,619,822	18,145,612
Investment in joint ventures	11,934,723			11,934,723
Total assets	48,713,827		21,993,010	70,706,837
DEFERRED OUTFLOWS OF RESOURCES				
Pension-related activities	297,827			297,827
LIABILITIES				
Accounts payable and other accrued expenses	30,531		139,655	170,186
Accrued wages/taxes	61,561			61,561
Compensated absences	64,187			64,187
Lease payable	1,917,175			1,917,175
Due to others	461,940			461,940
Due to other funds	31		(31)	
Unearned revenues	366,269		1,026	367,295
Bond premium	49,151			49,151
Long term obligations				
Other due within one year	290,000			290,000
Other due in more than one year	1,330,000			1,330,000
Total liabilities	4,570,845		140,650	4,711,495
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leases	2,187,298			2,187,298
Total deferred inflows of resources	2,187,298			2,187,298
NET POSITION				
Net investment in capital assets	18,172,710		14,197,131	32,369,841
Restricted	2,007,832		5,736,518	7,744,350
Unrestricted	22,072,969		1,918,711	23,991,680
Total net position	\$ 42,253,511		\$ 21,852,360	\$ 64,105,871

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Programs Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
PRIMARY GOVERNMENT						
General government	\$ (2,814,004)	\$ 573,410	\$ 300,264	\$ (1,940,330)	\$	\$ (1,940,330)
Public works	(369,284)	750,938		381,654		381,654
Recreation	(235,195)			(235,195)		(235,195)
Roads	(445,830)			(445,830)		(445,830)
Public safety	(29,058)			(29,058)		(29,058)
Cemetery	(8,350)			(8,350)		(8,350)
Interest on long-term debt	(49,829)			(49,829)		(49,829)
Total primary government	(3,951,550)	1,324,348	300,264	(2,326,938)		(2,326,938)
BUSINESS-TYPE ACTIVITIES						
Sewer system	(1,744,094)	1,652,571			(91,523)	(91,523)
Total	\$ (5,695,644)	\$ 2,976,919	\$ 300,264	(2,326,938)	(91,523)	(2,418,461)
General revenues						
Property taxes				1,290,980		1,290,980
Licenses and permits				312,027		312,027
State revenues				2,261,439		2,261,439
Interest income				968,827	184,021	1,152,848
Special assessments interest income					6,159	6,159
Rental income				215,529		215,529
Other income				51,504	14,036	65,540
Tap In fees					82,080	82,080
Bond premium amortization				6,144		6,144
Gain on sale of asset				6,000		6,000
Change in investment in joint venture				963,065		963,065
Total general revenues				6,075,515	286,296	6,361,811
Changes in net position						
				3,748,577	194,773	3,943,350
Net position, April 1, 2024				38,504,934	21,657,587	60,162,521
Net position, March 31, 2025				\$ 42,253,511	\$ 21,852,360	\$ 64,105,871

The notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON

GOVERNMENTAL FUNDS
BALANCE SHEET
MARCH 31, 2025

	General Fund	Non-major Funds	Total
ASSETS			
Cash, cash equivalents and investments	\$ 22,912,331	\$ 2,038,381	\$ 24,950,712
Receivables			
Taxes	55,579		55,579
Special assessments	27,599	135,787	163,386
State shared revenues	351,914		351,914
Accounts	73,833	15,925	89,758
Lease receivable	2,259,872		2,259,872
Due from other funds	3,538	4,834	8,372
Prepaid expenditures	85,935	29,471	115,406
Total assets	<u>\$ 25,770,601</u>	<u>\$ 2,224,398</u>	<u>\$ 27,994,999</u>
LIABILITIES			
Accounts payable	\$ 26,639	\$ 3,892	\$ 30,531
Accrued wages and vacations	61,236	325	61,561
Due to others	461,940		461,940
Due to other funds	4,865	313	5,178
Unearned revenue	366,269		366,269
Total liabilities	<u>920,949</u>	<u>4,530</u>	<u>925,479</u>
DEFERRRED INFLOW			
Deferred inflow from leases	<u>\$ 2,187,298</u>		<u>\$ 2,187,298</u>
FUND BALANCES			
Nonspendable - prepaid items	85,935	29,471	115,406
Restricted			
Public safety		61,099	61,099
Roads		719,704	719,704
Refuse		78,510	78,510
Aquatics		122,577	122,577
Streetlights		30,583	30,583
Municipal water		995,359	995,359
Committed			
Roads	718,107		718,107
Capital improvement			
Parks and recreation	2,034,499		2,034,499
Cemetery	174,877		174,877
Assigned			
Township board	9,451,360		9,451,360
Future budget obligation	225,000	182,565	407,565
Unassigned	<u>9,972,576</u>		<u>9,972,576</u>
Total fund balance	<u>22,662,354</u>	<u>2,219,868</u>	<u>24,882,222</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 25,770,601</u>	<u>\$ 2,224,398</u>	<u>\$ 27,994,999</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, 2025

Total fund balance per balance sheet	\$ 24,882,222
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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	\$ 11,420,116
Depreciation	<u>(5,182,129)</u>
Capital assets, net of depreciation:	6,237,987
Right to use asset	<u>1,857,875</u>
Total assets	8,095,862

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

11,934,723

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	121,405
Pension changes in assumptions	18,247
Pension changes in experience	81,905
Subsequent pension contributions	<u>76,270</u>
Total pension-related deferred outflows (inflows) of resources:	297,827

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

Compensated absences	(64,187)
Bond premium	(49,151)
Lease payable	(1,917,175)
Bonds payable	<u>(1,620,000)</u>
Total long-term liabilities:	(3,650,513)

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:	<u>693,390</u>
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Net position of governmental activities	<u>\$ 42,253,511</u>
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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, 2025

	General Fund	ARPA Fund	Non-major Funds	Total
REVENUES				
Taxes	\$ 1,290,980	\$	\$	\$ 1,290,980
Connection fees	51,300		8,830	60,130
Special assessments	2,688		700,389	703,077
Licenses and permits	300,122		11,905	312,027
Intergovernmental - state	2,261,439			2,261,439
Rental income	215,529			215,529
Charges for services	561,141			561,141
Interest	907,784	3,947	57,096	968,827
Reimbursements	32,900			32,900
Grant revenue		298,664	1,600	300,264
Miscellaneous	<u>18,604</u>			<u>18,604</u>
Total revenues	<u>5,642,487</u>	<u>302,611</u>	<u>779,820</u>	<u>6,724,918</u>
EXPENDITURES				
Current				
General government	2,553,009			2,553,009
Parks and recreation	228,496			228,496
Public safety	6,129		12,271	18,400
Road improvements	378,886		66,944	445,830
Cemetery	4,972			4,972
Public works	44,247		325,037	369,284
Capital outlay				
General government	118,906			118,906
Parks and recreation	20,645	347,377		368,022
Fire protection				
Debt service				
Prinicpal			290,000	290,000
Interest			49,829	49,829
Total expenditures	<u>3,355,290</u>	<u>347,377</u>	<u>744,081</u>	<u>4,446,748</u>
Excess of revenues over (under) expenditures	<u>2,287,197</u>	<u>(44,766)</u>	<u>35,739</u>	<u>2,278,170</u>
OTHER FINANCING SOURCES (USES)				
Sale of asset				
Transfers in	525,600			525,600
Transfers (out)			(525,600)	(525,600)
Total other financing sources (uses)	<u>525,600</u>		<u>(525,600)</u>	
Net changes in fund balances	<u>2,812,797</u>	<u>(44,766)</u>	<u>(489,861)</u>	<u>2,278,170</u>
FUND BALANCE, APRIL 1, 2024	<u>19,849,557</u>	<u>44,766</u>	<u>2,709,729</u>	<u>22,604,052</u>
FUND BALANCE, MARCH 31, 2025	<u>\$ 22,662,354</u>	<u>\$ -</u>	<u>\$ 2,219,868</u>	<u>\$ 24,882,222</u>

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, 2025**

Net change in fund balances - governmental funds \$ 2,278,170

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	\$ 492,928
Proceeds from sale of assets	6,000
Gain on sale of assets	(6,000)
Depreciation expense	<u>(276,456)</u>
Total:	216,472

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 963,065

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 46,600

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	(34,160)
Right to use asset amortization	(17,714)
Bond premium amortization	6,144
Bond principal payment	<u>290,000</u>
Total:	<u>244,270</u>

Change in net position of governmental activities \$ 3,748,577

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

PROPRIETARY FUND
STATEMENT OF NET POSITION
MARCH 31, 2025

	<u>Sewer Fund</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 6,637,040
Receivables	
Special assessments	153,284
Accounts	397,748
Due from other funds	31
Prepaid expenses	12,477
Inventory	<u>595,330</u>
Total before capital assets	<u>7,795,910</u>
Non-current assets	
Land	1,395,224
Construction in process	182,085
Utility systems	<u>31,673,328</u>
Total cost	<u>33,250,637</u>
Less accumulated depreciation	<u>(19,053,506)</u>
Non-current assets, net	<u>14,197,131</u>
Total assets	<u>21,993,041</u>
LIABILITIES	
Current liabilities	
Accounts payable	49,790
Accrued grinder pump expense	50,000
New connections - escrow funds	39,865
Unearned revenue	<u>1,026</u>
Total liabilities	<u>140,681</u>
NET POSITION	
Net investment in capital assets	14,197,131
Restricted	5,736,518
Unrestricted	<u>1,918,711</u>
Total net position	<u>\$ 21,852,360</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, 2025

	<u>Sewer Fund</u>
OPERATING REVENUES	
Utility billings	\$ 1,652,571
OPERATING EXPENSES	<u>1,744,094</u>
Operating (loss)	<u>(91,523)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income - cash and equivalents	184,021
Interest income - special assessments	6,159
Tap In fees	82,080
Other revenue	<u>14,036</u>
Total non-operating revenues (expenses)	286,296
Change in net position	194,773
NET POSITION, APRIL 1, 2024	<u>21,657,587</u>
NET POSITION, MARCH 31, 2025	<u>\$ 21,852,360</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, 2025

SEWER FUND

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES

Cash received from customers	\$ 1,704,640
Payments to suppliers for goods or services	<u>(791,940)</u>
Net cash from operating activities	\$ 912,700

CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of fixed assets	(249,664)
Collections of special assessment (principal and interest)	8,006
Other revenues	14,036
Tap In fees	<u>82,080</u>

Net cash (used in) capital and related financing activities (145,542)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received on cash and cash equivalents	<u>184,021</u>
Net increase in cash and cash equivalents	951,179

CASH AND CASH EQUIVALENTS AT APRIL 1, 2024

CASH AND CASH EQUIVALENTS AT MARCH 31, 2025

**RECONCILIATION OF OPERATING (LOSS) TO NET CASH
FROM (USED IN) OPERATING ACTIVITIES**

Operating (loss)	\$ (91,523)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities:	
Depreciation and amortization	\$ 722,119
Changes in assets and liabilities	
(Increase) in accounts and delinquents receivable	52,069
(Increase) in prepaid expense	3,436
(Increase)/decrease due to other funds	(31)
(Increase)/decrease in inventory	226,190
Increase/(decrease) in accounts payable	(7,545)
Increase/(decrease) in due to other funds	(146)
Increase/(decrease) in new connections escrow	7,105
Increase/(decrease) in unearned revenues	<u>1,026</u>
Total adjustments	<u>1,004,223</u>
Net cash from operating activities	<u>\$ 912,700</u>

The notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF BRIGHTON

FIDUCIARY FUND
STATEMENT OF ASSETS AND LIABILITIES
MARCH 31, 2025

	Current	
	<u> </u>	Tax
ASSETS		
Cash	<u>\$ 3,225</u>	
LIABILITIES		
Due to other funds	<u>\$ 3,225</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, 2025

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, 2025

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, 2025

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, 2025

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, 2025

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, 2024 as revenue for the year ended March 31, 2025.

The 2024 adjusted taxable value totaled \$1,492,035,587 Taxes levied consisted of .8657 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, 2025

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, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. LEASE RECEIVABLE

The Township is a lessor 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, 2025, 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, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (continued)

For the year ended March 31, 2025, 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, 2025 are as follows:

Deferred Outflows (Inflows) of Resources

	Outflows	(Inflows)	Net
Differences in experience	\$ 81,905	\$	\$ 81,905
Differences in actuarial assumptions	18,247		18,247
Differences in investment expectations versus actual	121,405		121,405
Contributions subsequent to measurement date	76,270		76,270
Leases		(2,048,030)	(2,048,030)
Totals	\$ 297,827	\$ (2,048,030)	\$ (1,750,203)

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, 2025**

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, 2025, were:

	Interfund Receivable		Interfund Payable
General Fund	\$ 3,225	Current Tax Collection Fund	\$ 3,225
General Fund	313	Road Maintenance Fund	313
Streetlights Fund	4,833	General Fund	4,833
Sewer Fund	31	General Fund	31
2022 Road Improvement SAD	<u>1</u>	General Fund	<u>1</u>
Total	<u>\$ 8,403</u>		<u>\$ 8,403</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, 2025, were:

Transfer In	Transfer Out	Amount
Parks Fund	General Fund	\$ 60,000
Cemetery Fund	General Fund	10,000
Future Road Improvement	General Fund	200,000
General Fund	Municipal Water Fund	<u>525,600</u>
		<u>\$ 795,600</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, 2025**

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2025, was as follows:

	Balance 4/1/2024	Additions	Deletions	Reclass- ifications	Balance 3/31/2025
Governmental activities:					
Capital assets not being depreciated					
Land	\$ 712,197	\$	\$	\$	\$ 712,197
Construction in progress	<u>1,221,841</u>	<u>385,698</u>	<u> </u>	<u>(1,607,539)</u>	<u> </u>
Total capital assets not being depreciated	<u>1,934,038</u>	<u>385,698</u>	<u> </u>	<u>(1,607,539)</u>	<u>712,197</u>
Other capital assets:					
Buildings and improvements	7,790,461	32,762		1,256,776	9,079,999
Vehicles and equipment	<u>1,225,734</u>	<u>74,468</u>	<u>(23,045)</u>	<u>350,763</u>	<u>1,627,920</u>
Total other capital assets at historical cost	<u>9,016,195</u>	<u>107,230</u>	<u>(23,045)</u>	<u>1,607,539</u>	<u>10,707,919</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,371,633)	(193,389)		(4,565,022)	
Vehicles and equipment	<u>(557,085)</u>	<u>(83,067)</u>	<u>23,045</u>	<u> </u>	<u>(617,107)</u>
Total accumulated depreciation	<u>(4,928,718)</u>	<u>(276,456)</u>	<u>23,045</u>	<u> </u>	<u>(5,182,129)</u>
Other capital assets, net	<u>4,087,477</u>	<u>(169,226)</u>	<u> </u>	<u>1,607,539</u>	<u>5,525,790</u>
Governmental capital assets, net	<u>\$6,021,515</u>	<u>\$ 216,472</u>	<u>\$ </u>	<u>\$ </u>	<u>\$6,237,987</u>

There is no related debt to these fixed assets.

Depreciation was charged to functions as follows:

Governmental activities:

General government	\$ 255,721
Parks & Recreation	6,699
Public safety	10,658
Cemetery	<u>3,378</u>
Total	<u>\$ 276,456</u>

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE 4 - CAPITAL ASSETS (continued)

	Balance 4/1/2024	Additions	Deletions	Balance 3/31/2025
Business-type activities:				
Capital assets not being depreciated				
Land - sewer	\$ 1,395,224	\$	\$	\$ 1,395,224
Construction in progress	<u>50,155</u>	<u>131,930</u>	<u></u>	<u>182,085</u>
Total business-type assets at historical cost	1,445,379	131,930		1,577,309
Other capital assets:				
Plant and collection system - sewer	31,533,094	117,734	31,650,828	
Furniture and fixtures - sewer	<u>22,500</u>	<u></u>	<u></u>	<u>22,500</u>
Total other capital assets at historical cost	<u>31,555,594</u>	<u>117,734</u>	<u></u>	<u>31,673,328</u>
Less accumulated depreciation for:				
Plant and collection system - sewer	(18,308,887)	(722,119)	(19,031,006)	
Furniture and fixtures - sewer	<u>(22,500)</u>	<u></u>	<u></u>	<u>(22,500)</u>
Total accumulated depreciation	<u>(18,331,387)</u>	<u>(722,119)</u>	<u></u>	<u>(19,053,506)</u>
Other capital assets, net	<u>13,224,207</u>	<u>(604,385)</u>	<u></u>	<u>12,619,822</u>
Business-type capital assets, net	<u>\$ 14,669,586</u>	<u>\$ (604,385)</u>	<u>\$</u>	<u>\$14,197,131</u>

Depreciation was charged to functions as follows:

Business-type activities:

Sewer service \$ 722,119

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, 2025

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Benefits Provided

As of the December 31, 2024 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, 2024 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	10	2	0	0
Inactive employees entitled to but not yet receiving benefits	0	2	2	0
Active employees	3	0	9	2
Pending refunds	0	0	1	0
	<u>13</u>	<u>4</u>	<u>12</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, 2025 were \$5,749 per month for Division 01, \$0 per month for Division 10, 5.6% of eligible wages for Division 11, and 3.98% of eligible wages for Division 12. The Township elected to make additional voluntary contributions of \$50,000 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, 2024.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Actuarial assumptions

The total pension liability in the December 31, 2024 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: 6.93%, 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:

Asset Class	Target Allocation	Target Allocation		Long-Term Expected Real Rate of Return	
		Gross Rate of Return			
Global Equity	60.00%	x	7.00%	=	4.20%
Global Fixed Income	20.00%	x	4.66%	=	0.93%
Private Investments	20.00%	x	9.00%	=	1.80%
					6.93%

Discount Rate

The discount rate used to measure the total pension liability is 7.18%. 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, 2025

NOTE 5 - DEFINED BENEFIT PLAN (continued)

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset)
			(a)-(b)
Balance at 12/31/2023	\$ 3,429,220	\$ 4,093,482	\$ (664,262)
Changes for the year			
Service cost	99,944		99,944
Interest on total pension liability	245,152		245,152
Difference between expected and actual experience	74,878		74,878
Changes in assumptions	4,915		4,915
Employer contributions		105,601	(105,601)
Employee contributions		49,851	(49,851)
Net investment (loss)		307,764	(307,764)
Benefit payments, including employee refunds	(129,639)	(129,639)	
Administrative expense		(9,199)	9,199
Other changes			
Net changes	295,250	324,378	(29,128)
Balance at 12/31/2024	\$ 3,724,470	\$ 4,417,860	\$ (693,390)

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 7.18%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1% point lower (6.18%) or 1% higher (8.18%) than the current rate.

	Current Discount		
	1% Decrease 6.18%	Rate 7.18%	1% Increase
			8.18%
Net Pension Liability (Asset) at 12/31/2024	\$ (693,390)	\$ (693,390)	\$ (693,390)
Change in Net Pension Liability (NPL)			
from change in discount rate	493,947		(412,080)
Calculated NPL	\$ (199,443)	\$ (693,390)	\$ (1,105,470)

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, 2025

NOTE 5 - DEFINED BENEFIT PLAN (continued)

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

For the fiscal year ended March 31, 2025, the Township recognized pension expense of \$109,530. 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	\$ 81,905		\$ 81,905
Differences in assumptions	18,247		18,247
Excess (Deficit) of Investment Returns	121,405		121,405
Total deferred outflows (inflows) to be amortized	221,557		221,557
Contributions subsequent to the measurement date	76,270		76,270
Totals	\$ 297,827	\$	\$ 297,827

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, 2024.

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
2025	\$ 92,684
2026	143,420
2027	(11,892)
2028	(2,655)
Total	\$ 221,557

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, 2025

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 the year. Contribution information is as follows:

TOTAL CURRENT YEAR EMPLOYER CONTRIBUTIONS	<u>\$ 13,039</u>
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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	<u>\$ 14,795</u>
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NOTE 8 - LONG-TERM OBLIGATIONS

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 fiscal year 2024, 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% \$ 655,000
 Huntington National Bank					
Road Improvement Project					
Special Assessment Bonds,					
Series 2022	\$ 1,180,000	\$ 120,000	— \$ 90,000	5/1/2032	4% \$ 965,000

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

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
2026	\$ 290,000	\$ 43,256
2027	280,000	36,325
2028	280,000	29,525
2029	270,000	22,788
2030	140,000	16,925
2031-2033	<u>360,000</u>	<u>21,600</u>
	<u><u>\$ 1,620,000</u></u>	<u><u>\$ 170,419</u></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. The Township was notified in June 2024 by the State of Michigan that the terms of the consent order have been met.

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, 2025:

	Balance		Balance 3/31/2025	Due Within One Year
	4/1/2024	Additions		
Governmental activities:				
Accumulated compensated absences	\$ 30,027	\$ 34,160	\$ 64,187	\$ 7,642
Bonds payable	1,910,000		1,620,000	290,000
Bonds premium	<u>55,295</u>		<u>(6,144)</u>	<u>6,144</u>
Total governmental debt	<u>\$ 1,995,322</u>	<u>\$ 34,160</u>	<u>\$ (296,144)</u>	<u>\$ 1,733,338</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, 2025

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

As of March 31, 2025, cash, cash equivalents and investments consist of the following:

	Total	Cash	Investments
Deposits			
Checking accounts	\$ 9,261,897	\$ 9,261,897	\$
Money market and savings accounts	9,884,775	9,884,775	
Non-negotiable CDs	8,586,298		8,586,298
Total deposits	27,732,970	19,146,672	8,586,298
Investments			
External investment pool	4,172,159		4,172,159
Total deposits and investments	\$ 31,905,129	\$ 19,146,672	\$ 12,758,457

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

Statement of Net Position

Cash, cash equivalents, and investments \$ 31,587,752

Fiduciary Funds

Cash	3,225
Total cash, cash equivalents and investments	\$ 31,590,977

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, 2025.

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, 2025 deposits in banks totaled \$27,732,970 which was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 17,881,613
Uninsured and collateralized	9,776,829
Uninsured and uncollateralized	74,528
	\$ 27,732,970

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

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 \$4,172,159 as of March 31, 2025.

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.

The Township has no other investments that exceed 5% of total portfolio assets available for investment.

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, 2025 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	\$ 8,586,298	\$ 5,708,581	\$ 2,877,717

The Township's investment in Michigan CLASS 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, 2025 is \$4,172,159.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

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, 2025, the Township's investments were exposed to credit risk as follows:

Investment Type	Rating by Standard & Poor	Amount
Non-negotiable Certificates of Deposit	Unrated	\$ 8,586,298
MiClass investment	AAAm	<u>4,172,159</u>
		<u>\$ 12,758,457</u>

NOTE 10 - FAIR VALUE MEASUREMENTS

Accounting standards require certain assets and liabilities to be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritized the inputs and valuation techniques used to measure fair value.

The standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, the standards require the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs for which there is little or no market data, which requires the use of the reporting entity's own assumptions.

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

NOTE 10 - FAIR VALUE MEASUREMENTS (continued)

Level 1 – Fair Value Measurements

The fair value of non negotiable certificates of deposits is based on readily available quoted prices for identical assets.

The Township investments are reported at fair value in the accompanying balance sheets. The following table presents fair value measurement information for certain financial instruments. The carrying value of receivables, cash and cash equivalents, and the current liabilities included in the accompanying balance sheets approximated fair value at March 31, 2025 and are thus not included in the following table.

The following is a summary of the inputs used to value each investment as of March 31, 2025:

Investments by fair value level	Fair Value Measurements			
	Level 1	Level 2	Level 3	3/31/2025
Non-negotiable certificates of deposit	\$ 8,586,298			\$ 8,586,298
Investments measured by NAV				
Michigan CLASS investment pool				4,172,159
Total Investment	\$ 8,586,298	\$	\$	\$ 12,758,457

Investments in Entities that Calculate Net Asset Value per Share

The Township holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the investment company.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

Investments Held at March 31, 2025				
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
MI CLASS	\$ 4,172,159	\$	None	None
Total	\$ 4,172,159	\$		

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated A1 or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

NOTE 11 - SEGMENT INFORMATION - ENTERPRISE FUNDS

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

	<u>3/31/2025</u>
Operating revenues	\$ 1,652,571
Depreciation and amortization	722,119
Operating (loss)	(91,523)
Net working capital	1,918,711
Total assets	21,993,041
Reserved retained earnings	19,933,649
Unreserved retained earnings	1,918,711
Total fund equity	21,852,360

NOTE 12 - 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, 2024</u>	<u>March 31, 2025</u>
Cash and cash equivalents	<u>\$ 5,685,861</u>	<u>\$ 6,637,040</u>

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

NOTE 13 - 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 14 - 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 15 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 21, 2025, 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 16 - INVESTMENTS IN JOINT VENTURE

As of March 31, 2025, 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, 2025

NOTE 16 - 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 \$4,098,008 as of March 31, 2025. 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, 2024 (the date financial information was last available) is as follows:

Total assets	\$ 26,291,944
Total liabilities	\$ 8,294,542
Total net assets	\$ 17,997,402
Total revenues	\$ 1,676,611
Total expenditures	\$ 1,869,413

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, 2025

NOTE 16 - 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 \$7,836,715 as of March 31, 2025. 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, 2024 (the date financial information was last available) is as follows:

Total assets	\$ 24,544,747
Total liabilities	\$ 1,034,602
Total net assets	\$ 23,510,145
Total revenues	\$ 8,931,269
Total expenditures	\$ 5,910,372

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE 17 - LEASES

The Township implemented GASB Standard No 87, *Leases*, for the year ended March 31, 2023, and determined that it has long-term lease receivable agreements. The Township is the lessor of land upon which the lessee constructed a cell tower. 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, 2025 are presented below:

<u>Lease</u>	<u>Term</u>	Reduction in				<u>Total Received</u>
		Balance at	Lease	Balance at	Interest	
		April 1, 2024	Receivable	March 31, 2025	Earned	
AT&T	5 Years	\$ 68,426	\$ 68,426	\$	\$ 221	\$ 26,148
American Tower Asset	5 Years	271,237	70,112	201,125	5,605	75,717
Building - 4337 Buno Rd, Brighton, Michigan	30 years	2,010,383	93,208	1,917,175	44,276	137,484
Total		\$ 2,350,046	\$ 231,746	\$ 2,118,300	\$ 50,102	\$ 239,349

CHARTER TOWNSHIP OF BRIGHTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE 17 - LEASES (continued)

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

Year Ended March 31,	Reduction in lease receivable	Interest Revenue	Total Receipts
2026	\$ 168,802	\$ 46,150	\$ 214,952
2027	164,831	42,294	207,125
2028	160,022	38,344	198,366
2029	101,977	35,507	137,484
2030	104,295	33,189	137,484
2031-2041	<u>1,418,373</u>	<u>197,064</u>	<u>1,615,437</u>
Total	<u>\$ 2,118,300</u>	<u>\$ 392,548</u>	<u>\$ 2,510,848</u>

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:

Lease Payable		Interest		Liability		Lease Payable	
		Cash	Expense	Reduction	Balance		
Building - 4337 Buno Rd, Brighton, Michigan	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	\$ 137,484	\$ 37,774	\$ 99,710	\$ 1,624,644		
	2029	\$ 137,484	\$ 35,507	\$ 101,977	\$ 1,522,667		
	2029-2041	\$ 1,752,921	\$ 230,254	\$ 1,522,667			

CHARTER TOWNSHIP OF BRIGHTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

NOTE 18 – RECENTLY ADOPTED ACCOUNTING STANDARDS

In June 2022, the GASB 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.

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 Township implemented these Standards for the year ended March 31, 2025. The adoption did not have a significant impact on the Township's financial statements for the year ended March 31, 2025.

NOTE 19 - UPCOMING PRONOUNCEMENTS

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to be to occur within 12 months of the date the financial statements are issued. If a government determines that criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of circumstances disclosed and the government's vulnerability to the risk of substantial impact. The Authority is currently evaluating the impact this Statement will have on the financial statements when it is adopted during the year ending March 31, 2026.

In April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements. This Statement established new accounting and financial reporting requirements – or modified existing requirements – related to management's discussion and analysis (MD&A), unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses and changes in fund position, information about major components and budgetary comparison information. The Authority is currently evaluating the impact this standard will have on the financial statements when it is adopted during the year ending March 31, 2026.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Leased assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of the underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-based Information Technology Arrangements*, also should be separately disclosed. In addition, the Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosure for capital assets held for sale. The Authority is currently evaluating the impact this Statement will have on the financial statements when it is adopted during the year ending March 31, 2027.

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, 2025

	Budget Amount			Variance with Final Budget
	Original	Final	Actual	
				Favorable (Unfavorable)
REVENUES				
Taxes	\$ 1,205,307	\$ 1,205,307	\$ 1,290,980	\$ 85,673
Connection fees	51,300	51,300	51,300	
Special assessments	2,420	2,420	2,688	268
Licenses and permits	316,500	316,500	300,122	(16,378)
Intergovernmental - state	2,260,000	2,260,000	2,261,439	1,439
Rental income	240,484	240,484	215,529	(24,955)
Charges for services	602,650	652,650	561,141	(91,509)
Interest	247,000	247,000	907,784	660,784
Reimbursements	10,000	10,000	32,900	22,900
Miscellaneous	15,400	15,400	18,604	3,204
Total revenues	4,951,061	5,001,061	5,642,487	641,426
EXPENDITURES				
General government	3,229,955	3,284,655	2,650,953	633,702
Parks and recreation	394,000	394,200	249,041	145,159
Public safety	89,600	89,600	27,091	62,509
Road improvement	370,000	496,971	378,886	118,085
Cemetery	25,000	25,000	4,972	20,028
Public works	857,100	857,100	44,247	812,853
Total expenditures	4,965,655	5,147,526	3,355,190	1,792,336
Excess of revenues over (under) expenditures	(14,594)	(146,465)	2,287,297	2,433,762
OTHER FINANCING SOURCES (USES)				
Transfers in	525,600	525,600	525,600	
Transfers (out)	(4,500)	(4,500)		4,500
Sale of asset	—	—	—	
Total other financing sources (uses)	521,100	521,100	525,600	4,500
Net change in fund balance	506,506	374,635	2,812,897	2,438,262
FUND BALANCE, APRIL 1, 2024	19,849,557	19,849,557	19,849,557	
FUND BALANCE, MARCH 31, 2025	\$ 20,356,063	\$ 20,224,192	\$ 22,662,454	\$ 2,438,262

CHARTER TOWNSHIP OF BRIGHTON

ARPA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025

	Budget			Variance	
	Original	Final	Actual	Favorable	(Unfavorable)
REVENUES					
Grant income	\$	\$	\$ 298,664	\$ 298,664	
Interest			3,946	3,946	
Total revenues			302,610	302,610	
EXPENDITURES	347,420	347,420	347,376	44	
Net change in fund balance	(347,420)	(347,420)	(44,766)	302,654	
FUND BALANCE, APRIL 1, 2024	44,766	44,766	44,766		
FUND BALANCE, MARCH 31, 2025	\$ (302,654)	\$ (302,654)	\$	\$ 302,654	

CHARTER TOWNSHIP OF BRIGHTON
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED MARCH 31, 2025

Schedule of Employer Contributions

	For the Plan Year Ended									
	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Actuarial determined contributions	\$ 105,601	\$ 99,784	\$ 87,067	\$ 61,881	\$ 47,902	\$ 38,134	\$ 21,280	\$ 32,558	\$ 9,179	\$ 6,376
Contributions in relation to the actuarial determined contribution	105,601	108,044	392,083	254,269	305,659	286,423	149,984	58,991	29,226	23,021
Contribution (deficiency) excess	\$ 8,260	\$ 305,016	\$ 192,388	\$ 257,757	\$ 248,289	\$ 128,704	\$ 26,433	\$ 20,047	\$ 16,645	
Covered employee payroll	\$ 996,993	\$ 930,430	\$ 778,687	\$ 719,110	\$ 712,079	\$ 600,806	\$ 511,739	\$ 523,920	\$ 511,727	\$ 457,995
Contributions as a percentage of covered payroll	10.59%	11.61%	50.35%	35.36%	42.92%	47.67%	29.31%	11.26%	5.71%	5.03%

Notes to the Schedule of Employer Contributions (All divisions)

Actuarial cost method	Entry age
Amortization method	Layered by division
Remaining amortization period	01: Initial UAL - 23 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	6.93%
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 %.

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, 2025

	For the Plan Year Ended									
	12/31/2024	12/31/2023	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	\$ 99,944	\$ 92,866	\$ 78,399	\$ 69,715	\$ 64,116	\$ 56,136	\$ 47,103	\$ 51,344	\$ 44,499	\$ 44,302
Interest	245,152	225,780	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	74,878	70,436	(37,877)	7,265	(42)	31,764	35,737	4,783	18,428	78,534
Changes of assumptions	4,915	29,124		121,047	188,132	61,514				90,409
Benefit payments, including refunds of employee contributions	(129,639)	(113,559)	(106,278)	(126,634)	(107,439)	(110,008)	(107,815)	(119,820)	(104,648)	(94,079)
Other changes		1		9,355		8,536	23	(3)	(1)	
Net change in total pension liability	295,250	304,648	148,965	274,514	323,795	210,587	135,124	88,975	103,038	248,386
TOTAL PENSION LIABILITY - BEGINNING	3,429,220	3,124,572	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	\$ 3,724,470	\$ 3,429,220	\$ 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	\$ 105,601	\$ 108,044	\$ 479,149	\$ 316,149	\$ 353,561	\$ 286,423	\$ 149,984	\$ 58,993	\$ 29,226	\$ 22,801
Contributions - employee	49,851	44,305	40,307	36,012	35,437	30,178	28,415	26,196	25,058	23,570
Net investment (loss) income	307,764	411,774	(374,908)	429,644	316,960	262,728	(76,897)	230,111	181,169	(25,009)
Benefit payments, including refunds of employee contributions	(129,639)	(113,559)	(106,278)	(126,634)	(107,439)	(110,008)	(107,815)	(119,820)	(104,648)	(94,079)
Administrative expenses	(9,199)	(8,721)	(6,789)	(4,950)	(4,859)	(4,518)	(3,738)	(3,639)	(3,578)	(3,660)
Net change in plan fiduciary net position	324,378	441,843	31,481	650,221	593,660	464,803	(10,051)	191,841	127,227	(76,377)
PLAN FIDUCIARY NET POSITION, BEGINNING	4,093,482	3,651,639	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	\$ 4,417,860	\$ 4,093,482	\$ 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)	\$ (693,390)	\$ (664,262)	\$ (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	118.62%	119.37%	116.87%	121.66%	109.95%	99.96%	88.22%	94.58%	89.04%	87.11%
Covered employee payroll	\$ 996,993	\$ 930,430	\$ 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	-69.55%	-71.39%	-67.69%	-89.63%	-37.75%	0.17%	49.88%	21.01%	41.61%	51.77%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF BRIGHTON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2025

NOTE - BUDGETARY INFORMATION

Budget Overruns

There were no expenditures that exceeded appropriations in funds that were required by law to adopt budgets during the year ended March 31, 2025.

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF BRIGHTON

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

MARCH 31, 2025

	Budget Stabilization Fund	Parks Fund	Cemetery Fund	Future Road Improvement Fund	Trust and Agency Fund	Pathway Fund	Construction Escrow Fund	Restated General Fund
ASSETS								
Cash, cash equivalents and investments								
Cash	\$ 18,626,252	\$ 306,891	\$ 1,350,283	\$ 174,877	\$ 758,107	\$ 462,095	\$ 869,216	\$ 364,610
Receivables								\$ 22,912,331
Taxes	55,579							55,579
Special assessments	27,599							27,599
State shared revenues	351,914							351,914
Lease receivable	2,259,872							2,259,872
Accounts	70,664						3,169	73,833
Due from other funds	5,203						(1,665)	3,538
Prepaid expenditures	85,935							85,935
Total assets	\$ 21,483,018	\$ 306,891	\$ 1,350,283	\$ 174,877	\$ 758,107	\$ 462,095	\$ 869,216	\$ 367,779
								\$ (1,665)
								\$ 25,770,601
LIABILITIES								
Accounts payable	\$ 26,639	\$	\$	\$	\$	\$	\$	\$ 26,639
Accrued wages and vacation	61,236							61,236
Due to others					461,940			461,940
Due to other funds	4,865				155		1,510	(1,665)
Unearned revenue							366,269	366,269
Total liabilities	92,740				462,095		367,779	(1,665)
								920,949
DEFERRED INFLOW OF RESOURCES								
Deferred inflow from leases	2,187,298							2,187,298
FUND BALANCE								
Nonspendable	85,935							85,935
Committed								
Roads				718,107				718,107
Parks and recreation		1,165,283				869,216		2,034,499
Cemetery			174,877					174,877
Assigned								
Township board	9,451,360							9,451,360
Future budget obligation		185,000		40,000				225,000
Unassigned	9,665,685	306,891						9,972,576
Total fund balance	19,202,980	306,891	1,350,283	174,877	758,107	869,216		22,662,354
Total liabilities, deferred inflow and fund balance	\$ 21,483,018	\$ 306,891	\$ 1,350,283	\$ 174,877	\$ 758,107	\$ 462,095	\$ 869,216	\$ (1,665)
								\$ 25,770,601

CHARTER TOWNSHIP OF BRIGHTON

NONMAJOR FUNDS
COMBINING BALANCE SHEETS
MARCH 31, 2025

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUND	
	Liquor Law	SAD Road Maintenance	SAD Municipal Refuse	SAD Aquatics	Opioid	2022 Road Bond SAD	SAD Streetlights	2020 Road Bond SAD	Municipal Water	Totals
ASSETS										
Cash, cash equivalents and investments	\$ 58,620	\$ 196,032	\$ 74,944	\$ 156,145	\$ 3,699	406,929	\$ 254,383	\$ 887,629	\$ 2,038,381	
Receivables							28,057		107,730	135,787
Special assessments										
Accounts		4,237	3,566	4,167		1,333		2,622		15,925
Due from other funds						1	4,833			4,834
Prepaid expenditures	167		29,304							29,471
Total assets	\$ 58,787	\$ 200,269	\$ 107,814	\$ 160,312	\$ 3,699	\$ 408,263	\$ 32,890	\$ 257,005	\$ 995,359	\$ 2,224,398
LIABILITIES										
Accounts payable	\$ 25	\$ 1,560	\$	\$	\$	\$ 2,307	\$	\$	\$ 3,892	
Accrued wages	325									325
Due to other funds		313								313
Total liabilities	350	1,873				2,307				4,530
FUND BALANCE										
Non-spendable	167		29,304							29,471
Restricted										
Public safety	57,400			3,699						61,099
Roads		68,556				394,143		257,005		719,704
Public works			78,510	122,577			30,583		995,359	1,227,029
Assigned	870	129,840		37,735		14,120				182,565
Total fund balance	58,437	198,396	\$ 107,814	160,312	\$ 3,699	\$ 408,263	\$ 30,583	\$ 257,005	\$ 995,359	\$ 2,219,868
Total liabilities and fund balance	\$ 58,787	\$ 200,269	\$ 107,814	\$ 160,312	\$ 3,699	\$ 408,263	\$ 32,890	\$ 257,005	\$ 995,359	\$ 2,224,398

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, 2025

	General Fund	Budget Stabilization Fund	Parks Fund	Cemetery Fund	Future Road Improvement Fund	Trust and Agency Fund	Pathway Fund	Construction Escrow Fund	Restated General Fund
REVENUES									
Taxes	\$ 1,290,980	\$	\$	\$	\$	\$	\$	\$	\$ 1,290,980
Connection fees	51,300								51,300
Special assessments	2,688								2,688
Licenses and permits	300,122								300,122
Intergovernmental-state	2,261,439								2,261,439
Rental income	215,529								215,529
Charges for services	502,957							58,184	561,141
Interest	798,382	8,953	43,926	4,945	25,407		26,171		907,784
Reimbursements	32,900								32,900
Miscellaneous	18,604								18,604
Total revenues	5,474,901	8,953	43,926	4,945	25,407		26,171	58,184	5,642,487
EXPENDITURES									
Current									
General government	2,494,825							58,184	2,553,009
Parks and recreation	154,088		74,408						228,496
Public safety	6,129								6,129
Road improvements	45,488				333,398				378,886
Cemetery	4,972								4,972
Public works	44,247								44,247
Capital outlay									
General government	118,906								118,906
Parks and recreation			20,645						20,645
Total expenditures	2,868,655		95,053		333,398			58,184	3,355,290
Excess of revenues over (under) expenditures	2,606,246	8,953	(51,127)	4,945	(307,991)		26,171		2,287,197
OTHER FINANCING SOURCES (USES)									
Transfers in	525,600		60,000	10,000	200,000			(270,000)	525,600
Transfers (out)	(270,000)							270,000	
Sale of asset									
Total other financing sources (uses)	255,600		60,000	10,000	200,000				525,600
Net change in fund balances	2,861,846	8,953	8,873	14,945	(107,991)		26,171		2,812,797
FUND BALANCE, APRIL 1, 2024	16,341,134	297,938	1,341,410	159,932	866,098		843,045		19,849,557
FUND BALANCE, MARCH 31, 2025	\$ 19,202,980	\$ 306,891	\$ 1,350,283	\$ 174,877	\$ 758,107	\$	\$ 869,216	\$	\$ 22,662,354

CHARTER TOWNSHIP OF BRIGHTON

NONMAJOR FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2025

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUNDS			
	Liquor Law	SAD Road Maintenance	SAD Municipal Refuse	SAD Aquatics	Opioid	2022 Road Bond SAD	SAD Streetlights	2020 Road Bond SAD	2022 Road Improvement	Municipal Water	Totals	
REVENUES												
Connection fees	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	8,830	\$ 8,830
Special assessments		92,077	117,853	128,112		151,978	28,061	178,726		3,582	700,389	
Licenses and permits	11,905										11,905	
Interest	2,296	4,529	1,594	3,035	100	8,699		3,249		33,594	57,096	
Miscellaneous				1,600							1,600	
Total revenues	14,201	96,606	119,447	131,147	1,700	160,677	28,061	181,975		46,006	779,820	
EXPENDITURES												
Current												
Public safety	12,271										12,271	
Road improvements		66,444				500					66,944	
Public works			120,875	167,664			31,704			4,794	325,037	
Debt service						125,000		165,000			290,000	
Principal					41,100		8,729				49,829	
Interest												
Total expenditures	12,271	66,444	120,875	167,664		166,600	31,704	173,729		4,794	744,081	
Excess of revenues over (under) expenditures	1,930	30,162	(1,428)	(36,517)	1,700	(5,923)	(3,643)	8,246		41,212	35,739	
OTHER FINANCING SOURCES (USES)												
Proceeds from bonds										(525,600)	(525,600)	
Transfer (out)												
Transfers in												
Total other financing sources (uses)										(525,600)	(525,600)	
Net changes in fund balances	1,930	30,162	(1,428)	(36,517)	1,700	(5,923)	(3,643)	8,246		(484,388)	(489,861)	
FUND BALANCE, APRIL 1, 2024	56,507	168,234	109,242	196,829	1,999	414,186	34,226	248,759		1,479,747	2,709,729	
FUND BALANCE, MARCH 31, 2025	\$ 58,437	\$ 198,396	\$ 107,814	\$ 160,312	\$ 3,699	\$ 408,263	\$ 30,583	\$ 257,005		\$ 995,359	\$ 2,219,868	

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, 2025

ASSETS

Cash, cash equivalents and investments	\$ 18,626,252
Receivables:	
Taxes	55,579
Special assessments	27,599
State shared revenues	351,914
Accounts	70,664
Lease	2,259,872
Due from other funds	5,203
Prepaid expenditures	<u>85,935</u>
Total assets	<u>\$ 21,483,018</u>

LIABILITIES

Accounts payable	\$ 26,639
Accrued wages and vacation	61,236
Due to other funds	<u>4,865</u>
Total liabilities	\$ 92,740

DEFERRED INFLOW OF RESOURCES

Deferred inflow from leases	2,187,298
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FUND BALANCE

Nonspendable - prepaid	85,935
Assigned - Township board	9,451,360
Unassigned	<u>9,665,685</u>
Total fund balance	<u>19,202,980</u>
Total liabilities and fund balance	<u>\$ 21,483,018</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 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,205,307	\$ 1,290,980	\$ 85,673
Connection fees	51,300	51,300	
Special assessments	2,420	2,688	268
Licenses and permits	316,500	300,122	(16,378)
Intergovernmental - state	2,260,000	2,261,439	1,439
Rental income	240,484	215,529	(24,955)
Charges for services	452,650	502,957	50,307
Interest	200,000	798,382	598,382
Reimbursements	10,000	32,900	22,900
Miscellaneous	15,400	18,604	3,204
Total revenues	4,754,061	5,474,901	720,840
EXPENDITURES	4,275,555	2,868,655	1,406,900
Excess of revenues over (under) expenditures	478,506	2,606,246	2,127,740
OTHER FINANCING SOURCES (USES)			
Transfers in	527,600	525,600	(2,000)
Transfers (out)	(272,000)	(270,000)	2,000
Sale of asset			
Total other financing sources (uses)	255,600	255,600	
Net change in fund balance	734,106	2,861,846	2,127,740
FUND BALANCE, APRIL 1, 2024	16,341,134	16,341,134	
FUND BALANCE, MARCH 31, 2025	\$ 17,075,240	\$ 19,202,980	\$ 2,127,740

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, 2025**

	Amended	Variance	
	Budget	Actual	Favorable
			(Unfavorable)
TAXES			
Current property taxes	\$	\$ 1,290,122	\$
Delinquent property taxes		556	
Penalties/interest - delinquent taxes		27	
Trailer park fees		275	
Total taxes	1,205,307	1,290,980	85,673
CONNECTION FEES	51,300	51,300	
SPECIAL ASSESSMENTS	2,420	2,688	268
LICENSES AND PERMITS			
Franchise fees		284,697	
Other licenses and permits		15,425	
Total licenses and permits	316,500	300,122	(16,378)
INTERGOVERNMENTAL - STATE			
State shared revenue		2,141,598	
Personal property tax reimbursement		103,520	
Right of way revenues		16,321	
Total intergovernmental - State	2,260,000	2,261,439	1,439
RENTAL INCOME	240,484	215,529	(24,955)
CHARGES FOR SERVICES			
Property tax administration fee		440,776	
Planning and zoning fees		51,068	
Dog licenses		298	
Other charges for services		10,815	
Total charges for services	452,650	502,957	50,307
INTEREST	200,000	798,382	598,382
REIMBURSEMENTS	10,000	32,900	22,900
MISCELLANEOUS			
Utilities administration fee		4,800	
Other revenue		13,804	
Total miscellaneous	15,400	18,604	3,204
Total revenues	\$ 4,754,061	\$ 5,474,901	\$ 720,840

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Wages, salaries and per diems	\$	\$ 36,983	\$
Compensated absences		7,642	
Payroll taxes		2,829	
Pension		9,333	
Insurance - life		191	
Supplies		628	
Consulting		7,699	
Worker's compensation		59	
Education/travel		2,783	
Printing and publishing		4,447	
Ordinance codification		1,270	
Dues		12,604	
Engineering services		546	
Total township board	160,695	87,014	73,681
SUPERVISOR			
Wages, salaries and per diems		38,734	
Payroll taxes		2,964	
Pension		3,886	
Insurance - life		62	
Worker's compensation		51	
Supplies		91	
Total supervisor	51,650	45,788	5,862
MANAGER			
Wages, salaries and per diems		148,953	
Wages, salaries and per diems - other		104,892	
Payroll taxes		19,673	
Insurance - benefits		5,102	
Pension		20,645	
Insurance - liability		4,945	
Insurance - life		640	
Health savings plan		322	
Insurance - disability		3,166	
Health care savings plan		18,935	
Supplies		893	
Worker's compensation		729	
Postage		106	
Education/travel		1,077	
Dues		2,355	
Total manager	354,030	332,433	21,597

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, 2025**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
ELECTIONS			
Wages, salaries and per diems	140,024		
Payroll taxes	7,418		
Pension	4,887		
Insurance - liability	31,177		
Insurance - life	394		
Health savings plan	586		
Insurance - disability	870		
Health care savings plan	7,095		
Supplies	12,249		
Worker's compensation	235		
Postage	13,443		
Repairs and maintenance	7,748		
Education /travel	8,312		
Consulting	15,432		
Miscellaneous	822		
Total elections	305,000	250,692	54,308
ASSESSOR			
Wages, salaries and per diems	230,599		
Payroll taxes	17,207		
Insurance - benefits	3,946		
Pension	31,958		
Insurance - liability	45,609		
Insurance - life	750		
Health savings plan	1,465		
Insurance - disability	3,344		
Health care savings plan	15,227		
Supplies	1,986		
Small equipment	4,971		
Worker's compensation	1,034		
Postage	5,494		
Printing and publishing	2,523		
Education and travel	1,419		
Telephone	1,034		
Dues	430		
Total assessor	388,820	368,996	19,824

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, 2025**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
CLERK			
Wages, salaries and per diems - Clerk	47,545		
Wages, salaries and per diems - other	163,921		
Payroll taxes	15,603		
Insurance - benefits	518		
Pension	26,231		
Insurance - liability	49,576		
Insurance - life	677		
Health savings plan	1,611		
Insurance - disability	2,210		
Health care savings plan	15,396		
Supplies	1,779		
Professional fees	9,320		
Worker's compensation	421		
Postage	186		
Record retention	1,791		
Education/travel	3,052		
Newsletter	5,522		
Dues	1,414		
Total clerk	364,600	346,773	17,827
TREASURER			
Wages, salaries and per diems - Treasurer	97,266		
Wages, salaries and per diems - other	109,155		
Payroll taxes	16,000		
Insurance - benefits	6,008		
Pension	9,919		
Insurance - liability	4,945		
Insurance - life	640		
Health savings plan	322		
Insurance - disability	1,635		
Health care savings plan	14,355		
Supplies	1,445		
Tax forms	6,636		
Small equipment	1,552		
Professional fees	16,192		
Worker's compensation	362		
Postage	11,230		
Education/travel	3,306		
Miscellaneous	308		
Dues	307		
Total treasurer	322,720	301,583	21,137

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, 2025**

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
SEWER AND WATER			
Per diems	150		
Total sewer and water	<u>27,000</u>	150	26,850
ROADS			
	65,000	45,488	19,512
OTHER CHARGES AND SERVICES			
Pension expense	50,000		
Fuel	716		
Contracted services	61,176		
Legal fees	37,514		
Telephone	1,923		
Equipment maintenance and repair	3,791		
Vehicle maintenance and repair	1,248		
Computer support	21,493		
Insurance - liability	47,989		
Equipment rental	1,823		
Lease interest	48,374		
Lease principal	89,110		
Capital outlay	57,927		
Total other charges and services	<u>510,600</u>	423,084	87,516
PLANNING			
Wages, salaries and per diems	89,007		
Payroll taxes	5,689		
Pension	19,563		
Insurance - liability	18,414		
Insurance - life	203		
Health savings plan	604		
Insurance - disability	1,219		
Health care savings plan	7,046		
Supplies	461		
Capital outlay	1,275		
Worker's compensation	356		
Postage	349		
Education/travel	250		
Printing and publishing	3,736		
Dues	49		
Engineering services	19,420		
Total planning	<u>206,870</u>	167,641	39,229

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, 2025**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TOWNSHIP HALL/GROUNDS			
Wages, salaries and per diems	59,789		
Payroll taxes	4,485		
Pension	3,326		
Insurance	24,667		
Health care savings plan	4,157		
Supplies	16,259		
Contracted services	1,968		
Worker's compensation	1,512		
Street lighting	11,342		
Utilities	26,811		
Grounds maintenance and repairs	5,634		
Building maintenance and repairs	23,467		
Equipment maintenance and repairs	12,114		
Miscellaneous	978		
Tax chargebacks	1,596		
Capital outlay	53,909		
Total township hall/grounds	390,170	252,014	138,156
CEMETERY			
	25,000	4,972	20,028
FIRE PROTECTION			
Contracted services	3,999		
Water/sewer fee	106		
Street lighting	736		
Maintenance and repair	1,288		
Capital improvements	20,962		
Total fire protection	89,600	27,091	62,509

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, 2025**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
EMERGENCY PREPAREDNESS	8,600	3,676	4,924
ENVIRONMENTAL	38,000	19,143	18,857
MUNICIPAL REFUSE COLLECTION	15,000	11,260	3,740
PARKS AND RECREATION	154,200	154,088	112
DRAINS	768,500	10,018	758,482
 CODE ENFORCEMENT			
Wages, salaries and per diems		9,855	
Payroll taxes		690	
Pension		2,371	
Insurance - benefits		2,680	
Insurance - life		25	
Health savings plan		73	
Insurance - disability		148	
Health care savings plan		854	
Worker's compensation		55	
 Total code enforcement	 19,500	 16,751	 2,749
 CONTINGENCIES	 10,000	 10,000	 10,000
 Total expenditures	 \$ 4,275,555	 \$ 2,868,655	 \$ 1,406,900

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, 2025

ASSETS

Cash	<u>\$ 1,350,283</u>
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FUND BALANCE

<u>\$ 1,350,283</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.

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, 2025

	<u>Amended Budget</u>	<u>Actual</u>	Variance
			Favorable (Unfavorable)
REVENUES			
Interest	\$ 25,000	\$ 43,926	\$ 18,926
EXPENDITURES	<u>140,000</u>	<u>95,053</u>	<u>44,947</u>
Excess of revenues over (under) expenditures	(115,000)	(51,127)	63,873
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>60,000</u>	<u>60,000</u>	<u> </u>
Net change in fund balance	(55,000)	8,873	63,873
FUND BALANCE, APRIL 1, 2024	<u>1,341,410</u>	<u>1,341,410</u>	<u> </u>
FUND BALANCE, MARCH 31, 2025	<u><u>\$ 1,286,410</u></u>	<u><u>\$ 1,350,283</u></u>	<u><u>\$ 63,873</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, 2025

ASSETS

Cash	<u>\$ 174,877</u>
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FUND BALANCE

<u>\$ 174,877</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, 2025

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 2,000	\$ 4,945	\$ 2,945
EXPENDITURES			
Excess of revenues over (under) expenditures	2,000	4,945	2,945
OTHER FINANCING SOURCES (USES)			
Transfers in	10,000	10,000	
Net change in fund balance	12,000	14,945	2,945
FUND BALANCE, APRIL 1, 2024	<u>159,932</u>	<u>159,932</u>	
FUND BALANCE, MARCH 31, 2025	<u>\$ 171,932</u>	<u>\$ 174,877</u>	<u>\$ 2,945</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, 2025

ASSETS

Cash	<u>\$ 306,891</u>
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FUND BALANCE

	<u>\$ 306,891</u>
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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, 2025

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 1,000	\$ 8,953	\$ 7,953
EXPENDITURES	_____	_____	_____
Net change in fund balance	1,000	8,953	7,953
FUND BALANCE, APRIL 1, 2024	<u>297,938</u>	<u>297,938</u>	_____
FUND BALANCE, MARCH 31, 2025	<u>\$ 298,938</u>	<u>\$ 306,891</u>	<u>\$ 7,953</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, 2025

ASSETS

Cash	<u>\$ 758,107</u>
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FUND BALANCE

	<u>\$ 758,107</u>
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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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 18,000	\$ 25,407	\$ 7,407
EXPENDITURES			
Road improvements	431,971	333,398	98,573
Excess of revenues over (under) expenditures	(413,971)	(307,991)	105,980
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,000	
Net change in fund balance	(213,971)	(107,991)	105,980
FUND BALANCE, APRIL 1, 2024	866,098	866,098	
FUND BALANCE, MARCH 31, 2025	\$ 652,127	\$ 758,107	\$ 105,980

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, 2025

ASSETS

Cash	<u>\$ 869,216</u>
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FUND BALANCE

<u>\$ 869,216</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.

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, 2025

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 1,000	\$ 26,171	\$ 25,171
EXPENDITURES	<u>100,000</u>		<u>100,000</u>
Excess of revenues over (under) expenditures	(99,000)	26,171	125,171
OTHER FINANCING SOURCES (USES)			
Transfers in			
Net change in fund balance	(99,000)	26,171	125,171
FUND BALANCE, APRIL 1, 2024	<u>843,045</u>	<u>843,045</u>	
FUND BALANCE, MARCH 31, 2025	<u>\$ 744,045</u>	<u>\$ 869,216</u>	<u>\$ 125,171</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, 2025

ASSETS

Cash	\$ 58,620
Prepaid expenditures	<u>167</u>
Total assets	\$ <u>58,787</u>

LIABILITIES

Accounts payable	\$ 25
Wages payable	<u>325</u>
Total liabilities	350
FUND BALANCE	<u>58,437</u>
Total liabilities and fund balance	\$ <u>58,787</u>

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Licenses and permits	\$ 11,000	\$ 11,905	\$ 905
Interest	<u>1,000</u>	<u>2,296</u>	<u>1,296</u>
Total revenues	12,000	14,201	2,201
EXPENDITURES			
Public safety	<u>13,860</u>	<u>12,271</u>	<u>1,589</u>
Net change in fund balance	(1,860)	1,930	3,790
FUND BALANCE, APRIL 1, 2024	56,507	56,507	
FUND BALANCE, MARCH 31, 2025	\$ 54,647	\$ 58,437	\$ 3,790

SAD ROAD MAINTENANCE FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD ROAD MAINTENANCE FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 196,032
Receivables	
Due from county	<u>4,237</u>
Total assets	<u>\$ 200,269</u>

LIABILITIES

Accounts payable	\$ 1,560
Due to other funds	<u>313</u>
Total liabilities	1,873
FUND BALANCE	<u>198,396</u>
Total liabilities and fund balance	<u>\$ 200,269</u>

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 91,246	\$ 92,077	\$ 831
Interest		4,529	4,529
Total revenues	91,246	96,606	5,360
EXPENDITURES			
Road improvements	<u>261,200</u>	<u>66,444</u>	<u>194,756</u>
Net change in fund balance	(169,954)	30,162	200,116
FUND BALANCE, APRIL 1, 2024	<u>168,234</u>	<u>168,234</u>	
FUND BALANCE, MARCH 31, 2025	<u>\$ (1,720)</u>	<u>\$ 198,396</u>	<u>\$ 200,116</u>

SAD STREETLIGHT FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD STREETLIGHT FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Receivables	
Special assessments	\$ 28,057
Due from other funds	4,833
	<hr/>
Total assets	\$ 32,890

LIABILITIES

Accounts payable	\$ 2,307
Total liabilities	2,307
FUND BALANCE	<u>30,583</u>
Total liabilities and fund balance	\$ 32,890

CHARTER TOWNSHIP OF BRIGHTON

SAD STREETLIGHT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 27,470	\$ 28,061	\$ 591
EXPENDITURES			
Public works	34,595	31,704	2,891
Net change in fund balance	(7,125)	(3,643)	3,482
FUND BALANCE, APRIL 1, 2024	<u>34,226</u>	<u>34,226</u>	
FUND BALANCE, MARCH 31, 2025	<u>\$ 27,101</u>	<u>\$ 30,583</u>	<u>\$ 3,482</u>

SAD MUNICIPAL REFUSE FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD MUNICIPAL REFUSE FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 74,944
Receivables	
Due from county	3,566
Prepaid expenditures	<u>29,304</u>
Total assets	<u>\$ 107,814</u>

FUND BALANCE

\$ 107,814

CHARTER TOWNSHIP OF BRIGHTON

SAD MUNICIPAL REFUSE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessment	\$ 122,533	\$ 117,853	\$ (4,680)
Interest		1,594	1,594
Total revenues	122,533	119,447	(3,086)
EXPENDITURES			
Public works	<u>122,535</u>	<u>120,875</u>	<u>1,660</u>
Net change in fund balance	(2)	(1,428)	(1,426)
FUND BALANCE, APRIL 1, 2024	109,242	109,242	
FUND BALANCE, MARCH 31, 2025	\$ 109,240	\$ 107,814	\$ (1,426)

SAD AQUATICS FUND

CHARTER TOWNSHIP OF BRIGHTON

SAD AQUATICS FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 156,145
Receivables	
Due from county	<u>4,167</u>
Total assets	<u>\$ 160,312</u>

FUND BALANCE	<u>\$ 160,312</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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 125,447	\$ 128,112	\$ 2,665
Interest		3,035	3,035
Total revenues	125,447	131,147	5,700
EXPENDITURES			
Public works	322,655	167,664	154,991
Net change in fund balance	(197,208)	(36,517)	160,691
FUND BALANCE, APRIL 1, 2024	196,829	196,829	
FUND BALANCE, MARCH 31, 2025	\$ (379)	\$ 160,312	\$ 160,691

MUNICIPAL WATER CAPITAL PROJECTS FUND

CHARTER TOWNSHIP OF BRIGHTON

MUNICIPAL WATER CAPITAL PROJECTS FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 887,629
Receivables	
Special assessments	<u>107,730</u>
Total assets	<u>\$ 995,359</u>

FUND BALANCE

\$ 995,359

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Connection fees	\$ 2,500	\$ 8,830	\$ 6,330
Special assessments	4,100	3,582	(518)
Interest	<u>10,000</u>	<u>33,594</u>	<u>23,594</u>
Total revenues	<u>16,600</u>	<u>46,006</u>	<u>29,406</u>
EXPENDITURES			
Contracted services	<u>15,500</u>	<u>4,794</u>	<u>10,706</u>
Excess of revenues over (under) expenditures	<u>1,100</u>	<u>41,212</u>	<u>40,112</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(525,600)</u>	<u>(525,600)</u>	<u></u>
Net change in fund balance	<u>(524,500)</u>	<u>(484,388)</u>	<u>40,112</u>
FUND BALANCE, APRIL 1, 2024	<u>1,479,747</u>	<u>1,479,747</u>	<u></u>
FUND BALANCE, MARCH 31, 2025	<u>\$ 955,247</u>	<u>\$ 995,359</u>	<u>\$ 40,112</u>

OPIOID FUND

CHARTER TOWNSHIP OF BRIGHTON

OPIOID FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ <u>3,699</u>
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FUND BALANCE

\$ <u>3,699</u>

CHARTER TOWNSHIP OF BRIGHTON

OPIOID FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Grant income	\$	\$ 1,600	\$ 1,600
Interest	25	100	75
EXPENDITURES	_____	_____	_____
Net change in fund balance	25	1,700	1,675
FUND BALANCE, APRIL 1, 2024	<u>1,999</u>	<u>1,999</u>	_____
FUND BALANCE, MARCH 31, 2025	<u>\$ 2,024</u>	<u>\$ 3,699</u>	<u>\$ 1,675</u>

ARPA FUND

CHARTER TOWNSHIP OF BRIGHTON

ARPA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2025

	Amended Budget	Actual	Variance
			Favorable
			(Unfavorable)
REVENUES			
Grant income	\$	\$ 298,664	\$ 298,664
Interest		3,947	3,947
Total revenues		302,611	302,611
EXPENDITURES	347,420	347,377	43
Net change in fund balance	(347,420)	(44,766)	302,654
FUND BALANCE, APRIL 1, 2024	44,766	44,766	
FUND BALANCE, MARCH 31, 2025	\$ (302,654)	\$	\$ 302,654

2022 ROAD BOND SAD FUND

CHARTER TOWNSHIP OF BRIGHTON

2022 ROAD BOND SAD FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 406,929
Receivables	
Due from county	1,333
Due from other funds	1
Total assets	\$ 408,263

FUND BALANCE

\$ 408,263

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 161,311	\$ 151,978	\$ (9,333)
Interest	<u>5,300</u>	<u>8,699</u>	<u>3,399</u>
Total revenues	<u>166,611</u>	<u>160,677</u>	<u>(5,934)</u>
EXPENDITURES			
Road improvements	500	500	
Debt service:			
Principal	125,000	125,000	
Interest	<u>41,100</u>	<u>41,100</u>	<u></u>
Total expenditures	<u>166,600</u>	<u>166,600</u>	<u></u>
Excess of revenue over expenditures	<u>11</u>	<u>(5,923)</u>	<u>(5,934)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			
Net change in fund balance	11	(5,923)	(5,934)
FUND BALANCE, APRIL 1, 2024	414,186	414,186	
FUND BALANCE, MARCH 31, 2025	\$ 414,197	\$ 408,263	\$ (5,934)

2020 ROAD BOND SAD FUND

CHARTER TOWNSHIP OF BRIGHTON

2020 ROAD BOND SAD FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ 254,383
Receivables	
Due from county	<u>2,622</u>
Total assets	<u>\$ 257,005</u>

FUND BALANCE

\$ 257,005

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, 2025

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 171,407	\$ 178,726	\$ 7,319
Interest		3,249	3,249
Total revenues	171,407	181,975	10,568
EXPENDITURES			
Debt service:			
Principal	165,000	165,000	
Interest	8,740	8,729	11
Total expenditures	173,740	173,729	11
Net change in fund balance	(2,333)	8,246	10,579
FUND BALANCE, APRIL 1, 2024	248,759	248,759	
FUND BALANCE, MARCH 31, 2025	\$ 246,426	\$ 257,005	\$ 10,579

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, 2025

ASSETS

Cash	\$ <u>462,095</u>
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LIABILITIES

Due to others	\$ 461,940
Due to other funds	<u>155</u>

Total liabilities	<u>\$ 462,095</u>
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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, 2025

ASSETS

Cash	\$ 364,610
Receivables	
Other	<u>3,169</u>
Total assets	<u>\$ 367,779</u>

LIABILITIES

Due to other funds	\$ 1,510
Unearned revenues	<u>366,269</u>
Total liabilities	<u>\$ 367,779</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, 2025

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 200,000	\$ 58,184	\$ (141,816)
EXPENDITURES			
General government	<u>200,000</u>	<u>58,184</u>	<u>141,816</u>
Net change in fund balance			
FUND BALANCE, APRIL 1, 2024			
FUND BALANCE, MARCH 31, 2025			
	<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, 2025

CURRENT ASSETS

Cash and cash equivalents	\$ 1,066,729
Accounts receivable - usage	318,689
Due from county - delinquents	24,067
Due from other funds	31
Inventory - pumps and parts	595,330
Prepaid expenditures	<u>12,477</u>
Total current assets	\$ 2,017,323

RESTRICTED ASSETS

Cash and cash equivalents - debt service	42,069
Cash and cash equivalents - capital replacement	5,528,242
Accounts receivable - debt service (usage)	54,992
Special assessments receivable	<u>153,284</u>
Total restricted assets	5,778,587

CAPITAL ASSETS

Land	1,395,224
Construction in process	182,085
Sewer infrastructure	<u>31,673,328</u>
	<u>33,250,637</u>
Less: accumulated depreciation	(19,053,506)
Net capital assets	14,197,131
Total assets	\$ 21,993,041

CURRENT LIABILITIES

Accounts payable	\$ 49,790
Accrued grinder pump expense	50,000
New connections - escrow funds	39,865
Unearned revenue	<u>1,026</u>
Total current liabilities	\$ 140,681

NET POSITION

Retained earnings	\$ 21,852,360
Total liabilities and net position	\$ 21,993,041

CHARTER TOWNSHIP OF BRIGHTON

SEWER FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2025

OPERATING REVENUES

Sewer usage	\$ 1,375,233
Sewer usage - debt service charges	<u>277,338</u>
Total operating revenues	\$ 1,652,571

OPERATING EXPENSES

Administration	9,960
Alarm maintenance	858
Audit services	4,660
Computer services	7,688
Consulting	9,624
Contracted services - operators	368,002
Depreciation expense	722,119
Legal	120
Liability insurance	14,952
Office expenses	10,940
Permit fees	2,842
Repairs and maintenance - grinder pumps and parts	217,110
Repairs and maintenance - collection system	80,062
Repairs and maintenance - equipment	42,649
Repairs and maintenance - buildings and grounds	4,986
Sludge removal	33,180
Supplies	70,703
Telephone	672
Utilities	135,622
Capital outlay	<u>7,345</u>
Total operating expenses	<u>1,744,094</u>
Operating (loss)	(91,523)

NON-OPERATING REVENUES (EXPENSES)

Interest income - banks	184,021
Interest income - special assessment	6,159
Tap In fees	82,080
Other revenue	<u>14,036</u>
Total non-operating revenues	<u>286,296</u>
Change in net position	194,773
NET POSITION, APRIL 1, 2024	<u>21,657,587</u>
NET POSITION, MARCH 31, 2025	<u>\$ 21,852,360</u>

CHARTER TOWNSHIP OF BRIGHTON

SEWER FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES

Cash received from customers	\$ 1,704,640
Payments to suppliers for goods or services	<u>(791,940)</u>
Net cash from operating activities	\$ 912,700

CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of fixed assets	(249,664)
Collections of special assessment (principal and interest)	8,006
Other revenues	14,036
Tap In fees	<u>82,080</u>
Net cash (used in) capital and related financing activities	(145,542)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received on cash and cash equivalents	<u>184,021</u>
Net increase in cash and cash equivalents	951,179
CASH AND CASH EQUIVALENTS AT APRIL 1, 2024	<u>5,685,861</u>
CASH AND CASH EQUIVALENTS AT MARCH 31, 2025	<u>\$ 6,637,040</u>

RECONCILIATION OF OPERATING (LOSS) TO NET CASH

FROM (USED IN) OPERATING ACTIVITIES

Operating (loss)	\$ (91,523)
Adjustments to reconcile operating (loss) to net cash from (used in) operating activities:	
Depreciation and amortization	\$ 722,119
Changes in assets and liabilities	
(Increase) in accounts and delinquents receivable	52,069
(Increase) in prepaid expense	3,436
(Increase)/decrease due to other funds	(31)
(Increase)/decrease in inventory	226,190
Increase/(decrease) in accounts payable	(7,545)
Increase/(decrease) in due to other funds	(146)
Increase/(decrease) in new connections escrow	7,105
Increase/(decrease) in unearned revenues	<u>1,026</u>
Total adjustments	<u>1,004,223</u>
Net cash from operating activities	<u>\$ 912,700</u>

CURRENT TAX COLLECTION FUND

CHARTER TOWNSHIP OF BRIGHTON

CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2025

ASSETS

Cash	\$ <u>3,225</u>
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LIABILITIES

Due to other funds	\$ <u>3,225</u>
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