# GENOA CHARTER TOWNSHIP BOARD
**Regular Meeting**
**September 21, 2026**
**6:30 p.m.**

## AGENDA

Call to Order:

Invocation:

Pledge of Allegiance:

Roll Call:

Call to the Public (Public comment must be addressed to the Chairperson and will be limited to three minutes per person) *:

**Approval of Consent Agenda:**

1) Payment of Bills: September 21, 2026

2) Request to approve the September 8, 2026 meeting minutes

**Approval of Regular Agenda:**

3) Presentation and request to receive and place on file the Fiscal Year April 1, 2025 – March 31, 2026 Township Audit as presented by Maner Costerisan.

Member Updates
Board Comments
Adjournment

*Citizen's Comments- In addition to providing the public with an opportunity to address the Township Board at the beginning of the meeting, an opportunity to comment on individual agenda items *may* be offered by the Chairman as they are presented.

## CHECK REGISTERS FOR TOWNSHIP BOARD MEETING

MEETING DATE: September 21, 2026

All information below through September 16, 2026

| | | |
|---|---|---|
| September 11, 2026 Bi Weekly Payroll - GENOA TOWNSHIP ONLY | $ | 49,460.97 |
| OPERATING EXPENSES ROADS (261C2) | $ | 4,014.60 |
| OPERATING EXPENSES SAD (264CK) | $ | 397,257.19 |
| OPERATING EXPENSES PARKS AND REC (270CK) | $ | 1,000.00 |
| OPERATING EXPENSES OAK POINTE (592FN) | $ | 10,586.12 |
| OPERATING EXPENSES LAKE EDGEWOOD (593FN) | $ | 2,975.83 |
| TOWNSHIP GENERAL EXPENSES | $ | 207,235.79 |
| TOTAL | $ | 672,530.50 |

# CASH REQUIREMENTS

**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 09/11/26: $49,460.97**

## TRANSACTION SUMMARY

**SUMMARY BY TRANSACTION TYPE -**

| | |
|---|---|
| TOTAL ELECTRONIC FUNDS TRANSFER (EFT) | 49,460.97 |
| CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT | **49,460.97** |
| TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES | 4,563.93 |
| CASH REQUIRED FOR CHECK DATE 09/11/26 | 54,024.90 |

## TRANSACTION DETAIL

**ELECTRONIC FUNDS TRANSFER -** *Your financial institution will initiate transfer to Paychex* ***at or after 12:01 A.M.*** *on transaction date.*

| TRANS. DATE | BANK NAME | ACCOUNT NUMBER | PRODUCT | DESCRIPTION | | BANK DRAFT AMOUNTS & OTHER TOTALS |
|---|---|---|---|---|---|---|
| 09/10/26 | BANK OF ANN ARBOR | xxxxxxxxxxxxxx130 | Direct Deposit | Net Pay Allocations | 35,215.71 | **35,215.71** |
| 09/10/26 | BANK OF ANN ARBOR | xxxxxxxxxxxxxx130 | Taxpay® | Employee Withholdings | | |
| | | | | Social Security | 2,989.58 | |
| | | | | Medicare | 699.17 | |
| | | | | Fed Income Tax | 4,958.00 | |
| | | | | MI Income Tax | 1,909.74 | |
| | | | | **Total Withholdings** | **10,556.49** | |
| | | | | Employer Liabilities | | |
| | | | | Social Security | 2,989.58 | |
| | | | | Medicare | 699.19 | |
| | | | | **Total Liabilities** | **3,688.77** | **14,245.26** |
| | | | | | **EFT FOR 09/10/26** | **49,460.97** |
| | | | | | **TOTAL EFT** | **49,460.97** |

**REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES** - *Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

| TRANS. DATE | BANK NAME | ACCOUNT NUMBER | PRODUCT | DESCRIPTION | | TOTAL |
|---|---|---|---|---|---|---|
| 09/11/26 | Refer to your records for account Information | | Payroll | Employee Deductions | | |
| | | | | 457 EE Pretax | 1,511.00 | |
| | | | | 457 EE Roth | 170.00 | |
| | | | | EE Medical Contribut | 1,500.00 | |
| | | | | FSA Medical Pretax | 617.26 | |
| | | | | Prin Retire Loan 1 | 672.59 | |
| | | | | Vol Life Ch Post Tax | 1.82 | |

BANK CODE: FNBCK, 212CK, 264CK, 270CK, 592FN (5 more)

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|---|---|---|---|---|---|
| **Bank 261C2 ROAD IMPROVEMENT# 401** | | | | | |
| 09/14/2026 | 261C2 | 1095 | CHLORIDE SOLUTIONS, LLC | DUST CONTROL | 4,014.60 |
| 261C2 TOTALS: | | | | | |
| Total of 1 Checks: | | | | | 4,014.60 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 1 Disbursements: | | | | | 4,014.60 |
| **Bank 264CK ROAD PROJECTS & LAKE MAN REIM FUND #202** | | | | | |
| 09/08/2026 | 264CK | 4637 | LCRA/PLM LAKES & LAND MANAGEM | SURVEY & WATER QUALITY PROGRAM | 1,464.50 |
| 09/10/2026 | 264CK | 4638 | GENOA TWP CURRENT TAX FUND | TAX REIMBURSEMENT | 2,792.38 |
| 09/14/2026 | 264CK | 4639 | ALLIED CONSTRUCTION COPANY IN | NORTH SHORE COMMONS REMOVE/REPLACE ASPH | 379,665.69 |
| 09/14/2026 | 264CK | 4640 | GENOA TWP GENERAL FUND | NORTH SHORE ADMIN FEE | 2,692.10 |
| 09/16/2026 | 264CK | 4641 | TETRA TECH, INC. | NORTH SHORE COMMONS FINAL INSPECTIONS | 3,007.50 |
| 09/16/2026 | 264CK | 4642 | CLAM/PLM LAKES & LAND MGMT. | WEST CROOKED LAKE FLUMIOXAZIN & WEED TR | 1,287.75 |
| | | | | EAST CROOKED LAKE FLUMIOXAZIN & WEED TR | 4,175.77 |
| | | | | WEST CROOKED LAKE WEED TREATMENT | 2,171.50 |
| | | | | | 7,635.02 |
| 264CK TOTALS: | | | | | |
| Total of 6 Checks: | | | | | 397,257.19 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 6 Disbursements: | | | | | 397,257.19 |
| **Bank 270CK FUTURE DEVELOPMENT-PARKS&REC #208** | | | | | |
| 09/14/2026 | 270CK | 5862 | BRIGHTON SENIOR CENTER | REPLENISH FUNDS FOR SENIOR CENTER | 1,000.00 |
| 270CK TOTALS: | | | | | |
| Total of 1 Checks: | | | | | 1,000.00 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 1 Disbursements: | | | | | 1,000.00 |
| **Bank 592FN OAK POINTE OPERATING FUND #592** | | | | | |
| 09/10/2026 | 592FN | 6700 | AT&T LONG DISTANCE | ACCT #117456092 INTERNET & PHONE | 166.81 |
| 09/10/2026 | 592FN | 6701 | DTE ENERGY | 3684 HONORS WAY ACCT# 9100 160 4593 2 | 81.89 |
| | | | | 4386 FILBERT DR ACCT# 9100 125 9148 3 | 41.37 |
| | | | | 5025 OAK POINTE DR ACCT# 9100128 2913 1 | 59.97 |
| | | | | 4531 BRIGHTON RD ACCT#9100 128 2889 3 | 132.87 |
| | | | | 5497 SHARPE DR ACCT# 9100 094 2909 3 | 270.35 |
| | | | | 4610 CLIFFORD RD ACCT# 9100 094 2875 6 | 538.26 |
| | | | | 5269 PENTWATER DR ACCT# 9100 172 9821 7 | 57.86 |
| | | | | 3508 WOODRIDGE DR ACCT# 9100 160 4604 7 | 52.47 |
| | | | | 5210 MORET WATERTANK ACCT # 9100 094 30 | 25.97 |
| | | | | 3477 LAKEWOOD SHORES ACCT# 9100 094 292 | 76.73 |
| | | | | | 1,337.74 |
| 09/10/2026 | 592FN | 6702 | DTE ENERGY | 5108 VERSAILLES AVE ACCT# 9100 094 2935 | 106.97 |
| | | | | 4335 CROOKED LAKE ACCT# 9100 094 2959 8 | 76.35 |

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|---|---|---|---|---|---|
| **Bank 592FN OAK POINTE OPERATING FUND #592** | | | | | |
| | | | | 4975 BRIGHTON RD ACCT# 9100 154 9059 2 | 1,723.92 |
| | | | | 4505 OAK POINTE ACCT # 9100 128 2901 6 | 297.32 |
| | | | | | 2,204.56 |
| 09/14/2026 | 592FN | 6703 | MMRMA | INSURANCE | 3,151.72 |
| 09/15/2026 | 592FN | 6704 | CONSUMERS ENERGY | 4505 CLUB DR ACCT# 1000 1776 7318 | 133.73 |
| | | | | 5341 BRIGHTON RD ACCT# 1000 1776 5098 | 133.73 |
| | | | | | 267.46 |
| 09/15/2026 | 592FN | 6705 | RANDY'S SERVICE STATION | DIESEL FUEL TO RESTOCK STORAGE SPLIT WI | 566.41 |
| 09/16/2026 | 592FN | 6706 | FERGUSON ENTERPRISES LLC #371 | ASSEMBLY KIT FOR PLANT OPERATIONS | 2,891.42 |
| 592FN TOTALS: | | | | | |
| Total of 7 Checks: | | | | | 10,586.12 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 7 Disbursements: | | | | | 10,586.12 |
| **Bank 593FN LAKE EDGEWOOD OPERATING FUND #590** | | | | | |
| 09/10/2026 | 593FN | 4784 | CONSUMERS ENERGY | 7817 BENDIX ACCT# 1000 2508 9382 | 133.73 |
| 09/10/2026 | 593FN | 4785 | DTE ENERGY | 2740 BRECKENRIDGE ACCT # 9100 101 3190 | 115.68 |
| | | | | 7819 BENDIX RD ACCT# 9100 101 4421 0 | 994.40 |
| | | | | 7985 COLLINGWOOD ACCT# 9100 101 4407 9 | 60.43 |
| | | | | 6652 CORTLAND AVE ACCT# 9100 164 7608 7 | 41.77 |
| | | | | 2340 ROLLING ROCK ACCT# 9100 164 6377 0 | 62.17 |
| | | | | 7801 BENDIX ACCT # 9100 149 8836 4 | 235.87 |
| | | | | | 1,510.32 |
| 09/14/2026 | 593FN | 4786 | MMRMA | INSURANCE | 1,310.78 |
| 09/16/2026 | 593FN | 4787 | CONSUMERS ENERGY | 2740 BRECKENRIDGE ACCT# 1000 2370 3554 | 21.00 |
| 593FN TOTALS: | | | | | |
| Total of 4 Checks: | | | | | 2,975.83 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 4 Disbursements: | | | | | 2,975.83 |
| **Bank FNBCK GENERAL FUND CHECKING ACCT FUND 101** | | | | | |
| 09/10/2026 | FNBCK | 9(S) | STAPLES | PAPER TRIMMER | 199.09 |
| | | | | RETURN PAPER TRIMMER | (199.09) |
| | | | | | 0.00 |
| 09/10/2026 | FNBCK | 40497 | COMCAST | DEDICATED ETHERNET | 677.15 |
| 09/10/2026 | FNBCK | 40498 | DTE ENERGY | TWP, NORTHSHORE, LAKE EDGEWOOD, HIDDEN | 579.51 |
| | | | | 6132 CROOKED LAKE ROAD ACCT #9200 561 2 | 46.57 |
| | | | | 2911 DORR RD ACCT# 9100 094 2885 5 | 1,509.37 |
| | | | | 2911 DORR RD # REAR ACCT# 9100 094 2986 | 35.09 |

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|---|---|---|---|---|---|
| **Bank FNBCK GENERAL FUND CHECKING ACCT FUND 101** | | | | | |
| | | | | 2911 DORR RD #FRONT ACCT# 9100 094 2972 | 20.33 |
| | | | | | 2,190.87 |
| 09/14/2026 | FNBCK | 40500 | EHIM, INC | AUGUST ADMIN FEE | 535.00 |
| | | | | AUGUST CLAIMS FUNDING | 9,646.54 |
| | | | | | 10,181.54 |
| 09/14/2026 | FNBCK | 40501 | FEDERAL EXPRESS CORP | EXPRESS DELIVERY | 44.03 |
| 09/14/2026 | FNBCK | 40502 | GO TO COMMUNICATIONS, INC | SEPTEMBER PHONE CONTRACT | 809.74 |
| 09/14/2026 | FNBCK | 40503 | KNOCK'EM OUT PEST CONTROL | PEST SERVICES | 195.00 |
| 09/14/2026 | FNBCK | 40504 | LIVINGSTON COUNTY TREASURER | 11-09-201-080 CHANGES | 152.12 |
| 09/14/2026 | FNBCK | 40505 | MMRMA | INSURANCE POLICY | 23,849.00 |
| 09/14/2026 | FNBCK | 40507 | PRINTING SYSTEMS | ELECTION SUPPLIES | 159.63 |
| 09/14/2026 | FNBCK | 40508 | SAFEBUILT LLC | REVIEW SERVICES | 2,213.46 |
| 09/14/2026 | FNBCK | 40509 | TETRA TECH, INC. | REVIEW SERVICES | 890.00 |
| | | | | REVIEW SERVICES | 600.00 |
| | | | | REVIEW SERVICES | 300.00 |
| | | | | REVIEW SERVICES | 300.00 |
| | | | | REVIEW SERVICES | 300.00 |
| | | | | REVIEW SERVICES | 600.00 |
| | | | | | 2,990.00 |
| 09/14/2026 | FNBCK | 40510 | TOSHIBA AMERICAN BUSINESS SOL | PRINTERS/SCANNERS | 611.96 |
| 09/14/2026 | FNBCK | 40511 | ULINE | TOTES AND MAIL TRAYS | 174.30 |
| 09/14/2026 | FNBCK | 40512 | WASTE MANAGEMENT CORP, SERVIC | AUGUST WASTE MANAGEMENT SERVICES | 143,753.70 |
| 09/15/2026 | FNBCK | 40513 | CONSUMERS ENERGY | 6132 CROOKED LK ACCT# 1030 4990 7845 | 17.00 |
| | | | | 2911 DORR RD ACCT# 1000 2370 3653 | 154.86 |
| | | | | | 171.86 |
| 09/15/2026 | FNBCK | 40514 | FOSTER SWIFT COLLINS & SMITH | PROFESSIONAL SERVICES | 371.64 |
| | | | | PROFESSIONAL SERVICES | 154.85 |
| | | | | | 526.49 |
| 09/15/2026 | FNBCK | 40515 | NORTHERN PLUMBING, INC. | TOILET FLUSH VALVE | 362.00 |
| 09/15/2026 | FNBCK | 40516 | SEWARD HENDERSON PLLC | PROFESSIONAL SERVICES | 7,275.00 |
| 09/15/2026 | FNBCK | 40517 | VERIZON WIRELESS | TABLETS | 120.03 |
| 09/15/2026 | FNBCK | 40518 | VISA | VISA PURCHASES | 2,561.35 |
| 09/15/2026 | FNBCK | 40519 | WEST SHORE SERVICES, INC | 2026 ANNUAL INSPECTION AND MAINTENANCE | 2,125.00 |
| 09/16/2026 | FNBCK | 220(E) | MERS-MICH. EMPLOYEES RETIRE | MERS CONTRIBUTION FOR THE MONTH OF AUGU | 693.00 |
| 09/16/2026 | FNBCK | 40520 | KP ELITE CLEANING LLC | TOWNSHIP HALL CLEANING | 2,220.50 |
| 09/16/2026 | FNBCK | 40521 | STAPLES | OFFICE & ELECTION SUPPLIES | 705.16 |
| 09/16/2026 | FNBCK | 40522 | VISA | VISA PURCHASES | 2,472.90 |
| FNBCK TOTALS: | | | | | |
| Total of 26 Checks: | | | | | 207,235.79 |

BANK CODE: FNBCK, 212CK, 264CK, 270CK, 592FN (5 more)

| Check Date | Bank | Check | Vendor Name | Description | Amount |
|---|---|---|---|---|---|
| **Bank FNBCK GENERAL FUND CHECKING ACCT FUND 101** | | | | | |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 26 Disbursements: | | | | | 207,235.79 |
| | | | | | |
| REPORT TOTALS: | | | | | |
| Total of 45 Checks: | | | | | 623,069.53 |
| Less 0 Void Checks: | | | | | 0.00 |
| Total of 45 Disbursements: | | | | | 623,069.53 |

## Cardholder Account Summary

| Trans Date | Post Date | Plan Name | Reference Number | Description | Amount | |
|---|---|---|---|---|---|---|
| 08/06 | 08/06 | PBUS01 | 24011346218100030280150 | LANDS END* W000097842 WWW.LANDSEND. WI | $144.02 | supplies 101-261-750-000 |
| 08/05 | 08/06 | PBUS01 | 24793386217003467434061 | Adobe Inc 800-8336687 CA | $173.52 | Acrobat pro renewal 101-261-751-000 |
| 08/08 | 08/09 | PBUS01 | 24011346220100032467330 | MICROSOFT#G175608626 MICROSOFT.COM WA | $660.15 | monthly office 365 101-261-751-000 |
| 08/10 | 08/10 | PBUS01 | 24011346222100020371898 | AMAZON RETA* 5H3U22FZ0 WWW.AMAZON.CO WA | $19.96 | supplies 101-261-750-000 |
| 08/21 | 08/23 | PBUS01 | 24692166233400335900208 | AMAZON MKTPL*5A4J20W10 Amzn.com/bill WA | $209.98 | election supplies 101-262-751-000 |
| 08/24 | 08/24 | | | PAYMENT - THANK YOU | $3,068.18- | |

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT 0950

TCM BANK NA
PO BOX 105666
ATLANTA GA 30348-5666

Account Number
[redacted]

Check box to indicate

VISA

KELLY VANMARTER
[redacted]
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## Cardholder Account Summary Continued

| Trans Date | Post Date | Plan Name | Reference Number | Description | Amount | |
|---|---|---|---|---|---|---|
| 08/23 | 08/25 | PBUS01 | 24692166235402369719262 | AMAZON MKTPL*5O4GV6FD2 Amzn.com/bill WA | $436.88 | election supplies 101-262-751-001 |
| 07/20 | 08/25 | PBUS01 | 70000006237777237540016 | TRFR FRAUD TRANSACTION | $89.08- | NOT FRAUD - TRASACTION REVERSED BELOW |
| 08/24 | 08/26 | PBUS01 | 24692166236400375540853 | B2B Prime*5O2O81JM2 Amzn.com/bill WA | $349.00 | annual renewal subscription 101-261-791-000 |
| 08/26 | 08/30 | PBUS01 | 24692166239403297988520 | AMWAY GRAND PLAZA HOTE GRAND RAPIDS MI | $567.84 | Assessing conference 01-257-910-000 |
| 07/20 | 08/31 | PBUS01 | 70002406243777243590015 | REVERSE FRAUD TRANSFER | $89.08 | |

SPECIAL PROMOTIONS. ENROLL IN TEXT MESSAGING TODAY BY VISITING INFO.TCMBANK.COM/SWEETS AND COMPLETING THE FORM.

## Cardholder Account Summary

| Trans Date | Post Date | Plan Name | Reference Number | Description | Amount | |
|---|---|---|---|---|---|---|
| 08/02 | 08/03 | PBUS01 | 24692166214409649228456 | TIM HORTONS #915930 HOWELL MI | $35.99 ✓ | 101-262-802-005 |
| 08/02 | 08/03 | PBUS01 | 24692166214409649228506 | TIM HORTONS #915930 HOWELL MI | $305.42 ✓ | 101-262-802-005 |
| 08/04 | 08/05 | PBUS01 | 24692166216401548769035 | TIM HORTONS #915930 HOWELL MI | $19.05 ✓ | 101-262-802-005 |
| 08/04 | 08/05 | PBUS01 | 24692166216401548769043 | TIM HORTONS #915930 HOWELL MI | $29.67 ✓ | 101-262-802-005 |
| 08/04 | 08/05 | PBUS01 | 24692166216401908151352 | TST*GUSS CARRYOUT - BRI Brighton MI | $1,106.76 ✓ | 101-262-802-005 |
| 08/11 | 08/12 | PBUS01 | 24108296224100001506495 | WWW.MICHIGANCLERKS.ORG WWW.MICHIGANC MI | $525.00 ✓ | 101-262-802-005 |

101-215-910-000

RICK SOUCY
[redacted]
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VISA

## Cardholder Account Summary Continued

| Trans Date | Post Date | Plan Name | Reference Number | Description | Amount | |
|---|---|---|---|---|---|---|
| 08/20 | 08/21 | | 74009776233001204201493 | PAYMENT - THANK YOU | $1,022.76- | |
| 08/20 | 08/23 | PBUS01 | 24489936233500837653750 | BAV INN LODGE-HOTEL FRANKENMUTH MI | $179.00 ✓ | 101-215-910-000 |
| 08/26 | 08/28 | PBUS01 | 24445006239500406128761 | HOTEL SECR MOUNT PLEASAN MI | $182.93 ✓ | 101-215-910-000 |
| 09/01 | 09/01 | PBUS01 | 24692166244407663071111 | AMAZON MKTPL*5Q3QV35B0 Amzn.com/bill WA | $89.08 ✓ | 101-262-751-001 |

## cRewards Bonus Points Information as of 08/31/2026

| | Beginning Balance | Points Earned | Points Adjusted | Points Redeemed | Ending Balance |
|---|---|---|---|---|---|
| cRewards | 5,930 | 2,419 | 0 | 0 | 8,349 |

## Finance Charge Summary / Plan Level Information

| Plan Name | Plan Description | FCM[1] | Average Daily Balance | Periodic Rate * | Corresponding APR | Finance Charges | Effective APR Fees ** | Effective APR | Ending Balance |
|---|---|---|---|---|---|---|---|---|---|
| **Purchases** | | | | | | | | | |
| PBUS01 001 | PURCHASE | G | $0.00 | 2.12416%(M) | 25.4900%(V) | $0.00 | $0.00 | 0.0000% | $2,472.90 |
| **Cash** | | | | | | | | | |
| CBUS01 001 | CASH | A | $0.00 | 2.37416%(M) | 28.4900%(V) | $0.00 | $0.00 | 0.0000% | $0.00 |

* Periodic Rate (M)=Monthly (D)=Daily
** includes cash advance and foreign currency fees
[1] FCM = Finance Charge Method

Days In Billing Cycle: 30
APR = Annual Percentage Rate

(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.

# GENOA CHARTER TOWNSHIP BOARD
## Regular Meeting
## September 8, 2026

## MINUTES

## Call to Order

Supervisor Spicher called the regular meeting of the Genoa Charter Township Board to order at 6:30 pm at the Township Hall.

### Invocation

Supervisor Spicher led the invocation for the Board and the members of the public.

### Pledge of Allegiance

The Pledge of Allegiance was recited.

### Roll Call

The following members were present constituting a quorum for the transaction of business: Kevin Spicher, Candie Hovarter, Robin Hunt, Bill Reiber, Rick Soucy, Jodi Valenti, and Todd Walker.

Also present was Township Manager Kelly VanMarter, Township Attorney Kali Henderson, and five people in the audience.

### Call to the Public

The call to the public was opened at 6:32 pm with no response.

**Approval of Consent Agenda**:

**Moved** by Soucy, supported by Valenti, to approve the Consent Agenda with item #2 only. **The motion carried unanimously**.

**~~1. Payment of Bills: September 8, 2026~~ (moved to Regular Agenda)**

**2. Request to approve the August 17, 2026 regular meeting minutes.**

**Approval of Regular Agenda**:

**Moved** by Reiber, supported by Walker, to approve the Regular Agenda with Payment of Bills: September 8, 2026 added. **The motion carried unanimously.**

**1. Payment of Bills: September 8, 2026 (moved from Consent Agenda)**

Mr. Reiber questioned why the total was approximately $300,000 more than usual. Ms. VanMarter stated this amount included payments for some of the road SAD projects and election employee payments.

He also questioned the flag services item. Ms. VanMarter stated the company, Rocket, provides service to the township to maintain the American, POW and Genoa Flags. This is an annual contract that was renewed.

**Moved** by Hunt, supported by Soucy, to approve the Payment of Bills: September 8, 2026. **The motion carried unanimously**.

**3. Consideration of a request for approval of the First Amendment to the Water Tower Lease Agreement with New Cingular Wireless PCS, LLC (formerly AT&T) for the Oak Pointe water tower located at 4500 Country Club Drive, Brighton, MI 48116.**

Dr. Greg Tatara stated AT&T approached the township to install additional antennas on this tower. The appropriate tests were completed and some aesthetic requests were made by MHOG and the Villas at Oak Point, who own the property where the tower is located. He showed the tower currently and what it will look like after the other antennas are installed.

Dr. Tatara and the board discussed the proposed changes to the contract.

**Moved** by Soucy, supported by Hunt, to approve the First Amendment to the Water Tower Lease Agreement with New Cingular Wireless PCS, LLC (formerly AT&T) for the Oak Pointe water tower located at 4500 Country Club Drive, Brighton, MI 48116. **The motion carried unanimously.**

Ms. Hunt commended MHOG with getting through the storm with no interruptions in service. It shows what an excellent staff they have. Dr. Tatara agrees. His staff worked several 12 hour days in a row. There was also assistance from local businesses.

**4. Consideration of a recommendation for approval of an environmental impact assessment and site plan for a proposed 6,515 sq. ft. building with 8 vehicle bays for a minor auto repair establishment in the existing Livingston Commons Phase 2 Planned Unit Development. The property is located on the south side of Grand Oaks Drive and west of S. Latson Road. The request is petitioned by Zaremba Group, LLC.**
**A. Disposition of Environmental Impact Assessment dated June 19, 2026**
**B. Disposition of Site Plan dated July 14, 2026.**

Mr. Justin Bruce of the Zaremba Group and Ms. Whitney Pizzala of AR Engineering were present. Mr. Bruce provided a review of the project and what type of auto maintenance will be performed at this location. They showed colored renderings and building material samples. This building will be leased by Firestone. He noted they take great care of the properties they lease and an average lease for them is 51 years.

Mr. Reiber stated the Planning Commission gave the project a positive review. There are some minor conditions they recommended. He thanked the applicant for putting the facilities right next to a gas station which is a compatible use. Supervisor Spicher requested to have the applicant comply with the Buffer Zone C requirement. Mr. Bruce stated they will meet this requirement.

Ms. Hunt requested to have a "Coming Soon…" sign put on the property once the construction begins. Mr. Bruce stated they will place a sign when they close on the property. They anticipate starting construction after the first of the year. Mr. Walker noted that there were two wall signs shown on the plans and asked for clarification as to whether or not those are allowed. Ms. VanMarter responded that this is in a PUD which may be different regulations. She recommended including in the motion a comment that the signs meet the requirements.

**Moved** by Soucy, supported by Hunt, to approve the Environmental Impact Assessment dated June 19, 2026 for a proposed 6,515 sq. ft. building with eight vehicle bays for a minor auto repair establishment for a vacant parcel (4711-08-200-022) located on the south side of Grand Oaks Drive, west of S. Latson Road with the following condition:

1. The hours of operation shall be added to the Environmental Impact Assessment prior to land use permit issuance.

**The motion carried unanimously.**

**Moved** by Hunt, supported by Hovarter, to approve the site plan dated July 14, 2026 for a proposed 6,515 sq. ft. building with eight vehicle bays for a minor auto repair establishment for a vacant parcel (4711-08-200-022) located on the south side of Grand Oaks Drive, west of S. Latson Road with the following conditions:

1. The land division required for this project shall be completed prior to the issuance of a Land Use Permit.
2. The land division will include the cross-access easements required to accommodate the site plan as presented. Cross-access easements shall be recorded prior to land use permit issuance.
3. Prior to issuance of a land use permit, a concept plan depicting the proposed land division and resulting property lines shall be submitted. The concept plan shall include the two remaining parcels and identify all cross-access easements between the parcels including the two remaining parcels. The plan shall demonstrate that the proposed building and all resulting parcels comply with applicable Township Zoning Ordinance requirements, including setbacks, lot area, lot width, access, parking, and other applicable site development standards.
4. Two more parking lot trees will be established within the landscape plan.
5. The petitioner will meet all requirements of the Fire Marshal's letter dated July 22, 2026 prior to issuance of a Land Use Permit.

6. The petitioner will meet all requirements of the township engineer's letter from August 4, 2026 prior to issuance of a Land Use Permit.
7. The petitioner will meet all requirements of the township planner's letter dated July 31, 2026 prior to issuance of a Land Use Permit.
8. Two trees or eight shrubs shall be planted in Buffer Zone C.
9. The applicant shall comply with the township sign ordinance.

**The motion carried unanimously.**

**5. Consideration of a request for approval and adoption of Ordinance Number 260908 for the proposed revised Genoa Charter Township Peddlers and Solicitors Ordinance. (Roll Call)**

Supervisor Spicher stated this is a modification of the existing ordinance due to some concerns raised by Mr. Soucy. It has been reviewed and approved by Ms. Henderson.

Ms. VanMarter stated that if the ordinance is passed, it must be published before it is effective. This may be delayed to allow staff to develop the Do Not Knock list software, window decals, and any associated fees.

**Moved** by Reiber, supported by Walker, to approve and adopt Ordinance Number 260908 for the proposed revised Genoa Charter Township Peddlers and Solicitors Ordinance. **The motion carried unanimously with a roll call vote (Reiber - yes; Hunt- yes; Valenti - yes; Hovarter - yes; Soucy - yes; Walker - yes; Spicher - yes)**

**6. Consideration of a request for approval of Resolution 260908 Recognizing September 11-17 Annually as Patriot Week in Genoa Charter Township. (Roll Call)**

**Moved** by Soucy, supported by Walker, to approve Resolution 260908 Recognizing September 11- September 17 Annually as Patriot Week in Genoa Charter Township**. The motion carried unanimously with a roll call vote (Hunt - yes; Valenti - yes; Hovarter - yes; Walker - yes; Reiber - yes; Soucy - yes; Spicher - yes)**

**<u>Items for Discussion</u>**

**7. Discussion of roundabout beautification as requested by the Township Supervisor.**

Supervisor Spicher stated the roundabout at Bauer and Challis is unsightly. The Livingston County Road Commission will mow it twice a year so if any other maintenance is warranted, it would need to be done by Genoa Township, with approval from the Road Commission.

After a brief discussion, the board agreed to pursue improvements to this roundabout and the one located at Chilson and Coon Lake Road.

**8. Discussion of Board Member Code of Conduct and Decorum policy as requested by the Administrative Committee.**

Supervisor Spicher stated there are some local municipalities that have a code of conduct. Mr. Reiber stated the current code of conduct policy was shredded during the last election period. It was an embarrassment the way some people treated other people on this board in public. Ms. Valenti asked for clarification on whether or not the Board has a policy. Ms. VanMarter stated that she believes Mr. Reiber is referencing the Principles of Governance which is not a policy.

Ms. Henderson stated adding a policy such as this can add a layer of protection for the township in the case of future litigation.

Mr. Walker is concerned that this policy could affect the board member's first amendment rights. Ms. Henderson stated if the policy is written correctly, it would not. Ms. Valenti is not opposed to a policy for guidelines and education for the board members. Supervisor Spicher will research similar policies and work with the attorney to develop a policy to bring to the board.

**9. Update on the Eagle Scout project at the Chilson Hills Cemetery as presented by the Township Clerk.**

Mr. Soucy stated eagle scout candidate, Luke O'Brian, requested to do a project at the Chilson Hills Cemetery. Luke, his family and fellow troop members spent more than 40 hours cleaning 40 headstones and repairing 3. The township will also be implementing a fall clean up event at the cemetery.

Mr. Reiber congratulated Luke on earning his Eagle Scout. It is a very high honor and will be with him his entire life.

**Board Comments**

Ms. Hovarter provided a review of the Melonfest.

Supervisor Spicher provided a review of the housing town hall. There were approximately 15 people in attendance. A follow up survey will be published regarding South Latson Road.

Ms. Hunt stated September 14 is the last day to pay summer taxes without penalty. At this time, it is best to pay online or drop off the payment at the township or in one of the drop boxes, instead of mailing it.

**Adjournment**

**Moved** by Hunt, supported by Walker, to adjourn the meeting at 7:43 pm. **The motion carried unanimously.**

Respectfully Submitted,

Patty Thomas
Recording Secretary

| | | |
|---|---|---|
| Approved: | Rick Soucy, Clerk<br>Genoa Charter Township | Kevin Spicher, Supervisor<br>Genoa Charter Township |

Maner Costerisan

# Genoa Charter Township Year Ended March 31, 2026

Tyler P. Baker, CPA, CGFM

# Auditors Report

- Audit Objective
  - The objective, or purpose, of an audit is to express opinions on the financial statements
  - The purpose is <u>not</u> to detect fraud or express an opinion on your internal controls
- Opinions (p. 1)
  - In our opinion, the financial statements…present fairly, in all material respect…
    - Our opinion on your financial statements
    - Unmodified opinion
- Responsibilities of Management for the Financial Statement (p. 2)
  - Preparation and fair presentation of the financial statements in accordance with GAAP
  - Including the design, implementation, and maintenance of internal controls
  - Also responsible for fraud detection, deterrence, and prevention
- Auditor’s Responsibility (p. 2)
  - Express opinions on the financial statements based on our audit

Maner Costerisan

# GENOA CHARTER TOWNSHIP
# STATEMENT OF NET POSITION
# MARCH 31, 2026

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | $ 14,258,124 | $ 636,033 | $ 14,894,157 |
| Cash and cash equivalents - restricted | - | 1,054,804 | 1,054,804 |
| Receivables | | | |
| Taxes | 116,700 | - | 116,700 |
| Accounts | - | 494,186 | 494,186 |
| Leases | - | 319,803 | 319,803 |
| Special assessments - restricted | 3,201,237 | - | 3,201,237 |
| Inventory | 109,835 | 123,151 | 232,986 |
| Due from other governments | 708,194 | - | 708,194 |
| Prepaid expenses | 507,730 | - | 507,730 |
| Interfund balances | 62,458 | (62,458) | - |
| Capital assets | | | |
| Non-depreciable | 2,995,481 | 618,864 | 3,614,345 |
| Depreciable, net of accumulated depreciation | 4,939,265 | 15,110,422 | 20,049,687 |
| Interfund advances | 493,968 | (493,968) | - |
| Investment in joint ventures | 37,493,599 | - | 37,493,599 |
| TOTAL ASSETS | 64,886,591 | 17,800,837 | 82,687,428 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related activities | 66,531 | - | 66,531 |
| LIABILITIES | | | |
| Accounts payable | 237,305 | 106,363 | 343,668 |
| Accrued interest | 16,650 | 26,914 | 43,564 |
| Accrued expenditures | 153,502 | - | 153,502 |
| Due to others | 358,520 | - | 358,520 |
| Unearned revenues | 1,296,343 | 25,555 | 1,321,898 |
| Net pension liability | 201,717 | - | 201,717 |
| Long-term obligations | | | |
| Current | 476,525 | 352,962 | 829,487 |
| Non-current | 1,593,962 | 3,381,663 | 4,975,625 |
| TOTAL LIABILITIES | 4,334,524 | 3,893,457 | 8,227,981 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred gain on refunding | - | 42,450 | 42,450 |
| Lease related | - | 294,263 | 294,263 |
| Pension related activities | 44,186 | - | 44,186 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 44,186 | 336,713 | 380,899 |
| NET POSITION | | | |
| Net investment in capital assets | 6,187,373 | 11,952,211 | 18,139,584 |
| Restricted | | | |
| Public works - water/sewer | - | 1,054,804 | 1,054,804 |
| Road improvement | 678,487 | - | 678,487 |
| Debt service | 378,424 | - | 378,424 |
| Unrestricted | 53,330,128 | 563,652 | 53,893,780 |
| TOTAL NET POSITION | $ 60,574,412 | $ 13,570,667 | $ 74,145,079 |

See notes to financial statements.

# GENOA CHARTER TOWNSHIP
# DEFINED BENEFIT PENSION PLAN
## SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
## LAST TEN FISCAL YEARS
## (AMOUNTS WERE DETERMINED AS OF 12/31 EACH YEAR)

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Pension Liability | | | | | | | | | | |
| Service cost | $ 16,227 | $ 15,941 | $ 14,608 | $ 12,825 | $ 21,556 | $ 20,681 | $ 19,846 | $ 19,377 | $ 18,799 | $ 19,422 |
| Interest | 72,758 | 67,726 | 61,358 | 53,131 | 47,313 | 40,867 | 35,598 | 33,177 | 31,216 | 26,674 |
| Difference in experience | 1,367 | 21,656 | 47,365 | 63,842 | 9,035 | 1,085 | (3,422) | 889 | (25,787) | 10,986 |
| Change of assumptions | 16,961 | 319 | 7,787 | - | 36,771 | 21,735 | 15,022 | - | - | - |
| Benefit payments | (36,136) | (35,276) | (34,415) | - | - | - | - | - | - | - |
| Other changes | - | - | - | - | - | 1 | 1,873 | - | - | - |
| Net Change in Total Pension Liability | 71,177 | 70,366 | 96,703 | 129,798 | 114,675 | 84,369 | 68,917 | 53,443 | 24,228 | 57,082 |
| Total Pension Liability, beginning | 1,023,297 | 952,931 | 856,228 | 726,430 | 611,755 | 527,386 | 458,469 | 405,026 | 380,798 | 323,716 |
| Total Pension Liability, ending | $ 1,094,474 | $ 1,023,297 | $ 952,931 | $ 856,228 | $ 726,430 | $ 611,755 | $ 527,386 | $ 458,469 | $ 405,026 | $ 380,798 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | $ 30,810 | $ 24,472 | $ 99,012 | $ 33,068 | $ 29,892 | $ 26,156 | $ 24,466 | $ 24,298 | $ 22,354 | $ 22,061 |
| Net investment income (loss) | 120,531 | 55,059 | 71,555 | (66,187) | 77,158 | 61,945 | 51,786 | (15,273) | 41,044 | 29,531 |
| Benefit payments | (36,136) | (35,276) | (34,415) | - | - | - | - | - | - | - |
| Administrative expenses | (1,583) | (1,638) | (1,531) | (1,213) | (885) | (927) | (893) | (725) | (646) | (580) |
| Net Change in Plan Fiduciary Net Position | 113,622 | 42,617 | 134,621 | (34,332) | 106,165 | 87,174 | 75,359 | 8,300 | 62,752 | 51,012 |
| Plan Fiduciary Net Position, beginning | 779,135 | 736,518 | 601,897 | 636,229 | 530,064 | 442,890 | 367,531 | 359,231 | 296,479 | 245,467 |
| Plan Fiduciary Net Position, ending | $ 892,757 | $ 779,135 | $ 736,518 | $ 601,897 | $ 636,229 | $ 530,064 | $ 442,890 | $ 367,531 | $ 359,231 | $ 296,479 |
| Employer's Net Pension Liability | $ 201,717 | $ 244,162 | $ 216,413 | $ 254,331 | $ 90,201 | $ 81,691 | $ 84,496 | $ 90,938 | $ 45,795 | $ 84,319 |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 81.57% | 76.14% | 77.29% | 70.30% | 87.58% | 86.65% | 83.98% | 80.16% | 88.69% | 66.00% |
| Covered payroll | $ 157,085 | $ 153,308 | $ 142,520 | $ 125,118 | $ 251,427 | $ 240,881 | $ 234,022 | $ 228,343 | $ 221,282 | $ 222,122 |
| Employer's net pension liability as a percentage of covered payroll | 128% | 160% | 152% | 203% | 36% | 34% | 36% | 40% | 21% | 38% |

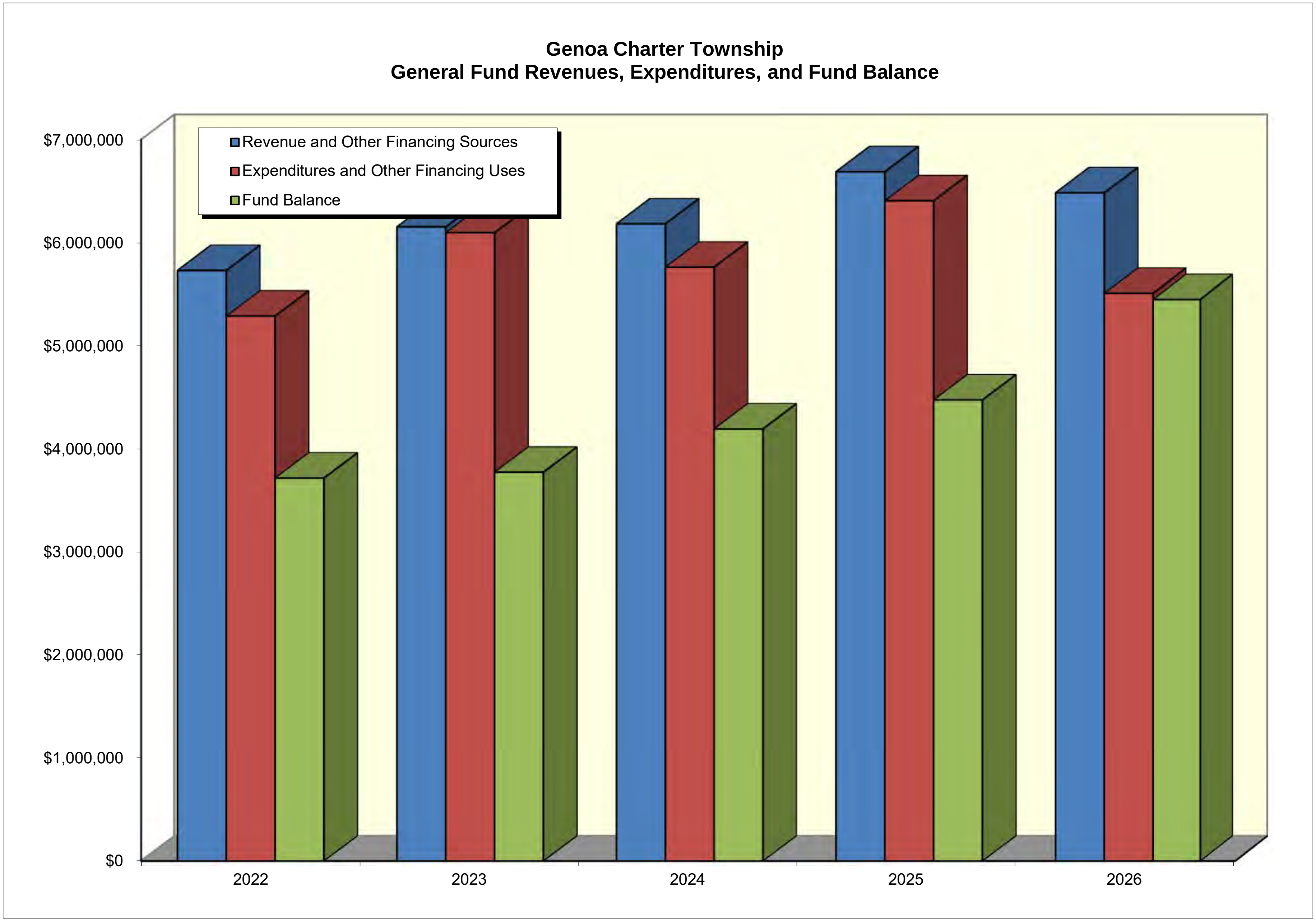
# GENOA CHARTER TOWNSHIP
# GENERAL FUND
# BUDGETARY COMPARISON SCHEDULE (NON-GAAP BASIS)
# YEAR ENDED MARCH 31, 2026

| | Budgeted Amounts | | | Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Positive (Negative) |
| REVENUES | | | | |
| Taxes | $ 1,792,600 | $ 1,796,100 | $ 1,758,441 | $ (37,659) |
| Licenses and permits | 421,600 | 425,493 | 421,643 | (3,850) |
| Intergovernmental | 2,371,336 | 2,424,251 | 2,424,448 | 197 |
| Charges for services | 1,585,621 | 1,612,325 | 1,641,885 | 29,560 |
| Interest and rents | 70,000 | 70,000 | 119,742 | 49,742 |
| Other | 12,000 | 14,222 | 13,822 | (400) |
| TOTAL REVENUES | 6,253,157 | 6,342,391 | 6,379,981 | 37,590 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | | | | |
| Township trustees | 63,500 | 60,500 | 56,533 | 3,967 |
| Supervisor | 71,600 | 71,600 | 69,860 | 1,740 |
| Township manager | 216,900 | 216,900 | 211,700 | 5,200 |
| Accounting and finance | 122,600 | 112,600 | 111,533 | 1,067 |
| Township clerk | 106,579 | 152,525 | 148,493 | 4,032 |
| Information and technology | 80,200 | 81,700 | 80,516 | 1,184 |
| Board of review | 14,640 | 7,764 | 4,318 | 3,446 |
| Township treasurer | 183,850 | 183,850 | 177,256 | 6,594 |
| Assessing department | 306,900 | 292,900 | 279,526 | 13,374 |
| Elections | 18,000 | 38,803 | 20,539 | 18,264 |
| Building and grounds | 253,500 | 244,500 | 233,409 | 11,091 |
| Professional fees | 234,900 | 160,100 | 136,988 | 23,112 |
| Human resources | 22,700 | 22,700 | 20,446 | 2,254 |
| Unallocated | 961,720 | 896,107 | 796,382 | 99,725 |
| Total general government | 2,657,589 | 2,542,549 | 2,347,499 | 195,050 |
| Public works | | | | |
| Drains | 34,500 | 38,000 | 37,844 | 156 |
| Refuse collection | 1,635,000 | 1,640,000 | 1,639,726 | 274 |
| Cemetery | 10,000 | 6,500 | 4,695 | 1,805 |
| Total public works | 1,679,500 | 1,684,500 | 1,682,265 | 2,235 |
| Community and economic development | | | | |
| Planning and zoning | 457,201 | 311,800 | 272,447 | 39,353 |
| Economic development | 54,000 | 10,000 | 7,010 | 2,990 |
| Total community and economic development | 511,201 | 321,800 | 279,457 | 42,343 |
| Capital outlay | 40,000 | 40,000 | 37,345 | 2,655 |
| TOTAL EXPENDITURES | 4,888,290 | 4,588,849 | 4,346,566 | 242,283 |
| EXCESS OF REVENUES OVER EXPENDITURES | 1,364,867 | 1,753,542 | 2,033,415 | 279,873 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 31,647 | 31,647 | 82,504 | 50,857 |
| Transfers out | (1,300,000) | (1,550,000) | (1,550,000) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,268,353) | (1,518,353) | (1,467,496) | 50,857 |
| Net change in fund balance (Budgetary basis) | $ 96,514 | $ 235,189 | 565,919 | $ 330,730 |
| Budgetary perspective difference | | | 407,618 | |
| Net change in fund balance (GAAP basis) | | | $ 973,537 | |

**GENOA CHARTER TOWNSHIP**
**GOVERNMENTAL FUNDS**
**BALANCE SHEET**
**MARCH 31, 2026**

| | | Special Revenue | | Capital Projects | | Debt Service | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Reimbursable Projects Fund | Utilities/DPW Fund | Genoa Oceola Sewer New User Fund | Pine Creek Ridge Road Improvement | Pine Creek Ridge Road Debt Service | Nonmajor Funds | Totals |
| ASSETS | | | | | | | | |
| Cash and cash equivalents | $ 6,189,582 | $ 667,541 | $ 164,605 | $ 2,408,318 | $ 24,081 | $ 387,701 | $ 4,416,296 | $ 14,258,124 |
| Receivables | | | | | | | | |
| Special assessments | - | 2,162,038 | - | - | - | 1,037,499 | 1,700 | 3,201,237 |
| Taxes | 116,700 | - | - | - | - | - | - | 116,700 |
| Due from other funds | 371,197 | - | 82,596 | 31,800 | - | - | 18,925 | 504,518 |
| Due from other governments | 562,257 | 12,798 | 125,766 | - | - | 7,373 | - | 708,194 |
| Advances to other funds | - | - | - | 493,968 | - | - | - | 493,968 |
| Inventory | 105,335 | - | 4,500 | - | - | - | - | 109,835 |
| Prepaid expenditures | 66,903 | - | 440,827 | - | - | - | - | 507,730 |
| TOTAL ASSETS | $ 7,411,974 | $ 2,842,377 | $ 818,294 | $ 2,934,086 | $ 24,081 | $ 1,432,573 | $ 4,436,921 | $ 19,900,306 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | | | | | | | |
| LIABILITIES | | | | | | | | |
| Accounts payable | $ 210,039 | $ 1,852 | $ 25,414 | $ - | $ - | $ - | $ - | $ 237,305 |
| Accrued expenditures | 40,254 | - | 113,248 | - | - | - | - | 153,502 |
| Unearned revenue | 1,296,343 | - | - | - | - | - | - | 1,296,343 |
| Due to other funds | 56,264 | - | 384,996 | - | - | - | 800 | 442,060 |
| Due to others | 358,520 | - | - | - | - | - | - | 358,520 |
| TOTAL LIABILITIES | 1,961,420 | 1,852 | 523,658 | - | - | - | 800 | 2,487,730 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue - special assessments | - | 2,162,038 | - | - | - | 1,037,499 | - | 3,199,537 |
| FUND BALANCES | | | | | | | | |
| Nonspendable | | | | | | | | |
| Prepaid expenditures | 66,903 | - | 440,827 | - | - | - | - | 507,730 |
| Inventory | 105,335 | - | 4,500 | - | - | - | - | 109,835 |
| Advances to other funds | - | - | - | 493,968 | - | - | - | 493,968 |
| Restricted for: | | | | | | | | |
| Road improvement | - | 678,487 | - | - | - | - | - | 678,487 |
| Debt service | - | - | - | - | - | 395,074 | - | 395,074 |
| Committed for: | | | | | | | | |
| Buildings and grounds reserve | 1,041,205 | - | - | - | - | - | - | 1,041,205 |
| Capital improvement | - | - | - | 2,440,118 | 24,081 | - | 1,820,560 | 4,284,759 |
| Disaster contingency fund | 250,335 | - | - | - | - | - | - | 250,335 |
| Public safety | - | - | - | - | - | - | 10,216 | 10,216 |
| Public works | - | - | - | - | - | - | 1,436,536 | 1,436,536 |
| Recreation | - | - | - | - | - | - | 1,168,809 | 1,168,809 |
| Unassigned | 3,986,776 | - | (150,691) | - | - | - | - | 3,836,085 |
| TOTAL FUND BALANCES | 5,450,554 | 678,487 | 294,636 | 2,934,086 | 24,081 | 395,074 | 4,436,121 | 14,213,039 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | $ 7,411,974 | $ 2,842,377 | $ 818,294 | $ 2,934,086 | $ 24,081 | $ 1,432,573 | $ 4,436,921 | $ 19,900,306 |

See notes to financial statements.


Genoa Charter Township
General Fund Revenues, Expenditures, and Fund Balance
Revenue and Other Financing Sources
Expenditures and Other Financing Uses
Fund Balance
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2022
2023
2024
2025
2026

# Thank you for your time.

Tyler P. Baker, CPA, CGFM
Principal
**Maner Costerisan**
**Certified Public Accountants**
**Business & Technology Advisors**
517-886-9590
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Grand Rapids, MI 49546

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August 28, 2026

To the Board of Trustees of
Genoa Charter Township
Brighton, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Genoa Charter Township for the year ended March 31, 2026. We did not audit the financial statements of Brighton Area Fire Authority, which represents 15%, 16%, and 13%, respectively, of the assets, net position, and revenues of the governmental activities. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Genoa Charter Township are described in Note 1 to the financial statements. As described in Note 11 to the financial statements, the Township adopted Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures,* during the year ended March 31, 2026. The implementation of GASB Statement No. 102 did not have an impact on the Township's financial statements. We noted no transactions entered into by Genoa Charter Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's calculation of the depreciation expense is based on the estimated useful lives of the capital assets.

Management's calculation of the accrued compensated absences is based on current hourly rates, historical usage, and policies regarding payment of sick and vacation banks.

The calculation of the net pension liability and related deferred outflows and inflows of resources is based on an actuarial study which utilized certain actuarial assumptions.

Management's calculation of the rental and interest income related to lease receivable is based on anticipated lease term (including options to renew, terminate, or purchase) and incremental borrowing rate.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. 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, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 28, 2026.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Genoa Charter Township's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Genoa Charter Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

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

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

A separate management letter was not issued.

Restriction on Use

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

Very truly yours,

Maner Costerisan PC

Lansing, Michigan

# GENOA CHARTER TOWNSHIP

# REPORT ON FINANCIAL STATEMENTS
**(with required and other supplementary information)**

## YEAR ENDED MARCH 31, 2026

Maner Costerisan

**GENOA CHARTER TOWNSHIP**

**TOWNSHIP OFFICIALS**

Supervisor - Kevin Spicher
Clerk - Rick Soucy
Treasurer - Robin Hunt

**BOARD OF TRUSTEES**

Kevin Spicher
Rick Soucy
Robin Hunt
Candie Hovarter
Bill Reiber
Jodie Valenti
Todd Walker

**MANAGER**

Kelly VanMarter

**TOWNSHIP ATTORNEYS**

Seward Henderson PLLC

**TOWNSHIP AUDITORS**

Maner Costerisan
Certified Public Accountants

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Maner Costerisan

2425 E. Grand River Ave.,
Suite 1, Lansing, MI 48912

2851 Charlevoix Dr SE #300,
Grand Rapids, MI 49546

517.323.7500

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of
Genoa Charter Township
Brighton, Michigan

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Genoa Charter Township, as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise Genoa Charter Township's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the 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 Genoa Charter Township, as of March 31, 2026, 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.

We did not audit the financial statements of Brighton Area Fire Authority, which represent 15%, 16%, and 13%, respectively, of the assets, net position, and revenues of the governmental activities as of March 31, 2026. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Brighton Area Fire Authority, is based solely on the report of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Genoa Charter 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 Genoa Charter 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Genoa Charter 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 Genoa Charter 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, budgetary comparison information, and pension related schedules, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 Genoa Charter Township's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maner Costerisan PC

Lansing, Michigan
August 28, 2026

## GENOA CHARTER TOWNSHIP
## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Genoa Charter Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the year ended March 31, 2026. 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, deferred outflows of resources, liabilities, and deferred inflows of resources, 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 period. 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 & 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). The Township has no 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 and individual fund 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 period. 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 nonmajor funds are presented in a subsequent section of this report.

## Financial Analysis of the Township as a Whole

The Township's overall net position at the end of the fiscal year was $74,145,079. This is a $2,977,833 increase compared to the net position of $71,167,246 as of March 31, 2025. This was up mostly due to a large decrease in road improvement projects during the current year as compared to the prior year.

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 | | Total | |
|---|---|---|---|---|---|---|
| | 2026 | Restated 2025 | 2026 | Restated 2025 | 2026 | Restated 2025 |
| ASSETS | | | | | | |
| Current and other assets | $ 56,951,845 | $ 54,450,537 | $ 2,071,551 | $ 2,160,053 | $ 59,023,396 | $ 56,610,590 |
| Capital assets, net | 7,934,746 | 8,196,675 | 15,729,286 | 16,409,362 | 23,664,032 | 24,606,037 |
| TOTAL ASSETS | 64,886,591 | 62,647,212 | 17,800,837 | 18,569,415 | 82,687,428 | 81,216,627 |
| DEFERRED OUTFLOWS OF RESOURCES | 66,531 | 121,202 | - | - | 66,531 | 121,202 |
| LIABILITIES | | | | | | |
| Current liabilities | 2,740,562 | 2,643,007 | 511,794 | 544,245 | 3,252,356 | 3,187,252 |
| Long-term liabilities | 1,593,962 | 2,876,138 | 3,381,663 | 3,734,624 | 4,975,625 | 6,610,762 |
| TOTAL LIABILITIES | 4,334,524 | 5,519,145 | 3,893,457 | 4,278,869 | 8,227,981 | 9,798,014 |
| DEFERRED INFLOWS OF RESOURCES | 44,186 | 6,009 | 336,713 | 366,560 | 380,899 | 372,569 |
| NET POSITION | | | | | | |
| Net investment in capital assets | 6,187,373 | 5,312,966 | 11,952,211 | 12,326,775 | 18,139,584 | 17,639,741 |
| Restricted | 1,056,911 | 988,365 | 1,054,804 | 1,055,372 | 2,111,715 | 2,043,737 |
| Unrestricted | 53,330,128 | 50,941,929 | 563,652 | 541,839 | 53,893,780 | 51,483,768 |
| TOTAL NET POSITION | $ 60,574,412 | $ 57,243,260 | $ 13,570,667 | $ 13,923,986 | $ 74,145,079 | $ 71,167,246 |

## Summary of Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| REVENUE | 2026 | Restated 2025 | 2026 | Restated 2025 | 2026 | Restated 2025 |
| Program Revenue | | | | | | |
| Charges for service | $ 9,606,534 | $ 9,921,899 | $ 2,266,922 | $ 2,106,009 | $ 11,873,456 | $ 12,027,908 |
| Capital grants and capital contributions | - | 386,902 | - | - | - | 386,902 |
| General Revenue | | | | | | |
| Intergovernmental | 2,422,248 | 2,356,784 | - | - | 2,422,248 | 2,356,784 |
| Property taxes | 1,285,342 | 1,224,963 | - | - | 1,285,342 | 1,224,963 |
| Interest income | 397,712 | 466,350 | 24,992 | 34,449 | 422,704 | 500,799 |
| Other | 183,936 | 36,601 | 77,940 | 82,244 | 261,876 | 118,845 |
| Transfers | (18,334) | (46,564) | 18,334 | 46,564 | - | - |
| TOTAL REVENUE | 13,877,438 | 14,346,935 | 2,388,188 | 2,269,266 | 16,265,626 | 16,616,201 |
| PROGRAM EXPENSES | | | | | | |
| General government | 2,583,886 | 2,558,598 | - | - | 2,583,886 | 2,558,598 |
| Community and economic development | 279,457 | 381,271 | - | - | 279,457 | 381,271 |
| Public safety | 15,097 | 15,098 | - | - | 15,097 | 15,098 |
| Parks and recreation | 315,498 | 546,434 | - | - | 315,498 | 546,434 |
| Public works | 7,210,534 | 11,145,436 | - | - | 7,210,534 | 11,145,436 |
| Interest and related on long-term debt | 141,814 | 188,358 | - | - | 141,814 | 188,358 |
| Water and sewer systems | - | - | 2,741,507 | 2,749,494 | 2,741,507 | 2,749,494 |
| TOTAL PROGRAM EXPENSES | 10,546,286 | 14,835,195 | 2,741,507 | 2,749,494 | 13,287,793 | 17,584,689 |
| Change in net position | 3,331,152 | (488,260) | (353,319) | (480,228) | 2,977,833 | (968,488) |
| Beginning net position | 57,243,260 | 57,731,520 | 13,923,986 | 14,404,214 | 71,167,246 | 72,135,734 |
| Ending net position | $ 60,574,412 | $ 57,243,260 | $ 13,570,667 | $ 13,923,986 | $ 74,145,079 | $ 71,167,246 |

## Financial Analysis of the Township's Funds

The Township had six Major Governmental Funds based on the calculation requirement of GASB Standards (Governmental Accounting Standards Board). Those Major Funds are as follows:

1. General Fund
2. Reimbursable Projects Fund
3. Utilities/DPW Fund
4. Genoa Oceola Sewer New User Fund
5. Pine Creek Ridge Road Improvement Fund
6. Pine Creek Ridge Debt Service Fund

### General Fund

The Township's General Fund had revenues over expenditures totaling $1,991,033 before other financing sources and uses (transfers in and transfers out) of ($1,017,496). Thus, the Township's fund balance increased by $973,537 for the year ended March 31, 2026. Transfers were made to the Future Development Parks, Paths and Recreation Fund for $250,000 and the Road Improvement Fund for $850,000 to finance expansions and improvements. The ARPA fund transferred $36,495 into the General Fund to close out the fund. The Reimbursable Projects Fund transferred $46,009 into the General Fund consisting of interest from banks and assessments.

### Reimbursable Projects Fund

Total Revenues were $619,040 consisting of annual assessments and interest income. Total expenditures were $600,964 consisting of several large road projects including Genoa Estates and Timber Green. The Township also transferred $46,009 to the General Fund as mentioned above.

### Utilities/DPW Fund

The DPW Fund continues to support the various water and sewer districts in Genoa Township as well as the three independent water and sewer districts, Genoa- Oceola Sewer Authority, the Marion-Howell-Oceola-Genoa Water Authority, and the Howell Township Sewer District.

The DPW department had revenues of $3,937,967 offset by operating expenditures of $3,616,098 leaving an operating income of $321,869. The DPW department transferred $181,000 to its DPW Reserve Fund in order to set monies aside for future capital purchases (Trucks, Vactor Equipment, etc.…) and $15,000 for Insurance reserves. The Fund also transferred out $100,000 to the Grand River Water New User Fund as a return of an advance used for truck purchases.

The Department & Township has agreed to maintain a fund balance of at least $75,000 and anything above that will be transferred back to the water and sewer districts as excess premiums. In maintaining with this policy, the Department transferred out $18,334 to Oak Pointe Water & Sewer and Lake Edgewood Water & Sewer as return of excess premiums. Included in expenditures were payments of $68,767 to the three independent water and sewer districts as return of excess premiums. Thus, total return of excess premiums paid out were $87,101 for the year ending March 31, 2026 (the payments/transfers are made after the prior year audit is completed). Revenues, expenditures, and transfers totaled an increase in the DPW Fund Balance of $7,535.

### Genoa Oceola Sewer New User Fund

This fund is used to maintain new sewer hookup tap fees charged by the Township for its portion of the Genoa-Oceola Sewer District. The revenues were $546,243 with offsetting expenditures of $4,599, giving a significant increase in its fund balance of $541,644. These monies are used for future improvements, expansions, and major repairs of the sewer system.

Pine Creek Ridge Road Improvement and Debt Service Funds

The last two major funds stem from a road project in the Pine Creek Ridge Subdivision. The two funds consist of a Construction Fund and Debt Service Fund. The construction Fund received bond proceeds in the amount of $2,795,000 during fiscal year 2025 to help finance the construction costs. Construction of road improvements were completed in the fiscal year ending March 31, 2026. The Township has levied a special assessment on the residents to repay the debt over 15 years at an interest rate of 4.64%.

The Construction Fund had a decrease in its fund balance of $1,785,409. The Debt Service Fund had an increase in its fund balance of $34,869. There was an interfund transfer from the Construction fund to the Debt Service Fund in the amount of $1,127,113 which was used to defease bonds and pay out refunds to residents for overpayments made on the special assessments. The Construction Fund and Debt Service Fund had ending Fund Balances of $24,081 and $395,074, respectively.

Lake Edgewood and Oak Pointe Water and Sewer Funds

The Lake Edgewood and Oak Pointe Water and Sewer Funds are the Township's only Proprietary (Business-type) Major Funds. As the name infers, these funds are treated as regular businesses and use the full accrual method of accounting instead of the modified accrual method used by governmental funds.

The Oak Pointe Water & Sewer Fund had a decrease in net position of $160,529. The district had depreciation of $454,983 which is a non-cash expense. The water and sewer district was converted over to the Genoa-Oceola Wastewater Plant several years ago which is helping reduce repair and maintenance costs with the consolidation.

Lake Edgewood had a decrease in net position of $192,790. The district incurred depreciation expense of $225,093 during the year. The water - sewer district had several major repair costs during the past year. Lake Edgewood also converted to Genoa-Oceola Wastewater Plant effective June of 2024. Management believes this should also help reduce repair and maintenance costs with the consolidation.

Management understands the importance of reviewing rates on an annual basis to maintain financial stability for both districts. Both Lake Edgewood and Oak Pointe districts struggle financially due to their size. Spreading costs of maintaining these systems can be difficult with the number of residents being so small.

## General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal period in accordance with Public Act 493 of 2000. The budget was amended during the year to account for economic reality. Final amended budget for revenues increased to $6,342,391 from the original budget of $6,253,157. The overall difference was from various revenue line-item changes which were immaterial with increases in intergovernmental revenue being the most significant. Final amended budget for expenditures decreased to $4,588,849 from original budget of $4,888,290. The overall decrease was $299,441, or 6.1%. The changes by expenditure category was negligible. Total actual expenditures were $4,346,566 compared to the final budget of $4,588,849 giving a positive variance of $242,283.

## Capital Asset and Debt Administration

The governmental activities of the Township acquired $336,726 of new capital assets. Included in these acquisitions were traffic speed cameras and system, tile and drainage system acquisitions, and vehicles for the DPW department. For the year ended March 31, 2026, the governmental activity, had $75,000 of principal due. Additionally, $1,055,000 of principal was defeased, leaving an outstanding balance of $1,665,000, which relates to Pine Creek Road Improvement Revenue Bonds.

The Township's business-type activities acquired no new capital assets throughout the year. For the year ended March 31, 2026, the business-type activity, Oak Pointe, had $340,000 of principal paid leaving an outstanding balance of $3,655,000 as of March 31, 2026.

## Economic Conditions and Future Activities

During a period of organizational transition and increased community engagement, the Township has remained focused on maintaining financial stability, operational consistency, and responsible stewardship of taxpayer resources. Strong internal controls, established financial procedures, professional accounting support, and independent external auditing provide continuity and help ensure decisions are based on accurate information, sound management practices, and Generally Accepted Accounting Principles (GAAP).

The Township has continued to successfully plan and implement significant community investments. Over the past several years, substantial investments have been made through Special Assessment District projects, including road improvements and aquatic weed control initiatives. These projects demonstrate the Township's commitment to maintaining infrastructure, protecting property values, and addressing long-term community needs, with road improvements remaining a primary priority.

The Township has taken a responsible approach to parks and recreation by focusing on maintaining existing facilities, maximizing current assets, and expanding support for senior services and community programming. Through partnerships and collaboration, the Township continues to identify opportunities to reduce costs, minimize duplication of services, and provide greater value to residents.

The Township has also dedicated significant resources toward planning and zoning initiatives to proactively address evolving land use challenges. This includes an ongoing Master Plan review, comprehensive community engagement through an extensive survey process, and the adoption of updated ordinances addressing emerging issues. Moving forward, the Township remains focused on encouraging appropriate growth while preserving its rural character and quality of life.

Transparency, communication, and public engagement have also been areas of continued focus. By improving access to information and creating additional opportunities for residents to better understand Township operations, the Township continues to strengthen public trust and support informed community participation.

The Township recognizes that maintaining a qualified and stable workforce is essential to providing consistent, high-quality services to residents. The Township regularly evaluates compensation and benefits to support employee retention, remain competitive within the labor market, and preserve the institutional knowledge necessary for effective operations. Compensation and benefit decisions are made with consideration of both employee retention needs and the Township's responsibility to manage public funds responsibly. Maintaining a skilled workforce helps promote continuity, operational efficiency, and responsible delivery of public services.

Through careful financial management, strategic investments, support for employees, and a commitment to transparency and responsible decision-making, the Township continues to protect taxpayer resources while addressing current needs and planning for future challenges.

## Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact the Genoa Charter Township at 2911 Dorr Road, Brighton, MI 48116.

# BASIC FINANCIAL STATEMENTS

# GENOA CHARTER TOWNSHIP
# STATEMENT OF NET POSITION
# MARCH 31, 2026

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | $ 14,258,124 | $ 636,033 | $ 14,894,157 |
| Cash and cash equivalents - restricted | - | 1,054,804 | 1,054,804 |
| Receivables | | | |
| Taxes | 116,700 | - | 116,700 |
| Accounts | - | 494,186 | 494,186 |
| Leases | - | 319,803 | 319,803 |
| Special assessments - restricted | 3,201,237 | - | 3,201,237 |
| Inventory | 109,835 | 123,151 | 232,986 |
| Due from other governments | 708,194 | - | 708,194 |
| Prepaid expenses | 507,730 | - | 507,730 |
| Interfund balances | 62,458 | (62,458) | - |
| Capital assets | | | |
| Non-depreciable | 2,995,481 | 618,864 | 3,614,345 |
| Depreciable, net of accumulated depreciation | 4,939,265 | 15,110,422 | 20,049,687 |
| Interfund advances | 493,968 | (493,968) | - |
| Investment in joint ventures | 37,493,599 | - | 37,493,599 |
| TOTAL ASSETS | 64,886,591 | 17,800,837 | 82,687,428 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related activities | 66,531 | - | 66,531 |
| LIABILITIES | | | |
| Accounts payable | 237,305 | 106,363 | 343,668 |
| Accrued interest | 16,650 | 26,914 | 43,564 |
| Accrued expenditures | 153,502 | - | 153,502 |
| Due to others | 358,520 | - | 358,520 |
| Unearned revenues | 1,296,343 | 25,555 | 1,321,898 |
| Net pension liability | 201,717 | - | 201,717 |
| Long-term obligations | | | |
| Current | 476,525 | 352,962 | 829,487 |
| Non-current | 1,593,962 | 3,381,663 | 4,975,625 |
| TOTAL LIABILITIES | 4,334,524 | 3,893,457 | 8,227,981 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred gain on refunding | - | 42,450 | 42,450 |
| Lease related | - | 294,263 | 294,263 |
| Pension related activities | 44,186 | - | 44,186 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 44,186 | 336,713 | 380,899 |
| NET POSITION | | | |
| Net investment in capital assets | 6,187,373 | 11,952,211 | 18,139,584 |
| Restricted | | | |
| Public works - water/sewer | - | 1,054,804 | 1,054,804 |
| Road improvement | 678,487 | - | 678,487 |
| Debt service | 378,424 | - | 378,424 |
| Unrestricted | 53,330,128 | 563,652 | 53,893,780 |
| TOTAL NET POSITION | $ 60,574,412 | $ 13,570,667 | $ 74,145,079 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**STATEMENT OF ACTIVITIES**
**YEAR ENDED MARCH 31, 2026**

| | | Program Revenues | Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|---|---|---|
| | | | Primary Government | | |
| Functions/Programs | Expenses | Charges for Services | Governmental Activities | Business-type Activities | Total |
| Governmental activities | | | | | |
| General government | $ 2,583,886 | $ 2,911,063 | $ 327,177 | $ - | $ 327,177 |
| Public safety | 15,097 | - | (15,097) | - | (15,097) |
| Community and economic development | 279,457 | - | (279,457) | - | (279,457) |
| Public works | 7,210,534 | 6,695,471 | (515,063) | - | (515,063) |
| Parks and recreation | 315,498 | - | (315,498) | - | (315,498) |
| Interest and related on long-term debt | 141,814 | - | (141,814) | - | (141,814) |
| Total governmental activities | 10,546,286 | 9,606,534 | (939,752) | - | (939,752) |
| Business-type activities | | | | | |
| Water and sewer system | 2,741,507 | 2,266,922 | - | (474,585) | (474,585) |
| Total | $ 13,287,793 | $ 11,873,456 | (939,752) | (474,585) | (1,414,337) |
| General revenues | | | | | |
| Property taxes | | | 1,285,342 | - | 1,285,342 |
| Intergovernmental | | | 2,422,248 | - | 2,422,248 |
| Interest earnings | | | 397,712 | 24,992 | 422,704 |
| Miscellaneous | | | 183,936 | 77,940 | 261,876 |
| Transfers | | | (18,334) | 18,334 | - |
| Total general revenues and transfers | | | 4,270,904 | 121,266 | 4,392,170 |
| Changes in net position | | | 3,331,152 | (353,319) | 2,977,833 |
| Net position, beginning of year, as previously reported | | | 57,243,260 | 14,019,596 | 71,262,856 |
| Adjustments to beginning net position | | | - | (95,610) | (95,610) |
| Net position, beginning of year, as restated | | | 57,243,260 | 13,923,986 | 71,167,246 |
| Net position, end of year | | | $ 60,574,412 | $ 13,570,667 | $ 74,145,079 |

See notes to financial statements.

# GENOA CHARTER TOWNSHIP
# GOVERNMENTAL FUNDS
# BALANCE SHEET
# MARCH 31, 2026

| | | Special Revenue | | Capital Projects | | Debt Service | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Reimbursable Projects Fund | Utilities/DPW Fund | Genoa Oceola Sewer New User Fund | Pine Creek Ridge Road Improvement | Pine Creek Ridge Road Debt Service | Nonmajor Funds | Totals |
| ASSETS | | | | | | | | |
| Cash and cash equivalents | $ 6,189,582 | $ 667,541 | $ 164,605 | $ 2,408,318 | $ 24,081 | $ 387,701 | $ 4,416,296 | $ 14,258,124 |
| Receivables | | | | | | | | |
| Special assessments | - | 2,162,038 | - | - | - | 1,037,499 | 1,700 | 3,201,237 |
| Taxes | 116,700 | - | - | - | - | - | - | 116,700 |
| Due from other funds | 371,197 | - | 82,596 | 31,800 | - | - | 18,925 | 504,518 |
| Due from other governments | 562,257 | 12,798 | 125,766 | - | - | 7,373 | - | 708,194 |
| Advances to other funds | - | - | - | 493,968 | - | - | - | 493,968 |
| Inventory | 105,335 | - | 4,500 | - | - | - | - | 109,835 |
| Prepaid expenditures | 66,903 | - | 440,827 | - | - | - | - | 507,730 |
| TOTAL ASSETS | $ 7,411,974 | $ 2,842,377 | $ 818,294 | $ 2,934,086 | $ 24,081 | $ 1,432,573 | $ 4,436,921 | $ 19,900,306 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | | | | | | | |
| LIABILITIES | | | | | | | | |
| Accounts payable | $ 210,039 | $ 1,852 | $ 25,414 | $ - | $ - | $ - | $ - | $ 237,305 |
| Accrued expenditures | 40,254 | - | 113,248 | - | - | - | - | 153,502 |
| Unearned revenue | 1,296,343 | - | - | - | - | - | - | 1,296,343 |
| Due to other funds | 56,264 | - | 384,996 | - | - | - | 800 | 442,060 |
| Due to others | 358,520 | - | - | - | - | - | - | 358,520 |
| TOTAL LIABILITIES | 1,961,420 | 1,852 | 523,658 | - | - | - | 800 | 2,487,730 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue - special assessments | - | 2,162,038 | - | - | - | 1,037,499 | - | 3,199,537 |
| FUND BALANCES | | | | | | | | |
| Nonspendable | | | | | | | | |
| Prepaid expenditures | 66,903 | - | 440,827 | - | - | - | - | 507,730 |
| Inventory | 105,335 | - | 4,500 | - | - | - | - | 109,835 |
| Advances to other funds | - | - | - | 493,968 | - | - | - | 493,968 |
| Restricted for: | | | | | | | | |
| Road improvement | - | 678,487 | - | - | - | - | - | 678,487 |
| Debt service | - | - | - | - | - | 395,074 | - | 395,074 |
| Committed for: | | | | | | | | |
| Buildings and grounds reserve | 1,041,205 | - | - | - | - | - | - | 1,041,205 |
| Capital improvement | - | - | - | 2,440,118 | 24,081 | - | 1,820,560 | 4,284,759 |
| Disaster contingency fund | 250,335 | - | - | - | - | - | - | 250,335 |
| Public safety | - | - | - | - | - | - | 10,216 | 10,216 |
| Public works | - | - | - | - | - | - | 1,436,536 | 1,436,536 |
| Recreation | - | - | - | - | - | - | 1,168,809 | 1,168,809 |
| Unassigned | 3,986,776 | - | (150,691) | - | - | - | - | 3,836,085 |
| TOTAL FUND BALANCES | 5,450,554 | 678,487 | 294,636 | 2,934,086 | 24,081 | 395,074 | 4,436,121 | 14,213,039 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | $ 7,411,974 | $ 2,842,377 | $ 818,294 | $ 2,934,086 | $ 24,081 | $ 1,432,573 | $ 4,436,921 | $ 19,900,306 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION**
**MARCH 31, 2026**

| | | |
|---|---|---|
| **Total fund balances - governmental funds** | | $ 14,213,039 |
| 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 as assets in the governmental funds. | | |
| The cost of capital assets is | $ 14,547,449 | |
| Accumulated depreciation is | (6,612,703) | |
| Capital assets, net | | 7,934,746 |
| Investment in joint ventures are not current financial resources, and therefore, are not reported in governmental funds. | | 37,493,599 |
| Unavailable revenues were fully recognized as revenue in the government-wide statements at the time the original assessment was initiated. Assessments are income as they are assessed annually for governmental funds. | | 3,199,537 |
| Governmental funds report actual pension expenditures for the fiscal year, whereas the governmental activities will recognize the net pension liability as of the measurement date. Pension contributions subsequent to the measurement date will be deferred in the statement of net position. In addition, resources related to changes of assumptions, differences between expected and actual experience, and differences between projected and actual pension plan investment earnings will be deferred over time in the government-wide financial statements. These amounts consist of: resources and, therefore, are reported as deferred outflow of resources in the Statement of Net Position. | | |
| Deferred outflows of resources related to pension | 66,531 | |
| Deferred inflows of resources related to pension | (44,186) | |
| | | 22,345 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet. Long-term liabilities at year-end consist of: | | |
| Compensated absences | (323,114) | |
| Long-term obligations | (1,665,000) | |
| Accrued interest | (16,650) | |
| Unamortized bond premium | (82,373) | |
| Net pension liability | (201,717) | |
| | | (2,288,854) |
| **Net Position of Governmental Activities** | | $ 60,574,412 |

See notes to financial statements.

## GENOA CHARTER TOWNSHIP
## GOVERNMENTAL FUNDS
## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
## YEAR ENDED MARCH 31, 2026

| | | Special Revenue | | Capital Projects | | Debt Service | | |
|---|---|---|---|---|---|---|---|---|
| | General | Reimbursable Projects Fund | Utilities/DPW Fund | Genoa Oceola Sewer New User Fund | Pine Creek Ridge Road Improvement | Pine Creek Ridge Road Debt Service | Nonmajor Funds | Total |
| REVENUES | | | | | | | | |
| Taxes | $ 1,758,441 | $ - | $ - | $ - | $ - | $ - | $ - | $ 1,758,441 |
| Intergovernmental | 2,424,448 | - | - | - | - | - | - | 2,424,448 |
| Special assessments | - | 419,806 | - | - | - | 172,212 | - | 592,018 |
| Licenses and permits | 421,643 | - | - | - | - | - | 17,041 | 438,684 |
| Charges for services | 1,641,885 | - | 3,917,813 | 492,625 | - | - | 297,172 | 6,349,495 |
| Interest | 141,542 | 14,085 | - | 53,618 | 30,820 | 75,720 | 81,927 | 397,712 |
| Other | 13,822 | 185,149 | 20,154 | - | - | 84 | - | 219,209 |
| TOTAL REVENUES | 6,401,781 | 619,040 | 3,937,967 | 546,243 | 30,820 | 248,016 | 396,140 | 12,180,007 |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General government | 2,411,681 | - | - | - | - | - | - | 2,411,681 |
| Public safety | - | - | - | - | - | - | 15,097 | 15,097 |
| Community and economic development | 279,457 | - | - | - | - | - | - | 279,457 |
| Public works | 1,682,265 | 600,964 | 3,616,098 | 4,599 | 689,116 | - | 482,283 | 7,075,325 |
| Parks and recreation | - | - | - | - | - | - | 189,836 | 189,836 |
| Debt service | - | - | - | - | - | 1,340,260 | - | 1,340,260 |
| Capital outlay | 37,345 | - | - | - | - | - | 159,330 | 196,675 |
| TOTAL EXPENDITURES | 4,410,748 | 600,964 | 3,616,098 | 4,599 | 689,116 | 1,340,260 | 846,546 | 11,508,331 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 1,991,033 | 18,076 | 321,869 | 541,644 | (658,296) | (1,092,244) | (450,406) | 671,676 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | 82,504 | - | - | - | - | 1,127,113 | 1,465,624 | 2,675,241 |
| Transfers out | (1,100,000) | (46,009) | (314,334) | - | (1,127,113) | - | (106,119) | (2,693,575) |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,017,496) | (46,009) | (314,334) | - | (1,127,113) | 1,127,113 | 1,359,505 | (18,334) |
| NET CHANGE IN FUND BALANCES | 973,537 | (27,933) | 7,535 | 541,644 | (1,785,409) | 34,869 | 909,099 | 653,342 |
| FUND BALANCES | | | | | | | | |
| Beginning of year | 4,477,017 | 706,420 | 287,101 | 2,392,442 | 1,809,490 | 360,205 | 3,527,022 | 13,559,697 |
| End of year | $ 5,450,554 | $ 678,487 | $ 294,636 | $ 2,934,086 | $ 24,081 | $ 395,074 | $ 4,436,121 | $ 14,213,039 |

See notes to financial statements.

## GENOA CHARTER TOWNSHIP
## RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
## YEAR ENDED MARCH 31, 2026

| | | |
|---|---|---|
| **Net Change in Fund Balances - Total Governmental Funds** | | $ 653,342 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of those assets are allocated over their useful lives as depreciation expense. In the current period, these amounts are: | | |
| Capital outlay | $ 336,726 | |
| Depreciation expense | (598,655) | |
| Excess of depreciation expense over capital outlay | | (261,929) |
| Investments in joint ventures used in governmental activities are not current financial resources, and therefore are not reported in the governmental funds: | | 3,434,695 |
| Repayment of bond and contracts payable is an expenditure in the government funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of: | | |
| Principal retirement | | 1,130,000 |
| Amortization of bond premium | | 6,336 |
| Principal received on special assessments are income as they are received annually for governmental funds, but they are income when they are originally levied for the statement of activities. In the current year, these amounts consist of: | | |
| Change in unavailable revenue | | (1,689,939) |
| Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of: | | |
| Change in compensated absences | 47,440 | |
| Change in net pension liability | 42,445 | |
| Change in accrued interest | 61,610 | |
| Change in deferred outflows of resources - pension | (54,671) | |
| Change in deferred inflows of resources - pension | (38,177) | |
| | | 58,647 |
| **Change in Net Position of Governmental Activities** | | $ 3,331,152 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**PROPRIETARY FUNDS**
**STATEMENT OF NET POSITION**
**MARCH 31, 2026**

| | Oak Pointe Water and Sewer Systems Fund | Lake Edgewood Water and Sewer Systems Fund | Total |
|---|---|---|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 490,860 | $ 145,173 | $ 636,033 |
| Accounts receivable | 339,805 | 154,381 | 494,186 |
| Due from other funds | 2,259 | 57 | 2,316 |
| Leases receivable | 319,803 | - | 319,803 |
| Inventory | 101,468 | 21,683 | 123,151 |
| Total current assets | 1,254,195 | 321,294 | 1,575,489 |
| Restricted assets | | | |
| Cash and cash equivalents | 805,316 | 249,488 | 1,054,804 |
| Capital assets | | | |
| Non-depreciable | 358,855 | 260,009 | 618,864 |
| Depreciable, net of accumulated depreciation | 9,945,903 | 5,164,519 | 15,110,422 |
| Capital assets, net | 10,304,758 | 5,424,528 | 15,729,286 |
| TOTAL ASSETS | 12,364,269 | 5,995,310 | 18,359,579 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable | 63,030 | 43,333 | 106,363 |
| Accrued interest | 26,914 | - | 26,914 |
| Unearned revenue | 25,555 | - | 25,555 |
| Due to other funds | 49,560 | 15,214 | 64,774 |
| Total current liabilities | 165,059 | 58,547 | 223,606 |
| Current liabilities (from restricted assets) | | | |
| Current portion of long-term obligations | 352,962 | - | 352,962 |
| Long-term liabilities (from non-restricted assets) | | | |
| Noncurrent portion of long-term obligations | 3,381,663 | - | 3,381,663 |
| Advance from other funds | 493,968 | - | 493,968 |
| Total long-term liabilities (from non-restricted assets) | 3,875,631 | - | 3,875,631 |
| TOTAL LIABILITIES | 4,393,652 | 58,547 | 4,452,199 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred gain on refunding | 42,450 | - | 42,450 |
| Deferred inflows of resources - leases | 294,263 | - | 294,263 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 336,713 | - | 336,713 |
| NET POSITION | | | |
| Net investment in capital assets | 6,527,683 | 5,424,528 | 11,952,211 |
| Restricted | 805,316 | 249,488 | 1,054,804 |
| Unrestricted | 300,905 | 262,747 | 563,652 |
| TOTAL NET POSITION | $ 7,633,904 | $ 5,936,763 | $ 13,570,667 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**PROPRIETARY FUNDS**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**YEAR ENDED MARCH 31, 2026**

| | Oak Pointe Water and Sewer Systems Fund | Lake Edgewood Water and Sewer Systems Fund | Total |
|---|---|---|---|
| OPERATING REVENUES | | | |
| User charges | $ 1,668,396 | $ 598,526 | $ 2,266,922 |
| OPERATING EXPENSES | | | |
| Audit, consulting and legal | 9,000 | 6,490 | 15,490 |
| Administration | - | 4,147 | 4,147 |
| Chemicals | 39,421 | 26,121 | 65,542 |
| Depreciation expense | 454,983 | 225,093 | 680,076 |
| Engineering | 1,235 | - | 1,235 |
| Groundwater exceedance expenses | 23,523 | - | 23,523 |
| Insurance | 12,968 | 4,697 | 17,665 |
| Labor, equipment and materials | 663,687 | 130,893 | 794,580 |
| Laboratory costs | 20,418 | 10 | 20,428 |
| License, fees, permits | - | 151 | 151 |
| Meters | 6,615 | - | 6,615 |
| Miss Dig | 864 | 432 | 1,296 |
| Office | 2,348 | 97 | 2,445 |
| Repairs and maintenance | 360,102 | 66,643 | 426,745 |
| Sewer treatment - G/O plant | 213,006 | - | 213,006 |
| Telephone | 5,037 | - | 5,037 |
| Tools and supplies | 4,880 | 1,348 | 6,228 |
| Water purchases | - | 173,741 | 173,741 |
| Utilities | 54,183 | 171,921 | 226,104 |
| TOTAL OPERATING EXPENSES | 1,872,270 | 811,784 | 2,684,054 |
| Operating (loss) | (203,874) | (213,258) | (417,132) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Grinder pump reimbursement | 13,561 | - | 13,561 |
| Connection fees | 25,003 | - | 25,003 |
| Interest income - reserves | 20,560 | 4,432 | 24,992 |
| Interest expense - bonds | (57,453) | - | (57,453) |
| Rental income | 30,893 | - | 30,893 |
| Other revenue (expense), net | (3,921) | 12,404 | 8,483 |
| TOTAL NONOPERATING REVENUES (EXPENSES) | 28,643 | 16,836 | 45,479 |
| Loss before transfers | (175,231) | (196,422) | (371,653) |
| Transfer in | 14,702 | 3,632 | 18,334 |
| Change in net position | (160,529) | (192,790) | (353,319) |
| Net position, beginning of year, as previously reported | 7,890,043 | 6,129,553 | 14,019,596 |
| Adjustments to beginning net position | (95,610) | - | (95,610) |
| Net position, beginning of year, as restated | 7,794,433 | 6,129,553 | 13,923,986 |
| Net position, end of year | $ 7,633,904 | $ 5,936,763 | $ 13,570,667 |

See notes to financial statements.

# GENOA CHARTER TOWNSHIP
# PROPRIETARY FUNDS
# STATEMENT OF CASH FLOWS
# YEAR ENDED MARCH 31, 2026

| | Major Funds | | |
|---|---|---|---|
| | Oak Pointe Water and Sewer Systems Fund | Lake Edgewood Water and Sewer Systems Fund | Total |
| CASH FLOW FROM (USED IN) OPERATING ACTIVITIES | | | |
| Receipts from customers | $ 1,635,191 | $ 576,968 | $ 2,212,159 |
| Payments to vendors | (1,382,594) | (645,634) | (2,028,228) |
| NET CASH FROM (USED IN) OPERATING ACTIVITIES | 252,597 | (68,666) | 183,931 |
| CASH FLOW FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Connection fee | 25,003 | - | 25,003 |
| Repayment of principal on bonds | (340,000) | - | (340,000) |
| Interest expense | (72,491) | - | (72,491) |
| NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES | (387,488) | - | (387,488) |
| CASH FLOW FROM (USED IN) NONCAPITAL FINANCING ACTIVITIES | | | |
| Grinder pump reimbursement | 13,561 | - | 13,561 |
| Rental income | 25,392 | - | 25,392 |
| Interest received on reserved accounts | 20,560 | 4,432 | 24,992 |
| Other revenue (expense) | (3,921) | 12,404 | 8,483 |
| Payment of advance from other funds | (63,600) | - | (63,600) |
| Interfunds | 44,295 | 10,524 | 54,819 |
| NET CASH FROM NONCAPITAL FINANCING ACTIVITIES | 36,287 | 27,360 | 63,647 |
| NET (DECREASE) IN CASH AND CASH EQUIVALENTS | (98,604) | (41,306) | (139,910) |
| CASH AND CASH EQUIVALENTS, beginning of year | 1,394,780 | 435,967 | 1,830,747 |
| CASH AND CASH EQUIVALENTS, end of year | $ 1,296,176 | $ 394,661 | $ 1,690,837 |
| RECONCILIATION TO STATEMENT OF NET POSITION | | | |
| Cash and cash equivalents | $ 490,860 | $ 145,173 | $ 636,033 |
| Cash and cash equivalents - restricted | 805,316 | 249,488 | 1,054,804 |
| TOTAL CASH AND CASH EQUIVALENTS | $ 1,296,176 | $ 394,661 | $ 1,690,837 |
| RECONCILIATION OF OPERATING (LOSS) TO NET CASH FROM (USED IN) OPERATING ACTIVITIES | | | |
| Operating (loss) | $ (203,874) | $ (213,258) | $ (417,132) |
| Adjustments to reconcile operating (loss) to net cash from (used in) operating activities | | | |
| Depreciation expense | 454,983 | 225,093 | 680,076 |
| Changes in assets and liabilities | | | |
| Accounts receivable | (33,205) | (21,558) | (54,763) |
| Unearned Revenue | 19,585 | - | 19,585 |
| Inventory | 17,615 | (7,246) | 10,369 |
| Accounts payable | (2,507) | (51,697) | (54,204) |
| NET CASH FROM (USED IN) OPERATING ACTIVITIES | $ 252,597 | $ (68,666) | $ 183,931 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**FIDUCIARY FUNDS**
**STATEMENT OF FIDUCIARY NET POSITION**
**MARCH 31, 2026**

| | Custodial Funds |
|---|---|
| ASSETS | |
| Cash and cash equivalents | $ 90,420 |
| LIABILITIES | |
| Due to others | $ 90,420 |

See notes to financial statements.

**GENOA CHARTER TOWNSHIP**
**FIDUCIARY FUNDS**
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**YEAR ENDED MARCH 31, 2026**

| | Custodial Funds |
|---|---|
| ADDITIONS | |
| Taxes collected for other entities | $ 42,276,164 |
| Utility charges for other entities | 8,983,446 |
| TOTAL ADDITIONS | 51,259,610 |
| DEDUCTIONS | |
| Taxes paid to other entities | 42,276,164 |
| Utility charges paid to other entities | 8,983,446 |
| TOTAL DEDUCTIONS | 51,259,610 |
| Net change in net position | - |
| Net position, beginning of year | - |
| Net position, end of year | $ - |

See notes to financial statements.

# NOTES TO FINANCIAL STATEMENTS

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to township governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Township's more significant accounting policies are described below.

### Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activities of Genoa Charter Township. The Township has no activities that would be classified as component units.

The inclusion of the activities of various agencies is based on the manifestation of oversight criteria, relying on such guidelines as the selection of the governing authority, the designation of management, the ability to exert significant influence on operations, and the accountability for fiscal matters. The accountability for fiscal matters considers the possession of the budgetary authority, the responsibility for surplus or deficit, the controlling of fiscal management, and the revenue characteristics, whether a levy or a charge. Consideration is also given to the scope of public service. The scope of public service considers whether the activity is for the benefit of the reporting entity and/or its residents and is within the geographic boundaries of the reporting entity and generally available to its citizens.

Based upon the application of these criteria, the financial statements of the Township contain all the funds controlled by the Township Board.

The inclusion of the activities of various agencies is based on the manifestation of oversight criteria.

### Joint Ventures

*Marion, Howell, Oceola, Genoa Joint Sewer and Water Authority*

The Township is a member of the Marion, Howell, Oceola, Genoa Joint Sewer and Water Authority (hereinafter "MHOG"). As the name implies, MHOG was incorporated by the Townships of Marion, Howell, Oceola, and Genoa. MHOG was formed to operate and maintain a joint water system that serves residents in each member township. Genoa Charter Township holds a 25% share of the equity in this joint venture which amounted to $13,242,063. Such 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 of MHOG can be obtained from the administrative offices of MHOG at 2911 Dorr Road, Brighton, Michigan. Selected financial information of MHOG as of and for the fiscal year ended September 30, 2025 (the date financial information was last available) was as follows:

| | |
|---|---|
| Total assets | $ 57,798,155 |
| Total liabilities and deferred inflow of resources | 4,829,905 |
| Total net position | 52,968,250 |
| Total revenues | 10,753,156 |
| Total expenses | 4,874,389 |

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint Ventures (continued)

*Brighton Area Fire Authority*

The Township is a member of the Brighton Area Fire Authority (hereinafter "Fire Authority"). The Fire Authority was incorporated by the City of Brighton and the Townships of Brighton and Genoa. The Fire Authority was formed for the purpose of providing fire protection and safety services to the residents of its incorporating members. The Fire Authority operations are funded through a voter approved millage. Genoa Township holds a 33.33% share of the equity in this joint venture which amounted to $9,633,514. Such 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 the Fire Authority can be obtained from the administrative offices of the Authority at 615 W Grand River Ave, Brighton, Michigan. Selected financial information of the Fire Authority as of and for the fiscal year ended June 30, 2025 (the date financial information was last available) was as follows:

| | |
|---|---|
| Total assets and deferred outflow of resources | $ 29,958,723 |
| Total liabilities and deferred inflow of resources | 1,058,181 |
| Total net position | 28,900,542 |
| Total revenues | 12,031,934 |
| Total expenses | 6,641,537 |

*Genoa-Oceola Sewer and Water Authority*

The Township is a member of the Genoa-Oceola Sewer and Water Authority (hereinafter "G/O S&W"). G/O S&W was established by the Livingston County Drain Commission and Townships of Genoa and Oceola. G/O S&W was formed to acquire, own, improve, enlarge, extend, operate, maintain, manage, and administer sewage disposal systems, water supply systems, or both. Genoa Township holds a 50% share of the equity in this joint venture which amounted to $14,618,022. Such 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 G/O S&W can be obtained from the administrative offices of the Authority at 2911 Dorr Road, Brighton, Michigan. Selected financial information of G/O S&W as of and for the fiscal year ended September 30, 2025 (the date financial information was last available) was as follows:

| | |
|---|---|
| Total assets | $ 30,848,074 |
| Total liabilities | 1,612,030 |
| Total net position | 29,236,044 |
| Total revenues | 3,689,934 |
| Total expenses | 3,353,526 |

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities (the government-wide financial statements) present information for the primary government and its component units as a whole. All nonfiduciary activities of the primary government are included (i.e., fiduciary fund activities are not included in the government-wide financial statements). For the most part, interfund activity has been eliminated in the preparation of these statements. Interfund services provided and used are not eliminated in the process of consolidation. 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.

The statement of activities presents the direct functional expenses of the primary government and its component units and the program revenues that support them, demonstrating how governmental functions are either self-financing or supported by general revenues. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to recipients of goods or services and grants and contributions that are restricted to meeting the operational or capital requirements of that function. General revenues include all taxes, interest, unrestricted State revenue sharing payments, and other revenues that are not required to be presented as program revenues.

FUND FINANCIAL STATEMENTS

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

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 *Reimbursable Projects Fund* accounts for the activity of township construction and maintenance projects in which the costs are partially or fully reimbursed by the residents benefitting.

The *Utilities/DPW Fund,* a special revenue fund, accounts for Township sewer/water utility activities.

The *Genoa Oceola Sewer New User Fund* accounts for the Township's collection of connection fees, special assessments, and payments to an area utility district, which is called G/O Sewer Authority.

The *Pine Creek Ridge Road Improvement Fund* accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The *Pine Creek Ridge Road Debt Service Fund* accounts for the Township's collection of special assessments and payments made for principal and interest on long-term revenue bonds of the governmental funds.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Township reports the following *Major Enterprise Funds*:

The *Oak Pointe Water and Sewer Systems Fund* accounts for the activity associated with operating the utility system at the Oak Pointe development.

The *Lake Edgewood Water and Sewer Systems Fund* accounts for the activities associated with operating the utility system at the Lake Edgewood development.

Additionally, the Township reports the following *Fund Types*:

The *Special Revenue Funds* account for revenue sources that are restricted or committed to expenditures for specific purposes other than debt service, capital projects, or permanent funds.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The *Custodial Funds* account for assets held by the Township as the trustee or as the custodian for others.

Measurement Focus

The government-wide, proprietary fund, and fiduciary fund financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations to the government-wide financial statements are provided that explain the differences in detail.

All governmental funds are presented using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balance.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both "measurable" and "available to finance expenditures of the current period"). The length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements is 60 days. Revenues that are considered measurable but not available are recorded as a receivable and unavailable revenue. Significant revenues susceptible to accrual are special assessments and certain intergovernmental revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and other costs of running the activity. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities to the beneficiaries of a fiduciary activity. Liabilities to beneficiaries are recognized when an event has occurred that compels the Township to disburse fiduciary resources.

If/when both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

The General and Special Revenue Funds budgets shown as required supplementary information were prepared on the same modified accrual basis used to reflect actual results. This basis is consistent with accounting principles generally accepted in the United States of America. The Township employs the following procedures in establishing the budgetary data reflected in the financial statements.

a. On the Township Board meeting date near the end of the fiscal year, the Township Manager submits to the Township Board the proposed operating budgets for the fiscal year commencing the following April 1. The operating budgets include proposed expenditures and resources to finance them.

b. A Public Hearing is conducted to obtain taxpayers' comments.

c. Prior to the final regular Township Board meeting in March, the budget is legally enacted through passage of a resolution.

d. The budget is legally adopted at the department level for the General Fund and Special Revenue Funds; however, they are maintained at the account level for control purposes. Violations, if any, in the general fund and major special revenue funds are noted in the required supplementary information section.

e. The Township does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds. Appropriations unused at March 31 are not carried forward to the following fiscal year.

f. Budgeted amounts are reported as originally adopted or amended by the Township Board during the year. Individual amendments were appropriately approved by the Township Board as required.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments.

In accordance with Michigan Compiled Laws, the Township is authorized to invest in the following investment vehicles:

a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.

c. Commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services, and which matures not more than 270 days after the date of purchase.

d. The United States government or federal agency obligations repurchase agreements.

e. Bankers' acceptances of United States banks.

f. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

g. Section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.

Michigan Compiled Laws allow for collateralization of government deposits, if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of State surplus funds, securities issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

Capital Assets

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

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets (continued)

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. Land and construction in progress, if applicable, is not depreciated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset 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 | 5 to 50 years |
| Parks | 15 to 30 years |
| Equipment | 2 to 40 years |
| Vehicles | 5 years |
| Water & sewer system - infrastructure | 5 to 50 years |

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

Property Taxes

The Township's property taxes are levied and become a lien on 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 27 and any uncollected are added to the county delinquent tax rolls.

For the year ended March 31, 2026, the Township recognized the property taxes levied December 1, 2025, as revenue.

| | |
|---|---|
| Taxable Value: | $ 1,658,908,796 |
| Township Millage Rate: | 0.7752 |

Receivables

Receivables consist of amounts due from various individuals, governments and businesses related to charges for services, amounts owed to the Township from special assessments, leases, grants and taxes levied that have not been collected.

Prepaids

Prepaid expenditures in the governmental funds, such as insurance premiums, which are expected to be written off within the next fiscal year, are included in current assets. Reported prepaid expenditures are equally offset by nonspendable fund balance, which indicates they do not constitute "available spendable resources" even though they are a component of fund balance.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Inventory

Inventory consists primarily of small items and supplies purchased to be held on hand for use in future maintenance needs. Some items of inventory include meters held to be sold to replace meters or install new meters for properties connecting to the Township sewer and water systems.

### Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds, including expenditure and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Transfers between governmental and proprietary funds, if any, are netted as part of the reconciliation to the government-wide financial statements.

The General Fund records administrative charges to various funds as revenue. These funds record payments as operating expenditures/expenses.

### Unearned Revenue

Unearned revenue consists of grant funds received but not yet earned as well as refuse collection fees received in advance of the services to be provided.

### Compensated Absences

The Township recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary and related benefits, where applicable.

### Long-term Obligations

Long-term debt and other long-term obligations are recognized as a liability in the government-wide financial statements and proprietary fund types when incurred. The portion of those liabilities expected to be paid within the next year is a current liability, with the remaining amounts shown as noncurrent liabilities.

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pension

The Township only offers to continue a defined benefit pension plan to employees hired from other municipalities covered under a defined benefit plan. The Township records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Leases

Lessor: The Township is a lessor for noncancelable leases of a cell tower. The Township recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Township initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payment received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The Township uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Fund Balance Classifications

Fund balance classifications are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. When multiple components of fund balance can be used for the same purpose, it is the Township's policy to use the most restrictive first progressing to the least restrictive. The following are the five fund balance classifications:

*Nonspendable* - assets that are not available in a spendable form such as inventory, prepaid expenditures, and long term receivables not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance Classifications (continued)

*Restricted* - amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

*Committed* - amounts constrained on use imposed by formal action of the government's highest level of decision-making authority (i.e., Board, etc.).

*Assigned* - amounts intended to be used for 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* - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, no matter which fund the deficit occurs in.

Fund Balance Classification Policies and Procedures

For committed fund balance, the Township's highest level of decision-making authority is the Township Board. Formal action that is required to be taken to establish a fund balance commitment is a resolution of the Township Board.

For assigned fund balance, the Township has not approved a policy indicating who is authorized to assign amounts to a specific purpose. As a result, this authority is retained with the Township Board.

The Township has not adopted a policy that defines the order of usage for fund balance amounts classified as restricted, committed, assigned, or unassigned, therefore restricted resources will be used first, then unrestricted resources if they are needed.

Restricted Net Position

Restrictions of net position shown in the government-wide financial statements indicate restrictions imposed by the funding source or some other outside source, which precludes their use for unrestricted purposes.

Deferred Outflow of Resources and Deferred Inflow of Resources

In addition to assets and liabilities, the statement of financial position or balance sheet will, when applicable, report separate sections for deferred outflows of resources and deferred inflows of resources. *Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. *Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Township has several items that qualify for reporting in these categories and are reported in the government-wide financial statement of net position, the governmental funds, or proprietary funds balance sheet/statement of net position.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflow of Resources and Deferred Inflow of Resources (continued)

The Township reports deferred amounts which correspond to the Township's pension benefits and are related to differences between expected and actual experience, changes in assumptions, differences between projected and actual pension plan investment earnings, and contributions made subsequent to the measurement date. These amounts are deferred in the government-wide financial statements and are recognized as an outflow or inflow of resources in the period to which they apply.

Additionally, the Township records special assessment receivables generally collected over a 20-year period as deferred inflow of resources. Since the revenues are unavailable (not collectable within 60 days of the end of the year) until a future period they are considered a deferred inflow of resources on the governmental funds balance sheets.

The Township also reports deferred inflows of resources from leases. These amounts are recognized as revenue over the term of the lease agreements.

Tax Abatements

The Township does not have any tax abatements.

Use of 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.

## NOTE 2 - DEPOSITS AND INVESTMENTS

As of March 31, 2026, the Township had deposits and investments subject to the following risks:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the 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. The Township's deposit or investment policy does not address this risk. The carrying value on the books for deposits at the end of the year was $15,665,270. The Township had petty cash of $300 as of March 31, 2026.

As of March 31, 2026, the Township had deposits categorized as follows:

| | | |
|---|---|---|
| FDIC Insured | $ 10,988,459 | 67% |
| Uninsured and collateralized | 4,686,064 | 29% |
| Uninsured and uncollateralized | 688,209 | 4% |
| | $ 16,362,732 | 100% |

## NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Township does not have a policy for custodial credit risk of investments.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government'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. As of March 31, 2026, the Township did not have any concentration of credit risk as all amounts were invested in external investment pools and money market type funds.

Foreign Currency Risk

The Township is not authorized to invest in investments which have this type of risk.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair values of investments. The Township's investment policy does not limit investment maturities as a means of managing its exposure to losses in fair value resulting from a rise in interest rates. As of March 31, 2026, the weighted average maturity of the underlying investments in the external investment pool and money market type funds were less than 60 days. As a result, management does not believe the Township is significantly exposed to interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township has no policy regarding credit risk. As of March 31, 2026, the Township's investment pool was exposed to credit risk as follows:

| Investment Type | Fair Value | Weighted Average Maturity (Years) | Standard & Poor's Rating |
|---|---|---|---|
| Primary government | | | |
| Michigan CLASS Investment Pool | $ 373,811 | 0.1431 | AAAm |

One day maturity equals 0.0027, one year equals 1.00.

## NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Investments in Entities that Calculate Net Asset Value per Share

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

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% 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.

At the year ended March 31, 2026, the fair value, unfunded commitments and redemption rules of those investments are as follows:

| | Fair Value | Unfunded Commitments | Redemption Frequency, if Eligible | Redemption Notice Period |
|---|---|---|---|---|
| Michigan CLASS Investment Pool | $ 373,811 | $ - | No restrictions | None |

The deposits and investments referred to above have been reported under the cash and cash equivalents caption on the basic financial statements, based upon criteria disclosed in Note 1. The following summarizes the categorization of these amounts as of March 31, 2026.

| | Primary Government | Fiduciary Funds | Total |
|---|---|---|---|
| Cash and cash equivalents | $ 14,894,157 | $ 90,420 | $ 14,984,577 |
| Cash and cash equivalents - restricted | 1,054,804 | - | 1,054,804 |
| | $ 15,948,961 | $ 90,420 | $ 16,039,381 |

## NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2026, was as follows:

| | Balance April 1, 2025 | Additions | Deletions | Balance March 31, 2026 |
|---|---|---|---|---|
| Governmental Activities | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 2,995,481 | $ - | $ - | $ 2,995,481 |
| Capital assets being depreciated | | | | |
| Buildings - Township | 2,503,630 | - | - | 2,503,630 |
| Parks | 5,532,086 | 78,275 | - | 5,610,361 |
| Equipment/vehicles - DPW | 1,724,214 | 166,330 | (32,287) | 1,858,257 |
| Equipment - Township | 1,462,288 | 92,121 | - | 1,554,409 |
| Vehicles - Township | 25,311 | - | - | 25,311 |
| Total capital assets being depreciated | 11,247,529 | 336,726 | (32,287) | 11,551,968 |
| Accumulated depreciation | | | | |
| Buildings - Township | (1,260,181) | (73,893) | - | (1,334,074) |
| Parks | (2,875,614) | (291,992) | - | (3,167,606) |
| Equipment/vehicles - DPW | (1,253,737) | (170,220) | 32,287 | (1,391,670) |
| Equipment - Township | (631,492) | (62,550) | - | (694,042) |
| Vehicles - Township | (25,311) | - | - | (25,311) |
| Total accumulated depreciation | (6,046,335) | (598,655) | 32,287 | (6,612,703) |
| Net capital assets being depreciated | 5,201,194 | (261,929) | - | 4,939,265 |
| Capital assets, net | $ 8,196,675 | $ (261,929) | $ - | $ 7,934,746 |

Depreciation expense was allocated to the following governmental activities:

| | |
|---|---|
| General Government | $ 136,443 |
| Public Works/Roads | 170,220 |
| Parks and Recreation | 291,992 |
| | $ 598,655 |

## NOTE 3 - CAPITAL ASSETS (continued)

| | Balance April 1, 2025 | Additions | Deletions | Balance March 31, 2026 |
|---|---|---|---|---|
| Business-type Activities | | | | |
| Oak Pointe Water and Sewer Systems | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 358,855 | $ - | $ - | $ 358,855 |
| Capital assets being depreciated | | | | |
| Equipment | 51,460 | - | - | 51,460 |
| Water system | 5,700,306 | - | - | 5,700,306 |
| Sewer system | 15,605,754 | - | - | 15,605,754 |
| Total capital assets being depreciated | 21,357,520 | - | - | 21,357,520 |
| Less: accumulated depreciation | (10,956,634) | (454,983) | - | (11,411,617) |
| Net capital assets being depreciated | 10,400,886 | (454,983) | - | 9,945,903 |
| Capital assets, net | $ 10,759,741 | $ (454,983) | $ - | $ 10,304,758 |

| | Balance April 1, 2025 | Additions | Deletions | Balance March 31, 2026 |
|---|---|---|---|---|
| Business-type Activities | | | | |
| Lake Edgewood Sewer System | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 260,009 | $ - | $ - | $ 260,009 |
| Capital assets being depreciated | | | | |
| Sewer system | 9,954,656 | - | - | 9,954,656 |
| Less: accumulated depreciation | (4,565,044) | (225,093) | - | (4,790,137) |
| Net capital assets being depreciated | 5,389,612 | (225,093) | - | 5,164,519 |
| Capital assets, net | $ 5,649,621 | $ (225,093) | $ - | $ 5,424,528 |

## NOTE 4 - LONG-TERM OBLIGATIONS

The following is a summary of the Township's long-term obligations categorized for governmental and business-type activities for the year ended March 31, 2026:

| | Balance April 1, 2025 | Additions | Deletions | Balance March 31, 2026 | Current Portion |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Compensated absences* | $ 370,554 | $ - | $ (47,440) | $ 323,114 | $ 270,189 |
| Other long-term obligations | | | | | |
| Special assessment bonds payable | 2,795,000 | - | (1,130,000) | 1,665,000 | 200,000 |
| Unamortized bond premium | 88,709 | - | (6,336) | 82,373 | 6,336 |
| Total Governmental Activities | $ 3,254,263 | $ - | $ (1,183,776) | $ 2,070,487 | $ 476,525 |
| Business-type Activities | | | | | |
| Other long-term obligations | | | | | |
| Revenue bonds payable | $ 3,995,000 | $ - | $ (340,000) | $ 3,655,000 | $ 345,000 |
| Unamortized bond premium | 87,587 | - | (7,962) | 79,625 | 7,962 |
| Total Business-type Activities | $ 4,082,587 | $ - | $ (347,962) | $ 3,734,625 | $ 352,962 |

*The change in the compensated absences liability is presented as a net change.

Significant details regarding outstanding long-term obligations (including current portions) are presented below:

Special Assessment Bonds - Governmental Activities

| | |
|---|---|
| $2,795,000 Special Assessment Bonds, Series 2024, dated July 25, 2024, due in annual installments ranging from $105,000 to $200,000 through July 2039, with interest of 4.00%, payable semi-annually. | $ 1,665,000 |

The Township has issued special assessment bonds for the construction of streets in Pine Creek. These bonds will be repaid from special assessments levied on the property owners benefitting from this construction. Those amounts, including interest, are 100% pledged to pay the scheduled principal and interest payments on the special assessment bonds. In the event that the revenue from the assessments is not sufficient, the Township intends to pay the remaining bonds as a first budget obligation from its general fund, including the collection of any ad valorem taxes which the Township is authorized to levy. Additionally, the Township has pledged its limited faith and credit as additional security for the payment of the principal of, and interest on, the bonds.

Current Year Defeasance of Debt with Cash and Existing Resources

On November 6, 2025 the Township defeased certain special assessment bonds by placing cash and U.S. Treasury SLGS in a trust account with the U.S. Bank Trust Company, the escrow agent for the defeasance. Both cash and the SLGS have been irrevocably pledged to the payment of the outstanding bonds. The escrow agent has not been authorized to substitute assets that are not essentially risk-free in the trust portfolio. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Township's financial statements. At March 31, 2026, $1,055,000 of the defeased bonds remained outstanding.

**NOTE 4 - LONG-TERM OBLIGATIONS (continued)**

Current Year Defeasance of Debt with Cash and Existing Resources (continued)

The Township has authorized the escrow agent to purchase available government securities with cash in the trust account in the event that the Treasury SLG window is not open when cash is available to purchase additional securities. These purchases are limited to AA-rated state or local government securities with coupon rates higher than the 2024 Special Assessment Bonds that will provide adequate cash flow for the defeasance of the old bonds. The escrow agent must obtain written authorization from the Township's Treasurer to approve these purchases.

Revenue Bonds - Business-type Activities

| | |
|---|---|
| Payable to US Bank, Oak Pointe Sewer System Project, Series 2020. Principal is payable in annual installments of $295,000 to $380,000 through November 1, 2036, interest is charged from 1.3% to 2.05% annually. | $ 3,655,000 |

The Township has issued revenue bonds where the income derived from the debt service charges paid by users of the Township's Oak Pointe wastewater system. In the event that the revenue from the debt service charges is not sufficient, the Township intends to use the reserve funds and/or the operation and maintenance funds from the Township's Oak Pointe wastewater system to pay the debt service on the revenue bonds. Additionally, the Township has pledged its limited faith and credit as additional security for the payment of the principal of, and interest on, the bonds.

Proceeds from the bonds provided financing for the construction of various wastewater infrastructure projects.

The annual requirements to pay the debt principal and interest outstanding for the long-term debt are as follows:

| Year Ending | Governmental Activities | |
|---|---|---|
| March 31, | Principal | Interest |
| 2027 | $ 200,000 | $ 62,700 |
| 2028 | 115,000 | 56,300 |
| 2029 | 115,000 | 51,700 |
| 2030 | 110,000 | 47,200 |
| 2031 | 115,000 | 42,700 |
| 2032-2036 | 575,000 | 144,500 |
| 2037-2040 | 435,000 | 34,500 |
| | $ 1,665,000 | $ 439,600 |

## NOTE 4 - LONG-TERM OBLIGATIONS (continued)

Revenue Bonds - Business-type Activities (continued)

| Year Ending March 31, | Business-type Activities Principal | Business-type Activities Interest |
|---|---|---|
| 2027 | $ 345,000 | $ 64,588 |
| 2028 | 355,000 | 57,688 |
| 2029 | 365,000 | 50,588 |
| 2030 | 375,000 | 43,288 |
| 2031 | 380,000 | 38,413 |
| 2032-2036 | 1,520,000 | 115,435 |
| 2037 | 315,000 | 6,458 |
| Total | $ 3,655,000 | $ 376,458 |

Compensated Absences

The Township recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary and related benefits, where applicable.

## NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivables and payables at March 31, 2026, represent short-term borrowings and amounts owed for reimbursements between other funds.

| | Due From Other Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Governmental | | | | Business-type | | |
| | General Fund | Utilities/DPW Fund | Genoa Oceola Sewer New User Fund | Nonmajor Governmental Funds | Oak Pointe Water and Sewer Systems Fund | Lake Edgewood Water and Sewer Systems Fund | Total |
| Due To Other Funds | | | | | | | |
| Governmental | | | | | | | |
| General Fund | $ - | $ 50,023 | $ - | $ 3,925 | $ 2,259 | $ 57 | $ 56,264 |
| Utilities/DPW fund | 369,996 | - | - | 15,000 | - | - | 384,996 |
| Nonmajor governmental funds | 800 | - | - | - | - | - | 800 |
| Business-type | | | | | | | |
| Oak Pointe Water and Sewer Systems Fund | 250 | 17,510 | 31,800 | - | - | - | 49,560 |
| Lake Edgewood Water and Sewer Systems Fund | 151 | 15,063 | - | - | - | - | 15,214 |
| Total | $ 371,197 | $ 82,596 | $ 31,800 | $ 18,925 | $ 2,259 | $ 57 | $ 506,834 |

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

## NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (continued)

Interfund transfers for the year ended March 31, 2026, were as follows:

| | Transfers In | | | | | |
|---|---|---|---|---|---|---|
| | Governmental | | | Business-type | | |
| | General Fund | Pine Creek Ridge Debt Service | Nonmajor Governmental Funds | Lake Edgewood Water and Sewer Systems Fund | Oak Pointe Water and Sewer Systems Fund | Total |
| Transfers Out | | | | | | |
| Governmental | | | | | | |
| General Fund | $ - | $ - | $ 1,100,000 | $ - | $ - | $ 1,100,000 |
| Utilities/DPW Fund | - | - | 296,000 | 3,632 | 14,702 | 314,334 |
| Reimbursable Projects Fund | 46,009 | - | - | - | - | 46,009 |
| Pine Creek Ridge Road Improvement Fund | - | 1,127,113 | - | - | - | 1,127,113 |
| Nonmajor governmental funds | 36,495 | - | 69,624 | - | - | 106,119 |
| Total | $ 82,504 | $ 1,127,113 | $ 1,465,624 | $ 3,632 | $ 14,702 | $ 2,693,575 |

During the year, transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2)move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

## NOTE 6 - ADVANCES TO OTHER FUNDS

Advances for the year ended March 31, 2026, were as follows:

| Governmental Fund Advances to Proprietary Fund | Balance April 1, 2025 | Additions | Deletions | Balance March 31, 2026 | Current Portion |
|---|---|---|---|---|---|
| GO Sewer New User fund advance to Oak Pointe Water and Sewer System Funds. Original advance of $1,207,468 was made in fiscal year 2016, and payable in annual installments of $63,600. | $ 557,568 | $ - | $ (63,600) | $ 493,968 | $ 63,600 |

Repayment of the advance will be payable as follows:

| Fiscal Years Ending | Amount |
|---|---|
| 2027 | $ 63,600 |
| 2028 | 63,600 |
| 2029 | 63,600 |
| 2030 | 63,600 |
| 2031 | 63,600 |
| 2032-2034 | 175,968 |
| Total | $ 493,968 |

## NOTE 7 - DEFINED CONTRIBUTION PENSION PLAN

The Genoa Charter Township has adopted the Principal Financial Group Money Purchase Pension Plan, a defined contribution plan with an effective date of July 1, 1991. The Township is making contributions to the plan on behalf of all eligible employees. Eligible employees are employees who have been employed for one year with a minimum of 1,000 hours of service. The Township contributed $310,807 to the plan.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participants account. Contributions, required solely by the Township, vest fully after four years of service. An employee who leaves the employment of the Township for reasons other than death, total disability or normal retirement is entitled to the Township's contributions if vesting requirements are satisfied. The Township is required to contribute an amount equal to 10% of the employee's annual compensation.

## NOTE 8 - DEFINED BENEFIT PENSION PLAN

Plan Description

The Township's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The Township 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's Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing MERS website at www.mersofmich.com.

Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability, 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.

Benefits Provided

The defined benefit plan is comprised of two divisions. Division 01 is for the Township Manager while Division 10 is for the Utility Director.

Benefits provided include plans with multipliers ranging from 1.30% (Division 01) to 2.00% (Division 10).

Vesting period of 10 years.

Normal retirement age is 60. Early retirement is available with normal benefits at age 55 with 25 years of service for Division 01. Early retirement is available with reduced benefit at age 50 with 25 years of service or age 55 with 15 years of service for both divisions.

**NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)**

Benefits Provided (continued)

Final average compensation is calculated based on five years. There are no member contributions.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Township Board, generally after negotiations of these terms with the affected unions. Benefit terms may be subject to binding arbitration in certain circumstances.

At the December 31, 2025, valuation date, the following employees were covered by the benefit terms:

| | Division 01 | Division 10 |
|---|---|---|
| Inactive employees or beneficiaries receiving benefits | 1 | - |
| Inactive employees entitled to but not yet receiving benefits | - | - |
| Active employees | - | 1 |
| | 1 | 1 |

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

The actuarially determined rates for the fiscal year ended March 31, 2026, were 0% of eligible wages for Division 01, and 18.88% of eligible wages for Division 10. The Township does not require employees to contribute to the plan.

Payable to the Pension Plan

At March 31, 2026, there were no amounts outstanding by the Township for contributions to the pension plan required for the year ended March 31, 2026.

Net Pension Liability

The Township's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date. The net pension liability is anticipated to be paid for with general fund resources.

**NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)**

Actuarial Assumptions

The total pension liability in the December 31, 2025, 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% plus merit and longevity, 3.00% in the long-term.

Investment rate of return: 6.79%, net of investment and administrative 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 a price inflation of 3.00 - 4.00%.

Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2019-2023.

Projected Cash Flows

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.

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)**

Projected Cash Flows (continued)

The target allocation and best estimates of geographic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Target Allocation Gross Rate of Return | Long-term Expected Real Rate of Return |
|---|---|---|---|
| Global Equity | 60.00% | 4.27% | 2.56% |
| Global Fixed Income | 20.00% | 2.15% | 0.43% |
| Private Investments | 20.00% | 6.50% | 1.30% |
| Totals | 100.00% | | 4.29% |
| Inflation | | | 2.50% |
| Administrative expense netted above | | | 0.25% |
| Investment rate of return (discount rate) | | | 7.04% |

Discount Rate

The discount rate used to measure the total pension liability is 7.04%. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because, for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses. The projection of cash flows 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.

## NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

Calculating the Net Pension Liability

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

| | Increase (Decrease) | | |
|---|---|---|---|
| Changes in Net Pension Liability | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
| Balance at 12/31/2024 | $ 1,023,297 | $ 779,135 | $ 244,162 |
| Changes for the year | | | |
| Service cost | 16,227 | - | 16,227 |
| Interest on total pension liability | 72,758 | - | 72,758 |
| Difference between expected and actual experience | 1,367 | - | 1,367 |
| Changes in assumptions | 16,961 | - | 16,961 |
| Employer contributions | - | 30,810 | (30,810) |
| Net investment income | - | 120,531 | (120,531) |
| Benefit payments, including employee refunds | (36,136) | (36,136) | - |
| Administrative expense | - | (1,583) | 1,583 |
| Net changes | 71,177 | 113,622 | (42,445) |
| Balance at 12/31/2025 | $ 1,094,474 | $ 892,757 | $ 201,717 |

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.04%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1% point lower (6.04%) or 1% higher (8.04%) than the current rate.

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---|---|---|---|
| Net pension liability at 12/31/25 | $ 334,960 | $ 201,717 | $ 88,537 |

**NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)**

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

For the year ended March 31, 2026, the Township recognized pension expense of $83,853. The Township reported deferred outflows and inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences in experience | $ 26,526 | $ 3,002 |
| Differences in assumptions | 31,230 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 41,184 |
| Contributions subsequent to the measurement date* | 8,775 | - |
| Total | $ 66,531 | $ 44,186 |

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an addition in the net pension liability for the year ending March 31, 2027.

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

| Year Ending March 31, | Pension Expense (Benefit) |
|---|---|
| 2027 | $ 37,746 |
| 2028 | 2,284 |
| 2029 | (13,492) |
| 2030 | (12,968) |
| | $ 13,570 |

Changes in Assumptions

Change in investment rate of return from 6.93% to 6.79% and a change in discount rate from 7.18% to 7.04%.

Changes in Benefits

There were no changes of benefit terms during plan year 2025.

## NOTE 9 - CONTINGENT LIABILITIES

Wastewater Treatment System - Lake Edgewood

The Township entered into a Consent Order with the Michigan Department of Environmental Great Lakes & Energy (EGLE) to complete an investigation of the sodium and chloride plume leaving the Wastewater Treatment Plant (WWTP) and to evaluate remedial measures.

In January 2016, the Township submitted a No Further Action Report to the EGLE which summarized remedial actions completed by the Township to reduce the sodium and chloride concentrations in the local aquifer. The EGLE approved the No Further Action Report and termination of the annual groundwater sampling in an April 29, 2016, correspondence.

In the year ending March 31, 2026, the Township had no expenditures relating to the annual groundwater sampling. The amount of additional costs for April 1, 2026 - March 31, 2027, is estimated to be minimal. At this time, the state has requested the Township not to abandon any onsite wells. Future expenditures associated with these sites will include well abandonment.

Wastewater Treatment System - Oak Pointe

The Township entered into a Consent Order with the Michigan Department of Environmental Great Lakes & Energy (EGLE) to complete an investigation of the sodium and chloride plume leaving the Wastewater Treatment Plant (WWTP) and to evaluate remedial measures. The Consent Order requires a discharge from the plant's effluent of 150 mg/l for sodium and 250 mg/l for chlorides. The plant has not met this limit since 2002. In January 2015, the plant was taken offline, permanently eliminating the source of sodium and chloride at this site.

The EGLE approved Interim Response Activities Designed to Meet Criteria Report (IRDC) in 2005 which requires annual groundwater monitoring and corrective action activities to protect drinking water sources. The Township completed a baseline sampling event in 2015 to document site conditions when the source was eliminated.

The 2015 and 2016 sampling events demonstrated decreasing concentrations at the site. Therefore, in 2017, the Township petitioned the EGLE to reduce to biennial sampling of the monitoring wells. The residential wells are sampled annually to protect drinking water sources.

In the year ending March 31, 2026, the Township spent approximately $28,556 to complete groundwater and residential sampling events, and to provide and maintain reverse osmosis systems. The Township also spent an additional $31,783 for PFAS sampling. The amount of additional costs for April 1, 2026 - March 31, 2027, for all sampling is estimated to be $21,000 for sodium and chloride and $50,000 for PFAS. This cost includes annual monitoring and corrective action activities.

## NOTE 10 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims, if any, have not exceeded this commercial coverage in any of the past three fiscal years.

## NOTE 11 - CHANGE IN ACCOUNTING PRINCIPLES

For the year ended March 31, 2026, the Township implemented GASB Statement No. 102, *Certain Risk Disclosures*. The following is a summary of the new pronouncement:

GASB Statement No. 102, *Certain Risk Disclosures*, 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 begin to occur within 12 months of the date of the financial statements are issued. If a government determines that those criteria for disclosures 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 impact of circumstances disclosed and the government's vulnerability to the risk of substantial impact.

There was not a material impact on the Township's financial statements as a result of implementing GASB Statement No. 102.

## NOTE 12 - LEASE RECEIVABLES

The Township leased a portion of their cell tower, included in the Oak Pointe Water-Sewer District, to a third-party. The lease is for five automatic renewals of five year leases and the Township will receive annual payments ranging from $9,600 to $16,790. The Township recognized $10,131 in lease revenue and $2,565 in interest revenue during the current fiscal year related to this lease. As of March 31, 2026, the Township's receivable for lease payments was $154,836. Also, the Township has deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of March 31, 2026, the balance of the deferred inflow of resources was $142,565.

The Township leased another portion of the same cell tower to another third-party. The lease is for five automatic renewals of five year leases and the Township will receive annual payments ranging from $9,600 to $16,790. The Township recognized $9,970 in lease revenue and $2,726 in interest revenue during the current fiscal year related to this lease. As of March 31, 2026, the Township's receivable for lease payments was $164,967. Also, the Township has deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of March 31, 2026, the balance of the deferred inflow of resources was $151,698.

## NOTE 13 - UPCOMING ACCOUNTING PRONOUNCEMENTS

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following:

a. Management's discussion and analysis (MD&A);
    i. Requires that the information presented in MD&A be limited to the related topics discussed in five specific sections:
        1) Overview of the Financial Statements,
        2) Financial Summary,
        3) Detailed Analyses,
        4) Significant Capital Asset and Long-Term Financing Activity,
        5) Currently Known Facts, Decisions, or Conditions;
    ii. Stresses detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed;
    iii. Removes the requirement for discussion of significant variations between original and final budget amounts and between final budget amounts and actual results;

b. Unusual or infrequent items;

c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
    i. Requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and clarifies the definition of operating and nonoperating revenues and expenses;
    ii. Requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses and defines subsidies;

d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements should be presented after the fund financial statements;

e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2027 fiscal year.

## NOTE 13 - UPCOMING ACCOUNTING PRONOUNCEMENTS (continued)

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. Lease 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 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, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2027 fiscal year.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The Township is currently evaluating the impact this standard will have on the financial statements when adopted during the 2028 fiscal year.

## NOTE 14 - ADJUSTMENTS TO BEGINNING NET POSITION

During fiscal year 2026, there was a correction of an error related to the valuation of inventory. The change to beginning net position is as follows:

| | Reporting Units Affected by Adjustments to Beginning | |
|---|---|---|
| | Oak Pointe Water and Sewer Systems Fund | Business-Type Activities |
| Net position, as previously stated | $ 7,890,043 | $ 14,019,596 |
| Error correction | (95,610) | (95,610) |
| Net position, beginning of year | $ 7,794,433 | $ 13,923,986 |

# REQUIRED SUPPLEMENTARY INFORMATION

# GENOA CHARTER TOWNSHIP
# GENERAL FUND
# BUDGETARY COMPARISON SCHEDULE (NON-GAAP BASIS)
# YEAR ENDED MARCH 31, 2026

| | Budgeted Amounts | | | Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| REVENUES | | | | |
| Taxes | $ 1,792,600 | $ 1,796,100 | $ 1,758,441 | $ (37,659) |
| Licenses and permits | 421,600 | 425,493 | 421,643 | (3,850) |
| Intergovernmental | 2,371,336 | 2,424,251 | 2,424,448 | 197 |
| Charges for services | 1,585,621 | 1,612,325 | 1,641,885 | 29,560 |
| Interest and rents | 70,000 | 70,000 | 119,742 | 49,742 |
| Other | 12,000 | 14,222 | 13,822 | (400) |
| TOTAL REVENUES | 6,253,157 | 6,342,391 | 6,379,981 | 37,590 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | | | | |
| Township trustees | 63,500 | 60,500 | 56,533 | 3,967 |
| Supervisor | 71,600 | 71,600 | 69,860 | 1,740 |
| Township manager | 216,900 | 216,900 | 211,700 | 5,200 |
| Accounting and finance | 122,600 | 112,600 | 111,533 | 1,067 |
| Township clerk | 106,579 | 152,525 | 148,493 | 4,032 |
| Information and technology | 80,200 | 81,700 | 80,516 | 1,184 |
| Board of review | 14,640 | 7,764 | 4,318 | 3,446 |
| Township treasurer | 183,850 | 183,850 | 177,256 | 6,594 |
| Assessing department | 306,900 | 292,900 | 279,526 | 13,374 |
| Elections | 18,000 | 38,803 | 20,539 | 18,264 |
| Building and grounds | 253,500 | 244,500 | 233,409 | 11,091 |
| Professional fees | 234,900 | 160,100 | 136,988 | 23,112 |
| Human resources | 22,700 | 22,700 | 20,446 | 2,254 |
| Unallocated | 961,720 | 896,107 | 796,382 | 99,725 |
| Total general government | 2,657,589 | 2,542,549 | 2,347,499 | 195,050 |
| Public works | | | | |
| Drains | 34,500 | 38,000 | 37,844 | 156 |
| Refuse collection | 1,635,000 | 1,640,000 | 1,639,726 | 274 |
| Cemetery | 10,000 | 6,500 | 4,695 | 1,805 |
| Total public works | 1,679,500 | 1,684,500 | 1,682,265 | 2,235 |
| Community and economic development | | | | |
| Planning and zoning | 457,201 | 311,800 | 272,447 | 39,353 |
| Economic development | 54,000 | 10,000 | 7,010 | 2,990 |
| Total community and economic development | 511,201 | 321,800 | 279,457 | 42,343 |
| Capital outlay | 40,000 | 40,000 | 37,345 | 2,655 |
| TOTAL EXPENDITURES | 4,888,290 | 4,588,849 | 4,346,566 | 242,283 |
| EXCESS OF REVENUES OVER EXPENDITURES | 1,364,867 | 1,753,542 | 2,033,415 | 279,873 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 31,647 | 31,647 | 82,504 | 50,857 |
| Transfers out | (1,300,000) | (1,550,000) | (1,550,000) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,268,353) | (1,518,353) | (1,467,496) | 50,857 |
| Net change in fund balance (Budgetary basis) | $ 96,514 | $ 235,189 | 565,919 | $ 330,730 |
| Budgetary perspective difference | | | 407,618 | |
| Net change in fund balance (GAAP basis) | | | $ 973,537 | |

# GENOA CHARTER TOWNSHIP
# REIMBURSABLE PROJECTS FUND
# BUDGETARY COMPARISON SCHEDULE
# YEAR ENDED MARCH 31, 2026

| | Budgeted Amounts | | | Variance |
|---|---|---|---|---|
| | Original | Final | Actual | Favorable (Unfavorable) |
| REVENUES | | | | |
| Special assessments | $ 358,651 | $ 384,968 | $ 375,505 | $ (9,463) |
| Special assessments - interest | 41,655 | 46,212 | 44,301 | (1,911) |
| Interest | 25,000 | 13,000 | 14,085 | 1,085 |
| Other | - | 156,158 | 185,149 | 28,991 |
| TOTAL REVENUES | 425,306 | 600,338 | 619,040 | 18,702 |
| EXPENDITURES | | | | |
| Current | | | | |
| Public works | | | | |
| Road, lake, and utility projects | | | | |
| Lake Chemung weed | 55,000 | 55,000 | 48,607 | 6,393 |
| Pardee Lake weed | 24,000 | 24,000 | 21,308 | 2,692 |
| Grand Beach weed | 14,800 | 8,506 | 8,506 | - |
| East West Crooked Lake weed | 15,500 | 15,500 | 14,578 | 922 |
| White Pines streetlights | 915 | 915 | 959 | (44) |
| Edwin Dr road project | 2,081 | 6,800 | 6,788 | 12 |
| Homestead | 3,200 | 7,080 | 7,080 | - |
| Baetcke Lake | 7,250 | 7,250 | 7,570 | (320) |
| Crystal Valley | - | 795 | 795 | - |
| Lakewood Knoll | - | 17,490 | 17,490 | - |
| Grand Ravine | - | 131 | 131 | - |
| Milroy Mystic Lake | - | 3,030 | 3,030 | - |
| Earl Lake | 2,265 | 2,265 | 1,796 | 469 |
| Genoa Estates | - | 250,363 | 250,363 | - |
| Timber Green | - | 211,064 | 203,506 | 7,558 |
| Round Lake | - | 2,559 | 2,559 | - |
| McNamara | - | 305 | 305 | - |
| Still River | - | 400 | 400 | - |
| Forest View | - | - | 1,135 | (1,135) |
| Northshore Commons | - | - | 1,308 | (1,308) |
| Other | 6,000 | 6,000 | 2,750 | 3,250 |
| TOTAL EXPENDITURES | 131,011 | 619,453 | 600,964 | 18,489 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 294,295 | (19,115) | 18,076 | 37,191 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 200,000 | - | - | - |
| Transfers out | - | - | (46,009) | (46,009) |
| TOTAL OTHER FINANCING SOURCES (USES) | 200,000 | - | (46,009) | (46,009) |
| NET CHANGE IN FUND BALANCE | 494,295 | (19,115) | (27,933) | (8,818) |
| Fund balance, beginning of year | 706,420 | 706,420 | 706,420 | - |
| Fund balance, end of year | $ 1,200,715 | $ 687,305 | $ 678,487 | $ (8,818) |

# GENOA CHARTER TOWNSHIP
## UTILITIES/DPW FUND
## BUDGETARY COMPARISON SCHEDULE
## YEAR ENDED MARCH 31, 2026

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| REVENUES | | | | |
| Charges for services | $ 3,910,964 | $ 3,907,242 | $ 3,917,813 | $ 10,571 |
| Other | 21,000 | 21,000 | 20,154 | (846) |
| TOTAL REVENUES | 3,931,964 | 3,928,242 | 3,937,967 | 9,725 |
| EXPENDITURES | | | | |
| Current | | | | |
| Public works | 3,650,964 | 3,641,695 | 3,616,098 | 25,597 |
| EXCESS OF REVENUES OVER EXPENDITURES | 281,000 | 286,547 | 321,869 | 35,322 |
| OTHER FINANCING (USES) | | | | |
| Transfers out | (493,101) | (493,101) | (314,334) | 178,767 |
| NET CHANGE IN FUND BALANCE | (212,101) | (206,554) | 7,535 | 214,089 |
| Fund balance, beginning of year | 287,101 | 287,101 | 287,101 | - |
| Fund balance, end of year | $ 75,000 | $ 80,547 | $ 294,636 | $ 214,089 |

# GENOA CHARTER TOWNSHIP
# DEFINED BENEFIT PENSION PLAN
# SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
# LAST TEN FISCAL YEARS
# (AMOUNTS WERE DETERMINED AS OF 12/31 EACH YEAR)

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Pension Liability | | | | | | | | | | |
| Service cost | $ 16,227 | $ 15,941 | $ 14,608 | $ 12,825 | $ 21,556 | $ 20,681 | $ 19,846 | $ 19,377 | $ 18,799 | $ 19,422 |
| Interest | 72,758 | 67,726 | 61,358 | 53,131 | 47,313 | 40,867 | 35,598 | 33,177 | 31,216 | 26,674 |
| Difference in experience | 1,367 | 21,656 | 47,365 | 63,842 | 9,035 | 1,085 | (3,422) | 889 | (25,787) | 10,986 |
| Change of assumptions | 16,961 | 319 | 7,787 | - | 36,771 | 21,735 | 15,022 | - | - | - |
| Benefit payments | (36,136) | (35,276) | (34,415) | - | - | - | - | - | - | - |
| Other changes | - | - | - | - | - | 1 | 1,873 | - | - | - |
| Net Change in Total Pension Liability | 71,177 | 70,366 | 96,703 | 129,798 | 114,675 | 84,369 | 68,917 | 53,443 | 24,228 | 57,082 |
| Total Pension Liability, beginning | 1,023,297 | 952,931 | 856,228 | 726,430 | 611,755 | 527,386 | 458,469 | 405,026 | 380,798 | 323,716 |
| Total Pension Liability, ending | $ 1,094,474 | $ 1,023,297 | $ 952,931 | $ 856,228 | $ 726,430 | $ 611,755 | $ 527,386 | $ 458,469 | $ 405,026 | $ 380,798 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | $ 30,810 | $ 24,472 | $ 99,012 | $ 33,068 | $ 29,892 | $ 26,156 | $ 24,466 | $ 24,298 | $ 22,354 | $ 22,061 |
| Net investment income (loss) | 120,531 | 55,059 | 71,555 | (66,187) | 77,158 | 61,945 | 51,786 | (15,273) | 41,044 | 29,531 |
| Benefit payments | (36,136) | (35,276) | (34,415) | - | - | - | - | - | - | - |
| Administrative expenses | (1,583) | (1,638) | (1,531) | (1,213) | (885) | (927) | (893) | (725) | (646) | (580) |
| Net Change in Plan Fiduciary Net Position | 113,622 | 42,617 | 134,621 | (34,332) | 106,165 | 87,174 | 75,359 | 8,300 | 62,752 | 51,012 |
| Plan Fiduciary Net Position, beginning | 779,135 | 736,518 | 601,897 | 636,229 | 530,064 | 442,890 | 367,531 | 359,231 | 296,479 | 245,467 |
| Plan Fiduciary Net Position, ending | $ 892,757 | $ 779,135 | $ 736,518 | $ 601,897 | $ 636,229 | $ 530,064 | $ 442,890 | $ 367,531 | $ 359,231 | $ 296,479 |
| Employer's Net Pension Liability | $ 201,717 | $ 244,162 | $ 216,413 | $ 254,331 | $ 90,201 | $ 81,691 | $ 84,496 | $ 90,938 | $ 45,795 | $ 84,319 |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 81.57% | 76.14% | 77.29% | 70.30% | 87.58% | 86.65% | 83.98% | 80.16% | 88.69% | 66.00% |
| Covered payroll | $ 157,085 | $ 153,308 | $ 142,520 | $ 125,118 | $ 251,427 | $ 240,881 | $ 234,022 | $ 228,343 | $ 221,282 | $ 222,122 |
| Employer's net pension liability as a percentage of covered payroll | 128% | 160% | 152% | 203% | 36% | 34% | 36% | 40% | 21% | 38% |

# GENOA CHARTER TOWNSHIP
# DEFINED BENEFIT PENSION PLAN
# SCHEDULE OF EMPLOYER CONTRIBUTIONS
# LAST TEN FISCAL YEARS
# (AMOUNTS WERE DETERMINED AS OF 3/31 EACH YEAR)

| | 2026 | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarial determined contributions | $ 32,542 | $ 22,395 | $ 96,909 | $ 34,810 | $ 29,892 | $ 26,156 | $ 24,465 | $ 24,298 | $ 22,354 | $ 22,061 |
| Contributions in relation to the actuarial determined contribution | 32,542 | 22,395 | 96,909 | 34,810 | 29,892 | 26,156 | 24,465 | 24,298 | 22,354 | 22,061 |
| Contribution (deficiency) excess | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 163,328 | $ 153,308 | $ 142,520 | $ 125,118 | $ 251,427 | $ 240,881 | $ 234,022 | $ 228,343 | $ 221,282 | $ 222,122 |
| Contributions as a percentage of covered payroll | 19.92% | 14.61% | 68.00% | 27.82% | 11.89% | 10.86% | 10.45% | 10.64% | 10.10% | 9.93% |

## NOTE 1 - DEFINED BENEFIT PENSION PLAN

Notes to the Schedule of Changes in the Township's Net Pension Liability and Related Ratios.

Changes in Assumptions - the changes of assumptions for the past ten plan years were as follows:

2025 - Change in investment rate of return from 6.93% to 6.79%.
Change in discount rate from 7.18% to 7.04%.

2024 - The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2019-2023 from 2014-2018.

2023 - Change in discount rate from 7.25% to 7.18%.
Change in investment rate of return from 7.00% to 6.93%.

2021 - Decrease in investment rate of return from 7.35% to 7.00%.
Change in discount rate from 7.60% to 7.25%.

2020 - Change in mortality tables from blend of RP-2014 Healthy Annuitant, RP-2014 Employee, and 2014 Juvenile mortality tables to blend of Pub-2010 Healthy Retiree, 2010 Employee, and 2010 Juvenile mortality tables.

2019 - Change in discount rate from 8.00% to 7.60%.
Change in investment rate of return from 7.75% to 7.35%.
Change in assumed rate of wage inflation from 3.75% to 3.00%.
Change in various actuarial assumptions based on results of the most recent actuarial experience study of 2014-2018 from 2009-2013.

Changes in Benefits - there were no changes of benefit terms during the previous ten plan years.

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial cost method: | Entry age |
| Amortization method: | Level percentage of payroll, open |
| Remaining amortization period: | 4 |
| Asset valuation method: | 5 year smoothing |
| Inflation: | 2.50% |
| Salary increases: | 3.00% plus merit & longevity. 3% in the long-term |
| Investment rate of return: | 6.79%, net of investment and administrative expense including inflation |
| Normal retirement age: | 60 |
| Mortality: | Rates used were based on a version of Pub-2010 and fully generational MP-2019 |

The actuary assumptions used in valuation were based on the results of the most recent actuarial experience study of 2019-2023.

## NOTE 2 - BUDGET/GAAP RECONCILIATION

The Township budgets the activities of the Buildings and Grounds Reserve Fund, Disaster Contingency Fund, Deposit Trust Fund, and Trust and Agency Fund separately from the General Fund. For financial reporting purposes and the GAAP-basis basic financial statements, however, the activities of the above-mentioned funds are combined with the General Fund as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The budgetary perspective difference shown on the General Fund Budgetary Comparison Schedule (Non-GAAP budgetary basis) reconciles the change in fund balance to the GAAP-basis basic financial statements and the detail related to these amounts are as follows:

| | |
|---|---|
| Net change in fund balance (budgetary basis) | $ 565,919 |
| Net change in fund balance related to: | |
| Buildings and Grounds Reserve Fund | 157,283 |
| Disaster Contingency Fund | 250,335 |
| Net actual change in fund balance (GAAP basis) | $ 973,537 |

## NOTE 3 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The Township's budgeted expenditures in the General and major Special Revenue Funds have been shown at the functional classification level. The approved budgets of the Township have been adopted at the department level for the General Fund and Special Revenue Funds.

During the year ended March 31, 2026, the Township incurred expenditures in a Special Revenue Fund department in excess of the amount appropriated as follows:

| | Amount Appropriated | Amount Expended | Variance |
|---|---|---|---|
| Reimbursable Projects Fund | | | |
| Transfers out | $ - | $ 46,009 | $ 46,009 |

## OTHER SUPPLEMENTARY INFORMATION

# GENOA CHARTER TOWNSHIP
# GENERAL FUND
# COMBINING BALANCE SHEET
# MARCH 31, 2026

| | General Fund | Buildings and Grounds Reserve Fund | Disaster Contingency Fund | Deposit Trust Fund | Trust and Agency Fund | Eliminations | Total General Fund |
|---|---|---|---|---|---|---|---|
| ASSETS | | | | | | | |
| Cash and investments | $ 4,677,627 | $ 1,041,205 | $ 250,335 | $ 217,919 | $ 2,496 | $ - | $ 6,189,582 |
| Taxes receivable | 116,700 | - | - | - | - | - | 116,700 |
| Due from other governments | 562,257 | - | - | - | - | - | 562,257 |
| Inventory | 105,335 | - | - | - | - | - | 105,335 |
| Prepaid expenditures | 66,903 | - | - | - | - | - | 66,903 |
| Due from other funds | 371,772 | - | - | - | - | (575) | 371,197 |
| TOTAL ASSETS | $ 5,900,594 | $ 1,041,205 | $ 250,335 | $ 217,919 | $ 2,496 | $ (575) | $ 7,411,974 |
| LIABILITIES AND FUND BALANCE | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts payable | $ 207,232 | $ - | $ - | $ 2,807 | $ - | $ - | $ 210,039 |
| Accrued payroll | 40,254 | - | - | - | - | - | 40,254 |
| Unearned revenues | 1,296,343 | - | - | - | - | - | 1,296,343 |
| Due to other governments | 141,487 | - | - | 214,821 | 2,212 | - | 358,520 |
| Due to other funds | 56,264 | - | - | 291 | 284 | (575) | 56,264 |
| TOTAL LIABILITIES | 1,741,580 | - | - | 217,919 | 2,496 | (575) | 1,961,420 |
| FUND BALANCE | | | | | | | |
| Nonspendable | | | | | | | |
| Prepaid expenditures | 66,903 | - | - | - | - | - | 66,903 |
| Inventory | 105,335 | - | - | - | - | - | 105,335 |
| Committed | | | | | | | |
| Buildings and grounds | - | 1,041,205 | - | - | - | - | 1,041,205 |
| Disaster contingency | - | - | 250,335 | - | - | - | 250,335 |
| Unassigned | 3,986,776 | - | - | - | - | - | 3,986,776 |
| TOTAL FUND BALANCE | 4,159,014 | 1,041,205 | 250,335 | - | - | - | 5,450,554 |
| TOTAL LIABILITIES AND FUND BALANCE | $ 5,900,594 | $ 1,041,205 | $ 250,335 | $ 217,919 | $ 2,496 | $ (575) | $ 7,411,974 |

## GENOA CHARTER TOWNSHIP
## GENERAL FUND
## COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
## YEAR ENDED MARCH 31, 2026

| | General Fund | Buildings and Grounds Reserve Fund | Disaster Contingency Fund | Deposit Trust Fund | Trust and Agency Fund | Eliminations | Total General Fund |
|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | |
| Taxes | $ 1,758,441 | $ - | $ - | $ - | $ - | $ - | $ 1,758,441 |
| Intergovernmental | 2,424,448 | - | - | - | - | - | 2,424,448 |
| Licenses and permits | 421,643 | - | - | - | - | - | 421,643 |
| Charges for services | 1,641,885 | - | - | - | - | - | 1,641,885 |
| Interest and rents | 119,742 | 21,465 | 335 | - | - | - | 141,542 |
| Miscellaneous | 13,822 | - | - | - | - | - | 13,822 |
| TOTAL REVENUES | 6,379,981 | 21,465 | 335 | - | - | - | 6,401,781 |
| EXPENDITURES | | | | | | | |
| Current | | | | | | | |
| General government | 2,347,499 | 64,182 | - | - | - | - | 2,411,681 |
| Public works | 1,682,265 | - | - | - | - | - | 1,682,265 |
| Community and economic development | 279,457 | - | - | - | - | - | 279,457 |
| Capital outlay | 37,345 | - | - | - | - | - | 37,345 |
| TOTAL EXPENDITURES | 4,346,566 | 64,182 | - | - | - | - | 4,410,748 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 2,033,415 | (42,717) | 335 | - | - | - | 1,991,033 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 82,504 | 200,000 | 250,000 | - | - | (450,000) | 82,504 |
| Transfers out | (1,550,000) | - | - | - | - | 450,000 | (1,100,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,467,496) | 200,000 | 250,000 | - | - | - | (1,017,496) |
| NET CHANGE IN FUND BALANCES | 565,919 | 157,283 | 250,335 | - | - | - | 973,537 |
| Fund balances, beginning of year | 3,593,095 | 883,922 | - | - | - | - | 4,477,017 |
| Fund balances, end of year | $ 4,159,014 | $ 1,041,205 | $ 250,335 | $ - | $ - | $ - | $ 5,450,554 |

# GENOA CHARTER TOWNSHIP
# NONMAJOR GOVERNMENTAL FUNDS
# COMBINING BALANCE SHEET
# MARCH 31, 2026

| | Special Revenue Funds | | | | Capital Project Funds | | |
|---|---|---|---|---|---|---|---|
| | Liquor Law Enforcement Fund | Future Development Parks, Paths and Recreation Fund | Road Improvement Fund | ARPA Grant Fund | Grand River New User Fund | Utilities/DPW Reserve Fund | Totals |
| ASSETS | | | | | | | |
| Cash and cash equivalents | $ 6,291 | $ 1,167,909 | $ 1,085,188 | $ - | $ 1,820,560 | $ 336,348 | $ 4,416,296 |
| Accounts receivable | - | 1,700 | | - | - | - | 1,700 |
| Due from other funds | 3,925 | - | - | - | - | 15,000 | 18,925 |
| TOTAL ASSETS | $ 10,216 | $ 1,169,609 | $ 1,085,188 | $ - | $ 1,820,560 | $ 351,348 | $ 4,436,921 |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Due to other funds | $ - | $ 800 | $ - | $ - | $ - | $ - | $ 800 |
| FUND BALANCES | | | | | | | |
| Committed | | | | | | | |
| Capital improvement | - | - | - | - | 1,820,560 | - | 1,820,560 |
| Public safety | 10,216 | - | - | - | - | - | 10,216 |
| Public works | - | - | 1,085,188 | - | - | 351,348 | 1,436,536 |
| Recreation | - | 1,168,809 | - | - | - | - | 1,168,809 |
| TOTAL FUND BALANCES | 10,216 | 1,168,809 | 1,085,188 | - | 1,820,560 | 351,348 | 4,436,121 |
| TOTAL LIABILITIES AND FUND BALANCES | $ 10,216 | $ 1,169,609 | $ 1,085,188 | $ - | $ 1,820,560 | $ 351,348 | $ 4,436,921 |

# GENOA CHARTER TOWNSHIP
## NONMAJOR GOVERNMENTAL FUNDS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
## YEAR ENDED MARCH 31, 2026

| | Special Revenue Funds | | | | Capital Project Funds | | |
|---|---|---|---|---|---|---|---|
| | Liquor Law Enforcement Fund | Future Development Parks, Paths and Recreation Fund | Road Improvement Fund | ARPA Grant Fund | Grand River New User Fund | Utilities/DPW Reserve Fund | Totals |
| REVENUES | | | | | | | |
| Charges for services | $ - | $ - | $ - | $ - | $ 297,172 | $ - | $ 297,172 |
| Licenses and permits | 17,041 | - | - | - | - | - | 17,041 |
| Interest and rents | 289 | 28,997 | 18,337 | - | 26,189 | 8,115 | 81,927 |
| TOTAL REVENUES | 17,330 | 28,997 | 18,337 | - | 323,361 | 8,115 | 396,140 |
| EXPENDITURES | | | | | | | |
| Current | | | | | | | |
| Public safety | 15,097 | - | - | - | - | - | 15,097 |
| Public works | - | - | 470,879 | - | 11,054 | 350 | 482,283 |
| Parks and recreation | - | 189,836 | - | - | - | - | 189,836 |
| Capital outlay | - | - | - | - | - | 159,330 | 159,330 |
| TOTAL EXPENDITURES | 15,097 | 189,836 | 470,879 | - | 11,054 | 159,680 | 846,546 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 2,233 | (160,839) | (452,542) | - | 312,307 | (151,565) | (450,406) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | 250,000 | 850,000 | - | 169,624 | 196,000 | 1,465,624 |
| Transfers out | - | - | - | (36,495) | - | (69,624) | (106,119) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 250,000 | 850,000 | (36,495) | 169,624 | 126,376 | 1,359,505 |
| NET CHANGE IN FUND BALANCE | 2,233 | 89,161 | 397,458 | (36,495) | 481,931 | (25,189) | 909,099 |
| FUND BALANCES | | | | | | | |
| Beginning of year | 7,983 | 1,079,648 | 687,730 | 36,495 | 1,338,629 | 376,537 | 3,527,022 |
| End of year | $ 10,216 | $ 1,168,809 | $ 1,085,188 | $ - | $ 1,820,560 | $ 351,348 | $ 4,436,121 |

**GENOA CHARTER TOWNSHIP**
**FIDUCIARY FUNDS**
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**
**MARCH 31, 2026**

| | Custodial Funds | | |
|---|---|---|---|
| | Utility Escrow Fund | Current Tax Fund | Total |
| ASSETS | | | |
| Cash and cash equivalents | $ 69,435 | $ 20,985 | $ 90,420 |
| LIABILITIES | | | |
| Due to Others | $ 69,435 | $ 20,985 | $ 90,420 |

**GENOA CHARTER TOWNSHIP**
**FIDUCIARY FUNDS**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**YEAR ENDED MARCH 31, 2026**

| | Custodial Funds | | |
|---|---|---|---|
| | Utility Escrow Fund | Current Tax Fund | Total |
| ADDITIONS | | | |
| Taxes collected for other entities | $ - | $ 42,276,164 | $ 42,276,164 |
| Utility charges for other entities | 8,983,446 | - | 8,983,446 |
| TOTAL ADDITIONS | 8,983,446 | 42,276,164 | 51,259,610 |
| DEDUCTIONS | | | |
| Taxes paid to other entities | - | 42,276,164 | 42,276,164 |
| Utility charges paid to other entities | 8,983,446 | - | 8,983,446 |
| TOTAL DEDUCTIONS | 8,983,446 | 42,276,164 | 51,259,610 |
| Net change in net position | - | - | - |
| Net position, beginning of year | - | - | - |
| Net position, end of year | $ - | $ - | $ - |