

City of Fenton, Michigan

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

Prepared by:
Treasurer's Department

Jon Satkowiak Jr
City Treasurer

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City of Fenton

301 South Leroy Street · Fenton, Michigan 48430-2196 • (810) 629-2261 • FAX (810) 629-2004

December 11, 2024

Honorable Mayor Osborn and Fenton City Council:

In accordance with State statute and provisions of the City Charter, it is my pleasure to submit to you and the citizens of Fenton, the Annual Comprehensive Financial Report of the City of Fenton for the fiscal year ending June 30, 2024 (FY 2024). Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the City of Fenton. The administration believes, and has made its best efforts to insure, that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial status have been included.

In developing and monitoring the City's accounting system, significant consideration is given to the adequacy of our systems of fiscal checks and balances. Our internal accounting controls are regularly reviewed, not just by our auditors in the preparations of our annual audit, but also by the City Treasurer and the City administration throughout the year as we examine current and propose future practices and procedures. Based upon these regular reviews, I believe the internal accounting controls currently in place adequately safeguard assets and provide reasonable assurance of the proper recording of the city's financial transactions.

This report has been formulated following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. The GFOA annually awards certificates of Achievement to those governments whose financial reports are judged to meet the high standards of public financial reporting and generally accepted accounting principles. We can state with some pride that for thirty-five consecutive years, beginning with Fiscal Year 1988, we have been the recipients of the GFOA's Certificate of Achievement. Congratulations to the City Treasurer and his team for this accomplishment.

Public Act 2 of 1968 of the State of Michigan, as amended, requires that the financial statements of the City of Fenton be audited by a certified public accounting firm. This requirement has been met by retaining the services of Yeo & Yeo, P.C. as our independent auditors. The opinion letter of our auditors is included in the financial section of their report.

The City of Fenton has ended the fiscal year in a stable financial condition. In FY 2024 the General Fund had a \$236,358 surplus. In addition, the auditor has made a prior period adjustment of \$492,594 in restricted revenue from PEG funds. These funds are from the Public, Education and Government fees paid by cable companies.

These funds are used to purchase equipment for our public access channel shared with the City of Linden, Fenton Township, and Tyrone Township. The four municipalities have formed a consortium called FACT to oversee the grant process used by the local school districts to purchase equipment to provide content for the PEG Channel. The city currently has a General Fund Balance of \$6,101,202 including a restricted and a non-spendable amount of \$687,451 leaving an unassigned fund balance of \$5,413,751. The unrestricted fund balance is about 86% of annual expenditures. The Sewer Fund shows a net cash of about \$1,856,900. The Water Fund has an end of the year cash balance of \$1,950,170, a very healthy financial position. During FY 2024 the Water Fund continued to make investments in water mains and replacing lead service leads as did the Sewer Fund. Overall, both enterprise funds ended the fiscal year in relatively good shape.

Several commercial properties made improvements. New home construction continued to improve. The local housing market continued to be very hot and has resulted in increased values. Reported total construction value was about \$10 million.

In FY 2024, the City of Fenton began the Local Street Improvement Program. Several streets have been improved and there will be more repaired/reconstructed in what has been planned as a 10-year improvement program.

The 2020 decennial census count showed a population gain of 2.6% in the previous 10 years. The current population as reported by the census of the City of Fenton is 12,050. The City of Fenton's population growth is an unusual trend in the State of Michigan. Population growth continued during the Great Recession and projections by Genesee County indicate that growth in the City of Fenton will continue through at least 2035. With all the business activity in the city, the daytime population is estimated at over 50,000. There is a continued level of interest for developing in Fenton, as reflected by activity from business and residential developers. The city's location near several major metropolitan markets and our relatively new position as the commercial and retail hub for southern Genesee, northern Livingston, and northwestern Oakland counties, quality education systems, abundant natural resources, downtown development, commercial redevelopment and the overall quality of life improvements will continue to make Fenton an attractive community.

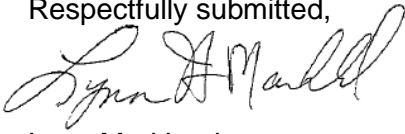
We have continued to implement some cost reductions when possible. Wherever possible the City has made use of grants, or low interest funds to help meet the needs of the community. Examples of grants benefiting the City include road improvements, homeland security grants and grants for cultural/art events.

It should be noted that the preparation of this Annual Comprehensive Financial Report could not have been accomplished without the efforts of our City Treasurer, Jon Satkowiak and the Deputy City Treasurer Cassandra Coulter. Their continued efforts to upgrade the City's accounting, financial reporting and information management systems have contributed significantly to the quality of the information being reported to the City Council and the citizens of Fenton.

In closing, let me express my hope that you will find this document to be a useful tool in evaluating the City's financial health. Helping you and the public obtain a thorough understanding of the City's financial condition is important to us all. Should you have any questions, comments, concerns, or suggestions regarding this document or the information it contains, Jon and I are available to respond.

My staff and I look forward to reviewing this information with you and the public at a City Council Work Session.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Lynn Markland".

Lynn Markland
City Manager



City of Fenton

301 South Leroy Street · Fenton, Michigan 48430-2196 • (810) 629-2261 • FAX (810) 629-2004

December 11, 2024

To the City Council and Citizens of the City of Fenton:

The Annual Comprehensive Financial Report of the **City of Fenton** for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the city. The administration believes that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the city as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the city's financial status have been included.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Fenton's MD&A can be found immediately following the report of the independent auditor.

THE REPORTING ENTITY AND SERVICES PROVIDED

The City of Fenton has defined its financial reporting entity in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB). The city includes all the funds, boards, commissions, and authorities that are controlled by or dependent upon the Mayor and City Council. Based upon these criteria, the Downtown Development Authority, Local Development Finance Authority, and Brownfield Redevelopment Authority have been included in this report.

The city provides various municipal services to its citizens. Among these are fire and police protection, garbage collection, parks maintenance and activities, street construction and maintenance, planning and zoning, and general administrative services. The city operates its own water and sanitary sewer system.

GOVERNMENTAL STRUCTURE AND LOCAL ECONOMY

The city operates under the Council-Manager form of government. The City Council is comprised of the Mayor and six members. The members are elected on a staggered four-year term basis. The Mayor is elected every two years. The City Manager and City Attorney are appointed by and serve at the pleasure of the Council.

Fenton is located conveniently near the many terrific amenities of the Mid-Michigan area. The city's corporate boundaries includes properties in Genesee, Livingston, and Oakland Counties, and its proximity to US-23 makes Fenton just a short drive from the major metropolitan areas of Ann Arbor, Lansing, Flint, Detroit, and more.

The city is a stable community with many assets-quality residential neighborhoods, good schools, beautiful views of the Shiawassee River, and a historic downtown, a solid industrial base and convenient freeway access. Periodic events and festivals such as the 4th of July Freedom Festival, Concerts in the Park, Farmers Markets, Art Walk, Back to the Bricks Tune up Party, Applefest, and Jinglefest contribute to Fenton's "small town" sense of community.

Many types of housing are available in Fenton, whether it is single-family homes in beautiful neighborhoods, apartment communities in convenient locations, or condominiums tucked away in lovely, wooded areas. For those whose careers take them outside of the city, they do not have far to travel since all major metropolitan areas such as Ann Arbor, Lansing, Flint, and the Detroit Area are located within an hour's drive.

The city's Industrial Park has no vacant buildings with new businesses continuing to build in the area. The Local Development Finance Authority (LDFA) raised the visibility of the Industrial Park by rebranding the name to the City of Fenton Business and Technology Park. This has aided with increasing demand for property in the Industrial Park, along with the visibility from the US-23 expressway.

The city is the heart of a beautiful recreation area. There are 58 lakes within a 10-mile radius of the city, which are used for fishing, boating, swimming, and other water sports. The city is fortunate to have an abundance of park facilities scattered throughout the city ranging in size from 40 acres to less than 1 acre. The spatial distribution of parks within the city is such that the majority of residents are located within a 10-minute walk from a park or school facility. Silver Lake Park in Fenton is 35.4 acres, features a municipal beach and picnic areas. Lake Fenton, with more than 11 miles of shoreline, is the largest lake in the area, encompassing 845 acres and with a maximum depth of 92 feet. The area around the city provides facilities for downhill and cross-country skiing, snowmobiling, and ice fishing.

The Michigan Nature Association has a sanctuary located in the city limits. Visitors can walk down 4.5 miles of marked trails while gazing at hundreds of colorful wildflowers, indulging in bird watching and seeing plentiful deer. The sanctuary is 155 acres of land. The Michigan Nature Association is a non-profit statewide land conservation organization with a network of more than 170 nature sanctuaries across Michigan.

The Shiawassee River Heritage Trail is a major accomplishment of the Headwater Trails, a non-profit group whose mission is to facilitate and promote the cooperation of local governments in Southeast Michigan to create new recreational opportunities including a creation of a network of trails for the area residents and visitors. The trail starts in Holly and goes to Byron, passing through Fenton. The Shiawassee River is now open for canoers and kayakers.

Fenton Area Public Schools is one of the finest school districts in the state, with three public elementary schools, a middle school building, and a high school. Fenton Area Public Schools is the first public school district in Michigan to offer the International Baccalaureate Programme district wide. A small portion of the city is in the Lake Fenton Community School District which has built a new state-of-the-art high school. In addition, the city is the home to a private parochial school for parents who choose a religion-based education for their children.

The 2020 U.S. Census was 12,050, a population increase of 2.6% or 296 persons from 2010.

Standard and Poors reviewed the City of Fenton credit rating in 2024. The credit rating remained at AA-. The Financial Management Assessment (FMA) score is "good".

MAJOR INITIATIVES

For the Year

The city continued to reconstruct and rehabilitate Streets within the Local Street Improvement program. This continues to be funded by a voted debt millage passed by the electorate in November of 2021.

Owen Road, which is a main hub for traffic from US-23 was rehabilitated and resurfaced, along with Main Street in the Downtown area. Investing in our infrastructure continues to be an ongoing commitment.

The Water Department continues to replace lead service lines as well as completing water main projects in conjunction with the second phase of the Local Street Improvement program. The roof at the water plant was resurfaced with a new membrane to extend its life.

The Veteran Memorial at Freedom Park was completed with a dedication occurring on Memorial Day. This project was completed with many hours of Volunteer work, donations, and a portion of our American Rescue Plan funds to renovate and outfit the area.

The DDA has continued their partnerships with the Southern Lakes Parks and Recreation Authority and the Fenton Chamber of Commerce. Financial sponsorship has been provided for the Farmer's Market, Summer Concerts, and Taste in Fenton. The Back to the Bricks Tune Up party brought upwards of 10,000 people to downtown Fenton in one evening.

The DDA also has continued to lease several outdoor sculptures from Midwest Sculpture Initiative and placed them in several community areas. Midwest Sculpture Initiative's mission is to provide outdoor sculpture exhibitions throughout the Midwest, promote cooperation among art and civic organizations in the Downtown District. The city has purchased six of the sculptures to be permanently displayed in the Downtown.

The DDA continued the facade improvement program, financially and professionally assisting businesses in improving the external portion of their buildings. A sign way finding project is being implemented to assist newcomers in finding their way around Fenton.

The DDA began preparations to develop and construct a new parking lot in the Downtown area, which will bring some much needed relief during our large events.

For the Future

For the ongoing protection of the city, the City Council has set a policy to maintain the combination of the General Fund and Budget Stabilization Fund balances at 20% of net General Fund operating revenues and have met these requirements. The council will strive to continue meeting this goal in the future. The city prepares a five-year financial plan annually for the General Fund. The council uses this plan to make positive improvements to the structural financial issues.

The third phase of the Local Street Improvement Program began late in Fiscal Year 2024 and will likely be completed early in the Spring of 2025. This includes Watermain replacement as well as Sewer pipe repairs and replacements.

The DDA will begin preparations on building a new parking lot next to the Fire Hall which will also include a Multipurpose building. The building will house equipment for the DPW's Downtown operations, as well as a training area for the Fire Department.

The city has once again applied for the Genesee County TAP funds in which we had a few different projects score very well. The administration will continue to monitor the projects that will be funded with the Federal dollars available. These projects include high traffic areas leading into Downtown and the Silver Parkway district.

BUDGETING AND INTERNAL CONTROLS

In developing and evaluating the city's accounting system, consideration has been given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintain accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

Budgeting Controls: After thorough evaluation of all proposals, the City Council adopts an Annual Budget for the General Fund, Special Revenue Funds, and Debt Service Funds. The budget is legally enacted on a departmental (activity) basis. An online inquiry system is available to department heads in which they could review budget to actual figures on a daily basis. Quarterly budget reports are provided to the council for their review.

OTHER INFORMATION

Independent Audit

The City Charter and State laws require an annual audit of the financial records and transactions of the city by a firm of independent licensed Certified Public Accountants. This requirement has been complied with and the City's financial statements have received an "unmodified opinion" from Yeo & Yeo, P.C. Certified Public Accountants. An unmodified opinion is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe the financial statements are not fairly stated in all material respects.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the **City of Fenton** for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The **City of Fenton** has received a Certificate of Achievement for the last thirty-five consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

Acknowledgments

The continuing efforts of department heads and office staff make possible the preparation of this Annual Comprehensive Financial Report. Commitment to fiscal integrity and financial leadership by the City Council is appreciated. The CPA firm of Yeo & Yeo, P.C. also made substantial contributions in the preparation of this document.

Respectfully,



Jon Satkowiak Jr.
City Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fenton
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

City of Fenton
List of City Officials
June 30th, 2024

City Council

Barbara Sue Osborn - Mayor
Patricia Lockwood
Brad Jacob
David McDermott
Scott Grossmeyer
Sean Sage
Tracey Bottecelli

Appointed Officials

Lynn Markland, City Manager
Michael Hart, Assistant City Manager
Director of Economic Development
Tonya Lall, City Assessor
Jennifer Kienast, City Clerk
Jon Satkowiak Jr, City Treasurer
Jason Payne, Building & Zoning Administrator
Robert Cairnduff, Fire Chief
Jeffery Cross, Police Chief
Daniel Brisson, Director of Public Works

City of Fenton, Michigan Organizational Chart

Citizens of the City of Fenton

Mayor and
City Council

Planning Commission
Local Development Finance Authority
Building Authority
Museum Board
Zoning Board of Appeals
Downtown Development Authority
City Manager

Library Board
Compensation Commission
Cemetery Board
Board of Review
Beautification Commission
Parks and Recreation Board
City Attorney

Police Chief	Fire Chief	City Clerk	Building and Zoning Administrator	City Treasurer	City Assessor	Public Works Director	Assistant City Manager
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Support Staff



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Independent Auditors' Report

To the Honorable Mayor and
Members of the City Council
City of Fenton, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fenton, Michigan (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our 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.

Prior Period Adjustment

As described in Note 14 to the financial statements beginning fund balance of the General Fund and beginning net position of Governmental Activities were restated to correct an error related to the recognition of revenue. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and the pension and OPEB 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 the City's basic financial statements. The other supplementary information, as identified 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 by us. In our opinion, based on our audit, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Yeo & Yeo, P.C.

Flint, Michigan
December 11, 2024

City of Fenton
Management's Discussion and Analysis
June 30, 2024

Using this Annual Report

This annual report consists of a series of narratives and financial statements. This narrative should be considered in conjunction with the additional information presented in the letter of transmittal found on pages 1 - 1 through 1 - 7 and is intended to serve as an introduction to the City of Fenton's basic financial statements. The basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of the City of Fenton's finances, in a manner similar to a private sector business. The statement of net position presents information on all of the City's assets, deferred inflows/outflows of resources, and liabilities, with the difference reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Fenton is improving or deteriorating. The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As a result, revenues and expenses are reported in this statement for some items that only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover costs from user fees and charges for services (business-type activities). The governmental activities include general government, public works, parks and recreation, community service, and cemetery. The business-type activities include the water and sewer operation of the City. The government-wide financial statements include not only the City of Fenton (known as the primary government), but also the legally separate Downtown Development Authority, Local Development Authority, and Brownfield Redevelopment Authority for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the City.

Fund Financial Statements (which report the City's operation in more detail than the government-wide financial statements) follow the above-mentioned statements and illustrate how the services provided by the City were financed in the short term, as well as what remains for future spending. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities and to demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower, it is useful to compare this information with similar information presented for governmental activities in the government-wide financial statements. This comparison may allow the readers to better understand the long-term impact of the City's short-term financing decisions.

Both the balance sheet and the statement of revenues, expenditures, and changes in fund balances for the governmental funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Fenton maintains 25 individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Local Street Fund, Municipal Street Fund, and Local Street improvement Debt Retirement Fund,

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which are considered to be major funds. Data for the other 21 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Fenton adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for all the governmental funds to demonstrate budgetary compliance.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented in the business-type activities in the government-wide financial statements. The City of Fenton uses Enterprise Funds to account for its water and sewer operations. These funds are considered major funds of the City. Internal Service Funds are an accounting device used to accumulate and allocate cost internally among various functions. The City of Fenton uses an Internal Service Fund to account for its equipment usage and also to accumulate resources for employee sick pay. Because this program predominantly benefits governmental rather than business-type functions, it has been consolidated within the governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information concerning the City's budgetary comparison statements for the General and major Special Revenue funds as well as budget footnotes. This required supplementary information is in addition to the basic financial statements and accompanying notes.

Other Financial and Supplementary Information, such as the combining statements and certain budget comparison statements referred to earlier, as well as various financial schedules and the statistical information, are presented immediately following the required supplementary information.

Table I summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

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**Table I Major Features of the City of Fenton, Michigan’s
Government-wide and Fund Financial Statements
Fund Statements**

Type of Statements	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, and major/local streets	Activities the City operates similar to private business: the water and sewer system	Instances in which the City is the trustee or agent for someone else’s resources.
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses and changes in fund net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and no measurement focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term, the City’s funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during year, regardless of when cash is received or paid

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The City of Fenton as a Whole

The following table shows, in a condensed format, the net position as of the current date and compared to the prior year (in millions of dollars):

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Current & other assets	\$ 19.4	\$ 18.7	\$ 8.5	\$ 6.1	\$ 27.9	\$ 24.8
Capital assets	23.6	30.8	30.4	34.4	54.0	65.2
Total assets	<u>43.0</u>	<u>49.5</u>	<u>38.9</u>	<u>40.5</u>	<u>81.9</u>	<u>90.0</u>
Deferred outflows of resources	3.2	1.8	1.0	0.6	4.2	2.4
Other liabilities	5.0	1.7	1.5	1.0	6.5	2.7
Long-term liabilities	19.1	24.1	9.3	8.8	28.4	32.9
Total liabilities	<u>24.1</u>	<u>25.8</u>	<u>10.8</u>	<u>9.8</u>	<u>34.9</u>	<u>35.6</u>
Deferred inflows of resources	1.5	1.9	0.3	0.4	1.8	2.3
Net position:						
Net investment in capital assets	19.8	22.4	26.0	28.7	45.8	51.1
Restricted	7.4	1.6	0.0	0.0	7.4	1.6
Unrestricted	(6.6)	(0.4)	2.8	2.2	(3.8)	1.8
Total net position	<u>\$ 20.6</u>	<u>\$ 23.6</u>	<u>\$ 28.8</u>	<u>\$ 30.9</u>	<u>\$ 49.4</u>	<u>\$ 54.5</u>

The City's combined net position increased 10.3 percent from a year ago, increasing from \$49.4 million to \$54.5 million. A review of the governmental activities, separate from the business-type activities, shows the net position increased from \$20.6 million to \$23.6 million during fiscal year 2024. Unrestricted net position for the governmental activities, which is the portion of net position that is available to finance day-to-day operations and future growth, was \$(6.7) million at June 30, 2024. The business-type activities experienced an increase in net position of approximately \$2.1 million or 7.3 percent.

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The following table shows the changes of the net position during the current year and as compared to the prior year (in millions of dollars):

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Revenue						
Program revenue:						
Charges for services	\$ 2.1	\$ 2.1	\$ 6.8	\$ 6.3	\$ 8.9	\$ 8.4
Operating grants and Contributions	1.8	2.1	0.0	0.0	1.8	2.1
Capital grants and Contributions	0.3	1.0	0.0	0.8	0.3	1.8
General revenue:						
Property taxes	6.4	6.7	0.0	0.0	6.4	6.7
State-shared revenue Unrestricted	1.4	1.4	0.0	0.0	1.4	1.4
Miscellaneous	0.9	0.0	0.3	1.4	1.2	1.4
Total revenue	<u>12.9</u>	<u>13.3</u>	<u>7.1</u>	<u>8.5</u>	<u>20.0</u>	<u>21.8</u>
Program Expenses						
General government	1.6	1.4	0.0	0.0	1.6	1.4
Public safety	2.9	1.8	0.0	0.0	2.9	1.8
Public works	4.9	6.8	0.0	0.0	4.9	6.8
Parks & recreation	0.6	0.5	0.0	0.0	0.6	0.5
Interest	0.3	0.3	0.0	0.0	0.3	0.3
Water	0.0	0.0	3.0	3.0	3.0	3.0
Sewer	0.0	0.0	3.6	3.4	3.6	3.4
Total program expenses	<u>10.3</u>	<u>10.8</u>	<u>6.6</u>	<u>6.4</u>	<u>16.9</u>	<u>17.2</u>
Change in Net Position	2.6	2.5	0.5	2.1	3.1	4.6
Net position						
Beginning of year	18.0	20.6	28.3	28.8	46.3	49.4
Prior period adjustment	<u>-</u>	<u>0.5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.5</u>
Beginning of year, as restated	<u>18.0</u>	<u>21.1</u>	<u>28.3</u>	<u>28.8</u>	<u>46.3</u>	<u>49.9</u>
Ending Net Position	<u>\$ 20.6</u>	<u>\$ 23.6</u>	<u>\$ 28.8</u>	<u>\$ 30.9</u>	<u>\$ 49.4</u>	<u>\$ 54.5</u>

City of Fenton
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Governmental Activities

The City's total governmental revenues increased by about \$0.4 million.

Expenses increased by approximately \$0.5 million, or 4.9 percent, from last fiscal year. Public works expenses were the largest portion increasing by roughly \$1.9 million.

Business-type Activities

The City's business-type activities are recorded in the Water and Sewer Funds. The City provides water from wells located in the City. A new water treatment plant built in 2004 processes the water for all residents. The expenses for the Water Fund remained similar to FY 2023.

The City is a participant in a county-wide sanitary sewer construction program under Act 342 Michigan Compiled Laws. The City contracts with Genesee County Water and Waste Services for the operation of the plant. The City has pledged the full faith and credit of the City for the payment of the City's share of principal and interest payments. The assets and liabilities relating to those contracts have been recorded in the Sewer Fund. The City of Fenton, Fenton Township, and City of Linden share a plant located in Fenton Township. The City's proportionate share of the operating costs of the plant is covered by our sewer rates. The expenses for the Sewer Fund decreased approximately \$200,000 from FY 2023. During FY 2024, \$126,371 in operating loss was incurred in the Sewer Fund and \$440,582 in operating income was incurred in the Water Fund.

The City's Funds

Our analysis of the City's major funds begins on page 4 - 3, following the government-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. The City Council creates funds to help manage money for specific purposes as well as show accountability for certain activities, such as State of Michigan Act 51 major and local road revenue sharing.

The City's major governmental funds for 2024 were the General Fund, Local Street Fund, Municipal Street, and Local Street Improvement Fund.

The General Fund pays for most of the City's governmental services. The most significant of these are police and fire services, which incurred expenditures of \$1.8 million in 2024. The general operating millage levied by the City supports these two services. Fiscal year 2024 revenues increased in the General Fund by \$599,576, mainly due an increase in taxable values. The General expenditures, excluding transfers out, increased by \$487,110. Fund Balance in the General Fund increased by \$236,358.

The Local Street Fund funds the operations of the local streets. FY 2024 revenues increased in the Local Street Fund by \$9,712, mainly due to the increase in ACT 51 monies. The Local Street expenditures, excluding transfers out, decreased by \$3,551,902. A majority of the decrease was due to less projects in the current fiscal year. Fund Balance in the Local Street Fund decreased by \$6,215,004.

Municipal Street Fund is used to account for expenditures related to various street improvements projects and was created in fiscal year 2024.

The Local Street Improvement Debt Retirement Fund was created in fiscal year 2022 to fund capital improvement projects specifically related to infrastructure. The fund transferred out \$7,388,107 to continue completing road projects in the Local Streets.

Over the course of the year, City administration and City Council monitor and amend the budget to take into account unanticipated events that occur during the year. At year end, actual General Fund revenues were over

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budget by \$133,109. Expenditures were \$113,862 under budget. Various departments contributed to the positive budget variance.

Capital Assets and Debt Administration

At the end of fiscal 2024, the City had \$66.7 million invested in a wide range of capital assets, including land, buildings, police and fire equipment, computer equipment, infrastructure assets and water and sewer lines. The value of the infrastructure assets, net of depreciation, contained in this report is \$8.8 million and \$9.7 million for fiscal year **2023** and 2024, respectively.

	Governmental Activities	Business- Type Activities	Component Unit Activities	Total
Land	\$ 1,605,104	\$ 190,930	\$ 939,029	\$ 2,735,063
Construction in progress	11,556,014	7,416,345	646,353	19,618,712
Buildings, net	4,103,626	-	-	4,103,626
Building and land improvements, net	1,377,794	5,362,245	-	6,740,039
Machinery, vehicles and equipment, net	2,405,985	587,612	-	2,993,597
Road, lights, and bridges, net	9,725,096	-	-	9,725,096
Sewer and water lines, net	-	20,789,546	-	20,789,546
Capital assets, net	<u>\$ 30,773,619</u>	<u>\$ 34,346,678</u>	<u>\$ 1,585,382</u>	<u>\$ 66,705,679</u>

At the end of the 2024 fiscal year, the City of Fenton (primary government) had net outstanding debt of \$22,984,657. This entire amount comprises backed by the full faith and credit of the City of Fenton and the primary government's net assets. The City of Fenton's gross outstanding debt increased by \$5,270,360 during the fiscal year.

Additional information on the City of Fenton's capital assets can be found in note 5 of the notes to the financial statements.

Standard and poor's reviewed the City of Fenton credit rating during a prior year. The rating was determined to be AA-. The Financial Management Assessment (FMA) score is "good". The ratio of net general bonded debt to assessed valuation and the amount of net bonded debt per capita are as follows:

	2023	2024
Net direct bonded debt	\$8,100,000	\$13,375,000
Ratio of debt to assessed valuation	0.0174	0.0287
Debt per capita	\$ 690	\$ 1,139

Additional information on the City of Fenton's long term debt can be found in note 7 of the notes to the financial statements.

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Economic Factors and Next Year's Budgets and Rates

The City levied an operating millage of 11 mills from 1989 to 2001. The City charter's operating millage is 13 mills. During these years the Headlee Amendment authorized millage was higher than 11 mills but the City Council chose not to levy the full authorized millage. In the past fourteen years the Headlee Amendment has rolled the City's operating millage below 11 mills. In 2022 the City levied 9.84 mills and 2023, 9.84 mills were levied. In March 1994, Proposal A was enacted, which limits the growth on existing property to the rate of inflation. The inflation rate allowed for fiscal 2024 under Proposal A was 5.0 percent. Property taxes make up 63 percent of our General Fund budget revenue and Proposal A and the Headlee Amendment limit the growth of this revenue. Fortunately, the City is still experiencing new commercial development. Most of this tax revenue growth is captured by the DDA but the DDA has completed many projects which benefit the City as a whole plus shared a portion of their revenue with the General Fund this fiscal year. Residential growth in the City is picking up.

The General Fund budget for 2025 is structured so that revenues will exceed expenditures and increase fund balance. This is done to allow the ability to increase the Capital Improvement Fund balance. The City makes an effort to operate with relative low personnel costs and an efficient labor force. Medical insurance costs continue to increase every year. The City prepares a Five Year Financial Plan for the General Fund, foreseeing the possible financial condition for more than just one year.

Contacting the City's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the City's finances and to show the City's accountability for the resources it receives. If you have any questions about this report or need additional information, we invite you to contact the administration offices at City Hall.

City of Fenton
Statement of Net Position
June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current assets				
Cash and cash equivalents	\$ 16,479,460	\$ 3,798,990	\$ 20,278,450	\$ 6,111,697
Receivables				
Accounts	330,791	-	330,791	-
Taxes	121,732	2,286,948	2,408,680	-
Special assessments	69,535	-	69,535	-
Interest	42,613	22,706	65,319	34,319
Due from other units of government	1,166,369	-	1,166,369	-
Internal balances	300,472	(300,472)	-	-
Inventories	49,976	43,876	93,852	-
Prepaid items	147,082	62,031	209,113	22,266
Assets held for sale	-	169,682	169,682	-
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	-	8,080	8,080	-
Capital assets not being depreciated	13,161,118	7,607,275	20,768,393	1,585,382
Capital assets, net of accumulated depreciation	17,612,501	26,739,403	44,351,904	-
Total assets	<u>49,481,649</u>	<u>40,438,519</u>	<u>89,920,168</u>	<u>7,753,664</u>
Deferred outflows of resources				
Bond refundings	-	25,649	25,649	-
Pension related	1,371,867	541,213	1,913,080	-
OPEB related	454,606	79,137	533,743	-
Total deferred outflows of resources	<u>1,826,473</u>	<u>645,999</u>	<u>2,472,472</u>	<u>-</u>
Liabilities				
Current liabilities				
Accounts payable	657,924	915,584	1,573,508	93,546
Due to other units of government	156,940	-	156,940	66,909
Payroll and other liabilities	144,803	83,225	228,028	31,670
Due to individuals and agencies	39,718	-	39,718	-
Deposits payable	567,054	-	567,054	-
Interest payable	61,379	-	61,379	-
Unearned revenue	24,050	-	24,050	-
Noncurrent liabilities				
Debt due within one year	1,899,487	417,722	2,317,209	335,000
Debt due in more than one year	13,883,952	6,783,496	20,667,448	2,285,195
Net pension liability	3,857,163	1,017,946	4,875,109	-
Net OPEB liability	4,521,320	587,418	5,108,738	-
Total liabilities	<u>25,813,790</u>	<u>9,805,391</u>	<u>35,619,181</u>	<u>2,812,320</u>
Deferred inflows of resources				
Pension related	125,604	140,547	266,151	-
OPEB related	1,790,702	226,752	2,017,454	-
Total deferred inflows of resources	<u>1,916,306</u>	<u>367,299</u>	<u>2,283,605</u>	<u>-</u>
Net position				
Net investment in capital assets	22,397,614	28,708,063	51,105,677	1,585,382
Restricted for				
PEG fees	492,594	-	492,594	-
Streets and highways	890,058	-	890,058	-
Opioid settlement	83,335	-	83,335	-
Public communications	16,691	-	16,691	-
Debt service	56,187	8,080	64,267	-
Municipal building	75,000	-	75,000	-
Unrestricted (deficit)	(433,453)	2,195,685	1,762,232	3,355,962
Total net position	<u>\$ 23,578,026</u>	<u>\$ 30,911,828</u>	<u>\$ 54,489,854</u>	<u>\$ 4,941,344</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Statement of Activities
For the Year Ended June 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Functions/programs								
Primary government								
Governmental activities								
General government	\$ 1,430,880	\$ 422,181	\$ 271,880	\$ -	\$ (736,819)	\$ -	\$ (736,819)	\$ -
Public safety	1,747,119	869,541	32,295	50,000	(795,283)	-	(795,283)	-
Public works	6,836,474	654,860	1,772,727	998,327	(3,410,560)	-	(3,410,560)	-
Health and welfare	3,184	-	-	-	(3,184)	-	(3,184)	-
Community and economic development	(11,245)	150,000	52,500	3,127	216,872	-	216,872	-
Recreation and culture	553,881	44,997	51,541	-	(457,343)	-	(457,343)	-
Interest and fiscal charges on long-term debt	329,013	-	-	-	(329,013)	-	(329,013)	-
Total governmental activities	<u>10,889,306</u>	<u>2,141,579</u>	<u>2,180,943</u>	<u>1,051,454</u>	<u>(5,515,330)</u>	<u>-</u>	<u>(5,515,330)</u>	<u>-</u>
Business-type activities								
Sewer	2,996,730	2,777,594	-	-	-	(219,136)	(219,136)	-
Water	3,400,853	3,556,925	19,803	810,405	-	986,280	986,280	-
Total business-type activities	<u>6,397,583</u>	<u>6,334,519</u>	<u>19,803</u>	<u>810,405</u>	<u>-</u>	<u>767,144</u>	<u>767,144</u>	<u>-</u>
Total primary government	<u>\$ 17,286,889</u>	<u>\$ 8,476,098</u>	<u>\$ 2,200,746</u>	<u>\$ 1,861,859</u>	<u>(5,515,330)</u>	<u>767,144</u>	<u>(4,748,186)</u>	<u>-</u>
Component units								
Brownfield Redevelopment Authority	\$ 148,716	\$ -	\$ -	\$ -	-	-	-	(148,716)
Downtown Development Authority	1,176,244	-	-	-	-	-	-	(1,176,244)
Local Development Finance Authority	106,306	-	-	-	-	-	-	(106,306)
Total component units	<u>\$ 1,431,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,431,266)</u>
General revenues								
Property taxes					6,774,618	-	6,774,618	3,088,516
Unrestricted state-shared revenue					1,423,743	-	1,423,743	-
Unrestricted investment earnings					483,132	223,171	706,303	170,892
Gain on sale of capital assets					15,400	-	15,400	-
Miscellaneous					281,658	145,645	427,303	175,721
Transfers					(998,327)	998,327	-	-
Total general revenues and transfers					<u>7,980,224</u>	<u>1,367,143</u>	<u>9,347,367</u>	<u>3,435,129</u>
Change in net position					2,464,894	2,134,287	4,599,181	2,003,863
Net position - beginning of year					<u>20,620,538</u>	<u>28,777,541</u>	<u>49,398,079</u>	<u>2,937,481</u>
Prior period adjustment					<u>492,594</u>	<u>-</u>	<u>492,594</u>	<u>-</u>
Net position - beginning of year, as restated					<u>21,113,132</u>	<u>28,777,541</u>	<u>49,890,673</u>	<u>2,937,481</u>
Net position - end of year					<u>\$ 23,578,026</u>	<u>\$ 30,911,828</u>	<u>\$ 54,489,854</u>	<u>\$ 4,941,344</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Governmental Funds
Balance Sheet
June 30, 2024

	General	Local Street	Municipal Street	Local Street Improvement Debt Retirement	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 5,393,266	\$ 137,400	\$ 6,969,525	\$ 397,799	\$ 3,368,149	\$ 16,266,139
Receivables						
Accounts	15,365	-	-	-	315,426	330,791
Taxes	121,732	-	-	-	-	121,732
Special assessments	36,249	-	-	-	33,286	69,535
Interest	42,613	-	-	-	-	42,613
Due from other units of government	907,992	69,796	-	-	188,581	1,166,369
Due from other funds	595,635	-	-	-	200	595,835
Inventories	49,976	-	-	-	-	49,976
Prepaid items	144,881	-	-	-	2,201	147,082
Total assets	<u>\$ 7,307,709</u>	<u>\$ 207,196</u>	<u>\$ 6,969,525</u>	<u>\$ 397,799</u>	<u>\$ 3,907,843</u>	<u>\$ 18,790,072</u>
Liabilities						
Accounts payable	\$ 242,945	\$ 8,843	\$ 223,861	\$ 500	\$ 153,097	\$ 629,246
Due to other funds	-	31,905	-	-	162,160	194,065
Due to other units of government	156,940	-	-	-	-	156,940
Due to individuals and agencies	39,718	-	-	-	-	39,718
Payroll and other liabilities	127,235	3,036	-	-	13,246	143,517
Deposits payable	567,054	-	-	-	-	567,054
Unearned revenue	-	-	-	-	24,050	24,050
Total liabilities	<u>1,133,892</u>	<u>43,784</u>	<u>223,861</u>	<u>500</u>	<u>352,553</u>	<u>1,754,590</u>
Deferred inflows of resources						
Unavailable revenue	72,615	-	-	-	39,307	111,922
Fund balances						
Non-spendable						
Inventories	49,976	-	-	-	-	49,976
Prepaid items	144,881	-	-	-	2,201	147,082
Restricted	492,594	163,412	6,745,664	397,299	582,846	8,381,815
Committed	-	-	-	-	2,930,936	2,930,936
Unassigned	5,413,751	-	-	-	-	5,413,751
Total fund balances	<u>6,101,202</u>	<u>163,412</u>	<u>6,745,664</u>	<u>397,299</u>	<u>3,515,983</u>	<u>16,923,560</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,307,709</u>	<u>\$ 207,196</u>	<u>\$ 6,969,525</u>	<u>\$ 397,799</u>	<u>\$ 3,907,843</u>	<u>\$ 18,790,072</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2024

Total fund balances for governmental funds	\$ 16,923,560
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	13,161,118
Capital assets, net of accumulated depreciation	16,458,934
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	
	111,922
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from net pension liability	1,371,867
Deferred outflows of resources resulting from net OPEB liability	454,606
Deferred inflows of resources resulting from net pension liability	(125,604)
Deferred inflows of resources resulting from net OPEB liability	(1,790,702)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(61,379)
Compensated absences	(369,707)
Bonds, notes, premiums and discounts	(14,733,757)
Net pension liability	(3,857,163)
Net OPEB liability	(4,521,320)
Internal service funds are included as part of governmental activities.	555,651
Net position of governmental activities	\$ 23,578,026

City of Fenton
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	General	Local Street	Municipal Street	Local Street Improvement Debt Retirement	Formerly Major Fund American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 4,855,329	\$ -	\$ -	\$ 1,919,289		\$ -	\$ 6,774,618
Licenses and permits	510,018	-	-	-		-	510,018
Federal grants	-	-	-	-		1,061,327	1,061,327
State grants	1,500,623	485,461	-	-		1,422,393	3,408,477
Local contributions	-	-	-	-		221,489	221,489
Charges for services	437,497	-	-	-		934,900	1,372,397
Fines and forfeitures	45,336	-	-	-		-	45,336
Rental income	3,250	-	-	-		7,480	10,730
Investment income	228,181	7,909	86,740	604		80,604	404,038
Other revenue	284,205	1,021	-	-		196,459	481,685
Total revenues	<u>7,864,439</u>	<u>494,391</u>	<u>86,740</u>	<u>1,919,893</u>		<u>3,924,652</u>	<u>14,290,115</u>
Expenditures							
Current							
General government	2,295,826	-	-	-		87,844	2,383,670
Public safety	3,793,546	-	-	-		491,991	4,285,537
Public works	230,574	452,016	7,116,562	-		1,335,256	9,134,408
Health and welfare	-	-	-	-		3,127	3,127
Community and economic development	33,553	-	-	-		-	33,553
Recreation and culture	169,821	-	-	-		437,444	607,265
Other	258,948	-	-	-		2,989	261,937
Capital outlay	48,756	-	-	-		1,139,685	1,188,441
Debt service							
Principal retirement	40,057	-	-	1,460,000		76,770	1,576,827
Interest and fiscal charges	-	-	-	383,150		7,578	390,728
Bond issuance costs	-	-	-	94,450		-	94,450
Total expenditures	<u>6,871,081</u>	<u>452,016</u>	<u>7,116,562</u>	<u>1,937,600</u>		<u>3,582,684</u>	<u>19,959,943</u>
Excess (deficiency) of revenues over expenditures	<u>993,358</u>	<u>42,375</u>	<u>(7,029,822)</u>	<u>(17,707)</u>		<u>341,968</u>	<u>(5,669,828)</u>
Other financing sources (uses)							
Transfers in	-	130,000	13,775,486	-		860,315	14,765,801
Transfers out	(757,000)	(6,387,379)	-	(7,388,107)		(1,231,642)	(15,764,128)
Issuance of debt	-	-	-	6,790,000		-	6,790,000
Premium on issuance of debt	-	-	-	602,181		-	602,181
Total other financing sources (uses)	<u>(757,000)</u>	<u>(6,257,379)</u>	<u>13,775,486</u>	<u>4,074</u>		<u>(371,327)</u>	<u>6,393,854</u>
Net change in fund balances	<u>236,358</u>	<u>(6,215,004)</u>	<u>6,745,664</u>	<u>(13,633)</u>		<u>(29,359)</u>	<u>724,026</u>
Fund balances - beginning, as previously presented	5,372,250	6,378,416	-	410,932	-	3,545,342	15,706,940
Prior period adjustment	492,594	-	-	-	-	-	492,594
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	-	-
Fund balances - beginning, as adjusted	<u>5,864,844</u>	<u>6,378,416</u>	<u>-</u>	<u>410,932</u>	<u>-</u>	<u>3,545,342</u>	<u>16,199,534</u>
Fund balances - end of year	<u>\$ 6,101,202</u>	<u>\$ 163,412</u>	<u>\$ 6,745,664</u>	<u>\$ 397,299</u>	<u>\$ -</u>	<u>\$ 3,515,983</u>	<u>\$ 16,923,560</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balances - total governmental funds	\$	724,026
Total change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Depreciation and amortization expense		(1,259,385)
Capital outlay		8,304,646
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		
Special assessments		(32,082)
Expenses are recorded when incurred in the statement of activities.		
Accrued interest		3,844
Compensated absences		(35,822)
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.		
Net change in the net pension liability		1,375,888
Net change in the deferred outflow of resources related to the net pension liability		(1,208,116)
Net change in the deferred inflow of resources related to the net pension liability		9,078
The statement of net position reports the net OPEB liability and deferred outflows of resources and deferred inflows related to the net OPEB liability and pension expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.		
Net change in the net OPEB liability		943,230
Net change in the deferred outflow of resources related to the net OPEB liability		(188,069)
Net change in the deferred inflow of resources related to the net OPEB liability		(497,415)
Long-term liabilities and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.		
Debt issued		(7,392,181)
Repayments of long-term debt		1,576,827
Amortization of premiums, discounts and similar items		162,665
Internal service funds are also included as governmental activities		(22,240)
Change in net position of governmental activities	\$	<u>2,464,894</u>

City of Fenton
Proprietary Funds
Statement of Net Position
June 30, 2024

	Enterprise Funds			Internal Service Funds
	Sewer	Water	Total	
Assets				
Current assets				
Cash and cash equivalents	\$ 1,856,900	\$ 1,942,090	\$ 3,798,990	\$ 213,321
Receivables				
Taxes	990,718	1,296,230	2,286,948	-
Interest	-	22,706	22,706	-
Due from other funds	-	-	-	8,766
Inventories	-	43,876	43,876	-
Prepaid items	20,455	41,576	62,031	-
Assets held for sale	169,682	-	169,682	-
Total current assets	<u>3,037,755</u>	<u>3,346,478</u>	<u>6,384,233</u>	<u>222,087</u>
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	-	8,080	8,080	-
Capital assets not being depreciated	2,501,866	5,105,409	7,607,275	-
Capital assets, net of accumulated depreciation	14,618,365	12,121,038	26,739,403	1,153,567
Total noncurrent assets	<u>17,120,231</u>	<u>17,234,527</u>	<u>34,354,758</u>	<u>1,153,567</u>
Total assets	<u>20,157,986</u>	<u>20,581,005</u>	<u>40,738,991</u>	<u>1,375,654</u>
Deferred outflows of resources				
Bond refundings	-	25,649	25,649	-
Pension related	128,594	412,619	541,213	-
OPEB related	5,338	73,799	79,137	-
Total deferred outflows of resources	<u>133,932</u>	<u>512,067</u>	<u>645,999</u>	<u>-</u>
Liabilities				
Current liabilities				
Accounts payable	463,455	452,129	915,584	28,678
Due to other funds	86,473	213,999	300,472	110,064
Payroll and other liabilities	14,813	68,412	83,225	1,286
Current portion of compensated absences	4,999	17,723	22,722	49,216
Current portion of long-term liabilities	95,000	300,000	395,000	79,863
Total current liabilities	<u>664,740</u>	<u>1,052,263</u>	<u>1,717,003</u>	<u>269,107</u>
Noncurrent liabilities				
Noncurrent portion of compensated absences	19,727	71,160	90,887	228,821
Noncurrent portion of long-term debt	739,397	5,953,212	6,692,609	322,075
Net pension liability	(12,584)	1,030,530	1,017,946	-
Net OPEB liability	51,088	536,330	587,418	-
Total noncurrent liabilities	<u>797,628</u>	<u>7,591,232</u>	<u>8,388,860</u>	<u>550,896</u>
Total liabilities	<u>1,462,368</u>	<u>8,643,495</u>	<u>10,105,863</u>	<u>820,003</u>
Deferred inflows of resources				
Pension related	66,964	73,583	140,547	-
OPEB related	20,173	206,579	226,752	-
Total deferred inflows of resources	<u>87,137</u>	<u>280,162</u>	<u>367,299</u>	<u>-</u>
Net position				
Net investment in capital assets	16,285,834	12,422,229	28,708,063	751,629
Restricted for				
Bond reserve	-	8,080	8,080	-
Unrestricted (deficit)	2,456,579	(260,894)	2,195,685	(195,978)
Total net position	<u>\$ 18,742,413</u>	<u>\$ 12,169,415</u>	<u>\$ 30,911,828</u>	<u>\$ 555,651</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2024

	Enterprise Funds			Internal Service Funds
	Sewer	Water	Total	
Operating revenue				
Customer fees	\$ 2,651,594	\$ 3,539,375	\$ 6,190,969	\$ -
Billings to other funds	-	-	-	499,903
Connection fees	126,000	17,550	143,550	-
Other revenue	69,773	75,872	145,645	171,127
Total operating revenue	<u>2,847,367</u>	<u>3,632,797</u>	<u>6,480,164</u>	<u>671,030</u>
Operating expenses				
Personnel services	414,923	1,118,672	1,533,595	79,311
Supplies	38,592	787,319	825,911	237,477
Contractual services	1,820,941	272,783	2,093,724	-
Utilities	13,751	158,527	172,278	38,211
Repairs and maintenance	18,200	149,154	167,354	122,350
Other expenses	77,821	92,677	170,498	110,101
Depreciation	589,510	613,083	1,202,593	189,970
Total operating expenses	<u>2,973,738</u>	<u>3,192,215</u>	<u>6,165,953</u>	<u>777,420</u>
Operating income (loss)	<u>(126,371)</u>	<u>440,582</u>	<u>314,211</u>	<u>(106,390)</u>
Nonoperating revenue (expenses)				
State grants	-	19,803	19,803	-
Investment income	33	223,138	223,171	79,094
Gain on sale of capital assets	-	-	-	15,400
Interest expense	(22,992)	(208,638)	(231,630)	(10,344)
Total nonoperating revenues (expenses)	<u>(22,959)</u>	<u>34,303</u>	<u>11,344</u>	<u>84,150</u>
Income (loss) before contributions and transfers	<u>(149,330)</u>	<u>474,885</u>	<u>325,555</u>	<u>(22,240)</u>
Capital contributions	-	810,405	810,405	-
Transfers in	-	998,327	998,327	-
Change in net position	<u>(149,330)</u>	<u>2,283,617</u>	<u>2,134,287</u>	<u>(22,240)</u>
Net position - beginning of year	<u>18,891,743</u>	<u>9,885,798</u>	<u>28,777,541</u>	<u>577,891</u>
Net position - end of year	<u>\$ 18,742,413</u>	<u>\$ 12,169,415</u>	<u>\$ 30,911,828</u>	<u>\$ 555,651</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2024

	Enterprise Funds			Governmental Activities
	Sewer	Water	Total	Internal Service Funds
Cash flows from operating activities				
Receipts from customers	\$ 2,690,316	\$ 3,689,119	\$ 6,379,435	\$ -
Receipts from interfund users	-	-	-	672,048
Receipts from other funds	-	161	161	-
Payments (to) from other funds	(57,481)	29,621	(27,860)	97,718
Payments to suppliers	(1,963,176)	(1,667,288)	(3,630,464)	(481,191)
Payments to employees	(414,547)	(1,111,384)	(1,525,931)	(47,352)
Net cash provided (used) by operating activities	<u>255,112</u>	<u>940,229</u>	<u>1,195,341</u>	<u>241,223</u>
Cash flows from noncapital financing activities				
Transfer from other funds	-	998,327	998,327	-
State grant	-	19,803	19,803	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>1,018,130</u>	<u>1,018,130</u>	<u>-</u>
Cash flows from capital and related financing activities				
Capital contributions	-	810,405	810,405	-
Purchases/construction of capital assets	(1,466,321)	(3,672,416)	(5,138,737)	(361,487)
Principal and interest paid on long-term debt	(117,992)	(511,425)	(629,417)	(70,331)
Proceeds from sale of capital assets	-	-	-	15,400
Net cash provided (used) by capital and related financing activities	<u>(1,584,313)</u>	<u>(3,373,436)</u>	<u>(4,957,749)</u>	<u>(416,418)</u>
Cash flows from investing activities				
Interest received	<u>33</u>	<u>200,432</u>	<u>200,465</u>	<u>79,094</u>
Net change in cash and cash equivalents	(1,329,168)	(1,214,645)	(2,543,813)	(96,101)
Cash and cash equivalents - beginning of year	<u>3,186,068</u>	<u>3,164,815</u>	<u>6,350,883</u>	<u>309,422</u>
Cash and cash equivalents - end of year	<u>\$ 1,856,900</u>	<u>\$ 1,950,170</u>	<u>\$ 3,807,070</u>	<u>\$ 213,321</u>
Reconciliation to statement of net position				
Cash and cash equivalents	\$ 1,856,900	\$ 1,942,090	\$ 3,798,990	\$ 213,321
Restricted cash and cash equivalents	-	8,080	8,080	-
Cash and cash equivalents - end of year	<u>\$ 1,856,900</u>	<u>\$ 1,950,170</u>	<u>\$ 3,807,070</u>	<u>\$ 213,321</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (126,371)	\$ 440,582	\$ 314,211	\$ (106,390)
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization expense	589,510	613,083	1,202,593	189,970
Changes in assets and liabilities				
Receivables (net)	12,631	56,322	68,953	-
Due from other funds	-	161	161	-
Prepaid items	(939)	(1,902)	(2,841)	1,018
Assets held for sale	(169,682)	-	(169,682)	-
Net pension asset	-	-	-	17,402
Debt refunding	-	2,325	2,325	-
Pension related deferred outflows of resources	99,886	260,953	360,839	-
OPEB related deferred outflows of resources	2,113	21,132	23,245	-
Accounts payable	24,110	(137,004)	(112,894)	-
Accrued and other liabilities	477	(3,088)	(2,611)	-
Due to other funds	(57,481)	29,621	(27,860)	99,741
Due to other units of government	-	-	-	(621)
Unearned revenue	-	-	-	8,144
Compensated absences	376	7,288	7,664	-
Net pension liability	(113,758)	(297,191)	(410,949)	-
Net OPEB liability	(10,598)	(105,981)	(116,579)	31,959
Pension related deferred inflows of resources	(751)	(1,961)	(2,712)	-
OPEB related deferred inflows of resources	5,589	55,889	61,478	-
Net cash provided (used) by operating activities	<u>\$ 255,112</u>	<u>\$ 940,229</u>	<u>\$ 1,195,341</u>	<u>\$ 241,223</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2024

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	\$ <u>164,324</u>
Liabilities	
Due to other units of government	39,433
Due to union groups	<u>12,570</u>
Total liabilities	<u>52,003</u>
Net position	
Restricted for fiduciary activities	<u>\$ 112,321</u>

City of Fenton
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	<u>Custodial Funds</u>
Additions	
Contributions	
Other governments	\$ 45,050
Property tax collections for other governments	28,762,838
Miscellaneous	<u>10,000</u>
Total additions	<u>28,817,888</u>
 Deductions	
Payments of property tax to other governments	<u>28,762,838</u>
Change in net position	55,050
Net position - beginning of year	<u>57,271</u>
Net position - end of year	<u>\$ 112,321</u>

City of Fenton
Component Units
Statement of Net Position
June 30, 2024

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 3,467,907	\$ 2,418,813	\$ 224,977	\$ 6,111,697
Receivables				
Interest	22,667	11,652	-	34,319
Prepaid items	21,058	1,208	-	22,266
Total current assets	<u>3,511,632</u>	<u>2,431,673</u>	<u>224,977</u>	<u>6,168,282</u>
Noncurrent assets				
Capital assets not being depreciated	<u>1,585,382</u>	-	-	<u>1,585,382</u>
Total assets	<u>5,097,014</u>	<u>2,431,673</u>	<u>224,977</u>	<u>7,753,664</u>
Liabilities				
Current liabilities				
Accounts payable	92,140	1,406	-	93,546
Payroll and other liabilities	30,940	730	-	31,670
Due to other units of government	59,756	7,153	-	66,909
Current portion of long-term liabilities	<u>335,000</u>	<u>-</u>	<u>-</u>	<u>335,000</u>
Total current liabilities	<u>517,836</u>	<u>9,289</u>	<u>-</u>	<u>527,125</u>
Noncurrent liabilities				
Long-term liabilities	<u>2,285,195</u>	-	-	<u>2,285,195</u>
Total liabilities	<u>2,803,031</u>	<u>9,289</u>	<u>-</u>	<u>2,812,320</u>
Net position				
Net investment in capital assets	1,585,382	-	-	1,585,382
Unrestricted	<u>708,601</u>	<u>2,422,384</u>	<u>224,977</u>	<u>3,355,962</u>
Total net position	<u>\$ 2,293,983</u>	<u>\$ 2,422,384</u>	<u>\$ 224,977</u>	<u>\$ 4,941,344</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Component Units
Statement of Activities
For the Year Ended June 30, 2024

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Expenses				
Community and economic development	\$ 1,176,244	\$ 106,306	\$ 148,716	\$ 1,431,266
General revenues				
Property taxes	2,493,994	440,613	153,909	3,088,516
Unrestricted investment earnings	78,138	92,754	-	170,892
Miscellaneous	175,721	-	-	175,721
Total general revenues	<u>2,747,853</u>	<u>533,367</u>	<u>153,909</u>	<u>3,435,129</u>
Change in net position	1,571,609	427,061	5,193	2,003,863
Net position - beginning of year	<u>722,374</u>	<u>1,995,323</u>	<u>219,784</u>	<u>2,937,481</u>
Net position - end of year	<u>\$ 2,293,983</u>	<u>\$ 2,422,384</u>	<u>\$ 224,977</u>	<u>\$ 4,941,344</u>

See Accompanying Notes to the Financial Statements

City of Fenton
Notes to the Financial Statements
June 30, 2024

Note 1 - Summary of Significant Accounting Policies

The City of Fenton, Michigan (the City), has a population of approximately 12,000. The City is located in the southeast corner of Genesee County, bordering Livingston County to the south and Oakland County to the east.

The City of Fenton, Michigan, was incorporated on January 24, 1964, under the provisions of Act 279, P.A. 1909 as amended. The City operates a council-manager form of government and provides the following services as authorized by its charter: public safety (police, fire, and inspections), highways and streets, sanitation, parks and recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to city governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City'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 the City (primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate from the primary government. All component units are included in the City's audited financial statements and are not audited separately.

Blended Component Unit

The City of Fenton's Building Authority is governed by a board appointed by the City of Fenton's governing body. Although it is legally separate from the City, the Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the City of Fenton's public buildings. The Building Authority had no activity in 2024.

Discretely Presented Component Units

The component unit column in the government-wide financial statements include the financial data of the City's three discretely presented component units. These units are reported in a separate column to emphasize that they are legally separate from the City. Separate financial statements are not issued.

Downtown Development Authority - A majority of the members of the governing board of the Downtown Development Authority are appointed by the City Council. The budgets and expenditures of the Downtown Development Authority must be approved by the City Council. The City also has the ability to significantly influence operations of the Downtown Development Authority.

Local Development Finance Authority - A majority of the members of the governing board of the Local Development Finance Authority are appointed by the City Council. The budgets and expenditures are approved by the City. The City also has the ability to significantly influence operations of the Local Development Finance Authority.

Brownfield Redevelopment Authority - A majority of the members of the governing board of the Brownfield Redevelopment Authority are appointed by the City Council. The budgets and expenditures are approved by the City. The City also has the ability to significantly influence operations of the Brownfield Redevelopment Authority.

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Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the City'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 Local Street Fund is used to account for proceeds from gas and weight taxes levied by the State and distributed to local governmental units. State law requires that these taxes be used for street maintenance and construction.

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Municipal Street Fund is used to account for expenditures related to various street improvement projects.

Local Street Improvement Debt Retirement Fund is used to account for the interest and principal payments the 2022 general obligation bond issuance.

The City reports the following major proprietary funds:

The Sewer Fund is used to account for the operations required to providing sewer services to the general public, the costs (expenses, including depreciation) are financed or recovered primarily through user charges.

The Water Fund is used to account for the operations required to providing water services to the general public, the costs (expenses, including depreciation) are financed or recovered primarily through user charges.

Additionally, the City reports internal service funds to account for equipment acquisition, usage, and maintenance and also financing of employee sick pay provided to other departments on a cost reimbursement basis.

The City also reports custodial funds to account for collection and payment to the County, school districts, and other funds for property taxes collected on their behalf and amounts withheld from employees' payroll related to union dues and other payments.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 sewer and water funds and the internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the sewer and water funds and the internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities, and Net Position or Fund Balance

Deposits and investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value based on quoted market price. Certificate of deposits are stated at cost which approximates fair value.

Receivables and payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of a lending/borrowing arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. The City considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded. Property taxes are levied by the City of Fenton on July 1 and December 1 and are payable without penalty through September 15 and February 28, respectively. The July 1 levy is composed of the County's levy, the State Education Tax assessment, school tax and the City's millage and assessments. The December 1 levy was composed of school taxes and special county millages as well as any unpaid July 1 City levies. All real property taxes not paid to the City by March 1 are turned over to the Genesee County Treasurer for collection. Amounts assessed on any interest in real or personal property become a lien on July 1. The Genesee County Treasurer remits pay-off payments to all taxing districts on any delinquent real property taxes. Delinquent personal property taxes are retained by the City for subsequent collection. Collections and remittances of all

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taxes are accounted for in the Tax Collection Agency Fund. City property tax revenues are recognized as revenues in the fiscal year levied.

The City is permitted by charter to levy taxes up to 13.0 mills (\$13 per \$1,000 of assessed valuation) for general governmental services. For the year ended June 30, 2024, the City levied 9.8426 mills and 3.5000 mills per \$1,000 of taxable valuation for general governmental services and debt service. The total taxable value for the 2023 levy for property within the City was approximately \$549,169,283.

Inventories and prepaid items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the City follows the consumption method, and they therefore are capitalized as prepaid items in both government-wide and fund financial statements.

Capital assets – Capital assets, which include land, construction in progress, buildings, building and land improvements, machinery, vehicles, and equipment, infrastructure assets (e.g., roads, lights, and bridges), and sewer and water lines and are reported in the applicable governmental or business-type activities and component units columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated fair value of the item at the date of its donation.

Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Buildings	20 to 40 years
Building improvements	5 to 20 years
Machinery, vehicles, and equipment	3 to 10 years
Roads, lights, and bridges	10 to 20 years
Sewer and water lines	40 to 100 years

Deferred outflows of resources – A deferred outflow of resources represents a consumption of net assets by the City that applies to future periods. The City may report deferred outflows of resources as a result of the following:

- Pension and OPEB earnings which are the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense.
- Changes in assumptions and experience differences relating to the net pension and net OPEB liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.
- Pension and OPEB contributions made after the measurement date. This amount will reduce the net pension liability and net OPEB liability in the following year.
- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

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Compensated absences – Substantially all City employees are paid for unused sick days upon termination of employment. Accumulated vested unpaid sick pay at June 30, 2024, is recorded in the financial statements of the City as follows:

Governmental fund types - As a current year expenditure. The City records an operating transfer from the General Fund to the Sick Pay Internal Service Fund for any unpaid sick pay owing to employees at year end. The entire liability is funded in the year in which it has been incurred.

Proprietary fund type – Accrued as a liability and expensed as incurred.

Accumulated unpaid vacation pay – All employees may carry over from year to year a maximum of one-half of the unused vacation days earned in the current year. Upon involuntary termination of employment, no payment will be made to an employee for any unused accumulated vacation days. However, upon voluntary termination with notice, an employee may receive payment for any unused accumulated vacation days. At June 30, 2024, the unused vacation days are recorded in the government-wide financial statements of the City.

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions – For 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 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 to 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.

Other Postemployment Benefits (OPEB) – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Retiree Health Care Plan (RHCP) and additions to/deductions from RHCP's fiduciary net position have been determined on the same basis as they are reported by RHCP. For this purpose, RHCP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Deferred inflows of resources – A deferred inflow of resources represents an acquisition of net assets by the City that applies to future periods. The City may report deferred inflows of resources as a result of the following:

- Unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period.
- Lease revenue related to leases receivable which is being amortized to recognize lease revenue in a systematic and rational manner over the term of the lease.

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- Pension and OPEB earnings which are the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense.
- Changes in assumptions and experience differences relating to the net pension and net OPEB liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.
- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

Fund Balances – In the fund financial statements, governmental funds report fund balances in the following categories:

Non-spendable – assets that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the government’s highest level of decision-making, its City Council. A fund balance commitment may be established, modified, or rescinded by a resolution of the City Council.

Assigned – amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee or a delegated municipality official.

Unassigned – all other resources; the remaining fund balance after non-spendable, 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

City of Fenton
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The City of Fenton has not adopted a policy that defines the order of usage for fund balance amounts classified as restricted, committed, assigned, or unassigned. In the absence of such a policy, resources with the highest level of restriction will be used first.

	General Fund	Local Street Fund	Municipal Street Fund	Local Street Improvement Debt Retirement Fund	Nonmajor Governmental Funds
Fund Balances					
Non-spendable					
Inventories	\$ 49,976	\$ -	\$ -	\$ -	\$ -
Prepaid items	144,881	-	-	-	2,201
Restricted for					
PEGS fees	492,594	-	-	-	-
Streets and highways	-	163,412	6,745,664	397,299	329,347
Opioid settlement	-	-	-	-	83,335
Public communications	-	-	-	-	16,691
Debt service	-	-	-	-	78,473
Municipal building	-	-	-	-	75,000
Committed for					
Parks and recreation	-	-	-	-	15,297
Cemetery	-	-	-	-	254,626
Garbage collection	-	-	-	-	277,208
Narcotics enforcement	-	-	-	-	3,188
D.A.R.E.	-	-	-	-	23,063
Emergency 911	-	-	-	-	50,851
Neighborhood stabilization	-	-	-	-	282,677
Fire equipment	-	-	-	-	487,508
Fire truck equipment	-	-	-	-	175,169
Fire ladder truck	-	-	-	-	713,766
Improvements and technology	-	-	-	-	75,184
Capital projects	-	-	-	-	572,399
Unassigned	5,413,751	-	-	-	-
Total fund balances	<u>\$ 6,101,202</u>	<u>\$ 163,412</u>	<u>\$ 6,745,664</u>	<u>\$ 397,299</u>	<u>\$ 3,515,983</u>

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Adoption of New Accounting Standards

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

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Upcoming Accounting and Reporting Changes

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the year ending June 30, 2025.

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending June 30, 2025.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending June 30, 2026.

The City is evaluating the impact that the above GASB statements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

The City is subject to the budgetary control requirements of the Uniform Budgeting and Accounting Act (P.A. 2 of 1968, as amended). Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all Special Revenue Funds. All annual appropriations lapse at fiscal year end.

Prior to the third Monday in April, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The City employs the following procedures in establishing the budgetary data reflected in the financial statements:

- a) The City Manager, or his designee, is authorized to transfer budgeted amounts within activity appropriation accounts. However, any revisions that alter the total expenditures of any department must be approved by the City Council.
- b) Formal budgetary integration is employed as a management control device during the year for all budgetary funds. Also, all budgets are adopted on a basis consistent with generally accepted accounting principles.
- c) Budget appropriations lapse at year end.
- d) The original budget was amended and supplemental appropriations approved during the year, in accordance with the City charter and applicable State laws. The budget to actual expenditures in the financial statements represents the final budgeted expenditures as amended by the City.
- e) Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. There were no encumbrances at year end.

City of Fenton
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Expenditures in Excess of Appropriations

	<u>Appropriations</u>	<u>Actual</u>	<u>Budget Variance</u>
General Fund			
Legislative and executive	\$ 249,860	\$ 288,027	\$ 38,167
Protective inspections	467,600	469,893	2,293
Public service	204,770	230,574	25,804
Local Street Improvement Fund			
Interest and fiscal charges	382,650	383,150	500
Major Street Fund			
Public works	735,426	785,257	49,831
Parks and Recreation Fund			
Recreation and culture	196,705	203,692	6,987
Capital outlay	460,000	529,163	69,163
Cemetery Fund			
Capital outlay	20,000	22,933	2,933
Transfers out	3,000	3,315	315

Fund Deficit

The City has accumulated unrestricted net position deficits in the Water Fund (\$260,894), DPW Equipment Revolving Fund (\$131,262), and Sick Pay Fund (\$64,716). A deficit elimination plan is not required to be submitted to the Michigan Department of Treasury for the Sick Pay Fund and Water Fund as current assets exceed current liabilities, but is required for the DPW Equipment Revolving Fund.

Note 3 - Deposits and Investments

In accordance with Michigan Compiled Laws, the City 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 State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
- c. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) 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.

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- 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.

At year end the City's deposits and investments were reported in the financial statements in the following categories:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Governmental activities	\$ 16,479,460	\$ -	\$ 16,479,460
Business-type activities	<u>3,798,990</u>	<u>8,080</u>	<u>3,807,070</u>
Total	20,278,450	8,080	20,286,530
 Fiduciary funds	 164,324	 -	 164,324
Component unit	<u>6,111,697</u>	<u>-</u>	<u>6,111,697</u>
Total	<u>\$ 26,554,471</u>	<u>\$ 8,080</u>	<u>\$ 26,562,551</u>

The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Component Unit	Total
Bank deposits (checking and savings accounts, money markets)	\$ 4,799,312	\$ 164,324	\$ 6,111,697	\$ 11,075,333
Certificates of deposit	5,444,800	-	-	5,444,800
Investments in securities, mutual funds and similar vehicles	10,042,248	-	-	10,042,248
Petty cash and cash on hand	<u>170</u>	<u>-</u>	<u>-</u>	<u>170</u>
	<u>\$ 20,286,530</u>	<u>\$ 164,324</u>	<u>\$ 6,111,697</u>	<u>\$ 26,562,551</u>

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As of year end, the City had the following investments:

Investment	Carrying Value	Maturities	Rating	Rating Organization
Michigan Liquid Asset Funds	<u>\$ 10,042,248</u>	<60 days	AAAm	S&P Global Ratings

Interest rate risk – The City does not have a formal investment policy to manage its exposure to fair value losses from changes in interest rates.

Credit risk – State statutes and the City’s investment policy authorize the City to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other obligations of the United States, or any agency or instrumentality of the United States. United States government or federal agency obligations; repurchase agreements; bankers acceptance of United States Banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or any of its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Concentration of credit risk – The City has no policy that would limit the amount that may be issued in any one issuer.

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City does not have a policy for custodial credit risk. As of year end, \$16,823,145 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The following investment securities were uninsured and unregistered and held in the following manner:

Investment Type	Carrying Value	How Held
Michigan Liquid Asset Funds	<u>\$ 10,042,248</u>	By counterparty in the City's name

Note 4 - Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

Investments in Entities that Calculate Net Asset Value per Share

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

At year end, the net asset value of the City’s investment in Michigan Liquid Asset Funds was \$10,042,248. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period

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required. The Michigan Liquid Asset Funds investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and 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. It has a rating of AAAM from Standard and Poor's with a weighted average maturity of 60 days or less.

Note 5 - Capital Assets

Capital assets activity of the primary government for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 1,605,104	\$ -	\$ -	\$ 1,605,104
Construction-in-progress	<u>5,706,023</u>	<u>7,557,468</u>	<u>1,707,477</u>	<u>11,556,014</u>
Total capital assets not being depreciated	<u>7,311,127</u>	<u>7,557,468</u>	<u>1,707,477</u>	<u>13,161,118</u>
Capital assets being depreciated				
Land improvements	1,408,348	678,120	-	2,086,468
Infrastructure	17,173,600	1,716,130	-	18,889,730
Buildings, additions and improvements	8,409,094	-	-	8,409,094
Machinery and equipment	<u>7,197,924</u>	<u>421,892</u>	<u>22,219</u>	<u>7,597,597</u>
Total capital assets being depreciated	<u>34,188,966</u>	<u>2,816,142</u>	<u>22,219</u>	<u>36,982,889</u>
Less accumulated depreciation for				
Land improvements	671,689	36,985	-	708,674
Infrastructure	8,329,065	835,569	-	9,164,634
Buildings, additions and improvements	4,108,205	197,263	-	4,305,468
Machinery and equipment	<u>4,834,293</u>	<u>379,538</u>	<u>22,219</u>	<u>5,191,612</u>
Total accumulated depreciation	<u>17,943,252</u>	<u>1,449,355</u>	<u>22,219</u>	<u>19,370,388</u>
Net capital assets being depreciated	<u>16,245,714</u>	<u>1,366,787</u>	<u>-</u>	<u>17,612,501</u>
Governmental activities net capital assets	<u>\$ 23,556,841</u>	<u>\$ 8,924,255</u>	<u>\$ 1,707,477</u>	<u>\$ 30,773,619</u>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets not being depreciated				
Land	\$ 190,930	\$ -	\$ -	\$ 190,930
Construction-in-progress	<u>2,277,608</u>	<u>5,138,737</u>	<u>-</u>	<u>7,416,345</u>
Total capital assets not being depreciated	<u>2,468,538</u>	<u>5,138,737</u>	<u>-</u>	<u>7,607,275</u>
Capital assets being depreciated				
Buildings, additions and improvements	9,439,051	-	-	9,439,051
Machinery and equipment	1,465,024	-	-	1,465,024
Water system	14,271,652	-	-	14,271,652
Sewer system	<u>29,512,422</u>	<u>-</u>	<u>-</u>	<u>29,512,422</u>
Total capital assets being depreciated	<u>54,688,149</u>	<u>-</u>	<u>-</u>	<u>54,688,149</u>
Less accumulated depreciation for				
Buildings, additions and improvements	3,828,126	248,680	-	4,076,806
Machinery and equipment	810,789	66,623	-	877,412
Water system	7,371,709	331,941	-	7,703,650
Sewer system	<u>14,735,529</u>	<u>555,349</u>	<u>-</u>	<u>15,290,878</u>
Total accumulated depreciation	<u>26,746,153</u>	<u>1,202,593</u>	<u>-</u>	<u>27,948,746</u>
Net capital assets being depreciated	<u>27,941,996</u>	<u>(1,202,593)</u>	<u>-</u>	<u>26,739,403</u>
Business-type capital assets, net	<u>\$ 30,410,534</u>	<u>\$ 3,936,144</u>	<u>\$ -</u>	<u>\$ 34,346,678</u>

City of Fenton
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Capital assets activity of the component unit for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Downtown Development Authority				
Capital assets not being depreciated				
Land	\$ 939,029	\$ -	\$ -	\$ 939,029
Construction-in-progress	155,900	490,453	-	646,353
Total capital assets not being depreciated	1,094,929	490,453	-	1,585,382
Capital assets being depreciated				
Machinery and equipment	34,140	-	-	34,140
Less accumulated depreciation for Machinery and equipment	34,140	-	-	34,140
Downtown Development Authority capital assets, net	\$ 1,094,929	\$ 490,453	\$ -	\$ 1,585,382
Local Development Financing Authority				
Capital assets being depreciated				
Buildings, additions and improvements	\$ 37,630	\$ -	\$ -	\$ 37,630
Less accumulated depreciation for Buildings, additions and improvements	37,630	-	-	37,630
Local Development Financing Authority capital assets, net	\$ -	\$ -	\$ -	\$ -

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities	
General government	\$ 165,925
Public safety	4,238
Public works	835,569
Recreation and culture	253,653
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	189,970
Total governmental activities	1,449,355
Business-type activities	
Sewer Fund	589,510
Water Fund	613,083
Total business-type activities	1,202,593
Total primary government	\$ 2,651,948

City of Fenton
Notes to the Financial Statements
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Construction Commitments

The City entered into contracts for street and watermain projects in 2023. The total contract amount of those projects is \$15,041,327. At June 30, 2024, \$7,654,322 of construction is completed and \$7,387,005 remains a construction commitment at year-end.

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

	Payable Fund					Total
	Local Street Fund	Water Fund	Sewer Fund	Nonmajor governmental funds	Internal service funds	
Receivable Fund						
General Fund	\$ 31,905	\$ 212,893	\$ 78,813	\$ 161,960	\$ 110,064	\$ 595,635
Internal Service Funds		1,106	7,660	-		8,766
Nonmajor Governmental Funds	-	-	-	200	-	200
	<u>\$ 31,905</u>	<u>\$ 213,999</u>	<u>\$ 86,473</u>	<u>\$ 162,160</u>	<u>\$ 110,064</u>	<u>\$ 604,601</u>

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.

The details for interfund transfers are as follows:

	Transfers Out				Total
	General Fund	Local Street Fund	Local Street Improvement Debt Retirement	Nonmajor governmental funds	
Transfers In					
Local Street	\$ -	\$ -	\$ -	\$ 130,000	\$ 130,000
Municipal Street	-	6,387,379	7,388,107	-	13,775,486
Nonmajor governmental funds	757,000	-	-	103,315	860,315
Water fund	-	-	-	998,327	998,327
	<u>\$ 757,000</u>	<u>\$ 6,387,379</u>	<u>\$ 7,388,107</u>	<u>\$ 1,231,642</u>	<u>\$ 15,764,128</u>

Transfers are used to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

Note 7 - Long-Term Debt

The City issues bonds to provide for the acquisition and construction of major capital projects. General obligation bonds are direct obligations and pledge the full faith and credit of the City. Installment purchase agreements are also general obligations of the City. Other long-term obligations include compensated absences. Compensated absences are typically liquidated with funds from the general fund, sewer fund and water fund.

City of Fenton
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Long-term obligation activity is summarized as follows:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities									
Bonds and notes payable									
General obligation bonds									
2015 LTGO Special Assessment Bonds	\$ 555,000	4/1/2026	3.300% - 3.550%	\$55,000	\$ 165,000	\$ -	\$ 55,000	\$ 110,000	\$ 55,000
2022 Unlimited Tax General Obligation Bonds	9,150,000	4/1/2042	5.000%	\$600,000 - \$1,570,000	7,935,000	-	1,460,000	6,475,000	1,570,000
2024 Unlimited Tax General Obligation Bonds	6,790,000	5/1/2035	5.000%	\$520,000 - \$1,090,000	-	6,790,000	-	6,790,000	-
Total general obligation bonds					<u>8,100,000</u>	<u>6,790,000</u>	<u>1,515,000</u>	<u>13,375,000</u>	<u>1,625,000</u>
Notes from direct borrowings									
Installment purchase agreements									
Fire and Police Equipment	261,612	8/31/2024	2.810%	\$20,764	60,821	-	40,057	20,764	20,764
Fire Truck	306,909	7/1/2027	2.350%	\$24,115 - \$46,431	181,986	-	21,770	160,216	44,311
Total notes from direct borrowings and direct placements					<u>242,807</u>	<u>-</u>	<u>61,827</u>	<u>180,980</u>	<u>65,075</u>
Premiums and discounts									
For issuance premiums									
					738,261	602,181	162,665	1,177,777	-
Total bonds and notes payable					<u>9,081,068</u>	<u>7,392,181</u>	<u>1,739,492</u>	<u>14,733,757</u>	<u>1,690,075</u>
Compensated absences					579,963	291,197	223,416	647,744	129,549
Internal service fund obligations									
Notes from direct borrowing									
Installment purchase agreements									
Dump Trucks	300,000	9/1/2027	2.350%	\$23,094 - \$45,385	198,442	-	42,313	156,129	43,313
Street Sweeper	280,768	1/1/2030	4.500%	\$36,550 - \$45,658	263,483	-	17,674	245,809	36,550
Total governmental activities					<u>10,122,956</u>	<u>7,683,378</u>	<u>2,022,895</u>	<u>15,783,439</u>	<u>1,899,487</u>
Business-type activities									
Bonds and notes payable									
Revenue bonds									
2009 Michigan Municipal Bond Authority	1,419,839	4/1/2030	2.500%	\$60,000 - \$72,031	442,031	-	60,000	382,031	60,000
2014 Michigan Finance Authority	935,000	10/1/2035	2.500%	\$35,000 - \$42,366	487,366	-	35,000	452,366	35,000
Capital improvement bonds									
2020 Capital Improvement Refunding Bonds	2,320,000	4/1/2035	2.000%	\$145,000 - \$175,000	1,905,000	-	140,000	1,765,000	145,000
2022 Capital Improvement Bonds	4,500,000	5/24/2032	4.000%	\$155,000 - \$365,000	4,500,000	-	150,000	4,350,000	155,000
Plus deferred amounts									
For issuance premiums					150,999	-	12,787	138,212	-
Total bonds and notes payable					<u>7,485,396</u>	<u>-</u>	<u>397,787</u>	<u>7,087,609</u>	<u>395,000</u>
Compensated absences					105,945	73,724	66,060	113,609	22,722
Total business-type activities					<u>7,591,341</u>	<u>73,724</u>	<u>463,847</u>	<u>7,201,218</u>	<u>417,722</u>
Total primary government					<u>\$ 17,714,297</u>	<u>\$ 7,757,102</u>	<u>\$ 2,486,742</u>	<u>\$ 22,984,657</u>	<u>\$ 2,317,209</u>
Component unit									
Downtown Development Authority									
General obligation bonds									
2014 GOLT Development Bonds	\$ 3,650,000	10/1/2031	3.000% - 4.000%	\$265,000 - \$330,000	\$ 2,325,000	\$ -	\$ 255,000	\$ 2,070,000	\$ 265,000
2016 GOLT Development Bonds	1,000,000	10/1/2031	2.250% - 2.600%	\$70,000 - \$80,000	590,000	-	70,000	520,000	70,000
Capitalized bond premium					34,457	-	4,262	30,195	-
Total component units					<u>\$ 2,949,457</u>	<u>\$ -</u>	<u>\$ 329,262</u>	<u>\$ 2,620,195</u>	<u>\$ 335,000</u>
					Beginning Balance	Additions	Reductions	Ending Balance	
Deferred amount on refunding - business-type activities					\$ 27,974	\$ -	\$ 2,325	\$ 25,649	

Compensated Absences

In accordance with the City's personnel policies, individual employees have vested rights upon termination of employment to receive payment for unused sick pay and vacation under formulas and conditions specified in their respective personnel policies and/or contracts. The dollar amount of these vested rights, including related payroll taxes, amounted to \$647,744 for governmental activities and \$113,609 for business-type activities at June 30, 2024. The governmental activities liability has historically been paid out of the General Fund.

Water and Sewer Obligations

The City of Fenton was a participant in the county-wide sanitary sewer construction program under Act 342 Michigan Compiled Laws. This program was financed by general obligation bonds issued by Genesee County. The City of Fenton has contracts with Genesee County Water and Waste Services for the cost of the construction of the sewer system within its boundaries. The City of Fenton has pledged the full faith and credit of the City to the prompt payment of the City's share of the principal and interest payments on these contracts as they become

City of Fenton
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due. From information received from Genesee County, the assets relating to those contracts have been recorded in the Sewer Fund of the City to reflect the actual construction cost of the above mentioned systems. The contract principal portion owed by the City of Fenton has been recorded in the Sewer Fund. The Water Revolving Fund Bonds are supported by the revenues of the Water System.

Annual debt service requirements to maturity for the above obligations are as follows:

Year Ending June 30,	Governmental Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2025	\$ 1,625,000	\$ 620,726	\$ 144,938	\$ 16,744
2026	1,745,000	586,702	127,909	12,972
2027	1,155,000	500,250	131,767	9,074
2028	1,210,000	442,500	88,978	5,044
2029	1,270,000	382,000	43,670	2,551
2030-2034	5,610,000	935,500	45,656	520
2035-2039	760,000	38,000	-	-
	\$ 13,375,000	\$ 3,505,678	\$ 582,918	\$ 46,905

Year Ending June 30,	Business-type Activities		Component Unit	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 395,000	\$ 229,722	\$ 335,000	\$ 81,438
2026	400,000	218,247	345,000	71,912
2027	410,000	206,672	360,000	62,088
2028	420,000	194,697	370,000	51,812
2029	435,000	182,422	380,000	41,162
2030-2034	2,047,031	725,434	800,000	45,072
2035-2039	1,767,366	412,989	-	-
2040-2044	1,075,000	86,600	-	-
	\$ 6,949,397	\$ 2,256,783	\$ 2,590,000	\$ 353,484

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Note 8 - Net Investment in Capital Assets

The composition of net investment in capital assets as of year end, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Total capital assets			
Capital assets			
Capital assets not being depreciated	\$ 13,161,118	\$ 7,607,275	\$ 1,585,382
Capital assets, net of accumulated depreciation	17,612,501	26,739,403	-
Total capital assets	30,773,619	34,346,678	1,585,382
Unspent bond proceeds	6,759,690	1,423,345	-
Unamortized balance of capital-related deferred outflows of resources from refunding of outstanding capital debt	-	25,649	-
Related debt			
General obligation bonds	13,375,000	6,115,000	-
Special assessment obligations	-	834,397	-
Installment purchase agreements	180,980	-	-
Notes from direct borrowing and direct placements	401,938	-	-
Unamortized bond premiums	1,177,777	138,212	-
Total related debt	15,135,695	7,087,609	-
Net investment in capital assets	\$ 22,397,614	\$ 28,708,063	\$ 1,585,382

Note 9 - Risk Management

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased commercial insurance for property loss, torts, errors and omissions, and medical benefit claims and participates in the Michigan Municipal League (MML) risk pool for claims relating to worker's compensation; the City is uninsured for acts of God and environmental cleanup loss. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The MML risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

Note 10 - Employee Retirement and Benefit Systems

Defined Benefit Pension Plan

Plan description – The City participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer, statewide public employee defined benefit pension plan that covers all employees of the government. The plan was established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917 or on the web at <http://www.mersofmich.com>.

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Benefits provided – Benefits provided include plans with multipliers ranging from 1% to 2%. Vesting periods range from 6 to 10 years. Normal retirement age is 60. Early retirement (unreduced) is 55 with 25 years of services and early retirement (reduced) is 50 with 25 years of service and 55 with 15 years of service. Final average compensation is calculated based on 3 years. Member contributions range from 0% to 3%.

Employees covered by benefit terms – At the December 31, 2023 valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	48
Inactive employees entitled to, but not yet receiving benefits	19
Active employees	<u>39</u>
	<u>106</u>

Contributions – The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ending June 30, 2024, employer contributions were \$1,969,416.

Net pension liability – The employer’s net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions – The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement include: 1) Inflation 2.50%; 2) Salary increases 3.00% in the long-term; 3) Investment rate of return of 7.00%, net of investment expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 2.5%.

Mortality rates used were based on the Pub-2010 Mortality Tables. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

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

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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. The target allocation and best estimates or arithmetic 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 Gross Rate of Return	Inflation Assumption	Long-term Expected Real Rate of Return
Global equity	60.00%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.00%	4.50%	0.90%	2.50%	0.40%
Private investments	20.00%	9.50%	1.90%	2.50%	1.40%
	<u>100.00%</u>		<u>7.00%</u>		<u>4.50%</u>

Discount rate – The discount rate used to measure the total pension liability is 7.18%. 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 plans 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2023	\$ 22,442,448	\$ 15,784,542	\$ 6,657,906
Changes for the year			
Service cost	304,603	-	304,603
Interest on total pension liability	1,594,300	-	1,594,300
Experience differences	(82,257)	-	(82,257)
Actuarial assumptions	190,429	-	190,429
Employer contributions	-	1,969,416	(1,969,416)
Employee contributions	-	26,215	(26,215)
Net investment income (loss)	-	1,836,217	(1,836,217)
Benefit payments and refunds	(1,208,720)	(1,208,720)	-
Administrative expense	-	(37,936)	37,936
Other	-	(4,040)	4,040
Net changes	<u>798,355</u>	<u>2,581,152</u>	<u>(1,782,797)</u>
Balances as of June 30, 2024	<u>\$ 23,240,803</u>	<u>\$ 18,365,694</u>	<u>\$ 4,875,109</u>

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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 7.18%, as well as what the employer’s net pension liability would be using a discount rate that is 1% point lower (6.18%) or 1% higher (8.18%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 7,895,930	\$ 4,875,109	\$ 2,377,043

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended June 30, 2024 the employer recognized pension expense of \$1,209,621. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total to Amortize</u>
Differences in experience	\$ 27,818	\$ (266,151)	\$ (238,333)
Differences in assumptions	635,307	-	635,307
Net difference between projected and actual earning on plan investments	828,504	-	828,504
Contributions subsequent to the measurement date*	421,451	-	-
Total	<u>\$ 1,913,080</u>	<u>\$ (266,151)</u>	<u>\$ 1,225,478</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in subsequent years.

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

<u>Year ended June 30,</u>			
2025	\$	441,648	
2026		423,020	
2027		472,174	
2028		(111,364)	
		<u>\$ 1,225,478</u>	

Note 11 - Other Postemployment Benefits

Plan description – The City provides postemployment health care benefits (a single employer defined benefit plan) in accordance with a Council resolution to covered employees who retire on or after age 55 with at least 10 years of service and Police Local 214 employees who retire on or after age 50 with at least 10 years of service. The City pays 100% of the health insurance premiums for these retirees. The plan is closed to employees hired after June 30, 2018.

Employees covered by benefit terms – At June 30, 2024, the plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	31
Active employees	<u>34</u>
	<u>65</u>

Contributions – City Council has the authority to establish and amend the benefit terms and contribution requirements of the City and plan members or to abolish the plan at any time. Recognition of the total OPEB liability by the City should not be interpreted that a vested benefit is owed to any plan participant. Benefits are

City of Fenton
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authorized during the annual budgetary process, funding for which may or may not continue into the future. The City is on the pay-as-you-go method and contributed \$263,274 for the year ended June 30, 2024. Plan members are not required to contribute to the plan.

Total OPEB liability – The total OPEB liability was measured as of June 30, 2024. The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to June 30, 2024.

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry-Age Normal
Amortization method	Level dollar
Remaining amortization period	15 years, closed
Asset valuation method	There are no assets.
Price inflation	2.50%
Wage inflation	3.00%
Salary increases	3.00 to 9.70%
Investment rate of return	3.50%, net of OPEB plan investment expense
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	A version of the Pub-2010 Retiree mortality table
Healthcare inflation rate	Initial trend of 7.50% gradually decreasing to an ultimate trend rate of 3.50% in year 12
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"

Mortality rates were based on a version of the RP-2014 mortality table, as appropriate.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2014 to December 31, 2018.

Discount rate – The discount rate used to measure the total OPEB liability was 3.97%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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	Increase (Decrease)
	Total OPEB Liability
	(a)
Balances as of June 30, 2023	\$ 6,168,547
Changes for the year	
Service cost	138,139
Interest on total OPEB liability	235,691
Experience differences	(1,365,361)
Change in actuarial assumptions	194,996
Benefit payments and refunds	(263,274)
Net changes	(1,059,809)
Balances as of June 30, 2024	\$ 5,108,738

Sensitivity of the OPEB liability to changes in the discount rate – The following presents the OPEB liability of the City, as well as what the City’s OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.97%) or 1% higher (4.97%) than the current discount rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
OPEB liability	\$ 5,696,376	\$ 5,108,738	\$ 4,606,888

Sensitivity of the OPEB liability to changes in the healthcare cost trend rates – The following presents the OPEB liability of the City, as well as what the City’s OPEB liability would be if were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Health Care Cost Trend Ratio Assumption	1% Increase
OPEB liability	\$ 4,732,130	\$ 5,108,738	\$ 5,549,349

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2024 the employer recognized OPEB expense of (\$26,328). The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ 11,112	\$ (1,557,850)	\$ (1,546,738)
Differences in assumptions	522,631	(459,604)	63,027
Total	\$ 533,743	\$ (2,017,454)	\$ (1,483,711)

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

<u>Year ended June 30,</u>	
2025	\$ (458,628)
2026	(587,777)
2027	(266,997)
2028	(170,309)
	<u>\$ (1,483,711)</u>

The total OPEB liability is generally liquidated by the General Fund, Sewer Fund, and Water Fund.

Note 12 - Building and Zoning Financial Information

The State Construction Code Act, Michigan Public Act 245 of 1999, and rules promulgated by the Department of Treasury regarding that Act, require that a local unit's fees collected from construction code permits be accounted for in a method which shows that all of these fees were used for expenditures related to the operation of the enforcing agency. The rules indicated that if the revenues exceeded the expenditures, the fees collected must be kept in a separate fund with all the revenues and expenditures accounted for in that fund. These rules allowed for monitoring these funds in a separate activity center within the General Fund if the expenditures would normally exceed revenues. The City chose the latter because historically the expenditures have exceeded revenues.

The activity related to construction code activity for the year ended June 30, 2024 is as follows:

Revenues	
Building permits	\$ 112,407
Zoning permits	<u>9,270</u>
Total Revenues	<u>121,677</u>
Expenditures	
Salaries and fringes	291,173
Supplies and other	11,427
Professional services	<u>137,369</u>
Total expenditures	<u>439,969</u>
Excess of revenues (under) expenditures	(318,292)
Prior cumulative excess of revenues (under) expenditures	<u>(3,157,484)</u>
Cumulative excess of revenues (under) expenditures	<u>\$ (3,475,776)</u>

City of Fenton
Notes to the Financial Statements
June 30, 2024

Note 13 - Contingent Liabilities

At times, the City may be a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City and its attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Note 14 - Prior Period Adjustment

Beginning fund balance of the General Fund and beginning net position of Governmental Activities were restated to correct an error related to the recognition of revenue in prior periods. Amounts received for PEG fees were erroneously recorded as liabilities when revenue should have been recognized. The impact to the financial statements is as follows:

	<u>General Fund</u>	<u>Governmental Activities</u>
Fund balance/net position, at June 30, 2023	\$ 5,372,250	\$ 20,620,538
Adjustments		
Prior period adjustment	<u>492,594</u>	<u>492,594</u>
Fund balance/net position, at June 30, 2023, as restated	<u>\$ 5,864,844</u>	<u>\$ 21,113,132</u>

City of Fenton
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Revenues				
Taxes				
Property taxes	\$ 4,819,850	\$ 4,821,857	\$ 4,829,887	\$ 8,030
Special assessments	-	25,442	25,442	-
Licenses and permits	437,250	459,770	510,018	50,248
State-shared revenue	1,480,000	1,480,000	1,378,246	(101,754)
State grants	59,000	65,500	122,377	56,877
Charges for services	355,250	395,250	437,497	42,247
Fines and forfeitures	60,000	50,000	45,336	(4,664)
Rental income	-	3,000	3,250	250
Investment income	11,000	150,000	228,181	78,181
Other revenue	245,111	280,511	284,205	3,694
Total revenues	<u>7,467,461</u>	<u>7,731,330</u>	<u>7,864,439</u>	<u>133,109</u>
Expenditures				
Legislative and executive	266,160	249,860	288,027	38,167
General services	2,449,119	2,361,504	2,346,338	(15,166)
Police	2,421,477	2,781,377	2,690,034	(91,343)
Fire	761,682	737,732	706,728	(31,004)
Protective inspections	488,178	467,600	469,893	2,293
Public service	202,100	204,770	230,574	25,804
Community service	149,400	182,100	139,487	(42,613)
Total expenditures	<u>6,738,116</u>	<u>6,984,943</u>	<u>6,871,081</u>	<u>(113,862)</u>
Excess (deficiency) of revenues over expenditures	729,345	746,387	993,358	246,971
Other financing sources (uses)				
Transfers out	<u>(677,000)</u>	<u>(757,000)</u>	<u>(757,000)</u>	<u>-</u>
Net change in fund balance	<u>52,345</u>	<u>(10,613)</u>	<u>236,358</u>	<u>246,971</u>
Fund balance - beginning of year	5,372,250	5,372,250	5,372,250	-
Prior period adjustment	<u>492,594</u>	<u>492,594</u>	<u>492,594</u>	<u>-</u>
Fund balance - beginning of year (restated)	<u>5,864,844</u>	<u>5,864,844</u>	<u>5,864,844</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,917,189</u>	<u>\$ 5,854,231</u>	<u>\$ 6,101,202</u>	<u>\$ 246,971</u>

See Accompanying Notes to Required Supplementary Information

City of Fenton
Required Supplementary Information
Budgetary Comparison Schedule
Local Street Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
State grants	\$ 440,086	\$ 440,086	\$ 485,461	\$ 45,375
Investment income	4,000	4,000	7,909	3,909
Other revenue	-	1,000	1,021	21
Total revenues	<u>444,086</u>	<u>445,086</u>	<u>494,391</u>	<u>49,305</u>
Expenditures				
Current				
Public works	<u>5,431,774</u>	<u>542,171</u>	<u>452,016</u>	<u>(90,155)</u>
Excess of revenues (deficiency) over expenditures	<u>(4,987,688)</u>	<u>(97,085)</u>	<u>42,375</u>	<u>139,460</u>
Other financing sources (uses)				
Transfers in	4,975,000	130,000	130,000	-
Transfers out	<u>-</u>	<u>(6,387,379)</u>	<u>(6,387,379)</u>	<u>-</u>
Total other financing sources (uses)	<u>4,975,000</u>	<u>(6,257,379)</u>	<u>(6,257,379)</u>	<u>-</u>
Net change in fund balance	(12,688)	(6,354,464)	(6,215,004)	139,460
Fund balance - beginning of year	<u>6,378,416</u>	<u>6,378,416</u>	<u>6,378,416</u>	<u>-</u>
Fund balance - end of year	<u>\$ 6,365,728</u>	<u>\$ 23,952</u>	<u>\$ 163,412</u>	<u>\$ 139,460</u>

City of Fenton
Required Supplementary Information
Budgetary Comparison Schedule
Municipal Street Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Investment income	\$ -	\$ 617,601	\$ 86,740	\$ (530,861)
Expenditures				
Current				
Public works	-	8,300,000	7,116,562	(1,183,438)
Excess of revenues (deficiency) over expenditures	-	(7,682,399)	(7,029,822)	652,577
Other financing sources (uses)				
Transfers in	-	13,387,379	13,775,486	388,107
Net change in fund balance	-	5,704,980	6,745,664	1,040,684
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ 5,704,980</u>	<u>\$ 6,745,664</u>	<u>\$ 1,040,684</u>

City of Fenton
Required Supplementary Information
Budgetary Comparison Schedule
Local Street Improvement Debt Retirement Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 1,928,867	\$ 1,931,136	\$ 1,919,289	\$ (11,847)
Investment income	120,000	120,000	604	(119,396)
Total revenues	<u>2,048,867</u>	<u>2,051,136</u>	<u>1,919,893</u>	<u>(131,243)</u>
Expenditures				
Debt service				
Principal retirement	1,460,000	1,460,000	1,460,000	-
Interest and fiscal charges	382,650	382,650	383,150	500
Bond issuance costs	-	100,000	94,450	(5,550)
Total expenditures	<u>1,842,650</u>	<u>1,942,650</u>	<u>1,937,600</u>	<u>(5,050)</u>
Excess of revenues (deficiency) over expenditures	<u>206,217</u>	<u>108,486</u>	<u>(17,707)</u>	<u>(126,193)</u>
Other financing sources (uses)				
Transfers out	(4,925,000)	(7,410,931)	(7,388,107)	22,824
Issuance of debt	-	7,000,000	6,790,000	(210,000)
Premium on issuance of debt	-	-	602,181	602,181
Total other financing sources (uses)	<u>(4,925,000)</u>	<u>(410,931)</u>	<u>4,074</u>	<u>415,005</u>
Net change in fund balance	5,131,217	519,417	(13,633)	(533,050)
Fund balance - beginning of year	<u>410,932</u>	<u>410,932</u>	<u>410,932</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,542,149</u>	<u>\$ 930,349</u>	<u>\$ 397,299</u>	<u>\$ (533,050)</u>

See Accompanying Notes to Required Supplementary Information

City of Fenton
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2024

Fiscal year ended June 30,	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 304,603	\$ 317,751	\$ 298,220	\$ 284,714	\$ 272,243
Interest	1,594,300	1,563,284	1,534,714	1,426,658	1,392,121
Changes of benefit terms					(9,119)
Experience differences	(82,257)	(225,761)	(162,220)	139,086	122,634
Changes in assumptions	190,429	-	874,113	666,600	641,840
Benefit payments and refunds	<u>(1,208,720)</u>	<u>(1,232,958)</u>	<u>(1,138,367)</u>	<u>(1,065,711)</u>	<u>(1,045,582)</u>
Net change in total pension liability	798,355	422,316	1,406,460	1,451,347	1,374,137
Total pension liability - beginning	<u>22,442,448</u>	<u>22,020,132</u>	<u>20,613,672</u>	<u>19,162,325</u>	<u>17,788,188</u>
Total pension liability - ending (a)	<u>\$ 23,240,803</u>	<u>\$ 22,442,448</u>	<u>\$ 22,020,132</u>	<u>\$ 20,613,672</u>	<u>\$ 19,162,325</u>
Plan fiduciary net position					
Employer contributions	\$ 1,969,416	\$ 1,764,163	\$ 1,506,983	\$ 1,329,068	\$ 1,194,047
Employee contributions	26,215	29,363	29,058	29,217	30,505
Net investment income (loss)	1,836,217	(1,762,347)	2,078,854	1,681,597	1,504,441
Benefit payments and refunds	(1,208,720)	(1,232,958)	(1,138,367)	(1,065,711)	(1,045,582)
Administrative expense	(37,936)	(31,941)	(23,845)	(25,814)	(25,932)
Other	<u>(4,040)</u>	<u>(4,040)</u>	<u>119,445</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	2,581,152	(1,237,760)	2,572,128	1,948,357	1,657,479
Plan fiduciary net position - beginning	<u>15,784,542</u>	<u>17,018,262</u>	<u>14,565,580</u>	<u>12,617,223</u>	<u>10,959,744</u>
Plan fiduciary net position - ending (b)	<u>\$ 18,365,694</u>	<u>\$ 15,780,502</u>	<u>\$ 17,137,708</u>	<u>\$ 14,565,580</u>	<u>\$ 12,617,223</u>
Net pension liability (a-b)	<u>\$ 4,875,109</u>	<u>\$ 6,661,946</u>	<u>\$ 4,882,424</u>	<u>\$ 6,048,092</u>	<u>\$ 6,545,102</u>
Plan fiduciary net position as a percentage of total pension liability	79.02%	70.32%	77.83%	70.66%	65.84%
Covered payroll	<u>\$ 3,100,844</u>	<u>\$ 3,193,954</u>	<u>\$ 3,312,416</u>	<u>\$ 3,425,872</u>	<u>\$ 3,205,054</u>
Net pension liability as a percentage of covered payroll	157.22%	208.58%	147.40%	176.54%	204.21%

See Accompanying Notes to Required Supplementary Information

City of Fenton
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2024

Fiscal year ended June 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 265,288	\$ 272,740	\$ 272,063	\$ 253,276	\$ 251,037
Interest	1,327,974	1,314,169	1,260,231	1,143,433	747,006
Changes of benefit terms					
Experience differences	220,496	(453,504)	63,341	-	-
Changes in assumptions	-	-	-	939,704	386,453
Benefit payments and refunds	(985,194)	(929,103)	(914,331)	(857,340)	(805,830)
Net change in total pension liability	828,564	204,302	681,304	1,479,073	578,666
Total pension liability - beginning	16,959,624	16,755,322	16,074,018	14,594,945	14,016,279
Total pension liability - ending (a)	<u>\$ 17,788,188</u>	<u>\$ 16,959,624</u>	<u>\$ 16,755,322</u>	<u>\$ 16,074,018</u>	<u>\$ 14,594,945</u>
Plan fiduciary net position					
Employer contributions	\$ 1,082,740	\$ 814,116	\$ 550,985	\$ 510,110	\$ 471,992
Employee contributions	27,653	27,255	23,809	22,633	22,830
Net investment income (loss)	(453,265)	1,330,013	1,057,397	(146,630)	603,787
Benefit payments and refunds	(985,194)	(929,103)	(914,331)	(857,340)	(805,830)
Administrative expense	(22,134)	(21,038)	(20,877)	(22,691)	(22,123)
Other	-	-	-	-	-
Net change in plan fiduciary net position	(350,200)	1,221,243	696,983	(493,918)	270,656
Plan fiduciary net position - beginning	11,309,944	10,088,701	9,391,718	9,885,636	9,614,980
Plan fiduciary net position - ending (b)	<u>\$ 10,959,744</u>	<u>\$ 11,309,944</u>	<u>\$ 10,088,701</u>	<u>\$ 9,391,718</u>	<u>\$ 9,885,636</u>
Net pension liability (a-b)	<u>\$ 6,828,444</u>	<u>\$ 5,649,680</u>	<u>\$ 6,666,621</u>	<u>\$ 6,682,300</u>	<u>\$ 4,709,309</u>
Plan fiduciary net position as a percentage of total pension liability	61.61%	66.69%	60.21%	58.43%	67.73%
Covered payroll	<u>\$ 2,990,576</u>	<u>\$ 2,982,123</u>	<u>\$ 1,671,019</u>	<u>\$ 1,234,638</u>	<u>\$ 1,226,942</u>
Net pension liability as a percentage of covered employee payroll	228.33%	189.45%	398.96%	541.24%	383.82%

See Accompanying Notes to Required Supplementary Information

City of Fenton
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Employer Contributions
For the Year Ended June 30, 2024

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
6/30/2015	\$ 505,822	\$ 505,822	\$ -	\$ 1,133,303	44.63%
6/30/2016	519,813	519,813	-	1,464,006	35.51%
6/30/2017	572,230	572,230	-	1,728,486	33.11%
6/30/2018	626,636	1,015,974	(389,338)	2,273,368	44.69%
6/30/2019	700,944	1,137,889	(436,945)	2,622,560	43.39%
6/30/2020	932,712	1,221,619	(288,907)	3,037,446	40.22%
6/30/2021	942,180	1,376,889	(434,709)	3,359,538	40.98%
6/30/2022	910,860	1,645,646	(734,786)	3,783,682	43.49%
6/30/2023	952,404	1,895,402	(942,998)	2,678,942	70.75%
6/30/2024	800,628	1,443,502	(642,874)	3,928,561	36.74%

See Accompanying Notes to Required Supplementary Information

City of Fenton
Required Supplementary Information
Other Postemployment Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2024

Fiscal year ended June 30,	2024	2023	2022	2021
Total OPEB liability				
Service cost	\$ 138,139	\$ 165,867	\$ 224,988	\$ 241,668
Interest	235,691	224,457	156,237	186,790
Changes of benefit terms	-	10,225	-	(57,586)
Experience differences	(1,365,361)	18,766	(1,087,832)	(10,039)
Changes in assumptions	194,996	(110,997)	(1,014,828)	494,400
Benefit payments and refunds	(263,274)	(279,340)	(327,705)	(339,583)
Net change in total OPEB liability	(1,059,809)	28,978	(2,049,140)	515,650
Total OPEB liability - beginning	6,168,547	6,139,569	8,188,709	7,673,059
Total OPEB liability - ending (a)	<u>\$ 5,108,738</u>	<u>\$ 6,168,547</u>	<u>\$ 6,139,569</u>	<u>\$ 8,188,709</u>
Plan fiduciary net position as a percentage of total OPEB liability	- %	- %	- %	- %
Covered-employee payroll	<u>\$ 4,860,619</u>	<u>\$ 4,551,256</u>	<u>\$ 4,533,367</u>	<u>\$ 4,227,231</u>
Net OPEB liability as a percentage of covered-employee payroll	105.10%	135.54%	135.43%	193.71%

GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2018 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available

City of Fenton
Required Supplementary Information
Other Postemployment Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2024

Fiscal year ended June 30,	2020	2019	2018
Total OPEB liability			
Service cost	\$ 185,710	\$ 175,103	\$ 180,894
Interest	206,645	224,838	219,460
Changes of benefit terms	-	-	-
Experience differences	(366,715)	30,620	18,093
Changes in assumptions	1,338,643	329,265	(39,380)
Benefit payments and refunds	(400,867)	(347,273)	(312,286)
Net change in total OPEB liability	963,416	412,553	66,781
Total OPEB liability - beginning	6,709,643	6,297,090	6,230,309
Total OPEB liability - ending (a)	<u>\$ 7,673,059</u>	<u>\$ 6,709,643</u>	<u>\$ 6,297,090</u>
Plan fiduciary net position as a percentage of total OPEB liability	- %	- %	- %
Covered-employee payroll	<u>\$ 3,782,214</u>	<u>\$ 2,900,995</u>	<u>\$ 2,958,408</u>
Net OPEB liability as a percentage of covered-employee payroll	202.87%	231.29%	212.85%

GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2018 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available

City of Fenton
Required Supplementary Information
Other Postemployment Benefits
Schedule of Employer Contributions
For the Year Ended June 30, 2024

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered-employee Payroll	Actual Contribution as a % of Covered-employee Payroll
6/30/2018	N/A	\$ 312,286	N/A	\$ 2,958,408	10.56%
6/30/2019	\$ 489,023	\$ 347,273	\$ 141,750	2,900,995	11.97%
6/30/2020	507,361	400,867	106,494	3,782,214	10.60%
6/30/2021	607,790	339,583	268,207	4,227,231	8.03%
6/30/2022	626,024	327,705	298,319	4,533,367	7.23%
6/30/2023	690,961	279,340	411,621	4,551,256	6.14%
6/30/2024	684,695	263,274	421,421	4,860,619	5.42%

See Accompanying Notes to Required Supplementary Information

City of Fenton
Notes to the Required Supplementary Information
June 30, 2024

Pension Information

Notes to the Schedule of Changes in Net Pension Liability and Related Ratios – Municipal Employees Retirement System of Michigan

The June 30, 2024, changes in assumptions are due to the following:

- Investment rate of return lowered from 7.00% to 6.93%.

Notes to the Schedule of Employer Contributions – Municipal Employees Retirement System of Michigan

- Valuation date: December 31, 2023
- Actuarially determined contribution rates are calculated as of December 31 that is 6 months prior to the beginning of the fiscal year for which the contributions are presented.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry age normal level percent of pay
- Amortization method: Level percentage of payroll, open
- Remaining amortization period: 15 years
- Asset valuation method: 5-year smoothed
- Inflation: 2.5 percent long-term price inflation
- Salary increase: 3.0 percent
- Investment rate of return: 6.93 percent net of investment and administrative expenses
- Mortality rates: Pub-2010 Healthy Annuitant Mortality Tables – 50% male and 50% female blend

OPEB Information

Notes to the Schedule of Changes in Net OPEB and Related Ratios – Postemployment Benefits Other than Pensions

There were no benefit changes for the fiscal year ending June 30, 2024.

Notes to the Schedule of Employer Contributions – Postemployment Benefits Other than Pensions

- Valuation date: December 31, 2023
- Actuarially determined contribution rates are calculated as of December 31 that is 6 months prior to the beginning of the fiscal year for which the contributions are presented.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry age normal
- Amortization method: Level dollar
- Remaining amortization period: 15 years, closed
- Price Inflation: 2.5 percent
- Wage Inflation: 3.0 percent
- Salary increases: 3.0 percent to 9.7 percent
- Investment rate of return: 3.5 percent, net of investment expenses
- Mortality:
 - Pub-2010 General Employees table without adjustment
 - Pub-2010 General Healthy Retiree table scaled by a factor of 106%
 - PubNs-2010 Disabled tables without adjustment
- Healthcare inflation: 7.5 percent initial, gradually decreasing to an ultimate rate of 3.5 percent in year 12

City of Fenton
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds				
	Major Street	Parks & Recreation	Cemetery	CDBG	Opioid Settlement
Assets					
Cash and cash equivalents	\$ 225,415	\$ 100,231	\$ 277,413	\$ 206	\$ 83,335
Receivables					
Accounts	-	-	15,152	-	-
Special assessments	-	-	-	-	-
Due from other units of government	188,581	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	633	-	-	-
Total assets	<u>\$ 413,996</u>	<u>\$ 100,864</u>	<u>\$ 292,565</u>	<u>\$ 206</u>	<u>\$ 83,335</u>
Liabilities					
Accounts payable	43,411	43,843	13,889	-	-
Due to other funds	37,929	36,782	-	-	-
Payroll and other liabilities	3,309	4,309	-	-	-
Unearned revenue	-	-	24,050	-	-
Total liabilities	<u>84,649</u>	<u>84,934</u>	<u>37,939</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue - receivables	-	-	-	206	-
Fund balances					
Non-spendable					
Prepaid items	-	633	-	-	-
Restricted	329,347	-	-	-	83,335
Committed	-	15,297	254,626	-	-
Total fund balances	<u>329,347</u>	<u>15,930</u>	<u>254,626</u>	<u>-</u>	<u>83,335</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 413,996</u>	<u>\$ 100,864</u>	<u>\$ 292,565</u>	<u>\$ 206</u>	<u>\$ 83,335</u>

City of Fenton
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds					
	Formerly Major					
	Fund American					
	Rescue Plan	Garbage	Narcotics		Emergency	Non-motorized
	Act	Collection	Enforcement	D.A.R.E	911	Trail
Assets						
Cash and cash equivalents	\$ -	\$ 152,446	\$ 3,188	\$ 23,063	\$ 78,835	\$ 282,677
Receivables						
Accounts	-	173,173	-	-	62,301	-
Special assessments	-	-	-	-	-	-
Due from other units of government	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	1,568	-
Total assets	<u>\$ -</u>	<u>\$ 325,619</u>	<u>\$ 3,188</u>	<u>\$ 23,063</u>	<u>\$ 142,704</u>	<u>\$ 282,677</u>
Liabilities						
Accounts payable	-	44,938	-	-	881	-
Due to other funds	-	3,239	-	-	84,010	-
Payroll and other liabilities	-	234	-	-	5,394	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>48,411</u>	<u>-</u>	<u>-</u>	<u>90,285</u>	<u>-</u>
Deferred inflows of resources						
Unavailable revenue - receivables	-	-	-	-	-	-
Fund balances						
Non-spendable						
Prepaid items	-	-	-	-	1,568	-
Restricted	-	-	-	-	-	-
Committed	-	277,208	3,188	23,063	50,851	282,677
Total fund balances	<u>-</u>	<u>277,208</u>	<u>3,188</u>	<u>23,063</u>	<u>52,419</u>	<u>282,677</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 325,619</u>	<u>\$ 3,188</u>	<u>\$ 23,063</u>	<u>\$ 142,704</u>	<u>\$ 282,677</u>

City of Fenton
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue		Capital Projects Funds			
	Funds					
	Public Communications	Municipal Building	Fire Equipment	Police Equipment	Fire Ladder Truck	C.I.P
Assets						
Cash and cash equivalents	\$ 17,211	\$ 75,000	\$ 487,508	\$ 112,169	\$ 713,766	\$ 221,250
Receivables						
Accounts	1,800	-	-	63,000	-	-
Special assessments	-	-	-	-	-	-
Due from other units of government	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 19,011</u>	<u>\$ 75,000</u>	<u>\$ 487,508</u>	<u>\$ 175,169</u>	<u>\$ 713,766</u>	<u>\$ 221,250</u>
Liabilities						
Accounts payable	2,320	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Payroll and other liabilities	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>2,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources						
Unavailable revenue - receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances						
Non-spendable						
Prepaid items	-	-	-	-	-	-
Restricted	16,691	75,000	-	-	-	-
Committed	<u>-</u>	<u>-</u>	<u>487,508</u>	<u>175,169</u>	<u>713,766</u>	<u>221,250</u>
Total fund balances	<u>16,691</u>	<u>75,000</u>	<u>487,508</u>	<u>175,169</u>	<u>713,766</u>	<u>221,250</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,011</u>	<u>\$ 75,000</u>	<u>\$ 487,508</u>	<u>\$ 175,169</u>	<u>\$ 713,766</u>	<u>\$ 221,250</u>

City of Fenton
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Capital Projects Funds		Debt Service Fund		Total
	Technology and Improvements	Working Capital	Eagles on Water SA Capital	Eagles on Water SA Debt	
Assets					
Cash and cash equivalents	\$ 75,184	\$ 297,232	\$ 57,532	\$ 84,488	\$ 3,368,149
Receivables					
Accounts	-	-	-	-	315,426
Special assessments	-	8	-	33,278	33,286
Due from other units of government	-	-	-	-	188,581
Due from other funds	-	-	200	-	200
Prepaid items	-	-	-	-	2,201
Total assets	<u>\$ 75,184</u>	<u>\$ 297,240</u>	<u>\$ 57,732</u>	<u>\$ 117,766</u>	<u>\$ 3,907,843</u>
Liabilities					
Accounts payable	-	-	3,815	-	153,097
Due to other funds	-	-	-	200	162,160
Payroll and other liabilities	-	-	-	-	13,246
Unearned revenue	-	-	-	-	24,050
Total liabilities	<u>-</u>	<u>-</u>	<u>3,815</u>	<u>200</u>	<u>352,553</u>
Deferred inflows of resources					
Unavailable revenue - receivables	-	8	-	39,093	39,307
Fund balances					
Non-spendable					
Prepaid items	-	-	-	-	2,201
Restricted	-	-	-	78,473	582,846
Committed	75,184	297,232	53,917	-	2,930,936
Total fund balances	<u>75,184</u>	<u>297,232</u>	<u>53,917</u>	<u>78,473</u>	<u>3,515,983</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 75,184</u>	<u>\$ 297,240</u>	<u>\$ 57,732</u>	<u>\$ 117,766</u>	<u>\$ 3,907,843</u>

City of Fenton
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds				
	Major Street	Parks & Recreation	Cemetery	CDBG	Opioid Settlement
Revenues					
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	1,287,266	-	-	3,127	-
Local contributions	-	100,000	-	-	-
Charges for services	-	37,517	62,372	-	-
Rental income	-	7,480	-	-	-
Investment income	11,864	3,955	15,819	-	-
Other revenue	-	64,915	-	-	38,208
Total revenues	<u>1,299,130</u>	<u>213,867</u>	<u>78,191</u>	<u>3,127</u>	<u>38,208</u>
Expenditures					
Current					
General government	-	-	87,844	-	-
Public safety	-	-	-	-	-
Public works	785,257	-	-	-	-
Health and welfare	-	-	-	3,127	-
Recreation and culture	-	203,692	-	-	-
Other functions	-	-	-	-	-
Capital outlay	449,559	529,163	22,933	-	-
Debt service					
Interest and fiscal charges	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>1,234,816</u>	<u>732,855</u>	<u>110,777</u>	<u>3,127</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>64,314</u>	<u>(518,988)</u>	<u>(32,586)</u>	<u>-</u>	<u>38,208</u>
Other financing sources (uses)					
Transfers in	-	240,000	33,315	-	-
Transfers out	(130,000)	-	(3,315)	-	-
Total other financing sources and uses	<u>(130,000)</u>	<u>240,000</u>	<u>30,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(65,686)	(278,988)	(2,586)	-	38,208
Fund balances - beginning	<u>395,033</u>	<u>294,918</u>	<u>257,212</u>	<u>-</u>	<u>45,127</u>
Fund balances - end of year	<u>\$ 329,347</u>	<u>\$ 15,930</u>	<u>\$ 254,626</u>	<u>\$ -</u>	<u>\$ 83,335</u>

City of Fenton
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds					
	Formerly Major Fund American Rescue Plan Act	Garbage Collection	Narcotics Enforcement	D.A.R.E	Emergency 911	Non-motorized Trail
Revenues						
Federal grants	\$ 998,327	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-	132,000
Local contributions	-	-	-	-	-	-
Charges for services	-	580,423	-	-	254,588	-
Rental income	-	-	-	-	-	-
Investment income	-	-	-	-	223	15,820
Other revenue	-	-	-	-	-	52,500
Total revenues	<u>998,327</u>	<u>580,423</u>	<u>-</u>	<u>-</u>	<u>254,811</u>	<u>200,320</u>
Expenditures						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	466,991	-
Public works	-	549,999	-	-	-	-
Health and welfare	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	233,752
Other functions	-	-	-	-	341	-
Capital outlay	-	-	-	-	-	-
Debt service						
Interest and fiscal charges	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>549,999</u>	<u>-</u>	<u>-</u>	<u>467,332</u>	<u>233,752</u>
Excess (deficiency) of revenues over expenditures	<u>998,327</u>	<u>30,424</u>	<u>-</u>	<u>-</u>	<u>(212,521)</u>	<u>(33,432)</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	260,000	-
Transfers out	<u>(998,327)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>(998,327)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,000</u>	<u>-</u>
Net change in fund balances	-	30,424	-	-	47,479	(33,432)
Fund balances - beginning, as adjusted	<u>-</u>	<u>246,784</u>	<u>3,188</u>	<u>23,063</u>	<u>4,940</u>	<u>316,109</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 277,208</u>	<u>\$ 3,188</u>	<u>\$ 23,063</u>	<u>\$ 52,419</u>	<u>\$ 282,677</u>

City of Fenton
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue		Capital Projects Funds			
	Funds					
	Public Communications	Municipal Building	Fire Equipment	Police Equipment	Fire Ladder Truck	C.I.P
Revenues						
Federal grants	\$ -	\$ -	\$ -	\$ 63,000	\$ -	\$ -
State grants	-	-	-	-	-	-
Local contributions	21,489	-	-	-	100,000	-
Charges for services	-	-	-	-	-	-
Rental income	-	-	-	-	-	-
Investment income	968	-	-	-	-	11,864
Other revenue	-	-	-	-	-	-
Total revenues	<u>22,457</u>	<u>-</u>	<u>-</u>	<u>63,000</u>	<u>100,000</u>	<u>11,864</u>
Expenditures						
Current						
General government	-	-	-	-	-	-
Public safety	25,000	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-
Other functions	2,648	-	-	-	-	-
Capital outlay	-	-	60,404	72,900	-	-
Debt service						
Interest and fiscal charges	-	-	21,770	-	-	-
Bond issuance costs	-	-	2,133	-	-	-
Total expenditures	<u>27,648</u>	<u>-</u>	<u>84,307</u>	<u>72,900</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(5,191)</u>	<u>-</u>	<u>(84,307)</u>	<u>(9,900)</u>	<u>100,000</u>	<u>11,864</u>
Other financing sources (uses)						
Transfers in	7,000	75,000	150,000	10,000	-	-
Transfers out	-	-	-	-	-	(100,000)
Total other financing sources and uses	<u>7,000</u>	<u>75,000</u>	<u>150,000</u>	<u>10,000</u>	<u>-</u>	<u>(100,000)</u>
Net change in fund balances	1,809	75,000	65,693	100	100,000	(88,136)
Fund balances - beginning, as adjusted	<u>14,882</u>	<u>-</u>	<u>421,815</u>	<u>175,069</u>	<u>613,766</u>	<u>309,386</u>
Fund balances - end of year	<u>\$ 16,691</u>	<u>\$ 75,000</u>	<u>\$ 487,508</u>	<u>\$ 175,169</u>	<u>\$ 713,766</u>	<u>\$ 221,250</u>

City of Fenton
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	<u>Capitol Projects Funds</u>			<u>Debt Service Fund</u>		Total
	Technology and Improvements	Working Capital	Eagles on Water SA Capital	Eagles on Water SA Debt		
Revenues						
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	1,061,327
State grants	-	-	-	-	-	1,422,393
Local contributions	-	-	-	-	-	221,489
Charges for services	-	-	-	-	-	934,900
Rental income	-	-	-	-	-	7,480
Investment income	3,955	15,820	-	316	-	80,604
Other revenue	-	2,308	-	38,528	-	196,459
Total revenues	<u>3,955</u>	<u>18,128</u>	<u>-</u>	<u>38,844</u>	<u>-</u>	<u>3,924,652</u>
Expenditures						
Current						
General government	-	-	-	-	-	87,844
Public safety	-	-	-	-	-	491,991
Public works	-	-	-	-	-	1,335,256
Health and welfare	-	-	-	-	-	3,127
Recreation and culture	-	-	-	-	-	437,444
Other functions	-	-	-	-	-	2,989
Capital outlay	4,726	-	-	-	-	1,139,685
Debt service						
Interest and fiscal charges	-	-	-	55,000	-	76,770
Bond issuance costs	-	-	-	5,445	-	7,578
Total expenditures	<u>4,726</u>	<u>-</u>	<u>-</u>	<u>60,445</u>	<u>-</u>	<u>3,582,684</u>
Excess (deficiency) of revenues over expenditures	<u>(771)</u>	<u>18,128</u>	<u>-</u>	<u>(21,601)</u>	<u>-</u>	<u>341,968</u>
Other financing sources (uses)						
Transfers in	10,000	75,000	-	-	-	860,315
Transfers out	-	-	-	-	-	(1,231,642)
Total other financing sources and uses	<u>10,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(371,327)</u>
Net change in fund balances	9,229	93,128	-	(21,601)	-	(29,359)
Fund balances - beginning, as adjusted	<u>65,955</u>	<u>204,104</u>	<u>53,917</u>	<u>100,074</u>	<u>-</u>	<u>3,545,342</u>
Fund balances - end of year	<u>\$ 75,184</u>	<u>\$ 297,232</u>	<u>\$ 53,917</u>	<u>\$ 78,473</u>	<u>\$ -</u>	<u>\$ 3,515,983</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Major Street Fund	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
State grants	\$ 1,260,020	\$ 1,261,048	\$ 1,287,266	\$ 26,218
Investment income	1,750	2,500	11,864	9,364
Total revenues	<u>1,261,770</u>	<u>1,263,548</u>	<u>1,299,130</u>	<u>35,582</u>
Expenditures				
Current				
Public works	817,892	735,426	785,257	49,831
Capital outlay	370,000	590,365	449,559	(140,806)
Total expenditures	<u>1,187,892</u>	<u>1,325,791</u>	<u>1,234,816</u>	<u>(90,975)</u>
Excess of revenues (deficiency) over expenditures	73,878	(62,243)	64,314	126,557
Other financing sources (uses)				
Transfers out	<u>(50,000)</u>	<u>(130,000)</u>	<u>(130,000)</u>	<u>-</u>
Net change in fund balance	23,878	(192,243)	(65,686)	126,557
Fund balance - beginning of year	<u>395,033</u>	<u>395,033</u>	<u>395,033</u>	<u>-</u>
Fund balance - end of year	<u>\$ 418,911</u>	<u>\$ 202,790</u>	<u>\$ 329,347</u>	<u>\$ 126,557</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Parks and Recreation Fund	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Local contributions	\$ 330,000	\$ 100,000	\$ 100,000	\$ -
Charges for services	38,000	38,000	37,517	(483)
Rental income	8,000	7,500	7,480	(20)
Investment income	1,000	2,500	3,955	1,455
Other revenue	113,500	90,850	64,915	(25,935)
Total revenues	490,500	238,850	213,867	(24,983)
Expenditures				
Current				
Recreation and culture	203,904	196,705	203,692	6,987
Capital outlay	690,000	460,000	529,163	69,163
Total expenditures	893,904	656,705	732,855	76,150
Excess of revenues (deficiency) over expenditures	(403,404)	(417,855)	(518,988)	(101,133)
Other financing sources (uses)				
Transfers in	140,000	240,000	240,000	-
Net change in fund balance	(263,404)	(177,855)	(278,988)	(101,133)
Fund balance - beginning of year	294,918	294,918	294,918	-
Fund balance - end of year	\$ 31,514	\$ 117,063	\$ 15,930	\$ (101,133)

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Cemetery Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Charges for services	\$ 38,850	\$ 53,100	\$ 62,372	\$ 9,272
Investment income	750	750	15,819	15,069
Total revenues	39,600	53,850	78,191	24,341
Expenditures				
Current				
General government	103,605	108,661	87,844	(20,817)
Capital outlay	10,000	20,000	22,933	2,933
Total expenditures	113,605	128,661	110,777	(17,884)
Excess of revenues (deficiency) over expenditures	(74,005)	(74,811)	(32,586)	42,225
Other financing sources (uses)				
Transfers in	33,000	33,000	33,315	315
Transfers out	(3,000)	(3,000)	(3,315)	(315)
Total other financing sources (uses)	30,000	30,000	30,000	-
Net change in fund balance	(44,005)	(44,811)	(2,586)	42,225
Fund balance - beginning of year	257,212	257,212	257,212	-
Fund balance - end of year	\$ 213,207	\$ 212,401	\$ 254,626	\$ 42,225

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

CDBG Fund	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
State grants	\$ 81,542	\$ 81,542	\$ 3,127	\$ (78,415)
Expenditures				
Current				
Health and welfare	81,542	81,542	3,127	(78,415)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Opioid Settlement Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Revenues				
Other revenue	\$ -	\$ (7,000)	\$ 38,208	\$ 45,208
Expenditures	-	-	-	-
Net change in fund balance	-	(7,000)	38,208	45,208
Fund balance - beginning of year	45,127	45,127	45,127	-
Fund balance - end of year	<u>\$ 45,127</u>	<u>\$ 38,127</u>	<u>\$ 83,335</u>	<u>\$ 45,208</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

American Rescue Plan Act	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal grants	\$ -	\$ 998,327	\$ 998,327	\$ -
Other financing sources (uses)				
Transfers out	(998,327)	(998,327)	(998,327)	-
Net change in fund balance	(998,327)	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ (998,327)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Garbage Collection Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Charges for services	\$ 566,200	\$ 566,200	\$ 580,423	\$ 14,223
Expenditures				
Current				
Public works	559,600	560,175	549,999	(10,176)
Net change in fund balance	6,600	6,025	30,424	24,399
Fund balance - beginning of year	246,784	246,784	246,784	-
Fund balance - end of year	\$ 253,384	\$ 252,809	\$ 277,208	\$ 24,399

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Narcotics Enforcement Fund	<u>Budgeted Amounts</u>			Actual Over (Under) Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
Public safety	500	500	-	(500)
Net change in fund balance	(500)	(500)	-	500
Fund balance - beginning of year	3,188	3,188	3,188	-
Fund balance - end of year	<u>\$ 2,688</u>	<u>\$ 2,688</u>	<u>\$ 3,188</u>	<u>\$ 500</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

D.A.R.E. Fund	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current				
Public safety	3,500	3,500	-	(3,500)
Net change in fund balance	(3,500)	(3,500)	-	3,500
Fund balance - beginning of year	23,063	23,063	23,063	-
Fund balance - end of year	<u>\$ 19,563</u>	<u>\$ 19,563</u>	<u>\$ 23,063</u>	<u>\$ 3,500</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Emergency 911 Fund

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Charges for services	\$ 264,800	\$ 247,140	\$ 254,588	\$ 7,448
Investment income	-	-	223	223
Total revenues	<u>264,800</u>	<u>247,140</u>	<u>254,811</u>	<u>7,671</u>
Expenditures				
Current				
Public safety	439,350	501,500	466,991	(34,509)
Other functions	200	200	341	141
Total expenditures	<u>439,550</u>	<u>501,700</u>	<u>467,332</u>	<u>(34,368)</u>
Excess of revenues (deficiency) over expenditures	(174,750)	(254,560)	(212,521)	42,039
Other financing sources (uses)				
Transfers in	<u>180,000</u>	<u>260,000</u>	<u>260,000</u>	-
Net change in fund balance	5,250	5,440	47,479	42,039
Fund balance - beginning of year	<u>4,940</u>	<u>4,940</u>	<u>4,940</u>	-
Fund balance - end of year	<u>\$ 10,190</u>	<u>\$ 10,380</u>	<u>\$ 52,419</u>	<u>\$ 42,039</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Non-motorized Trail Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
State grants	\$ -	\$ 132,000	\$ 132,000	\$ -
Investment income	-	-	15,820	15,820
Other revenue	75,000	42,500	52,500	10,000
Total revenues	<u>75,000</u>	<u>174,500</u>	<u>200,320</u>	<u>25,820</u>
Expenditures				
Current				
Recreation and culture	<u>50,000</u>	<u>270,000</u>	<u>233,752</u>	<u>(36,248)</u>
Net change in fund balance	25,000	(95,500)	(33,432)	62,068
Fund balance - beginning of year	<u>316,109</u>	<u>316,109</u>	<u>316,109</u>	<u>-</u>
Fund balance - end of year	<u>\$ 341,109</u>	<u>\$ 220,609</u>	<u>\$ 282,677</u>	<u>\$ 62,068</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

Public Communications Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Local contributions	\$ 21,355	\$ 21,355	\$ 21,489	\$ 134
Investment income	-	-	968	968
Total revenues	21,355	21,355	22,457	1,102
Expenditures				
Current				
Public safety	25,000	25,000	25,000	-
Other functions	2,700	2,700	2,648	(52)
Total expenditures	27,700	27,700	27,648	(52)
Excess of revenues (deficiency) over expenditures	(6,345)	(6,345)	(5,191)	1,154
Other financing sources (uses)				
Transfers in	7,000	7,000	7,000	-
Net change in fund balance	655	655	1,809	1,154
Fund balance - beginning of year	14,882	14,882	14,882	-
Fund balance - end of year	\$ 15,537	\$ 15,537	\$ 16,691	\$ 1,154

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Municipal Building Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	75,000	75,000	75,000	-
Net change in fund balance	75,000	75,000	75,000	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Fire Equipment Fund	<u>Budgeted Amounts</u>		<u>Actual</u>	Actual Over (Under)
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues				
Investment income	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Expenditures				
Capital outlay	50,000	70,000	60,404	(9,596)
Debt service				
Principal retirement	43,287	21,770	21,770	-
Interest and fiscal charges	4,518	2,133	2,133	-
Total expenditures	<u>97,805</u>	<u>93,903</u>	<u>84,307</u>	<u>(9,596)</u>
Excess of revenues (deficiency) over expenditures	(96,805)	(92,903)	(84,307)	8,596
Other financing sources (uses)				
Transfers in	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	-
Net change in fund balance	53,195	57,097	65,693	8,596
Fund balance - beginning of year	<u>421,815</u>	<u>421,815</u>	<u>421,815</u>	-
Fund balance - end of year	<u>\$ 475,010</u>	<u>\$ 478,912</u>	<u>\$ 487,508</u>	<u>\$ 8,596</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Police Equipment Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Federal grants	\$ 63,000	\$ 63,000	\$ 63,000	\$ -
Investment income	250	250	-	(250)
Total revenues	63,250	63,250	63,000	(250)
Expenditures				
Capital outlay	82,500	82,500	72,900	(9,600)
Excess of revenues (deficiency) over expenditures	(19,250)	(19,250)	(9,900)	9,350
Other financing sources (uses)				
Transfers in	10,000	10,000	10,000	-
Net change in fund balance	(9,250)	(9,250)	100	9,350
Fund balance - beginning of year	175,069	175,069	175,069	-
Fund balance - end of year	\$ 165,819	\$ 165,819	\$ 175,169	\$ 9,350

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Fire Ladder Truck Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final
				Budget
Revenues				
Local contributions	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	<u>1,300</u>	<u>1,300</u>	<u>-</u>	<u>(1,300)</u>
Total revenues	<u>101,300</u>	<u>101,300</u>	<u>100,000</u>	<u>(1,300)</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	101,300	101,300	100,000	(1,300)
Fund balance - beginning of year	<u>613,766</u>	<u>613,766</u>	<u>613,766</u>	<u>-</u>
Fund balance - end of year	<u>\$ 715,066</u>	<u>\$ 715,066</u>	<u>\$ 713,766</u>	<u>\$ (1,300)</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

C.I.P. Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ -	\$ -	\$ 11,864	\$ 11,864
Expenditures	-	-	-	-
Excess of revenues (deficiency) over expenditures	-	-	11,864	11,864
Other financing sources (uses)				
Transfers out	-	(100,000)	(100,000)	-
Net change in fund balance	-	(100,000)	(88,136)	11,864
Fund balance - beginning of year	309,386	309,386	309,386	-
Fund balance - end of year	<u>\$ 309,386</u>	<u>\$ 209,386</u>	<u>\$ 221,250</u>	<u>\$ 11,864</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Technology and Improvements	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ -	\$ -	\$ 3,955	\$ 3,955
Expenditures				
Capital outlay	100,000	10,000	4,726	(5,274)
Excess of revenues (deficiency) over expenditures	(100,000)	(10,000)	(771)	9,229
Other financing sources (uses)				
Transfers in	95,000	10,000	10,000	-
Net change in fund balance	(5,000)	-	9,229	9,229
Fund balance - beginning of year	65,955	65,955	65,955	-
Fund balance - end of year	<u>\$ 60,955</u>	<u>\$ 65,955</u>	<u>\$ 75,184</u>	<u>\$ 9,229</u>

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Working Capital Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
Revenues				
Investment income	\$ -	\$ -	\$ 15,820	\$ 15,820
Other revenue	3,075	2,310	2,308	(2)
Total revenues	3,075	2,310	18,128	15,818
Expenditures				
Current				
Community and economic development	3,075	2,310	-	(2,310)
Excess of revenues (deficiency) over expenditures	-	-	18,128	18,128
Other financing sources (uses)				
Transfers in	75,000	75,000	75,000	-
Net change in fund balance	75,000	75,000	93,128	18,128
Fund balance - beginning of year	204,104	204,104	204,104	-
Fund balance - end of year	\$ 279,104	\$ 279,104	\$ 297,232	\$ 18,128

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2024

Eagles on Water SA Capital Fund	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final	Actual	Final Budget
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	53,917	53,917	53,917	-
Fund balance - end of year	\$ 53,917	\$ 53,917	\$ 53,917	\$ -

City of Fenton
Other Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Debt Service Funds
For the Year Ended June 30, 2024

Eagles on Water SA Debt Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
Revenues				
Investment income	\$ -	\$ -	\$ 316	\$ 316
Other revenue	38,405	38,405	38,528	123
Total revenues	38,405	38,405	38,844	439
Expenditures				
Debt service				
Principal retirement	55,000	55,000	55,000	-
Interest and fiscal charges	5,446	5,446	5,445	(1)
Total expenditures	60,446	60,446	60,445	(1)
Net change in fund balance	(22,041)	(22,041)	(21,601)	440
Fund balance - beginning of year	100,074	100,074	100,074	-
Fund balance - end of year	\$ 78,033	\$ 78,033	\$ 78,473	\$ 440

City of Fenton
Internal Service Funds
Fund Descriptions

Equipment Fund - To account for the costs of operating and maintaining certain automotive and street maintenance equipment used by various City departments. Such costs are billed to the other departments based on rental rates established by the State of Michigan Department of Highways and Transportation. Actual costs include depreciation on the machinery and equipment used to provide the service. The majority of the machinery and equipment maintained in this fund was purchased by other City departments. Replacement of the assets will be financed by Equipment Fund resources and continued contributions from other funds.

Sick Pay Fund - To account for the financing of accumulated sick pay earned by City employees. City funds contribute resources equal to the amounts earned by the employees during the current period.

City of Fenton
Other Supplementary Information
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	DPW Equipment Revolving	Sick Pay	Total
Assets			
Current assets			
Cash and cash equivalents	\$ -	\$ 213,321	\$ 213,321
Due from other funds	<u>8,766</u>	<u>-</u>	<u>8,766</u>
Total current assets	8,766	213,321	222,087
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>1,153,567</u>	<u>-</u>	<u>1,153,567</u>
Total assets	<u>1,162,333</u>	<u>213,321</u>	<u>1,375,654</u>
Liabilities			
Current liabilities			
Accounts payable	28,678	-	28,678
Due to other funds	110,064	-	110,064
Payroll and other liabilities	1,286	-	1,286
Current portion of compensated absences	-	49,216	49,216
Current portion of installment purchase agreement	<u>79,863</u>	<u>-</u>	<u>79,863</u>
Total current liabilities	<u>219,891</u>	<u>49,216</u>	<u>269,107</u>
Noncurrent liabilities			
Noncurrent portion of compensated absences	-	228,821	228,821
Noncurrent portion of installment purchase agreement	<u>322,075</u>	<u>-</u>	<u>322,075</u>
Total noncurrent liabilities	<u>322,075</u>	<u>228,821</u>	<u>550,896</u>
Total liabilities	<u>541,966</u>	<u>278,037</u>	<u>820,003</u>
Net position			
Net investment in capital assets	751,629	-	751,629
Unrestricted (deficit)	<u>(131,262)</u>	<u>(64,716)</u>	<u>(195,978)</u>
Total net position (deficit)	<u>\$ 620,367</u>	<u>\$ (64,716)</u>	<u>\$ 555,651</u>

City of Fenton
Other Supplementary Information
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	DPW Equipment Revolving	Sick Pay	Total
Operating revenue			
Billings to other funds	\$ 499,903	\$ -	\$ 499,903
Other revenue	68,108	103,019	171,127
Total operating revenue	<u>568,011</u>	<u>103,019</u>	<u>671,030</u>
Operating expenses			
Personnel services	79,311	-	79,311
Supplies	237,477	-	237,477
Utilities	38,211	-	38,211
Repairs and maintenance	122,350	-	122,350
Other expenses	25,123	84,978	110,101
Depreciation	189,970	-	189,970
Total operating expenses	<u>692,442</u>	<u>84,978</u>	<u>777,420</u>
Operating income (loss)	<u>(124,431)</u>	<u>18,041</u>	<u>(106,390)</u>
Nonoperating revenue (expenses)			
Investment income	79,094	-	79,094
Gain on sale of capital assets	15,400	-	15,400
Interest expense	(10,344)	-	(10,344)
Total nonoperating revenues (expenses)	<u>84,150</u>	<u>-</u>	<u>84,150</u>
Change in net position	(40,281)	18,041	(22,240)
Net position (deficit) - beginning of year	<u>660,648</u>	<u>(82,757)</u>	<u>577,891</u>
Net position (deficit) - end of year	<u>\$ 620,367</u>	<u>\$ (64,716)</u>	<u>\$ 555,651</u>

City of Fenton
Other Supplementary Information
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	DPW Equipment Revolving	Sick Pay	Total
Cash flows from operating activities			
Receipts from interfund users	\$ 569,029	\$ 103,019	\$ 672,048
Receipts from other funds	97,718	-	97,718
Payments to suppliers	(396,213)	(84,978)	(481,191)
Payments (to) from employees	<u>(79,311)</u>	<u>31,959</u>	<u>(47,352)</u>
Net cash provided (used) by operating activities	<u>191,223</u>	<u>50,000</u>	<u>241,223</u>
Cash flows from capital and related financing activities			
Purchases/construction of capital assets	(361,487)	-	(361,487)
Principal and interest paid on long-term debt	(70,331)	-	(70,331)
Proceeds from sale of capital assets	<u>15,400</u>	<u>-</u>	<u>15,400</u>
Net cash provided (used) by capital and related financing activities	<u>(416,418)</u>	<u>-</u>	<u>(416,418)</u>
Cash flows from investing activities			
Interest received	<u>79,094</u>	<u>-</u>	<u>79,094</u>
Net change in cash and cash equivalents	(146,101)	50,000	(96,101)
Cash and cash equivalents - beginning of year	<u>146,101</u>	<u>163,321</u>	<u>309,422</u>
Cash and cash equivalents - end of year	<u>\$ -</u>	<u>\$ 213,321</u>	<u>\$ 213,321</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (124,431)	\$ 18,041	\$ (106,390)
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation and amortization expense	189,970	-	189,970
Changes in assets and liabilities			
Due from other funds	1,018	-	1,018
Prepaid items	17,402	-	17,402
Accounts payable	10,167	-	10,167
Accrued and other liabilities	(621)	-	(621)
Due to other funds	97,718	-	97,718
Compensated absences	<u>-</u>	<u>31,959</u>	<u>31,959</u>
Net cash provided (used) by operating activities	<u>\$ 191,223</u>	<u>\$ 50,000</u>	<u>\$ 241,223</u>

City of Fenton
Fiduciary Funds
Fund Descriptions

Tax Collection Fund - To account for the collection and payment to the county and school districts for property taxes collected by the City on their behalf.

Employees Union Fund - To account for amounts withheld from City employee payroll related to union dues and related payments.

Community Center - To account for amounts held for the benefit of the Fenton Community Center.

City of Fenton
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2024

	Custodial Funds			Total
	Tax Collection	Employees Union	Fenton Community Center	
Assets				
Cash and cash equivalents	<u>\$ 39,433</u>	<u>\$ 12,570</u>	<u>\$ 112,321</u>	<u>\$ 164,324</u>
Liabilities				
Due to other units of government	39,433	-	-	39,433
Due to union groups	<u>-</u>	<u>12,570</u>	<u>-</u>	<u>12,570</u>
Total liabilities	<u>39,433</u>	<u>12,570</u>	<u>-</u>	<u>52,003</u>
Net position				
Restricted for fiduciary activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,321</u>	<u>\$ 112,321</u>

City of Fenton
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	Custodial Funds			Total
	Tax Collection	Employees Union	Fenton Community Center	
Additions				
Contributions				
Other governments	\$ -	\$ -	\$ 45,050	\$ 45,050
Property tax collections for other governments	28,762,838	-	-	28,762,838
Miscellaneous	-	-	10,000	10,000
Total additions	<u>28,762,838</u>	<u>-</u>	<u>55,050</u>	<u>28,817,888</u>
Deductions				
Payments of property tax to other governments	<u>28,762,838</u>	<u>-</u>	<u>-</u>	<u>28,762,838</u>
Change in net position	-	-	55,050	55,050
Net position - beginning of year	<u>-</u>	<u>-</u>	<u>57,271</u>	<u>57,271</u>
Net position - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,321</u>	<u>\$ 112,321</u>

City of Fenton
Component Unit Funds
Combining Balance Sheet - Downtown Development Authority
June 30, 2024

	Special Revenue Fund	Capital Projects Fund	2013 Bond Construction Fund	Total
Assets				
Cash	\$ 2,439,056	\$ 934,242	\$ 94,609	\$ 3,467,907
Accrued interest and other	5,729	16,938	-	22,667
Prepaid items	-	21,058	-	21,058
Total assets	<u>\$ 2,444,785</u>	<u>\$ 972,238</u>	<u>\$ 94,609</u>	<u>\$ 3,511,632</u>
Liabilities				
Accounts payable	\$ -	\$ 92,140	\$ -	\$ 92,140
Accrued and other liabilities	-	8,688	-	8,688
Due to other units of government	-	59,756	-	59,756
Total liabilities	<u>-</u>	<u>160,584</u>	<u>-</u>	<u>160,584</u>
Fund Balances				
Non-spendable				
Prepaid items	-	21,058	-	21,058
Assigned	<u>2,444,785</u>	<u>790,596</u>	<u>94,609</u>	<u>3,329,990</u>
Total fund balances	<u>2,444,785</u>	<u>811,654</u>	<u>94,609</u>	<u>3,351,048</u>
Total liabilities and fund balances	<u>\$ 2,444,785</u>	<u>\$ 972,238</u>	<u>\$ 94,609</u>	<u>\$ 3,511,632</u>

City of Fenton
Component Unit Funds
Reconciliation of the Combining Balance Sheet to the Statement
of Net Position - Downtown Development Authority
June 30, 2024

Total fund balances - component unit	\$ 3,351,048
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	1,585,382
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(22,252)
Long-term liabilities applicable to component unit activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Long-term liabilities at year-end consist of:	
Bonds payable and related items	<u>(2,620,195)</u>
Net position of governmental activities	<u>\$ 2,293,983</u>

City of Fenton
Component Unit Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Downtown Development Authority
For the Year Ended June 30, 2024

	Special Revenue Fund	Capital Projects Fund	2013 Bond Construction Fund	Total
Revenues				
Taxes	\$ 2,493,994	\$ -	\$ -	\$ 2,493,994
Interest income	22,926	55,212	-	78,138
Donations	-	175,721	-	175,721
Total revenues	<u>2,516,920</u>	<u>230,933</u>	<u>-</u>	<u>2,747,853</u>
Expenditures				
Current				
Community and economic development	-	1,322,433	-	1,322,433
Capital outlay	-	259,733	-	259,733
Debt service				
Principal retirement	325,000	-	-	325,000
Interest and fiscal charges	90,986	-	-	90,986
Total expenditures	<u>415,986</u>	<u>1,582,166</u>	<u>-</u>	<u>1,998,152</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,100,934</u>	<u>(1,351,233)</u>	<u>-</u>	<u>749,701</u>
Other financing sources (uses)				
Transfers in	-	1,450,000	-	1,450,000
Transfers out	(1,450,000)	-	-	(1,450,000)
Total other financing sources (uses)	<u>(1,450,000)</u>	<u>1,450,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	650,934	98,767	-	749,701
Fund balances - beginning of year	<u>1,793,851</u>	<u>712,887</u>	<u>94,609</u>	<u>2,601,347</u>
Fund balances - end of year	<u>\$ 2,444,785</u>	<u>\$ 811,654</u>	<u>\$ 94,609</u>	<u>\$ 3,351,048</u>

City of Fenton
Component Unit Funds
Reconciliation of the Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances of the Governmental Funds to the Statement of Activities -
Downtown Development Authority
For the Year Ended June 30, 2024

Net change in fund balances - component unit	\$ 749,701
Total change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.	
Sale of capital assets (net book value)	490,453
Expenses are recorded when incurred in the statement of activities.	
Accrued interest	2,193
Bond proceeds are reported as financing sources in the component unit funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the component unit funds but reduces the liability in the statement of net position.	
Repayments of long-term debt	325,000
Amortization of premium	<u>4,262</u>
Change in net position of governmental activities	<u>\$ 1,571,609</u>

City of Fenton
Component Unit Funds
Combining Balance Sheet - Local Development Finance Authority
June 30, 2024

	Special Revenue Fund	Capital Projects Fund	Total
Assets			
Cash	\$ 558,430	\$ 1,860,383	\$ 2,418,813
Accrued interest and other	-	11,652	11,652
Prepaid items	-	1,208	1,208
Total assets	<u>\$ 558,430</u>	<u>\$ 1,873,243</u>	<u>\$ 2,431,673</u>
Liabilities			
Accounts payable	\$ -	\$ 1,406	\$ 1,406
Accrued and other liabilities	-	730	730
Due to other units of government	-	7,153	7,153
Total liabilities	<u>-</u>	<u>9,289</u>	<u>9,289</u>
Fund Balances			
Non-spendable			
Prepaid items	-	1,208	1,208
Assigned	<u>558,430</u>	<u>1,862,746</u>	<u>2,421,176</u>
Total fund balances	<u>558,430</u>	<u>1,863,954</u>	<u>2,422,384</u>
Total liabilities and fund balances	<u>\$ 558,430</u>	<u>\$ 1,873,243</u>	<u>\$ 2,431,673</u>

City of Fenton
Component Unit Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Local Development Finance Authority
For the Year Ended June 30, 2024

	Special Revenue Fund	Capital Projects Fund	Total
Revenues			
Taxes	\$ 440,613	\$ -	\$ 440,613
Interest income	187	92,567	92,754
Total revenues	<u>440,800</u>	<u>92,567</u>	<u>533,367</u>
Expenditures			
Current			
Community and economic development	-	106,306	106,306
Excess (deficiency) of revenues over (under) expenditures	<u>440,800</u>	<u>(13,739)</u>	<u>427,061</u>
Other financing sources (uses)			
Transfers in	-	1,750,000	1,750,000
Transfers out	<u>(1,750,000)</u>	<u>-</u>	<u>(1,750,000)</u>
Total other financing sources (uses)	<u>(1,750,000)</u>	<u>1,750,000</u>	<u>-</u>
Net change in fund balances	(1,309,200)	1,736,261	427,061
Fund balances - beginning of year	<u>1,867,630</u>	<u>127,693</u>	<u>1,995,323</u>
Fund balances - end of year	<u>\$ 558,430</u>	<u>\$ 1,863,954</u>	<u>\$ 2,422,384</u>

City of Fenton
Component Unit Funds
Balance Sheet - Brownfield Redevelopment Authority
June 30, 2024

	<u>Special Revenue Fund</u>
Assets	
Cash and cash equivalents	\$ <u>224,977</u>
Fund Balances	
Committed	\$ <u>224,977</u>

City of Fenton
Component Unit Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Brownfield Redevelopment Authority
For the Year Ended June 30, 2024

	<u>Special Revenue Fund</u>
Revenues	
Taxes	\$ <u>153,909</u>
Expenditures	
Current	
Community and economic development	<u>148,716</u>
Net change in fund balances	5,193
Fund balances - beginning of year	<u>219,784</u>
Fund balances - end of year	<u>\$ 224,977</u>

City of Fenton Statistical Section

This part of the City's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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City of Fenton
Net Position by Component (Unaudited)
2015 - 2024

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 17,991,239	\$ 19,539,308	\$ 19,284,057	\$ 19,643,720	\$ 19,373,806
Restricted	466,969	646,525	22,058	12,697	147,939
Unrestricted	967,655	272,032	1,461,620	(1,470,045)	(1,313,524)
Total governmental activities net position	<u>\$ 19,425,863</u>	<u>\$ 20,457,865</u>	<u>\$ 20,767,735</u>	<u>\$ 18,186,372</u>	<u>\$ 18,208,221</u>
Business-type activities					
Net investment in capital assets	\$ 22,870,359	\$ 23,677,936	\$ 23,923,985	\$ 24,544,260	\$ 24,825,036
Restricted	718,141	497,023	497,524	498,022	511,144
Unrestricted	2,794,630	2,560,862	2,954,143	3,250,373	3,235,438
Total business-type activities net position	<u>\$ 26,383,130</u>	<u>\$ 26,735,821</u>	<u>\$ 27,375,652</u>	<u>\$ 28,292,655</u>	<u>\$ 28,571,618</u>
Primary government in total					
Net investment in capital assets	\$ 40,861,598	\$ 43,217,244	\$ 43,208,042	\$ 44,187,980	\$ 44,198,842
Restricted	1,185,110	1,143,548	519,582	510,719	659,083
Unrestricted	3,762,285	2,832,894	4,415,763	1,780,328	1,921,914
Total primary government net position	<u>\$ 45,808,993</u>	<u>\$ 47,193,686</u>	<u>\$ 48,143,387</u>	<u>\$ 46,479,027</u>	<u>\$ 46,779,839</u>

City of Fenton
Net Position by Component (Unaudited)
2015 - 2024

	2020	2021	2022	2023	2024
Governmental activities					
Net investment in capital assets	\$ 19,470,085	\$ 19,343,858	\$ 18,311,238	\$ 19,828,349	\$ 22,397,614
Restricted	524,574	692,464	1,325,068	7,350,622	1,613,865
Unrestricted	<u>(2,971,200)</u>	<u>(2,551,334)</u>	<u>(1,591,630)</u>	<u>(6,558,433)</u>	<u>(433,453)</u>
Total governmental activities net position	<u>\$ 17,023,459</u>	<u>\$ 17,484,988</u>	<u>\$ 18,044,676</u>	<u>\$ 20,620,538</u>	<u>\$ 23,578,026</u>
Business-type activities					
Net investment in capital assets	\$ 24,792,153	\$ 25,346,463	\$ 25,487,958	\$ 25,999,248	\$ 28,708,063
Restricted	519,555	520,557	8,073	8,077	8,080
Unrestricted	<u>2,897,496</u>	<u>2,245,128</u>	<u>2,720,887</u>	<u>2,770,216</u>	<u>2,195,685</u>
Total business-type activities net position	<u>\$ 28,209,204</u>	<u>\$ 28,112,148</u>	<u>\$ 28,216,918</u>	<u>\$ 28,777,541</u>	<u>\$ 30,911,828</u>
Primary government in total					
Net investment in capital assets	\$ 44,262,238	\$ 44,690,321	\$ 43,799,196	\$ 45,827,597	\$ 51,105,677
Restricted	1,044,129	1,213,021	1,333,141	7,358,699	1,621,945
Unrestricted	<u>(73,704)</u>	<u>(306,206)</u>	<u>1,129,257</u>	<u>(3,788,217)</u>	<u>1,762,232</u>
Total primary government net position	<u>\$ 45,232,663</u>	<u>\$ 45,597,136</u>	<u>\$ 46,261,594</u>	<u>\$ 49,398,079</u>	<u>\$ 54,489,854</u>

City of Fenton
Changes in Net Position (Unaudited)
2015 - 2024

	2015	2016	2017	2018	2019
Expenses					
Governmental activities					
General government	\$ 901,765	\$ 1,522,667	\$ 1,553,731	\$ 1,149,980	\$ 1,441,018
Public safety	3,435,808	3,806,701	3,816,834	3,543,104	4,140,400
Public works	1,674,754	2,662,804	2,530,687	2,694,296	2,802,480
Health and welfare	-	-	-	-	-
Community and economic development	80,389	136,692	48,530	58,557	39,533
Recreation and culture	197,997	242,489	333,480	192,464	480,990
Interest on long-term debt	2,685	42,771	18,463	18,109	17,617
Total governmental activities expenses	<u>6,293,398</u>	<u>8,414,124</u>	<u>8,301,725</u>	<u>7,656,510</u>	<u>8,922,038</u>
Business-type activities					
Water	2,798,558	2,814,340	2,818,907	2,854,236	2,779,415
Sewer	2,443,606	2,362,559	2,416,564	2,392,440	2,530,069
Total business-type expenses	<u>5,242,164</u>	<u>5,176,899</u>	<u>5,235,471</u>	<u>5,246,676</u>	<u>5,309,484</u>
Total primary government expenses	<u>11,535,562</u>	<u>13,591,023</u>	<u>13,537,196</u>	<u>12,903,186</u>	<u>14,231,522</u>
Program revenues					
Governmental activities					
Charges for services					
General government	276,839	283,420	401,846	374,911	365,351
Public safety	640,201	593,827	688,795	724,721	851,108
Public works	515,954	564,705	444,023	641,271	657,832
Community and economic development	-	-	-	-	-
Recreation and culture	33,609	48,837	39,641	44,124	37,275
Operating grants and contributions	1,027,860	915,938	1,097,117	1,412,528	1,745,084
Capital grants and contributions	2,300,171	2,291,884	57,875	78,873	53,287
Total governmental activities	<u>4,794,634</u>	<u>4,698,611</u>	<u>2,729,297</u>	<u>3,276,428</u>	<u>3,709,937</u>
Business-type activities					
Charges for services					
Water	2,682,329	2,699,712	2,829,006	2,962,146	2,853,820
Sewer	2,775,942	2,632,951	2,868,472	2,859,433	2,534,790
Operating grants and contributions					
Water	-	8,377	4,566	-	3,034,238
Capital grants and contributions					
Water	-	-	-	-	-
Sewer	-	-	-	100,000	-
Total business-type activities	<u>5,458,271</u>	<u>5,341,040</u>	<u>5,702,044</u>	<u>5,921,579</u>	<u>8,422,848</u>
Total primary government program revenues					
Net (expense) revenue					
Governmental activities	(1,498,764)	(3,715,513)	(5,572,428)	(4,380,082)	(5,212,101)
Business-type activities	216,107	164,141	466,573	674,903	3,113,364
Total primary government net expense	<u>(1,282,657)</u>	<u>(3,551,372)</u>	<u>(5,105,855)</u>	<u>(3,705,179)</u>	<u>(2,098,737)</u>
General revenues					
Governmental activities					
Property taxes - unrestricted	3,424,206	3,534,843	3,708,882	3,778,621	3,917,821
State-shared revenues - unrestricted	934,921	928,933	1,000,935	1,036,963	1,083,898
Investment earnings - unrestricted	865	21,275	7,310	23,632	67,559
Gain from sale of land	-	-	1,023,390	212,726	-
Miscellaneous	79,943	161,161	141,781	32,422	164,672
Transfers	-	-	-	-	-
Total governmental activities	<u>4,439,935</u>	<u>4,646,212</u>	<u>5,882,298</u>	<u>5,084,364</u>	<u>5,233,950</u>
Business-type activities					
General revenues					
Investment earnings	68,472	69,103	69,502	73,393	92,421
Miscellaneous	106,024	119,447	103,756	88,283	107,416
Transfers	-	-	-	-	-
Total business-type activities	<u>174,496</u>	<u>188,550</u>	<u>173,258</u>	<u>161,676</u>	<u>199,837</u>
Total primary government					
Change in net position					
Governmental activities	2,941,171	930,699	309,870	704,282	21,849
Business-type activities	390,603	352,691	639,831	836,579	3,313,201
Total primary government	<u>\$ 3,331,774</u>	<u>\$ 1,283,390</u>	<u>\$ 949,701</u>	<u>\$ 1,540,861</u>	<u>\$ 3,335,050</u>

City of Fenton
Changes in Net Position (Unaudited)
2015 - 2024

	2020	2021	2022	2023	2024
Expenses					
Governmental activities					
General government	\$ 1,813,863	\$ 1,884,896	\$ 1,448,878	\$ 1,583,897	\$ 1,430,880
Public safety	3,997,176	3,945,251	3,915,604	2,900,764	1,747,119
Public works	3,430,739	3,054,905	3,097,362	4,912,882	6,836,474
Health and welfare	-	-	-	-	3,184
Community and economic development	45,349	46,836	22,449	30,126	(11,245)
Recreation and culture	384,197	282,653	652,741	623,086	553,881
Interest on long-term debt	15,608	20,506	263,080	265,786	329,013
Total governmental activities expenses	<u>9,686,932</u>	<u>9,235,047</u>	<u>9,400,114</u>	<u>10,316,541</u>	<u>10,889,306</u>
Business-type activities					
Water	3,158,884	3,283,528	3,152,558	3,600,845	3,400,853
Sewer	3,180,274	2,960,922	2,756,073	2,975,655	2,996,730
Total business-type expenses	<u>6,339,158</u>	<u>6,244,450</u>	<u>5,908,631</u>	<u>6,576,500</u>	<u>6,397,583</u>
Total primary government expenses	<u>16,026,090</u>	<u>15,479,497</u>	<u>15,308,745</u>	<u>16,893,041</u>	<u>17,286,889</u>
Program revenues					
Governmental activities					
Charges for services					
General government	208,120	392,657	499,331	405,224	422,181
Public safety	816,384	950,643	842,828	868,400	869,541
Public works	531,576	628,841	602,783	665,707	654,860
Community and economic development	-	-	-	150,000	150,000
Recreation and culture	39,397	46,319	37,850	40,615	44,997
Operating grants and contributions	1,470,888	1,915,747	1,693,711	2,108,669	2,180,943
Capital grants and contributions	52,702	50,661	3,307	304,300	1,051,454
Total governmental activities	<u>3,119,067</u>	<u>3,984,868</u>	<u>3,679,810</u>	<u>4,542,915</u>	<u>5,373,976</u>
Business-type activities					
Charges for services					
Water	2,928,889	3,034,238	3,381,187	3,735,876	3,556,925
Sewer	2,559,769	2,673,906	2,546,290	3,081,081	2,777,594
Operating grants and contributions					
Water	14,081	13,337	-	4,310	19,803
Capital grants and contributions					
Water	-	-	-	-	810,405
Sewer	316,443	291,971	-	-	-
Total business-type activities	<u>5,819,182</u>	<u>6,013,452</u>	<u>5,927,477</u>	<u>6,821,267</u>	<u>7,164,727</u>
Total primary government program revenues					
Net (expense) revenue					
Governmental activities	(6,567,865)	(5,250,179)	(5,720,304)	(5,773,626)	(5,515,330)
Business-type activities	(519,976)	(230,998)	18,846	244,767	767,144
Total primary government net expense	<u>(7,087,841)</u>	<u>(5,481,177)</u>	<u>(5,701,458)</u>	<u>(5,528,859)</u>	<u>(4,748,186)</u>
General revenues					
Governmental activities					
Property taxes - unrestricted	4,113,868	4,274,590	4,395,379	6,372,943	6,774,618
State-shared revenues - unrestricted	1,078,056	1,222,224	1,357,716	1,375,368	1,423,743
Investment earnings - unrestricted	74,681	9,174	8,023	338,781	483,132
Gain from sale of land	-	-	139,733	-	15,400
Miscellaneous	116,498	205,720	379,141	262,396	281,658
Transfers	-	-	-	-	(998,327)
Total governmental activities	<u>5,383,103</u>	<u>5,711,708</u>	<u>6,279,992</u>	<u>8,349,488</u>	<u>7,980,224</u>
Business-type activities					
General revenues					
Investment earnings	94,888	15,642	3,188	177,271	223,171
Miscellaneous	62,674	118,300	82,736	138,585	145,645
Transfers	-	-	-	-	998,327
Total business-type activities	<u>157,562</u>	<u>133,942</u>	<u>85,924</u>	<u>315,856</u>	<u>1,367,143</u>
Total primary government					
Change in net position					
Governmental activities	(1,184,762)	461,529	559,688	2,575,862	2,464,894
Business-type activities	(362,414)	(97,056)	104,770	560,623	2,134,287
Total primary government	<u>\$ (1,547,176)</u>	<u>\$ 364,473</u>	<u>\$ 664,458</u>	<u>\$ 3,136,485</u>	<u>\$ 4,599,181</u>

City of Fenton
Fund Balances - Governmental Funds (Unaudited)
2015 - 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund					
Nonspendable	\$ 205,844	\$ 225,256	\$ 113,258	\$ 245,912	\$ 133,975
Unassigned	<u>2,063,205</u>	<u>2,271,469</u>	<u>3,627,539</u>	<u>4,065,648</u>	<u>4,638,620</u>
Total General Fund	<u>\$ 2,269,049</u>	<u>\$ 2,496,725</u>	<u>\$ 3,740,797</u>	<u>\$ 4,311,560</u>	<u>\$ 4,772,595</u>
All other governmental funds					
Nonspendable	\$ 180,406	\$ -	\$ 5,200	\$ -	\$ 1,745
Restricted	466,969	646,525	586,715	479,710	778,420
Committed	<u>2,225,843</u>	<u>2,249,902</u>	<u>2,374,910</u>	<u>2,428,679</u>	<u>2,223,193</u>
Total all other governmental funds	<u>\$ 2,873,218</u>	<u>\$ 2,896,427</u>	<u>\$ 2,966,825</u>	<u>\$ 2,908,389</u>	<u>\$ 3,003,358</u>

City of Fenton
Fund Balances - Governmental Funds (Unaudited)
2015 - 2024

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund					
Nonspendable	\$ 112,653	\$ 96,833	\$ 91,043	\$ 177,744	\$ 194,857
Unassigned	<u>4,518,937</u>	<u>4,834,232</u>	<u>5,160,815</u>	<u>5,194,506</u>	<u>5,906,345</u>
Total General Fund	<u>\$ 4,631,590</u>	<u>\$ 4,931,065</u>	<u>\$ 5,251,858</u>	<u>\$ 5,372,250</u>	<u>\$ 6,101,202</u>
All other governmental funds					
Nonspendable	\$ -	\$ 3,938	\$ 3,547	\$ 2,069	\$ 2,201
Restricted	530,829	697,692	10,446,393	7,344,464	7,889,221
Committed	<u>1,974,557</u>	<u>1,987,403</u>	<u>2,217,969</u>	<u>2,988,157</u>	<u>2,930,936</u>
Total all other governmental funds	<u>\$ 2,505,386</u>	<u>\$ 2,689,033</u>	<u>\$ 12,667,909</u>	<u>\$ 10,334,690</u>	<u>\$ 10,822,358</u>

City of Fenton
Changes in Fund Balances - Governmental Funds (Unaudited)
2015 - 2024

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 3,424,206	\$ 3,580,480	\$ 3,708,882	\$ 3,778,621	\$ 3,917,821
Licenses and permits	361,176	315,977	341,797	532,383	523,336
Federal grants	-	-	-	-	-
Intergovernmental	2,119,347	2,086,654	2,151,470	2,523,257	2,876,495
Charges for services	952,684	1,000,674	1,111,853	1,120,541	1,259,607
Fines and forfeitures	56,117	59,182	66,954	63,172	58,811
Interest and rents	65,576	87,428	88,505	106,417	91,579
Proceeds from sale of land	-	-	1,023,390	212,726	-
Other	115,488	163,121	213,991	119,600	272,574
Total revenues	<u>7,094,594</u>	<u>7,293,516</u>	<u>8,706,842</u>	<u>8,456,717</u>	<u>9,000,223</u>
Expenditures					
Current					
General government	1,036,510	1,191,988	1,409,092	1,313,739	1,150,655
Public safety	3,104,603	3,118,232	3,268,382	3,454,965	3,716,776
Public works	2,364,363	1,830,656	1,881,552	1,428,300	2,026,322
Health and welfare	-	-	-	-	-
Community and economic development	112,344	119,269	48,776	66,613	37,718
Recreation and culture	238,822	209,242	328,020	210,858	452,128
Other	285,125	306,052	269,311	291,392	333,554
Capital outlay	38,088	692,752	52,172	1,351,681	641,219
Debt service					
Principal	113,579	71,087	97,055	72,002	89,806
Interest and fiscal charges	6,137	11,712	16,480	16,452	18,433
Bond issuance cost	-	-	-	-	-
Total expenditures	<u>7,299,571</u>	<u>7,550,990</u>	<u>7,370,840</u>	<u>8,206,002</u>	<u>8,466,611</u>
Excess (deficiency) of revenues over expenditures	(204,977)	(257,474)	1,336,002	250,715	533,612
Other Financing Sources (Uses)					
Debt issuance	-	543,900	-	-	-
Premium on issuance of debt	-	-	-	-	-
Note proceeds	-	-	-	261,612	-
Transfers in	1,455,729	687,313	579,925	749,042	537,457
Transfers out	<u>(1,455,614)</u>	<u>(722,854)</u>	<u>(601,457)</u>	<u>(749,042)</u>	<u>(515,065)</u>
Total other financing sources (uses)	<u>115</u>	<u>508,359</u>	<u>(21,532)</u>	<u>261,612</u>	<u>22,392</u>
Net change in fund balances	<u>(204,862)</u>	<u>250,885</u>	<u>1,314,470</u>	<u>512,327</u>	<u>556,004</u>
Fund Balances - Beginning, as previously presented	5,347,129	5,142,267	5,393,152	6,707,622	7,219,949
Prior period adjustment	-	-	-	-	-
Fund balances - beginning, as adjusted	<u>5,347,129</u>	<u>5,142,267</u>	<u>5,393,152</u>	<u>6,707,622</u>	<u>7,219,949</u>
Fund Balances - End of year	<u>\$ 5,142,267</u>	<u>\$ 5,393,152</u>	<u>\$ 6,707,622</u>	<u>\$ 7,219,949</u>	<u>\$ 7,775,953</u>
Debt service as a percentage of noncapital expenditures	2.18%	1.80%	1.70%	1.29%	1.38%
Fixed asset additions	1,819,569	2,945,185	681,914	1,351,681	641,218
Fixed asset additions W/O disposals					

City of Fenton
Changes in Fund Balances - Governmental Funds (Unaudited)
2015 - 2024

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 4,113,868	\$ 4,274,590	\$ 4,395,379	\$ 6,372,943	\$ 6,774,618
Licenses and permits	461,317	506,212	470,172	537,949	510,018
Federal grants	-	300,762	-	200,000	1,061,327
Intergovernmental	2,597,316	2,879,179	3,044,249	3,154,302	3,629,966
Charges for services	1,051,269	1,387,033	1,380,530	1,325,092	1,372,397
Fines and forfeitures	62,578	61,200	67,783	59,646	45,336
Interest and rents	89,441	22,267	36,580	347,976	414,768
Proceeds from sale of land	-	-	139,733	-	-
Other	236,233	303,634	479,233	927,886	481,685
Total revenues	<u>8,612,022</u>	<u>9,734,877</u>	<u>10,013,659</u>	<u>12,925,794</u>	<u>14,290,115</u>
Expenditures					
Current					
General government	1,245,170	1,519,746	1,527,028	1,769,025	2,383,670
Public safety	3,516,958	3,866,116	4,760,472	4,585,688	4,285,537
Public works	2,438,551	2,174,680	2,454,337	6,028,462	9,134,408
Health and welfare	-	-	-	-	3,127
Community and economic development	42,217	47,384	56,940	62,543	33,553
Recreation and culture	350,565	272,306	395,454	563,628	607,265
Other	346,150	294,036	292,834	266,021	261,937
Capital outlay	1,114,841	1,311,477	7,759	48,358	1,188,441
Debt service					
Principal	90,791	117,101	134,158	1,371,856	1,576,827
Interest and fiscal charges	16,459	18,008	189,596	443,040	390,728
Bond issuance cost	-	-	-	-	94,450
Total expenditures	<u>9,161,702</u>	<u>9,620,854</u>	<u>9,818,578</u>	<u>15,138,621</u>	<u>19,959,943</u>
Excess (deficiency) of revenues over expenditures	(549,680)	114,023	195,081	(2,212,827)	(5,669,828)
Other Financing Sources (Uses)					
Debt issuance	-	-	920,085	-	6,790,000
Premium on issuance of debt	-	-	-	-	602,181
Note proceeds	-	306,909	9,150,000	-	-
Transfers in	1,051,086	727,020	1,405,000	10,058,960	14,765,801
Transfers out	(1,140,383)	(664,830)	(1,370,497)	(10,058,960)	(15,764,128)
Total other financing sources (uses)	<u>(89,297)</u>	<u>369,099</u>	<u>10,104,588</u>	<u>-</u>	<u>6,393,854</u>
Net change in fund balances	<u>(638,977)</u>	<u>483,122</u>	<u>10,299,669</u>	<u>(2,212,827)</u>	<u>724,026</u>
Fund Balances - Beginning, as previously presented	7,775,953	7,136,976	7,620,098	17,919,767	15,706,940
Prior period adjustment	-	-	-	-	492,594
Fund balances - beginning, as adjusted	<u>7,775,953</u>	<u>7,136,976</u>	<u>7,620,098</u>	<u>17,919,767</u>	<u>16,199,534</u>
Fund Balances - End of year	<u>\$ 7,136,976</u>	<u>\$ 7,620,098</u>	<u>\$ 17,919,767</u>	<u>\$ 15,706,940</u>	<u>\$ 16,923,560</u>
Debt service as a percentage of noncapital expenditures	1.33%	1.63%	3.67%	17.11%	16.88%
Fixed asset additions	1,114,841	1,311,477	996,943	4,528,414	8,304,646
Fixed asset additions W/O disposals					

City of Fenton
Taxable Value and Actual Value of Taxable Property (Unaudited)
2015 - 2023

Tax Year	Fiscal Year Ended June 30,	Taxable Value by Property Type					Total Value	Tax Rate (mills)	Estimated Actual Value	Taxable Value % of Actual
		Residential	Commercial	Industrial	Personal Property					
2015	2016	\$ 178,498,394	\$ 131,322,778	\$ 18,012,406	\$ 30,833,100	\$ 358,666,678	10.62	\$ 851,507,232	42.12%	
2016	2017	185,386,955	145,428,380	18,227,991	28,181,518	377,224,844	10.43	936,157,572	40.30%	
2017	2018	208,487,400	156,240,983	19,092,836	24,487,400	408,308,619	10.36	1,074,987,500	37.98%	
2018	2019	208,990,537	156,406,850	19,804,736	24,911,700	410,113,823	10.30	1,077,182,300	38.07%	
2019	2020	225,117,417	163,414,955	21,486,298	27,362,700	437,381,370	10.18	1,185,461,800	36.90%	
2020	2021	242,025,984	175,070,680	21,486,298	28,873,700	467,456,662	10.00	1,273,141,200	36.72%	
2021	2022	254,997,947	178,731,975	21,323,727	26,431,000	481,484,649	9.88	1,316,605,172	36.57%	
2022	2023	275,351,900	187,402,669	26,559,591	24,729,200	514,043,360	9.84	1,395,151,800	36.84%	
2023	2024	298,399,419	197,799,328	28,644,692	26,294,300	551,137,739	9.84	1,517,637,800	36.32%	

Note:

Under Michigan law, the revenue base is referred to as "Taxable Value". This amount represents Assessed value (50% of true cash value), limited for each property by the lower of 5% or inflation. Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year.

City of Fenton
Direct and Overlapping Property Tax Rates (Unaudited)
2014 - 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Millage Rates - Direct City Taxes					
General Operating	10.62	10.62	10.43	10.36	10.30
Debt	0.00	0.00	0.00	0.00	0.00
Total Direct Taxes	10.62	10.62	10.43	10.36	10.30
County	11.06	11.49	11.49	11.49	12.78
Community College	2.86	2.86	2.81	2.81	2.80
Intermediate School District	3.53	3.53	3.78	3.78	3.77
Overlapping Taxes					
Regional Parks	0.37	0.37	0.37	0.37	0.36
School Debt	7.88	6.80	6.70	5.78	6.55
School: Homestead	6.00	6.00	6.00	6.00	6.00
School: Non-homestead					
Total Tax Rate	18.00	18.00	18.00	18.00	18.00
Homestead	42.32	41.67	41.58	40.59	42.56
Non-Homestead	60.32	59.67	59.58	58.59	60.57

City of Fenton
Direct and Overlapping Property Tax Rates (Unaudited)
2014 - 2023

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Millage Rates - Direct City Taxes					
General Operating	10.18	10.00	9.88	9.84	9.84
Debt	0.00	0.00	0.00	3.50	3.50
Total Direct Taxes	10.18	10.00	9.88	13.34	13.34
County	12.77	12.35	13.21	13.18	11.50
Community College	2.80	2.76	2.75	2.66	2.54
Intermediate School District	3.77	3.75	3.72	3.70	3.70
Overlapping Taxes					
Regional Parks	0.36	0.35	0.35	0.34	0.34
School Debt	6.44	6.39	5.98	5.97	5.87
School: Homestead	6.00	6.00	6.00	6.00	6.00
School: Non-homestead					
Total Tax Rate	18.00	18.00	18.00	18.00	18.00
Homestead	42.32	41.60	41.89	45.19	43.29
Non-Homestead	60.32	59.59	59.89	63.20	61.29

City of Fenton
Principal Property Tax Payers (Unaudited)
June 30, 2024 and 2015

Taxpayer	2024 Taxable Value	Percentage of Total	2015 Taxable Value	Percentage of Total	2015 Rank
Georgetown HC2, LLC	\$ 20,243,600	3.4466%	\$ 8,802,126	2.52%	1
Consumers Energy Co	\$ 10,324,600	1.7578%	\$ 6,383,994	1.83%	3
MIMG CCXXXII, LLC, MIMG CLOH SILVER	\$ 6,369,200	1.0844%	n/a	n/a	n/a
Fenton Real Estate Company LLC	\$ 5,939,464	1.0112%	n/a	n/a	n/a
RRE Pier 38 Associates, LLC	\$ 5,786,091	0.9851%	n/a	n/a	n/a
Thunderbird MHP LLC	\$ 5,541,270	0.9434%	n/a	n/a	n/a
WalMart Properties	\$ 4,663,023	0.7939%	\$ 7,221,977	2.07%	2
AEG Fenton Propco, LLC	\$ 4,659,991	0.7934%	n/a	n/a	n/a
MIMG CXXVI Fairfield Condo Sub LLC	\$ 4,136,339	0.7042%	n/a	n/a	n/a
MIMG CCXXXII, LLC, MIMG CLOH SILVER	\$ 4,018,800	0.6842%	n/a	n/a	n/a

Note:

Source: Data provided by local assessment records.

City of Fenton
Property Tax Levies and Collections (Unaudited)
2014 - 2023

<u>Tax Year</u>	<u>Fiscal Year June 30,</u>	<u>Total Levy</u>	<u>Current Collections</u>	<u>Percent Collected</u>	<u>Delinquent Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>
2014	2015	3,652,514	3,472,264	95.1%	168,628	3,640,892	99.7%
2015	2016	3,742,407	3,596,238	96.1%	141,438	3,737,676	99.9%
2016	2017	3,879,642	3,763,026	97.0%	110,661	3,873,687	99.8%
2017	2018	4,000,746	3,901,735	97.5%	93,606	3,995,341	99.9%
2018	2019	4,184,147	4,077,461	97.5%	98,765	4,176,226	99.8%
2019	2020	4,414,367	4,284,036	97.0%	114,815	4,398,851	99.6%
2020	2021	4,608,581	4,464,252	96.9%	116,867	4,581,119	99.4%
2021	2022	4,762,065	4,606,095	96.7%	135,404	4,741,499	99.6%
2022	2023	4,983,628	4,842,234	97.2%	125,199	4,967,433	99.7%
2023	2024	5,387,744	5,271,975	97.9%	102,121	5,374,096	99.7%

Note:

Source: Data provided from local Treasurer's Department.

City of Fenton
Ratios of Outstanding Debt (Unaudited)
2015 - 2024

	2015	2016	2017	2018	2019
Governmental Activities					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Installment purchase agreements	62,039	31,550	-	244,610	209,804
Special assessment bonds	-	555,000	500,000	445,000	390,000
Premiums and discounts	-	-	-	-	-
Capital leases	22,604	10,505	-	-	-
Total	84,643	597,055	500,000	689,610	599,804
Business-type Activities					
General obligation bonds	2,406,770	1,402,874	935,249	465,055	-
Capital improvement bonds	2,545,000	2,505,000	2,465,000	2,420,000	2,375,000
Revenue bonds	5,635,790	5,865,790	4,927,133	4,318,156	3,589,397
Premiums and discounts	-	-	-	-	-
Total	10,587,560	9,773,664	8,327,382	7,203,211	5,964,397
Total debt of the government	\$ 10,672,203	\$ 10,370,719	\$ 8,827,382	\$ 7,892,821	\$ 6,564,201
Total Taxable Value	\$ 351,075,928	\$ 349,669,782	\$ 358,666,678	\$ 377,224,844	\$ 377,224,844
Ratio of total debt to taxable value	4.93%	2.97%	2.46%	3.96%	1.74%
Total Population ⁽¹⁾	11,746	11,746	11,746	11,746	11,746
Total debt per capita	\$ 1,447	\$ 1,452	\$ 1,275	\$ 672	\$ 559
Personal Income ⁽¹⁾	\$ 34,878	\$ 36,612	\$ 39,198	\$ 40,618	\$ 41,929
Ratio of total debt to personal income	2.61%	2.41%	1.92%	1.65%	2.67%

Note:

Source: Actual 2020 Census Reports.

(1) Source: Bureau of Economic Analysis. For fiscal year 2021 percent of personal income, the divisor used was for 2020 since 2021 Personal income is not available at this time

City of Fenton
Ratios of Outstanding Debt (Unaudited)
2015 - 2024

	2020	2021	2022	2023	2024
Governmental Activities					
General obligation bonds	\$ -	\$ -	\$ 9,150,000	\$ 7,935,000	\$ 13,265,000
Installment purchase agreements	174,013	703,981	584,441	704,732	582,918
Special assessment bonds	335,000	275,000	220,000	165,000	110,000
Premiums and discounts	-	-	920,085	738,261	1,177,777
Capital leases	-	-	-	-	-
Total	509,013	978,981	10,874,526	9,542,993	15,135,695
Business-type Activities					
General obligation bonds	-	-	-	-	-
Capital improvement bonds	2,370,477	2,227,112	6,545,000	6,405,000	6,115,000
Revenue bonds	2,944,397	2,289,397	1,619,397	929,397	834,397
Premiums and discounts	50,477	47,112	162,399	150,999	138,212
Total	5,365,351	4,563,621	8,326,796	7,485,396	7,087,609
Total debt of the government	\$ 5,874,364	\$ 5,542,602	\$ 19,201,322	\$ 17,028,389	\$ 22,223,304
Total Taxable Value	\$ 410,113,823	\$ 437,381,370	\$ 467,456,662	\$ 549,169,283	\$ 551,137,739
Ratio of total debt to taxable value	1.43%	1.27%	4.11%	3.10%	4.03%
Total Population ⁽¹⁾	12,050	12,050	12,050	12,050	12,050
Total debt per capita	\$ 483	\$ 456	\$ 1,593	\$ 1,413	\$ 1,844
Personal Income ⁽¹⁾	N/A	N/A	N/A	N/A	N/A
18	1.90%	1.79%	6.20%	3.51%	4.40%

Note:

Source: Actual 2020 Census Reports.

(1) Source: Bureau of Economic Analysis. For fiscal year 2021 percent of personal income, the divisor used was for 2020 since 2021 Personal income is not available at this time

City of Fenton
Ratios of General Bonded Debt Outstanding
2015 - 2024

Fiscal Year	Limited-Tax General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Less Pledged Debt Service Funds	Other General Obligation Debt	Net General Bonded Debt	Estimated Actual Value	Debt as a Percentage of Estimated Actual Value	Population (1)	Debt Per Capita
2015	-	-	-	\$ 2,406,770	\$ 2,406,770	\$ 783,071,802	0.31%	11,746	205
2016	-	-	-	1,957,874	1,929,144	851,507,232	0.23%	11,746	164
2017	-	-	-	1,435,249	1,321,073	936,157,572	0.14%	11,746	112
2018	-	-	-	910,055	765,443	1,074,987,500	0.07%	11,746	65
2019	-	-	-	390,000	245,484	1,077,182,300	0.02%	11,746	21
2020	-	-	-	335,000	180,117	1,185,461,800	0.02%	11,746	15
2021	-	-	-	275,000	135,285	1,185,461,800	0.01%	12,050	11
2022	-	-	-	9,150,000	9,024,040	1,273,141,200	0.71%	12,050	749
2023	-	-	-	7,935,000	7,810,220	1,316,605,172	0.59%	12,050	648
2024	-	-	-	13,265,000	13,265,000	1,316,605,172	1.01%	12,050	1,101

Note:

(1) Source: 2020 Census Reports.

City of Fenton
Direct and Overlapping Governmental Activities Debt (Unaudited)
June 30, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated % Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Genesee County	\$ 306,040,275	4.56%	\$ 13,955,437
Mott Community College	64,434,676	4.28%	2,757,804
Holly School District	99,250,000	0.10%	99,250
Fenton School District	55,637,934	44.21%	24,597,531
Lake Fenton School District	7,841,504	4.50%	352,868
Genesee Intermediate School District	6,776,007	4.28%	290,013
Bishop Airport Authority	1,690,000	4.56%	77,064
	<hr/>		<hr/>
Total Overlapping Debt	541,670,396		42,129,966
Direct City Debt	\$ 15,783,439	100.00%	<u>15,783,439</u>
Total Direct and Overlapping Debt	<u>\$ 557,453,835</u>		<u>\$ 57,913,405</u>

Sources: Assessed value data used to estimate applicable percentages provided by the City Assessor. Debt outstanding data provided by each governmental unit.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Fenton. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

City of Fenton
Legal Debt Margin (Unaudited)
2015 - 2024

	2015	2016	2017	2018	2019
Calculation of debt limit:					
State equalized valuation	\$ 391,535,901	\$ 425,753,616	\$ 468,078,786	\$ 535,493,750	\$ 538,591,150
10% of taxable value	39,153,590	42,575,361	46,807,878	53,549,375	53,859,115
Calculation of debt subject to limit:					
Total debt	17,000,316	17,055,819	14,972,382	13,904,223	11,619,834
Less: debt not subject to limit:					
Special assessment bonds	-	555,000	500,000	445,000	390,000
Revenue bonds	<u>5,635,790</u>	<u>5,865,790</u>	<u>4,927,133</u>	<u>4,318,156</u>	<u>3,712,031</u>
Net debt subject to limit	<u>11,364,526</u>	<u>10,635,029</u>	<u>9,545,249</u>	<u>9,141,067</u>	<u>7,517,803</u>
Legal debt margin	<u>\$ 39,153,590</u>	<u>\$ 42,575,361</u>	<u>\$ 46,807,878</u>	<u>\$ 53,549,375</u>	<u>\$ 53,859,115</u>
Net debt subject to limit as % of debt limit	29.03%	24.98%	20.39%	17.07%	13.96%

City of Fenton
Legal Debt Margin (Unaudited)
2015 - 2024

	2020	2021	2022	2023	2024
Calculation of debt limit:					
State equalized valuation	\$ 586,768,909	\$ 628,253,609	\$ 658,302,586	\$ 697,575,900	\$ 747,470,900
10% of taxable value	58,676,891	62,825,361	65,830,259	69,757,590	74,747,090
Calculation of debt subject to limit:					
Total debt	9,955,000	9,713,181	23,096,324	20,663,754	25,604,852
Less: debt not subject to limit:					
Special assessment bonds	335,000	275,000	220,000	165,000	110,000
Revenue bonds	<u>3,090,000</u>	<u>2,289,397</u>	<u>1,619,397</u>	<u>929,397</u>	<u>834,397</u>
Net debt subject to limit	<u>6,530,000</u>	<u>7,148,784</u>	<u>21,256,927</u>	<u>19,569,357</u>	<u>24,660,455</u>
Legal debt margin	<u>\$ 58,676,891</u>	<u>\$ 62,825,361</u>	<u>\$ 65,830,259</u>	<u>\$ 69,757,590</u>	<u>\$ 74,747,090</u>
Net debt subject to limit as % of debt limit	11.13%	11.38%	32.29%	28.05%	32.99%

City of Fenton
Pledged-Revenue Coverage (Unaudited)
2015 - 2024

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Applicable Expenses</u>	<u>Net Revenues</u>	<u>Water Revenue Bonds</u>		
				<u>Debt service</u>		<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	
2015	2,803,468	2,000,575	802,893	615,000	288,274	0.89
2016	2,823,439	2,296,255	527,184	625,000	273,025	0.59
2017	2,957,767	2,298,593	659,174	605,000	179,745	0.84
2018	3,076,928	2,310,930	765,998	615,000	176,882	0.97
2019	2,981,784	2,213,487	768,297	643,759	152,528	0.96
2020	3,055,090	2,520,355	534,735	560,000	196,567	0.71
2021	3,146,039	2,713,160	432,879	570,000	78,734	0.67
2022	3,429,206	2,387,779	1,041,427	585,000	97,026	1.53
2023	3,972,122	2,987,407	984,715	600,000	203,731	1.23
2024	3,875,738	2,787,770	1,087,968	-	208,638	5.21

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Applicable Expenses</u>	<u>Net Revenues</u>	<u>Sewer Revenue Bonds</u>		
				<u>Debt service</u>		<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	
2015	2,829,299	1,720,183	1,109,116	1,028,269	161,484	0.93
2016	2,706,151	1,800,547	905,604	1,053,896	129,941	0.76
2017	2,917,535	1,859,772	1,057,763	552,625	87,321	1.65
2018	2,906,327	1,835,009	1,071,318	655,194	63,137	1.49
2019	2,606,663	1,974,727	631,936	550,055	30,085	1.09
2020	2,608,218	2,615,425	(7,207)	85,000	30,624	(0.06)
2021	3,024,245	2,385,087	639,158	85,000	28,500	5.63
2022	2,584,195	2,162,289	421,906	85,000	26,375	3.79
2023	3,165,141	2,391,956	773,185	90,000	24,187	6.77
2024	2,847,400	2,407,220	440,180	95,000	22,992	3.73

City of Fenton
Demographic and Economic Statistics (Unaudited)
2015 - 2024

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita ⁽²⁾ Personal Income	Unemployment Rate ⁽³⁾
2015	11,746	409,676,988	34,878	6.2
2016	11,746	430,044,552	36,612	5.8
2017	11,746	460,419,708	39,198	5.0
2018	11,746	477,099,028	40,618	4.5
2019	11,746	295,764,280	25,180	4.8
2020	12,050	309,929,956	25,720	9.4
2021	12,050	309,929,956	28,834	8.2
2022	12,050	398,722,450	33,089	6.5
2023	12,050	446,440,450	37,049	5.3
2024	12,050	502,268,100	41,682	5.2

Note:

- (1) Source: Actual 2020 Census Reports.
- (2) Source: Bureau of Economic Analysis. Note: 2021 data has not been released at this time.
- (3) Source: Michigan Department of Labor & Economic Growth.

City of Fenton
Principal Employment Industries (Unaudited)
June 30, 2024

Industry	2024 Number of Jobs (1)	Percentage of Total	2014 Number of Jobs (1)	Percentage of Total
Trade, Transportation, and Utilities	30,200	21.07%	30,700	22.09%
Education and Health Services	26,700	18.63%	28,000	20.14%
Government	18,700	13.05%	17,300	12.45%
Manufacturing	13,800	9.63%	12,200	8.78%
Leisure and Hospitality	16,300	11.37%	15,400	11.08%
Professional and Business Services	17,400	12.14%	14,300	10.29%
Natural Resources, Mining, and Construction	7,200	5.02%	4,800	3.45%
Other Services	5,200	3.63%	5,800	4.17%
Financial Activities	6,800	4.75%	6,400	4.60%
Information	1,000	0.70%	4,100	2.95%
Total	143,300	100%	139,000	100%

Note:

Source: U.S. Bureau of Labor Statistics
Data for Flint Metropolitan Area

City of Fenton
Full-Time Equivalent Government Employees (Unaudited)
2015 - 2024

Function/Program	2015	2016	2017	2018	2019
General government	14	12	13	13	11
Public safety:					
Police	16	16	16	17	17
Building inspection	2	2	2	2	3
Fire	1	1	1	1	1
Public works:					
DPW	8	8	11	10	12
Water and sewer	8	8	8	7	7
Total	49	47	51	50	51

City of Fenton
Full-Time Equivalent Government Employees (Unaudited)
2015 - 2024

Function/Program	2020	2021	2022	2023	2024
General government	10	11	11	11	12
Public safety:					
Police	18	17	17	20	20
Building inspection	3	3	3	3	3
Fire	1	1	1	1	1
Public works:					
DPW	11	9	11	11	11
Water and sewer	9	9	9	9	9
Total	52	50	52	55	56

City of Fenton
Operating Indicators (Unaudited)
2015 - 2024

Function/ program	2015	2016	2017	2018	2019
Election data					
Registered voters	9,426	9,672	9,367	9,330	9,401
Voters (at the polls or absentee)	6,164	1,950	5,884	1,527	5,144
Percent voting	11.71%	65.39%	20.16%	16.37%	54.72%
Police					
Physical arrests	247	305	502	423	307
Traffic violations	1,090	1,176	1,564	1,229	1,666
Investigations	10,767	8,440	9,303	8,859	10,586
Fire					
Fire runs	356	262	331	337	336
Emergency medical runs	143	170	178	200	195
Inspections	300	250	100	150	230
Public works					
Miles of street resurfaced	0.63	0.95	-	0.53	-
Water					
Number of customers billed	3,500	3,574	3,580	3,616	3,685
Total consumption*	294,545	374,579	299,856	308,211	288,958
Average consumption per user	84	105	84	85	78
Sewer					
Average daily sewage treatment**	N/A	N/A	N/A	N/A	N/A

*Water consumption in thousand gallons

**Sewer Plant is shared with other communities

N/A - data not available

City of Fenton
Operating Indicators (Unaudited)
2015 - 2024

Function/ program	2020	2021	2022	2023	2024
Election data					
Registered voters	10,224	10,138	10,129	10,275	9,342
Voters (at the polls or absentee)	5,169	6,940	5,508	1,901	7,247
Percent voting	50.56%	68.46%	54.38%	18.50%	77.57%
Police					
Physical arrests	407	367	330	536	578
Traffic violations	1,494	1,532	1,720	2,173	1,474
Investigations	10,164	11,496	11,402	12,097	13,051
Fire					
Fire runs	336	318	321	310	290
Emergency medical runs	173	138	204	176	147
Inspections	402	128	236	178	496
Public works					
Miles of street resurfaced	-	0.58	1.53	1.00	2.31
Water					
Number of customers billed	3,666	3,717	3,973	4,003	4,206
Total consumption*	278,947	303,926	290,433	378,965	293,620
Average consumption per user	76	82	73	95	70
Sewer					
Average daily sewage treatment**	N/A	N/A	N/A	N/A	N/A

*Water consumption in thousand gallons

**Sewer Plant is shared with other communities

N/A - data not available

City of Fenton
Capital Asset Statistics (Unaudited)
2015 - 2024

Function/ program	2015	2016	2017	2018	2019
Police					
Stations	1	1	1	1	1
Patrol units	9	9	11	11	11
Fire					
Stations	1	1	1	1	1
Fire response vehicles	8	8	10	9	9
Public works					
Streets (miles)					
Major streets	18.69	18.69	18.69	18.69	18.69
Local streets	35.05	35.05	35.05	35.05	35.05
Parks and recreation					
Acreage	172	172	172	172	172
Developed parks/ playgrounds	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	1	1	1	1	1
Water					
Mains (miles)	64	64	64	64	64
Fire hydrants					
Storage capacity	1.5 mil gal	1.5 mil gal	1.5 mil gal	1.5 mil gal	1.5 mil gal
Sewer					
Miles of sanitary sewers	56	56	56	56	56
Miles of storm sewers	39	39	39	39	39

City of Fenton
Capital Asset Statistics (Unaudited)
2015 - 2024

Function/ program	2020	2021	2022	2023	2024
Police					
Stations	1	1	1	1	1
Patrol units	9	9	9	9	10
Fire					
Stations	1	1	1	1	1
Fire response vehicles	9	9	9	9	9
Public works					
Streets (miles)					
Major streets	18.68	18.68	18.68	18.68	18.68
Local streets	37.07	37.07	37.07	37.07	37.07
Parks and recreation					
Acreage	172	172	172	172	172
Developed parks/ playgrounds	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	1	1	1	1	1
Water					
Mains (miles)	64	64	64	64	64
Fire hydrants					
Storage capacity	1.5 mil gal	1.5 mil gal	1.5 mil gal	1.5 mil gal	1.5 mil gal
Sewer					
Miles of sanitary sewers	56	56	56	56	56
Miles of storm sewers	39	39	39	39	39