

**City of Fenton, Michigan**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2025**

Prepared by:  
Treasurer's Department

Jon Satkowiak Jr  
City Treasurer

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# City of Fenton

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

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December 19, 2025

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, 2025 (FY 2025). 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-seven consecutive years, beginning with Fiscal Year 1988, we have been the recipients of the GFOA's Certificate of Achievement. The City Treasurer, his team and former occupants of the Treasurer's office are to be lauded 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 2025 the General Fund had a net reduction in Fund Balance of \$245,588, due to a transfer out of 492,594. These were PEG funds that were

restricted revenue in the General Fund and transferred to the proper account. At the end of FY 2025, the city had a fund balance of \$5,855,614. The unrestricted fund balance is about 80% of annual expenditures. The Sewer Fund shows a net cash of about \$1,616,471. The Water Fund has an end-of-year cash balance of \$547,364, a healthy financial position. During FY 2025 the Water Fund continued to make investments in water mains and replaced lead services. The Sewer Fund made investments in lining and repairs. 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 \$22 million.

In FY 2025, the City of Fenton continued the Local Street Improvement Program. Several streets were 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 over 50,000. There is a continued level of interest in developing in Fenton, as reflected by activity from business and residential developers. The city's location near several major metropolitan markets and our 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.

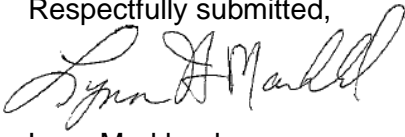
We have continued to implement some cost reductions when possible. Wherever possible the City has made use of grants or low interest funds to help meet the needs of the community. Examples of grants benefiting the city include road improvements, homeland security grants and grants for cultural/art events.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

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 black ink, appearing to read "Lynn Markland". The signature is written in a cursive style with a large initial "L" and "M".

Lynn Markland  
City Manager



# City of Fenton

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

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December 19, 2025

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, 2025, 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 include 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 4<sup>th</sup> of July Freedom Festival, Concerts in the Park, Farmers Markets, Art Walk, Rev Up Fenton Car Show, 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 the 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 offers top notch facilities and education. 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.

The third phase of the Local Street Improvement program was completed during the Fiscal Year. This brought much needed street reconstruction, watermain replacement, as well as sewer pipe replacement to the North Fenton Estates Subdivision. Walnut and Center St. were both reconstructed within phase 3 of the program as well.

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 Tennis Courts at Rackham Park were torn down and new Pickleball Courts were placed at Bush Park. These courts were immediately used and there is discussion of adding two additional courts to the park.

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 Rev Up Fenton Car Show 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 façade 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 fourth phase of the Local Street Improvement Program began late in Fiscal Year 2025 and will likely be completed early in the Spring of 2026. 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 Riverwalk project started early in Fiscal Year 2026 which includes Kayak launches, workout stations along the walkway, new playground equipment at Millpond Park, and much needed upgrades to the Dam. The Riverwalk project was partially funded by a DNR grant. A new pedestrian bridge is being completed as well with a private donor sharing the cost.

The Millpond Plaza project will break ground late in Fiscal Year 2026 and will bring an aesthetically pleasing look around the Gazebo. It will bring new sidewalks and additional space for the concerts in the park. This project received a RAP grant from the State of Michigan.

Bush Park phase 2 will bring an upgraded parking lot, restrooms, playground equipment, and crosswalk to the park. This project received partial funding from a DNR Grant.

The city has once again applied for the Genesee County TAP funds in which we had a few different projects score very well. The projects that will be funded by the TAP are, N. Leroy St. from 2<sup>nd</sup> Street to 6<sup>th</sup> Street, N. Leroy St. from 6<sup>th</sup> Street to North Road, and Silver Parkway.

## 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, 2024. 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-seven 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, 2024

*Christopher P. Morill*

Executive Director/CEO

**City of Fenton**  
**List of City Officials**  
**June 30, 2025**

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**City Council**

Barbara Sue Osborn – Mayor

Patricia Lockwood

Brad Jacob

David McDermott

Mark Suchowski

Sean Sage

Tracy 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**

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

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

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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

## 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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

#### 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 19, 2025

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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**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, Major Street Fund, Local Street Fund, Municipal Street Fund, and Local Street improvement Debt

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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Retirement Fund, which are considered to be major funds. Data for the other 20 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.

**City of Fenton**  
**Management's Discussion and Analysis**  
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**Table I Major Features of the City of Fenton, Michigan's  
Government-wide and Fund Financial Statements  
Fund Statements**

<b>Type of Statements</b>	<b>Government-wide</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
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"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses and changes in fund net assets</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
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

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

**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	
	2024	2025	2024	2025	2024	2025
Current & other assets	\$ 18.7	\$ 14.9	\$ 6.1	\$ 4.8	\$ 24.8	\$ 19.7
Capital assets	30.8	34.0	34.4	34.9	65.2	68.9
Total assets	<u>49.5</u>	<u>48.9</u>	<u>40.5</u>	<u>39.7</u>	<u>90.0</u>	<u>88.6</u>
Deferred outflows of resources	1.8	1.0	0.6	0.5	2.4	1.5
Other liabilities	1.7	1.6	1.0	0.6	2.7	2.2
Long-term liabilities	24.1	20.7	8.8	8.8	32.9	29.5
Total liabilities	<u>25.8</u>	<u>22.3</u>	<u>9.8</u>	<u>9.4</u>	<u>35.6</u>	<u>31.7</u>
Deferred inflows of resources	1.9	1.5	0.4	0.3	2.3	1.8
Net position:						
Net investment in capital assets	22.4	22.7	28.7	28.2	51.1	50.9
Restricted	1.6	1.7	0.0	0.0	1.6	1.7
Unrestricted	(0.4)	1.7	2.2	2.3	1.8	4.0
Total net position	<u>\$ 23.6</u>	<u>\$ 26.1</u>	<u>\$ 30.9</u>	<u>\$ 30.5</u>	<u>\$ 54.5</u>	<u>\$ 56.6</u>

The City's combined net position increased 3.9 percent from a year ago, increasing from \$54.5 million to \$56.6 million. A review of the governmental activities, separate from the business-type activities, shows the net position increased from \$23.6 million to \$26.1 million during fiscal year 2025. 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 \$1.7 million at June 30, 2025. The business-type activities experienced a decrease in net position of approximately \$0.4 million or 1.3 percent.

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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	
	2024	2025	2024	2025	2024	2025
<b>Revenue</b>						
Program revenue:						
Charges for services	\$ 2.1	\$ 2.3	\$ 6.3	\$ 6.9	\$ 8.4	\$ 9.2
Operating grants and Contributions	2.1	2.0	0.0	0.0	2.1	2.0
Capital grants and Contributions	1.0	0.1	0.8	0.0	1.8	0.1
General revenue:						
Property taxes	6.7	7.3	0.0	0.0	6.7	7.3
State-shared revenue	1.4	1.4	0.0	0.0	1.4	1.4
Unrestricted						
Miscellaneous	0.0	0.6	1.4	0.3	1.4	0.9
Gain on sale of land	0.0	0.0	0.0	0.0	0.0	0.0
Investment earnings	0.0	0.4	0.0	0.1	0.0	0.0
<b>Total revenue</b>	<b>13.3</b>	<b>14.1</b>	<b>8.5</b>	<b>7.3</b>	<b>21.8</b>	<b>21.4</b>
<b>Program Expenses</b>						
General government	1.4	1.1	0.0	0.0	1.4	1.1
Public safety	1.8	2.6	0.0	0.0	1.8	2.6
Public works	6.8	6.8	0.0	0.0	6.8	6.8
Parks & recreation	0.5	0.6	0.0	0.0	0.5	0.6
Interest	0.3	0.5	0.0	0.0	0.3	0.5
Water	0.0	0.0	3.0	3.6	3.0	3.6
Sewer	0.0	0.0	3.4	4.1	3.4	4.1
<b>Total program expenses</b>	<b>10.8</b>	<b>11.6</b>	<b>6.4</b>	<b>7.7</b>	<b>17.2</b>	<b>19.3</b>
<b>Change in Net Position</b>	<b>2.5</b>	<b>2.5</b>	<b>2.1</b>	<b>(0.4)</b>	<b>4.6</b>	<b>2.1</b>
<b>Net position</b>						
Beginning of year	20.6	23.6	28.8	30.9	49.4	54.5
Prior period adjustment	0.5	-	-	-	0.5	-
Beginning of year, as restated	21.1	23.6	28.8	30.9	49.9	54.5
<b>Ending Net Position</b>	<b>\$ 23.6</b>	<b>\$ 26.1</b>	<b>\$ 30.9</b>	<b>\$ 30.5</b>	<b>\$ 54.5</b>	<b>\$ 56.6</b>

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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**Governmental Activities**

The City's total governmental revenues increased by about \$0.8 million.

Expenses increased by approximately \$0.8 million, or 7.4 percent, from last fiscal year. Public safety expenses were the largest portion increasing by roughly \$0.8 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 2024.

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 Water Fund and Sewer Fund increased approximately \$1,300,000 from FY 2024. During FY 2025, \$337,000 in operating loss was incurred in the Sewer Fund and \$99,493 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 2025 were the General Fund, Major Street 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 \$4.2 million in 2025. The general operating millage levied by the City supports these two services. Fiscal year 2025 revenues increased in the General Fund by \$573,376, mainly due an increase in taxable values. The General expenditures, excluding transfers out, increased by \$427,728. Fund Balance in the General Fund decreased by \$245,588.

The Major Street Fund funds the operations of the major streets. FY 2025 revenues in the Major Street Fund increased \$96,188, excluding transfers mainly due to an increase in ACT 51 monies. Major Street expenditures decreased \$312,834 mainly due to decreased maintenance costs.

The Local Street Fund funds the operations of the local streets. FY 2025 revenues increased in the Local Street Fund by \$7,318, mainly due to the increase in ACT 51 monies. The Local Street expenditures, excluding transfers out, increased by \$163,374. Fund Balance in the Local Street Fund increased by \$16,319.

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.

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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 budget by \$296,042. Expenditures were \$96,834 over budget. Various departments contributed to the negative budget variance.

**Capital Assets and Debt Administration**

At the end of fiscal 2025, the City had \$70.6 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 \$9.7 million and \$24.2 million for fiscal year 2024 and 2025, respectively.

	Governmental Activities	Business- Type Activities	Component Unit Activities	Total
Land	\$ 1,605,104	\$ 190,930	\$ 939,029	\$ 2,735,063
Construction in progress	262,510	128,548	707,136	1,098,194
Buildings, net	3,906,363	-	-	3,906,363
Building and land improvements, net	1,895,399	5,506,032	-	7,401,431
Machinery, vehicles and equipment, net	2,123,959	583,561	25,229	2,732,749
Road, lights, and bridges, net	24,196,304	-	-	24,196,304
Sewer and water lines, net	-	28,503,008	-	28,503,008
Capital assets, net	<u>\$ 33,989,639</u>	<u>\$ 34,912,079</u>	<u>\$ 1,671,394</u>	<u>\$ 70,573,112</u>

At the end of the 2025 fiscal year, the City of Fenton (primary government) had net outstanding debt of \$20,742,068. 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 decreased by \$2,315,218 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:

	2024	2025
Net direct bonded debt	\$13,375,000	\$11,750,000
Ratio of debt to assessed valuation	0.0287	0.0200
Debt per capita	\$ 1,139	\$ 975

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

**City of Fenton**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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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 2023 the City levied 9.84 mills and 2024, 9.83 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 2025 under Proposal A was 5.0 percent. Property taxes make up 61 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 2026 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, 2025**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 11,221,670	\$ 2,155,754	\$ 13,377,424	\$ 7,513,267
Receivables				
Accounts	619,476	-	619,476	-
Taxes	156,397	2,708,016	2,864,413	-
Special assessments	35,325	-	35,325	-
Due from other units of government	1,473,459	-	1,473,459	-
Internal balances	281,398	(281,398)	-	-
Inventories	73,996	43,876	117,872	-
Prepaid items	1,065,177	67,548	1,132,725	24,310
Assets held for sale	-	169,682	169,682	-
<b>Noncurrent assets</b>				
<b>Restricted assets</b>				
Cash and cash equivalents	-	8,081	8,081	-
Capital assets not being depreciated	1,867,614	319,478	2,187,092	1,646,165
Capital assets, net of accumulated depreciation	32,122,025	34,592,601	66,714,626	25,229
Total assets	<u>48,916,537</u>	<u>39,783,638</u>	<u>88,700,175</u>	<u>9,208,971</u>
<b>Deferred outflows of resources</b>				
Bond refundings	-	23,324	23,324	-
Pension related	904,004	435,620	1,339,624	-
OPEB related	160,352	60,108	220,460	-
Total deferred outflows of resources	<u>1,064,356</u>	<u>519,052</u>	<u>1,583,408</u>	<u>-</u>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	637,299	511,722	1,149,021	98,483
Due to other units of government	37,752	-	37,752	177,337
Payroll and other liabilities	180,217	89,247	269,464	34,493
Due to individuals and agencies	65,922	-	65,922	-
Deposits payable	621,398	-	621,398	-
Interest payable	73,667	-	73,667	-
Unearned revenue	24,930	-	24,930	-
<b>Noncurrent liabilities</b>				
Debt due within one year	2,012,497	427,209	2,439,706	345,000
Debt due in more than one year	11,913,391	6,388,971	18,302,362	1,935,933
Net pension liability	3,004,656	1,108,805	4,113,461	-
Net OPEB liability	3,781,562	861,144	4,642,706	-
Total liabilities	<u>22,353,291</u>	<u>9,387,098</u>	<u>31,740,389</u>	<u>2,591,246</u>
<b>Deferred inflows of resources</b>				
Pension related	137,446	50,722	188,168	-
OPEB related	1,383,970	309,691	1,693,661	-
Total deferred inflows of resources	<u>1,521,416</u>	<u>360,413</u>	<u>1,881,829</u>	<u>-</u>
<b>Net position</b>				
Net investment in capital assets	22,670,211	28,255,267	50,925,478	1,671,394
<b>Restricted for</b>				
Streets and highways	615,844	-	615,844	-
Opioid settlement	100,207	-	100,207	-
Public communications	548,166	-	548,166	-
Debt service	257,197	8,081	265,278	-
Municipal building	150,000	-	150,000	-
Unrestricted	1,764,561	2,291,831	4,056,392	4,946,331
Total net position	<u>\$ 26,106,186</u>	<u>\$ 30,555,179</u>	<u>\$ 56,661,365</u>	<u>\$ 6,617,725</u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

	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	
<b>Functions/programs</b>								
<b>Primary government</b>								
Governmental activities								
General government	\$ 1,136,670	\$ 575,743	\$ 20,000	\$ -	\$ (540,927)	\$ -	\$ (540,927)	\$ -
Public safety	2,578,063	899,423	36,273	50,000	(1,592,367)	-	(1,592,367)	-
Public works	6,766,567	745,459	1,893,919	-	(4,127,189)	-	(4,127,189)	-
Community and economic development	(3,786)	50,000	25,000	-	78,786	-	78,786	-
Recreation and culture	586,784	48,885	6,481	-	(531,418)	-	(531,418)	-
Interest on long-term debt	512,412	-	-	-	(512,412)	-	(512,412)	-
Total governmental activities	<u>11,576,710</u>	<u>2,319,510</u>	<u>1,981,673</u>	<u>50,000</u>	<u>(7,225,527)</u>	<u>-</u>	<u>(7,225,527)</u>	<u>-</u>
Business-type activities								
Sewer	3,605,373	2,983,745	-	-	-	(621,628)	(621,628)	-
Water	4,134,482	3,961,584	7,971	-	-	(164,927)	(164,927)	-
Total business-type activities	<u>7,739,855</u>	<u>6,945,329</u>	<u>7,971</u>	<u>-</u>	<u>-</u>	<u>(786,555)</u>	<u>(786,555)</u>	<u>-</u>
Total primary government	<u>\$ 19,316,565</u>	<u>\$ 9,264,839</u>	<u>\$ 1,989,644</u>	<u>\$ 50,000</u>	<u>(7,225,527)</u>	<u>(786,555)</u>	<u>(8,012,082)</u>	<u>-</u>
<b>Component units</b>								
Brownfield Redevelopment Authority	\$ 66,364	\$ -	\$ -	\$ -	-	-	-	(66,364)
Downtown Development Authority	1,647,413	-	-	-	-	-	-	(1,647,413)
Local Development Finance Authority	112,927	-	-	-	-	-	-	(112,927)
Total component units	<u>\$ 1,826,704</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				<u>(1,826,704)</u>
General revenues								
Property taxes					7,264,648	-	7,264,648	3,289,845
Unrestricted state-shared revenue					1,398,198	-	1,398,198	-
Unrestricted investment earnings					403,387	93,461	496,848	121,825
Gain on sale of capital assets					54,852	-	54,852	-
Miscellaneous					632,602	336,445	969,047	91,415
Total general revenues and transfers					<u>9,753,687</u>	<u>429,906</u>	<u>10,183,593</u>	<u>3,503,085</u>
Change in net position					2,528,160	(356,649)	2,171,511	1,676,381
Net position - beginning of year					<u>23,578,026</u>	<u>30,911,828</u>	<u>54,489,854</u>	<u>4,941,344</u>
Net position - end of year					<u>\$ 26,106,186</u>	<u>\$ 30,555,179</u>	<u>\$ 56,661,365</u>	<u>\$ 6,617,725</u>

See Accompanying Notes to the Financial Statements

**City of Fenton  
Governmental Funds  
Balance Sheet  
June 30, 2025**

	General	Major Street	Local Street	Municipal Street	Local Street Improvement Debt Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 4,684,389	\$ 546,642	\$ 173,861	\$ 1,708,522	\$ 271,518	\$ 3,261,314	\$ 10,646,246
Receivables							
Accounts	78,528	-	-	-	-	540,948	619,476
Taxes	146,092	-	-	-	-	-	146,092
Special assessments	33,650	-	-	-	-	1,675	35,325
Due from other units of government	1,099,185	203,223	71,051	-	-	100,000	1,473,459
Due from other funds	662,845	-	-	-	-	200	663,045
Inventories	73,996	-	-	-	-	-	73,996
Prepaid items	157,158	-	-	-	-	908,019	1,065,177
Advances to other funds	250,000	-	-	-	-	-	250,000
<b>Total assets</b>	<b>\$ 7,185,843</b>	<b>\$ 749,865</b>	<b>\$ 244,912</b>	<b>\$ 1,708,522</b>	<b>\$ 271,518</b>	<b>\$ 4,812,156</b>	<b>\$ 14,972,816</b>
<b>Liabilities</b>							
Accounts payable	\$ 371,483	\$ 27,155	\$ 32,795	\$ 36,570	\$ -	\$ 142,714	\$ 610,717
Due to other funds	6,370	42,662	29,662	-	-	293,349	372,043
Due to other units of government	37,752	-	-	-	-	-	37,752
Due to individuals and agencies	65,922	-	-	-	-	-	65,922
Payroll and other liabilities	154,689	7,365	2,724	-	-	13,443	178,221
Deposits payable	621,398	-	-	-	-	-	621,398
Unearned revenue	-	-	-	-	-	24,930	24,930
<b>Total liabilities</b>	<b>1,257,614</b>	<b>77,182</b>	<b>65,181</b>	<b>36,570</b>	<b>-</b>	<b>474,436</b>	<b>1,910,983</b>
<b>Deferred inflows of resources</b>							
Unavailable revenue	72,615	-	-	-	-	8,167	80,782
<b>Fund balances</b>							
Non-spendable							
Inventories	73,996	-	-	-	-	-	73,996
Prepaid items	157,158	-	-	-	-	908,019	1,065,177
Restricted	-	672,683	179,731	1,671,952	271,518	850,432	3,646,316
Committed	-	-	-	-	-	2,571,102	2,571,102
Unassigned	5,624,460	-	-	-	-	-	5,624,460
<b>Total fund balances</b>	<b>5,855,614</b>	<b>672,683</b>	<b>179,731</b>	<b>1,671,952</b>	<b>271,518</b>	<b>4,329,553</b>	<b>12,981,051</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 7,185,843</b>	<b>\$ 749,865</b>	<b>\$ 244,912</b>	<b>\$ 1,708,522</b>	<b>\$ 271,518</b>	<b>\$ 4,812,156</b>	<b>\$ 14,972,816</b>

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, 2025**

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<b>Total fund balances for governmental funds</b>	<b>\$ 12,981,051</b>
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	1,867,614
Capital assets, net of accumulated depreciation	31,110,602
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	
	80,782
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from net pension liability	904,004
Deferred outflows of resources resulting from net OPEB liability	160,352
Deferred inflows of resources resulting from net pension liability	(137,446)
Deferred inflows of resources resulting from net OPEB liability	(1,383,970)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(73,667)
Compensated absences	(374,746)
Bonds, notes, premiums and discounts	(12,905,875)
Net pension liability	(3,004,656)
Net OPEB liability	(3,781,562)
Internal service funds are included as part of governmental activities.	663,703
<b>Net position of governmental activities</b>	<b>\$ 26,106,186</b>

**City of Fenton**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2025**

	General	Major Street	Local Street	Municipal Street	Local Street Improvement Debt Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 5,203,832	\$ -	\$ -	\$ -	\$ 2,060,816	\$ -	\$ 7,264,648
Licenses and permits	542,038	-	-	-	-	67,378	609,416
State grants	1,418,198	1,392,210	501,709	-	-	-	3,312,117
Local contributions	-	-	-	-	-	124,990	124,990
Charges for services	471,308	-	-	-	-	957,981	1,429,289
Fines and forfeitures	54,295	-	-	-	-	-	54,295
Rental income	2,750	-	-	-	-	6,480	9,230
Investment income	241,821	-	-	161,238	-	328	403,387
Other revenue	503,573	3,108	-	-	-	94,505	601,186
<b>Total revenues</b>	<b>8,437,815</b>	<b>1,395,318</b>	<b>501,709</b>	<b>161,238</b>	<b>2,060,816</b>	<b>1,251,662</b>	<b>13,808,558</b>
<b>Expenditures</b>							
<b>Current</b>							
General government	1,869,281	-	-	-	-	86,769	1,956,050
Public safety	4,232,266	-	-	-	-	608,994	4,841,260
Public works	255,069	861,668	615,390	5,234,950	-	571,251	7,538,328
Community and economic development	47,139	-	-	-	-	29,668	76,807
Recreation and culture	345,029	-	-	-	-	189,242	534,271
Other	258,144	-	-	-	-	5,470	263,614
Capital outlay	271,117	60,314	-	-	-	167,970	499,401
Debt service	-	-	-	-	-	-	-
Principal retirement	20,764	-	-	-	1,570,000	99,311	1,690,075
Interest and fiscal charges	-	-	-	-	616,597	7,264	623,861
<b>Total expenditures</b>	<b>7,298,809</b>	<b>921,982</b>	<b>615,390</b>	<b>5,234,950</b>	<b>2,186,597</b>	<b>1,765,939</b>	<b>18,023,667</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,139,006</b>	<b>473,336</b>	<b>(113,681)</b>	<b>(5,073,712)</b>	<b>(125,781)</b>	<b>(514,277)</b>	<b>(4,215,109)</b>
<b>Other financing sources (uses)</b>							
Transfers in	-	-	130,000	-	-	1,384,594	1,514,594
Transfers out	(1,384,594)	(130,000)	-	-	-	-	(1,514,594)
Sale of capital assets	-	-	-	-	-	272,600	272,600
<b>Total other financing sources (uses)</b>	<b>(1,384,594)</b>	<b>(130,000)</b>	<b>130,000</b>	<b>-</b>	<b>-</b>	<b>1,657,194</b>	<b>272,600</b>
<b>Net change in fund balances</b>	<b>(245,588)</b>	<b>343,336</b>	<b>16,319</b>	<b>(5,073,712)</b>	<b>(125,781)</b>	<b>1,142,917</b>	<b>(3,942,509)</b>
Fund balances - beginning of year, as previously reported	6,101,202	-	163,412	6,745,664	397,299	3,515,983	16,923,560
Change in reporting entity	-	329,347	-	-	-	(329,347)	-
Fund balances - beginning of year, as adjusted	6,101,202	329,347	163,412	6,745,664	397,299	3,186,636	16,923,560
Fund balances - end of year	\$ 5,855,614	\$ 672,683	\$ 179,731	\$ 1,671,952	\$ 271,518	\$ 4,329,553	\$ 12,981,051

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, 2025**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ (3,942,509)</b>
 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	(1,684,552)
Capital outlay	5,042,716
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Special assessments	(31,140)
 Expenses are recorded when incurred in the statement of activities.	
Accrued interest	(12,288)
Compensated absences	(5,039)
 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	852,507
Net change in the deferred outflow of resources related to the net pension liability	(467,863)
Net change in the deferred inflow of resources related to the net pension liability	(11,842)
 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	739,758
Net change in the deferred outflow of resources related to the net OPEB liability	(294,254)
Net change in the deferred inflow of resources related to the net OPEB liability	406,732
 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.	
Repayments of long-term debt	1,690,075
Amortization of premiums, discounts and similar items	137,807
Internal service funds are also included as governmental activities	108,052
 <b>Change in net position of governmental activities</b>	 <b>\$ <u>2,528,160</u></b>

**City of Fenton**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2025**

	Enterprise Funds			Internal Service Funds
	Sewer	Water	Total	
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 1,616,471	\$ 539,283	\$ 2,155,754	\$ 575,424
Receivables				
Taxes	1,279,812	1,428,204	2,708,016	10,305
Due from other funds	-	-	-	13,191
Inventories	-	43,876	43,876	-
Prepaid items	22,268	45,280	67,548	-
Assets held for sale	169,682	-	169,682	-
	3,088,233	2,056,643	5,144,876	598,920
Total current assets				
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	-	8,081	8,081	-
Capital assets not being depreciated	165,427	154,051	319,478	-
Capital assets, net of accumulated depreciation	16,758,590	17,834,011	34,592,601	1,011,423
	16,924,017	17,996,143	34,920,160	1,011,423
Total noncurrent assets				
Total assets				
	20,012,250	20,052,786	40,065,036	1,610,343
<b>Deferred outflows of resources</b>				
Bond refundings	-	23,324	23,324	-
Pension related	90,970	344,650	435,620	-
OPEB related	4,410	55,698	60,108	-
	95,380	423,672	519,052	-
Total deferred outflows of resources				
<b>Liabilities</b>				
Current liabilities				
Accounts payable	422,516	89,206	511,722	26,582
Due to other funds	86,961	194,437	281,398	22,795
Payroll and other liabilities	16,022	73,225	89,247	1,996
Current portion of compensated absences	7,975	19,234	27,209	64,638
Current portion of long-term liabilities	95,000	305,000	400,000	82,550
	628,474	681,102	1,309,576	198,561
Total current liabilities				
Noncurrent liabilities				
Current liabilities payable from restricted assets				
Noncurrent portion of compensated absences	31,902	76,933	108,835	258,554
Noncurrent portion of long-term debt	644,397	5,635,739	6,280,136	239,525
Advances from other funds	-	-	-	250,000
Net pension liability	278,396	830,409	1,108,805	-
Net OPEB liability	92,855	768,289	861,144	-
	1,047,550	7,311,370	8,358,920	748,079
Total noncurrent liabilities				
Total liabilities				
	1,676,024	7,992,472	9,668,496	946,640
<b>Deferred inflows of resources</b>				
Pension related	12,735	37,987	50,722	-
OPEB related	33,872	275,819	309,691	-
	46,607	313,806	360,413	-
Total deferred inflows of resources				
<b>Net position</b>				
Net investment in capital assets	16,184,620	12,070,647	28,255,267	689,348
Restricted for				
Bond reserve	-	8,081	8,081	-
Unrestricted (deficit)	2,200,379	91,452	2,291,831	(25,645)
	16,184,620	12,078,728	28,263,348	663,703
Total net position				

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, 2025**

	Enterprise Funds			Internal Service Funds
	Sewer	Water	Total	
<b>Operating revenue</b>				
Customer fees	\$ 2,910,145	\$ 3,943,584	\$ 6,853,729	\$ -
Billings to other funds	-	-	-	679,265
Connection fees	73,600	18,000	91,600	-
Other revenue	264,206	72,239	336,445	84,257
<b>Total operating revenue</b>	<u>3,247,951</u>	<u>4,033,823</u>	<u>7,281,774</u>	<u>763,522</u>
<b>Operating expenses</b>				
Personnel services	836,898	1,586,983	2,423,881	89,520
Supplies	69,817	1,097,531	1,167,348	204,440
Contractual services	1,960,124	232,839	2,192,963	-
Utilities	15,190	166,781	181,971	48,268
Repairs and maintenance	8,761	49,001	57,762	83,915
Other expenses	85,127	109,622	194,749	57,741
Depreciation	609,034	691,573	1,300,607	212,368
<b>Total operating expenses</b>	<u>3,584,951</u>	<u>3,934,330</u>	<u>7,519,281</u>	<u>696,252</u>
<b>Operating income (loss)</b>	<u>(337,000)</u>	<u>99,493</u>	<u>(237,507)</u>	<u>67,270</u>
<b>Nonoperating revenue (expenses)</b>				
State grants	-	7,971	7,971	-
Investment income	8	93,453	93,461	-
Gain on sale of capital assets	-	-	-	54,852
Interest expense	(20,422)	(200,152)	(220,574)	(14,070)
<b>Total nonoperating revenues (expenses)</b>	<u>(20,414)</u>	<u>(98,728)</u>	<u>(119,142)</u>	<u>40,782</u>
<b>Change in net position</b>	<u>(357,414)</u>	<u>765</u>	<u>(356,649)</u>	<u>108,052</u>
<b>Net position - beginning of year</b>	<u>18,742,413</u>	<u>12,169,415</u>	<u>30,911,828</u>	<u>555,651</u>
<b>Net position - end of year</b>	<u>\$ 18,384,999</u>	<u>\$ 12,170,180</u>	<u>\$ 30,555,179</u>	<u>\$ 663,703</u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2025**

	Enterprise Funds			Governmental Activities
	Sewer	Water	Total	Internal Service Funds
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 2,958,857	\$ 3,901,849	\$ 6,860,706	\$ -
Receipts from interfund users	-	-	-	759,097
Payments (to) from other funds	488	(19,562)	(19,074)	(87,269)
Payments to suppliers	(1,849,793)	(1,863,711)	(3,713,504)	(350,595)
Payments to employees	(821,747)	(1,579,699)	(2,401,446)	(89,520)
Net cash provided (used) by operating activities	<u>287,805</u>	<u>438,877</u>	<u>726,682</u>	<u>231,713</u>
<b>Cash flows from noncapital financing activities</b>				
State grant	-	7,971	7,971	-
<b>Cash flows from capital and related financing activities</b>				
Advances from other funds	-	-	-	250,000
Purchases/construction of capital assets	(412,820)	(1,453,188)	(1,866,008)	(70,224)
Principal and interest paid on long-term debt	(115,422)	(512,625)	(628,047)	(93,933)
Proceeds from sale of capital assets	-	-	-	54,852
Net cash provided (used) by capital and related financing activities	<u>(528,242)</u>	<u>(1,965,813)</u>	<u>(2,494,055)</u>	<u>140,695</u>
<b>Cash flows from investing activities</b>				
Interest received	8	116,159	116,167	-
Net change in cash and cash equivalents	(240,429)	(1,402,806)	(1,643,235)	362,103
Cash and cash equivalents - beginning of year	<u>1,856,900</u>	<u>1,950,170</u>	<u>3,807,070</u>	<u>213,321</u>
Cash and cash equivalents - end of year	<u>\$ 1,616,471</u>	<u>\$ 547,364</u>	<u>\$ 2,163,835</u>	<u>\$ 575,424</u>
<b>Reconciliation to statement of net position</b>				
Cash and cash equivalents	\$ 1,616,471	\$ 539,283	\$ 2,155,754	\$ 575,424
Restricted cash and cash equivalents	-	8,081	8,081	-
Cash and cash equivalents - end of year	<u>\$ 1,616,471</u>	<u>\$ 547,364</u>	<u>\$ 2,163,835</u>	<u>\$ 575,424</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>				
Operating income (loss)	\$ (337,000)	\$ 99,493	\$ (237,507)	\$ 67,270
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization expense	609,034	691,573	1,300,607	212,368
Changes in assets and liabilities				
Receivables (net)	(289,094)	(131,974)	(421,068)	-
Due from other funds	-	-	-	(4,425)
Prepaid items	(1,813)	(3,704)	(5,517)	-
Debt refunding	-	2,325	2,325	-
Pension related deferred outflows of resources	37,624	67,969	105,593	-
OPEB related deferred outflows of resources	928	18,101	19,029	-
Accounts payable	(40,939)	(362,923)	(403,862)	(2,096)
Accrued and other liabilities	1,209	4,813	6,022	710
Due to other funds	488	(19,562)	(19,074)	(87,269)
Compensated absences	15,151	7,284	22,435	45,155
Net pension liability	290,980	(200,121)	90,859	-
Net OPEB liability	41,767	231,959	273,726	-
Pension related deferred inflows of resources	(54,229)	(35,596)	(89,825)	-
OPEB related deferred inflows of resources	13,699	69,240	82,939	-
Net cash provided (used) by operating activities	<u>\$ 287,805</u>	<u>\$ 438,877</u>	<u>\$ 726,682</u>	<u>\$ 231,713</u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2025**

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	<u>Custodial Funds</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 33,640
<b>Liabilities</b>	
Due to other units of government	10,749
Due to union groups	<u>12,570</u>
Total liabilities	<u>23,319</u>
<b>Net position</b>	
Restricted for fiduciary activities	<u>\$ 10,321</u>

**City of Fenton**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2025**

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	<u>Custodial Funds</u>
<b>Additions</b>	
Contributions	
Other governments	\$ 10,000
Property tax collections for other governments	22,837,451
Miscellaneous	<u>10,000</u>
Total additions	<u>22,857,451</u>
<b>Deductions</b>	
Payments of property tax to other governments	22,837,451
Other financing uses	<u>122,000</u>
Total deductions	<u>22,959,451</u>
Change in net position	(102,000)
Net position - beginning of year	<u>112,321</u>
Net position - end of year	<u><u>\$ 10,321</u></u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Component Units**  
**Statement of Net Position**  
**June 30, 2025**

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 4,395,092	\$ 2,874,031	\$ 244,144	\$ 7,513,267
Receivables				
Prepaid items	23,059	1,251	-	24,310
Total current assets	<u>4,418,151</u>	<u>2,875,282</u>	<u>244,144</u>	<u>7,537,577</u>
Noncurrent assets				
Capital assets not being depreciated	1,646,165	-	-	1,646,165
Capital assets, net of accumulated depreciation	25,229	-	-	25,229
Total noncurrent assets	<u>1,671,394</u>	<u>-</u>	<u>-</u>	<u>1,671,394</u>
Total assets	<u>6,089,545</u>	<u>2,875,282</u>	<u>244,144</u>	<u>9,208,971</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	98,328	155	-	98,483
Payroll and other liabilities	33,525	968	-	34,493
Due to other units of government	119,267	58,070	-	177,337
Current portion of long-term liabilities	345,000	-	-	345,000
Total current liabilities	<u>596,120</u>	<u>59,193</u>	<u>-</u>	<u>655,313</u>
Noncurrent liabilities				
Long-term liabilities	1,935,933	-	-	1,935,933
Total liabilities	<u>2,532,053</u>	<u>59,193</u>	<u>-</u>	<u>2,591,246</u>
<b>Net position</b>				
Net investment in capital assets	1,671,394	-	-	1,671,394
Unrestricted	1,886,098	2,816,089	244,144	4,946,331
Total net position	<u>\$ 3,557,492</u>	<u>\$ 2,816,089</u>	<u>\$ 244,144</u>	<u>\$ 6,617,725</u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Component Units**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
<b>Expenses</b>				
Community and economic development	\$ 1,647,413	\$ 112,927	\$ 66,364	\$ 1,826,704
<b>General revenues</b>				
Property taxes	2,743,886	460,428	85,531	3,289,845
Unrestricted investment earnings	75,621	46,204	-	121,825
Miscellaneous	91,415	-	-	91,415
 Total general revenues	 <u>2,910,922</u>	 <u>506,632</u>	 <u>85,531</u>	 <u>3,503,085</u>
 Change in net position	 1,263,509	 393,705	 19,167	 1,676,381
 Net position - beginning of year	 <u>2,293,983</u>	 <u>2,422,384</u>	 <u>224,977</u>	 <u>4,941,344</u>
 Net position - end of year	 <u>\$ 3,557,492</u>	 <u>\$ 2,816,089</u>	 <u>\$ 244,144</u>	 <u>\$ 6,617,725</u>

See Accompanying Notes to the Financial Statements

**City of Fenton**  
**Notes to the Financial Statements**  
**June 30, 2025**

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**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 2025.

**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.

**City of Fenton**  
**Notes to the Financial Statements**  
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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 Major Street Fund accounts for the State of Michigan Public Act 51 monies that are used to construct and maintain the major road system.

**City of Fenton**  
**Notes to the Financial Statements**  
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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.

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

**City of Fenton**  
**Notes to the Financial Statements**  
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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 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, 2025, the City levied 9.8317 mills and 3.5000 mills per \$1,000 of taxable valuation for general governmental services and debt service. The total taxable value for the 2024 levy for property within the City was approximately \$585,253,138.

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.

**City of Fenton**  
**Notes to the Financial Statements**  
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- 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.

Compensated absences – The liability for compensated absences includes amounts for vacation and sick leave that are more likely than not to be used or paid, measured at current pay rates plus applicable salary related payments. Substantially all City employees are paid for unused sick days upon termination of employment. Accumulated vested unpaid sick pay at June 30, 2025, 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, 2025, 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:

**City of Fenton**  
**Notes to the Financial Statements**  
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- 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.
- 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**  
**Notes to the Financial Statements**  
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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	Major Street Fund	Local Street Fund	Municipal Street Fund	Local Street Improvement Debt Retirement Fund	Nonmajor Governmental Funds
Fund Balances						
Non-spendable						
Inventories	\$ 73,996	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid items	157,158	-	-	-	-	908,019
Restricted for						
Streets and highways	-	672,683	179,731	1,671,952	-	-
Opioid settlement	-	-	-	-	-	100,207
Public communications	-	-	-	-	-	548,166
Debt service	-	-	-	-	271,518	52,059
Municipal building	-	-	-	-	-	150,000
Committed for						
Parks and recreation	-	-	-	-	-	76,944
Cemetery	-	-	-	-	-	282,948
Garbage collection	-	-	-	-	-	303,293
Narcotics enforcement	-	-	-	-	-	3,188
D.A.R.E.	-	-	-	-	-	22,080
Emergency 911	-	-	-	-	-	58,131
Neighborhood stabilization	-	-	-	-	-	288,274
Fire equipment	-	-	-	-	-	524,873
Fire truck equipment	-	-	-	-	-	131,841
Fire ladder truck	-	-	-	-	-	175,026
Improvements and technology	-	-	-	-	-	85,184
Capital projects	-	-	-	-	-	619,320
Unassigned	5,624,460	-	-	-	-	-
Total fund balances	<u>\$ 5,855,614</u>	<u>\$ 672,683</u>	<u>\$ 179,731</u>	<u>\$ 1,671,952</u>	<u>\$ 271,518</u>	<u>\$ 4,329,553</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. 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.

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.

**Upcoming Accounting and Reporting Changes**

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

**City of Fenton**  
**Notes to the Financial Statements**  
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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.

Statement No. 104, Disclosure of Certain Capital Assets, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. 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.

**Fund Deficit**

The City has accumulated unrestricted net position Sick Pay Fund (\$59,871). A deficit elimination plan is not required to be submitted to the Michigan Department of Treasury for the Sick Pay Fund as current assets exceed current liabilities.

**City of Fenton**  
**Notes to the Financial Statements**  
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**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.
- 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	\$ 11,221,670	\$ -	\$ 11,221,670
Business-type activities	<u>2,155,754</u>	<u>8,081</u>	<u>2,163,835</u>
Total	13,377,424	8,081	13,385,505
 Fiduciary funds	 33,640	 -	 33,640
Component unit	<u>7,513,267</u>	<u>-</u>	<u>7,513,267</u>
Total	<u>\$ 20,924,331</u>	<u>\$ 8,081</u>	<u>\$ 20,932,412</u>

**City of Fenton**  
**Notes to the Financial Statements**  
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The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Component Unit	Total
Bank deposits (checking and savings accounts, money markets)	\$ 1,638,329	\$ 33,640	\$ 7,513,267	\$ 9,185,236
Restricted cash	8,081	-	-	8,081
Certificates of deposit	5,738,796	-	-	5,738,796
Investments in securities, mutual funds and similar vehicles	6,000,129	-	-	6,000,129
Petty cash and cash on hand	170	-	-	170
	<u>\$ 13,385,505</u>	<u>\$ 33,640</u>	<u>\$ 7,513,267</u>	<u>\$ 20,932,412</u>

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

Investment	Carrying Value	Maturities	Rating	Rating Organization
Michigan Liquid Asset Funds	<u>\$ 6,000,129</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, \$13,877,180 was exposed to custodial credit risk because it was uninsured and uncollateralized.

**City of Fenton**  
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*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>6,000,129</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 \$6,000,129. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period 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.

**City of Fenton**  
**Notes to the Financial Statements**  
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**Note 5 - Capital Assets**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 1,605,104	\$ -	\$ -	\$ 1,605,104
Construction-in-progress	11,556,014	5,242,897	16,536,401	262,510
Total capital assets not being depreciated	<u>13,161,118</u>	<u>5,242,897</u>	<u>16,536,401</u>	<u>1,867,614</u>
Capital assets being depreciated				
Land improvements	2,086,468	586,225	-	2,672,693
Infrastructure	18,889,730	15,698,248	-	34,587,978
Buildings, additions and improvements	8,409,094	-	-	8,409,094
Machinery and equipment	<u>7,597,597</u>	<u>121,971</u>	<u>273,722</u>	<u>7,445,846</u>
Total capital assets being depreciated	<u>36,982,889</u>	<u>16,406,444</u>	<u>273,722</u>	<u>53,115,611</u>
Less accumulated depreciation for				
Land improvements	708,674	68,620	-	777,294
Infrastructure	9,164,634	1,227,040	-	10,391,674
Buildings, additions and improvements	4,305,468	197,263	-	4,502,731
Machinery and equipment	<u>5,191,612</u>	<u>403,997</u>	<u>273,722</u>	<u>5,321,887</u>
Total accumulated depreciation	<u>19,370,388</u>	<u>1,896,920</u>	<u>273,722</u>	<u>20,993,586</u>
Net capital assets being depreciated	<u>17,612,501</u>	<u>14,509,524</u>	<u>-</u>	<u>32,122,025</u>
Governmental activities net capital assets	<u>\$ 30,773,619</u>	<u>\$ 19,752,421</u>	<u>\$ 16,536,401</u>	<u>\$ 33,989,639</u>

**City of Fenton**  
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 190,930	\$ -	\$ -	\$ 190,930
Construction-in-progress	<u>7,416,345</u>	<u>1,911,312</u>	<u>9,199,109</u>	<u>128,548</u>
Total capital assets not being depreciated	<u>7,607,275</u>	<u>1,911,312</u>	<u>9,199,109</u>	<u>319,478</u>
Capital assets being depreciated				
Buildings, additions and improvements	9,439,051	406,000	-	9,845,051
Machinery and equipment	1,465,024	67,645	-	1,532,669
Water system	14,271,652	5,930,901	-	20,202,553
Sewer system	<u>29,512,422</u>	<u>2,749,259</u>	<u>-</u>	<u>32,261,681</u>
Total capital assets being depreciated	<u>54,688,149</u>	<u>9,153,805</u>	<u>-</u>	<u>63,841,954</u>
Less accumulated depreciation for				
Buildings, additions and improvements	4,076,806	262,213	-	4,339,019
Machinery and equipment	877,412	71,696	-	949,108
Water system	7,703,650	391,825	-	8,095,475
Sewer system	<u>15,290,878</u>	<u>574,873</u>	<u>-</u>	<u>15,865,751</u>
Total accumulated depreciation	<u>27,948,746</u>	<u>1,300,607</u>	<u>-</u>	<u>29,249,353</u>
Net capital assets being depreciated	<u>26,739,403</u>	<u>7,853,198</u>	<u>-</u>	<u>34,592,601</u>
Business-type capital assets, net	<u>\$ 34,346,678</u>	<u>\$ 9,764,510</u>	<u>\$ 9,199,109</u>	<u>\$ 34,912,079</u>

**City of Fenton**  
**Notes to the Financial Statements**  
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Capital assets activity of the component unit for the current year is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Downtown Development Authority</b>				
Capital assets not being depreciated				
Land	\$ 939,029	\$ -	\$ -	\$ 939,029
Construction-in-progress	646,353	650,008	589,225	707,136
Total capital assets not being depreciated	<u>1,585,382</u>	<u>650,008</u>	<u>589,225</u>	<u>1,646,165</u>
Capital assets being depreciated				
Machinery and equipment	34,140	27,031	-	61,171
Less accumulated depreciation for Machinery and equipment	<u>34,140</u>	<u>1,802</u>	<u>-</u>	<u>35,942</u>
Net capital assets being depreciated	<u>-</u>	<u>25,229</u>	<u>-</u>	<u>25,229</u>
Downtown Development Authority capital assets, net	<u>\$ 1,585,382</u>	<u>\$ 675,237</u>	<u>\$ 589,225</u>	<u>\$ 1,671,394</u>
<b>Local Development Financing Authority</b>				
Capital assets being depreciated				
Buildings, additions and improvements	\$ 37,630	\$ -	\$ -	\$ 37,630
Less accumulated depreciation for Buildings, additions and improvements	<u>37,630</u>	<u>-</u>	<u>-</u>	<u>37,630</u>
Local Development Financing Authority capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

<b>Governmental activities</b>	
General government	\$ 186,907
Public safety	16,953
Public works	1,227,040
Recreation and culture	253,652
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>212,368</u>
Total governmental activities	<u>1,896,920</u>
 <b>Business-type activities</b>	
Sewer Fund	609,034
Water Fund	<u>691,573</u>
 Total business-type activities	 <u>1,300,607</u>
 Total primary government	 <u>\$ 3,197,527</u>

**Construction Commitments**

The City entered into contracts for sanitary sewer repairs and drainage improvement projects in 2025. The total contract amount of those projects is \$4,162,528. At June 30, 2025, \$0 of construction is completed and \$4,162,528 remains a construction commitment at year-end.

**Note 6 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund							Total
	General Fund	Major Street Fund	Local Street Fund	Water Fund	Sewer Fund	Nonmajor governmental funds	Internal service funds	
General Fund	\$ -	\$ 42,662	\$ 29,662	\$ 191,366	\$ 83,211	\$ 293,149	\$ 22,795	\$ 662,845
Internal Service Funds	6,370	-	-	3,071	3,750	-	-	13,191
Nonmajor Governmental Funds	-	-	-	-	-	200	-	200
	<u>\$ 6,370</u>	<u>\$ 42,662</u>	<u>\$ 29,662</u>	<u>\$ 194,437</u>	<u>\$ 86,961</u>	<u>\$ 293,349</u>	<u>\$ 22,795</u>	<u>\$ 676,236</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.

**City of Fenton**  
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The details for interfund transfers are as follows:

	Transfers Out		
Transfers In	General Fund	Major Street Fund	Total
Local Street	\$ -	\$ 130,000	\$ 130,000
Nonmajor governmental funds	1,384,594	-	1,384,594
	\$ 1,384,594	\$ 130,000	\$ 1,514,594

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

Advances at year end are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Internal Service Funds	\$ 250,000

The City has an outstanding balance classified as advances to other funds from the General Fund to the DPW Equipment Fund in the amount of \$250,000. The funds were used to purchase equipment. The advances to other funds are long term receivables and payables between funds.

**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 additions and deductions are reported net.

**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
<b>Governmental activities</b>									
Bonds and notes payable									
General obligation bonds									
2015 LTGO Special Assessment Bonds	\$ 555,000	4/1/2026	3.300% - 3.550%	\$55,000	\$ 110,000	\$ -	\$ 55,000	\$ 55,000	\$ 55,000
2022 Unlimited Tax General Obligation Bonds	9,150,000	4/1/2032	5.000%	\$600,000 - \$1,570,000	6,475,000	-	1,570,000	4,905,000	600,000
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	1,090,000
Total general obligation bonds					<u>13,375,000</u>	<u>-</u>	<u>1,625,000</u>	<u>11,750,000</u>	<u>1,745,000</u>
Notes from direct borrowings									
Installment purchase agreements									
Fire and Police Equipment	261,612	8/31/2024	2.810%	\$20,764	20,764	-	20,764	-	-
Fire Truck	306,909	7/1/2027	2.350%	\$24,115 - \$46,431	160,216	-	44,311	115,905	45,359
Total notes from direct borrowings and direct placements					<u>180,980</u>	<u>-</u>	<u>65,075</u>	<u>115,905</u>	<u>45,359</u>
Premiums and discounts									
For issuance premiums									
					1,177,777	-	137,807	1,039,970	-
Total bonds and notes payable					<u>14,733,757</u>	<u>-</u>	<u>1,827,882</u>	<u>12,905,875</u>	<u>1,790,359</u>
Compensated absences					647,744	50,194	-	697,938	139,588
Internal service fund obligations									
Notes from direct borrowing									
Installment purchase agreements									
Dump Trucks	300,000	9/1/2027	2.350%	\$23,094 - \$45,385	156,129	-	43,313	112,816	44,337
Street Sweeper	280,768	1/1/2030	4.500%	\$36,550 - \$45,658	245,809	-	36,550	209,259	38,213
Total governmental activities					<u>15,783,439</u>	<u>50,194</u>	<u>1,907,745</u>	<u>13,925,888</u>	<u>2,012,497</u>
<b>Business-type activities</b>									
Bonds and notes payable									
Revenue bonds									
2009 Michigan Municipal Bond Authority	1,419,839	4/1/2030	2.500%	\$60,000 - \$72,031	382,031	-	60,000	322,031	60,000
2014 Michigan Finance Authority	935,000	10/1/2035	2.500%	\$35,000 - \$42,366	452,366	-	35,000	417,366	35,000
Capital improvement bonds									
2020 Capital Improvement Refunding Bonds	2,320,000	4/1/2035	2.000%	\$145,000 - \$175,000	1,765,000	-	145,000	1,620,000	150,000
2022 Capital Improvement Bonds	4,500,000	5/24/2032	4.000%	\$155,000 - \$365,000	4,350,000	-	155,000	4,195,000	155,000
Plus deferred amounts									
For issuance premiums									
					138,212	-	12,473	125,739	-
Total bonds and notes payable					<u>7,087,609</u>	<u>-</u>	<u>407,473</u>	<u>6,680,136</u>	<u>400,000</u>
Compensated absences					113,609	22,435	-	136,044	27,209
Total business-type activities					<u>7,201,218</u>	<u>22,435</u>	<u>407,473</u>	<u>6,816,180</u>	<u>427,209</u>
Total primary government					<u>\$ 22,984,657</u>	<u>\$ 72,629</u>	<u>\$ 2,315,218</u>	<u>\$ 20,742,068</u>	<u>\$ 2,439,706</u>
<b>Component unit</b>									
<b>Downtown Development Authority</b>									
General obligation bonds									
2014 GOLT Development Bonds	\$ 3,650,000	10/1/2031	3.000% - 4.000%	\$265,000 - \$330,000	\$ 2,070,000	\$ -	\$ 265,000	\$ 1,805,000	\$ 275,000
2016 GOLT Development Bonds	1,000,000	10/1/2031	2.250% - 2.600%	\$70,000 - \$80,000	520,000	-	70,000	450,000	70,000
Capitalized bond premium					30,195	-	4,262	25,933	-
Total component units					<u>\$ 2,620,195</u>	<u>\$ -</u>	<u>\$ 339,262</u>	<u>\$ 2,280,933</u>	<u>\$ 345,000</u>

**Compensated Absences**

In accordance with the City's personnel policies, individual employees have accumulated rights to receive cash or noncash payment for unused sick pay and vacation under formulas and conditions specified in their respective personnel policies and/or contracts. The dollar amount of the compensated absence liability on the more likely than not to be used or paid out basis, including related payroll taxes, amounted to \$697,938 for governmental activities and \$136,044 for business-type activities at June 30, 2025.

**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 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

**City of Fenton**  
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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
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	88,976	5,044
2029	1,270,000	382,000	43,670	2,551
2030	1,330,000	318,500	45,658	520
2031-2035	5,040,000	655,000	-	-
	\$ 11,750,000	\$ 2,884,952	\$ 437,980	\$ 30,161

Year Ending June 30,	Business-type Activities		Component Unit	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
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	447,031	169,697	390,000	29,792
2031-2035	2,025,000	664,196	410,000	15,280
2036-2040	1,692,366	347,530	-	-
2041-2045	725,000	43,600	-	-
	\$ 6,554,397	\$ 2,027,061	\$ 2,255,000	\$ 272,046

**City of Fenton**  
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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	\$ 1,867,614	\$ 319,478	\$ 1,646,165
Capital assets, net of accumulated depreciation	32,122,025	34,592,601	25,229
Total capital assets	33,989,639	34,912,079	1,671,394
Unspent bond proceeds	1,908,522	-	-
Unamortized balance of capital-related deferred outflows of resources from refunding of outstanding capital debt	-	23,324	-
Related debt			
General obligation bonds	11,750,000	5,815,000	-
Special assessment obligations	-	739,397	-
Installment purchase agreements	115,905	-	-
Notes from direct borrowing and direct placements	322,075	-	-
Unamortized bond premiums	1,039,970	125,739	-
Total related debt	13,227,950	6,680,136	-
Net investment in capital assets	\$ 22,670,211	\$ 28,255,267	\$ 1,671,394

**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

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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>.

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, 2024 valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	49
Inactive employees entitled to, but not yet receiving benefits	20
Active employees	<u>37</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, 2025, employer contributions were \$1,324,585.

Net pension liability – The employer’s net pension liability was measured as of December 31, 2024, 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, 2024 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%	4.66%	0.93%	2.50%	0.43%
Private investments	20.00%	9.00%	1.80%	2.50%	1.30%
	<u>100.00%</u>		<u>5.13%</u>		<u>3.13%</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, 2024	\$ 23,240,803	\$ 18,365,694	\$ 4,875,109
Changes for the year			
Service cost	289,730	-	289,730
Interest on total pension liability	1,635,021	-	1,635,021
Experience differences	75,490	-	75,490
Actuarial assumptions	(20,080)	-	(20,080)
Employer contributions	-	1,384,316	(1,384,316)
Employee contributions	-	26,038	(26,038)
Net investment income (loss)	-	1,372,265	(1,372,265)
Benefit payments and refunds	(1,227,574)	(1,227,574)	-
Administrative expense	-	(40,810)	40,810
Net changes	<u>752,587</u>	<u>1,514,235</u>	<u>(761,648)</u>
Balances as of June 30, 2025	<u>\$ 23,993,390</u>	<u>\$ 19,879,929</u>	<u>\$ 4,113,461</u>

**City of Fenton**  
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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.

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability	\$ 7,153,935	\$ 4,113,461	\$ 1,589,579

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended June 30, 2025 the employer recognized pension expense of \$1,058,797. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ 60,392	\$ (172,104)	\$ (111,712)
Differences in assumptions	289,078	(16,064)	273,014
Net difference between projected and actual earning on plan investments	628,047	-	628,047
Contributions subsequent to the measurement date*	362,107	-	-
Total	\$ 1,339,624	\$ (188,168)	\$ 789,349

\*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:

Year ended June 30,		
2026	\$	424,400
2027		473,554
2028		(109,984)
2029		1,379
	\$	789,349

**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, 2025, the plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	31
Active employees	34
	65

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

**City of Fenton**  
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liability by the City should not be interpreted that a vested benefit is owed to any plan participant. Benefits are 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 \$269,486 for the year ended June 30, 2025. Plan members are not required to contribute to the plan.

Total OPEB liability – The total OPEB liability was measured as of June 30, 2025. The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to June 30, 2025.

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	14 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 7.25% gradually decreasing to an ultimate trend rate of 3.50% in year 15
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"

Mortality rates were based on a version of the Pub-2010 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 5.20%. 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.

**City of Fenton**  
**Notes to the Financial Statements**  
**June 30, 2025**

	<u>Increase</u>	<u>(Decrease)</u>
	<u>Total OPEB Liability</u>	
Balances as of June 30, 2024	<u>\$ 5,108,738</u>	
Changes for the year		
Service cost	144,517	
Interest on total OPEB liability	200,336	
Experience differences	40,406	
Change in actuarial assumptions	(610,255)	
Benefit payments and refunds	(269,486)	
Other changes	28,450	
Net changes	<u>(466,032)</u>	
Balances as of June 30, 2025	<u>\$ 4,642,706</u>	

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 (4.20%) or 1% higher (6.20%) than the current discount rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
OPEB liability	<u>\$ 5,130,124</u>	<u>\$ 4,642,706</u>	<u>\$ 4,221,261</u>

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:

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Ratio Assumption</u>	<u>1% Increase</u>
OPEB liability	<u>\$ 4,295,970</u>	<u>\$ 4,642,706</u>	<u>\$ 5,046,266</u>

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2025 the employer recognized OPEB expense of (\$207,056). The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total to Amortize</u>
Differences in experience	\$ 39,059	\$ (983,785)	\$ (944,726)
Differences in assumptions	181,401	(709,876)	(528,475)
Total	<u>\$ 220,460</u>	<u>\$ (1,693,661)</u>	<u>\$ (1,473,201)</u>

**City of Fenton**  
**Notes to the Financial Statements**  
**June 30, 2025**

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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>	
2026	\$ (709,508)
2027	(388,728)
2028	(292,040)
2029	<u>(82,925)</u>
	<u>\$ (1,473,201)</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, 2025 is as follows:

Revenues	
Building permits	\$ 215,785
Plumbing Permit	37,622
Mechanical Permit	52,161
Electrical Permit	36,199
Certification Permit	2,100
Zoning permits	<u>11,055</u>
Total Revenues	<u>354,922</u>
Expenditures	
Salaries and fringes	329,641
Supplies and other	79,628
Professional services	<u>96,692</u>
Total expenditures	<u>505,961</u>
Excess of revenues (under) expenditures	(151,039)
Prior cumulative excess of revenues (under) expenditures	<u>(3,475,776)</u>
Cumulative excess of revenues (under) expenditures	<u>\$ (3,626,815)</u>

**City of Fenton**  
**Notes to the Financial Statements**  
**June 30, 2025**

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**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 – Changes within the Financial Reporting Entity**

The Major Street Fund was previously reported as a nonmajor fund within the governmental funds: however, the Fund now meets the quantitative threshold for presentation as a major fund.

	<u>June 30 2024</u> <u>As Previously</u> <u>Reported</u>	<u>Change Within</u> <u>the Financial</u> <u>Reporting Entity</u>	<u>June 30, 2024</u> <u>As Restated</u>
<b>Governmental Funds</b>			
Major Funds:			
Major Street	\$ -	\$ 329,347	\$ 329,347
Nonmajor Funds	<u>329,347</u>	<u>(329,347)</u>	<u>-</u>
<b>Total Governmental Funds</b>	<u>\$ 329,347</u>	<u>\$ -</u>	<u>\$ 329,347</u>

**City of Fenton**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Taxes				
Property taxes	\$ 4,982,360	\$ 5,045,750	\$ 5,155,604	\$ 109,854
Special assessments	-	17,444	48,228	30,784
Licenses and permits	552,250	467,750	542,038	74,288
State-shared revenue	1,517,500	1,460,000	1,378,396	(81,604)
State grants	41,500	45,000	39,802	(5,198)
Charges for services	387,250	416,750	471,308	54,558
Fines and forfeitures	50,000	45,000	54,295	9,295
Rental income	3,000	3,000	2,750	(250)
Investment income	90,000	90,000	241,821	151,821
Other revenue	252,579	551,079	503,573	(47,506)
Total revenues	<u>7,876,439</u>	<u>8,141,773</u>	<u>8,437,815</u>	<u>296,042</u>
<b>Expenditures</b>				
Legislative and executive	286,163	244,600	236,196	(8,404)
General services	1,794,583	1,842,626	1,997,049	154,423
Police	3,110,777	3,104,727	3,070,671	(34,056)
Fire	863,075	770,225	740,794	(29,431)
Protective inspections	532,100	547,697	540,441	(7,256)
Public service	211,400	242,850	255,069	12,219
Community service	246,900	449,250	458,589	9,339
Total expenditures	<u>7,044,998</u>	<u>7,201,975</u>	<u>7,298,809</u>	<u>96,834</u>
Excess (deficiency) of revenues over expenditures	831,441	939,798	1,139,006	199,208
<b>Other financing sources (uses)</b>				
Transfers out	(797,000)	(1,384,594)	(1,384,594)	-
Net change in fund balance	34,441	(444,796)	(245,588)	199,208
Fund balance - beginning of year	6,101,202	6,101,202	6,101,202	-
Fund balance - end of year	<u>\$ 6,135,643</u>	<u>\$ 5,656,406</u>	<u>\$ 5,855,614</u>	<u>\$ 199,208</u>

See Accompanying Notes to Required Supplementary Information

**City of Fenton**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Street Fund**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
State grants	\$ 1,355,520	\$ 1,361,288	\$ 1,392,210	\$ 30,922
Investment income	2,000	2,000	-	(2,000)
Other revenue	-	-	3,108	3,108
<b>Total revenues</b>	<u>1,357,520</u>	<u>1,363,288</u>	<u>1,395,318</u>	<u>32,030</u>
<b>Expenditures</b>				
Current				
Public works	743,752	813,852	861,668	47,816
Capital outlay	-	118,000	60,314	(57,686)
<b>Total expenditures</b>	<u>743,752</u>	<u>931,852</u>	<u>921,982</u>	<u>(9,870)</u>
Excess of revenues (deficiency) over expenditures	613,768	431,436	473,336	41,900
<b>Other financing sources (uses)</b>				
Transfers out	(130,000)	(130,000)	(130,000)	-
Net change in fund balance	483,768	301,436	343,336	41,900
Fund balance - beginning of year	329,347	329,347	329,347	-
Fund balance - end of year	<u>\$ 813,115</u>	<u>\$ 630,783</u>	<u>\$ 672,683</u>	<u>\$ 41,900</u>

**City of Fenton**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Local Street Fund**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
State grants	\$ 461,116	\$ 461,116	\$ 501,709	\$ 40,593
Investment income	4,000	2,000	-	(2,000)
Total revenues	<u>465,116</u>	<u>463,116</u>	<u>501,709</u>	<u>38,593</u>
<b>Expenditures</b>				
Current				
Public works	<u>569,025</u>	<u>583,545</u>	<u>615,390</u>	<u>31,845</u>
Excess of revenues (deficiency) over expenditures	<u>(103,909)</u>	<u>(120,429)</u>	<u>(113,681)</u>	<u>6,748</u>
<b>Other financing sources (uses)</b>				
Transfers in	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Net change in fund balance	26,091	9,571	16,319	6,748
Fund balance - beginning of year	<u>163,412</u>	<u>163,412</u>	<u>163,412</u>	<u>-</u>
Fund balance - end of year	<u>\$ 189,503</u>	<u>\$ 172,983</u>	<u>\$ 179,731</u>	<u>\$ 6,748</u>

See Accompanying Notes to Required Supplementary Information

**City of Fenton**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Municipal Street Fund**  
**For the Year Ended June 30, 2025**

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	<u>Budgeted Amounts</u>		<u>Actual</u>	Actual
	<u>Original</u>	<u>Final</u>		Over (Under)
				<u>Final</u>
				<u>Budget</u>
<b>Revenues</b>				
Investment income	\$ -	\$ 150,000	\$ 161,238	\$ 11,238
<b>Expenditures</b>				
Current				
Public works	3,400,000	5,600,000	5,234,950	(365,050)
Net change in fund balance	(3,400,000)	(5,450,000)	(5,073,712)	376,288
Fund balance - beginning of year	6,745,664	6,745,664	6,745,664	-
Fund balance - end of year	<u>\$ 3,345,664</u>	<u>\$ 1,295,664</u>	<u>\$ 1,671,952</u>	<u>\$ 376,288</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, 2025**

Fiscal year ended June 30,	2025	2024	2023	2022	2021
<b>Total pension liability</b>					
Service cost	\$ 289,730	\$ 304,603	\$ 317,751	\$ 298,220	\$ 284,714
Interest	1,635,021	1,594,300	1,563,284	1,534,714	1,426,658
Changes of benefit terms					
Experience differences	75,490	(82,257)	(225,761)	(162,220)	139,086
Changes in assumptions	(20,080)	190,429	-	874,113	666,600
Benefit payments and refunds	<u>(1,227,574)</u>	<u>(1,208,720)</u>	<u>(1,232,958)</u>	<u>(1,138,367)</u>	<u>(1,065,711)</u>
Net change in total pension liability	752,587	798,355	422,316	1,406,460	1,451,347
Total pension liability - beginning	<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>
Total pension liability - ending (a)	<u>\$ 23,993,390</u>	<u>\$ 23,240,803</u>	<u>\$ 22,442,448</u>	<u>\$ 22,020,132</u>	<u>\$ 20,613,672</u>
<b>Plan fiduciary net position</b>					
Employer contributions	\$ 1,384,316	\$ 1,969,416	\$ 1,764,163	\$ 1,506,983	\$ 1,329,068
Employee contributions	26,038	26,215	29,363	29,058	29,217
Net investment income (loss)	1,372,265	1,836,217	(1,762,347)	2,078,854	1,681,597
Benefit payments and refunds	(1,227,574)	(1,208,720)	(1,232,958)	(1,138,367)	(1,065,711)
Administrative expense	(40,810)	(37,936)	(31,941)	(23,845)	(25,814)
Other	<u>-</u>	<u>(4,040)</u>	<u>(4,040)</u>	<u>119,445</u>	<u>-</u>
Net change in plan fiduciary net position	1,514,235	2,581,152	(1,237,760)	2,572,128	1,948,357
Plan fiduciary net position - beginning	<u>18,365,694</u>	<u>15,784,542</u>	<u>17,018,262</u>	<u>14,565,580</u>	<u>12,617,223</u>
Plan fiduciary net position - ending (b)	<u>\$ 19,879,929</u>	<u>\$ 18,365,694</u>	<u>\$ 15,780,502</u>	<u>\$ 17,137,708</u>	<u>\$ 14,565,580</u>
Net pension liability (a-b)	<u>\$ 4,113,461</u>	<u>\$ 4,875,109</u>	<u>\$ 6,661,946</u>	<u>\$ 4,882,424</u>	<u>\$ 6,048,092</u>
Plan fiduciary net position as a percentage of total pension liability	82.86%	79.02%	70.32%	77.83%	70.66%
Covered payroll	<u>\$ 2,966,154</u>	<u>\$ 3,100,844</u>	<u>\$ 3,193,954</u>	<u>\$ 3,312,416</u>	<u>\$ 3,425,872</u>
Net pension liability as a percentage of covered payroll	138.68%	157.22%	208.58%	147.40%	176.54%

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, 2025**

Fiscal year ended June 30,	2020	2019	2018	2017	2016
<b>Total pension liability</b>					
Service cost	\$ 272,243	\$ 265,288	\$ 272,740	\$ 272,063	\$ 253,276
Interest	1,392,121	1,327,974	1,314,169	1,260,231	1,143,433
Changes of benefit terms	(9,119)				
Experience differences	122,634	220,496	(453,504)	63,341	-
Changes in assumptions	641,840	-	-	-	939,704
Benefit payments and refunds	(1,045,582)	(985,194)	(929,103)	(914,331)	(857,340)
Net change in total pension liability	1,374,137	828,564	204,302	681,304	1,479,073
Total pension liability - beginning	17,788,188	16,959,624	16,755,322	16,074,018	14,594,945
Total pension liability - ending (a)	<u>\$ 19,162,325</u>	<u>\$ 17,788,188</u>	<u>\$ 16,959,624</u>	<u>\$ 16,755,322</u>	<u>\$ 16,074,018</u>
<b>Plan fiduciary net position</b>					
Employer contributions	\$ 1,194,047	\$ 1,082,740	\$ 814,116	\$ 550,985	\$ 510,110
Employee contributions	30,505	27,653	27,255	23,809	22,633
Net investment income (loss)	1,504,441	(453,265)	1,330,013	1,057,397	(146,630)
Benefit payments and refunds	(1,045,582)	(985,194)	(929,103)	(914,331)	(857,340)
Administrative expense	(25,932)	(22,134)	(21,038)	(20,877)	(22,691)
Other	-	-	-	-	-
Net change in plan fiduciary net position	1,657,479	(350,200)	1,221,243	696,983	(493,918)
Plan fiduciary net position - beginning	10,959,744	11,309,944	10,088,701	9,391,718	9,885,636
Plan fiduciary net position - ending (b)	<u>\$ 12,617,223</u>	<u>\$ 10,959,744</u>	<u>\$ 11,309,944</u>	<u>\$ 10,088,701</u>	<u>\$ 9,391,718</u>
Net pension liability (a-b)	<u>\$ 6,545,102</u>	<u>\$ 6,828,444</u>	<u>\$ 5,649,680</u>	<u>\$ 6,666,621</u>	<u>\$ 6,682,300</u>
Plan fiduciary net position as a percentage of total pension liability	65.84%	61.61%	66.69%	60.21%	58.43%
Covered payroll	\$ 3,205,054	\$ 2,990,576	\$ 2,982,123	\$ 1,671,019	\$ 1,234,638
Net pension liability as a percentage of covered employee payroll	204.21%	228.33%	189.45%	398.96%	541.24%

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, 2025**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
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%
6/30/2025	717,516	1,324,585	(607,069)	4,202,392	31.52%

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, 2025**

Fiscal year ended June 30,	2025	2024	2023
<b>Total OPEB liability</b>			
Service cost	\$ 144,517	\$ 138,139	\$ 165,867
Interest	200,336	235,691	224,457
Changes of benefit terms	28,450	-	10,225
Experience differences	40,406	(1,365,361)	18,766
Changes in assumptions	(610,255)	194,996	(110,997)
Benefit payments and refunds	(269,486)	(263,274)	(279,340)
Net change in total OPEB liability	(466,032)	(1,059,809)	28,978
Total OPEB liability - beginning	5,108,738	6,168,547	6,139,569
Total OPEB liability - ending (a)	<u>\$ 4,642,706</u>	<u>\$ 5,108,738</u>	<u>\$ 6,168,547</u>
 Plan fiduciary net position as a percentage of total OPEB liability	 - %	 - %	 - %
Covered-employee payroll	<u>\$ 4,941,412</u>	<u>\$ 4,860,619</u>	<u>\$ 4,551,256</u>
Net OPEB liability as a percentage of covered-employee payroll	93.96%	105.10%	135.54%

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, 2025**

Fiscal year ended June 30,	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ 224,988	\$ 241,668	\$ 185,710	\$ 175,103	\$ 180,894
Interest	156,237	186,790	206,645	224,838	219,460
Changes of benefit terms	-	(57,586)	-	-	-
Experience differences	(1,087,832)	(10,039)	(366,715)	30,620	18,093
Changes in assumptions	(1,014,828)	494,400	1,338,643	329,265	(39,380)
Benefit payments and refunds	<u>(327,705)</u>	<u>(339,583)</u>	<u>(400,867)</u>	<u>(347,273)</u>	<u>(312,286)</u>
Net change in total OPEB liability	(2,049,140)	515,650	963,416	412,553	66,781
Total OPEB liability - beginning	<u>8,188,709</u>	<u>7,673,059</u>	<u>6,709,643</u>	<u>6,297,090</u>	<u>6,230,309</u>
Total OPEB liability - ending (a)	<u>\$ 6,139,569</u>	<u>\$ 8,188,709</u>	<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>\$ 4,533,367</u>	<u>\$ 4,227,231</u>	<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	135.43%	193.71%	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, 2025**

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%
6/30/2025	650,954	269,486	381,468	4,941,412	5.45%

See Accompanying Notes to Required Supplementary Information

**City of Fenton**  
**Notes to the Required Supplementary Information**  
**June 30, 2025**

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**Pension Information**

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

There were no benefit changes for the fiscal year ending June 30, 2025.

**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, closed
- 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, 2025 and there are no assets accumulated in a trust that meets the criteria to pay related benefits for the Pension or Other Postemployment Benefit plans.

**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: 14 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

**City of Fenton**  
**Notes to the Required Supplementary Information**  
**June 30, 2025**

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- Healthcare inflation: 7.25 percent initial, gradually decreasing to an ultimate rate of 3.5 percent in year 15

**Budgetary Reporting**

The budgetary comparison schedules presented as Required Supplementary Information have been prepared on the same basis of accounting as Generally Accepted Accounting Principles

**Expenditures in Excess of Appropriations**

	<u>Appropriations</u>	<u>Actual</u>	<u>Budget Variance</u>
General Fund			
General Services	\$ 1,842,626	\$ 1,997,049	\$ 154,423
Public service	242,850	255,069	12,219
Community Service	449,250	458,589	9,339
Major Street Fund			
Public works	813,852	861,668	47,816
Local Street Fund			
Public works	583,545	615,390	31,845
Cemetery Fund			
Capital outlay	18,000	19,074	1,074
Emergency 911 Fund			
Other functions	200	442	242
Public Communications Fund			
Other functions	2,700	5,028	2,328
Fire Equipment Fund			
Debt service			
Principal retirement	39,956	44,311	4,355
Eagles on Water SA Capital Fund			
Other functions	-	5,061	5,061

**City of Fenton**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Major Debt Service Fund**  
**For the Year Ended June 30, 2025**

<b>Local Street Improvement Debt Retirement Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Taxes	\$ 2,044,075	\$ 2,048,798	\$ 2,060,816	\$ 12,018
<b>Expenditures</b>				
Debt service				
Principal retirement	1,570,000	1,570,000	1,570,000	-
Interest and fiscal charges	324,250	617,097	616,597	(500)
Total expenditures	<u>1,894,250</u>	<u>2,187,097</u>	<u>2,186,597</u>	<u>(500)</u>
Net change in fund balance	149,825	(138,299)	(125,781)	12,518
Fund balance - beginning of year	<u>397,299</u>	<u>397,299</u>	<u>397,299</u>	-
Fund balance - end of year	<u>\$ 547,124</u>	<u>\$ 259,000</u>	<u>\$ 271,518</u>	<u>\$ 12,518</u>

**City of Fenton**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

Special Revenue Funds

	Parks & Recreation	Cemetery	Opioid Settlement	Garbage Collection
<b>Assets</b>				
Cash and cash equivalents	\$ 135,577	\$ 321,611	\$ 100,207	\$ 176,465
Receivables				
Accounts	-	18,222	-	177,352
Special assessments	-	-	-	-
Due from other units of government	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	655	-	-	-
Total assets	<u>\$ 136,232</u>	<u>\$ 339,833</u>	<u>\$ 100,207</u>	<u>\$ 353,817</u>
<b>Liabilities</b>				
Accounts payable	\$ 29,109	\$ 31,955	\$ -	\$ 47,481
Due to other funds	24,115	-	-	2,743
Payroll and other liabilities	5,409	-	-	300
Unearned revenue	-	24,930	-	-
Total liabilities	<u>58,633</u>	<u>56,885</u>	<u>-</u>	<u>50,524</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue - receivables	-	-	-	-
<b>Fund balances</b>				
Non-spendable				
Prepaid items	655	-	-	-
Restricted	-	-	100,207	-
Committed	76,944	282,948	-	303,293
Total fund balances	<u>77,599</u>	<u>282,948</u>	<u>100,207</u>	<u>303,293</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 136,232</u>	<u>\$ 339,833</u>	<u>\$ 100,207</u>	<u>\$ 353,817</u>

**City of Fenton**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

Special Revenue Funds

	Narcotics Enforcement	D.A.R.E	Emergency 911	Non-motorized Trail	Public Communications
<b>Assets</b>					
Cash and cash equivalents	\$ 3,188	\$ 22,080	\$ 78,195	\$ 288,274	\$ 534,822
Receivables					
Accounts	-	-	62,427	-	15,676
Special assessments	-	-	-	-	-
Due from other units of government	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	1,624	-	-
Total assets	<u>\$ 3,188</u>	<u>\$ 22,080</u>	<u>\$ 142,246</u>	<u>\$ 288,274</u>	<u>\$ 550,498</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ 440	\$ -	\$ 2,332
Due to other funds	-	-	74,317	-	-
Payroll and other liabilities	-	-	7,734	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>82,491</u>	<u>-</u>	<u>2,332</u>
<b>Deferred inflows of resources</b>					
Unavailable revenue - receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>					
Non-spendable					
Prepaid items	-	-	1,624	-	-
Restricted	-	-	-	-	548,166
Committed	<u>3,188</u>	<u>22,080</u>	<u>58,131</u>	<u>288,274</u>	<u>-</u>
Total fund balances	<u>3,188</u>	<u>22,080</u>	<u>59,755</u>	<u>288,274</u>	<u>548,166</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,188</u>	<u>\$ 22,080</u>	<u>\$ 142,246</u>	<u>\$ 288,274</u>	<u>\$ 550,498</u>

**City of Fenton**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

Capital Projects Funds

	Municipal Building	Fire Equipment	Police Equipment	Fire Ladder Truck	C.I.P
<b>Assets</b>					
Cash and cash equivalents	\$ 150,000	\$ 524,873	\$ 159,423	\$ -	\$ 221,250
Receivables					
Accounts	-	-	-	267,000	-
Special assessments	-	-	-	-	-
Due from other units of government	-	-	-	100,000	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	905,740	-
Total assets	<u>\$ 150,000</u>	<u>\$ 524,873</u>	<u>\$ 159,423</u>	<u>\$ 1,272,740</u>	<u>\$ 221,250</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ 27,582	\$ -	\$ -
Due to other funds	-	-	-	191,974	-
Payroll and other liabilities	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>27,582</u>	<u>191,974</u>	<u>-</u>
<b>Deferred inflows of resources</b>					
Unavailable revenue - receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>					
Non-spendable					
Prepaid items	-	-	-	905,740	-
Restricted	150,000	-	-	-	-
Committed	<u>-</u>	<u>524,873</u>	<u>131,841</u>	<u>175,026</u>	<u>221,250</u>
Total fund balances	<u>150,000</u>	<u>524,873</u>	<u>131,841</u>	<u>1,080,766</u>	<u>221,250</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 150,000</u>	<u>\$ 524,873</u>	<u>\$ 159,423</u>	<u>\$ 1,272,740</u>	<u>\$ 221,250</u>

**City of Fenton**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

	Capital Projects Funds		Debt Service Fund		Total
	Technology and Improvements	Working Capital	Eagles on Water SA Capital	Eagles on Water SA Debt	
<b>Assets</b>					
Cash and cash equivalents	\$ 85,184	\$ 348,867	\$ 52,547	\$ 58,751	\$ 3,261,314
Receivables					
Accounts	-	271	-	-	540,948
Special assessments	-	8	-	1,667	1,675
Due from other units of government	-	-	-	-	100,000
Due from other funds	-	-	200	-	200
Prepaid items	-	-	-	-	908,019
Total assets	<u>\$ 85,184</u>	<u>\$ 349,146</u>	<u>\$ 52,747</u>	<u>\$ 60,418</u>	<u>\$ 4,812,156</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ 3,815	\$ -	\$ 142,714
Due to other funds	-	-	-	200	293,349
Payroll and other liabilities	-	-	-	-	13,443
Unearned revenue	-	-	-	-	24,930
Total liabilities	<u>-</u>	<u>-</u>	<u>3,815</u>	<u>200</u>	<u>474,436</u>
<b>Deferred inflows of resources</b>					
Unavailable revenue - receivables	-	8	-	8,159	8,167
<b>Fund balances</b>					
Non-spendable					
Prepaid items	-	-	-	-	908,019
Restricted	-	-	-	52,059	850,432
Committed	85,184	349,138	48,932	-	2,571,102
Total fund balances	<u>85,184</u>	<u>349,138</u>	<u>48,932</u>	<u>52,059</u>	<u>4,329,553</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 85,184</u>	<u>\$ 349,146</u>	<u>\$ 52,747</u>	<u>\$ 60,418</u>	<u>\$ 4,812,156</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, 2025**

	Special Revenue Funds				
	Major Street	Parks & Recreation	Cemetery	Opioid Settlement	Garbage Collection
<b>Revenues</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Local contributions	-	-	-	-	-
Charges for services	42,405	59,165	-	-	597,336
Rental income	6,480	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	12,701	-	16,872	-	-
<b>Total revenues</b>	<u>61,586</u>	<u>59,165</u>	<u>16,872</u>	<u>16,872</u>	<u>597,336</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	-	86,769	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	571,251
Community and economic development	-	-	-	-	-
Recreation and culture	169,839	-	-	-	-
Other functions	-	-	-	-	-
Capital outlay	10,078	19,074	-	-	-
<b>Debt service</b>					
Interest and fiscal charges	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<b>Total expenditures</b>	<u>179,917</u>	<u>105,843</u>	<u>-</u>	<u>-</u>	<u>571,251</u>
Excess (deficiency) of revenues over expenditures	<u>(118,331)</u>	<u>(46,678)</u>	<u>16,872</u>	<u>16,872</u>	<u>26,085</u>
<b>Other financing sources (uses)</b>					
Transfers in	180,000	75,000	-	-	-
Sale of capital assets	-	-	-	-	-
<b>Total other financing sources and uses</b>	<u>180,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>61,669</u>	<u>28,322</u>	<u>16,872</u>	<u>16,872</u>	<u>26,085</u>
Fund balances - beginning of year, as previously reported	329,347	15,930	254,626	83,335	277,208
Adjustments	(329,347)	-	-	-	-
Fund balances - beginning of year, as adjusted or restated	<u>15,930</u>	<u>254,626</u>	<u>83,335</u>	<u>83,335</u>	<u>277,208</u>
Fund balances - end of year	<u>\$ 77,599</u>	<u>\$ 282,948</u>	<u>\$ 100,207</u>	<u>\$ 100,207</u>	<u>\$ 303,293</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, 2025**

	Special Revenue Funds				
	Narcotics Enforcement	D.A.R.E	Emergency 911	Non-motorized Trail	Public Communications
<b>Revenues</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 67,378
Local contributions	-	-	-	-	24,990
Charges for services	-	-	259,075	-	-
Rental income	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	-	-	1,255	25,000	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>260,330</u>	<u>25,000</u>	<u>92,368</u>
<b>Expenditures</b>					
Current					
General government	-	-	-	-	-
Public safety	-	983	552,552	-	55,459
Public works	-	-	-	-	-
Community and economic development	-	-	-	-	-
Recreation and culture	-	-	-	19,403	-
Other functions	-	-	442	-	5,028
Capital outlay	-	-	-	-	-
Debt service					
Interest and fiscal charges	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>983</u>	<u>552,994</u>	<u>19,403</u>	<u>60,487</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(983)</u>	<u>(292,664)</u>	<u>5,597</u>	<u>31,881</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	300,000	-	499,594
Sale of capital assets	-	-	-	-	-
<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>499,594</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(983)</u>	<u>7,336</u>	<u>5,597</u>	<u>531,475</u>
Fund balances - beginning of year, as previously reported	3,188	23,063	52,419	282,677	16,691
Adjustments	-	-	-	-	-
Fund balances - beginning of year, as adjusted or restated	<u>3,188</u>	<u>23,063</u>	<u>52,419</u>	<u>282,677</u>	<u>16,691</u>
Fund balances - end of year	<u>\$ 3,188</u>	<u>\$ 22,080</u>	<u>\$ 59,755</u>	<u>\$ 288,274</u>	<u>\$ 548,166</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, 2025**

	Capital Projects Funds				
	Municipal Building	Fire Equipment	Police Equipment	Fire Ladder Truck	C.I.P
<b>Revenues</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Local contributions	-	-	-	100,000	-
Charges for services	-	-	-	-	-
Rental income	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>
<b>Expenditures</b>					
<b>Current</b>					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Community and economic development	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Other functions	-	-	-	-	-
Capital outlay	-	70,429	63,328	-	-
<b>Debt service</b>					
Interest and fiscal charges	-	44,311	-	-	-
Bond issuance costs	-	3,495	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>118,235</b>	<b>63,328</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	-	(118,235)	(63,328)	100,000	-
<b>Other financing sources (uses)</b>					
Transfers in	75,000	150,000	20,000	-	-
Sale of capital assets	-	5,600	-	267,000	-
<b>Total other financing sources and uses</b>	<b>75,000</b>	<b>155,600</b>	<b>20,000</b>	<b>267,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>75,000</b>	<b>37,365</b>	<b>(43,328)</b>	<b>367,000</b>	<b>-</b>
Fund balances - beginning of year, as previously reported	75,000	487,508	175,169	713,766	221,250
Adjustments	-	-	-	-	-
Fund balances - beginning of year, as adjusted or restated	75,000	487,508	175,169	713,766	221,250
Fund balances - end of year	\$ 150,000	\$ 524,873	\$ 131,841	\$ 1,080,766	\$ 221,250

**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, 2025**

	Captail Projects Funds		Debt Service Fund		Total
	Technology and Improvements	Working Capital	Eagles on Water SA Capital	Eagles on Water SA Debt	
<b>Revenues</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 67,378
Local contributions	-	-	-	-	124,990
Charges for services	-	-	-	-	957,981
Rental income	-	-	-	-	6,480
Investment income	-	-	76	252	328
Other revenue	-	6,574	-	32,103	94,505
	<u>-</u>	<u>6,574</u>	<u>-</u>	<u>32,103</u>	<u>94,505</u>
Total revenues	<u>-</u>	<u>6,574</u>	<u>76</u>	<u>32,355</u>	<u>1,251,662</u>
<b>Expenditures</b>					
Current					
General government	-	-	-	-	86,769
Public safety	-	-	-	-	608,994
Public works	-	-	-	-	571,251
Community and economic development	-	29,668	-	-	29,668
Recreation and culture	-	-	-	-	189,242
Other functions	-	-	-	-	5,470
Capital outlay	-	-	5,061	-	167,970
Debt service					
Interest and fiscal charges	-	-	-	55,000	99,311
Bond issuance costs	-	-	-	3,769	7,264
	<u>-</u>	<u>29,668</u>	<u>5,061</u>	<u>58,769</u>	<u>1,765,939</u>
Total expenditures	<u>-</u>	<u>29,668</u>	<u>5,061</u>	<u>58,769</u>	<u>1,765,939</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(23,094)</u>	<u>(4,985)</u>	<u>(26,414)</u>	<u>(514,277)</u>
<b>Other financing sources (uses)</b>					
Transfers in	10,000	75,000	-	-	1,384,594
Sale of capital assets	-	-	-	-	272,600
	<u>10,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>1,657,194</u>
Total other financing sources and uses	<u>10,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>1,657,194</u>
Net change in fund balances	<u>10,000</u>	<u>51,906</u>	<u>(4,985)</u>	<u>(26,414)</u>	<u>1,142,917</u>
Fund balances - beginning of year, as previously reported	75,184	297,232	53,917	78,473	3,515,983
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(329,347)</u>
Fund balances - beginning of year, as adjusted or restated	<u>75,184</u>	<u>297,232</u>	<u>53,917</u>	<u>78,473</u>	<u>3,186,636</u>
Fund balances - end of year	<u>\$ 85,184</u>	<u>\$ 349,138</u>	<u>\$ 48,932</u>	<u>\$ 52,059</u>	<u>\$ 4,329,553</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, 2025**

<b>Parks and Recreation Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local contributions	\$ 480,000	\$ -	\$ -	\$ -
Charges for services	38,000	38,000	42,405	4,405
Rental income	7,000	7,000	6,480	(520)
Investment income	1,000	1,000	-	(1,000)
Other revenue	-	12,000	12,701	701
Total revenues	526,000	58,000	61,586	3,586
<b>Expenditures</b>				
Current				
Recreation and culture	206,025	182,200	169,839	(12,361)
Capital outlay	530,000	12,675	10,078	(2,597)
Total expenditures	736,025	194,875	179,917	(14,958)
Excess of revenues (deficiency) over expenditures	(210,025)	(136,875)	(118,331)	18,544
<b>Other financing sources (uses)</b>				
Transfers in	125,000	180,000	180,000	-
Net change in fund balance	(85,025)	43,125	61,669	18,544
Fund balance - beginning of year	15,930	15,930	15,930	-
Fund balance - end of year (deficit)	\$ (69,095)	\$ 59,055	\$ 77,599	\$ 18,544

**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, 2025**

<b>Cemetery Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Charges for services	\$ 57,100	\$ 44,100	\$ 59,165	\$ 15,065
Investment income	750	750	-	(750)
Total revenues	<u>57,850</u>	<u>44,850</u>	<u>59,165</u>	<u>14,315</u>
<b>Expenditures</b>				
Current				
General government	104,020	95,470	86,769	(8,701)
Capital outlay	12,500	18,000	19,074	1,074
Total expenditures	<u>116,520</u>	<u>113,470</u>	<u>105,843</u>	<u>(7,627)</u>
Excess of revenues (deficiency) over expenditures	<u>(58,670)</u>	<u>(68,620)</u>	<u>(46,678)</u>	<u>21,942</u>
<b>Other financing sources (uses)</b>				
Transfers in	75,000	75,000	75,000	-
Transfers out	(6,000)	(7,200)	-	7,200
Total other financing sources (uses)	<u>69,000</u>	<u>67,800</u>	<u>75,000</u>	<u>7,200</u>
Net change in fund balance	10,330	(820)	28,322	29,142
Fund balance - beginning of year	<u>254,626</u>	<u>254,626</u>	<u>254,626</u>	<u>-</u>
Fund balance - end of year	<u>\$ 264,956</u>	<u>\$ 253,806</u>	<u>\$ 282,948</u>	<u>\$ 29,142</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, 2025**

<b>CDBG Fund</b>	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final
				Budget
<b>Revenues</b>				
State grants	\$ 85,036	\$ 83,369	\$ -	\$ (83,369)
<b>Expenditures</b>				
Current				
Health and welfare	85,036	83,577	-	(83,577)
Net change in fund balance	-	(208)	-	208
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ (208)</u>	<u>\$ -</u>	<u>\$ 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, 2025**

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<b>Opioid Settlement Fund</b>	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>				
Other revenue	\$ -	\$ 20,000	\$ 16,872	\$ (3,128)
<b>Expenditures</b>	-	-	-	-
Net change in fund balance	-	20,000	16,872	(3,128)
Fund balance - beginning of year	83,335	83,335	83,335	-
Fund balance - end of year	\$ 83,335	\$ 103,335	\$ 100,207	\$ (3,128)

**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, 2025**

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<b>Garbage Collection Fund</b>	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final	Actual	Budget
<b>Revenues</b>				
Charges for services	\$ 583,500	\$ 583,500	\$ 597,336	\$ 13,836
<b>Expenditures</b>				
Current				
Public works	573,250	575,750	571,251	(4,499)
Net change in fund balance	10,250	7,750	26,085	18,335
Fund balance - beginning of year	277,208	277,208	277,208	-
Fund balance - end of year	<u>\$ 287,458</u>	<u>\$ 284,958</u>	<u>\$ 303,293</u>	<u>\$ 18,335</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, 2025**

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**Narcotics Enforcement Fund**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final
				Budget
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
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, 2025**

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<b>D.A.R.E. Fund</b>	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Current				
Public safety	3,500	2,500	983	(1,517)
Net change in fund balance	(3,500)	(2,500)	(983)	1,517
Fund balance - beginning of year	23,063	23,063	23,063	-
Fund balance - end of year	<u>\$ 19,563</u>	<u>\$ 20,563</u>	<u>\$ 22,080</u>	<u>\$ 1,517</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, 2025**

<b>Emergency 911 Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Charges for services	\$ 267,500	\$ 252,000	\$ 259,075	\$ 7,075
Other revenue	-	-	1,255	1,255
Total revenues	267,500	252,000	260,330	8,330
<b>Expenditures</b>				
Current				
Public safety	528,500	576,500	552,552	(23,948)
Other functions	200	200	442	242
Total expenditures	528,700	576,700	552,994	(23,706)
Excess of revenues (deficiency) over expenditures	(261,200)	(324,700)	(292,664)	32,036
<b>Other financing sources (uses)</b>				
Transfers in	260,000	300,000	300,000	-
Net change in fund balance	(1,200)	(24,700)	7,336	32,036
Fund balance - beginning of year	52,419	52,419	52,419	-
Fund balance - end of year	\$ 51,219	\$ 27,719	\$ 59,755	\$ 32,036

**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, 2025**

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**Non-motorized Trail Fund**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Other revenue	\$ 500,000	\$ 25,000	\$ 25,000	\$ -
<b>Expenditures</b>				
Current				
Recreation and culture	700,000	300,000	19,403	(280,597)
Net change in fund balance	(200,000)	(275,000)	5,597	280,597
Fund balance - beginning of year	282,677	282,677	282,677	-
Fund balance - end of year	<u>\$ 82,677</u>	<u>\$ 7,677</u>	<u>\$ 288,274</u>	<u>\$ 280,597</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, 2025**

<b>Public Communications Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local contributions	\$ 21,355	\$ 21,355	\$ 24,990	\$ 3,635
<b>Expenditures</b>				
Current				
Public safety	25,000	175,000	55,459	(119,541)
Other functions	2,700	2,700	5,028	2,328
Total expenditures	27,700	177,700	60,487	(117,213)
Excess of revenues (deficiency) over expenditures	(6,345)	(86,345)	31,881	118,226
<b>Other financing sources (uses)</b>				
Transfers in	7,000	499,594	499,594	-
Net change in fund balance	655	413,249	531,475	118,226
Fund balance - beginning of year	16,691	16,691	16,691	-
Fund balance - end of year	<u>\$ 17,346</u>	<u>\$ 429,940</u>	<u>\$ 548,166</u>	<u>\$ 118,226</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, 2025**

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<b>Municipal Building Fund</b>	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>	-	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in	75,000	75,000	75,000	-
Net change in fund balance	75,000	75,000	75,000	-
Fund balance - beginning of year	75,000	75,000	75,000	-
Fund balance - end of year	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</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, 2025**

<b>Fire Equipment Fund</b>	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Investment income	\$ 750	\$ 750	\$ -	\$ (750)
<b>Expenditures</b>				
Capital outlay	100,000	137,000	70,429	(66,571)
Debt service				
Principal retirement	44,311	39,956	44,311	4,355
Interest and fiscal charges	3,495	3,751	3,495	(256)
Total expenditures	147,806	180,707	118,235	(62,472)
Excess of revenues (deficiency) over expenditures	(147,056)	(179,957)	(118,235)	61,722
<b>Other financing sources (uses)</b>				
Transfers in	150,000	150,000	150,000	-
Sale of capital assets	-	5,600	5,600	-
Total other financing sources (uses)	150,000	155,600	155,600	-
Net change in fund balance	2,944	(24,357)	37,365	61,722
Fund balance - beginning of year	487,508	487,508	487,508	-
Fund balance - end of year	\$ 490,452	\$ 463,151	\$ 524,873	\$ 61,722

**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, 2025**

<b>Police Equipment Fund</b>	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Investment income	\$ 250	\$ 250	\$ -	\$ (250)
Other revenue	500	-	-	-
Total revenues	750	250	-	(250)
<b>Expenditures</b>				
Capital outlay	72,600	72,600	63,328	(9,272)
Excess of revenues (deficiency) over expenditures	(71,850)	(72,350)	(63,328)	9,022
<b>Other financing sources (uses)</b>				
Transfers in	10,000	20,000	20,000	-
Net change in fund balance	(61,850)	(52,350)	(43,328)	9,022
Fund balance - beginning of year	175,169	175,169	175,169	-
Fund balance - end of year	\$ 113,319	\$ 122,819	\$ 131,841	\$ 9,022

**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, 2025**

<b>Fire Ladder Truck Fund</b>	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local contributions	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	1,000	1,500	-	(1,500)
Total revenues	101,000	101,500	100,000	(1,500)
<b>Expenditures</b>				
Capital outlay	-	1,479,860	-	(1,479,860)
Excess of revenues (deficiency) over expenditures	101,000	(1,378,360)	100,000	1,478,360
<b>Other financing sources (uses)</b>				
Issuance of debt	-	573,260	-	(573,260)
Sale of capital assets	-	240,000	267,000	27,000
Total other financing sources (uses)	-	813,260	267,000	(546,260)
Net change in fund balance	101,000	(565,100)	367,000	932,100
Fund balance - beginning of year	713,766	713,766	713,766	-
Fund balance - end of year	\$ 814,766	\$ 148,666	\$ 1,080,766	\$ 932,100

**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, 2025**

C.I.P. Fund	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>	-	-	-	-
Excess of revenues (deficiency) over expenditures	-	-	-	-
<b>Other financing sources (uses)</b>				
Transfers out	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	221,250	221,250	221,250	-
Fund balance - end of year	\$ 221,250	\$ 221,250	\$ 221,250	\$ -

**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, 2025**

**Technology and Improvements**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Capital outlay	10,000	-	-	-
Excess of revenues (deficiency) over expenditures	(10,000)	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in	10,000	10,000	10,000	-
Net change in fund balance	-	10,000	10,000	-
Fund balance - beginning of year	75,184	75,184	75,184	-
Fund balance - end of year	<u>\$ 75,184</u>	<u>\$ 85,184</u>	<u>\$ 85,184</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, 2025**

<b>Working Capital Fund</b>	Budgeted Amounts		<u>Actual</u>	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>				
Other revenue	\$ 2,310	\$ 6,574	\$ 6,574	\$ -
<b>Expenditures</b>				
Current				
Community and economic development	2,310	35,000	29,668	(5,332)
Excess of revenues (deficiency) over expenditures	-	(28,426)	(23,094)	5,332
<b>Other financing sources (uses)</b>				
Transfers in	75,000	75,000	75,000	-
Net change in fund balance	75,000	46,574	51,906	5,332
Fund balance - beginning of year	297,232	297,232	297,232	-
Fund balance - end of year	<u>\$ 372,232</u>	<u>\$ 343,806</u>	<u>\$ 349,138</u>	<u>\$ 5,332</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, 2025**

<b>Eagles on Water SA Capital Fund</b>	Budgeted Amounts		<u>Actual</u>	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>				
Investment income	\$ -	\$ -	\$ 76	\$ 76
<b>Expenditures</b>				
Current				
Other functions	-	-	5,061	5,061
Net change in fund balance	-	-	(4,985)	(4,985)
Fund balance - beginning of year	53,917	53,917	53,917	-
Fund balance - end of year	<u>\$ 53,917</u>	<u>\$ 53,917</u>	<u>\$ 48,932</u>	<u>\$ (4,985)</u>

**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, 2025**

<b>Eagles on Water SA Debt Fund</b>	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
<b>Revenues</b>				
Investment income	\$ -	\$ 350	\$ 252	\$ (98)
Other revenue	34,678	32,780	32,103	(677)
Total revenues	34,678	33,130	32,355	(775)
<b>Expenditures</b>				
Debt service				
Principal retirement	55,000	55,000	55,000	-
Interest and fiscal charges	3,768	3,768	3,769	1
Total expenditures	58,768	58,768	58,769	1
Net change in fund balance	(24,090)	(25,638)	(26,414)	(776)
Fund balance - beginning of year	78,473	78,473	78,473	-
Fund balance - end of year	\$ 54,383	\$ 52,835	\$ 52,059	\$ (776)

**City of Fenton**  
**Other Supplementary Information**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2025**

	DPW Equipment Revolving	Sick Pay	Total
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 312,103	\$ 263,321	\$ 575,424
Receivables			
Taxes	10,305	-	10,305
Due from other funds	13,191	-	13,191
	<u>335,599</u>	<u>263,321</u>	<u>598,920</u>
Total current assets			
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>1,011,423</u>	<u>-</u>	<u>1,011,423</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	26,582	-	26,582
Due to other funds	22,795	-	22,795
Payroll and other liabilities	1,996	-	1,996
Current portion of compensated absences	-	64,638	64,638
Current portion of installment purchase agreement	82,550	-	82,550
	<u>133,923</u>	<u>64,638</u>	<u>198,561</u>
Total current liabilities			
Noncurrent liabilities			
Current liabilities payable from restricted assets			
Noncurrent portion of compensated absences	-	258,554	258,554
Noncurrent portion of installment purchase agreement	239,525	-	239,525
Advances from other funds	250,000	-	250,000
	<u>489,525</u>	<u>258,554</u>	<u>748,079</u>
Total noncurrent liabilities			
Total liabilities			
	<u>623,448</u>	<u>323,192</u>	<u>946,640</u>
<b>Net position</b>			
Net investment in capital assets	689,348	-	689,348
Restricted for			
Unrestricted (deficit)	34,226	(59,871)	(25,645)
	<u>723,574</u>	<u>(59,871)</u>	<u>663,703</u>
Total net position (deficit)			

**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, 2025**

	DPW Equipment Revolving	Sick Pay	Total
<b>Operating revenue</b>			
Billings to other funds	\$ 679,265	\$ -	\$ 679,265
Other revenue	<u>34,257</u>	<u>50,000</u>	<u>84,257</u>
Total operating revenue	<u>713,522</u>	<u>50,000</u>	<u>763,522</u>
<b>Operating expenses</b>			
Personnel services	89,520	-	89,520
Supplies	204,440	-	204,440
Utilities	48,268	-	48,268
Repairs and maintenance	83,915	-	83,915
Other expenses	12,586	45,155	57,741
Depreciation	<u>212,368</u>	<u>-</u>	<u>212,368</u>
Total operating expenses	<u>651,097</u>	<u>45,155</u>	<u>696,252</u>
Operating income (loss)	<u>62,425</u>	<u>4,845</u>	<u>67,270</u>
<b>Nonoperating revenue (expenses)</b>			
Gain on sale of capital assets	54,852	-	54,852
Interest expense	<u>(14,070)</u>	<u>-</u>	<u>(14,070)</u>
Total nonoperating revenues (expenses)	<u>40,782</u>	<u>-</u>	<u>40,782</u>
Change in net position	103,207	4,845	108,052
Net position (deficit) - beginning of year	<u>620,367</u>	<u>(64,716)</u>	<u>555,651</u>
Net position (deficit) - end of year	<u>\$ 723,574</u>	<u>\$ (59,871)</u>	<u>\$ 663,703</u>

**City of Fenton**  
**Other Supplementary Information**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2025**

	DPW Equipment Revolving	Sick Pay	Total
<b>Cash flows from operating activities</b>			
Receipts from interfund users	\$ 709,097	\$ 50,000	\$ 759,097
Receipts from other funds	(87,269)	-	(87,269)
Payments to suppliers	(350,595)	-	(350,595)
Payments (to) from employees	(89,520)	-	(89,520)
Net cash provided (used) by operating activities	<u>181,713</u>	<u>50,000</u>	<u>231,713</u>
<b>Cash flows from capital and related financing activities</b>			
Advances from other funds	250,000	-	250,000
Purchases/construction of capital assets	(70,224)	-	(70,224)
Principal and interest paid on long-term debt	(93,933)	-	(93,933)
Proceeds from sale of capital assets	54,852	-	54,852
Net cash provided (used) by capital and related financing activities	<u>140,695</u>	<u>-</u>	<u>140,695</u>
Net change in cash and cash equivalents	312,103	50,000	362,103
Cash and cash equivalents - beginning of year	<u>-</u>	<u>213,321</u>	<u>213,321</u>
Cash and cash equivalents - end of year	<u>\$ 312,103</u>	<u>\$ 263,321</u>	<u>\$ 575,424</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
Operating income (loss)	\$ 62,425	\$ 4,845	\$ 67,270
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation and amortization expense	212,368	-	212,368
Changes in assets and liabilities			
Due from other funds	(4,425)	-	(4,425)
Accounts payable	(2,096)	-	(2,096)
Accrued and other liabilities	710	-	710
Due to other funds	(87,269)	-	(87,269)
Compensated absences	-	45,155	45,155
Net cash provided (used) by operating activities	<u>\$ 181,713</u>	<u>\$ 50,000</u>	<u>\$ 231,713</u>

**City of Fenton**  
**Fiduciary Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2025**

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	Custodial Funds			Total
	Tax Collection	Employees Union	Fenton Community Center	
<b>Assets</b>				
Cash and cash equivalents	\$ 10,749	\$ 12,570	\$ 10,321	\$ 33,640
<b>Liabilities</b>				
Due to other units of government	10,749	-	-	10,749
Due to union groups	-	12,570	-	12,570
 Total liabilities	 10,749	 12,570	 -	 23,319
<b>Net position</b>				
Restricted for fiduciary activities	\$ -	\$ -	\$ 10,321	\$ 10,321

**City of Fenton**  
**Fiduciary Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2025**

	Custodial Funds			Total
	Tax Collection	Employees Union	Fenton Community Center	
<b>Additions</b>				
Contributions				
Other governments	\$ -	\$ -	\$ 10,000	\$ 10,000
Property tax collections for other governments	22,837,451	-	-	22,837,451
Miscellaneous	-	-	10,000	10,000
Total additions	<u>22,837,451</u>	<u>-</u>	<u>20,000</u>	<u>22,857,451</u>
<b>Deductions</b>				
Payments of property tax to other governments	22,837,451	-	-	22,837,451
Other financing uses	-	-	122,000	122,000
Total deductions	<u>22,837,451</u>	<u>-</u>	<u>122,000</u>	<u>22,959,451</u>
Change in net position	-	-	(102,000)	(102,000)
Net position - beginning of year	-	-	112,321	112,321
Net position - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,321</u>	<u>\$ 10,321</u>

**City of Fenton**  
**Component Unit Funds**  
**Combining Balance Sheet - Downtown Development Authority**  
**June 30, 2025**

	Special Revenue Fund	Capital Projects Fund	2013 Bond Construction Fund	Total
<b>Assets</b>				
Cash	\$ 2,396,200	\$ 1,904,281	\$ 94,611	\$ 4,395,092
Prepaid items	-	23,059	-	23,059
Total assets	<u>\$ 2,396,200</u>	<u>\$ 1,927,340</u>	<u>\$ 94,611</u>	<u>\$ 4,418,151</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 98,328	\$ -	\$ 98,328
Accrued and other liabilities	-	13,500	-	13,500
Due to other units of government	-	119,267	-	119,267
Total liabilities	<u>-</u>	<u>231,095</u>	<u>-</u>	<u>231,095</u>
<b>Fund Balances</b>				
Non-spendable				
Prepaid items	-	23,059	-	23,059
Assigned	<u>2,396,200</u>	<u>1,673,186</u>	<u>94,611</u>	<u>4,163,997</u>
Total fund balances	<u>2,396,200</u>	<u>1,696,245</u>	<u>94,611</u>	<u>4,187,056</u>
 Total liabilities and fund balances	 <u>\$ 2,396,200</u>	 <u>\$ 1,927,340</u>	 <u>\$ 94,611</u>	 <u>\$ 4,418,151</u>

**City of Fenton**  
**Component Unit Funds**  
**Reconciliation of the Combining Balance Sheet to the Statement**  
**of Net Position - Downtown Development Authority**  
**June 30, 2025**

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<b>Total fund balances - component unit</b>	<b>\$ 4,187,056</b>
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	1,646,165
Capital assets, net of accumulated depreciation	25,229
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(20,025)
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>(2,280,933)</u>
<b>Net position of governmental activities</b>	<b><u>\$ 3,557,492</u></b>

**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, 2025**

	Special Revenue Fund	Capital Projects Fund	2013 Bond Construction Fund	Total
<b>Revenues</b>				
Taxes	\$ 2,743,886	\$ -	\$ -	\$ 2,743,886
Interest income	25,467	50,152	2	75,621
Donations	-	91,415	-	91,415
Total revenues	<u>2,769,353</u>	<u>141,567</u>	<u>2</u>	<u>2,910,922</u>
<b>Expenditures</b>				
Current				
Community and economic development	-	1,548,869	-	1,548,869
Capital outlay	-	108,107	-	108,107
Debt service				
Principal retirement	335,000	-	-	335,000
Interest and fiscal charges	82,938	-	-	82,938
Total expenditures	<u>417,938</u>	<u>1,656,976</u>	<u>-</u>	<u>2,074,914</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,351,415</u>	<u>(1,515,409)</u>	<u>2</u>	<u>836,008</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	2,400,000	-	2,400,000
Transfers out	<u>(2,400,000)</u>	<u>-</u>	<u>-</u>	<u>(2,400,000)</u>
Total other financing sources (uses)	<u>(2,400,000)</u>	<u>2,400,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(48,585)	884,591	2	836,008
Fund balances - beginning of year	<u>2,444,785</u>	<u>811,654</u>	<u>94,609</u>	<u>3,351,048</u>
Fund balances - end of year	<u>\$ 2,396,200</u>	<u>\$ 1,696,245</u>	<u>\$ 94,611</u>	<u>\$ 4,187,056</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, 2025**

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<b>Net change in fund balances - component unit</b>	\$	836,008
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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		(1,802)
Capital outlay		87,814

Expenses are recorded when incurred in the statement of activities.

Accrued interest		2,227
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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		335,000
Amortization of premium		4,262
		836,008

<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>1,263,509</u></b>
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**City of Fenton**  
**Component Unit Funds**  
**Combining Balance Sheet - Local Development Finance Authority**  
**June 30, 2025**

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	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 1,018,951	\$ 1,855,080	\$ 2,874,031
Prepaid items	<u>-</u>	<u>1,251</u>	<u>1,251</u>
Total assets	<u>\$ 1,018,951</u>	<u>\$ 1,856,331</u>	<u>\$ 2,875,282</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 155	\$ 155
Accrued and other liabilities	-	968	968
Due to other units of government	<u>-</u>	<u>58,070</u>	<u>58,070</u>
Total liabilities	<u>-</u>	<u>59,193</u>	<u>59,193</u>
<b>Fund Balances</b>			
Non-spendable			
Prepaid items	-	1,251	1,251
Assigned	<u>1,018,951</u>	<u>1,795,887</u>	<u>2,814,838</u>
Total fund balances	<u>1,018,951</u>	<u>1,797,138</u>	<u>2,816,089</u>
 Total liabilities and fund balances	 <u>\$ 1,018,951</u>	 <u>\$ 1,856,331</u>	 <u>\$ 2,875,282</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, 2025**

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	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>Revenues</b>			
Taxes	\$ 460,428	\$ -	\$ 460,428
Interest income	<u>93</u>	<u>46,111</u>	<u>46,204</u>
Total revenues	<u>460,521</u>	<u>46,111</u>	<u>506,632</u>
<b>Expenditures</b>			
Current			
Community and economic development	<u>-</u>	<u>112,927</u>	<u>112,927</u>
Excess (deficiency) of revenues over (under) expenditures	<u>460,521</u>	<u>(66,816)</u>	<u>393,705</u>
Net change in fund balances	460,521	(66,816)	393,705
Fund balances - beginning of year	<u>558,430</u>	<u>1,863,954</u>	<u>2,422,384</u>
Fund balances - end of year	<u>\$ 1,018,951</u>	<u>\$ 1,797,138</u>	<u>\$ 2,816,089</u>

**City of Fenton**  
**Component Unit Funds**  
**Balance Sheet - Brownfield Redevelopment Authority**  
**June 30, 2025**

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	<u>Special Revenue Fund</u>
<b>Assets</b>	
Cash and cash equivalents	<u>\$ 244,144</u>
<b>Fund Balances</b>	
Committed	<u>\$ 244,144</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, 2025**

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	<u>Special Revenue Fund</u>
<b>Revenues</b>	
Taxes	<u>\$ 85,531</u>
<b>Expenditures</b>	
Current	
Community and economic development	<u>66,364</u>
Net change in fund balances	19,167
Fund balances - beginning of year	<u>224,977</u>
Fund balances - end of year	<u><u>\$ 244,144</u></u>

## City of Fenton Statistical Section

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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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<b>Financial Trend Information:</b>	
These schedules contain trend information to assist the reader in understanding how the financial performance of the City has changed during recent years.	
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Fund Balances, Governmental Funds	7 - 6
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<b>Revenue Capacity Information:</b>	
These schedules contain information to assist the reader to access the factors affecting the City's ability to generate revenue.	
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<b>Debt Capacity Information:</b>	
These schedules present information to assist the reader in assessing the capacity for the City to support current debt and the ability to issue additional debt in the future.	
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These schedules contain information about the City's operations and resources to assist the reader to understand how the City's financial information relates to the services the City provides and the activities it performs.	
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**City of Fenton**  
**Net Position by Component (Unaudited)**  
**2016 - 2025**

	2016	2017	2018	2019	2020
<b>Governmental activities</b>					
Net investment in capital assets	\$ 19,539,308	\$ 19,284,057	\$ 19,643,720	\$ 19,373,806	\$ 19,470,085
Restricted	646,525	22,058	12,697	147,939	524,574
Unrestricted	<u>272,032</u>	<u>1,461,620</u>	<u>(1,470,045)</u>	<u>(1,313,524)</u>	<u>(2,971,200)</u>
Total governmental activities net position	<u>\$ 20,457,865</u>	<u>\$ 20,767,735</u>	<u>\$ 18,186,372</u>	<u>\$ 18,208,221</u>	<u>\$ 17,023,459</u>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 23,677,936	\$ 23,923,985	\$ 24,544,260	\$ 24,825,036	\$ 24,792,153
Restricted	497,023	497,524	498,022	511,144	519,555
Unrestricted	<u>2,560,862</u>	<u>2,954,143</u>	<u>3,250,373</u>	<u>3,235,438</u>	<u>2,897,496</u>
Total business-type activities net position	<u>\$ 26,735,821</u>	<u>\$ 27,375,652</u>	<u>\$ 28,292,655</u>	<u>\$ 28,571,618</u>	<u>\$ 28,209,204</u>
<b>Primary government in total</b>					
Net investment in capital assets	\$ 43,217,244	\$ 43,208,042	\$ 44,187,980	\$ 44,198,842	\$ 44,262,238
Restricted	1,143,548	519,582	510,719	659,083	1,044,129
Unrestricted	<u>2,832,894</u>	<u>4,415,763</u>	<u>1,780,328</u>	<u>1,921,914</u>	<u>(73,704)</u>
Total primary government net position	<u>\$ 47,193,686</u>	<u>\$ 48,143,387</u>	<u>\$ 46,479,027</u>	<u>\$ 46,779,839</u>	<u>\$ 45,232,663</u>

**City of Fenton**  
**Net Position by Component (Unaudited)**  
**2016 - 2025**

	2021	2022	2023	2024	2025
<b>Governmental activities</b>					
Net investment in capital assets	\$ 19,343,858	\$ 18,311,238	\$ 19,828,349	\$ 22,397,614	\$ 22,670,211
Restricted	692,464	1,325,068	7,350,622	1,613,865	1,671,414
Unrestricted	<u>(2,551,334)</u>	<u>(1,591,630)</u>	<u>(6,558,433)</u>	<u>(433,453)</u>	<u>1,764,561</u>
Total governmental activities net position	<u>\$ 17,484,988</u>	<u>\$ 18,044,676</u>	<u>\$ 20,620,538</u>	<u>\$ 23,578,026</u>	<u>\$ 26,106,186</u>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 25,346,463	\$ 25,487,958	\$ 25,999,248	\$ 28,708,063	\$ 28,255,267
Restricted	520,557	8,073	8,077	8,080	8,081
Unrestricted	<u>2,245,128</u>	<u>2,720,887</u>	<u>2,770,216</u>	<u>2,195,685</u>	<u>2,291,831</u>
Total business-type activities net position	<u>\$ 28,112,148</u>	<u>\$ 28,216,918</u>	<u>\$ 28,777,541</u>	<u>\$ 30,911,828</u>	<u>\$ 30,555,179</u>
<b>Primary government in total</b>					
Net investment in capital assets	\$ 44,690,321	\$ 43,799,196	\$ 45,827,597	\$ 51,105,677	\$ 50,925,478
Restricted	1,213,021	1,333,141	7,358,699	1,621,945	1,679,495
Unrestricted	<u>(306,206)</u>	<u>1,129,257</u>	<u>(3,788,217)</u>	<u>1,762,232</u>	<u>4,056,392</u>
Total primary government net position	<u>\$ 45,597,136</u>	<u>\$ 46,261,594</u>	<u>\$ 49,398,079</u>	<u>\$ 54,489,854</u>	<u>\$ 56,661,365</u>

**City of Fenton**  
**Changes in Net Position (Unaudited)**  
**2016 - 2025**

	2016	2017	2018	2019	2020
<b>Expenses</b>					
Governmental activities					
General government	\$ 1,522,667	\$ 1,553,731	\$ 1,149,980	\$ 1,441,018	\$ 1,813,863
Public safety	3,806,701	3,816,834	3,543,104	4,140,400	3,997,176
Public works	2,662,804	2,530,687	2,694,296	2,802,480	3,430,739
Health and welfare	-	-	-	-	-
Community and economic development	136,692	48,530	58,557	39,533	45,349
Recreation and culture	242,489	333,480	192,464	480,990	384,197
Interest on long-term debt	42,771	18,463	18,109	17,617	15,608
Total governmental activities expenses	<u>8,414,124</u>	<u>8,301,725</u>	<u>7,656,510</u>	<u>8,922,038</u>	<u>9,686,932</u>
Business-type activities					
Water	2,814,340	2,818,907	2,854,236	2,779,415	3,158,884
Sewer	2,362,559	2,416,564	2,392,440	2,530,069	3,180,274
Total business-type expenses	<u>5,176,899</u>	<u>5,235,471</u>	<u>5,246,676</u>	<u>5,309,484</u>	<u>6,339,158</u>
<b>Total primary government expenses</b>	<u>13,591,023</u>	<u>13,537,196</u>	<u>12,903,186</u>	<u>14,231,522</u>	<u>16,026,090</u>
<b>Program revenues</b>					
Governmental activities					
Charges for services					
General government	283,420	401,846	374,911	365,351	208,120
Public safety	593,827	688,795	724,721	851,108	816,384
Public works	564,705	444,023	641,271	657,832	531,576
Community and economic development	-	-	-	-	-
Recreation and culture	48,837	39,641	44,124	37,275	39,397
Operating grants and contributions	915,938	1,097,117	1,412,528	1,745,084	1,470,888
Capital grants and contributions	2,291,884	57,875	78,873	53,287	52,702
Total governmental activities	<u>4,698,611</u>	<u>2,729,297</u>	<u>3,276,428</u>	<u>3,709,937</u>	<u>3,119,067</u>
Business-type activities					
Charges for services					
Water	2,699,712	2,829,006	2,962,146	2,853,820	2,928,889
Sewer	2,632,951	2,868,472	2,859,433	2,534,790	2,559,769
Operating grants and contributions					
Water	8,377	4,566	-	3,034,238	14,081
Capital grants and contributions					
Water	-	-	-	-	-
Sewer	-	-	100,000	-	316,443
Total business-type activities	<u>5,341,040</u>	<u>5,702,044</u>	<u>5,921,579</u>	<u>8,422,848</u>	<u>5,819,182</u>
<b>Total primary government program revenues</b>					
<b>Net (expense) revenue</b>					
Governmental activities	(3,715,513)	(5,572,428)	(4,380,082)	(5,212,101)	(6,567,865)
Business-type activities	164,141	466,573	674,903	3,113,364	(519,976)
<b>Total primary government net expense</b>	<u>(3,551,372)</u>	<u>(5,105,855)</u>	<u>(3,705,179)</u>	<u>(2,098,737)</u>	<u>(7,087,841)</u>
<b>General revenues</b>					
Governmental activities					
Property taxes - unrestricted	3,534,843	3,708,882	3,778,621	3,917,821	4,113,868
State-shared revenues - unrestricted	928,933	1,000,935	1,036,963	1,083,898	1,078,056
Investment earnings - unrestricted	21,275	7,310	23,632	67,559	74,681
Gain from sale of land	-	1,023,390	212,726	-	-
Miscellaneous	161,161	141,781	32,422	164,672	116,498
Transfers	-	-	-	-	-
Total governmental activities	<u>4,646,212</u>	<u>5,882,298</u>	<u>5,084,364</u>	<u>5,233,950</u>	<u>5,383,103</u>
Business-type activities					
General revenues					
Investment earnings	69,103	69,502	73,393	92,421	94,888
Miscellaneous	119,447	103,756	88,283	107,416	62,674
Transfers	-	-	-	-	-
Total business-type activities	<u>188,550</u>	<u>173,258</u>	<u>161,676</u>	<u>199,837</u>	<u>157,562</u>
<b>Total primary government</b>					
<b>Change in net position</b>					
Governmental activities	930,699	309,870	704,282	21,849	(1,184,762)
Business-type activities	352,691	639,831	836,579	3,313,201	(362,414)
<b>Total primary government</b>	<u>\$ 1,283,390</u>	<u>\$ 949,701</u>	<u>\$ 1,540,861</u>	<u>\$ 3,335,050</u>	<u>\$ (1,547,176)</u>

**City of Fenton**  
**Changes in Net Position (Unaudited)**  
**2016 - 2025**

	2021	2022	2023	2024	2025
<b>Expenses</b>					
Governmental activities					
General government	\$ 1,884,896	\$ 1,448,878	\$ 1,583,897	\$ 1,430,880	\$ 1,136,670
Public safety	3,945,251	3,915,604	2,900,764	1,747,119	2,578,063
Public works	3,054,905	3,097,362	4,912,882	6,836,474	6,766,567
Health and welfare	-	-	-	3,184	-
Community and economic development	46,836	22,449	30,126	(11,245)	(3,786)
Recreation and culture	282,653	652,741	623,086	553,881	586,784
Interest on long-term debt	20,506	263,080	265,786	329,013	512,412
Total governmental activities expenses	<u>9,235,047</u>	<u>9,400,114</u>	<u>10,316,541</u>	<u>10,889,306</u>	<u>11,576,710</u>
Business-type activities					
Water	3,283,528	3,152,558	3,600,845	3,400,853	4,134,482
Sewer	2,960,922	2,756,073	2,975,655	2,996,730	3,605,373
Total business-type expenses	<u>6,244,450</u>	<u>5,908,631</u>	<u>6,576,500</u>	<u>6,397,583</u>	<u>7,739,855</u>
<b>Total primary government expenses</b>	<u>15,479,497</u>	<u>15,308,745</u>	<u>16,893,041</u>	<u>17,286,889</u>	<u>19,316,565</u>
<b>Program revenues</b>					
Governmental activities					
Charges for services					
General government	392,657	499,331	405,224	422,181	575,743
Public safety	950,643	842,828	868,400	869,541	899,423
Public works	628,841	602,783	665,707	654,860	745,459
Community and economic development	-	-	150,000	150,000	50,000
Recreation and culture	46,319	37,850	40,615	44,997	48,885
Operating grants and contributions	1,915,747	1,693,711	2,108,669	2,180,943	1,981,673
Capital grants and contributions	50,661	3,307	304,300	1,051,454	50,000
Total governmental activities	<u>3,984,868</u>	<u>3,679,810</u>	<u>4,542,915</u>	<u>5,373,976</u>	<u>4,351,183</u>
Business-type activities					
Charges for services					
Water	3,034,238	3,381,187	3,735,876	3,556,925	3,961,584
Sewer	2,673,906	2,546,290	3,081,081	2,777,594	2,983,745
Operating grants and contributions					
Water	13,337	-	4,310	19,803	7,971
Capital grants and contributions					
Water	-	-	-	810,405	-
Sewer	291,971	-	-	-	-
Total business-type activities	<u>6,013,452</u>	<u>5,927,477</u>	<u>6,821,267</u>	<u>7,164,727</u>	<u>6,953,300</u>
<b>Total primary government program revenues</b>					
<b>Net (expense) revenue</b>					
Governmental activities	(5,250,179)	(5,720,304)	(5,773,626)	(5,515,330)	(7,225,527)
Business-type activities	(230,998)	18,846	244,767	767,144	(786,555)
<b>Total primary government net expense</b>	<u>(5,481,177)</u>	<u>(5,701,458)</u>	<u>(5,528,859)</u>	<u>(4,748,186)</u>	<u>(8,012,082)</u>
<b>General revenues</b>					
Governmental activities					
Property taxes - unrestricted	4,274,590	4,395,379	6,372,943	6,774,618	7,264,648
State-shared revenues - unrestricted	1,222,224	1,357,716	1,375,368	1,423,743	1,398,198
Investment earnings - unrestricted	9,174	8,023	338,781	483,132	403,387
Gain from sale of land	-	139,733	-	15,400	54,852
Miscellaneous	205,720	379,141	262,396	281,658	632,602
Transfers	-	-	-	(998,327)	-
Total governmental activities	<u>5,711,708</u>	<u>6,279,992</u>	<u>8,349,488</u>	<u>7,980,224</u>	<u>9,753,687</u>
Business-type activities					
General revenues					
Investment earnings	15,642	3,188	177,271	223,171	93,461
Miscellaneous	118,300	82,736	138,585	145,645	336,445
Transfers	-	-	-	998,327	-
Total business-type activities	<u>133,942</u>	<u>85,924</u>	<u>315,856</u>	<u>1,367,143</u>	<u>429,906</u>
<b>Total primary government</b>					
<b>Change in net position</b>					
Governmental activities	461,529	559,688	2,575,862	2,464,894	2,528,160
Business-type activities	(97,056)	104,770	560,623	2,134,287	(356,649)
<b>Total primary government</b>	<u>\$ 364,473</u>	<u>\$ 664,458</u>	<u>\$ 3,136,485</u>	<u>\$ 4,599,181</u>	<u>\$ 2,171,511</u>

**City of Fenton**  
**Fund Balances - Governmental Funds (Unaudited)**  
**2016 - 2025**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	\$ 225,256	\$ 113,258	\$ 245,912	\$ 133,975	\$ 112,653
Unassigned	<u>2,271,469</u>	<u>3,627,539</u>	<u>4,065,648</u>	<u>4,638,620</u>	<u>4,518,937</u>
Total General Fund	<u>\$ 2,496,725</u>	<u>\$ 3,740,797</u>	<u>\$ 4,311,560</u>	<u>\$ 4,772,595</u>	<u>\$ 4,631,590</u>
All other governmental funds					
Nonspendable	\$ -	\$ 5,200	\$ -	\$ 1,745	\$ -
Restricted	646,525	586,715	479,710	778,420	530,829
Committed	<u>2,249,902</u>	<u>2,374,910</u>	<u>2,428,679</u>	<u>2,223,193</u>	<u>1,974,557</u>
Total all other governmental funds	<u>\$ 2,896,427</u>	<u>\$ 2,966,825</u>	<u>\$ 2,908,389</u>	<u>\$ 3,003,358</u>	<u>\$ 2,505,386</u>

**City of Fenton**  
**Fund Balances - Governmental Funds (Unaudited)**  
**2016 - 2025**

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund					
Nonspendable	\$ 96,833	\$ 91,043	\$ 177,744	\$ 194,857	\$ 231,154
Unassigned	<u>4,834,232</u>	<u>5,160,815</u>	<u>5,194,506</u>	<u>5,413,751</u>	<u>5,624,460</u>
Total General Fund	<u>\$ 4,931,065</u>	<u>\$ 5,251,858</u>	<u>\$ 5,372,250</u>	<u>\$ 5,608,608</u>	<u>\$ 5,855,614</u>
All other governmental funds					
Nonspendable	\$ 3,938	\$ 3,547	\$ 2,069	\$ 2,201	\$ 908,019
Restricted	697,692	10,446,393	7,344,464	8,381,815	3,646,316
Committed	<u>1,987,403</u>	<u>2,217,969</u>	<u>2,988,157</u>	<u>2,930,936</u>	<u>2,571,102</u>
Total all other governmental funds	<u>\$ 2,689,033</u>	<u>\$ 12,667,909</u>	<u>\$ 10,334,690</u>	<u>\$ 11,314,952</u>	<u>\$ 7,125,437</u>

**City of Fenton**  
**Changes in Fund Balances - Governmental Funds (Unaudited)**  
**2016 - 2025**

	2016	2017	2018	2019	2020
<b>Revenues</b>					
Taxes	\$ 3,580,480	\$ 3,708,882	\$ 3,778,621	\$ 3,917,821	\$ 4,113,868
Licenses and permits	315,977	341,797	532,383	523,336	461,317
Federal grants	-	-	-	-	-
Intergovernmental	2,086,654	2,151,470	2,523,257	2,876,495	2,597,316
Charges for services	1,000,674	1,111,853	1,120,541	1,259,607	1,051,269
Fines and forfeitures	59,182	66,954	63,172	58,811	62,578
Interest and rents	87,428	88,505	106,417	91,579	89,441
Proceeds from sale of land	-	1,023,390	212,726	-	-
Other	163,121	213,991	119,600	272,574	236,233
Total revenues	<u>7,293,516</u>	<u>8,706,842</u>	<u>8,456,717</u>	<u>9,000,223</u>	<u>8,612,022</u>
<b>Expenditures</b>					
Current					
General government	1,191,988	1,409,092	1,313,739	1,150,655	1,245,170
Public safety	3,118,232	3,268,382	3,454,965	3,716,776	3,516,958
Public works	1,830,656	1,881,552	1,428,300	2,026,322	2,438,551
Health and welfare	-	-	-	-	-
Community and economic development	119,269	48,776	66,613	37,718	42,217
Recreation and culture	209,242	328,020	210,858	452,128	350,565
Other	306,052	269,311	291,392	333,554	346,150
Capital outlay	692,752	52,172	1,351,681	641,219	1,114,841
Debt service					
Principal	71,087	97,055	72,002	89,806	90,791
Interest and fiscal charges	11,712	16,480	16,452	18,433	16,459
Bond issuance cost	-	-	-	-	-
Total expenditures	<u>7,550,990</u>	<u>7,370,840</u>	<u>8,206,002</u>	<u>8,466,611</u>	<u>9,161,702</u>
Excess (deficiency) of revenues over expenditures	(257,474)	1,336,002	250,715	533,612	(549,680)
<b>Other Financing Sources (Uses)</b>					
Debt issuance	543,900	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-
Note proceeds	-	-	261,612	-	-
Transfers in	687,313	579,925	749,042	537,457	1,051,086
Transfers out	(722,854)	(601,457)	(749,042)	(515,065)	(1,140,383)
Total other financing sources (uses)	<u>508,359</u>	<u>(21,532)</u>	<u>261,612</u>	<u>22,392</u>	<u>(89,297)</u>
Net change in fund balances	<u>250,885</u>	<u>1,314,470</u>	<u>512,327</u>	<u>556,004</u>	<u>(638,977)</u>
Fund Balances - Beginning, as previously presented	5,142,267	5,393,152	6,707,622	7,219,949	7,775,953
Prior period adjustment	-	-	-	-	-
Fund balances - beginning, as adjusted	<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>
Fund Balances - End of year	<u>\$ 5,393,152</u>	<u>\$ 6,707,622</u>	<u>\$ 7,219,949</u>	<u>\$ 7,775,953</u>	<u>\$ 7,136,976</u>
Debt service as a percentage of noncapital expenditures	1.80%	1.70%	1.29%	1.38%	1.33%
Fixed asset additions	2,945,185	681,914	1,351,681	641,218	1,114,841
Fixed asset additions W/O disposals					

**City of Fenton**  
**Changes in Fund Balances - Governmental Funds (Unaudited)**  
**2016 - 2025**

	2021	2022	2023	2024	2025
<b>Revenues</b>					
Taxes	\$ 4,274,590	\$ 4,395,379	\$ 6,372,943	\$ 6,774,618	\$ 7,264,648
Licenses and permits	506,212	470,172	537,949	510,018	609,416
Federal grants	300,762	-	200,000	1,061,327	-
Intergovernmental	2,879,179	3,044,249	3,154,302	3,629,966	3,437,107
Charges for services	1,387,033	1,380,530	1,325,092	1,372,397	1,429,289
Fines and forfeitures	61,200	67,783	59,646	45,336	54,295
Interest and rents	22,267	36,580	347,976	414,768	412,617
Proceeds from sale of land	-	139,733	-	-	-
Other	303,634	479,233	927,886	481,685	601,186
Total revenues	<u>9,734,877</u>	<u>10,013,659</u>	<u>12,925,794</u>	<u>14,290,115</u>	<u>13,808,558</u>
<b>Expenditures</b>					
Current					
General government	1,519,746	1,527,028	1,769,025	2,383,670	1,956,050
Public safety	3,866,116	4,760,472	4,585,688	4,285,537	4,841,260
Public works	2,174,680	2,454,337	6,028,462	9,134,408	7,538,328
Health and welfare	-	-	-	3,127	-
Community and economic development	47,384	56,940	62,543	33,553	76,807
Recreation and culture	272,306	395,454	563,628	607,265	534,271
Other	294,036	292,834	266,021	261,937	263,614
Capital outlay	1,311,477	7,759	48,358	1,188,441	499,401
Debt service					
Principal	117,101	134,158	1,371,856	1,576,827	1,690,075
Interest and fiscal charges	18,008	189,596	443,040	390,728	623,861
Bond issuance cost	-	-	-	94,450	-
Total expenditures	<u>9,620,854</u>	<u>9,818,578</u>	<u>15,138,621</u>	<u>19,959,943</u>	<u>18,023,667</u>
Excess (deficiency) of revenues over expenditures	114,023	195,081	(2,212,827)	(5,669,828)	(4,215,109)
<b>Other Financing Sources (Uses)</b>					
Debt issuance	-	920,085	-	6,790,000	-
Premium on issuance of debt	-	-	-	602,181	-
Sale of fixed assets	-	-	-	-	272,600
Note proceeds	306,909	9,150,000	-	-	-
Transfers in	727,020	1,405,000	10,058,960	14,765,801	1,514,594
Transfers out	(664,830)	(1,370,497)	(10,058,960)	(15,764,128)	(1,514,594)
Total other financing sources (uses)	<u>369,099</u>	<u>10,104,588</u>	<u>-</u>	<u>6,393,854</u>	<u>272,600</u>
Net change in fund balances	<u>483,122</u>	<u>10,299,669</u>	<u>(2,212,827)</u>	<u>724,026</u>	<u>(3,942,509)</u>
Fund Balances - Beginning, as previously presented	7,136,976	7,620,098	17,919,767	15,706,940	16,923,560
Prior period adjustment	-	-	-	492,594	-
Fund balances - beginning, as adjusted	<u>7,136,976</u>	<u>7,620,098</u>	<u>17,919,767</u>	<u>16,199,534</u>	<u>16,923,560</u>
Fund Balances - End of year	<u>\$ 7,620,098</u>	<u>\$ 17,919,767</u>	<u>\$ 15,706,940</u>	<u>\$ 16,923,560</u>	<u>\$ 12,981,051</u>
Debt service as a percentage of noncapital expenditures	1.63%	3.67%	17.11%	16.88%	17.83%
Fixed asset additions	1,311,477	996,943	4,528,414	8,304,646	5,042,716
Fixed asset additions W/O disposals					

**City of Fenton**  
**Taxable Value and Actual Value of Taxable Property (Unaudited)**  
**2015 - 2024**

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%	
2024	2025	319,194,182	210,745,099	28,644,692	28,767,100	587,351,073	9.83	1,619,593,800	36.27%	

**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)**  
**2015 - 2024**

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	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Millage Rates - Direct City Taxes					
General Operating	10.62	10.43	10.36	10.30	10.18
Debt	0.00	0.00	0.00	0.00	0.00
Total Direct Taxes	10.62	10.43	10.36	10.30	10.18
County	11.49	11.49	11.49	12.78	12.77
Community College	2.86	2.81	2.81	2.80	2.80
Intermediate School District	3.53	3.78	3.78	3.77	3.77
Overlapping Taxes					
Regional Parks	0.37	0.37	0.37	0.36	0.36
School Debt	6.80	6.70	5.78	6.55	6.44
School: Homestead	6.00	6.00	6.00	6.00	6.00
School: Non-homestead	18.00	18.00	18.00	18.00	18.00
Total Tax Rate					
Homestead	41.67	41.58	40.59	42.56	42.32
Non-Homestead	59.67	59.58	58.59	60.57	60.32

**City of Fenton**  
**Direct and Overlapping Property Tax Rates (Unaudited)**  
**2015 - 2024**

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	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Millage Rates - Direct City Taxes					
General Operating	10.00	9.88	9.84	9.84	9.83
Debt	0.00	0.00	3.50	3.50	3.50
Total Direct Taxes	10.00	9.88	13.34	13.34	13.33
County	12.35	13.21	13.18	11.50	11.46
Community College	2.76	2.75	2.66	2.54	2.54
Intermediate School District	3.75	3.72	3.70	3.70	3.68
Overlapping Taxes					
Regional Parks	0.35	0.35	0.34	0.34	0.34
School Debt	6.39	5.98	5.97	5.87	5.87
School: Homestead	6.00	6.00	6.00	6.00	6.00
School: Non-homestead	18.00	18.00	18.00	18.00	18.00
Total Tax Rate					
Homestead	41.60	41.89	45.19	43.29	43.22
Non-Homestead	59.59	59.89	63.20	61.29	61.22

**City of Fenton**  
**Principal Property Tax Payers (Unaudited)**  
**June 30, 2025 and 2016**

Taxpayer	2025 Taxable Value	Percentage of Total	2016 Taxable Value	Percentage of Total	2016 Rank
Georgetown HC2, LLC	\$ 18,311,072	3.1176%	\$ 8,941,798	2.49%	1
MIMG CCXXXII, LLC, MIMG CLOH SILVER	\$ 12,559,000	2.1382%	\$ 6,383,994	1.78%	n/a
CONSUMERS ENERGY CO	\$ 10,670,567	1.8167%	n/a	n/a	2
Fenton Real Estate Company LLC	\$ 5,939,464	1.0112%	n/a	n/a	n/a
WAL MART PROPERTIES	\$ 5,887,723	1.0024%	n/a	n/a	5
RRE PIER 38 ASSOCIATES, LLC	\$ 5,786,091	0.9851%	n/a	n/a	n/a
THUNDERBIRD MHP LLC	\$ 5,541,270	0.9434%	\$ 7,221,977	2.01%	n/a
MIMG CXXXVI FAIRFIELD CONDO SUB LLC	\$ 5,536,073	0.9425%	n/a	n/a	n/a
AEG FENTON PROPCO, LLC	\$ 4,967,700	0.8458%	n/a	n/a	n/a
TENET EQUITY FUNDING SPE CF, LLC	\$ 4,872,300	0.8295%	n/a	n/a	n/a

Note:

Source: Data provided by local assessment records.

**City of Fenton**  
**Property Tax Levies and Collections (Unaudited)**  
**2015 - 2024**

<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>
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%
2024	2025	5,746,178	5,621,383	97.8%	116,094	5,737,477	99.8%

Note:

Source: Data provided from local Treasurer's Department.

**City of Fenton**  
**Ratios of Outstanding Debt (Unaudited)**  
**2016 - 2025**

	2016	2017	2018	2019	2020
<b>Governmental Activities</b>					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Installment purchase agreements	31,550	-	244,610	209,804	174,013
Special assessment bonds	555,000	500,000	445,000	390,000	335,000
Premiums and discounts	-	-	-	-	-
Capital leases	10,505	-	-	-	-
<b>Total</b>	<b>597,055</b>	<b>500,000</b>	<b>689,610</b>	<b>599,804</b>	<b>509,013</b>
<b>Business-type Activities</b>					
General obligation bonds	1,402,874	935,249	465,055	-	-
Capital improvement bonds	2,505,000	2,465,000	2,420,000	2,375,000	2,370,477
Revenue bonds	5,865,790	4,927,133	4,318,156	3,589,397	2,944,397
Premiums and discounts	-	-	-	-	50,477
<b>Total</b>	<b>9,773,664</b>	<b>8,327,382</b>	<b>7,203,211</b>	<b>5,964,397</b>	<b>5,365,351</b>
<b>Total debt of the government</b>	<b>\$ 10,370,719</b>	<b>\$ 8,827,382</b>	<b>\$ 7,892,821</b>	<b>\$ 6,564,201</b>	<b>\$ 5,874,364</b>
<b>Total Taxable Value</b>	<b>\$ 349,669,782</b>	<b>\$ 358,666,678</b>	<b>\$ 377,224,844</b>	<b>\$ 377,224,844</b>	<b>\$ 410,113,823</b>
Ratio of total debt to taxable value	2.97%	2.46%	3.96%	1.74%	1.43%
Total Population <sup>(1)</sup>	11,746	11,746	11,746	11,746	12,050
Total debt per capita	\$ 1,452	\$ 1,275	\$ 672	\$ 559	\$ 483
Personal Income <sup>(1)</sup>	\$ 36,612	\$ 39,198	\$ 40,618	\$ 41,929	N/A
Ratio of total debt to personal income	2.41%	1.92%	1.65%	2.67%	1.90%

**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)**  
**2016 - 2025**

	2021	2022	2023	2024	2025
<b>Governmental Activities</b>					
General obligation bonds	\$ -	\$ 9,150,000	\$ 7,935,000	\$ 1,460,000	\$ 11,695,000
Installment purchase agreements	703,981	584,441	704,732	121,814	437,980
Special assessment bonds	275,000	220,000	165,000	55,000	55,000
Premiums and discounts	-	920,085	738,261	1,177,777	1,039,970
Capital leases	-	-	-	-	-
<b>Total</b>	<b>978,981</b>	<b>10,874,526</b>	<b>9,542,993</b>	<b>2,814,591</b>	<b>13,227,950</b>
<b>Business-type Activities</b>					
General obligation bonds	-	-	-	-	-
Capital improvement bonds	2,227,112	6,545,000	6,405,000	290,000	5,815,000
Revenue bonds	2,289,397	1,619,397	929,397	95,000	739,397
Premiums and discounts	47,112	162,399	150,999	138,212	125,739
<b>Total</b>	<b>4,563,621</b>	<b>8,326,796</b>	<b>7,485,396</b>	<b>523,212</b>	<b>6,680,136</b>
<b>Total debt of the government</b>	<b>\$ 5,542,602</b>	<b>\$ 19,201,322</b>	<b>\$ 17,028,389</b>	<b>\$ 3,337,803</b>	<b>\$ 19,908,086</b>
<b>Total Taxable Value</b>	<b>\$ 437,381,370</b>	<b>\$ 467,456,662</b>	<b>\$ 549,169,283</b>	<b>\$ 551,137,739</b>	<b>\$ 587,351,073</b>
Ratio of total debt to taxable value	1.27%	4.11%	3.10%	0.61%	3.39%
Total Population <sup>(1)</sup>	12,050	12,050	12,050	12,050	12,050
Total debt per capita	\$ 456	\$ 1,593	\$ 1,413	\$ 277	\$ 1,652
Personal Income <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A
	1.79%	6.20%	3.51%	4.40%	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**

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Fiscal Year	Other General Obligation Debt	Net General Bonded Debt	Estimated Actual Value	Debt as a Percentage of Estimated Actual Value	Population (1)	Debt Per Capita
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	11,695,000	11,695,000	1,316,605,172	0.89%	12,050	971
2025	18,540,000	18,540,000	1,395,151,800	1.33%	12,050	1,539

Note:

(1) Source: 2020 Census Reports.

**City of Fenton**  
**Direct and Overlapping Governmental Activities Debt (Unaudited)**  
**June 30, 2025**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated % Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Genesee County	\$ 250,224,740	4.56%	\$ 11,410,248
Mott Community College	93,011,201	4.28%	3,980,879
Holly School District	137,692,657	0.10%	137,693
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	17,314,654	4.28%	741,067
Bishop Airport Authority	-	4.56%	-
<b>Total Overlapping Debt</b>	<b>561,722,690</b>		<b>41,220,286</b>
<b>Direct City Debt</b>	<b>\$ 13,925,888</b>	<b>100.00%</b>	<b><u>13,925,888</u></b>
<b>Total Direct and Overlapping Debt</b>	<b><u>\$ 575,648,578</u></b>		<b><u>\$ 55,146,174</u></b>

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)**  
**2016 - 2025**

	2016	2017	2018	2019	2020
Calculation of debt limit:					
State equalized valuation	\$ 425,753,616	\$ 468,078,786	\$ 535,493,750	\$ 538,591,150	\$ 586,768,909
10% of taxable value	42,575,361	46,807,878	53,549,375	53,859,115	58,676,891
Calculation of debt subject to limit:					
Total debt	17,055,819	14,972,382	13,904,223	11,619,834	9,955,000
Less: debt not subject to limit:					
Special assessment bonds	555,000	500,000	445,000	390,000	335,000
Revenue bonds	<u>5,865,790</u>	<u>4,927,133</u>	<u>4,318,156</u>	<u>3,712,031</u>	<u>3,090,000</u>
Net debt subject to limit	<u>10,635,029</u>	<u>9,545,249</u>	<u>9,141,067</u>	<u>7,517,803</u>	<u>6,530,000</u>
Legal debt margin	<u>\$ 42,575,361</u>	<u>\$ 46,807,878</u>	<u>\$ 53,549,375</u>	<u>\$ 53,859,115</u>	<u>\$ 58,676,891</u>
Net debt subject to limit as % of debt limit	24.98%	20.39%	17.07%	13.96%	11.13%

**City of Fenton**  
**Legal Debt Margin (Unaudited)**  
**2016 - 2025**

	2021	2022	2023	2024	2025
Calculation of debt limit:					
State equalized valuation	\$ 628,253,609	\$ 658,302,586	\$ 697,575,900	\$ 747,470,900	\$ 809,796,900
10% of taxable value	62,825,361	65,830,259	69,757,590	74,747,090	80,979,690
Calculation of debt subject to limit:					
Total debt	9,713,181	23,096,324	20,663,754	25,604,852	23,023,001
Less: debt not subject to limit:					
Special assessment bonds	275,000	220,000	165,000	110,000	55,000
Revenue bonds	<u>2,289,397</u>	<u>1,619,397</u>	<u>929,397</u>	<u>834,397</u>	<u>739,397</u>
Net debt subject to limit	<u>7,148,784</u>	<u>21,256,927</u>	<u>19,569,357</u>	<u>24,660,455</u>	<u>22,228,604</u>
Legal debt margin	<u>\$ 62,825,361</u>	<u>\$ 65,830,259</u>	<u>\$ 69,757,590</u>	<u>\$ 74,747,090</u>	<u>\$ 80,979,690</u>
Net debt subject to limit as % of debt limit	11.38%	32.29%	28.05%	32.99%	27.45%

**City of Fenton**  
**Pledged-Revenue Coverage (Unaudited)**  
**2016 - 2025**

Fiscal Year	Gross Revenues	Applicable Expenses	Net Revenues	Water Revenue Bonds		
				Debt service		Coverage
				Principal	Interest	
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
2025	4,135,247	3,442,909	692,338	-	200,152	3.46

Fiscal Year	Gross Revenues	Applicable Expenses	Net Revenues	Sewer Revenue Bonds		
				Debt service		Coverage
				Principal	Interest	
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
2025	3,247,959	2,996,339	251,620	95,000	20,422	2.18

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

Fiscal Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup> Personal Income	Unemployment Rate <sup>(3)</sup>
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
2025	12,050	632,866,000	52,520	6.3

**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, 2025**

Industry	2025 Number of Jobs (1)	Percentage of Total	2016 Number of Jobs (1)	Percentage of Total
Trade, Transportation, and Utilities	30,800	21.24%	28,900	20.38%
Education and Health Services	27,500	18.97%	28,700	20.24%
Government	19,100	13.17%	18,800	13.26%
Manufacturing	14,100	9.72%	12,200	8.60%
Leisure and Hospitality	16,300	11.24%	15,800	11.14%
Professional and Business Services	16,900	11.66%	16,000	11.28%
Natural Resources, Mining, and Construction	7,300	5.03%	5,200	3.67%
Other Services	5,300	3.66%	5,600	3.95%
Financial Activities	6,700	4.62%	6,300	4.44%
Information	1,000	0.69%	4,300	3.03%
Total	145,000	100%	141,800	100%

Note:

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

**City of Fenton**  
**Full-Time Equivalent Government Employees (Unaudited)**  
**2016 - 2025**

Function/Program	2016	2017	2018	2019	2020
General government	12	13	13	11	10
Public safety:					
Police	16	16	17	17	18
Building inspection	2	2	2	3	3
Fire	1	1	1	1	1
Public works:					
DPW	8	11	10	12	11
Water and sewer	8	8	7	7	9
<b>Total</b>	<b>47</b>	<b>51</b>	<b>50</b>	<b>51</b>	<b>52</b>

**City of Fenton**  
**Full-Time Equivalent Government Employees (Unaudited)**  
**2016 - 2025**

Function/Program	2021	2022	2023	2024	2025
General government	11	11	11	12	11
Public safety:					
Police	17	17	20	20	21
Building inspection	3	3	3	3	3
Fire	1	1	1	1	1
Public works:					
DPW	9	11	11	11	9
Water and sewer	9	9	9	9	11
<b>Total</b>	<b>50</b>	<b>52</b>	<b>55</b>	<b>56</b>	<b>56</b>

**City of Fenton**  
**Operating Indicators (Unaudited)**  
**2016 - 2025**

Function/ program	2016	2017	2018	2019	2020
<b>Election data</b>					
Registered voters	9,672	9,367	9,330	9,401	10,224
Voters (at the polls or absentee)	1,950	5,884	1,527	5,144	5,169
Percent voting	65.39%	20.16%	16.37%	54.72%	50.56%
<b>Police</b>					
Physical arrests	305	502	423	307	407
Traffic violations	1,176	1,564	1,229	1,666	1,494
Investigations	8,440	9,303	8,859	10,586	10,164
<b>Fire</b>					
Fire runs	262	331	337	336	336
Emergency medical runs	170	178	200	195	173
Inspections	250	100	150	230	402
<b>Public works</b>					
Miles of street resurfaced	0.95	-	0.53	-	-
<b>Water</b>					
Number of customers billed	3,574	3,580	3,616	3,685	3,666
Total consumption*	374,579	299,856	308,211	288,958	278,947
Average consumption per user	105	84	85	78	76
<b>Sewer</b>					
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)**  
**2016 - 2025**

Function/ program	2021	2022	2023	2024	2025
<b>Election data</b>					
Registered voters	10,138	10,129	10,275	9,342	10,154
Voters (at the polls or absentee)	6,940	5,508	1,901	7,247	960
Percent voting	68.46%	54.38%	18.50%	77.57%	9.45%
<b>Police</b>					
Physical arrests	367	330	536	578	614
Traffic violations	1,532	1,720	2,173	1,474	1,889
Investigations	11,496	11,402	12,097	13,051	14,884
<b>Fire</b>					
Fire runs	318	321	310	290	312
Emergency medical runs	138	204	176	147	140
Inspections	128	236	178	496	264
<b>Public works</b>					
Miles of street resurfaced	0.58	1.53	1.00	2.31	1.05
<b>Water</b>					
Number of customers billed	3,717	3,973	4,003	4,206	4,237
Total consumption*	303,926	290,433	378,965	293,620	293,477
Average consumption per user	82	73	95	70	69
<b>Sewer</b>					
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)**  
**2016 - 2025**

Function/ program	2016	2017	2018	2019	2020
Police					
Stations	1	1	1	1	1
Patrol units	9	11	11	11	9
Fire					
Stations	1	1	1	1	1
Fire response vehicles	8	10	9	9	9
Public works					
Streets (miles)					
Major streets	18.69	18.69	18.69	18.69	18.68
Local streets	35.05	35.05	35.05	35.05	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

**City of Fenton**  
**Capital Asset Statistics (Unaudited)**  
**2016 - 2025**

Function/ program	2021	2022	2023	2024	2025
Police					
Stations	1	1	1	1	1
Patrol units	9	9	9	10	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