Charter Township of Fruitport
Muskegon County, Michigan

REPORT ON FINANCIAL STATEMENTS
(with required supplementary information)

March 31, 2026

Charter Township of Fruitport

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Brickley DeLong
CPAs AND ADVISORS

INDEPENDENT AUDITOR'S REPORT

Township Board
Charter Township of Fruitport
Fruitport, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Fruitport, Michigan, as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise the Charter Township of Fruitport, Michigan'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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Fruitport, Michigan, as of March 31, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Charter Township of Fruitport, Michigan, 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.

Responsibilities of Management for the Financial Statements—Continued

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 Charter Township of Fruitport, Michigan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charter Township of Fruitport, Michigan'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 Charter Township of Fruitport, Michigan's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other postemployment benefits information 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 inquires, 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 Charter Township of Fruitport, Michigan's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Brickley DeLong, P.C.

Muskegon, Michigan
September 24, 2026

As management of the Charter Township of Fruitport, we present to the readers of the Township's financial statements this overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2026. We encourage you to consider the information presented in these financial statements along with the additional information that has been furnished in this letter.

FINANCIAL HIGHLIGHTS

- Assets of the Township exceeded liabilities/deferred inflows of resources at the close of the fiscal year by $29,305,544 (net position). Of this amount, $13,423,983 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.
- Governmental activities had net position totaling $9,785,148 while business-type activities ended the year with $19,520,396 in total net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The basic financial statements are comprised 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 themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Township's finances. These statements are similar to those of a private sector business.

The Statement of Net Position presents information on all of the Township's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The Statement of Activities presents information showing how the Township's net position changed during the fiscal year. All changes in net position are reported when the event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

Both of the government-wide financial statements mentioned above distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are designed to recover all or a significant part of their costs through user fees and charges for services (business-type activities). The governmental activities of the Township include general government, public safety, public works, community and economic development and culture and recreation activities. The business-type activities of the Township include water distribution and sewer services.

The Statement of Net Position and the Statement of Activities include not only the Township itself (known as the primary government), but also discretely presented component units. Component units are separate legal entities for which the Township has some level of financial accountability. The Township has one component unit shown in a separate column on the Statement of Net Position and Statement of Activities, the Downtown Development Authority (DDA).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into three categories—governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a governmental entity's short-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

The Township maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Safety Fund, an Revolving Road Fund, which are considered major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds. The Township has two enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses enterprise funds to account for its water distribution and sewer operations.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds financial statements provide separate information for the Sewer and Water funds, both of which are major funds.

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

Notes to Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The reader is encouraged to include the reading of this section in any attempt to analyze and understand these statements.

Other Information
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's budgetary information as it relates to the actual expenditures for the General Fund and Public Safety Fund.

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the required supplemental information on budgetary information.

Government-wide Financial Analysis
The first table presented below is a summary of the government-wide statement of net position for the Township. As stated earlier, the net position may be used as an indicator of a government's financial health. As of March 31, 2026, the Township's net position from governmental activities totaled $9,785,148 (33%) and $19,520,396 (67%) from business-type activities, creating a total government-wide net position total of $29,305,544.

In examining the composition of net position, the reader should note that governmental activities include net position that is invested in capital assets (i.e., buildings, land, vehicles, equipment, etc.) These assets are used to provide services to the Township's residents, and they are not available to pay salaries, operational expenses or fund capital projects. Certain other governmental net position is shown as restricted, meaning that it is subject to external restrictions on how it may be used. The unrestricted net position for governmental activities actually depicts a balance of $6,131,858. This represents the amount of discretionary resources that can be used for general governmental operations.

The business-type activities show a total of $19,520,396 in net position of which $7,292,125 is unrestricted. The Sewer Fund and Water Fund unrestricted net position are $3,291,200 and $4,000,925, respectively.

Net Position

	Governmental Activities		Business-type Activities		Total	
	2026	2025	2026	2025	2026	2025
Current assets and other assets	$ 9,260,815	$ 8,063,384	$ 9,176,793	$ 8,317,247	$ 18,437,608	$ 16,380,631
Capital assets	3,681,289	3,579,061	12,569,612	12,852,610	16,250,901	16,431,671
Total assets	12,942,104	11,642,445	21,746,405	21,169,857	34,688,509	32,812,302
Deferred outflows of resources	146,128	127,008	40,733	48,744	186,861	175,752
Total assets and deferred outflows of resources	13,088,232	11,769,453	21,787,138	21,218,601	34,875,370	32,988,054
Current liabilities	753,990	567,127	429,710	438,773	1,183,700	1,005,900
Noncurrent liabilities	1,413,378	1,698,651	1,618,051	1,851,555	3,031,429	3,550,206
Total liabilities	2,167,368	2,265,778	2,047,761	2,290,328	4,215,129	4,556,106
Deferred inflows of resources	1,135,716	970,904	218,981	200,897	1,354,697	1,171,801
Total liabilities and deferred inflows of resources	3,303,084	3,236,682	2,266,742	2,491,225	5,569,826	5,727,907
Net position						
Net investment in capital assets	3,013,569	2,783,013	11,736,237	11,920,360	14,749,806	14,703,373
Restricted	639,721	592,238	492,034	430,632	1,131,755	1,022,870
Unrestricted	6,131,858	5,157,520	7,292,125	6,376,384	13,423,983	11,533,904
Total net position	**$ 9,785,148**	**$ 8,532,771**	**$ 19,520,396**	**$ 18,727,376**	**$ 29,305,544**	**$ 27,260,147**

For governmental activities, current and other assets increased due to revenues exceeding expenses. Capital assets increased as the Township remodeled portions of the police/fire department. Noncurrent liabilities decreased due to additional debt payments made before the fiscal year end.

For business-type activities, the increase in current assets occurred due to increases in net position in the utility funds. Capital assets decreased as current year depreciation exceeded current year capital asset purchases. Noncurrent liabilities decreased as regularly scheduled debt payments were made on long-term obligations.

Fluctuations in deferred inflows and outflows of resources are due to differences in experience, assumptions, and investment return related to the other post-employment benefits plan which are being amortized over average expected remaining service lives of all employees.

The results of this year's operations for the Township as a whole are reported in the Statement of Activities, which shows changes in net position.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2026	2025	2026	2025	2026	2025
Revenues:						
Program revenues						
Charges for services	$ 1,256,405	$ 1,053,529	$ 3,287,605	$ 2,899,257	$ 4,544,010	$ 3,952,786
Operating grants	107,462	106,359	-	-	107,462	106,359
Capital grants and contributions	-	-	801,826	1,057,415	801,826	1,057,415
General revenues						
Property taxes	3,606,476	3,457,928	-	-	3,606,476	3,457,928
Franchise fees	143,318	205,358	-	-	143,318	205,358
Grants and contributions not restricted	1,545,746	1,728,080	-	-	1,545,746	1,728,080
Unrestricted investment earnings	346,716	338,817	109,254	216,698	455,970	555,515
Miscellaneous	28,228	10,451	-	-	28,228	10,451
Gain on sale of capital assets	4,750	9,436	-	-	4,750	9,436
Total revenues	7,039,101	6,909,958	4,198,685	4,173,370	11,237,786	11,083,328
Expenses:						
General government	1,027,277	873,040	-	-	1,027,277	873,040
Public safety	3,815,528	3,174,022	-	-	3,815,528	3,174,022
Public works	597,791	703,176	-	-	597,791	703,176
Community and economic development	8,790	6,634	-	-	8,790	6,634
Health and welfare	42,640	-	-	-	42,640	-
Culture and recreation	204,224	223,798	-	-	204,224	223,798
Interest on long term debt	28,397	32,353	-	-	28,397	32,353
Sewer	-	-	570,341	549,353	570,341	549,353
Water	-	-	2,835,324	2,488,496	2,835,324	2,488,496
Total expenses	5,724,647	5,013,023	3,405,665	3,037,849	9,130,312	8,050,872
Change in net position	1,314,454	1,896,935	793,020	1,135,521	2,107,474	3,032,456
Net position - Beginning as previously reported	8,532,771	6,635,836	18,727,376	17,591,855	27,260,147	24,227,691
Adjustments to beginning net position	(62,077)	-	-	-	(62,077)	-
Net position - Beginning, as restated	8,470,694	6,635,836	18,727,376	17,591,855	27,198,070	24,227,691
Net position - Ending	**$ 9,785,148**	**$ 8,532,771**	**$ 19,520,396**	**$ 18,727,376**	**$ 29,305,544**	**$ 27,260,147**

For the restatement for 2026, see Note M of the "Notes to Financial Statements" of this report.

Governmental Activities
Net position of the Township's governmental activities increased by $1,314,454 (15.4%) during the 2026 fiscal year.

Charges for services increased due to assessments for road projects. Property taxes increased due to an increase in taxable values. Grants and contributions not restricted decreased due to the Township spending less of its American Rescue Plan Act (ARPA) funds than in the prior year. Public safety expenses increased due to additional staffing in the police and fire departments. Public works expenses decreased due to fewer road improvements. Other expenses changed due to inflationary increases.

Business-type Activities
At the end of the fiscal year, the net position for business-type activities increased $793,020 (4.2%). Two funds comprise the business-type activities. The Sewer Fund and Water Fund experienced increases in net position for the year of $253,404 and $539,616, respectively.

Charges for services increased due to additional usage. Capital grants and contributions decreased due to a prior year State grant for work water improvements on East Cleveland. Water expenses increased due to additional wholesale water purchases.

Financial Analysis of the Government's Funds
As stated earlier in this discussion and analysis, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances in spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unassigned fund balances or the lack thereof, may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2026 fiscal year, the governmental funds reported a combined unassigned fund balance of $5,257,013, which is shown entirely in the General Fund. The remainder of the fund balance is restricted for public safety or street lights, committed for public safety capital purchases, or assigned for road improvements as shown on page 15.

The General Fund is the chief operating fund of the Township. The General Fund ended the year with a fund balance of $5,263,867, an increase of $627,806 from the prior fiscal year. The health of the General Fund may be measured by the ratio of unassigned fund balance to annual expenditures and transfers. Unassigned fund balance represents 182 percent of the General Fund's expenditures and transfers (145 percent in the prior year). The Township has a minimum fund balance policy requiring unassigned fund balance to be 25 percent of General Fund revenues with which it is in compliance.

Proprietary Funds. The Township's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the Sewer and Water funds increased by $253,404 and $539,616, respectively. The result was an overall increase in the proprietary funds of $793,020.

General Fund Budget
During the current fiscal year, the Township made several amendments to its original General Fund budget as follows:

- Investment earnings revenues budget was increased by $44,900 due to higher interest rates.
- Township board expenditures budget was increased by $33,850 for additional audit and accounting assistance costs.
- Finance director expenditures budget was increased by $39,105 to account for new position created.
- Senior services expenditures budget was increased by $42,640 to account for senior services in the General Fund this year.
- Planning commission expenditures budget was decreased by $30,775 for intended ordinance work pushed back a year

Budget Variations
The following comments summarize the major variations from the final budget to actual revenues and expenditures in the General Fund:

- Intergovernmental revenues – state were over budget by $295,904 due to additional revenue sharing.
- Intergovernmental revenues – local were over budget by $60,640 due to the Township not budgeting for senior millage funds.
- Investment earnings were over budget by $123,742 due to investment return being higher than anticipated.
- Buildings and grounds expenditures were under budget by $37,408 due to conservative budgeting.
- Debt service – principal expenditures were over budget by $42,855 as the next year debt payment was made prior to the end of the current year.
- Capital outlay expenditures were over budget by $44,051 as activity related to capital projects were higher than anticipated.

Capital Assets

The Township's investment in capital assets for its governmental and business-type activities as of March 31, 2026 totaled $16,250,901 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, furniture and equipment, vehicles and utility systems.

Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2026	2025	2026	2025	2026	2025
Land	$ 1,013,375	$ 1,013,375	$ 111,129	$ 111,129	$ 1,124,504	$ 1,124,504
Construction in progress	36,463	-	24,703	546,217	61,166	546,217
Land improvements	338,841	364,949	2,627	3,342	341,468	368,291
Buildings and improvements	1,231,433	1,047,489	362,125	375,790	1,593,558	1,423,279
Furniture and equipment	231,485	207,038	129,004	7,201	360,489	214,239
Vehicles	829,692	946,210	-	2,870	829,692	949,080
Utility systems	-	-	11,940,024	11,806,061	11,940,024	11,806,061
Total	**$ 3,681,289**	**$ 3,579,061**	**$ 12,569,612**	**$ 12,852,610**	**$ 16,250,901**	**$ 16,431,671**

Additional information on the Township's capital assets can be found in Note F of the "Notes to Financial Statements" of this report.

Long-Term Debt

At the end of the fiscal year, the Township had total outstanding debt of $2,942,786 consisting of general obligation bonds, installment purchase agreements, capital leases, and compensated absences.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2026	2025	2026	2025	2026	2025
General obligation bonds	$ 641,625	$ 717,750	$ 1,723,375	$ 1,982,250	$ 2,365,000	$ 2,700,000
Bond premium	-	-	29,199	39,199	29,199	39,199
Installment purchase agreements	26,095	78,298	-	-	26,095	78,298
Compensated absences	462,015	426,815	60,477	64,106	522,492	490,921
Total	**$ 1,129,735**	**$ 1,222,863**	**$ 1,813,051**	**$ 2,085,555**	**$ 2,942,786**	**$ 3,308,418**

The Township's total debt decreased by $365,632 during the fiscal year due to normal scheduled debt payments.

In addition to direct Township debt, the discretely presented component unit has outstanding debt of $1,470,548 at the end of the fiscal year.

Additional information on the Township's long-term debt can be found in Note H of the "Notes to Financial Statements" of this report.

General Economic Overview

The Township's General Fund continues to rely primarily on state revenue sharing and property tax revenues, which together accounted for roughly 71 percent of General Fund revenues in fiscal year 2025–26. For fiscal year 2026–27, property tax revenues are budgeted to increase by approximately 6 percent while state revenue sharing is budgeted to decrease slightly.

The Township budgeted a $1,376,263 transfer from the General Fund to the Public Safety Fund for the fiscal year ending March 31, 2027, compared to $1,306,783 transferred in the prior year. Public safety staffing expansions funded by the 2024 millage continue to influence long-term planning, including facility improvements and equipment replacement schedules.

The Township continues to evaluate cost-saving measures while meeting service expectations. Recent and ongoing initiatives include:

- Public Safety Equipment & Facilities: Facility remodeling to accommodate additional personnel has been completed with the majority of work performed in-house to minimize costs. The department also purchased two drones, three cruisers, and refurbished fire truck #521.
- Utility Department Capital Planning: The department plans to purchase two new utility trucks to support ongoing operations.
- Cemetery Improvements: The Cemetery Scatter Garden serves as an alternative to traditional burials. A columbarium is under installation with half the cost covered by private donation. The Township is exploring additional cemetery space options as current inventory is nearly depleted.
- Infrastructure & Development: The Airline Road sewer extension project is underway, with continued investments in water distribution, sanitary sewer, stormwater systems, and road improvements to accommodate new developments.
- Economic Development: The Downtown Development Authority district has surpassed initial growth projections. The 2026 captured taxable value reached approximately $10,265,000, with captured tax dollars earmarked to fund a new sewer lift station within the Authority. Major developments include completed Summit at Harvey Townhomes, the Cherette Group office facility and Deer Creek Meadows neighborhood construction underway, and a new hotel in planning stages.
- Senior Services: The Township continues to provide programs including AgeWell Services, Safe Seniors, snowplowing, exercise programs, and lawn care, funded through the Muskegon County Senior Citizen Services millage allocation.
- School Resource Officer Partnership: The Township continues its cost-sharing partnership with Fruitport Community Schools, which includes scheduled annual increases.
- The Township maintains two OPEB plans and trust funds. The Utility Department's OPEB plan remains over 100 percent funded, while the General Government OPEB plan is 81.7 percent funded, meeting State requirements. With increased public safety staffing, the Township will continue to monitor long-term OPEB obligations.

Requests for Information

This financial report is designed to provide a general overview of the Charter Township of Fruitport's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Charter Township of Fruitport, 5865 Airline Road, Fruitport, Michigan, 49415 or you may telephone (231) 865-3151.

Charter Township of Fruitport
STATEMENT OF NET POSITION
March 31, 2026

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Current assets				
Cash and investments	$ 8,135,307	$ 7,227,888	$ 15,363,195	$ 188,402
Receivables	251,340	627,266	878,606	-
Due from other governmental units	376,434	3,737	380,171	230,646
Due from primary government	-	-	-	91,173
Inventories	5,432	197,158	202,590	-
Prepaid items	39,151	42,916	82,067	-
Total current assets	8,807,664	8,098,965	16,906,629	510,221
Noncurrent assets				
Special assessments receivable, less amounts due within one year	302,865	585,794	888,659	-
Leases receivable, less amounts due within one year	150,286	-	150,286	-
Net other postemployment benefits asset	-	492,034	492,034	-
Capital assets, net				
Nondepreciable	1,049,838	135,832	1,185,670	-
Depreciable	2,631,451	12,433,780	15,065,231	-
Total noncurrent assets	4,134,440	13,647,440	17,781,880	-
Total assets	12,942,104	21,746,405	34,688,509	510,221
DEFERRED OUTFLOWS OF RESOURCES				
Related to other postemployment benefits	146,128	40,733	186,861	-
Total assets and deferred outflows of resources	13,088,232	21,787,138	34,875,370	510,221
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	261,950	54,753	316,703	-
Due to other governmental units	26	179,957	179,983	-
Due to component unit	91,173	-	91,173	-
Unearned revenue—expenditure-driven grants	143,841	-	143,841	-
Bonds and other obligations, due within one year	257,000	195,000	452,000	-
Total current liabilities	753,990	429,710	1,183,700	-
Noncurrent liabilities				
Bonds and other obligations, less amounts due within one year	872,735	1,618,051	2,490,786	1,470,548
Net other postemployment benefits liability	540,643	-	540,643	-
Total noncurrent liabilities	1,413,378	1,618,051	3,031,429	1,470,548
Total liabilities	2,167,368	2,047,761	4,215,129	1,470,548
DEFERRED INFLOWS OF RESOURCES				
Related to leases	160,104	-	160,104	-
Related to other postemployment benefits	975,612	218,981	1,194,593	-
Total deferred inflows of resources	1,135,716	218,981	1,354,697	-
Total liabilities and deferred inflows of resources	3,303,084	2,266,742	5,569,826	1,470,548
NET POSITION				
Net investment in capital assets	3,013,569	11,736,237	14,749,806	-
Restricted				
Public safety	107	-	107	-
Street lights	639,614	-	639,614	-
Other postemployment benefits	-	492,034	492,034	-
Unrestricted	6,131,858	7,292,125	13,423,983	(960,327)
Total net position	**$ 9,785,148**	**$ 19,520,396**	**$ 29,305,544**	**$ (960,327)**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF ACTIVITIES
For the year ended March 31, 2026

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Net (Expense) Revenue and Changes in Net Position: Component Unit
Governmental activities								
General government	$ 1,027,277	$ 227,842	$ 1,554	$ -	$ (797,881)	$ -	$ (797,881)	$ -
Public safety	3,815,528	336,552	29,285	-	(3,449,691)	-	(3,449,691)	-
Public works	597,791	590,276	15,983	-	8,468	-	8,468	-
Community and economic development	8,790	92,411	-	-	83,621	-	83,621	-
Health and welfare	42,640	-	60,640	-	18,000	-	18,000	-
Culture and recreation	204,224	9,324	-	-	(194,900)	-	(194,900)	-
Interest on long-term debt	28,397	-	-	-	(28,397)	-	(28,397)	-
Total governmental activities	5,724,647	1,256,405	107,462	-	(4,360,780)	-	(4,360,780)	-
Business-type activities								
Sewer	570,341	484,285	-	338,683	-	252,627	252,627	-
Water	2,835,324	2,803,320	-	463,143	-	431,139	431,139	-
Total business-type activities	3,405,665	3,287,605	-	801,826	-	683,766	683,766	-
Total primary government	**$ 9,130,312**	**$ 4,544,010**	**$ 107,462**	**$ 801,826**	(4,360,780)	683,766	(3,677,014)	-
Component unit								
Downtown Development Authority								
Community and economic development	$ 500	$ -	$ -	$ -	-	-	-	(500)
Interest on long-term debt	44,457	-	-	-	-	-	-	(44,457)
Total component unit	**$ 44,957**	**$ -**	**$ -**	**$ -**	-	-	-	(44,957)
General revenues								
Property taxes, levied for								
General purposes					991,684	-	991,684	270,736
Specific purposes					2,614,792	-	2,614,792	-
Franchise fees					143,318	-	143,318	-
Grants and contributions not restricted to specific programs					1,545,746	-	1,545,746	-
Unrestricted investment earnings					346,716	109,254	455,970	876
Miscellaneous					28,228	-	28,228	-
Gain on sale of capital assets					4,750	-	4,750	-
Total general revenues					5,675,234	109,254	5,784,488	271,612
Change in net position					1,314,454	793,020	2,107,474	226,655
Net position at beginning of year, as previously reported					8,532,771	18,727,376	27,260,147	(1,396,547)
Adjustments to beginning net position					(62,077)	-	(62,077)	209,565
Net position at beginning of year					8,470,694	18,727,376	27,198,070	(1,186,982)
Net position at end of year					**$ 9,785,148**	**$ 19,520,396**	**$ 29,305,544**	**$ (960,327)**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
BALANCE SHEET
Governmental Funds
March 31, 2026

	General Fund	Public Safety Fund	Revolving Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 5,063,627	$ 2,383,339	$ 43,944	$ 644,397	$ 8,135,307
Receivables					
Property taxes	39,153	115,274	-	10,032	164,459
Special assessments	-	-	302,865	-	302,865
Leases	160,104	-	-	-	160,104
Other	76,224	837	-	-	77,061
Due from other governmental units	321,154	52,367	2,913	-	376,434
Inventories	5,432	-	-	-	5,432
Prepaid items	6,854	32,297	-	-	39,151
Total assets	**$ 5,672,548**	**$ 2,584,114**	**$ 349,722**	**$ 654,429**	**$ 9,260,813**
LIABILITIES					
Accounts payable	$ 25,856	$ 31,217	$ -	$ 14,708	$ 71,781
Accrued liabilities	79,989	110,178	-	-	190,167
Due to other governmental units	26	-	-	-	26
Due to component unit	12,410	78,763	-	-	91,173
Unearned revenue—expenditure-driven grants	130,296	13,545	-	-	143,841
Total liabilities	248,577	233,703	-	14,708	496,988
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues—special assessments	-	-	302,865	-	302,865
Related to leases	160,104	-	-	-	160,104
Total deferred inflows of resources	160,104	-	302,865	-	462,969
FUND BALANCES					
Nonspendable—prepaid items	6,854	32,297	-	-	39,151
Restricted					
Public safety	-	-	-	107	107
Street lights	-	-	-	639,614	639,614
Committed for public safety capital purchases	-	2,318,114	-	-	2,318,114
Assigned for road improvements	-	-	46,857	-	46,857
Unassigned	5,257,013	-	-	-	5,257,013
Total fund balances	5,263,867	2,350,411	46,857	639,721	8,300,856
Total liabilities, deferred inflows of resources and fund balances	**$ 5,672,548**	**$ 2,584,114**	**$ 349,722**	**$ 654,429**	**$ 9,260,813**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
March 31, 2026

Total fund balance—governmental funds		$ 8,300,856
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Cost of capital assets	$ 7,058,977	
Accumulated depreciation	(3,377,688)	3,681,289
Other long-term assets, such as special assessments, are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the governmental funds.		302,865
Long-term liabilities in governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds and notes payable	(667,720)	
Compensated absences	(462,015)	
Net other postemployment benefits liability and related deferred outflows/inflows of resources	(1,370,127)	(2,499,862)
Net position of governmental activities		**$ 9,785,148**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

For the year ended March 31, 2026

	General Fund	Public Safety Fund	Revolving Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 991,684	$ 2,614,792	$ -	$ -	$ 3,606,476
Licenses and permits	239,981	-	-	-	239,981
Intergovernmental revenues					
Federal	19,963	-	-	-	19,963
State	1,533,307	31,971	-	199	1,565,477
Local	60,640	-	-	-	60,640
Charges for services	260,378	297,905	-	227,534	785,817
Fines and forfeitures	11,015	17,085	-	-	28,100
Investment earnings	276,642	70,000	74	-	346,716
Other	49,399	25,090	147,374	-	221,863
Total revenues	3,443,009	3,056,843	147,448	227,733	6,875,033
EXPENDITURES					
Current					
General government	1,012,184	-	-	-	1,012,184
Public safety	-	3,662,973	-	-	3,662,973
Public works	127,254	-	261,743	180,250	569,247
Health and welfare	42,640	-	-	-	42,640
Community and economic development	9,151	-	-	-	9,151
Culture and recreation	166,723	-	-	-	166,723
Debt service					
Principal	76,125	52,203	-	-	128,328
Interest and fees	43,792	2,305	-	-	46,097
Capital outlay	102,101	234,388	-	-	336,489
Total expenditures	1,579,970	3,951,869	261,743	180,250	5,973,832
Excess of revenues over (under) expenditures	1,863,039	(895,026)	(114,295)	47,483	901,201
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	1,550	3,200	-	-	4,750
Transfers in	-	1,236,783	-	-	1,236,783
Transfers out	(1,236,783)	-	-	-	(1,236,783)
Total other financing sources (uses)	(1,235,233)	1,239,983	-	-	4,750
Net change in fund balances	627,806	344,957	(114,295)	47,483	905,951
Fund balances at beginning of year, as previously presented	4,650,796	2,052,796	-	753,390	7,456,982
Adjustments to beginning fund balances	(14,735)	(47,342)	161,152	(161,152)	(62,077)
Fund balances at beginning of year, as restated	4,636,061	2,005,454	161,152	592,238	7,394,905
Fund balances at end of year	**$ 5,263,867**	**$ 2,350,411**	**$ 46,857**	**$ 639,721**	**$ 8,300,856**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the year ended March 31, 2026

Net change in fund balances—total governmental funds		$ 905,951
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Depreciation expense	$ (234,261)	
Capital outlay	336,489	102,228
Revenues reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		159,318
The issuance of long-term debt provides current financial resources to governmental funds, but increases liabilities in the Statement of Net Position. Repayment of debt is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position.		
Repayment of principal on long-term debt		128,328
Change in accrued interest payable		17,700
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in net other postemployment benefits liability and related deferred outflows/inflows of resources	36,129	
Change in compensated absences	(35,200)	929
Change in net position of governmental activities		**$ 1,314,454**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF NET POSITION
Proprietary Funds
March 31, 2026

	Business-type Activities - Enterprise Funds		
	Sewer	Water	Total
ASSETS			
Current assets			
Cash and investments	$ 2,815,296	$ 4,412,592	$ 7,227,888
Receivables			
Accounts	93,939	386,827	480,766
Special assessments	119,400	27,100	146,500
Due from other governmental units	1,874	1,863	3,737
Inventories	5,463	191,695	197,158
Prepaid items	31,427	11,489	42,916
Total current assets	3,067,399	5,031,566	8,098,965
Noncurrent assets			
Advances to other funds	-	203,493	203,493
Special assessments receivable, less amounts due within one year	477,477	108,317	585,794
Net other postemployment benefits asset	49,203	442,831	492,034
Capital assets			
Land	11,113	100,016	111,129
Construction in progress	24,703	-	24,703
Land improvements	-	14,323	14,323
Buildings and improvements	53,540	493,065	546,605
Utility systems	8,617,807	15,059,204	23,677,011
Furniture and equipment	58,701	282,611	341,312
Vehicles	37,515	171,003	208,518
Less accumulated depreciation	(3,790,674)	(8,563,315)	(12,353,989)
Net capital assets	5,012,705	7,556,907	12,569,612
Total noncurrent assets	5,539,385	8,311,548	13,850,933
Total assets	8,606,784	13,343,114	21,949,898
DEFERRED OUTFLOWS OF RESOURCES			
Related to other postemployment benefits	4,073	36,660	40,733
Total assets and deferred ouflows of resources	8,610,857	13,379,774	21,990,631
LIABILITIES			
Current liabilities			
Accounts payable	5,311	7,614	12,925
Accrued liabilities	2,700	39,128	41,828
Due to other governmental units	18,300	161,657	179,957
Bonds and other obligations, due within one year	3,000	192,000	195,000
Total current liabilities	29,311	400,399	429,710
Noncurrent liabilities			
Advances from other funds	203,493	-	203,493
Bonds and other obligations, less amounts due within one year	836,423	781,628	1,618,051
Total noncurrent liabilities	1,039,916	781,628	1,821,544
Total liabilities	1,069,227	1,182,027	2,251,254
DEFERRED INFLOWS OF RESOURCES			
Related to other postemployment benefits	21,897	197,084	218,981
Total liabilities and deferred inflows of resources	1,091,124	1,379,111	2,470,235
NET POSITION			
Net investment in capital assets	4,179,330	7,556,907	11,736,237
Restricted for other postemployment benefits	49,203	442,831	492,034
Unrestricted	3,291,200	4,000,925	7,292,125
Total net position	**$ 7,519,733**	**$ 12,000,663**	**$ 19,520,396**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Proprietary Funds
For the year ended March 31, 2026

	Business-type Activities - Enterprise Funds		
	Sewer	**Water**	**Total**
OPERATING REVENUES			
Charges for services	$ 484,285	$ 2,803,320	$ 3,287,605
OPERATING EXPENSES			
Administration	12,830	117,105	129,935
Operations	341,726	2,366,636	2,708,362
Depreciation	174,664	321,750	496,414
Total operating expenses	529,220	2,805,491	3,334,711
Operating loss	(44,935)	(2,171)	(47,106)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	777	108,477	109,254
Connection fees	338,683	451,950	790,633
Interest expense	(41,121)	(29,833)	(70,954)
Total nonoperating revenues (expenses)	298,339	530,594	828,933
Income (loss) before capital contributions	253,404	528,423	781,827
CAPITAL CONTRIBUTIONS			
Capital grants and contributions	-	11,193	11,193
Change in net position	253,404	539,616	793,020
Net position at beginning of year	7,266,329	11,461,047	18,727,376
Net position at end of year	**$ 7,519,733**	**$ 12,000,663**	**$ 19,520,396**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF CASH FLOWS
Proprietary Funds
For the year ended March 31, 2026

	Business-type Activities - Enterprise Funds		
	Sewer	**Water**	**Total**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 466,912	$ 2,767,280	$ 3,234,192
Receipts from interfund services provided	-	5,314	5,314
Payments to suppliers	(269,716)	(1,726,171)	(1,995,887)
Payments to employees	(83,489)	(719,760)	(803,249)
Payments for interfund services used	(12,800)	(114,030)	(126,830)
Net cash provided by (used for) operating activities	100,907	212,633	313,540
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	11,193	11,193
Connection fees	493,924	567,043	1,060,967
Advances from other funds (net)	(20,696)	20,696	-
Purchases of capital assets	(78,026)	(135,390)	(213,416)
Principal paid on capital debt	(98,875)	(170,000)	(268,875)
Interest paid on capital debt	(60,552)	(32,500)	(93,052)
Net cash provided by (used for) capital and related financing activities	235,775	261,042	496,817
CASH FLOW FROM INVESTING ACTIVITIES			
Investment earnings	777	108,477	109,254
Net increase (decrease) in cash and investments	337,459	582,152	919,611
Cash and investments at beginning of year	2,477,837	3,830,440	6,308,277
Cash and investments at end of year	**$ 2,815,296**	**$ 4,412,592**	**$ 7,227,888**
Reconciliation of operating loss to net cash provided by (used for) operating activities			
Operating loss	$ (44,935)	$ (2,171)	$ (47,106)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities			
Depreciation expense	174,664	321,750	496,414
Change in assets and liabilities			
Accounts receivable	(17,373)	(30,726)	(48,099)
Inventories	(108)	(57,885)	(57,993)
Prepaid items	(31,427)	(11,348)	(42,775)
Accounts payable	23,607	24,707	48,314
Accrued liabilities	(3,521)	(31,694)	(35,215)
Net cash provided by (used for) operating activities	**$ 100,907**	**$ 212,633**	**$ 313,540**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF NET POSITION
Fiduciary Funds
March 31, 2026

	Other Post-Employment Benefit Trust Funds	Custodial Fund Tax Collection
ASSETS		
Cash	$ -	$ 682,616
MERS Total Market Portfolio	1,335,931	-
Total assets	1,335,931	682,616
LIABILITIES		
Deposits held for others	-	269,782
Due to other governmental units	-	412,834
Total liabilities	-	682,616
NET POSITION		
Restricted for individuals, organizations, and other governments	**$ 1,335,931**	**$ -**

The accompanying notes are an integral part of this statement.

Charter Township of Fruitport
STATEMENT OF CHANGES IN NET POSITION
Fiduciary Funds
For the year ended March 31, 2026

	Other Post-Employment Benefit Trust Funds	Custodial Fund Tax Collection
ADDITIONS		
Property tax collections for other governments	$ -	$ 22,810,752
Employer contributions	56,114	-
Investment earnings	172,184	-
Total additions	228,298	22,810,752
DEDUCTIONS		
Payments of property taxes to other governments	-	22,810,752
Benefit payments	31,114	-
Administrative expenses	1,823	-
Total deductions	32,937	22,810,752
Change in net position	195,361	-
Net position at beginning of year	1,140,570	-
Net position at end of year	**$ 1,335,931**	**$ -**

The accompanying notes are an integral part of this statement.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity
The Township is a charter township governed by an elected seven-member Board. The accompanying financial statements present the Township and its component units, entities for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the Township.

Discretely Presented Component Unit
Downtown Development Authority (DDA). The DDA's purpose is the collection of tax increment revenues, the issuance and repayment of debt, and the construction of public facilities to promote and facilitate economic growth in the Township's downtown district. Board members of the DDA are appointed by the Township and the Authority is fiscally dependent on the Township since the board approved the DDA budget and must approve any debt issuance. The DDA is presented as a governmental fund type.

Basis of Presentation—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 unit. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the Township's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the Township's discretely presented component unit is reported in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the Township's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the Township's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Basis of Presentation—Government-wide and Fund Financial Statements—Continued
The Township reports the following major governmental funds:

The General Fund is the government'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 Public Safety Fund is used to account for a special tax millage levied by the Township for the operation of the police and fire departments.

The Revolving Road Fund is used to account for road projects funded by special assessments.

The Township reports the following two major proprietary funds:

The Sewer Fund accounts for the collection system and pays for access to the county's sewage treatment plant.

The Water Fund operates the Township's water distribution system.

Additionally, the Township reports the following fund types:

The Other Postemployment Benefit Trust Funds are used to report resources that are administered through irrevocable trusts for the benefit of Township employees and retirees.

The Custodial Fund is used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

During the course of operations the Township has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting
The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Measurement Focus and Basis of Accounting—Continued

The 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 Township 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Only the portion of special assessments receivable due within 60 days of the end of 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 government.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the Township are reported at fair value (generally based on quoted market prices).

The Township has adopted an investment policy in compliance with State of Michigan statutes. Those statutes authorize the Township to invest in obligations of the United States, certificates of deposit, prime commercial paper, securities guaranteed by United States agencies or instrumentalities, United States government or federal agency obligation repurchase agreements, bankers' acceptances, state-approved investment pools and certain mutual funds.

The Other Postemployment Benefit Trust Funds are held in trust by the Municipal Employees' Retirement System (MERS) and are subject to the investment policies of MERS and State of Michigan statutes allowing diverse investments in stocks, corporate and government bonds, mortgages, real estate, and other investments.

The component unit's cash and investments are maintained within the Township's investment pool.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Inventories and Prepaid Items
All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased in the business-type activities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Leases Receivable
The Township is a lessor for certain noncancelable leases. The Township recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements for each lease.

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

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

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

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

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

Capital Assets
Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years.

As the Township constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. 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 increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Capital Assets—Continued
Land and construction in progress are not depreciated. The other property, plant, and equipment of the Township are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Classes	Years
Land improvements	20-30
Buildings and improvements	20-40
Utility systems	50
Furniture and equipment	5-20
Vehicles	3-15

Other Postemployment Benefit Costs
The Township offers a defined benefit retiree healthcare benefits to retirees. The Township records a net other postemployment benefit (OPEB) liability for the difference between the total OPEB liability calculated by the actuary and the OPEB Plan's fiduciary net position. 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 OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources
In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township also reports unavailable revenues from one source: leases. These amounts are long-term leases entered into by the Township in which the Township is the lessor. These amounts are recognized as revenue over the term of the lease agreements.

Net Position Flow Assumption
Sometimes the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts of net position to report as restricted and unrestricted in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Net Position Policies
The Township Board has taken formal action to set aside $25,000 and $2,500 in the Water and Sewer funds, respectively, for the future capital needs.

Fund Balance Flow Assumptions
Sometimes the Township will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies
Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitation on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Township's highest level of decision-making authority. The Township Board is the highest level of decision-making authority for the Township that can, by formal action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken (another formal action) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as committed. The Township Board has by resolution authorized the Township Supervisor to assign fund balance. The Township Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The Township has a minimum fund balance policy requiring unassigned fund balance be at least 25 percent of General Fund revenues.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Revenues and Expenditures/Expenses

Program Revenues
Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes
All trade and property tax receivables are shown net of allowance for uncollectibles.

The Township bills and collects its own property taxes and also collects taxes for the county, school and State of Michigan. Taxes are levied and liened on each December 1 on the taxable valuation of property (as defined by state statutes) located in the Local Governmental Unit as of the preceding December 31. Uncollectible real property taxes as of the following March 1 are turned over by the Township to the County for collection. The County advances the Township all these delinquent real property taxes. The delinquent personal property taxes remain the responsibility of the Township. The Township recognizes all available revenue from the current tax levy. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period.

The 2025 state taxable value for real/personal property of the Township totaled approximately $733,735,000, of which approximately $10,265,000 was captured by the DDA. The ad valorem taxes levied consisted of .9845 and 3.6776 mills for the Township's general operating and public safety, respectively. These amounts are recognized in the General Fund and Public Safety Fund, respectively, with captured amounts shown in the DDA.

Compensated Absences
Township employees are granted vacation and sick leave in varying amounts based on length of service. Employees must use earned vacation time during the anniversary year following the one in which it was earned. Upon termination, employees are paid for unused vacation and sick leave at their current rates under limits that vary by employee group. Unused sick leave is accumulated up to 250 days for employees. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. The current portion of this liability is estimated based on historical trends. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses
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 are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise 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.

NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

The appropriated budget is prepared by fund, function and department. The Township's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Township Board. The legal level of budgetary control is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

Excess of Expenditures over Appropriations

During the year ended March 31, 2026, in the General Fund, actual expenditures exceeded appropriations for debt service and capital outlay by $57,127 and $44,051, respectively. In the Public Safety Fund, actual expenditures exceeded appropriations for capital outlay—police and capital outlay—fire by $41,441 and $37,472, respectively. These over-expenditures were funded with available fund balance.

NOTE C—DEPOSITS AND INVESTMENTS

As of March 31, 2026, the Township had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Months)	S&P	Percent
Money market funds	$ 5,126,747	2	AAAm	46.1 %
Negotiable certificates of deposit	248,789	23	not rated	2.2
US agency obligations	100,420	47	AA+	0.9
External investment pool	4,312,316	2	AAAm	38.8
MERS investment funds	1,335,931	N/A	not rated	12.0
Total fair value	**$ 11,124,203**			**100.0 %**
Portfolio weighted average maturity		**N/A**		

The Township voluntarily invests certain excess funds in external investment pool (Pool). The Pool is an external investment pool of "qualified" investments for Michigan municipalities. The Pool is not regulated nor registered with the SEC. The fair value of the Township's investments is the same as the value of the Pool's shares.

NOTE C—DEPOSITS AND INVESTMENTS—Continued

Deposit and Investment Risk

Interest Rate Risk
The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk
State law limits investments in commercial paper and corporate bonds to the two highest classifications issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices.

Concentration of Credit Risk
The Township does not have a concentration of credit risk policy. Concentration of credit risk is the risk of loss attributed to the magnitude of the Township investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial Credit Risk – Deposits
In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. As of March 31, 2026, $5,472,134 of the Township's bank balance of $6,648,184 was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

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

NOTE D—FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Township has the ability to access.

Level 2 Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2026.

Money market funds: Valued at amortized cost, which approximates fair value.

Negotiable certificates of deposit and US agency obligations: Valued at the closing price reported on the active market in which the individual securities are traded.

***External investment pool and MERS investment funds*:** The assets are valued based upon the Township's allocable share of the Michigan CLASS and MERS (Pools) pooled investment portfolios. The allocable shares are based on the value of the underlying assets owned by the Pools, minus their liabilities.

The assets managed by others are valued monthly by the Pools and are allocated based upon each organization's calculated share of the Pools' pooled investment portfolios. Each entity with an interest within the pooled investments receives statements from the Pool indicating the additions to the investments (via contributions), withdrawals from the investments, and the investment returns allocated via a unitization process. The Township calculates the fair value of its share of the pooled investment assets held by the Pools based on the estimated fair value of the underlying assets. The Pools control the investments and make all management and investment decisions.

NOTE D—FAIR VALUE MEASUREMENTS—Continued

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Township believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Township's assets at fair value on a recurring basis as of March 31, 2026:

	Assets at Fair Value as of March 31, 2026			
	Level 1	Level 2	Level 3	Total
Money market funds	$ -	$ 5,126,747	$ -	$ 5,126,747
Negotiable certificates of deposit	248,789	-	-	248,789
US agency obligations	100,420	-	-	100,420
External investment pool	-	4,312,316	-	4,312,316
MERS investment funds	-	1,335,931	-	1,335,931
Total assets at fair value	**$ 349,209**	**$ 10,774,994**	**$ -**	**$ 11,124,203**

NOTE E—LEASES RECEIVABLE

The Township leases the right to use land to a third party. The lease is for 5 years and the Township receives monthly payments totaling approximately $1,120, increasing 2 percent each year. The lease has an automatic renewal for 3 additional 5-year terms. The Township recognized $9,324 in lease revenue and $3,965 in interest revenue during the year ended March 31, 2026. The Township has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of March 31, 2026, the balance of the deferred inflow of resources was $160,104.

Year Ending March 31,	Governmental Activities	
	Principal	Interest
2027	$ 9,819	$ 3,736
2028	10,331	3,495
2029	10,861	3,241
2030	11,410	2,974
2031	11,978	2,694
2032-2036	53,988	7,692
2037-2039	51,717	2,119
	$ 160,104	**$ 25,951**

NOTE F—CAPITAL ASSETS

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

	Balance April 1, 2025	Additions	Deductions	Balance March 31, 2026
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,013,375	$ -	$ -	$ 1,013,375
Construction in progress	-	36,463	-	36,463
Total capital assets, not being depreciated	1,013,375	36,463	-	1,049,838
Capital assets, being depreciated:				
Land improvements	818,656	10,691	-	829,347
Buildings and improvements	1,970,453	232,041	4,000	2,198,494
Furniture and equipment	721,970	57,294	27,615	751,649
Vehicles	2,338,738	-	109,089	2,229,649
Total capital assets, being depreciated	5,849,817	300,026	140,704	6,009,139
Less accumulated depreciation:				
Land improvements	453,707	36,799	-	490,506
Buildings and improvements	922,964	48,097	4,000	967,061
Furniture and equipment	514,932	32,847	27,615	520,164
Vehicles	1,392,528	116,518	109,089	1,399,957
Total accumulated depreciation	3,284,131	234,261	140,704	3,377,688
Total capital assets, being depreciated, net	2,565,686	65,765	-	2,631,451
Capital assets, net	**$ 3,579,061**	**$ 102,228**	**$ -**	**$ 3,681,289**

NOTE F—CAPITAL ASSETS—Continued

	Balance April 1, 2025	Additions	Deductions	Balance March 31, 2026
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 111,129	$ -	$ -	$ 111,129
Construction in progress	546,217	24,703	546,217	24,703
Total capital assets, not being depreciated	657,346	24,703	546,217	135,832
Capital assets, being depreciated:				
Land improvements	14,323	-	-	14,323
Buildings and improvements	546,605	-	-	546,605
Utility systems	23,072,190	604,821	-	23,677,011
Furniture and equipment	218,600	130,109	7,397	341,312
Vehicles	208,518	-	-	208,518
Total capital assets, being depreciated	24,060,236	734,930	7,397	24,787,769
Less accumulated depreciation:				
Land improvements	10,981	715	-	11,696
Buildings and improvements	170,815	13,665	-	184,480
Utility systems	11,266,129	470,858	-	11,736,987
Furniture and equipment	211,399	8,306	7,397	212,308
Vehicles	205,648	2,870	-	208,518
Total accumulated depreciation	11,864,972	496,414	7,397	12,353,989
Total capital assets, being depreciated, net	12,195,264	238,516	-	12,433,780
Capital assets, net	**$ 12,852,610**	**$ 263,219**	**$ 546,217**	**$ 12,569,612**

Depreciation

Depreciation expense has been charged to functions as follows:

Governmental activities:	
General government	$ 37,252
Public safety	130,242
Public works	28,543
Culture and recreation	38,224
	$ 234,261
Business-type activities:	
Sewer	$ 174,664
Water	321,750
	$ 496,414

NOTE G—INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Advances To/From Other Funds:
The Water Fund has advanced $203,493 to the Sewer Fund to fund early debt retirement.

Interfund Transfers:
The General Fund has transferred $1,236,783 to the Public Safety Fund as an operation subsidy.

NOTE H—LONG-TERM DEBT

Summary of Changes in Long-Term Liabilities
The following is a summary of long-term liabilities activity for the Township for the year ended March 31, 2026.

	Balance April 1, 2025	Additions	Reductions	Balance March 31, 2026	Due Within One Year
Governmental activities:					
Public placement debt					
General obligation bonds	$ 717,750	$ -	$ 76,125	$ 641,625	$ -
Direct borrowings and direct placements					
Installment purchase agreements	78,298	-	52,203	26,095	26,000
Compensated absences *	426,815	35,200	-	462,015	231,000
Governmental activities long-term liabilities	**$ 1,222,863**	**$ 35,200**	**$ 128,328**	**$ 1,129,735**	**$ 257,000**
Business-type activities:					
Public placement debt					
General obligation bonds	$ 1,982,250	$ -	$ 258,875	$ 1,723,375	$ 165,000
Premium	39,199	-	10,000	29,199	-
Compensated absences *	64,106	-	3,629	60,477	30,000
Business-type activities long-term liabilities	**$ 2,085,555**	**$ -**	**$ 272,504**	**$ 1,813,051**	**$ 195,000**
Component unit:					
Public placement debt					
General obligation bonds	$ 1,495,000	$ -	$ 40,000	$ 1,455,000	$ -
Premium	17,148	-	1,600	15,548	-
Component unit long-term liabilities	**$ 1,512,148**	**$ -**	**$ 41,600**	**$ 1,470,548**	**$ -**

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

NOTE H—LONG-TERM DEBT—Continued

Summary of Changes in Long-Term Liabilities—Continued
General obligation bonds are a direct obligation and pledge the full faith and credit of the Township. If the Township defaults, the bonds are callable.

The installment purchase agreement is secured by the various purchased items and if the Township defaults under the agreements, all principal and accrued interest at that time are due and payable immediately.

Public placement debt and direct borrowings and direct placements consist of the following:

	Interest Rate	Date of Maturity	Balance
Governmental activities:			
Public placement debt			
General obligation bonds			
2013 General Obligation Bonds	4-4.5%	April 2039	$ 641,625
Direct borrowings and direct placements			
Installment purchase agreements			
2017 Installment Purchase Agreement	2.50%	February 2027	26,095
			$ 667,720
Business-type activities:			
Public placement debt			
General obligation bonds			
2013 General Obligation Bonds	4-4.5%	April 2039	$ 833,375
2018 General Obligation Bonds	4%	November 2030	890,000
			$ 1,723,375
Component unit:			
Public placement debt			
General obligation bonds			
2021 General Obligation Bonds	3%	April 2041	**$ 1,455,000**

For governmental activities, claims and judgments are generally liquidated by the General Fund.

NOTE H—LONG-TERM DEBT—Continued

Summary of Changes in Long-Term Liabilities—Continued

In 2005, the County of Muskegon began making improvements to the regional sewer treatment facilities. The project was funded with $17,500,000 bonds issued through the State of Michigan Clean Water Revolving Fund Loan Program. The County operates the system and makes payments on the bonds with user charges to the local units. The Township has pledged its limited tax full faith and credit for the payment of its portion of the debt should user charges collected by the County be insufficient to make the debt payments. The Township's portion of the debt on March 31, 2026 was $39,683. The Township is unaware of any circumstances that would cause a shortfall in the near future.

Annual debt service requirements to maturity for public placement debt and for direct borrowings and direct placements outstanding as of March 31, 2026 follow:

	Governmental Activities			
			Direct Borrowings and	
Year Ending	Public Placement Debt		Direct Placements	
March 31,	Principal	Interest	Principal	Interest
2027	$ -	$ 13,437	$ 26,095	$ 791
2028	43,500	26,005	-	-
2029	43,500	24,265	-	-
2030	43,500	22,525	-	-
2031	43,500	20,785	-	-
2032-2036	250,200	75,234	-	-
2037-2040	217,425	19,234	-	-
	$ 641,625	**$ 201,485**	**$ 26,095**	**$ 791**

	Business-type Activities		Component Unit	
Year Ending	Public Placement Debt		Public Placement Debt	
March 31,	Principal	Interest	Principal	Interest
2027	$ 165,000	$ 53,053	$ -	$ 34,538
2028	227,000	62,776	50,000	33,188
2029	237,000	53,716	55,000	31,613
2030	242,000	44,256	60,000	29,888
2031	247,000	34,596	70,000	27,938
2032-2036	327,000	97,718	440,000	113,677
2037-2041	278,375	24,983	630,000	56,787
2042	-	-	150,000	1,781
	$ 1,723,375	**$ 371,098**	**$ 1,455,000**	**$ 329,410**

NOTE I—RETIREMENT PLAN

Defined Contribution Pension Plan

The Township contributes to the Fruitport Township Defined Contribution Plan 401(a) (Plan), a defined contribution pension plan, for substantially all of its full-time employees. The Plan is administered by the Township.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Township Board. For each employee in the Plan, the Township is required to contribute 10 percent of gross earnings. In addition, employees receive a 3 percent match on contributions to the Plan. Employees are not required to contribute to the Plan. For the year ended March 31, 2026, the Township recognized pension expense of $273,078.

Employees are immediately vested for all contributions and earnings on those contributions.

NOTE J—OTHER POSTEMPLOYMENT BENEFITS

Retiree Healthcare Plan

Plan Description

The Township's defined benefit OPEB Plan, the Fruitport Township Retiree Medical Plan (OPEB Plan), provides healthcare benefits to certain employees and their spouses upon retirement. The Plan is a single-employer defined benefit plan administered by the Township Board. The benefits are provided under collective bargaining agreements and at the discretion of the Township Board. The OPEB Plan does not issue a publicly available report.

Benefits Provided

The OPEB Plan provides medical coverage for eligible retirees and their spouses beginning at the age of 55 with 20 or more years of service until the retiree reaches Medicare eligibility age. Eligible retirees who are members of the fire bargaining unit and were hired prior to April 1, 2018 are also eligible for the reimbursement of certain prescription drug costs. Benefits are provided through a third-party insurer.

Employees Covered by Benefit Terms

At the March 31, 2026 valuation, the following employees were covered by the benefit terms:

	General Government	Utility	Total
Inactive employees or beneficiaries currently receiving benefits	1	-	1
Inactive employees entitled to but not yet receiving benefits	-	-	-
Active employees	28	9	37
Total employees covered by OPEB Plan	**29**	**9**	**38**

NOTE J—OTHER POSTEMPLOYMENT BENEFITS—Continued

Retiree Healthcare Plan—Continued

Contributions
The OPEB Plan's funding policy is that the Township will make annual contributions of $25,000 to the OPEB Plan trust while continuing to pay retiree benefits from general operating funds. There are no long-term contracts for contributions to the OPEB Plan. The OPEB Plan has no legally required reserves. The Township participates in the MERS Retiree Health Funding Vehicle, a legally established trust under section 401(a) of the Internal Revenue Code. For the year ended March 31, 2026, the Township made payments for postemployment healthcare benefits for current retirees of $31,114. The Township also made contributions to the OPEB Plan trust of $25,000.

Net OPEB Liability
The Township's net OPEB liability was measured as of March 31, 2026, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of March 31, 2026.

Actuarial Assumptions
The total OPEB liability in the March 31, 2026 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.0 percent
Investment rate of return	6.93 percent (including inflation), net of administrative and investment expenses
Healthcare cost trend rates	Pre-Medicare: 7.75 percent graded down by 0.25 percent per year to an ultimate rate of 4.5 percent Post-Medicare: 6.5 percent graded down by 0.25 percent per year to an ultimate rate of 4.5 percent

Mortality
Mortality rates were as set forth in the Public General and Public Safety 2016 Employees and Healthy Retirees, headcount weighted, IRS 2024 Adjusted MP-2021 improvement scale.

NOTE J—OTHER POSTEMPLOYMENT BENEFITS—Continued

Retiree Healthcare Plan—Continued

Investment Rate of Return

The long-term rate of return on retirement plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB Plan expense 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. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	60.0%	4.50%
Global fixed income	20.0%	2.16%
Private assets	20.0%	6.50%

The sum of each target allocation times its long-term expected real rate, plus inflation, is 6.93 percent.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.93 percent. The projection of cash flows used to determine the discount rate assumed that the Township will make contributions of $25,000 per year while continuing to pay retiree benefits from general operating funds until assets are sufficient to pay benefits. Based on this assumption, the retirement plan's fiduciary net position was projected to be sufficient to make future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the "depletion date"), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate that yields the same present value of benefits is calculated. This discount rate is used to determine the total OPEB liability. The discount rate used to calculate the liability at the beginning of the year was 6.93 percent.

NOTE J—OTHER POSTEMPLOYMENT BENEFITS—Continued

Retiree Healthcare Plan—Continued

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Position (b)**	**Net OPEB Liability (a)-(b)**
Balance at beginning of year	$ 1,441,726	$ 1,140,570	$ 301,156
Changes for the year			
Service cost	69,941	-	69,941
Interest	102,603	-	102,603
Difference between expected and actual experience	(257,500)	-	(257,500)
Changes of assumptions	58,884	-	58,884
Contributions - employer	-	56,114	(56,114)
Net investment income (loss)	-	172,184	(172,184)
Administrative expenses	-	(1,823)	1,823
Benefit payments including refund of employee contributions	(31,114)	(31,114)	-
Net changes	(57,186)	195,361	(252,547)
Balance at end of year	**$ 1,384,540**	**$ 1,335,931**	**$ 48,609**

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate
The following presents the net OPEB liability of the Township, calculated using the discount rate of 6.93 percent, as well as what the Township's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.93 percent) or 1-percentage-point higher (7.93 percent) than the current rate:

	1% Decrease (5.93%)	**Current Discount Rate (6.93%)**	**1% Increase (7.93%)**
Township's net OPEB liability	$ 175,625	$ 48,609	$ (67,190)

NOTE J—OTHER POSTEMPLOYMENT BENEFITS—Continued

Retiree Healthcare Plan—Continued

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate
The following presents the net OPEB liability of the Township, calculated using the healthcare cost trend rate for pre-Medicare of 7.75 percent decreasing to 4.5 percent and post-Medicare of 6.5 percent decreasing to 4.5 percent, as well as what the Township's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Township's net OPEB liability	$ (98,564)	$ 48,609	$ 220,280

OPEB Plan Fiduciary Net Position
Detailed information about the OPEB Plan's fiduciary net position is not available in a separately issued financial report. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the Township's fiduciary net position have been determined on the same basis as they are reported by the Township. For these purposes, 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.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended March 31, 2026, the Township recognized OPEB expense of $(15,322). At March 31, 2026, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ -	$ 865,622
Differences in assumptions	186,861	269,916
Net difference between projected and actual net investment income	-	59,055
Total	**$ 186,861**	**$ 1,194,593**

NOTE J—OTHER POSTEMPLOYMENT BENEFITS—Continued

Retiree Healthcare Plan—Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—Continued

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

Year Ending March 31,	Amount
2027	$ (112,577)
2028	(131,330)
2029	(123,884)
2030	(127,653)
2031	(103,636)
Thereafter	(408,652)

Payables to the OPEB Plan

At March 31, 2026, the Township did not have a payable to the OPEB Plan.

NOTE K—OTHER INFORMATION

Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Township manages its liability, property and insurance coverage as a member of the Michigan Township Participating Plan (MTPP), a public entity risk pool providing liability and property coverage to its participating members. The Township pays an annual premium to MTPP for its insurance coverage. The MTPP is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

The Township manages its workers' compensation risk by participating in the Michigan Municipal Workers' Compensation Self-Insurance Fund (MMWCSIF), a public entity risk pool providing workers' compensation coverage to its participating members. The Township pays an annual premium to MMWCSIF for its workers' compensation coverage. The MMWCSIF is self-sustaining through member premiums and provides statutory workers' compensation coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE K—OTHER INFORMATION—Continued

Risk Management—Continued

The Township carries commercial insurance for employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Township expects such amounts, if any, to be immaterial.

The Township is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Township's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Township.

Jointly Governed Entity

West Michigan Regional Water Authority

The Township, in conjunction with another governmental entity, created the West Michigan Regional Water Authority (Authority). The Authority was formed to acquire, own, improve, enlarge, extend, and operate a water supply system. The administrative board of the Authority is comprised of voting representatives from each participating municipality. The Authority issued the $15,700,000 Water Supply System Bonds, Series 2014 to fund improvements to the water system. The Township has pledged its full faith and credit for a portion of the debt should user charges collected by the authority be insufficient to make the debt payments. The Township's portion of the debt on March 31, 2026 was $3,586,800, or 29.4 percent of the bonds. During the year ended March 31, 2026, the Township paid $1,369,482 to the Authority for water. The Township is unaware of any circumstances that would cause a shortfall in the near future. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements can be obtained from the Authority (4814 Henry Street, Norton Shores, MI 49441).

NOTE L—ECONOMIC DEPENDENCY

State of Michigan shared revenues represent 43 percent of General Fund revenue.

NOTE M—ACCOUNTING CHANGES AND ERROR CORRECTIONS

During the year ended March 31, 2026, beginning balances were restated to correct for additional tax captures in prior years.

The impact on beginning net position and beginning fund balances as of April 1, 2025 are as follows:

	Governmental Activities		Component Unit	
	Due to Component Unit	Net Position	Due From Primary Government	Net Position
Balances as of April 1, 2025, as previously stated	$ -	$ 8,532,771	$ 255,340	$ (1,396,547)
Restated DDA captures	62,077	(62,077)	209,565	209,565
Balances as of April 1, 2025, as restated	**$ 62,077**	**$ 8,470,694**	**$ 464,905**	**$ (1,186,982)**

	General Fund		Public Safety Fund	
	Due to Component Unit	Fund Balance	Due to Component Unit	Fund Balance
Balances as of April 1, 2025, as previously stated	$ -	$ 4,650,796	$ -	$ 2,052,796
Restated DDA captures	14,735	(14,735)	47,342	(47,342)
Balances as of April 1, 2025, as restated	**$ 14,735**	**$ 4,636,061**	**$ 47,342**	**$ 2,005,454**

NOTE N—CHANGES TO OR WITHIN THE FINANCIAL REPORTING ENTITY

During the year ended March 31, 2026, a fund's classification changed from nonmajor to major, resulting in adjustments to beginning fund balances, as follows:

	Revolving Road Fund	Other Governmental Funds
Balances as of April 1, 2025, as previously stated	$ -	$ 753,390
Change from nonmajor to major fund	161,152	(161,152)
Balances as of April 1, 2025, as restated	**$ 161,152**	**$ 592,238**

REQUIRED SUPPLEMENTARY INFORMATION

Charter Township of Fruitport
Required Supplementary Information
BUDGETARY COMPARISON SCHEDULE
General Fund
For the year ended March 31, 2026

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 921,843	$ 964,950	$ 991,684	$ 26,734
Licenses and permits	230,750	227,290	239,981	12,691
Intergovernmental revenues				
Federal	-	19,960	19,963	3
State	1,227,753	1,237,403	1,533,307	295,904
Local	-	-	60,640	60,640
Charges for services	273,716	259,170	260,378	1,208
Fines and forfeitures	9,000	10,600	11,015	415
Investment earnings	108,000	152,900	276,642	123,742
Other	18,400	27,840	49,399	21,559
Total revenues	2,789,462	2,900,113	3,443,009	542,896
EXPENDITURES				
Current				
General government				
Township board	79,318	113,168	133,503	(20,335)
Supervisor	89,445	89,240	89,269	(29)
Elections	39,715	27,265	26,084	1,181
Assessing	193,237	192,164	190,258	1,906
Clerk	87,475	85,925	85,935	(10)
Treasurer	248,070	228,145	221,561	6,584
Finance director	-	39,105	38,314	791
General office	109,151	141,863	136,967	4,896
Board of review	4,237	4,087	1,835	2,252
Building and grounds	66,887	88,547	51,139	37,408
Other	36,800	37,510	37,319	191
Public works				
Roads	42,753	62,853	62,471	382
Cemetery	71,769	62,494	58,100	4,394
Bike path	24,300	7,300	6,683	617
Health and welfare				
Senior services	-	42,640	42,640	-
Community and economic development				
Planning	44,838	14,063	8,917	5,146
Zoning	4,144	1,115	144	971
Brownfield Authority	-	-	90	(90)
Culture and recreation				
Recreation and parks	164,290	172,400	166,723	5,677
Debt service				
Principal	43,500	33,270	76,125	(42,855)
Interest and fees	28,000	29,520	43,792	(14,272)
Capital outlay	104,750	58,050	102,101	(44,051)
Total expenditures	1,482,679	1,530,724	1,579,970	(49,246)
Excess of revenues over (under) expenditures	1,306,783	1,369,389	1,863,039	493,650
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	1,550	1,550	-
Transfers out	(1,306,783)	(1,306,783)	(1,236,783)	70,000
Total other financing sources (uses)	(1,306,783)	(1,305,233)	(1,235,233)	70,000
Net change in fund balance	**$ -**	**$ 64,156**	627,806	**$ 563,650**
Fund balance at beginning of year, as previously presented			4,650,796	
Adjustments to beginning fund balance			(14,735)	
Fund balance at beginning of year, as restated			4,636,061	
Fund balance at end of year			**$ 5,263,867**	

Charter Township of Fruitport
Required Supplementary Information
BUDGETARY COMPARISON SCHEDULE
Public Safety Fund
For the year ended March 31, 2026

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 2,531,789	$ 2,527,589	$ 2,614,792	$ 87,203
Intergovernmental revenues				
Federal	1,000	1,000	-	(1,000)
State	3,600	29,180	31,971	2,791
Charges for services	281,440	280,740	297,905	17,165
Fines and forfeitures	7,000	15,025	17,085	2,060
Investment earnings	-	-	70,000	70,000
Other	14,500	23,955	25,090	1,135
Total revenues	2,839,329	2,877,489	3,056,843	179,354
EXPENDITURES				
Current				
Public safety				
Police	2,106,915	2,165,305	2,136,967	28,338
Fire	1,989,197	1,629,117	1,526,006	103,111
Debt service				
Principal	-	52,540	52,203	337
Interest and fees	-	2,315	2,305	10
Capital outlay				
Police	25,000	133,000	174,441	(41,441)
Fire	25,000	22,475	59,947	(37,472)
Total expenditures	4,146,112	4,004,752	3,951,869	52,883
Excess of revenues over (under) expenditures	(1,306,783)	(1,127,263)	(895,026)	232,237
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	3,200	3,200	-
Transfers in	1,306,783	1,306,783	1,236,783	(70,000)
Total other financing sources	1,306,783	1,309,983	1,239,983	(70,000)
Net change in fund balance	**$ -**	**$ 182,720**	344,957	**$ 162,237**
Fund balance at beginning of year, as previously presented			2,052,796	
Adjustments to beginning fund balance			(47,342)	
Fund balance at beginning of year, as restated			2,005,454	
Fund balance at end of year			**$ 2,350,411**	

Charter Township of Fruitport

Required Supplementary Information

RETIREE HEALTHCARE SYSTEM SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years (Amounts were determined as of March 31 of each fiscal year)

	2026	2025	2024	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY									
Service cost	$ 69,941	$ 64,033	$ 56,405	$ 50,645	$ 69,293	$ 80,336	$ 102,440	$ 101,796	$ 98,928
Interest	102,603	94,234	102,779	95,192	83,871	81,867	75,987	72,916	72,140
Differences between expected and actual experience	(257,500)	(45,734)	(291,555)	(9,371)	(104,225)	(45,960)	(466,387)	(75,333)	(194,762)
Changes of assumptions	58,884	64,128	33,970	68,819	(264,769)	(128,450)	(43,202)	(21,945)	103,116
Benefit payments, including refunds of employee contributions	(31,114)	(34,208)	(28,379)	(47,430)	(70,292)	(61,500)	(63,351)	(60,999)	(59,330)
Net change in total OPEB liability	(57,186)	142,453	(126,780)	157,855	(286,122)	(73,707)	(394,513)	16,435	20,092
Total OPEB liability at beginning of year	1,441,726	1,299,273	1,426,053	1,268,198	1,554,320	1,628,027	2,022,540	2,006,105	1,986,013
Total OPEB liability at end of year (a)	**$ 1,384,540**	**$ 1,441,726**	**$ 1,299,273**	**$ 1,426,053**	**$ 1,268,198**	**$ 1,554,320**	**$ 1,628,027**	**$ 2,022,540**	**$ 2,006,105**
PLAN FIDUCIARY NET POSITION									
Contributions-employer	$ 56,114	$ 59,208	$ 53,379	$ 72,430	$ 105,792	$ 140,990	$ 141,851	$ 165,499	$ 102,830
Net investment income (loss)	172,184	55,871	103,109	(24,728)	35,250	204,398	(35,655)	16,635	30,195
Benefit payments, including refunds or employee contributions	(31,114)	(34,208)	(28,379)	(47,430)	(70,292)	(61,500)	(63,351)	(60,999)	(59,330)
Administrative expense	(1,823)	(2,319)	(1,998)	(1,593)	(1,650)	(1,272)	(1,026)	(976)	(882)
Net change in plan fiduciary net position	195,361	78,552	126,111	(1,321)	69,100	282,616	41,819	120,159	72,813
Plan fiduciary net position at beginning of year	1,140,570	1,062,018	935,907	937,228	868,128	585,512	543,693	423,534	350,721
Plan fiduciary net position at end of year (b)	**$ 1,335,931**	**$ 1,140,570**	**$ 1,062,018**	**$ 935,907**	**$ 937,228**	**$ 868,128**	**$ 585,512**	**$ 543,693**	**$ 423,534**
Township's net OPEB liability at end of year (a)-(b)	**$ 48,609**	**$ 301,156**	**$ 237,255**	**$ 490,146**	**$ 330,970**	**$ 686,192**	**$ 1,042,515**	**$ 1,478,847**	**$ 1,582,571**
Plan fiduciary net position as a percentage of the total OPEB liability	**96.5%**	**79.1%**	**81.7%**	**65.6%**	**73.9%**	**55.9%**	**36.0%**	**26.9%**	**21.1%**
Covered employee payroll	**$ 2,583,009**	**$ 2,739,884**	**$ 2,721,191**	**$ 2,689,937**	**$ 2,558,063**	**$ 2,360,548**	**$ 2,471,695**	**$ 2,014,200**	**Not Available**
Township's net OPEB liability as a percentage of covered employee payroll	**1.88%**	**10.99%**	**8.72%**	**18.22%**	**12.94%**	**29.07%**	**42.18%**	**73.42%**	**Not Available**

Notes to Schedule

Additional actuarial data is not available and will be provided in subsequent years.

See the following page for significant changes to actuarial assumptions.

RETIREE HEALTHCARE SYSTEM SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS—Continued

Last Ten Fiscal Years (Amounts were determined as of March 31 of each fiscal year)

Notes to Schedule—Continued

The following were significant changes to actuarial assumptions

2021 Valuation

Discount rate updated from 4.88 percent to 5.28 percent.
Mortality improvement scale updated.
Medical trend updated.

2022 Valuation

Discount rate updated from 5.28 percent to 7.35 percent.
Mortality improvement scale updated from MP-2020 to MP-2021.
Trend rates updated to those prescribed by PA 202 for 2022.

2023 Valuation

Discount rate updated from 7.35 percent to 7.0 percent.
Medical trend updated.

2024 Valuation

Mortality improvement scale updated to IRS 2024 adjusted scale MP-2021.
Medical trend initial rates not reduced 0.25 percent as anticipated.

2025 Valuation

Discount rate updated from 7.00 percent to 6.93 percent.
Mortality tables changed from Public General and Public Safety 2010 Employee and Healthy Retiree.
Medical trend updated such that second-year trend increases by .25 percent rather than decreasing by the anticipated .25 percent.

2026 Valuation

Trend rate updated such that the non-Medicare initial rate increased by 0.50 percent compared to anticipated initial rate and the Medicare initial rate increased by 1.00 percent from anticipated initial rate.

Charter Township of Fruitport

Required Supplementary Information

RETIREE HEALTHCARE SYSTEM SCHEDULE OF CONTRIBUTIONS

Last Ten Fiscal Years (Amounts were determined as of March 31 of each fiscal year)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 112,682	$ 91,472	$ 105,390	$ 84,107	$ 125,891	$ 158,296	$ 220,017	$ 218,393	$ 215,424	$ 261,138
Contributions in relation to the actuarially determined contribution	56,114	59,208	53,379	72,430	105,792	140,990	141,851	165,499	102,830	102,309
Contribution deficiency (excess)	**$ 56,568**	**$ 32,264**	**$ 52,011**	**$ 11,677**	**$ 20,099**	**$ 17,306**	**$ 78,166**	**$ 52,894**	**$ 112,594**	**$ 158,829**
Covered employee payroll	$ 2,583,009	$ 2,739,884	$ 2,721,191	$ 2,689,937	$ 2,558,063	$ 2,360,548	$ 2,471,695	$ 2,014,200	Not available	Not available
Contributions as percentage of covered employee payroll	**4.4%**	**3.3%**	**3.9%**	**3.1%**	**4.9%**	**6.7%**	**8.9%**	**10.8%**	Not available	Not available

Notes to Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of March 31, 2026.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal (level percentage of compensation)
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	10 years
Asset valuation method	Equal to market value of assets
Inflation	2.5 percent
Salary increases	3.0 percent
Investment rate of return	6.93 percent (including inflation), net of administrative and investment expenses
Retirement age	55 years of age
Mortality	Mortality rates were as set forth in Public General and Public Safety 2016 Employee and Healthy Retiree, headcount weighted, IRS 2024 adjusted MP-2021 improvement scale.

Charter Township of Fruitport

Required Supplementary Information

RETIREE HEALTHCARE SYSTEM SCHEDULE OF INVESTMENT RETURNS

Last Ten Fiscal Years (Amounts were determined as of March 31 of each fiscal year)

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment expense	14.94%	5.21%	10.88%	-2.61%	3.98%	32.72%	-6.12%	3.50%	8.12%

Notes to Schedule

Additional data is not available and will be provided in subsequent years

OTHER SUPPLEMENTARY INFORMATION

Charter Township of Fruitport
COMBINING BALANCE SHEET
Other Governmental Funds
March 31, 2026

	Total Other Governmental Funds	Special Revenue		Capital Projects
		Street Light	Drug Forfeiture	Revolving Road
ASSETS				
Cash and investments	$ 644,397	$ 644,290	$ 107	$ -
Property taxes receivable	10,032	10,032	-	-
Total assets	**$ 654,429**	**$ 654,322**	**$ 107**	**$ -**
LIABILITIES				
Accounts payable	$ 14,708	$ 14,708	$ -	$ -
FUND BALANCES				
Restricted				
Public safety	107	-	107	-
Street lights	639,614	639,614	-	-
Total fund balances	639,721	639,614	107	-
Total liabilities and fund balances	**$ 654,429**	**$ 654,322**	**$ 107**	**$ -**

Charter Township of Fruitport
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Other Governmental Funds
For the year ended March 31, 2026

	Total Other Governmental Funds	Special Revenue		Capital Projects
		Street Light	Drug Forfeiture	Revolving Road
REVENUES				
Intergovernmental revenues - State	$ 199	$ 199	$ -	$ -
Charges for services	227,534	227,534	-	-
Total revenues	227,733	227,733	-	-
EXPENDITURES				
Current				
Public works	180,250	180,250	-	-
Net change in fund balances	47,483	47,483	-	-
Fund balances at beginning of year, as previously presented	753,390	592,131	107	161,152
Adjustments to beginning fund balances	(161,152)	-	-	(161,152)
Fund balances at beginning of year, as restated	592,238	592,131	107	-
Fund balances at end of year	**$ 639,721**	**$ 639,614**	**$ 107**	**$ -**

Charter Township of Fruitport
COMBINING STATEMENT OF NET POSITION
Other Postemployment Benefit Trust Funds
March 31, 2026

	Total Other Postemployment Benefit Trust Funds	General Employees Trust	Utilities Employees Trust
ASSETS			
MERS Total Market Portfolio	$ 1,335,931	$ 561,866	$ 774,065
LIABILITIES	-	-	-
NET POSITION			
Restricted for individuals, organizations, and other governments	**$ 1,335,931**	**$ 561,866**	**$ 774,065**

Charter Township of Fruitport
COMBINING STATEMENT OF CHANGES IN NET POSITION
Other Postemployment Benefit Trust Funds
For the year ended March 31, 2026

	Total Other Postemployment Benefit Trust Funds	General Employees Trust	Utilities Employees Trust
ADDITIONS			
Employer contributions	$ 56,114	$ 56,114	$ -
Investment earnings	172,184	70,672	101,512
Total additions	228,298	126,786	101,512
DEDUCTIONS			
Benefit payments	31,114	31,114	-
Administrative expenses	1,823	1,065	758
Total deductions	32,937	32,179	758
Change in net position	195,361	94,607	100,754
Net position at beginning of year	1,140,570	467,259	673,311
Net position at end of year	**$ 1,335,931**	**$ 561,866**	**$ 774,065**