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# Charter Township of Vienna

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**Financial Report  
with Supplementary Information  
December 31, 2025**

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## **Independent Auditor's Report**

To the Members of the Township Board  
Charter Township of Vienna

### **Opinions**

We have audited the 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 Vienna (the "Township") as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Charter Township of Vienna's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Vienna as of December 31, 2025 and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

To the Members of the Township Board  
Charter Township of Vienna

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Vienna's basic financial statements. The supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plante & Moran, PLLC*

May 28, 2026

Our discussion and analysis of the Charter Township of Vienna's (Vienna Township or the "Township") financial performance provides an overview of the Township's financial activities for the year ended December 31, 2025. Please read it in conjunction with the Township's financial statements.

### ***Financial Highlights***

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended December 31, 2025:

- Property taxes, Vienna Township's largest revenue source, increased by \$80,252, or 5 percent.
- State-shared revenue, Vienna Township's second-largest revenue source, increased by the State of Michigan by \$42,878 this year.
- Total net position related to Vienna Township's governmental activities increased by \$1,524,247. The unrestricted portion of net position increased by \$1,486,782, or 24.8 percent.

### ***Using This Annual Report***

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of Vienna Township as a whole and present a longer-term view of Vienna Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year and how much is available for future spending. Fund financial statements also report Vienna Township's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which Vienna Township acts solely as a trustee or agent for the benefit of those outside of the government.

# Charter Township of Vienna

## Management's Discussion and Analysis (Continued)

### Government-wide Overall Financial Analysis

The following tables show, in a condensed format, the current year's net position and changes in net position, compared to the prior year:

#### The Township's Net Position

	Governmental Activities			
	2024	2025	Change	Percent Change
<b>Assets</b>				
Current and other assets	\$ 9,878,111	\$ 11,376,078	\$ 1,497,967	15.2
Capital assets	7,201,980	7,212,171	10,191	0.1
Total assets	17,080,091	18,588,249	1,508,158	8.8
<b>Deferred Outflows of Resources</b>	188,331	185,099	(3,232)	(1.7)
<b>Liabilities</b>				
Current liabilities	551,013	571,926	20,913	3.8
Noncurrent liabilities	753,682	553,772	(199,910)	(26.5)
Total liabilities	1,304,695	1,125,698	(178,997)	(13.7)
<b>Deferred Inflows of Resources</b>	2,589,495	2,749,171	159,676	6.2
<b>Net Position</b>				
Net investment in capital assets	7,201,980	7,212,171	10,191	0.1
Restricted	178,716	205,990	27,274	15.3
Unrestricted	5,993,536	7,480,318	1,486,782	24.8
Total net position	<b>\$ 13,374,232</b>	<b>\$ 14,898,479</b>	<b>\$ 1,524,247</b>	11.4

	Business-type Activities			
	2024	2025	Change	Percent Change
<b>Assets</b>				
Current and other assets	\$ 6,183,449	\$ 6,717,146	\$ 533,697	8.6
Capital assets	8,172,498	8,003,953	(168,545)	(2.1)
Total assets	14,355,947	14,721,099	365,152	2.5
<b>Deferred Outflows of Resources</b>	90,834	87,532	(3,302)	(3.6)
<b>Liabilities</b>				
Current liabilities	567,471	554,767	(12,704)	(2.2)
Noncurrent liabilities	441,577	324,581	(116,996)	(26.5)
Total liabilities	1,009,048	879,348	(129,700)	(12.9)
<b>Deferred Inflows of Resources</b>	29,008	8,397	(20,611)	(71.1)
<b>Net Position</b>				
Net investment in capital assets	8,172,498	8,003,953	(168,545)	(2.1)
Unrestricted	5,236,227	5,916,933	680,706	13.0
Total net position	<b>\$ 13,408,725</b>	<b>\$ 13,920,886</b>	<b>\$ 512,161</b>	3.8

Vienna Township's combined net position increased by 7.6 percent from a year ago, from \$26,782,957 to \$28,819,365.

#### Governmental Activities

As we look at the governmental activities, we can see that net position increased by 11.4 percent.

# Charter Township of Vienna

## Management's Discussion and Analysis (Continued)

Unrestricted net position, the part of net position that can be used to finance day-to-day operations, increased by \$1,486,782 for the governmental activities mainly due to the increase in cash and cash equivalents and investments.

### *Business-type Activities*

As we look at business-type activities, we can see that net position increased by 3.8 percent. Current assets increased by \$533,697, and business-type activities capital assets decreased by \$168,545 from a year ago. This large decrease is due to depreciation expense on the business-type activities capital assets and lack of significant capital asset additions in the current year.

### **The Township's Changes in Net Position**

	Governmental Activities			
	2024	2025	Change	Percent Change
<b>Revenue</b>				
Program revenue:				
Charges for services	\$ 1,399,187	\$ 1,338,436	\$ (60,751)	(4.3)
Operating grants	975,975	522,327	(453,648)	(46.5)
Capital grants	939,973	195,042	(744,931)	(79.3)
General revenue:				
Property taxes	1,602,329	1,682,581	80,252	5.0
State-shared revenue	1,497,153	1,540,031	42,878	2.9
Investment earnings	294,930	271,386	(23,544)	(8.0)
Other revenue	202,415	182,345	(20,070)	(9.9)
Total revenue	6,911,962	5,732,148	(1,179,814)	(17.1)
<b>Expenses</b>				
General government	910,344	705,602	(204,742)	(22.5)
Public safety	1,988,726	1,929,546	(59,180)	(3.0)
Public works	740,043	1,063,969	323,926	43.8
Community and economic development	55,528	42,948	(12,580)	(22.7)
Recreation and culture	751,084	465,836	(285,248)	(38.0)
Total expenses	4,445,725	4,207,901	(237,824)	(5.3)
<b>Change in Net Position</b>	2,466,237	1,524,247	(941,990)	(38.2)
<b>Net Position - Beginning of year</b>	10,907,995	13,374,232	2,466,237	22.6
<b>Net Position - End of year</b>	<b>\$ 13,374,232</b>	<b>\$ 14,898,479</b>	<b>\$ 1,524,247</b>	11.4

	Business-type Activities			
	2024	2025	Change	Percent Change
<b>Revenue</b>				
Program revenue:				
Operating revenue	\$ 3,149,004	\$ 3,090,817	\$ (58,187)	(1.8)
Operating grants	9,752	-	(9,752)	(100.0)
Capital contributions	111,259	62,350	(48,909)	(44.0)
Interest income	205,862	189,947	(15,915)	(7.7)
Total revenue	3,475,877	3,343,114	(132,763)	(3.8)
<b>Expenses</b>	3,004,908	2,830,953	(173,955)	(5.8)
<b>Change in Net Position</b>	470,969	512,161	41,192	8.7
<b>Net Position - Beginning of year</b>	12,937,756	13,408,725	470,969	3.6
<b>Net Position - End of year</b>	<b>\$ 13,408,725</b>	<b>\$ 13,920,886</b>	<b>\$ 512,161</b>	3.8

## **Charter Township of Vienna**

### **Management's Discussion and Analysis (Continued)**

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#### ***Governmental Activities***

Vienna Township's total governmental revenue decreased by \$1,179,814 primarily as a result of the decrease in operating and capital grants.

Expenses decreased by \$237,824 during the year. The largest decreases were reported in recreation and culture and general government. The decrease is primarily due to reduced capital activity.

#### ***Business-type Activities***

The Township's business-type activities consist of the Water and Sewer funds. We provide water to residents from the Genesee County Water System. We provide sewage treatment through a sewage treatment plant operated by Genesee County Water and Waste. Sewer and water operating expenses decreased in 2025 by \$173,955 primarily due to decreases in consumption, and operating revenue decreased by \$132,763. The changes in revenue from sewer and water generally mirror the changes in expenses due to consumption.

#### ***General Fund Budgetary Highlights***

Over the course of the year, Vienna Township amended the budget to take into account events during the year. There were no significant budget amendments to note in the current year.

#### ***Capital Assets and Debt Administration***

At the end of 2025, the Township had \$15,216,124 invested in a broad range of capital assets, including buildings, machinery, equipment, and water and sewer lines. In addition, the Township has invested significantly in roads within Vienna Township.

#### ***Economic Factors and Next Year's Budgets and Rates***

Low home construction levels in 2025 were a continuation from 2024. This lack of growth will be reflected in a flat level in state equalized value, tax revenue, sewer and water tap-ins, and building fee revenue.

#### ***Contacting Vienna Township's Management***

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Office of the Supervisor, 3400 W. Vienna Road, Vienna Township, Clio, MI 48420.

# Charter Township of Vienna

## Statement of Net Position

December 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Business Development Authority
<b>Assets</b>				
Cash and cash equivalents (Note 3)	\$ 5,395,486	\$ 2,438,947	\$ 7,834,433	\$ 2,415,647
Investments (Note 3)	3,021,682	3,000,225	6,021,907	-
Receivables - Net of allowance	2,912,571	1,277,835	4,190,406	799,851
Prepaid expenses	46,339	139	46,478	-
Capital assets: (Note 4)				
Assets not subject to depreciation	526,352	55,200	581,552	20,000
Assets subject to depreciation - Net	6,685,819	7,948,753	14,634,572	1,194,514
Total assets	18,588,249	14,721,099	33,309,348	4,430,012
<b>Deferred Outflows of Resources</b>				
Deferred pension costs (Note 7)	183,406	86,314	269,720	-
Deferred OPEB costs (Note 8)	1,693	1,218	2,911	-
Total deferred outflows of resources	185,099	87,532	272,631	-
<b>Liabilities</b>				
Accounts payable	402,175	18,109	420,284	17,087
Due to other governmental units	-	536,658	536,658	-
Deposits	13,951	-	13,951	-
Unearned revenue	155,800	-	155,800	-
Noncurrent liabilities:				
Due within one year - Compensated absences	19,354	-	19,354	-
Due in more than one year:				
Net pension liability (Note 7)	211,801	99,678	311,479	-
Net OPEB liability (Note 8)	322,617	224,903	547,520	-
Total liabilities	1,125,698	879,348	2,005,046	17,087
<b>Deferred Inflows of Resources</b>				
Property taxes levied for the following year	1,876,033	-	1,876,033	780,452
Special assessments levied for the following year	861,480	-	861,480	-
Deferred OPEB cost reductions (Note 8)	11,658	8,397	20,055	-
Total deferred inflows of resources	2,749,171	8,397	2,757,568	780,452
<b>Net Position</b>				
Net investment in capital assets	7,212,171	8,003,953	15,216,124	1,214,514
Restricted:				
Rubbish	175,465	-	175,465	-
Public access programming	30,525	-	30,525	-
Unrestricted	7,480,318	5,916,933	13,397,251	2,417,959
Total net position	<u>\$ 14,898,479</u>	<u>\$ 13,920,886</u>	<u>\$ 28,819,365</u>	<u>\$ 3,632,473</u>

# Charter Township of Vienna

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 705,602	\$ 279,097	\$ -	\$ 195,042
Public safety	1,929,546	277,133	150,000	-
Public works	1,063,969	763,977	-	-
Community and economic development	42,948	-	-	-
Recreation and culture	465,836	18,229	372,327	-
Total governmental activities	4,207,901	1,338,436	522,327	195,042
Business-type activities:				
Sewer Fund	1,372,666	1,606,280	-	14,350
Water Fund	1,458,287	1,484,537	-	48,000
Total business-type activities	2,830,953	3,090,817	-	62,350
Total primary government	<u>\$ 7,038,854</u>	<u>\$ 4,429,253</u>	<u>\$ 522,327</u>	<u>\$ 257,392</u>
Component units - Business Development Authority	<u>\$ 968,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,935</u>
General revenue:				
Property taxes				
State-shared revenue:				
State-shared revenue				
Local community stabilization authority				
Investment income				
Cable franchise fees				
Other miscellaneous income				
Total general revenue				
<b>Change in Net Position</b>				
<b>Net Position - Beginning of year</b>				
<b>Net Position - End of year</b>				

## Statement of Activities

Year Ended December 31, 2025

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-type Activities	Total	Business Development Authority	
\$ (231,463)	\$ -	\$ (231,463)	\$ -	-
(1,502,413)	-	(1,502,413)	-	-
(299,992)	-	(299,992)	-	-
(42,948)	-	(42,948)	-	-
(75,280)	-	(75,280)	-	-
(2,152,096)	-	(2,152,096)	-	-
-	247,964	247,964	-	-
-	74,250	74,250	-	-
-	322,214	322,214	-	-
(2,152,096)	322,214	(1,829,882)	-	-
-	-	-	(966,062)	-
1,682,581	-	1,682,581	1,039,238	-
1,521,997	-	1,521,997	-	-
18,034	-	18,034	36,859	-
271,386	-	271,386	60,793	-
162,652	-	162,652	-	-
19,693	189,947	209,640	-	-
3,676,343	189,947	3,866,290	1,136,890	-
1,524,247	512,161	2,036,408	170,828	-
13,374,232	13,408,725	26,782,957	3,461,645	-
<b>\$ 14,898,479</b>	<b>\$ 13,920,886</b>	<b>\$ 28,819,365</b>	<b>\$ 3,632,473</b>	<b>\$ -</b>

# Charter Township of Vienna

## Governmental Funds Balance Sheet

December 31, 2025

	General Fund	Sanitation Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents (Note 3)	\$ 4,936,458	\$ 216,237	\$ 242,791	\$ 5,395,486
Investments (Note 3)	2,843,508	36,735	141,439	3,021,682
Receivables - Net of allowance:				
Property taxes receivable	1,686,170	-	-	1,686,170
Special assessments receivable	-	783,988	-	783,988
Other receivables	170,798	-	-	170,798
Due from other governments	255,789	-	15,826	271,615
Prepaid expenses	46,314	16	9	46,339
	<b>\$ 9,939,037</b>	<b>\$ 1,036,976</b>	<b>\$ 400,065</b>	<b>\$ 11,376,078</b>
Total assets				
<b>Liabilities</b>				
Accounts payable	\$ 397,997	\$ 15	\$ 4,163	\$ 402,175
Deposits	13,951	-	-	13,951
Unearned revenue	155,800	-	-	155,800
	567,748	15	4,163	571,926
Total liabilities				
<b>Deferred Inflows of Resources</b>				
Property taxes levied for the following year	1,876,033	-	-	1,876,033
Special assessments levied for the following year	-	861,480	-	861,480
	1,876,033	861,480	-	2,737,513
Total deferred inflows of resources				
<b>Fund Balances</b>				
Nonspendable - Prepaids	46,314	16	9	46,339
Restricted:				
Rubbish	-	175,465	-	175,465
Public access programming	30,525	-	-	30,525
Assigned:				
Capital projects	-	-	245,920	245,920
Senior citizens	-	-	149,973	149,973
Unassigned	7,418,417	-	-	7,418,417
	7,495,256	175,481	395,902	8,066,639
Total fund balances				
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 9,939,037</b>	<b>\$ 1,036,976</b>	<b>\$ 400,065</b>	<b>\$ 11,376,078</b>

# Charter Township of Vienna

## Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position

December 31, 2025

<b>Fund Balances Reported in Governmental Funds</b>	\$ 8,066,639
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	17,746,857
Accumulated depreciation	<u>(10,534,686)</u>
Net capital assets used in governmental activities	7,212,171
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(19,354)
Pension benefits	(28,395)
Other postemployment benefits	<u>(332,582)</u>
Total employee fringe benefits not reported as fund liabilities	<u>(380,331)</u>
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 14,898,479</u></u></b>

# Charter Township of Vienna

## Governmental Funds

### Statement of Revenue, Expenditures, and Changes in Fund Balances

**Year Ended December 31, 2025**

	General Fund	Sanitation Fund	Formerly Major - Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>					
Property taxes	\$ 1,681,036	\$ -	\$ -	\$ -	\$ 1,681,036
Special assessments	-	761,920	-	-	761,920
Intergovernmental:					
Federal grants	-	-	-	27,306	27,306
State sources	1,543,488	-	-	-	1,543,488
County grants	-	-	-	337,898	337,898
Charges for services	429,136	-	-	7,123	436,259
Licenses and permits	437,322	-	-	-	437,322
Interest	250,849	11,753	-	30,813	293,415
Other revenue	26,057	2,057	-	-	28,114
Total revenue	4,367,888	775,730	-	403,140	5,546,758
<b>Expenditures</b>					
Current services:					
General government:					
Township board	236,489	-	-	-	236,489
Supervisor	123,478	-	-	-	123,478
Treasurer	127,821	-	-	-	127,821
Assessing	102,051	-	-	-	102,051
Clerk	146,932	-	-	-	146,932
Township hall and grounds	70,306	-	-	23,153	93,459
Elections	37,346	-	-	-	37,346
Public safety:					
Police	1,313,636	-	-	-	1,313,636
Fire	453,675	-	-	-	453,675
Building inspections and related	203,951	-	-	-	203,951
Public works:					
Stormwater drainage	19,656	-	-	-	19,656
Sanitation	-	747,329	-	-	747,329
Streets	149,576	-	-	-	149,576
Street lighting	33,401	-	-	-	33,401
Other public works activities	29,526	-	-	-	29,526
Community and economic development	22,948	-	-	20,000	42,948
Recreation and culture:					
Library	33,663	-	-	-	33,663
Parks and recreation	17,425	-	-	-	17,425
Senior citizens	-	-	-	346,676	346,676
Total expenditures	3,121,880	747,329	-	389,829	4,259,038
<b>Excess of Revenue Over Expenditures</b>	1,246,008	28,401	-	13,311	1,287,720
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	35,000	35,000
Transfers out	(35,000)	-	-	-	(35,000)
Total other financing (uses) sources	(35,000)	-	-	35,000	-
<b>Net Change in Fund Balances</b>	1,211,008	28,401	-	48,311	1,287,720
<b>Fund Balances</b> - Beginning of year, as previously reported	6,284,248	147,080	224,629	122,962	6,778,919
<b>Change within Financial Reporting Entity</b> (Note 1)	-	-	(224,629)	224,629	-
<b>Fund Balances</b> - Beginning of year, as adjusted or restated	6,284,248	147,080	-	347,591	6,778,919
<b>Fund Balances</b> - End of year	\$ 7,495,256	\$ 175,481	\$ -	\$ 395,902	\$ 8,066,639

See notes to financial statements.

# Charter Township of Vienna

## Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended December 31, 2025

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	\$ 1,287,720
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	510,724
Depreciation expense	(500,533)
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	<u>226,336</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ 1,524,247</u></u></b>

# Charter Township of Vienna

## Proprietary Funds Statement of Net Position

December 31, 2025

	Enterprise Funds		
	Sewer Fund	Water Fund	Total
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 1,047,769	\$ 1,391,178	\$ 2,438,947
Investments (Note 3)	1,932,438	1,067,787	3,000,225
Receivables - Net of allowance:			
Unbilled utility charges	686,801	-	686,801
Other receivables	241,800	38,000	279,800
Delinquent fees	300,988	10,246	311,234
Due from other funds (Note 5)	-	236,562	236,562
Prepaid expenses	70	69	139
Total current assets	4,209,866	2,743,842	6,953,708
Noncurrent assets:			
Capital assets: (Note 4)			
Assets not subject to depreciation	55,200	-	55,200
Assets subject to depreciation - Net	5,974,885	1,973,868	7,948,753
Total noncurrent assets	6,030,085	1,973,868	8,003,953
Total assets	10,239,951	4,717,710	14,957,661
<b>Deferred Outflows of Resources</b>			
Deferred pension costs (Note 7)	51,251	35,063	86,314
Deferred OPEB costs (Note 8)	1,087	131	1,218
Total deferred outflows of resources	52,338	35,194	87,532
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	1,815	16,294	18,109
Due to other governmental units	260,842	275,816	536,658
Due to other funds (Note 5)	236,562	-	236,562
Total current liabilities	499,219	292,110	791,329
Noncurrent liabilities:			
Net pension liability (Note 7)	59,184	40,494	99,678
Net OPEB liability (Note 8)	138,769	86,134	224,903
Total noncurrent liabilities	197,953	126,628	324,581
Total liabilities	697,172	418,738	1,115,910
<b>Deferred Inflows of Resources - Deferred OPEB cost reductions (Note 8)</b>			
	7,881	516	8,397
<b>Net Position</b>			
Net investment in capital assets	6,030,085	1,973,868	8,003,953
Unrestricted	3,557,151	2,359,782	5,916,933
Total net position	<u>\$ 9,587,236</u>	<u>\$ 4,333,650</u>	<u>\$ 13,920,886</u>

**Charter Township of Vienna**

**Proprietary Funds**  
**Statement of Revenue, Expenses, and Changes in Net Position**

**Year Ended December 31, 2025**

	Enterprise Funds		
	Sewer Fund	Water Fund	Total
<b>Operating Revenue</b>			
Sale of water	\$ -	\$ 1,484,537	\$ 1,484,537
Sewage disposal charges	1,534,067	-	1,534,067
Interest and penalty charges	68,871	-	68,871
Miscellaneous	3,342	-	3,342
Total operating revenue	1,606,280	1,484,537	3,090,817
<b>Operating Expenses</b>			
Cost of water	-	1,310,754	1,310,754
Cost of sewage treatment	1,143,731	-	1,143,731
Insurance	5,134	350	5,484
Salaries, wages, and fringes	76,235	54,290	130,525
Professional services	1,948	1,948	3,896
Computer billing charge	6,202	7,316	13,518
Office supplies and postage	13,043	403	13,446
Miscellaneous	-	10,360	10,360
Maintenance and repair	16,747	-	16,747
Depreciation	109,626	72,866	182,492
Total operating expenses	1,372,666	1,458,287	2,830,953
<b>Operating Income</b>	233,614	26,250	259,864
<b>Nonoperating Revenue</b> - Interest income	110,217	79,730	189,947
<b>Income</b> - Before capital contributions	343,831	105,980	449,811
<b>Capital Contributions</b>	14,350	48,000	62,350
<b>Change in Net Position</b>	358,181	153,980	512,161
<b>Net Position</b> - Beginning of year	9,229,055	4,179,670	13,408,725
<b>Net Position</b> - End of year	<u><u>\$ 9,587,236</u></u>	<u><u>\$ 4,333,650</u></u>	<u><u>\$ 13,920,886</u></u>

## Charter Township of Vienna

### Proprietary Funds Statement of Cash Flows

Year Ended December 31, 2025

	Enterprise Funds		
	Sewer Fund	Water Fund	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 1,550,093	\$ 1,527,032	\$ 3,077,125
Payments to suppliers	(1,188,103)	(1,332,178)	(2,520,281)
Payments to employees and fringes	(155,597)	(119,593)	(275,190)
Other receipts (payments)	18,263	(5,446)	12,817
Net cash and cash equivalents provided by operating activities	224,656	69,815	294,471
<b>Cash Flows from Capital and Related Financing Activities</b>			
Capital contributions	14,350	48,100	62,450
Purchase of capital assets	(13,947)	-	(13,947)
Net cash and cash equivalents provided by capital and related financing activities	403	48,100	48,503
<b>Cash Flows from Investing Activities</b>			
Interest received on investments	110,217	79,630	189,847
Purchases of investment securities	(81,554)	(45,064)	(126,618)
Net cash and cash equivalents provided by investing activities	28,663	34,566	63,229
<b>Net Increase in Cash and Cash Equivalents</b>	253,722	152,481	406,203
<b>Cash and Cash Equivalents - Beginning of year</b>	794,047	1,238,697	2,032,744
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 1,047,769</b>	<b>\$ 1,391,178</b>	<b>\$ 2,438,947</b>
<b>Reconciliation of Operating Income to Net Cash from Operating Activities</b>			
Operating income	\$ 233,614	\$ 26,250	\$ 259,864
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	109,626	72,866	182,492
Changes in assets and liabilities:			
Receivables	(37,924)	37,049	(875)
Prepaid and other assets	-	(1)	(1)
Net pension or OPEB liability	(79,362)	(54,943)	(134,305)
Accounts payable	(1,298)	(11,406)	(12,704)
Net cash and cash equivalents provided by operating activities	<b>\$ 224,656</b>	<b>\$ 69,815</b>	<b>\$ 294,471</b>

# Charter Township of Vienna

## Fiduciary Funds Statement of Fiduciary Net Position

December 31, 2025

	Retiree Health Care Benefit Trust Fund	Custodial Fund - Property Tax Collection Fund
<b>Assets</b>		
Cash and cash equivalents	\$ 353,178	\$ 3,895,765
Investments:		
Investment pools	734,693	-
MERS equity investments	209,140	-
Receivables - Property taxes	-	5,048,205
Prepaid expenses	3,503	-
Total assets	1,300,514	8,943,970
<b>Liabilities</b> - Due to other governmental units	-	3,895,765
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	-	5,048,205
Total liabilities and deferred inflows of resources	-	8,943,970
<b>Net Position</b> - Restricted - Postemployment benefits other than pension	<u>\$ 1,300,514</u>	<u>\$ -</u>

**Charter Township of Vienna**

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**

**Year Ended December 31, 2025**

	Retiree Health Care Benefit Trust Fund	Custodial Fund - Property Tax Collection Fund
<b>Additions</b>		
Investment income:		
Interest and dividends	\$ 41,772	\$ -
Net change in fair value of investments	27,964	-
Net investment income	69,736	-
Contributions - Employer contributions	225,000	-
Property tax collections	-	19,651,085
Total additions	294,736	19,651,085
<b>Deductions</b>		
Benefit payments	85,342	-
Administrative expenses	7,006	-
Tax distributions to other governments	-	19,651,085
Total deductions	92,348	19,651,085
<b>Net Increase in Fiduciary Net Position</b>	202,388	-
<b>Net Position - Beginning of year</b>	1,098,126	-
<b>Net Position - End of year</b>	<b>\$ 1,300,514</b>	<b>\$ -</b>

**Note 1 - Significant Accounting Policies**

***Accounting and Reporting Principles***

The Charter Township of Vienna (the "Township") elected charter township status in August 1978. The Township provides the following services authorized by its charter: public safety (police, fire, and inspections), highways and streets, sanitation, public improvements, recreation, planning, and general administrative services.

The Township follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Township:

***Reporting Entity***

The Township is governed by an elected seven-member board. The accompanying financial statements present the Township and its component unit, an entity for which the Township is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township.

**Discretely Presented Component Unit**

***Business Development Authority (the "Authority")***

The members of the governing board are appointed by the township supervisor and approved by the township board. The Authority's operational and capital budgets must be approved by the township board. The Authority was created on May 23, 1992 under Act 197, Public Act of Michigan, 1975, as amended. The Business Development Authority does not issue separate financial statements. However, detailed financial information can be obtained from the Authority's administrative office at the following address:

Business Development Authority of Vienna Township  
P.O. Box 129  
Clio, MI 48420

**Fiduciary Component Unit**

***Retiree Health Care Benefits Trust***

The Township's OPEB plan is governed by the Township's board. Although it is legally separate from the Township, it is reported as a fiduciary component unit because the Township administers the plan and the plan imposes a financial burden on the Township.

***Jointly Governed Organization***

The following organizations are not included in the Township's annual report as component units but rather are considered joint ventures. The organizations have the following characteristics:

**Clio Area Library and Clio Area Fire Authority**

- Financed by other communities besides the Charter Township of Vienna
- Serve several communities outside the Township
- The Township has no obligation to fund deficits of the library or guarantee its debt, nor is it responsible for approving the library's operating budget.

The Clio Area Library and Clio Area Fire Authority have June 30 and March 31 year ends, respectively. The most recent audited financial statements of both organizations are available for public inspection at the Charter Township of Vienna.

**Note 1 - Significant Accounting Policies (Continued)**

***Report Presentation***

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue 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. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenue are reported instead as general revenue.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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

***Fund Accounting***

The Township accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources; separate funds allow us to show the particular expenditures for which specific revenue was used. The various funds are aggregated into three broad fund types:

**Governmental Funds**

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Township reports the following funds as major governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Sanitation Fund is used to account for the customer charges that are to be used to pay contracted services for rubbish collection.

**Note 1 - Significant Accounting Policies (Continued)**

**Proprietary Funds**

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the Township). The Township reports the following funds as major enterprise funds:

- The Water Fund and the Sewer Fund are separate funds maintained for the operations of the water distribution system and the sewage pumping and collection system that transfer sewage to Genesee County, Michigan’s treatment plant.

**Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government’s programs. Activities that are reported as fiduciary include the following:

- The Retiree Health Care Benefit Trust Fund accounts for the accumulation of resources and payment of postretirement health care benefits to qualified employees.
- The Custodial Fund - Property Tax Collection Fund collects taxes on behalf of all the taxing authorities (state, county, school district, township, and the various smaller authorities).

**Interfund Activity**

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 the funds included in governmental activities (i.e., the governmental and internal service 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., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, 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 the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**Basis of Accounting**

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

**Note 1 - Significant Accounting Policies (Continued)**

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Township considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, county grants, and miscellaneous revenue associated with the current fiscal period.

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

***Specific Balances and Transactions***

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

**Investments**

Investments are reported at fair value or estimated fair value. The Township's investment policy is to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all state statutes and local ordinances governing the investment of public funds.

**Receivables and Payables**

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

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

	Depreciable Life - Years
	<hr/>
Infrastructure	5 to 30
Water system	60
Sewer system	100
Drains	40
Machinery and equipment	5 to 20

**Note 1 - Significant Accounting Policies (Continued)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

The Township reports deferred outflows of resources related to the defined benefit pension plan and OPEB plan, which are disclosed in more detail in Notes 7 and 8, respectively.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

The Township reports deferred inflows in the governmental funds and in the government-wide statements related to property taxes and special assessments that have been collected by the Township prior to year end but are used to fund 2026 operations and deferred inflows in the government-wide statements related to the OPEB plan, which are disclosed in more detail in Note 8.

**Net Position Flow Assumption**

The Township will sometimes 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 to report as restricted net position and unrestricted net position 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.

**Fund Balance Flow Assumptions**

The Township will sometimes 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. Furthermore, 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 limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance):

- Nonspendable: Amounts that are not in spendable form or are legally or contractually required to be maintained intact
- Restricted: Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose
- Committed: Amounts that have been formally set aside by the Township to be used for specific purposes. Commitments are made and can be rescinded only via resolution of the honorable members of the township board.

**Note 1 - Significant Accounting Policies (Continued)**

- Assigned: Intent to spend resources on specific purposes expressed by the governing body. Assignments must be authorized by resolution and approved by the governing body
- Unassigned: Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

**Property Tax Revenue**

Property taxes are levied on each December 1 and become an enforceable lien at that time; the tax is based on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on February 15 of the following year, at which time penalties and interest are assessed.

The Township's 2025 property tax revenue was levied and collectible on December 1, 2024 and is recognized as revenue in the year ended December 31, 2025 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2024 taxable valuation of the Township totaled \$455 million (a portion of which is abated and a portion of which is captured by the TIFA), on which taxes levied consisted of 4.04 mills for operating purposes. This resulted in approximately \$2,897,000. Approximately \$1,039,000 was captured by the Authority. These amounts are recognized in the General Fund financial statements as tax revenue.

**Pension**

The Township offers a defined benefit pension plan to its employees hired before September 24, 2017 and a defined contribution plan for employees hired after September 24, 2017. The Township records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Township's pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Water Fund, and Sewer Fund are used to liquidate the pension obligation.

**Other Postemployment Benefit Costs**

The Township offers retiree health care benefits to retirees hired before January 1, 2010. The Township records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose 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 are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The General Fund, Water Fund, and Sewer Fund are used to liquidate the OPEB liability.

December 31, 2025

**Note 1 - Significant Accounting Policies (Continued)**

**Compensated Absences**

Employees' unused personal time is paid out in cash at the end of the year. It is the Township's policy to permit employees to accumulate earned but unused vacation pay benefits. Vacation pay is accrued when incurred in the government-wide financial statements. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

**Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue 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 revenue of the Water and Sewer funds is charges to customers for sales and services. The Water and Sewer 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 revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

**Use of Estimates**

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

**Accounting Changes**

**Changes to or within the Financial Reporting Entity**

*Change in Major Funds*

The Capital Projects Fund was previously reported as a major fund but is now reported as a nonmajor fund for fiscal year 2025. The effects of this change in major funds are shown in the table at the end of this section.

**Adjustments to and Restatements of Beginning Balances**

During fiscal year 2025, the changes noted above resulted in adjustments to and restatements of beginning fund balance as follows:

	December 31, 2024	Change to or within the Financial Reporting Entity	December 31, 2024
	As Previously Reported		As Restated
Governmental funds:			
Formerly Major - Capital Projects Fund	224,629	(224,629)	-
Nonmajor funds	122,962	224,629	347,591
Total governmental funds	<u>\$ 347,591</u>	<u>\$ -</u>	<u>\$ 347,591</u>

**Note 1 - Significant Accounting Policies (Continued)**

***Upcoming Accounting Pronouncements***

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-of-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2026.

In December 2025, the Governmental Accounting Standards Board issued Statement No. 105, *Subsequent Events*, which clarifies the definition and timing of subsequent events, including the period through which subsequent events are evaluated, and establishes new disclosure requirements, including disclosure of the date through which subsequent events have been evaluated. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2027.

**Note 2 - Stewardship, Compliance, and Accountability**

***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The budget document presents information by fund, function, and object. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the object level. State law requires the Township to have its budget in place by January 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. There were no significant amendments during the year.

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to November 1, the supervisor submits to the township board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the General and special revenue funds. Informational summaries of projected revenue and expenditures are provided for all other township funds, as well as estimated total costs and proposed methods of financing all capital construction projects.
- Public hearings are conducted at the township hall to obtain taxpayer comments.
- Prior to January 1, the budget is legally enacted on a departmental (activity) basis through passage of a resolution in accordance with Public Act 621 of the State of Michigan.
- The supervisor is authorized to transfer budgeted amounts within departmental appropriation accounts; however, any revisions that alter the total expenditures of any department must be approved by the township board.

**December 31, 2025**

**Note 2 - Stewardship, Compliance, and Accountability (Continued)**

- Formal budgetary integration is employed as a management control device during the year for all budgetary funds. The amount of encumbrances at year end is not known. Also, all budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- Budget appropriations lapse at year end except for approved contracts, which are appropriated on a contract (grant) length basis.

**Construction Code Fees**

The Township oversees building construction in accordance with the State's Construction Code Act, including inspection of building construction and renovation, to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative shortfall generated since January 1, 2000 is as follows:

Cumulative shortfall at January 1, 2025	\$ (133,343)
Current year permit revenue	261,690
Related expenses - Estimated indirect costs	<u>203,951</u>
Current year surplus	<u>57,739</u>
Cumulative shortfall at December 31, 2025	<u>\$ (75,604)</u>

**Note 3 - Deposits and Investments**

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township has designated four banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs but not the remainder of state statutory authority, as listed above. The Township's deposits and investment policies are in accordance with statutory authority deposits and investment policies are in accordance with statutory authority.

The Township's cash and investments are subject to two types of risk, which are examined in more detail below:

**Custodial Credit Risk of Bank Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had bank deposits of \$11,680,103 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The Township believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

At year end, the Business Development Authority had bank deposits of \$982,288 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized.

**December 31, 2025**

**Note 3 - Deposits and Investments (Continued)**

**Interest Rate Risk**

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity.

At year end, the Township had the following investments and maturities:

Primary Government	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
Michigan CLASS investment pool	\$ 6,021,907	\$ 6,021,907	\$ -	\$ -	\$ -

  

Fiduciary Funds	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
Michigan CLASS investment pool	\$ 734,693	\$ 734,693	\$ -	\$ -	\$ -

**Credit Risk**

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Net Asset Value	Rating	Rating Organization
<b>Primary Government</b>			
Michigan CLASS investment pool	\$ 6,021,907	AAA	S&P

  

Investment	Carrying Value	Rating	Rating Organization
<b>Fiduciary Funds</b>			
Michigan CLASS investment pool	\$ 734,693	AAA	S&P

**Fair Value Measurements**

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

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Township's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is presented on the table below.

December 31, 2025

**Note 3 - Deposits and Investments (Continued)**

*Investments in Entities that Calculate Net Asset Value per Share*

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

The investments have no unfunded commitments or redemption rules. At December 31, 2025, the fair value of the investments is as follows:

Michigan CLASS investment pool	\$ 6,756,600
MERS ISP Total Market Portfolio	<u>209,140</u>
Total	<u>\$ 6,965,740</u>

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

The MERS ISP Total Market Portfolio is a fully diversified portfolio combining traditional stocks and bonds with alternative asset classes, including real estate, private equity, and commodities. The objective is to provide current income and capital appreciation while minimizing the volatility of the capital markets. MERS manages the asset allocation and monitors the underlying investment managers of the MERS ISP Total Market Portfolio.

December 31, 2025

**Note 4 - Capital Assets**

Capital asset activity of the Township's governmental and business-type activities was as follows:

**Governmental Activities**

	Balance January 1, 2025	Additions	Disposals and Adjustments	Balance December 31, 2025
Capital assets not being depreciated:				
Land	\$ 526,352	\$ -	\$ -	\$ 526,352
Construction in progress	19,500	-	(19,500)	-
Subtotal	545,852	-	(19,500)	526,352
Capital assets being depreciated:				
Roads and sidewalks	7,210,255	159,066	-	7,369,321
Buildings and improvements	8,742,421	351,658	19,500	9,113,579
Furniture and equipment	737,605	-	-	737,605
Subtotal	16,690,281	510,724	19,500	17,220,505
Accumulated depreciation:				
Roads and sidewalks	5,074,679	226,604	-	5,301,283
Buildings and improvements	4,360,868	247,880	-	4,608,748
Furniture and equipment	598,606	26,049	-	624,655
Subtotal	10,034,153	500,533	-	10,534,686
Net capital assets being depreciated	6,656,128	10,191	19,500	6,685,819
Net governmental activities capital assets	<u>\$ 7,201,980</u>	<u>\$ 10,191</u>	<u>\$ -</u>	<u>\$ 7,212,171</u>

**Business-type Activities**

	Balance January 1, 2025	Additions	Disposals and Adjustments	Balance December 31, 2025
Capital assets not being depreciated - Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Capital assets being depreciated:				
Water and sewer lines	13,957,579	13,947	-	13,971,526
Furniture and equipment	32,390	-	-	32,390
Subtotal	13,989,969	13,947	-	14,003,916
Accumulated depreciation:				
Water and sewer lines	5,843,085	182,492	-	6,025,577
Furniture and equipment	29,587	-	(1)	29,586
Subtotal	5,872,672	182,492	(1)	6,055,163
Net capital assets being depreciated	8,117,297	(168,545)	1	7,948,753
Net business-type activity capital assets	<u>\$ 8,172,497</u>	<u>\$ (168,545)</u>	<u>\$ 1</u>	<u>\$ 8,003,953</u>

**December 31, 2025**

**Note 4 - Capital Assets (Continued)**

Capital asset activity for the Township's component unit for the year ended December 31, 2025 was as follows:

**Component Unit**

	Balance January 1, 2025	Additions	Disposals and Adjustments	Balance December 31, 2025
Capital assets not being depreciated - Land	\$ 20,000	\$ -	\$ -	\$ 20,000
Capital assets being depreciated:				
Roads and sidewalks	715,568	-	-	715,568
Buildings and improvements	679,657	12,066	-	691,723
Furniture and equipment	1,322,500	29,832	-	1,352,332
Vehicles	27,919	-	-	27,919
Subtotal	2,745,644	41,898	-	2,787,542
Accumulated depreciation:				
Roads and sidewalks	493,005	30,971	-	523,976
Buildings and improvements	185,528	28,552	-	214,080
Furniture and equipment	772,528	67,489	-	840,017
Vehicles	10,967	3,988	-	14,955
Subtotal	1,462,028	131,000	-	1,593,028
Net capital assets being depreciated	1,283,616	(89,102)	-	1,194,514
Net capital assets	<u>\$ 1,303,616</u>	<u>\$ (89,102)</u>	<u>\$ -</u>	<u>\$ 1,214,514</u>

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

Governmental activities:	
General government	\$ 99,195
Public safety	67,170
Public works	255,960
Recreation and culture	78,208
Total governmental activities	<u>\$ 500,533</u>
Business-type activities:	
Water Fund	\$ 72,866
Sewer Fund	109,626
Total business-type activities	<u>\$ 182,492</u>
Component unit activities - Business Development Authority	\$ 131,000

**Note 5 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Water Fund	Sewer Fund	\$ 236,562

**December 31, 2025**

**Note 5 - Interfund Receivables, Payables, and Transfers (Continued)**

This balance results from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers reported in the fund financial statements are composed of the following:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Capital Projects Fund	\$ 35,000

Interfund transfers are used to move unrestricted resources between funds in accordance with budgetary authorizations and approved capital financing plans. The General Fund records transfers to the Capital Projects Fund to provide funding for capital-related expenditures.

**Note 6 - Risk Management**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for these claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**Note 7 - Pension Plan**

***Plan Description***

The Charter Township of Vienna participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan (MERS), which covers all employees of the Township hired before September 24, 2017. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report that includes the financial statements and required supplementary information of this defined benefit plan. This report can be obtained at [www.mersofmich.com](http://www.mersofmich.com) or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

The Charter Township of Vienna also contributes to a defined contribution plan. For the year ended December 31, 2025, contributions to the plan totaled \$22,411.

***Benefits Provided***

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The MERS plan covers all full-time employees of the Township hired before September 24, 2017.

Retirement benefits for employees are calculated as 2.5 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early retirement at 55 with 15 years of service. The vesting period is 10 years.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the township board, generally after negotiations of these terms with the employees.

December 31, 2025

**Note 7 - Pension Plan (Continued)**

**Employees Covered by Benefit Terms**

At the December 31, 2024 measurement date, the following members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	1
	1
Total employees covered by the plan	12

**Contributions**

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

For the year ended December 31, 2025, the active employee contribution rate was 10.0 percent of annual pay, and the Township's contribution rate was 37 percent of annual payroll.

**Net Pension Liability**

The December 31, 2025 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the December 31, 2024 measurement date. The December 31, 2024 measurement date total pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at January 1, 2024</b>	\$ 2,212,158	\$ 1,766,242	\$ 445,916
Changes for the year:			
Service cost	10,609	-	10,609
Interest	153,735	-	153,735
Differences between expected and actual experience	34,439	-	34,439
Changes in assumptions	(2,630)	-	(2,630)
Contributions - Employer	-	192,000	(192,000)
Contributions - Employee	-	8,764	(8,764)
Net investment income	-	133,825	(133,825)
Benefit payments, including refunds	(152,615)	(152,615)	-
Administrative expenses	-	(3,999)	3,999
	43,538	177,975	(134,437)
<b>Net changes</b>			
	\$ 2,255,696	\$ 1,944,217	\$ 311,479

The plan's fiduciary net position represents 86.2 percent of total pension liability.

**December 31, 2025**

**Note 7 - Pension Plan (Continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended December 31, 2025, the Township recognized pension expense of \$73,184.

At December 31, 2025, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 53,720	\$ -
Employer contributions to the plan subsequent to the measurement date	<u>216,000</u>	<u>-</u>
Total	<u>\$ 269,720</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date of \$216,000 will reduce the net pension liability and, therefore, will not be included in future pension expense):

<u>Years Ending December 31</u>	<u>Amount</u>
2026	\$ 26,581
2027	43,089
2028	(14,866)
2029	<u>(1,084)</u>
Total	<u>\$ 53,720</u>

***Actuarial Assumptions***

The total pension liability in the December 31, 2024 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.00 percent, an investment rate of return (net of investment expenses) of 7.18 percent, and the Pub-2010 mortality tables.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.18 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Note 7 - Pension Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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. The target allocation and best estimates of arithmetic real rates of return as of the December 31, 2024 measurement date for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	4.50 %
Global fixed income	20.00	2.16
Private investments	20.00	6.50

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

The following presents the net pension liability of the Township, calculated using the discount rate of 7.18 percent, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.18%)	Current Discount Rate (7.18%)	1 Percentage Point Increase (8.18%)
Net pension liability of the plan	\$ 585,010	\$ 311,479	\$ 118,797

**Pension Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

**Note 8 - Other Postemployment Benefit Plan**

**Plan Description**

The Township board administers the OPEB plan (the "Plan"), a single-employer defined benefit OPEB plan that is used to provide postemployment benefits other than pensions (OPEB) for certain retirees and their beneficiaries.

Management of the Plan is vested with the township board, which consists of all seven members of the board.

**Benefits Provided**

The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits are provided through a third-party insurer, and the cost of the benefits is covered by the Plan. As of 2008, the Plan was closed to new entrants.

December 31, 2025

**Note 8 - Other Postemployment Benefit Plan (Continued)**

**Employees Covered by Benefit Terms**

The following members were covered by the benefit terms:

Date of member count	December 31, 2024
Inactive plan members or beneficiaries currently receiving benefits	6
Active plan members	<u>1</u>
Total plan members	<u><u>7</u></u>

**Contributions**

Article 9, Section 24 of the State of Michigan constitution grants authority to the board to establish and amend the contribution requirements of the Township and plan members. The board establishes contribution rates based on an actuarially determined rate per a funding valuation. For the year ended December 31, 2025, the Township's contributions as a percent of covered-employee payroll were 312.1 percent.

**Net OPEB Liability**

The Township has chosen to use the December 31 measurement date as its measurement date for the net OPEB liability. The December 31, 2025 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the December 31, 2025 measurement date. The December 31, 2025 total OPEB liability was determined by an actuarial valuation performed as of December 31, 2024 that has used procedures to roll information forward to the measurement date.

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

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
<b>Balance at January 1, 2025</b>	\$ 1,826,616	\$ 1,098,125	\$ 728,491
Changes for the year:			
Service cost	8,272	-	8,272
Interest	98,487	-	98,487
Contributions - Employer	-	225,000	(225,000)
Net investment income	-	69,737	(69,737)
Benefit payments, including refunds	(88,404)	(88,404)	-
Administrative expenses	-	(7,007)	7,007
Net changes	<u>18,355</u>	<u>199,326</u>	<u>(180,971)</u>
<b>Balance at December 31, 2025</b>	<u><u>\$ 1,844,971</u></u>	<u><u>\$ 1,297,451</u></u>	<u><u>\$ 547,520</u></u>

The Plan's fiduciary net position represents 70.32 percent of the total OPEB liability.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2025, the Township recognized OPEB expenses of \$8,673.

**December 31, 2025**

**Note 8 - Other Postemployment Benefit Plan (Continued)**

At December 31, 2025, 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
Difference between expected and actual experience	\$ -	\$ (13,644)
Changes in assumptions	-	(6,411)
Net difference between projected and actual earnings on OPEB plan investments	<u>2,911</u>	<u>-</u>
Total	<u>\$ 2,911</u>	<u>\$ (20,055)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (note that employer contributions subsequent to the measurement date will reduce the net OPEB liability and, therefore, will not be included in future OPEB expense):

Years Ending December 31	Amount
2026	\$ (12,746)
2027	(2,146)
2028	(1,097)
2029	<u>(1,155)</u>
Total	<u>\$ (17,144)</u>

**Actuarial Assumptions**

The total OPEB liability in the December 31, 2025 actuarial valuation was determined using an inflation assumption of 2.50 percent; assumed salary increases (including inflation) of 3.50 percent; an investment rate of return (net of investment expenses) of 5.50 percent; a health care cost trend rate of 7.00 percent for 2025, decreasing 0.25 percent per year to an ultimate rate of 4.50 percent for 2035 and later years; and the Pub-2010 mortality tables with the MP-2021 improvement scale. These assumptions were applied to all periods included in the measurement.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 5.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees.

December 31, 2025

**Note 8 - Other Postemployment Benefit Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on OPEB 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 investment 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2025 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed below, are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Global equity	4.50 %
Global fixed income	2.16
Private investments	6.50
Cash or cash equivalents	1.49

**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 5.50 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 or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.50%)	Current Discount Rate (5.50%)	1 Percentage Point Increase (6.50%)
Net OPEB liability of the Township	\$ 809,874	\$ 547,520	\$ 336,493

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate**

The following presents the net OPEB liability of the Township, calculated using the health care cost trend rate, as well as what the Township's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.00%)	Current Health Care Cost Trend Rate (7.00%)	1 Percentage Point Increase (8.00%)
Net OPEB liability of the Township	\$ 328,210	\$ 547,520	\$ 819,746

December 31, 2025

**Note 8 - Other Postemployment Benefit Plan (Continued)**

**Investment Policy**

The Plan’s policy in regard to the allocation of invested assets is established and may be amended by the township board by a majority vote of its members. It is the policy of the township board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the township board’s adopted asset allocation policy as of December 31, 2025:

Asset Class	Target Allocation
Global equity	10.00 %
Global fixed income	3.00
Private investments	3.00
Cash or cash equivalents	84.00
Total	<u>100.00 %</u>

**Rate of Return**

For the year ended December 31, 2025, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 6.00 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Note 9 - Joint Ventures**

**Clio Area Fire Authority**

In April 1976, the Charter Township of Vienna entered into a joint venture with the City of Clio, Michigan and the Township of Thetford to create the Clio Area Fire Authority (the "Fire Authority"). The purpose of this joint venture was to obtain adequate fire protection for residents of the municipalities. The agreement calls for each of the three municipalities to pay the Fire Authority such amounts as are necessary to cover one-third of the fixed operational costs of the Fire Authority. During 1992, the three members approved a 1-mill levy to be collected from their respective property owners to be used to fund operations of the Fire Authority. Effective April 1, 2007, each participating municipality has the option to retain up to 0.25 mill for the limited purpose of the construction, remodeling, or restoration of a fire hall or to retire any debt incurred for the acquisition or construction of a fire hall commencing with the December 2006 levy. The agreement does not state any fixed shares of interest to be owned by the municipalities. However, if a municipality should withdraw from the Fire Authority, the distribution of equipment or cash equivalent to the withdrawing unit's share shall be determined by unanimous consent of the members. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future.

The following is a summary of selected financial information from the last available statement of the Clio Area Fire Authority as of March 31, 2025:

Total assets	\$ 2,663,725
Total liabilities	684,903
Total net position	1,978,822
Total revenue	853,883
Total expenditures	587,713

**December 31, 2025**

**Note 9 - Joint Ventures (Continued)**

*Clio Area Library*

The Clio Area Library was formed by the City of Clio, Michigan; the Charter Township of Vienna; and the Township of Thetford effective March 20, 1978, replacing the library fund previously operated by the City of Clio, Michigan.

The library's operation is funded by contributions made by the participating units. Each unit's contribution is based on the usage rate of the library system by its residents. The contribution paid by the Township during 2025 was \$33,125.

Should any participating municipality decide to withdraw from the Clio Area Library, it is to give written notice and, upon a favorable vote of the majority, will be released from the agreement.

The agreement does not state any fixed shares of interest to be owned by the municipalities. However, if a municipality should withdraw from the Clio Area Library, the distribution of equipment or cash equivalent to the withdrawing unit's share would be determined by unanimous consent of the members. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future.

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## Required Supplementary Information

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# Charter Township of Vienna

## Required Supplementary Information Budgetary Comparison Schedule General Fund

**Year Ended December 31, 2025**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 1,731,335	\$ 1,680,115	\$ 1,682,741	\$ 2,626
Intergovernmental	1,413,000	1,533,000	1,543,488	10,488
Charges for services	397,700	424,736	429,136	4,400
Licenses and permits	177,000	175,330	175,632	302
Interest	108,800	238,800	245,410	6,610
Other revenue	4,100	6,363	6,364	1
Total revenue	3,831,935	4,058,344	4,082,771	24,427
<b>Expenditures</b>				
Current services:				
General government:				
Township board	260,940	254,142	236,489	17,653
Supervisor	129,205	126,285	123,478	2,807
Treasurer	129,468	129,963	127,821	2,142
Assessing	107,848	104,258	102,051	2,207
Clerk	150,952	149,332	146,932	2,400
Township hall and grounds	59,122	71,907	70,306	1,601
Elections	56,166	39,260	37,346	1,914
Cemetery	600	380	-	380
Public safety:				
Police	1,406,576	1,606,201	1,313,636	292,565
Fire	450,040	453,740	453,675	65
Public works:				
Stormwater drainage	28,600	20,600	19,656	944
Streets	230,200	150,520	149,576	944
Street lighting	51,500	36,000	33,401	2,599
Other public works activities	36,753	31,738	29,526	2,212
Community and economic development	38,049	25,464	22,948	2,516
Recreation and culture:				
Library	40,715	33,695	33,663	32
Parks and recreation	18,679	17,849	17,425	424
Total expenditures	3,195,413	3,251,334	2,917,929	333,405
<b>Other Financing Uses - Transfers out</b>	<b>(35,000)</b>	<b>(35,000)</b>	<b>(35,000)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>601,522</b>	<b>772,010</b>	<b>1,129,842</b>	<b>357,832</b>
<b>Fund Balance - Beginning of year</b>	<b>6,109,505</b>	<b>6,109,505</b>	<b>6,109,505</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 6,711,027</b>	<b>\$ 6,881,515</b>	<b>\$ 7,239,347</b>	<b>\$ 357,832</b>

**Charter Township of Vienna**

Required Supplementary Information  
Budgetary Comparison Schedule - Major Special Revenue Fund  
Sanitation Fund

**Year Ended December 31, 2025**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Special assessments	\$ 760,000	\$ 761,920	\$ 761,920	\$ -
Interest	7,500	11,500	11,753	253
Other revenue	2,300	1,900	2,057	157
Total revenue	769,800	775,320	775,730	410
<b>Expenditures</b> - Current services - Public works	750,095	749,446	747,329	2,117
<b>Net Change in Fund Balance</b>	19,705	25,874	28,401	2,527
<b>Fund Balance</b> - Beginning of year	147,080	147,080	147,080	-
<b>Fund Balance</b> - End of year	<u>\$ 166,785</u>	<u>\$ 172,954</u>	<u>\$ 175,481</u>	<u>\$ 2,527</u>

# Charter Township of Vienna

## Required Supplementary Information Schedule of Changes in the Net Pension Liability and Related Ratios

	<b>Last Ten Plan Years</b>									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 10,609	\$ 17,220	\$ 15,825	\$ 20,845	\$ 28,545	\$ 26,978	\$ 25,765	\$ 24,657	\$ 31,300	\$ 35,312
Interest	153,735	151,146	157,004	162,928	150,158	149,059	145,356	141,838	139,351	131,502
Changes in benefit terms	-	-	-	-	-	-	-	(1,591)	(5,346)	-
Differences between expected and actual experience	34,439	21,671	(92,187)	(84,857)	33,225	17,708	15,648	13,495	(5,057)	18,017
Changes in assumptions	(2,630)	16,500	-	87,516	101,030	59,068	-	-	-	78,427
Benefit payments, including refunds	(152,615)	(141,078)	(183,205)	(141,078)	(141,078)	(141,078)	(141,079)	(128,887)	(122,795)	(103,863)
<b>Net Change in Total Pension Liability</b>	<b>43,538</b>	<b>65,459</b>	<b>(102,563)</b>	<b>45,354</b>	<b>171,880</b>	<b>111,735</b>	<b>45,690</b>	<b>49,512</b>	<b>37,453</b>	<b>159,395</b>
<b>Total Pension Liability - Beginning of year</b>	<b>2,212,158</b>	<b>2,146,699</b>	<b>2,249,262</b>	<b>2,203,908</b>	<b>2,032,028</b>	<b>1,920,293</b>	<b>1,874,603</b>	<b>1,825,091</b>	<b>1,787,638</b>	<b>1,628,243</b>
<b>Total Pension Liability - End of year</b>	<b>\$ 2,255,696</b>	<b>\$ 2,212,158</b>	<b>\$ 2,146,699</b>	<b>\$ 2,249,262</b>	<b>\$ 2,203,908</b>	<b>\$ 2,032,028</b>	<b>\$ 1,920,293</b>	<b>\$ 1,874,603</b>	<b>\$ 1,825,091</b>	<b>\$ 1,787,638</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 192,000	\$ 297,249	\$ 168,000	\$ 144,000	\$ 120,000	\$ 96,492	\$ 52,472	\$ 39,419	\$ 40,098	\$ 45,607
Contributions - Member	8,764	20,781	14,223	18,718	21,590	20,437	19,513	21,473	20,361	23,411
Net investment income (loss)	133,825	176,882	(176,141)	186,866	172,483	145,360	(44,565)	144,651	118,681	(16,661)
Administrative expenses	(3,999)	(3,650)	(2,910)	(2,207)	(2,420)	(2,504)	(2,261)	(2,295)	(2,343)	(2,434)
Benefit payments, including refunds	(152,615)	(141,078)	(183,205)	(141,078)	(141,078)	(141,078)	(141,079)	(128,887)	(122,795)	(103,863)
Other	-	26,771	-	-	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>177,975</b>	<b>376,955</b>	<b>(180,033)</b>	<b>206,299</b>	<b>170,575</b>	<b>118,707</b>	<b>(115,920)</b>	<b>74,361</b>	<b>54,002</b>	<b>(53,940)</b>
<b>Plan Fiduciary Net Position - Beginning of year</b>	<b>1,766,242</b>	<b>1,389,287</b>	<b>1,569,320</b>	<b>1,363,021</b>	<b>1,192,446</b>	<b>1,073,739</b>	<b>1,189,659</b>	<b>1,115,298</b>	<b>1,061,296</b>	<b>1,115,236</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 1,944,217</b>	<b>\$ 1,766,242</b>	<b>\$ 1,389,287</b>	<b>\$ 1,569,320</b>	<b>\$ 1,363,021</b>	<b>\$ 1,192,446</b>	<b>\$ 1,073,739</b>	<b>\$ 1,189,659</b>	<b>\$ 1,115,298</b>	<b>\$ 1,061,296</b>
<b>Township's Net Pension Liability - Ending</b>	<b>\$ 311,479</b>	<b>\$ 445,916</b>	<b>\$ 757,412</b>	<b>\$ 679,942</b>	<b>\$ 840,887</b>	<b>\$ 839,582</b>	<b>\$ 846,554</b>	<b>\$ 684,944</b>	<b>\$ 709,793</b>	<b>\$ 726,342</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	86.19 %	79.84 %	64.72 %	69.77 %	61.85 %	58.68 %	55.92 %	63.46 %	61.11 %	59.37 %
<b>Covered Payroll</b>	\$ 67,962	\$ 108,832	\$ 105,152	\$ 155,325	\$ 216,415	\$ 204,373	\$ 195,929	\$ 186,656	\$ 241,510	\$ 260,032
<b>Township's Net Pension Liability as a Percentage of Covered Payroll</b>	458.31 %	409.73 %	720.30 %	437.75 %	388.55 %	410.81 %	432.07 %	366.96 %	293.90 %	279.33 %

Note: Governmental Accounting Standards Board Statement No. 68 was implemented beginning with plan year 2015. Therefore, 10-year trend information is not yet available.

## Charter Township of Vienna

### Required Supplementary Information Schedule of Pension Contributions

	<b>Last Ten Fiscal Years</b>									
	<b>Years Ended December 31</b>									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 36,528	\$ 55,236	\$ 68,484	\$ 58,584	\$ 76,152	\$ 66,096	\$ 96,492	\$ 52,392	\$ 39,419	\$ 40,098
Contributions in relation to the actuarially determined contribution	216,000	192,000	324,020	168,000	144,001	120,000	96,492	52,472	39,419	40,098
<b>Contribution Excess</b>	<b>\$ 179,472</b>	<b>\$ 136,764</b>	<b>\$ 255,536</b>	<b>\$ 109,416</b>	<b>\$ 67,849</b>	<b>\$ 53,904</b>	<b>\$ -</b>	<b>\$ 80</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 67,962</b>	<b>\$ 108,832</b>	<b>\$ 105,152</b>	<b>\$ 155,325</b>	<b>\$ 216,415</b>	<b>\$ 215,858</b>	<b>\$ 204,373</b>	<b>\$ 195,929</b>	<b>\$ 241,510</b>	<b>\$ 260,032</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>317.82 %</b>	<b>176.42 %</b>	<b>308.14 %</b>	<b>108.16 %</b>	<b>66.54 %</b>	<b>55.59 %</b>	<b>47.21 %</b>	<b>26.78 %</b>	<b>16.32 %</b>	<b>15.42 %</b>

#### Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date                      Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported. Contributions for the Township's fiscal year ended December 31, 2025 were based on the actuarial valuation as of December 31, 2023. The most recent valuation is as of December 31, 2024.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent
Remaining amortization period	16 years
Asset valuation method	5-year smoothed market
Inflation	2.50 percent
Salary increase	3.00 percent to 9.70 percent
Investment rate of return	7.18 percent
Retirement age	Experience-based table of rates are specific to the type of eligibility condition
Mortality	Pub-2010 Mortality tables of a 50 percent male and 50 percent female blend
Other information	None

## Charter Township of Vienna

### Required Supplementary Information Schedule of Changes in the Net OPEB Liability and Related Ratios

**Last Nine Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>									
Service cost	\$ 8,272	\$ 8,104	\$ 16,469	\$ 16,209	\$ 26,753	\$ 30,173	\$ 34,986	\$ 36,437	\$ 31,055
Interest	98,487	83,806	82,758	92,351	90,279	101,155	96,781	93,598	91,937
Differences between expected and actual experience	-	229,157	-	(144,663)	-	(177,378)	-	-	(366,330)
Changes in assumptions	-	28,226	-	(70,832)	-	(83,341)	(132,046)	(31,977)	155,871
Benefit payments, including refunds	(88,404)	(76,641)	(66,970)	(68,526)	(65,334)	(64,535)	(68,458)	(73,493)	(71,639)
<b>Net Change in Total OPEB Liability</b>	18,355	272,652	32,257	(175,461)	51,698	(193,926)	(68,737)	24,565	(159,106)
<b>Total OPEB Liability - Beginning of year</b>	1,826,616	1,553,964	1,521,707	1,697,168	1,645,470	1,839,396	1,908,133	1,883,568	2,042,674
<b>Total OPEB Liability - End of year</b>	<b>\$ 1,844,971</b>	<b>\$ 1,826,616</b>	<b>\$ 1,553,964</b>	<b>\$ 1,521,707</b>	<b>\$ 1,697,168</b>	<b>\$ 1,645,470</b>	<b>\$ 1,839,396</b>	<b>\$ 1,908,133</b>	<b>\$ 1,883,568</b>
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 225,000	\$ 225,000	\$ 225,000	\$ 200,000	\$ 174,999	\$ 150,000	\$ 150,000	\$ 100,000	\$ 85,000
Net investment income (loss)	69,737	53,230	47,977	(11,601)	19,178	18,312	24,163	(2,947)	15,936
Administrative expenses	(7,007)	(4,774)	(5,318)	(4,279)	(3,291)	(4,240)	(3,228)	(3,298)	(276)
Benefit payments, including refunds	(88,404)	(76,641)	(66,970)	(68,526)	(65,334)	(64,535)	(68,458)	(73,493)	(71,639)
<b>Net Change in Plan Fiduciary Net Position</b>	199,326	196,815	200,689	115,594	125,552	99,537	102,477	20,262	29,021
<b>Plan Fiduciary Net Position - Beginning of year</b>	1,098,125	901,310	700,621	585,027	459,475	359,938	257,461	237,199	208,178
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 1,297,451</b>	<b>\$ 1,098,125</b>	<b>\$ 901,310</b>	<b>\$ 700,621</b>	<b>\$ 585,027</b>	<b>\$ 459,475</b>	<b>\$ 359,938</b>	<b>\$ 257,461</b>	<b>\$ 237,199</b>
<b>Net OPEB Liability - Ending</b>	<b>\$ 547,520</b>	<b>\$ 728,491</b>	<b>\$ 652,654</b>	<b>\$ 821,086</b>	<b>\$ 1,112,141</b>	<b>\$ 1,185,995</b>	<b>\$ 1,479,458</b>	<b>\$ 1,650,672</b>	<b>\$ 1,646,369</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	70.32 %	60.12 %	58.00 %	46.04 %	34.47 %	27.92 %	19.57 %	13.49 %	12.59 %
<b>Covered-employee Payroll</b>	\$ 72,095	\$ 68,032	\$ 108,832	\$ 105,152	\$ 142,071	\$ 140,664	\$ 116,595	\$ 115,441	\$ 114,298
<b>Net OPEB Liability as a Percentage of Covered-employee Payroll</b>	759.44 %	1,070.81 %	599.69 %	780.86 %	782.81 %	843.14 %	1,268.89 %	1,429.88 %	1,440.42 %

Note: Governmental Accounting Standards Board Statement No. 75 was implemented beginning with fiscal year 2017. Therefore, 10-year trend information is not yet available.



## Charter Township of Vienna

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### Required Supplementary Information Schedule of OPEB Investment Returns

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	<b>Last Nine Fiscal Years</b>								
	<b>Years Ended December 31</b>								
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	6.00 %	5.47 %	6.17 %	(1.79)%	3.73 %	4.60 %	8.20 %	(1.20)%	7.40 %

Note: Governmental Accounting Standards Board Statement No. 74 was implemented beginning with fiscal year 2017. Therefore, 10-year trend information is not yet available.

***Budgetary Information***

A reconciliation of the budgetary comparison schedule to the fund-based statement of revenue, expenditures, and changes in fund balances is as follows:

	<u>Total Revenue</u>	<u>Total Expenditures</u>	<u>Other Financing Uses - Transfers Out</u>	<u>Fund Balance</u>
General Fund - Amounts per operating statement	\$ 4,367,888	\$ 3,121,880	\$ 35,000	\$ 7,495,256
Building Inspection Fund	(285,117)	(203,951)	-	(255,909)
Amounts per budget statement	<u>\$ 4,082,771</u>	<u>\$ 2,917,929</u>	<u>\$ 35,000</u>	<u>\$ 7,239,347</u>

***Pension Information***

**Changes in Assumptions**

There were no changes of assumptions in plan years 2014, 2016, 2017, 2018, 2022, 2023, or 2025.

In plan year 2024, assumptions changed related to the discount rate, resulting in an increase to the total pension liability.

In plan year 2021, assumptions changed related to the discount rate, resulting in an increase to the total pension liability.

In plan year 2020, assumptions changed related to mortality, retirement, disability, and termination rates based on a five-year experience study, resulting in an increase to the total pension liability.

In plan year 2019, assumptions changed related to the investment rate of return and a change in the assumed rate of wage inflation, resulting in an increase of the total pension liability.

In plan year 2015, assumptions changed related to the investment rate of return, discount rate, and mortality tables, resulting in an increase of the total pension liability.

***OPEB Information***

**Changes in Assumptions**

There were no changes of assumptions in fiscal years 2021, 2023, or 2025.

In 2024, assumptions changed related the updated Pub-2010 improvement scale MP-2021 table, resulting in an increase to the total OPEB liability.

In 2022, assumptions changed related to health care cost trend rate and the updated Pub-2010 improvement scale MP-2020 table, resulting in a decrease to the total OPEB liability.

In 2020, assumptions changed related to the mortality tables, assumed salary increases, and the health care cost trend rate, resulting in a decrease of the total OPEB liability.

In 2019, assumptions changed related to the discount rate, resulting in a decrease of the total OPEB liability.

In 2018, assumptions changed related to the discount rate, resulting in a decrease of the total OPEB liability.

In 2017, assumptions changed related to the discount rate, resulting in an increase of the total OPEB liability.

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## Supplementary Information

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**Special Revenue Funds**

***Senior Citizens Fund***

A special revenue fund to account for the revenue earned and received through a grant with Genesee County, Michigan and expenditures incurred by the Township to support senior citizens' activities

***Community Development Block Grant***

A special revenue fund to account for the revenue earned and received through a grant through U.S. Department of Housing and Urban Development (HUD) and expenditures incurred by the Township to support community development.

**Capital Project Fund**

A capital projects fund to account for the funding and project costs of capital projects of the Township.

**Charter Township of Vienna**

Supplementary Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

**December 31, 2025**

	<u>Special Revenue Funds</u>			<u>Total</u>
	<u>Senior Citizens Fund</u>	<u>Community Development Block Grant</u>	<u>Capital Projects Fund</u>	
<b>Assets</b>				
Cash and cash equivalents	\$ 138,310	\$ -	\$ 104,481	\$ 242,791
Investments	-	-	141,439	141,439
Receivables - Net of allowance - Due from other governments	15,826	-	-	15,826
Prepaid expenses	9	-	-	9
Total assets	<b><u>\$ 154,145</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 245,920</u></b>	<b><u>\$ 400,065</u></b>
<b>Liabilities - Accounts payable</b>	\$ 4,163	\$ -	\$ -	\$ 4,163
<b>Fund Balances</b>				
Nonspendable - Prepaids	9	-	-	9
Assigned - Senior citizens	149,973	-	245,920	395,893
Total fund balances	149,982	-	245,920	395,902
Total liabilities and fund balances	<b><u>\$ 154,145</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 245,920</u></b>	<b><u>\$ 400,065</u></b>

## Charter Township of Vienna

### Supplementary Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds

**Year Ended December 31, 2025**

	Special Revenue Funds			Total
	Senior Citizens Fund	Community Development Block Grant	Capital Projects Fund	
<b>Revenue</b>				
Intergovernmental:				
Federal grants	\$ 7,306	\$ 20,000	\$ -	\$ 27,306
County grants	337,898	-	-	337,898
Charges for services	7,123	-	-	7,123
Interest	21,369	-	9,444	30,813
Total revenue	373,696	20,000	9,444	403,140
<b>Expenditures</b>				
Current services:				
General government	-	-	23,153	23,153
Community and economic development	-	20,000	-	20,000
Recreation and culture	346,676	-	-	346,676
Total expenditures	346,676	20,000	23,153	389,829
<b>Other Financing Sources - Transfers in</b>	-	-	35,000	35,000
<b>Net Change in Fund Balances</b>	27,020	-	21,291	48,311
<b>Fund Balances - Beginning of year, as previously reported</b>	122,962	-	-	122,962
<b>Change within Financial Reporting Entity (Note 1)</b>	-	-	224,629	224,629
<b>Fund Balances - Beginning of year, as adjusted</b>	122,962	-	224,629	347,591
<b>Fund Balances - End of year</b>	<b>\$ 149,982</b>	<b>\$ -</b>	<b>\$ 245,920</b>	<b>\$ 395,902</b>