

# *Village of Almont*

**Lapeer County, Michigan**

Audited Financial Report  
June 30, 2024

**KING & KING CPAs LLC**

Marlette ~ Imlay City  
Michigan

**Village of Almont**  
Annual Financial Report  
For The Fiscal Year Ended June 30, 2024

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## Independent Auditor's Report

Honorable Village Council  
**Village of Almont**  
Lapeer County, Michigan

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

#### **Opinions**

We have audited the financial statements of the governmental activities, business-type activities, and each major fund for the **Village of Almont**, as of and for the year ended **June 30, 2024**, and the related notes to the financial statements, which collectively comprise the **Village of Almont'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, business-type activities, and each major fund of the **Village of Almont**, as of **June 30, 2024**, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 **Village of Almont**, 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 **Village of Almont's** ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we

- exercise professional judgement 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 **Village of Almont's** internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting principles 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Village of Almont'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and major fund budgetary comparison schedule, 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 part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplemental 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 **Village of Almont's** basic financial statements. The other supplemental information, as identified in the Table of Contents, is presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, as identified in the Table of Contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*King & King CPAs LLC*  
**KING & KING CPAs LLC**  
Imlay City, Michigan

August 22, 2024

# Village of Almont

## Almont, Michigan

### MANAGEMENT'S DISCUSSION AND ANALYSIS LETTER

Our discussion and analysis of the **Village of Almont**, Michigan's (the "Village") financial performance provides an overview of the Village's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Village's financial statements.

#### Using this 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 the Village as a whole and present a long-term view of the Village's finances. This long-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current fiscal year and whether the taxpayers have fully funded the 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 fiscal year, as well as how much is available for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide financial statements by providing information about the Village's most significant funds. The fiduciary fund statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside the government.

#### Condensed Financial Information

The following table shows in a condensed format, the net position as of the current fiscal year. Comparative data of the prior audit's net position is included.

	Governmental Activities		Business-type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
Current Assets	\$ 3,368,373	\$ 3,101,969	\$ 2,467,220	\$ 2,119,001	\$ 5,835,593	\$ 5,220,970
Noncurrent Assets	3,319,213	3,260,629	8,036,214	8,273,288	11,355,427	11,533,917
Total Assets	6,687,586	6,362,598	10,503,434	10,392,289	17,191,020	16,754,887
Deferred Inflows	215,307	309,345	-	-	215,307	309,345
Current Liabilities	210,541	209,424	408,997	503,125	619,538	712,549
Noncurrent Liabilities	2,564,099	2,619,637	827,694	1,127,694	3,391,793	3,747,331
Total Liabilities	2,774,640	2,829,061	1,236,691	1,630,819	4,011,331	4,459,880
Deferred Inflows	187,559	140,634	-	-	187,559	140,634
Net Position:						
Net Inv. In Cap. Assets	850,699	845,240	6,901,253	6,836,277	7,751,952	7,681,517
Restricted	1,034,394	857,579	1,035	18,030	1,035,429	875,609
Unrestricted	2,055,601	1,999,431	2,364,455	1,907,163	4,420,056	3,906,594
Total Net Position	\$ 3,940,694	\$ 3,702,250	\$ 9,266,743	\$ 8,761,470	\$ 13,207,437	\$ 12,463,720

# Village of Almont

## Almont, Michigan

### Condensed Financial Information – Continued

The following table shows the changes of the net position during the current fiscal year:

	Governmental Activities		Business-type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$ 779,510	\$ 788,803	\$ 1,882,371	\$ 1,812,622	\$ 2,661,881	\$ 2,601,425
Grants & Contributions	505,781	526,380	-	-	505,781	526,380
General Revenues:						
Property Taxes	1,560,878	1,424,418	-	-	1,560,878	1,424,418
State-Shared Revenues	360,358	362,621	-	-	360,358	362,621
Interest Earnings	102,871	26,090	55,086	8,750	157,957	34,840
Other Revenues	183,993	190,179	-	-	183,993	190,179
Transfers	(180,135)	(411,784)	180,135	411,784	-	-
Total Revenues	3,313,256	2,906,707	2,117,592	2,233,156	5,430,848	5,139,863
<b>Program Expenses</b>						
General Government	\$ 871,008	\$ 137,360	\$ -	\$ -	\$ 871,008	\$ 137,360
Public Safety	1,098,446	973,946	-	-	1,098,446	973,946
Public Works	869,311	872,891	-	-	869,311	872,891
Recreation & Culture	71,743	60,293	-	-	71,743	60,293
Interest on L/T Debt	20,424	17,157	31,115	40,965	51,539	58,122
Water & Sewer	-	-	1,581,204	1,752,832	1,581,204	1,752,832
Total Program Expenses	2,930,932	2,061,647	1,612,319	1,793,797	4,543,251	3,855,444
<b>Change in Net Position</b>	<u>\$ 382,324</u>	<u>\$ 845,060</u>	<u>\$ 505,273</u>	<u>\$ 439,359</u>	<u>\$ 887,597</u>	<u>\$ 1,284,419</u>

### The Village as a Whole

- The Village's Governmental Activities net position increased by \$382,324 this fiscal year. This compares to a net increase of \$845,060 in the previous fiscal year. The difference between the Change in Net Position for the current year and the prior year was largely due to the Pension and OPEB adjustments for the current year, which resulted in an expense of \$18,000 this fiscal year compared to an income of \$537,000 in the previous year.
- The Village's Business-type Activities net position increased by \$505,273 this fiscal year. This compares to a net increase of \$439,359 in the previous fiscal year. Although Charges for Services revenues increased, there was a decrease in Transfers In. However, there was also a decrease in expenses in the current fiscal year for maintaining the utility infrastructure.
- The Village's primary source of revenue is from charges for services and property taxes, which represent 78% of total revenue.

# Village of Almont

## Almont, Michigan

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### **The Village's Funds**

Our analysis of the Village's major funds begins on Page 5, following the government-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the Village as a whole. The Village's major funds for the fiscal year ended June 30, 2024 are the General Fund and Downtown Development Authority Fund.

Other major funds are the Water and Sewer Funds, which are categorized as enterprise or proprietary funds. These funds operate on revenue they receive from the customers (users) of the water and sewer systems.

### **General Fund Budgetary Highlights**

The Village made amendments to the budget throughout the year. There were some items in which the expenditures exceeded the amounts budgeted, but by a small amount.

### **Capital Asset and Debt Administration**

During the fiscal year ended June 30, 2024, The Local Streets Fund started a repaving project and resurfaced the cul-de-sacs of Janet Lane and Dawn Drive for \$75,815. The DDA conducted landscaping for \$5,327 and purchased real estate at 117 School Street for \$100,204. The Equipment Fund purchased and outfitted a 2023 Dodge Durango police vehicle for \$60,413 and purchased other small equipment for \$21,095. The Village Sewer Fund conducted relining of some of the sewer lines for \$97,808 as well as other system maintenance/improvements for \$43,706. The Park Fund remodeled the park pavilion for \$34,700. Additional information regarding the Village's capital assets can be found in Note 4 to the financial statements.

The Village incurred additional debt in the fiscal year ended June 30, 2024 for the purchase of a 2023 Dodge Durango (\$60,534). The Village's total debt as of June 30, 2024 was \$1,813,655, with principal payments of \$408,288 due within one year. There were principal payments of \$395,012 made during the fiscal year. Additional information regarding the Village's long-term debt can be found in Note 6 to the financial statements.

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

The Village's tax base remained relatively constant. The Village will need to continue to watch the budget very closely in all categories. As our current economy is seeing increased inflation and interest rates, the Village will need to be conscious of proper budgeting practices to manage increases in costs.

### **Contacting the Village**

This report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the Village Office in Almont, Michigan by telephone at (810) 798-8528.



# Village of Almont

## Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
<b><u>Assets</u></b>			
Cash & Cash Equivalents	\$ 3,200,149	\$ 1,996,195	\$ 5,196,344
Accounts Receivable	114,698	469,991	584,689
Due From Other Funds	35,773	-	35,773
Prepaid Expenses	17,753	1,035	18,787
Capital Assets			
Nondepreciable Capital Assets	95,592	37,849	133,441
Depreciable Capital Assets	3,223,621	7,998,365	11,221,985
<u>Total Assets</u>	<u>6,687,585</u>	<u>10,503,434</u>	<u>17,191,019</u>
<b><u>Deferred Outflows of Resources</u></b>			
Related to the Pension Plan	215,307	-	215,307
<b><u>Liabilities</u></b>			
Accounts Payable	90,818	65,958	156,776
Due To Other Funds	-	35,773	35,773
Accrued Interest Payable	11,434	7,266	18,701
Current Portion of Long-Term Debt	108,288	300,000	408,288
Noncurrent Liabilities:			
Net Retiree Healthcare Obligation	894,846	-	894,846
Net Pension Liability	1,091,580	-	1,091,580
Long-Term Debt	577,673	827,694	1,405,367
<u>Total Liabilities</u>	<u>2,774,639</u>	<u>1,236,691</u>	<u>4,011,330</u>
<b><u>Deferred Inflows of Resources</u></b>			
Deferred Revenues	111,443	-	111,443
Related to the Pension Plan	76,116	-	76,116
<u>Total Deferred Inflows of Resources</u>	<u>187,559</u>	<u>-</u>	<u>187,559</u>
<b><u>Net Position</u></b>			
Net Investment in Capital Assets	850,699	6,901,253	7,751,952
Nonspendable	17,676	1,035	18,710
Restricted:			
Restricted for Debt Service	105,265	-	105,265
Restricted for Other Uses	911,453	-	911,453
Unrestricted	2,055,601	2,364,455	4,420,056
<u>Total Net Position</u>	<u>\$ 3,940,694</u>	<u>\$ 9,266,743</u>	<u>\$ 13,207,437</u>

The notes are an integral part of the statements.

**Village of Almont**  
Statement of Activities  
For The Fiscal Year Ended June 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue &amp; Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants &amp; Contributions</u>	<u>Capital Grants &amp; Contributions</u>	<u>Primary Government</u>		<u>Totals</u>
					<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Primary Government:							
Governmental Activities:							
General Government	\$ 871,008	\$ 202,869	\$ -	\$ -	\$ (668,139)	\$ -	\$ (668,139)
Public Safety	1,098,446	408,551	34,818	-	(655,076)	-	(655,076)
Public Works	869,311	168,089	470,213	-	(231,009)	-	(231,009)
Recreation & Culture	71,743	-	750	-	(70,993)	-	(70,993)
Interest on Long-Term Debt	20,424	-	-	-	(20,424)	-	(20,424)
<u>Total Governmental Activities</u>	<u>2,930,932</u>	<u>779,510</u>	<u>505,781</u>	<u>-</u>	<u>(1,645,641)</u>	<u>-</u>	<u>(1,645,641)</u>
Business-type Activities	1,581,204	1,882,371	-	-	-	301,168	301,168
Interest on Long-Term Debt	31,115	-	-	-	-	(31,115)	(31,115)
<u>Total Business-type Activities</u>	<u>1,612,319</u>	<u>1,882,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>270,053</u>	<u>270,053</u>
Total Primary Government	<u>\$ 4,543,251</u>	<u>\$ 2,661,881</u>	<u>\$ 505,781</u>	<u>\$ -</u>	<u>\$ (1,645,641)</u>	<u>\$ 270,053</u>	<u>\$ (1,375,588)</u>
<b>General Revenues:</b>							
Property Taxes					\$ 1,560,878	\$ -	\$ 1,560,878
State-Shared Revenues					360,358	-	360,358
Interest Earnings					102,871	55,086	157,957
Other Revenues					183,993	-	183,993
Transfers					(180,135)	180,135	-
Total General Revenues, Special Items & Transfers					<u>2,027,965</u>	<u>235,221</u>	<u>2,263,185</u>
<b>Change in Net Position</b>					382,324	505,273	887,597
<b><u>Net Position - Beginning of Year</u></b>					<u>3,558,370</u>	<u>8,761,470</u>	<u>12,319,840</u>
<b><u>Net Position - End of Year</u></b>					<u>\$ 3,940,694</u>	<u>\$ 9,266,743</u>	<u>\$ 13,207,437</u>

The notes are an integral part of the statements.

# Village of Almont

Governmental Funds

Balance Sheet

June 30, 2024

	General Fund	Downtown Development Authority Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b><u>Assets</u></b>				
Cash & Cash Equivalents	\$ 1,922,573	\$ 247,906	\$ 974,408	\$ 3,144,887
Accounts Receivable	54,064	-	57,455	111,519
Prepaid Expenses	16,752	22	902	17,676
Due From Other Funds	52,066	-	25,535	77,600
<b><u>Total Assets</u></b>	<b><u>\$ 2,045,454</u></b>	<b><u>\$ 247,928</u></b>	<b><u>\$ 1,058,300</u></b>	<b><u>\$ 3,351,682</u></b>
<b><u>Liabilities &amp; Fund Equity</u></b>				
<b><u>Liabilities</u></b>				
Accounts Payable	\$ 71,063	\$ 7,905	\$ 7,103	\$ 86,071
Unearned Revenues	111,443	-	-	111,443
Due To Other Funds	25,535	3,094	2,213	30,841
<b><u>Total Liabilities</u></b>	<b><u>208,040</u></b>	<b><u>10,999</u></b>	<b><u>9,316</u></b>	<b><u>228,355</u></b>
<b><u>Fund Equity</u></b>				
Fund Balances:				
Nonspendable	16,752	22	902	17,676
Restricted For:				
Debt Service	-	-	105,265	105,265
Highways	-	-	904,262	904,262
Building Inspection	-	-	3	3
Homecoming	7,112	-	-	7,112
Public Works	-	236,907	-	236,907
Parks	-	-	38,553	38,553
Unassigned	1,813,550	-	-	1,813,550
<b><u>Total Fund Equity</u></b>	<b><u>1,837,414</u></b>	<b><u>236,929</u></b>	<b><u>1,048,984</u></b>	<b><u>3,123,327</u></b>
<b><u>Total Liabilities &amp; Fund Equity</u></b>	<b><u>\$ 2,045,454</u></b>	<b><u>\$ 247,928</u></b>	<b><u>\$ 1,058,300</u></b>	<b><u>\$ 3,351,682</u></b>

The notes are an integral part of the statements.

**Village of Almont**  
Governmental Funds  
Reconciliation of Fund Balances to the  
Statement of Net Position  
For The Fiscal Year Ended June 30, 2024

<b>Total Fund Balances for Governmental Funds and Equipment Fund</b>	<b>\$ 3,425,546</b>
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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.	2,735,095
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Long-term bonds payable are not due and payable in the current period and are not reported in the funds.	(369,527)
---	-----------

Accrued interest payable is not reported in the funds.	(3,185)
--	---------

Other post-employment benefit obligation in Governmental Activities is not reported in the funds.	(894,846)
--	-----------

Net pension liability is not due and payable in the current period and is not reported as fund liabilities.	(1,091,580)
--	-------------

Certain pension contributions and changes in pension plan liabilities are reported as deferred outflows/inflows of resources in the Statement of Net Position.	<u>139,191</u>
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<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 3,940,694</u></u></b>
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The notes are an integral part of the statements.

**Village of Almont**  
Governmental Funds  
Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For The Fiscal Year Ended June 30, 2024

	<b>General Fund</b>	<b>Downtown Development Authority Fund</b>	<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b><u>Revenues</u></b>				
Property Taxes	\$ 1,222,183	\$ 124,933	\$ 124,952	\$ 1,472,068
Intergovernmental Revenues	360,358	88,810	470,213	919,381
Licenses, Permits & Fees	56,607	-	-	56,607
Charges for Services	570,865	-	118	570,983
Grant Revenues	34,818	-	-	34,818
Interest Earnings	66,169	9,368	26,442	101,980
Other Revenues	84,693	39,694	26,715	151,103
<b><u>Total Revenues</u></b>	<b><u>2,395,694</u></b>	<b><u>262,805</u></b>	<b><u>648,441</u></b>	<b><u>3,306,940</u></b>
<b><u>Expenditures</u></b>				
General Government	438,205	-	-	438,205
Public Safety	1,089,694	-	-	1,089,694
Public Works	383,459	167,503	206,412	757,373
Recreation & Culture	-	37,476	25,508	62,984
Capital Outlay	-	105,531	110,515	216,046
Debt Service - Principal	21,600	11,129	-	32,729
Debt Service - Interest	4,575	3,756	-	8,331
<b><u>Total Expenditures</u></b>	<b><u>1,937,533</u></b>	<b><u>325,395</u></b>	<b><u>342,434</u></b>	<b><u>2,605,362</u></b>
<b>Excess of Revenues Over (Under) Expenditures</b>	458,160	(62,589)	306,007	701,578
<b><u>Other Financing Sources (Uses)</u></b>				
Loan Proceeds	-	-	-	-
Claims & Judgements	(175,000)	-	-	(175,000)
Transfers In (Out)	(55,493)	-	(124,642)	(180,135)
<b>Net Change in Fund Balances</b>	227,668	(62,589)	181,364	346,443
<b><u>Fund Balances - Beginning of Year</u></b>	<b><u>1,609,746</u></b>	<b><u>299,518</u></b>	<b><u>867,620</u></b>	<b><u>2,776,884</u></b>
<b><u>Fund Balances - End of Year</u></b>	<b><u>\$ 1,837,414</u></b>	<b><u>\$ 236,929</u></b>	<b><u>\$ 1,048,984</u></b>	<b><u>\$ 3,123,327</u></b>

The notes are an integral part of the statements.

# Village of Almont

## Governmental Funds

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

<b>Net Change in Fund Balances - Total Governmental Funds and Equipment Fund</b>	<b>\$</b>	<b>298,001</b>
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Amounts reported for Governmental Activities in the Statement of  
Activities are different because:

Governmental Funds report capital outlays as expenditures.

In the Statement of Activities, these costs are capitalized and  
allocated over their estimated useful lives as depreciation.

216,046

Repayment of bond principal is an expenditure in the Governmental  
Funds, but not in the Statement of Activities (where it  
reduces long-term debt).

32,729

Interest expense is reported in the Statement of Activities  
when a liability is incurred. They are reported in the  
Governmental Funds only when payment is due.

465

Change in other post-employment benefit obligation is recorded  
when incurred in the Statement of Activities.

14,610

Pension expense is recognized in the Statement of Activities when  
incurred, but in the Governmental Funds when paid.

(33,124)

Bond proceeds and loan proceeds are not reported as financing  
sources on the Statement of Activities.

-

Depreciation is an expenditure for the Statement of  
Activities, but is not reported in the Governmental Funds.

(146,403)

<b>Net Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>382,324</u></b>
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# Village of Almont

Proprietary Funds  
Statement of Net Position  
June 30, 2024

	<b>Enterprise Funds</b>		<b>Total</b>	<b>Internal</b>
	<b>Sewer</b>	<b>Water</b>	<b>Enterprise</b>	<b>Service</b>
<b>Assets</b>	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>	<b>Fund</b>
				<b>Equipment</b>
<u>Current Assets</u>				
Cash & Cash Equivalents	\$ 1,616,428	\$ 379,767	\$ 1,996,195	\$ 55,262
Accounts Receivable	263,430	206,561	469,991	3,179
Prepaid Expenses	513	522	1,035	77
<u>Total Current Assets</u>	<u>1,880,370</u>	<u>586,850</u>	<u>2,467,220</u>	<u>58,518</u>
<u>Noncurrent Assets</u>				
Capital Assets Not Being Depreciated	100	37,749	37,849	-
Capital Assets Being Depreciated	10,029,709	5,847,649	15,877,358	1,629,137
Less: Accumulated Depreciation	(5,478,213)	(2,400,781)	(7,878,993)	(1,045,019)
<u>Total Noncurrent Assets</u>	<u>4,551,596</u>	<u>3,484,617</u>	<u>8,036,214</u>	<u>584,118</u>
<u>Total Assets</u>	<u>6,431,967</u>	<u>4,071,467</u>	<u>10,503,434</u>	<u>642,636</u>
<u>Deferred Outflows of Resources</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
<u>Current Liabilities</u>				
Accounts Payable	20,135	45,822	65,958	4,748
Due To Other Funds	11,604	24,169	35,773	10,986
Accrued Interest Payable	2,596	4,670	7,266	8,249
Current Portion of Long-Term Debt	110,000	190,000	300,000	75,289
<u>Total Current Liabilities</u>	<u>144,335</u>	<u>264,662</u>	<u>408,997</u>	<u>99,272</u>
<u>Long-Term Liabilities</u>				
Bonds Payable	190,000	637,694	827,694	241,145
<u>Total Liabilities</u>	<u>334,335</u>	<u>902,356</u>	<u>1,236,691</u>	<u>340,417</u>
<u>Deferred Inflows of Resources</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in Capital Assets	4,249,000	2,652,253	6,901,253	259,435
Restricted	513	522	1,035	77
Unrestricted	1,848,118	516,337	2,364,455	42,707
<u>Total Net Position</u>	<u>\$ 6,097,631</u>	<u>\$ 3,169,112</u>	<u>\$ 9,266,743</u>	<u>\$ 302,219</u>

The notes are an integral part of the statements.

**Village of Almont**  
Proprietary Funds  
Statement of Revenues, Expenditures and  
Changes in Net Position  
June 30, 2024

	<b>Enterprise Funds</b>		<b>Total</b>	<b>Internal</b>
	<b>Sewer</b>	<b>Water</b>	<b>Enterprise</b>	<b>Service</b>
	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>	<b>Fund</b>
				<b>Equipment</b>
<b><u>Operating Revenues</u></b>				
User Charges & Penalties	\$ 1,003,144	\$ 868,108	\$ 1,871,252	\$ 38,145
Service Connection Charges	2,500	2,500	5,000	-
Other Income	2,933	3,187	6,120	10,603
Grant Income	-	-	-	-
Equipment Rental	-	-	-	136,812
<b><u>Total Operating Revenues</u></b>	<b><u>1,008,576</u></b>	<b><u>873,795</u></b>	<b><u>1,882,371</u></b>	<b><u>185,560</u></b>
<b><u>Operating Expenditures</u></b>				
Cost of Water	-	255,201	255,201	-
Operation & Maintenance	593,087	329,654	922,741	128,670
General & Administration	12,957	11,717	24,674	1,097
Depreciation	263,513	115,074	378,588	92,567
<b><u>Total Operating Expenditures</u></b>	<b><u>869,557</u></b>	<b><u>711,646</u></b>	<b><u>1,581,204</u></b>	<b><u>222,335</u></b>
Operating Income (Loss)	139,019	162,149	301,168	(36,775)
<b><u>Non-Operating Revenues (Expenditures)</u></b>				
Interest Earned	46,667	8,418	55,086	892
Interest Expense	(11,335)	(19,780)	(31,115)	(12,558)
Gain (Loss) on Sale of Fixed Assets	-	-	-	-
Transfers From (To) Other Funds	51,106	129,029	180,135	-
Change in Net Position	225,457	279,816	505,273	(48,442)
<b><u>Net Position - Beginning of Year</u></b>	<b><u>5,872,174</u></b>	<b><u>2,889,296</u></b>	<b><u>8,761,470</u></b>	<b><u>350,661</u></b>
<b><u>Net Position - End of Year</u></b>	<b><u>\$ 6,097,631</u></b>	<b><u>\$ 3,169,112</u></b>	<b><u>\$ 9,266,743</u></b>	<b><u>\$ 302,219</u></b>

The notes are an integral part of the statements.



**Village of Almont**  
Proprietary Funds  
Statement of Cash Flows  
For The Fiscal Year Ended June 30, 2024

	<b>Enterprise Funds</b>		<b>Total</b>	<b>Internal</b>
	<b>Sewer</b>	<b>Water</b>	<b>Enterprise</b>	<b>Service</b>
	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>	<b>Fund</b>
				<b>Equipment</b>
<b><u>Cash Flows From Operating Activities</u></b>				
Receipts From Customers	\$ 978,262	\$ 841,635	\$ 1,819,897	\$ 185,492
Payments For Operation, Maintenance & Water	(704,489)	(586,359)	(1,290,848)	(124,267)
Payments For General & Administration	(12,957)	(11,717)	(24,674)	(1,097)
<u>Net Cash Provided by Operating Activities</u>	<u>260,816</u>	<u>243,559</u>	<u>504,376</u>	<u>60,128</u>
<b><u>Cash Flows From Noncapital Financing Activities</u></b>				
Operating Transfers In (Out)	51,106	129,029	180,135	-
Received (Paid) "Due To / From Other Funds"	11,604	24,169	35,773	10,986
<u>Net Cash Provided by Noncapital Financing Activities</u>	<u>62,710</u>	<u>153,198</u>	<u>215,908</u>	<u>10,986</u>
<b><u>Cash Flows From Capital &amp; Related Financing Activities</u></b>				
Interest Expense	(11,335)	(19,780)	(31,115)	(12,558)
Net Proceeds From Issuance (Payments) of Long-Term Debt	(110,000)	(190,000)	(300,000)	(1,749)
Sale (Purchase) of Capital Assets	(141,514)	-	(141,514)	(81,508)
<u>Net Cash Provided by Capital &amp; Related Financing Activities</u>	<u>(262,849)</u>	<u>(209,780)</u>	<u>(472,629)</u>	<u>(95,815)</u>
<b><u>Cash Flows From Investing Activities</u></b>				
Increase in Customer Deposits	-	-	-	-
Interest Received on Investments	46,667	8,418	55,086	892
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>107,345</b>	<b>195,396</b>	<b>302,740</b>	<b>(23,810)</b>
<b><u>Cash &amp; Cash Equivalents - Beginning of Year</u></b>	<b><u>1,509,083</u></b>	<b><u>184,371</u></b>	<b><u>1,693,454</u></b>	<b><u>79,072</u></b>
<b><u>Cash &amp; Cash Equivalents - End of Year</u></b>	<b><u>\$ 1,616,428</u></b>	<b><u>\$ 379,767</u></b>	<b><u>\$ 1,996,195</u></b>	<b><u>\$ 55,262</u></b>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash</u></b>				
<b><u>From Operating Activities</u></b>				
Operating Income (Loss)	139,019	162,149	301,168	(36,775)
Adjustments to Reconcile Operating Income (Loss) From				
Operating Activities:				
Depreciation	263,513	115,074	378,588	92,567
Changes in Assets & Liabilities:				
Prepaid Expenses	13,909	3,086	16,995	1,576
Accounts Receivable	(30,314)	(32,160)	(62,474)	(67)
Accounts Payable	(125,311)	(4,590)	(129,901)	2,827
<u>Net Cash Provided by Operating Activities</u>	<u>\$ 260,816</u>	<u>\$ 243,559</u>	<u>\$ 504,376</u>	<u>\$ 60,128</u>

The notes are an integral part of the statements.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies**

The accounting policies of the **Village of Almont**, Lapeer Cn (the “Village”) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the **Village of Almont**, Lapeer County, Michigan.

**Financial Reporting Entity**

The **Village of Almont** was incorporated under the laws of the State of Michigan in 1855 and has operated since 1968 under a Home Rule Village - Council Manager form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Village (the primary government) and its component units. The component units discussed below are included in the Village reporting entity because of the significance of their operational or financial relationships with the Village.

**Component Units** - In conformity with generally accepted accounting principles, the financial statements of component units have been included in the financial reporting entity either as blended component units or discreetly presented component units.

**Blended Component Units** - The Downtown Development Authority (DDA) of the **Village of Almont**, an entity legally separate from the Village, is governed by an eight-member Council appointed by the Village Council. For financial reporting purposes, the DDA is reported as if it were part of the Village’s operations because its purpose is to finance and provide assistance to businesses and citizens within the DDA District of the Village.

**Government-wide and Fund Financial Statements**

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the Village (the primary government). The effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues are reported separate from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separate from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (governmental activities) or identifiable activity (business-type activities) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or activity; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other revenue items properly excluded from program revenues are reported as general revenue.

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

The Village reports the following major governmental funds:

**General Fund** - The General Fund is the Village’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Downtown Development Authority** - The Downtown Development Authority (DDA) of the Village is governed by a separate board appointed by Village Council. For financial reporting purposes, the DDA is reported as if it were part of the Village’s operations because its purpose is to finance and provide assistance to businesses and citizens within the DDA District of the Village.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies - Continued**

The Village reports the following major enterprise funds and internal service fund:

**Water Fund** - The Water Fund accounts for the activities of the water distribution system. Funding is provided primarily through user charges.

**Sewer Fund** - The Sewer Fund accounts for the activities of the sewage disposal system. Funding is provided primarily through user charges.

**Equipment Fund (Internal Service Fund)** - This fund was established to account for the financing of goods or services provided by one department to other departments of the Village on a cost reimbursement basis.

**Measurement Focus and Basis of Accounting**

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as 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.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available. Revenue is considered to be available if it is collected within the current period or soon thereafter to pay liabilities of the current period, generally collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes, intergovernmental revenues, special assessments, licenses, charges for services and interest. All other revenue items are considered to be available only when cash is received by the Village. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and claims and judgments are recorded only when payment is due.

**Cash** - The Village pools the cash resources of its various funds. Cash applicable to a particular fund is readily identifiable. The balance in the cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Village's investments.

**Investments** - Debt securities are valued at cost since it is generally the policy of the Village to hold such investments until they mature.

**Due To and Due From Other Funds** - Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

**Property Tax Revenues** - Property taxes are levied on each July 1<sup>st</sup> on the taxable valuation of property as of the preceding December 31<sup>st</sup>. Taxes are due by September 15<sup>th</sup> and accrue penalties and interest after that date. On March 1<sup>st</sup> of the following year, taxes are considered delinquent. At that time, they are turned over to the County for collection.

The Village's 2023 tax is levied and collectible on July 1, 2023, and is recognized as revenue in the fiscal year ended June 30, 2024, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2023 taxable valuation of the Village totaled about \$89 million (a portion of which is captured by the DDA), on which taxes levied consisted of 13.5349 mills for operating purposes and 1.3430 mills for water tower debt service. This resulted in approximately \$1,079,000 for operating and \$119,000 for water tower debt service. These amounts are recognized in the General Fund and Water System Improvement Debt Fund financial statements as tax revenue.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies - Continued**

**Receivables and Payables** – All receivables and payables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of the interfund loans) or “advances to/from other funds” (i.e. the non-current portion of the interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

**Vacation, Sick Leave and Other Compensated Absences** - The Village Manager, Police Chief and Clerk/Treasurer each have unique contracts which specify their compensated absences. Most of the other Village employees are members of the Union and their compensated absences are specified in the collective bargaining agreement. The remaining employees’ compensated absences are stipulated in the employee handbook. As of June 30, 2024, the accumulated value of compensated absences was \$176,693.

**Deferred Outflows of Resources** – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense / expenditure) until then. The Village reports deferred outflows of resources related to its defined benefit pension plan for contributions to the plan subsequent to the valuation date through the Village's fiscal year-end, differences between expected and actual experience, differences between expected and actual investment returns and changes in assumptions.

**Deferred Inflows of Resources** – In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village reports deferred inflows of resources related to its pension plan for differences between expected and actual experience.

**Inventories and Prepaid Items** - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when purchased. Inventories and supplies held by the Water Fund and Sewer Fund, which are immaterial in amount, have not been recognized. 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 buildings and equipment, are reported in the applicable governmental column in the Government-wide Financial Statements. Capital assets are defined by the Village as assets with an initial individual cost of more than \$5,000 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 fair market value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

Infrastructure	40 years
Water & Sewer Distribution Systems	20 to 75 years
Buildings & Building Improvements	20 to 40 years
Machinery & Equipment	3 to 10 years

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**1. Summary of Significant Accounting Policies - Continued**

**Long-Term Obligations** - In the Government-wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund statement of net position. Bond premiums and discounts, issuance costs, and the deferred amount on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred amount on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**Net Position Flow Assumption** – The Village 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 Village's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Fund Balance Classification** - In the fund financial statements, governmental funds report nonspendable fund balance for amounts of assets that will not be converted to cash soon enough to affect the current period; restrictions of fund balance for amounts that are legally restricted by outside parties or enabling legislation to use for a specific purpose; committed fund balance for constraints placed on resources by a formal action of the council; and assigned fund balance for constraints placed on resources by the Village's intent to be used for specific purposes.

- For *committed* fund balances, the Village's highest level of decision-making authority is the Council and it takes a Council resolution to establish a fund balance commitment.
- For *assigned* fund balances, the Village Manager or Council can authorize to assign amounts to a specific purpose.
- The Village's policy is that the restricted amounts are considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.
- The Village's policy is if it has *committed*, *assigned*, or *unassigned* fund balance available when it incurs an expenditure it will use the fund balance in the order of committed, assigned and then unassigned.
- The Village does not have a policy with respect to a fund balance.

**Proprietary Funds Operating Classification** – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenue of the Water and Sewer Funds are 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 the enterprise fund 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 revenues 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, the 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.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**2. Stewardship, Compliance and Accountability**

**Budgetary Information**

The Village is legally subject to the budgetary control requirements of State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act). The following statements represent a brief synopsis of the major provisions of this Act:

1. Budgets must be adopted for the General Fund, Major Special Revenue Funds, Debt Service Funds and Capital Project Funds.
2. The budgets must be balanced. The balanced budget may include a contribution to or appropriation from fund balance.
3. The budgets must be amended when necessary.
4. Debt cannot be entered into unless permitted by law.
5. Expenditures cannot exceed budget appropriations.
6. Expenditures cannot be made unless authorized in the budget.
7. Public hearings must be held before budget adoptions.

In the body of the financial statements, the Village's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The budget is used by the Village Council as a management tool during the year for all budgetary funds. The budgets are adopted on an accrual basis, which is consistent with generally accepted accounting principles. Budgetary control is exercised at the departmental level. Budgets for the General Fund, Major Special Revenue Funds, Debt Service Funds and Capital Project Funds are presented in the required supplemental information. During the fiscal year ended June 30, 2024, the Village incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

	<u>Total</u> <u>Appropriations</u>	<u>Amount of</u> <u>Expenditures</u>	<u>Budget</u> <u>Variance</u>
<b>General Fund</b>			
Executive	\$ 183,995	\$ 184,185	\$ 190
General Administration	172,145	175,896	3,751
Street Lighting	59,380	64,556	5,176
Sanitation	158,500	162,434	3,934
<b>Downtown Development Authority Fund</b>			
Public Works	157,520	167,503	9,983
Recreation & Culture	34,750	37,476	2,726
Capital Outlay	105,000	105,531	531

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**3. Cash and Investments**

Michigan Compiled Laws, Section 129.91, authorizes the Local Unit to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

The Village Council has designated several banks for the deposit of Village funds. The investment policy adopted by the council is in accordance with Public Act 196 of 1997. The Council has authorized investment in bank accounts and CDs, but not the remainder of state statutory authority as listed above. All cash deposits and investments of the Village are held by the Village in the Village's name.

At the fiscal year end, the deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>
Cash & Cash Equivalents	\$ 3,200,149	\$ 1,996,195	\$ 5,196,344

The breakdown between deposits and investments is as follows:

	<u>Primary Government</u>
Bank Deposits (Checking & Savings Accounts, CDs)	\$ 5,196,344

The bank balance of the primary government's deposits is \$5,196,344 of which \$5,045,022 is covered by federal depository insurance and \$-0- is collateralized with U.S. Treasury securities held by the pledging financial institution's trust department in the Village's name.

**Custodial Credit Risk of Bank Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned. The Village has a deposit policy for custodial credit risk. At the fiscal year end, the Village had approximately \$151,322 of bank deposits (certificates of deposit, checking and savings accounts) that were uninsured and uncollateralized. The Village believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Village evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

**Credit Risk**

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Village's investment policy does not further limit its investment choices.

At the fiscal year end, there were no deposits and investments reported in the basic financial statements with additional credit risk.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**4. Capital Assets**

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

	Balance July 1, 2023	Additions	Disposals & Adjustments	Balance June 30, 2024
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated - Land	\$ 27,000	\$ -	\$ -	\$ 27,000
Capital Assets Not Being Depreciated - DDA	330,000	100,204	-	430,204
Total Capital Assets Not Being Depreciated	<u>357,000</u>	<u>100,204</u>	<u>-</u>	<u>457,204</u>
Capital Assets Being Depreciated:				
Infrastructure	1,362,032	110,515	-	1,472,546
Infrastructure - DDA	1,740,634	5,327	-	1,745,961
Buildings & Building Improvements	935,338	-	-	935,338
Machinery & Equipment	254,205	-	-	254,205
Office Equipment	94,664	-	-	94,664
Equipment - Internal Service Fund	1,606,361	81,508	58,732	1,629,137
Total Capital Assets Being Depreciated	<u>5,993,234</u>	<u>197,350</u>	<u>58,732</u>	<u>6,131,852</u>
Accumulated Depreciation:				
Infrastructure	778,774	47,088	-	825,862
Infrastructure - DDA	674,765	58,599	-	733,364
Buildings & Building Improvements	382,300	26,142	-	408,442
Machinery & Equipment	175,179	10,067	-	185,246
Office Equipment	67,404	4,506	-	71,910
Equipment - Internal Service Fund	1,011,184	92,567	58,732	1,045,019
Total Accumulated Depreciation	<u>3,089,605</u>	<u>238,970</u>	<u>58,732</u>	<u>3,269,843</u>
<b>Governmental Activities Capital Assets - Net</b>	<u>\$ 3,260,629</u>	<u>\$ (41,620)</u>	<u>\$ -</u>	<u>\$ 3,319,213</u>
<b>Business-type Activities:</b>				
Capital Assets Not Being Depreciated - Land	\$ 37,849	\$ -	\$ -	\$ 37,849
Capital Assets Being Depreciated:				
Sewage Treatment Plant	9,888,195	141,514	-	10,029,709
Water Distribution System	5,847,649	-	-	5,847,649
Total Capital Assets Being Depreciated	<u>15,735,844</u>	<u>141,514</u>	<u>-</u>	<u>15,877,358</u>
Accumulated Depreciation:				
Sewage Treatment Plant	5,214,700	263,513	-	5,478,213
Water Distribution System	2,285,706	115,074	-	2,400,781
Total Accumulated Depreciation	<u>7,500,406</u>	<u>378,588</u>	<u>-</u>	<u>7,878,993</u>
<b>Business-type Activities Capital Assets - Net</b>	<u>\$ 8,273,287</u>	<u>\$ (237,074)</u>	<u>\$ -</u>	<u>\$ 8,036,213</u>

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

<b>Governmental Activities:</b>	
General Government	\$ 16,955
Public Safety	46,361
Public Works	166,895
Recreation & Culture	8,759
<b>Total Governmental Activities</b>	<u>\$ 238,970</u>
<b>Business-type Activities:</b>	
Sewer Fund	\$ 263,513
Water Fund	115,075
<b>Total Business-type Activities</b>	<u>\$ 378,588</u>



**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**5. Interfund Receivables, Payables and Transfers**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “Due From Other Funds” or “Due To Other Funds” on the balance sheet. The amounts of interfund receivables and payables are as follows:

	<b>Due From Other Funds</b>		<b>Due To Other Funds</b>	
General Fund	\$ 3,094	Downtown Development Authority	\$ 3,094	(1)
General Fund	2,213	Parks & Recreation Fund	2,213	(1)
General Fund	11,604	Sewer Fund	11,604	(1)
General Fund	24,169	Water Fund	24,169	(1)
General Fund	10,986	Equipment Fund	10,986	(1)
Major Streets Fund	17,289	General Fund	17,289	(1)
Local Streets Fund	8,245	General Fund	8,245	(1)
Total	<u>\$ 77,600</u>		<u>\$ 77,600</u>	

(1) Unreimbursed bills as of the fiscal year end which were satisfied shortly after June 30, 2024.

Interfund transfers reported in the Fund Statements are as follows:

	<b>Transferred From</b>		<b>Transferred To</b>	
General Fund	\$ 51,106	Sewer Fund	\$ 51,106	(2)
Major Streets Fund	78,671	Local Streets Fund	78,671	(3)
General Fund	20,000	Park & Recreation Fund	20,000	(4)
Water Tower Debt Service Fund	129,029	Water Fund	129,029	(5)
W.W.T.P. Improvement Debt Service	9,626	General Fund	9,626	(6)
Inspection Fund	5,988	General Fund	5,988	(6)
Total	<u>\$ 294,420</u>		<u>\$ 294,420</u>	

(2) To transfer ARPA Grant Monies to the Sewer Funds to cover expenditures for which the ARPA grant money is to be used for and to assist with operating expenses.

(3) To assist with operations and street projects.

(4) Annual contribution for park projects and operating expenditures.

(5) To fund current debt payment.

(6) To move monies out of inactive funds and combine with General Fund.

Interfund balances and transfers are netted out in the government-wide statements where possible.

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**6. Long-Term Debt**

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	(Reductions)	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Direct Borrowings & Direct Placements of Debt							
2019 GMC 2500 Truck - Equipment Fund							
Amount of Issue - \$30,251		\$7,229 -					
Maturing Through January 2024	3.00%	\$7,902	\$ 7,900	\$ -	\$ (7,900)	\$ -	\$ -
2019 John Deere Back Hoe - Equipment Fund							
Amount of Issue - \$88,282		\$7,345 -					
Maturing Through October 2029	4.00%	\$10,467	\$ 65,384	\$ -	\$ (8,239)	\$ 57,144	\$ 8,598
2022 GMC 2500 Truck - Equipment Fund							
Amount of Issue - \$33,856		\$8,214 -					
Maturing Through March 2026	2.00%	\$8,717	\$ 25,642	\$ -	\$ (8,378)	\$ 17,263	\$ 8,545
2021 Dodge Charger Police Vehicle							
Amount of Issue - \$38,764		\$12,667 -					
Maturing Through November 2024	2.00%	\$13,178	\$ 26,030	\$ -	\$ (12,886)	\$ 13,144	\$ 13,144
2023 Dodge Charger Police Vehicle							
Amount of Issue - \$35,592		\$11,339 -					
Maturing Through March 2026	4.00%	\$12,394	\$ 35,592	\$ -	\$ (11,402)	\$ 24,190	\$ 11,859
Downtown Street Lamps							
Amount of Issue - \$126,956		\$11,076 -					
Maturing Through July 2032	3.00%	\$14,450	\$ 126,956	\$ -	\$ (11,129)	\$ 115,827	\$ 11,399
2022 Bonnell Leaf Machine							
Amount of Issue - \$93,849		\$8,188 -					
Maturing Through July 2032	3.00%	\$10,682	\$ 93,849	\$ -	\$ (8,164)	\$ 85,685	\$ 8,426
2022 Ford F-350							
Amount of Issue - \$63,787		\$5,314 -					
Maturing Through February 2033	4.00%	\$7,562	\$ 63,787	\$ -	\$ (5,313)	\$ 58,474	\$ 5,520
2023 Dodge Durango							
Amount of Issue - \$60,534		\$19,196 -					
Maturing Through August 2026	5.00%	\$21,173	\$ -	\$ 60,534	\$ -	\$ 60,534	\$ 19,196
Other							
Lapeer County Drain Commission	1.66% -	\$500 -					
Maturing Through 2035	2.30%	\$21,100	275,300	-	(21,600)	253,700	21,600
<b>Total Governmental Activities</b>			<b>\$ 720,439</b>	<b>\$ 60,534</b>	<b>\$ (95,012)</b>	<b>\$ 685,961</b>	<b>\$ 108,288</b>
<b>Business-type Activities:</b>							
General Obligation Bonds							
2018 WWTP Improvement Bonds							
Amount of Issue - \$530,000	2.65% -	\$50,000 -					
Maturing through April 2028	3.50%	\$65,000	\$ 310,000	\$ -	\$ (60,000)	\$ 250,000	\$ 60,000
2007 Revolving Drinking Water Bonds							
Amount of Issue - \$2,090,000		\$85,000 -					
Maturing through October 2028	2.13%	\$115,000	\$ 717,694	\$ -	\$ (115,000)	\$ 602,694	\$ 115,000
2014 Lapeer Co. General Obligation Bond							
Amount of Issue - \$650,000		\$25,000 -					
Maturing through November 2026	2.61%	\$75,000	\$ 300,000	\$ -	\$ (75,000)	\$ 225,000	\$ 75,000
Lapeer Co. Lift Station Bonds							
Amount of Issue - \$465,000	3.50%	\$25,000 -					
Maturing through October 2024	4.00%	\$50,000	\$ 100,000	\$ -	\$ (50,000)	\$ 50,000	\$ 50,000
<b>Total Business-type Activities</b>			<b>\$ 1,427,694</b>	<b>\$ -</b>	<b>\$ (300,000)</b>	<b>\$ 1,127,694</b>	<b>\$ 300,000</b>
<b>Total</b>			<b>\$ 2,148,133</b>	<b>\$ 60,534</b>	<b>\$ (395,012)</b>	<b>\$ 1,813,655</b>	<b>\$ 408,288</b>

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**6. Long-Term Debt - Continued**

The Lapeer County Drain Commission has made improvements to the following drains and levied multi-year assessments against the Village as follows:

Stroup Drain	(15 Year Assessment through 2035)	1.66% Interest	\$ 253,200
Belle River Drain	(4 Year Assessment through 2024)	2.31% Interest	500
			<u>\$ 253,700</u>

Annual debt service requirements to maturity for the governmental bond and contract obligations are as follows:

Year(s) Ending June 30	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 108,288	\$ 19,523	\$ 127,811	\$ 300,000	\$ 25,884	\$ 325,884
2026	97,445	16,093	113,538	255,000	18,479	273,479
2027	78,606	12,867	91,473	260,000	11,877	271,877
2028	58,675	10,215	68,890	190,000	5,074	195,074
2029	59,945	8,594	68,539	122,694	1,304	123,998
2030-2034	240,802	19,412	260,214	-	-	-
2035-2036	42,200	1,050	43,250	-	-	-
<b>Total</b>	<u>\$ 685,961</u>	<u>\$ 87,755</u>	<u>\$ 773,716</u>	<u>\$ 1,127,694</u>	<u>\$ 62,618</u>	<u>\$ 1,190,312</u>

The Village's direct borrowings are secured by the asset purchased with the debt. The County Drain Assessments are secured by the future tax revenues of the Village. The Business-type bonds are secured by the financial credit of the Village.

**7. Retirement System - MERS Operated**

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

**Benefits Provided** - Benefits provided include plans with a multipliers of 1.00% to 2.25%. Vesting periods are between six and ten years depending on the department. Normal retirement age is 60 with early retirement at 50 with 25 years of service or 55 with 15 years of service. Final average compensation is calculated based on three or five years depending on the department. Member contributions range from 0% to 4.57% depending on the department.

**Employees Covered by Benefit Terms** - At the December 31, 2023 valuation date, the following employees were covered by benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	9
Inactive Employees Entitled to, but Not	
Yet Receiving Benefits	6
Active Employees	15
	<u>30</u>

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**7. Retirement System - MERS Operated - Continued**

**Contributions** - The employer is required to contribute amounts at least equally to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The obligation to contribute to and maintain the system for these employees was established by negotiation with the Village's collective bargaining units and requires a contribution from the employees, depending on the department (Police Department, Waste Water Treatment Plant and DPW) of 4.57%, 2.00% and 2.00%.

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

**Actuarial Assumptions** - The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement include: 1) Inflation 2.5%; 2) Salary increases 3.00% in the long-term; 3) Investment rate of return 6.93%, net of investment expense including inflation.

Mortality rates used were based on the RP-2014 Mortality Tables of a 50% male and 50% female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

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

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates or arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	57.5%	5.02%
Global Fixed Income	20.0%	2.18%
Real Assets	12.5%	4.23%
Diversifying Strategies	10.0%	6.56%
	<u>100.0%</u>	

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**7. Retirement System - MERS Operated - Continued**

**Discount Rate** - The discount rate used to measure the total pension liability is 7.18%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plans fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The schedule of Changes in Net Position Liability is as follows:

<b>Total Pension Liability</b>	
Service Cost	\$ 57,783
Interest on the Total Pension Liability	251,898
Differences Between Expected and Actual Experience of the Total Net Pension Liability	60,044
Other Adjustments	31,416
Benefit Payments and Refunds	<u>(208,291)</u>
Net Change in Total Pension Liability	192,851
Total Pension Liability - Beginning	<u>3,549,706</u>
Total Pension Liability - Ending (a)	<u><u>\$ 3,742,557</u></u>
<b>Plan Fiduciary Net Position</b>	
Employer Contributions	129,263
Employee Contributions	-
Pension Plan Net Investment Income	270,782
Administrative Expenses	(5,752)
Benefit Payments and Refunds	<u>(208,291)</u>
Net Change in Plan Fiduciary Net Position	186,002
Plan Fiduciary Net Position - Beginning	<u>2,464,974</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>2,650,976</u></u>
Net Pension Liability (a-b)	<u><u>\$ 1,091,581</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.83%
Covered Employee Payroll	\$ 967,172
Net Pension Liability as a Percentage of Covered Employee Payroll	112.86%

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**7. Retirement System - MERS Operated - Continued**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the employer, calculated using the discount rate of 7.18%, as well as that the employer's net pension liability would be using a discount rate that is 1% point lower (6.18%) or 1% higher (8.18%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net Pension Liability	\$ 1,589,973	\$ 1,091,580	\$ 679,487

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - For the fiscal year ended June 30, 2024, the employer recognized pension expense of \$136,009. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ (76,116)
Net Difference Between Expected & Actual Experience	56,039
Changes in Assumptions	96,876
Contributions Subsequent to the Measurement Date*	62,392
<b>Total</b>	<u>\$ 139,191</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2024.

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

<u>Year Ended,</u>	
2025	\$ 17,442
2026	17,442
2027	17,442
2028	2,722
2029	21,751
	<u>\$ 76,799</u>

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**8. Deficit Fund Balance or Retained Earnings Balances of Individual Funds**

NONE

**9. Risk Management**

The Village is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries as well as medical and workman's compensation benefits provided to employees. The Village has purchased commercial insurance for the various risks of loss stated above. Settled claims for the commercial insurance have not exceeded the amount of coverage in any of the past three years. There was no reduction in coverage obtained through commercial insurance during the past year.

**10. Deferred Compensation Plan**

The Village offers its employees a Deferred Compensation Plan (the "plan") created in accordance with IRC Section 457. The assets of the plan were held in trust, as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian there of the exclusive benefit of the participants holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in the Village's financial statements. The total contributions for the fiscal year ending June 30, 2024 were \$22,051.

The Simplified Employee Plan (SEP-IRA) under IRC Section 401(a) provides annual contributions to each employee SEP-IRA of five to nine percent of annual compensation. The SEP-IRA retirement contributions are 100% vested. Total SEP-IRA contributions for the fiscal year ending June 30, 2024, were \$20,009.

**11. Other Post-Employment Benefits**

**Plan Description** - The Village provides retiree healthcare benefits (the "plan") to eligible employees and their spouses.

This is a Single Employer Defined Benefit Plan administered by the Village. Benefits are provided under collective bargaining agreements for employees hired before June 1, 2013. Employees hired after June 1, 2013 are under a hybrid plan. The plans do not issue separate stand-alone financial statements. Administrative costs are paid by the plans through employer contributions.

**Employees Covered by Benefit Terms-**

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	5
Inactive Employees Entitled To, But Not	
Yet Receiving Benefits	0
Active Employees	13
	<u>18</u>

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**11. Other Post-Employment Benefits - Continued**

**Funding Policy** - The collective bargaining agreements currently do not require a contribution from employees. The Village has no obligation to make contributions in advance of when the insurance premiums are due for payment (in other words, this may be financed on a “pay-as-you-go” basis). The only current contributions being made are to pay the actual current premiums of the retirees. The amount of the annual required contribution is reflected in the schedule to follow.

**Funding Status and Fund Progress** - The Village estimated the cost of providing retiree healthcare benefits through ACOPEB75 utilizing actuarial valuations as of June 30, 2024. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. As of June 30, 2024, the value of assets contributed to the plan was \$-0-.

**Actuarial Methods and Assumptions** - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Village qualified to use the Alternative Measurement Method (AMM), the calculation of the actuarial accrued liability and annual required contribution has been completed without a traditional actuarial valuation. The AMM calculation process is similar to an actuarial valuation, but with simplifications of several assumptions permitted per GASB guidelines. In the June 30, 2020 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a zero percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer’s own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of eight percent initially, grading down to four and seven tenths of a percent over the next ten years. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at June 30, 2024, was 29 years.



**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**11. Other Post-Employment Benefits - Continued**

The schedule of Changes in Net Position Liability is as follows:

<b>Total OPEB Liability</b>	
Service Cost	\$ 47,101
Interest on the Total OPEB Liability	34,105
Differences Between Expected and Actual Experience of the Total OPEB Liability	(61,450)
Benefit Payments and Refunds	(34,366)
Other Adjustments	-
Net Change in Total OPEB Liability	(14,610)
Total OPEB Liability - Beginning	909,456
Total OPEB Liability - Ending (a)	\$ 894,846
<b>Plan Fiduciary Net Position</b>	
Employer Contributions	34,366
Employee Contributions	-
OPEB Plan Net Investment Income Net of Fees	-
Benefit Payments and Refunds	(34,366)
Net Change in Plan Fiduciary Net Position	-
Plan Fiduciary Net Position - Beginning	-
Plan Fiduciary Net Position - Ending (b)	-
Net OPEB Liability (a-b)	\$ 894,846
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%
Covered Employee Payroll	\$ 236,159
Net OPEB Liability as a Percentage of Covered Employee Payroll	378.92%

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** - The following presents the net OPEB liability of the employer, calculated using the discount rate of 4.00%, as well as that the employer's net OPEB liability would be using a discount rate that is 1% lower (3.00%) or 1% higher (5.00%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<b>Net OPEB Liability</b>	\$ 933,546	\$ 894,846	\$ 837,265

**Village of Almont**  
Notes to the Financial Statements  
For The Fiscal Year Ended June 30, 2024

**11. Other Post-Employment Benefits - *Continued***

**Sensitivity of the Net OPEB Liability to Changes in Healthcare cost trend rates** - The following presents the Net OPEB Liability of the employer, as well as that the employer's Net OPEB Liability would be using healthcare cost trend rates that is 1% lower (4.50%) or 1% higher (6.50%) than the current healthcare trend rates.

	<b>Healthcare Cost</b>		
	<b><u>1% Decrease</u></b>	<b><u>Trend Rates</u></b>	<b><u>1% Increase</u></b>
<b>Net OPEB Liability</b>	<b>\$ <u>788,496</u></b>	<b>\$ <u>894,846</u></b>	<b>\$ <u>1,022,576</u></b>

For the year ended June 30, 2024, the employer recognized OPEB expense of \$19,756.

**12. Subsequent Events**

As of August 22, 2024, there were no subsequent events which would have a material impact on the financial statements.

**13. Tax Abatements**

For the year ended June 30, 2024, the Village did not have any active tax abatement agreements.

### **Required Supplemental Information**

# Village of Almont

Required Supplemental Information

Budgetary Comparison Schedule

General Fund

For The Fiscal Year Ended June 30, 2024

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b><u>Revenues</u></b>				
<b>Taxes</b>				
Current Property Tax	\$ 1,150,330	\$ 1,201,630	\$ 1,222,183	\$ 20,553
<b>State-Shared Revenues</b>	386,550	386,550	360,358	(26,192)
<b>Licenses, Permits &amp; Fees</b>				
Tax Fees, Penalties & Interest	10,890	13,500	13,166	(334)
Liquor Licenses	2,670	4,150	4,144	(6)
Zoning Permits & Site Plan Review	1,200	1,330	1,325	(5)
Police Fines & District Court Fees	5,620	6,990	4,332	(2,658)
Franchise Fees	38,470	38,470	33,640	(4,830)
<b>Total Licenses, Permits &amp; Fees</b>	58,850	64,440	56,607	(7,833)
<b>Charges for Services</b>				
Trash Collection	167,010	167,010	167,971	961
Police Contract	434,740	434,740	402,894	(31,846)
<b>Total Charges for Services</b>	601,750	601,750	570,865	(30,885)
<b>Miscellaneous Revenues</b>				
Refunds & Reimbursements	36,150	44,450	47,835	3,385
Miscellaneous	10,620	10,620	10,045	(575)
Donations/Homecoming	500	740	750	10
Cellular Land Lease	29,150	29,150	26,063	(3,087)
<b>Total Miscellaneous Revenues</b>	76,420	84,960	84,693	(267)
<b>Interest Earnings</b>	5,590	64,460	66,169	1,709
<b><u>Total Revenues</u></b>	\$ 2,279,490	\$ 2,403,790	\$ 2,360,876	\$ (42,914)

# Village of Almont

Required Supplemental Information  
Budgetary Comparison Schedule  
General Fund - *Continued*  
For The Fiscal Year Ended June 30, 2024

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b><u>Expenditures</u></b>				
<b>General Government</b>				
Legislative	\$ 7,040	\$ 7,890	\$ 6,295	\$ 1,595
Executive	172,350	183,995	184,185	(190)
General Administration	167,560	172,145	175,896	(3,751)
Central Municipal Activities	379,410	378,445	71,828	306,617
<b>Total General Government</b>	<b>726,360</b>	<b>742,475</b>	<b>438,205</b>	<b>304,270</b>
<b>Public Safety</b>				
Police Department	1,096,810	1,065,943	1,056,623	9,320
Planning & Zoning	26,700	33,080	33,072	8
<b>Total Public Safety</b>	<b>1,123,510</b>	<b>1,099,023</b>	<b>1,089,694</b>	<b>9,329</b>
<b>Public Works</b>				
Department of Public Works	182,020	182,600	156,469	26,131
Street Lighting	59,380	59,380	64,556	(5,176)
Sanitation	158,360	158,500	162,434	(3,934)
<b>Total Public Works</b>	<b>399,760</b>	<b>400,480</b>	<b>383,459</b>	<b>17,021</b>
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service-Principal</b>	21,100	21,600	21,600	-
<b>Debt Service-Interest</b>	4,200	4,575	4,575	-
<b><u>Total Expenditures</u></b>	<b>2,274,930</b>	<b>2,268,153</b>	<b>1,937,533</b>	<b>330,620</b>
<b>Excess of Revenues Over (Under) Expenditure</b>	4,560	135,637	423,342	287,705
<b><u>Other Financing Sources (Uses)</u></b>				
Grant Revenues	14,620	46,661	34,818	(11,843)
Loan Proceeds	-	-	-	-
Claims & Judgements	-	(175,000)	(175,000)	-
Transfers In (Out)	(32,500)	(55,481)	(55,493)	(12)
<b>Excess of Revenues &amp; Other Sources Over (Under)</b>				
<b>Expenditures &amp; Other Uses</b>	(13,320)	(48,183)	227,668	275,851
<b><u>Fund Balance - Beginning of Year</u></b>	<b>1,609,746</b>	<b>1,609,746</b>	<b>1,609,746</b>	<b>-</b>
<b><u>Fund Balance - End of Year</u></b>	<b>\$ 1,596,426</b>	<b>\$ 1,561,563</b>	<b>\$ 1,837,414</b>	<b>\$ 275,851</b>

# Village of Almont

Required Supplemental Information  
 Budgetary Comparison Schedule  
 Downtown Development Authority Fund  
 For The Fiscal Year Ended June 30, 2024

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b><u>Revenues</u></b>				
Property Taxes	\$ 120,500	\$ 120,500	\$ 124,933	\$ 4,433
Intergovernmental Revenues	87,430	87,430	88,810	1,380
Interest Earnings	3,500	3,500	9,368	5,868
Other Revenue	31,770	44,446	39,694	(4,752)
<b><u>Total Revenues</u></b>	<b><u>243,200</u></b>	<b><u>255,876</u></b>	<b><u>262,805</u></b>	<b><u>6,929</u></b>
<b><u>Expenditures</u></b>				
Public Works	160,980	157,520	167,503	(9,983)
Recreation & Culture	31,000	34,750	37,476	(2,726)
Capital Outlay	20,000	105,000	105,531	(531)
Debt Service - Principal	11,080	11,130	11,129	1
Debt Service - Interest	3,810	3,760	3,756	4
<b><u>Total Expenditures</u></b>	<b><u>226,870</u></b>	<b><u>312,160</u></b>	<b><u>325,395</u></b>	<b><u>(13,235)</u></b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>16,330</b>	<b>(56,284)</b>	<b>(62,589)</b>	<b>(6,305)</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Loan Proceeds	-	-	-	-
Transfers In (Out)	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>16,330</b>	<b>(56,284)</b>	<b>(62,589)</b>	<b>(6,305)</b>
<b><u>Fund Balance - Beginning of Year</u></b>	<b><u>299,518</u></b>	<b><u>299,518</u></b>	<b><u>299,518</u></b>	<b><u>0</u></b>
<b><u>Fund Balance - End of Year</u></b>	<b><u>\$ 315,848</u></b>	<b><u>\$ 243,234</u></b>	<b><u>\$ 236,929</u></b>	<b><u>\$ (6,305)</u></b>

**Village of Almont**  
Required Supplemental Information  
Municipal Employees Retirement System of Michigan  
Schedule of Employer Contributions  
For The Fiscal Year Ended June 30, 2024

<b>Actuarial Valuation Date</b>	<b>Annual Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Excess (Deficiency)</b>	<b>Covered Payroll</b>	<b>Actual Contribution as a % of Covered Payroll</b>
12/31/2014	\$ 64,872	\$ 64,872	\$ -	\$ 606,507	10.70%
12/31/2015	\$ 70,919	\$ 70,919	\$ -	\$ 504,281	14.06%
12/31/2016	\$ 79,774	\$ 80,204	\$ 430	\$ 726,286	11.04%
12/31/2017	\$ 86,533	\$ 90,833	\$ 4,300	\$ 754,809	12.03%
12/31/2018	\$ 86,202	\$ 91,362	\$ 5,160	\$ 759,554	12.03%
12/31/2019	\$ 89,971	\$ 95,131	\$ 5,160	\$ 756,956	12.57%
12/31/2020	\$ 90,337	\$ 95,927	\$ 5,590	\$ 903,290	10.62%
12/31/2021	\$ 95,360	\$ 100,090	\$ 4,730	\$ 891,432	11.23%
12/31/2022	\$ 138,960	\$ 129,855	\$ (9,105)	\$ 923,136	14.07%
12/31/2023	\$ 98,616	\$ 116,238	\$ 17,622	\$ 967,172	12.02%

Note: Actuarially determined contribution amounts are calculated as of December 31 each year, which is six months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contributions Rates:**

Actuarial cost method	Individual entry-age
Amortization method	Level-dollar closed
Remaining amortization period	19
Asset valuation method	5-year smoothed value of assets
Inflation	2.50%
Salary increases	3.00%
Investment rate of return	7.00%
Retirement age	60
Mortality	RP-2014 Mortality Tables of 50% male and 50% female blend

**Village of Almont**  
Required Supplemental Information  
Municipal Employees Retirement System of Michigan  
Schedule of Changes in Net Pension Liability and Related Ratios  
For The Fiscal Year Ended June 30, 2024

<b>Total Pension Liability</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Service Cost	\$ 57,783	\$ 53,609	\$ 50,163	\$ 54,116	\$ 48,913	\$ 50,331	\$ 50,570	\$ 48,713
Interest on the Total Pension Liability	251,898	250,467	234,509	221,025	201,410	227,214	215,274	215,656
Difference Between Expencetd & Actual								
Experience of the Total Net Pension Liability	60,044	39,039	(53,061)	(19,700)	28,102	(287,934)	25,450	(111,105)
Changes in Assumptions & Other Adjustments	31,417	(8,450)	145,204	75,195	128,067	-	-	-
Benefit Payments and Refunds	(208,291)	(192,681)	(159,687)	(147,185)	(139,616)	(128,739)	(155,072)	(162,907)
Net Change in Total Pension Liability	192,851	141,984	217,128	183,451	266,876	(139,128)	136,222	(9,643)
Total Pension Liability - Beginning	3,549,706	3,407,722	3,190,594	3,007,143	2,740,267	2,879,395	2,743,173	2,752,816
Total Pension Liability - Ending (a)	<u>\$ 3,742,557</u>	<u>\$ 3,549,706</u>	<u>\$ 3,407,722</u>	<u>\$ 3,190,594</u>	<u>\$ 3,007,143</u>	<u>\$ 2,740,267</u>	<u>\$ 2,879,395</u>	<u>\$ 2,743,173</u>
<b>Plan Fiduciary Net Position</b>								
Employer Contributions	\$ 129,263	\$ 122,185	\$ 100,090	\$ 95,928	\$ 98,666	\$ 91,362	\$ 90,833	\$ 80,204
Employee Contributions	-	7,670	10,031	13,355	13,705	13,669	14,625	16,184
Pension Plan Net Investment Income	270,782	(292,598)	354,775	291,825	121,763	80,324	124,905	103,568
Other Adjustments	(5,752)	(5,187)	(4,070)	(4,584)	-	-	-	-
Benefit Payments and Refunds	(208,291)	(192,681)	(159,687)	(147,185)	(139,616)	(128,739)	(155,072)	(162,907)
Net Change in Plan Fiduciary Net Position	186,002	(360,611)	301,139	249,339	94,518	56,616	75,291	37,049
Plan Fiduciary Net Position - Beginning	2,464,974	2,825,586	2,524,447	2,275,108	2,210,573	2,153,957	2,078,666	2,041,617
Plan Fiduciary Net Position - Ending (b)	<u>2,650,976</u>	<u>2,464,975</u>	<u>2,825,586</u>	<u>2,524,447</u>	<u>2,305,091</u>	<u>2,210,573</u>	<u>2,153,957</u>	<u>2,078,666</u>
Net Pension Liability (a-b)	<u>\$ 1,091,581</u>	<u>\$ 1,084,731</u>	<u>\$ 582,136</u>	<u>\$ 666,147</u>	<u>\$ 702,052</u>	<u>\$ 529,694</u>	<u>\$ 725,438</u>	<u>\$ 664,507</u>
Plan Fiduciary Net Position as a %								
of Total Pension Liability	70.83%	69.44%	82.92%	79.12%	76.65%	80.67%	74.81%	75.78%
Covered Employee Payroll	\$ 967,172	\$ 923,136	\$ 891,432	\$ 903,290	\$ 756,956	\$ 759,554	\$ 754,809	\$ 726,286
Net Pension Liability as a %								
of Covered Employee Payroll	112.86%	117.51%	65.30%	73.75%	92.75%	69.74%	96.11%	91.49%

Note: GASB Statement No. 68 was implemented for the fiscal year ended June 30, 2016 and does not require retroactive implementation.  
Data will be added as information is available until 10 years of such data is available.



**Village of Almont**  
Required Supplemental Information  
Other Post Employment Benefits  
Schedule of Employer Contributions  
For The Fiscal Year Ended June 30, 2024

<b>Fiscal Year Ending</b>	<b>Annual Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Excess (Deficiency)</b>	<b>Covered Payroll</b>	<b>Actual Contribution as a % of Covered Payroll</b>
6/30/2019	\$ 39,569	\$ 39,569	\$ -	\$ 399,365	9.91%
6/30/2020	\$ 29,034	\$ 29,034	\$ -	\$ 587,490	4.94%
6/30/2021	\$ 16,448	\$ 16,448	\$ -	\$ 273,145	6.02%
6/30/2022	\$ 19,948	\$ 19,948	\$ -	\$ 698,194	2.86%
6/30/2023	\$ 43,129	\$ 43,129	\$ -	\$ 241,909	17.83%
6/30/2024	\$ 34,366	\$ 34,366	\$ -	\$ 236,159	14.55%

Note: GASB Statement No. 75 was implimented for the fiscal year end June 30, 2019 and does not require retroactive implemtation. Data will be added as information is available until 10 years of such data is available.

**Methods and Assumptions Used to Determine Contributions Rates:**

Valuation date	June 30, 2023
Actuarial cost method	Individual entry-age
Amortization method	Not applicable
Remaining amortization period	Not applicable
Asset valuation method	Not applicable
Actuarial assumptions:	
Investment rate of return	Not applicable
Projected salary increases	3.25%
Medical care cost trend rate	5.5% year 1 graded to 4.5% year 21

**Village of Almont**  
Required Supplemental Information  
Other Post Employment Benefits  
Schedule of Changes in Net OPEB and Related Ratios  
For The Fiscal Year Ended June 30, 2024

<b>Total OPEB Liability</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Service Cost	\$ 47,101	\$ 49,844	\$ 86,314	\$ 77,474	\$ 69,326	\$ 17,542
Interest on the Total OPEB Liability	34,105	34,110	49,774	45,769	36,764	37,464
Diff. between expected and actual experience	(61,450)	(94,918)	-	-	163,093	-
Changes in assumptions	-	-	-	-	-	-
Benefit payments and refunds	(34,366)	(43,129)	(19,948)	(16,448)	(29,034)	(39,569)
Other	-	-	-	-	28,338	-
<b>Net Change in Total OPEB Liability</b>	<b>(14,610)</b>	<b>(54,093)</b>	<b>116,140</b>	<b>106,795</b>	<b>268,487</b>	<b>15,437</b>
<b>Total OPEB Liability - Beginning</b>	<b>909,456</b>	<b>963,549</b>	<b>1,327,312</b>	<b>1,220,517</b>	<b>952,030</b>	<b>936,593</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 894,846</b>	<b>\$ 909,456</b>	<b>\$ 1,443,452</b>	<b>\$ 1,327,312</b>	<b>\$ 1,220,517</b>	<b>\$ 952,030</b>
<b>Plan Fiduciary Net Position</b>						
Employer Contributions	\$ 34,366	\$ 43,129	\$ 19,948	\$ 16,448	\$ 29,034	\$ 39,569
Employee Contributions	-	-	-	-	-	-
OPEB Plan Net Investment Income	-	-	-	-	-	-
Benefit Payments and Refunds	(34,366)	(43,129)	(19,948)	(16,448)	(29,034)	(39,569)
OPEB Plan Administrative Expense	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net OPEB Asset (a-b)</b>	<b>\$ 894,846</b>	<b>\$ 909,456</b>	<b>\$ 1,443,452</b>	<b>\$ 1,327,312</b>	<b>\$ 1,220,517</b>	<b>\$ 952,030</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Covered Employee Payroll</b>	<b>\$ 236,159</b>	<b>\$ 241,909</b>	<b>\$ 698,194</b>	<b>\$ 273,145</b>	<b>\$ 587,490</b>	<b>\$ 399,365</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>378.92%</b>	<b>375.95%</b>	<b>206.74%</b>	<b>485.94%</b>	<b>207.75%</b>	<b>238.39%</b>
<b>Investment Returns</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Note: GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2019 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

### **Other Supplemental Information**

# Village of Almont

Other Supplemental Information  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2024

	Special Revenue Funds				Debt Service Funds		Total
	Major Streets Fund	Local Streets Fund	Inspection Fund	Parks & Recreation Fund	Water Tower	W.W.T.P. Improvement Project	Nonmajor Governmental Funds
<b><u>Assets</u></b>							
Cash & Cash Equivalents	\$ 523,451	\$ 303,743	\$ 3	\$ 43,001	\$ 104,204	\$ 7	\$ 974,408
Accounts Receivable	39,780	16,621	-	-	1,044	10	57,455
Prepaid Expenses	573	329	-	-	-	-	902
Due From Other Funds	17,289	8,245	-	-	-	-	25,535
<b><u>Total Assets &amp; Deferred Outflows</u></b>	<b><u>\$ 581,093</u></b>	<b><u>\$ 328,939</u></b>	<b><u>\$ 3</u></b>	<b><u>\$ 43,001</u></b>	<b><u>\$ 105,248</u></b>	<b><u>\$ 17</u></b>	<b><u>\$ 1,058,300</u></b>
<b><u>Liabilities &amp; Fund Balances</u></b>							
<b><u>Liabilities</u></b>							
Accounts Payable	\$ 924	\$ 3,945	\$ -	\$ 2,235	\$ -	\$ -	\$ 7,103
Due To Other Funds	-	-	-	2,213	-	-	2,213
<b><u>Total Liabilities</u></b>	<b><u>924</u></b>	<b><u>3,945</u></b>	<b><u>-</u></b>	<b><u>4,448</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>9,316</u></b>
<b><u>Fund Balances</u></b>							
Nonspendable	573	329	-	-	-	-	902
Restricted For:							
Debt Service	-	-	-	-	105,248	17	105,265
Highways	579,596	324,665	-	-	-	-	904,262
Building Inspections	-	-	3	-	-	-	3
Public Works	-	-	-	-	-	-	-
Recreation & Culture	-	-	-	38,553	-	-	38,553
<b><u>Total Liabilities &amp; Fund Balances</u></b>	<b><u>\$ 581,093</u></b>	<b><u>\$ 328,939</u></b>	<b><u>\$ 3</u></b>	<b><u>\$ 43,001</u></b>	<b><u>\$ 105,248</u></b>	<b><u>\$ 17</u></b>	<b><u>\$ 1,058,300</u></b>

# Village of Almont

Other Supplemental Information  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For The Fiscal Year Ended June 30, 2024

	Special Revenue Funds				Debt Service Funds		Total
	Major Streets Fund	Local Streets Fund	Inspection Fund	Park & Recreation Fund	Water Tower	W.W.T.P. Improvement Project	Nonmajor Governmental Funds
<b><u>Revenues</u></b>							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 124,952	\$ -	124,952
Intergovernmental Revenues	258,451	199,262	-	12,500	-	-	\$ 470,213
Licenses, Fees & Permits	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	118	118
Grant Revenue	-	-	-	-	-	-	-
Interest Earnings	15,088	7,663	28	267	3,358	38	26,442
Other Revenues	-	18,190	-	8,525	-	0	26,715
<b><u>Total Revenues</u></b>	<b><u>273,539</u></b>	<b><u>225,115</u></b>	<b><u>28</u></b>	<b><u>21,292</u></b>	<b><u>128,310</u></b>	<b><u>157</u></b>	<b><u>648,441</u></b>
<b><u>Expenditures</u></b>							
Public Safety	-	-	-	-	-	-	-
Public Works	99,804	106,607	-	-	-	-	206,412
Recreation & Culture	-	-	-	25,508	-	-	25,508
Capital Outlay	-	75,815	-	34,700	-	-	110,515
Debt Service - Principal	-	-	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-	-	-
<b><u>Total Expenditures</u></b>	<b><u>99,804</u></b>	<b><u>182,422</u></b>	<b><u>-</u></b>	<b><u>60,208</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>342,434</u></b>
<b>Excess of Revenues Over (Under)</b>							
<b>Expenditures</b>	173,735	42,693	28	(38,916)	128,310	157	306,007
<b><u>Other Financing Sources (Uses)</u></b>							
Loan Proceeds	-	-	-	-	-	-	-
Transfers In (Out)	(78,671)	78,671	(5,988)	20,000	(129,029)	(9,626)	(124,642)
<b>Net Change in Fund Balances</b>	95,063	121,365	(5,960)	(18,916)	(719)	(9,469)	181,364
<b><u>Fund Balances - Beginning of Year</u></b>	<b><u>485,106</u></b>	<b><u>203,630</u></b>	<b><u>5,962</u></b>	<b><u>57,469</u></b>	<b><u>105,967</u></b>	<b><u>9,486</u></b>	<b><u>867,620</u></b>
<b><u>Fund Balances - End of Year</u></b>	<b><u>\$ 580,169</u></b>	<b><u>\$ 324,994</u></b>	<b><u>\$ 3</u></b>	<b><u>\$ 38,553</u></b>	<b><u>\$ 105,248</u></b>	<b><u>\$ 17</u></b>	<b><u>\$ 1,048,984</u></b>

**Village of Almont**  
Other Supplemental Information  
Schedule of Indebtedness  
June 30, 2024

**Business-type Activities General Obligation Bonds & Contracts**

Lapeer County Revolving Drinking Water Bonds  
Water Tower Project

Dated: September 20, 2007  
Original Issue: \$2,090,000

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
2.13%	10/1/2023	\$ -	\$ 115,000	\$ -
2.13%	10/1/2024	115,000	115,000	11,586
2.13%	10/1/2025	120,000	120,000	9,089
2.13%	10/1/2026	120,000	120,000	6,539
2.13%	10/1/2027	125,000	125,000	3,936
2.13%	10/1/2028	122,694	122,694	1,304
<u>Total Water Tower Project</u>		<u>\$ 602,694</u>	<u>\$ 717,694</u>	<u>\$ 32,454</u>

Lapeer County General Obligation Limited Tax Bond  
Pump Station

Dated: November 6, 2014  
Original Issue: \$650,000

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
2.61%	11/6/2023	\$ -	\$ 75,000	\$ -
2.61%	11/6/2024	75,000	75,000	5,873
2.61%	11/6/2025	75,000	75,000	3,915
2.61%	11/6/2026	75,000	75,000	1,958
<u>Total Pump Station</u>		<u>\$ 225,000</u>	<u>\$ 300,000</u>	<u>\$ 11,746</u>

Lapeer County Lift Station Bonds  
E. St. Clair Lift Station

Dated: March 29, 2012  
Original Issue: \$465,000

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
4.00%	10/1/2023	\$ -	\$ 50,000	\$ -
4.00%	10/1/2024	50,000	50,000	1,000
<u>Total Lift Station Bonds</u>		<u>\$ 50,000</u>	<u>\$ 100,000</u>	<u>\$ 1,000</u>

# Village of Almont

Other Supplemental Information  
Schedule of Indebtedness - *Continued*  
June 30, 2024

## Lapeer County 2018 WWTP Improvement Bonds Wastewater Treatment Plant Improvements

Dated: June 13, 2018  
Original Issue: \$530,000

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
3.00%	4/1/2024	\$ -	\$ 60,000	\$ -
3.20%	4/1/2025	60,000	60,000	7,425
3.30%	4/1/2026	60,000	60,000	5,475
3.40%	4/1/2027	65,000	65,000	3,380
3.50%	4/1/2028	65,000	65,000	1,138
<u>Total 2018 WWTP Improvement Bonds</u>		<u>\$ 250,000</u>	<u>\$ 310,000</u>	<u>\$ 17,418</u>
<b><u>Total Business-type Activities Long-Term Debt</u></b>		<b><u>\$ 1,127,694</u></b>	<b><u>\$ 1,427,694</u></b>	<b><u>\$ 62,618</u></b>

## Governmental Activities General Obligation Bonds & Contracts

### Tri-County Bank 2023 Dodge Charger

Dated: March 2023  
Original Issue: \$35,592

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
4.00%	3/22/2024	\$ -	\$ 11,402	\$ -
4.00%	3/22/2025	11,859	11,859	968
4.00%	3/22/2026	12,331	12,331	493
<u>Total Dodge Charger</u>		<u>\$ 24,190</u>	<u>\$ 35,592</u>	<u>\$ 1,461</u>

### Tri-County Bank Downtown Street Lamps

Dated: July 2022  
Original Issue: \$126,956

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
3.00%	7/15/2023	\$ -	\$ 11,129	\$ -
3.00%	7/15/2024	11,399	11,399	3,486
3.00%	7/15/2025	11,750	11,750	3,134
3.00%	7/15/2026	12,103	12,103	2,782
3.00%	7/15/2027	12,466	12,466	2,419
3.00%	7/15/2028	12,834	12,834	2,050
3.00%	7/15/2029	13,225	13,225	1,660
3.00%	7/15/2030	13,622	13,622	1,263
3.00%	7/15/2031	14,030	14,030	854
3.00%	7/15/2032	14,397	14,397	435
<u>Total Downtown Street Lamps</u>		<u>\$ 115,827</u>	<u>\$ 126,956</u>	<u>\$ 18,084</u>

**Village of Almont**  
Other Supplemental Information  
Schedule of Indebtedness - *Continued*  
June 30, 2024

Tri-County Bank  
2022 Bonnell Leaf Machine

Dated: July 2022  
Original Issue: \$93,849

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
3.00%	7/15/2023	\$ -	\$ 8,164	\$ -
3.00%	7/15/2024	8,426	8,426	2,577
3.00%	7/15/2025	8,686	8,686	2,317
3.00%	7/15/2026	8,947	8,947	2,056
3.00%	7/15/2027	9,215	9,215	1,788
3.00%	7/15/2028	9,487	9,487	1,516
3.00%	7/15/2029	9,776	9,776	1,227
3.00%	7/15/2030	10,070	10,070	934
3.00%	7/15/2031	10,372	10,372	632
3.00%	7/15/2032	10,706	10,706	321
<u>Total Leaf Machine</u>		<u>\$ 85,685</u>	<u>\$ 93,849</u>	<u>\$ 13,368</u>

Tri-County Bank  
2022 Ford F-350

Dated: March 2023  
Original Issue: \$63,787

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
4.00%	2/15/2024	\$ -	\$ 5,313	\$ -
4.00%	2/15/2025	5,520	5,520	2,345
4.00%	2/15/2026	5,747	5,747	2,118
4.00%	2/15/2027	5,977	5,977	1,888
4.00%	2/15/2028	6,216	6,216	1,649
4.00%	2/15/2029	6,461	6,461	1,404
4.00%	2/15/2030	6,724	6,724	1,142
4.00%	2/15/2031	6,992	6,992	873
4.00%	2/15/2032	7,272	7,272	593
4.00%	2/15/2033	7,563	7,563	303
<u>Total Ford F-350</u>		<u>\$ 58,474</u>	<u>\$ 63,787</u>	<u>\$ 12,317</u>

Installment Purchase Contract Payable  
DPW 2019 GMC Sierra 2500HD Pickup

Dated: January 1, 2020  
Original Issue: \$30,251

Interest Rate	Date of Maturity	Principal Outstanding June 30,		Remaining Annual Interest Payable
		2024	2023	
3.00%	1/1/2024	\$ -	\$ 7,900	\$ -
<u>Total Installment Purchase Contract</u>		<u>\$ -</u>	<u>\$ 7,900</u>	<u>\$ -</u>



**Village of Almont**  
Other Supplemental Information  
Schedule of Indebtedness - *Continued*  
June 30, 2024

Installment Purchase Contract Payable  
DPW 2019 John Deere Back Hoe

Dated: October 1, 2019  
Original Issue: \$88,282

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
4.00%	10/1/2023	\$ -	\$ 8,239	\$ -
4.00%	10/1/2024	8,598	8,598	2,289
4.00%	10/1/2025	8,948	8,948	1,938
4.00%	10/1/2026	9,306	9,306	1,581
4.00%	10/1/2027	9,678	9,678	1,208
4.00%	10/1/2028	10,063	10,063	823
4.00%	10/1/2029	10,551	10,551	419
<u>Total Installment Purchase Contract</u>		<u>\$ 57,144</u>	<u>\$ 65,384</u>	<u>\$ 8,258</u>

Installment Purchase Contract Payable  
2021 Dodge Charger Police Vehicle

Dated: December 31, 2021  
Original Issue: \$38,764

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
2.00%	11/1/2023	\$ -	\$ 12,886	\$ -
2.00%	11/1/2024	13,144	13,144	264
<u>Total Installment Purchase Contract</u>		<u>\$ 13,144</u>	<u>\$ 26,030</u>	<u>\$ 264</u>

Installment Purchase Contract Payable  
DPW 2022 GMC Sierra 2500HD Pickup

Dated: January 31, 2022  
Original Issue: \$33,856

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
2.00%	3/1/2024	\$ -	\$ 8,378	\$ -
2.00%	3/1/2025	8,545	8,545	346
2.00%	3/1/2026	8,718	8,718	174
<u>Total Installment Purchase Contract</u>		<u>\$ 17,263</u>	<u>\$ 25,642</u>	<u>\$ 521</u>

**Village of Almont**  
Other Supplemental Information  
Schedule of Indebtedness - *Continued*  
June 30, 2024

Installment Purchase Contract Payable  
Police 2023 Dodge Durango

Dated: August 1, 2023  
Original Issue: \$60,534

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
5.00%	8/1/2024	\$ 19,196	\$ -	\$ 3,035
5.00%	8/1/2025	20,165	-	2,067
5.00%	8/1/2026	21,173	-	1,059
<u>Total Installment Purchase Contract</u>		<u>\$ 60,534</u>	<u>\$ -</u>	<u>\$ 6,160</u>

Other Financing  
Lapeer County Drain Commission

Dated: Various  
Original Issue: Various

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Outstanding June 30,</u>		<u>Remaining Annual Interest Payable</u>
		<u>2024</u>	<u>2023</u>	
Various	6/30/2024	\$ -	\$ 21,600	\$ -
Various	6/30/2025	21,600	21,600	4,213
Various	6/30/2026	21,100	21,100	3,852
Various	6/30/2027	21,100	21,100	3,501
Various	6/30/2028	21,100	21,100	3,151
Various	6/30/2029	21,100	21,100	2,801
Various	6/30/2030	21,100	21,100	2,451
Various	6/30/2031	21,100	21,100	2,101
Various	6/30/2032	21,100	21,100	1,751
Various	6/30/2033	21,100	21,100	1,401
Various	6/30/2034	21,100	21,100	1,050
Various	6/30/2035	21,100	21,100	700
Various	6/30/2036	21,100	21,100	350
<u>Total Other Financing</u>		<u>\$ 253,700</u>	<u>\$ 275,300</u>	<u>\$ 27,323</u>
<u><b>Total Gov. Activities Long-Term Debt</b></u>		<u><b>\$ 685,961</b></u>	<u><b>\$ 720,439</b></u>	<u><b>\$ 87,755</b></u>

# KING & KING CPAs LLC

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August 22, 2024

**Village of Almont**  
817 North Main Street  
Almont, MI 48003

To the Members of the Council:

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, and each major fund of the **Village of Almont** as of and for the year ended **June 30, 2024**, in accordance with U.S. generally accepted auditing standards, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the **Village of Almont's** internal control. Accordingly, we do not express an opinion on the effectiveness of the **Village of Almont's** internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the **Village of Almont's** financial statements will not be prevented or detected and corrected, on a timely basis. We consider the following deficiencies in the Village's internal control to be significant deficiencies:

**Segregation of Duties** - One of the strongest controls in an internal control system is known as "segregation of duties". This means there are different individuals performing different duties within a specific accounting function. Having multiple individuals performing duties in the same accounting function acts as a check and balance. As is common in many small organizations, there is often only a few people, sometimes only one person, performing the accounting and financial functions. It is also common to have these individuals concentrate their efforts in one area. For example, one person does the entire payroll, one person does all the disbursing, and one person does all the billing and receipting. While this is usually more efficient, it is a weakened internal control system. There are generally insufficient checks and balances in place.

This is the situation with the **Village of Almont**. Due to a limited staff size, the municipality has a lack of segregation of duties because various conflicting duties are performed by an insufficient number of individuals. We recommend the **Village of Almont** segregate duties whenever possible.

## KING & KING CPAs LLC

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**Financial Reporting** - Our professional standards now define an element of internal control as an organization's ability to prepare a complete set of financial statements with footnotes in accordance with U.S. generally accepted accounting principles. We are required to communicate to management if the municipality is unable to complete this task without assistance from its auditor. It is not uncommon that many small and medium size organizations cannot provide the resources to accomplish this task. This is the situation with the **Village of Almont**.

This communication is intended solely for the information and use of management, Council and others within the organization and is not intended to be and should not be, used by anyone other than these specified parties.

Sincerely,

*King & King CPAs LLC*  
**KING & KING CPAs LLC**  
Imlay City, Michigan

# KING & KING CPAs LLC

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August 22, 2024

**Village of Almont**  
817 North Main Street  
Almont, MI 48003

To the Members of the Council:

We have audited the financial statements of the governmental activities, business-type activities, and each major fund of the **Village of Almont** for the year ended **June 30, 2024**. Professional standards require that we provide you with information about our responsibilities under U.S. generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated **October 26, 2023**. Professional standards also require that we communicate to you the following information related to our audit.

## **Significant Audit Matters**

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the **Village of Almont** are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the **Village of Almont** during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

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

### *Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. Management has corrected all such misstatements.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

# KING & KING CPAs LLC

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## *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated **August 22, 2024**.

## *Management Consultations with Other Independent Accountants*

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

## *Other Audit Findings or Issues*

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

## **Other Matters**

We applied certain limited procedures to management's discussion and analysis and major fund budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

## **Restriction on Use**

This information is intended solely for the information and use of Council and management of the **Village of Almont** and is not intended to be and should not be, used by anyone other than these specified parties.

Sincerely,

*King & King CPAs LLC*

**KING & KING CPAs LLC**  
Imlay City, Michigan