

COHOCTAH TOWNSHIP

Annual Financial Report

For the Year Ended March 31, 2026

DRAFT

COHOCTAH TOWNSHIP

TOWNSHIP OFFICIALS

Supervisor - Mark Fosdick
Treasurer - Tami Bock
Clerk - Barb Fear

TOWNSHIP BOARD OF TRUSTEES

Tami Bock
Phil Charette
Mark Fosdick
Barb Fear
Mark Torigian

TOWNSHIP ATTORNEYS

Foster Swift Collins & Smith PC

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

TABLE OF CONTENTS

PAGE NUMBER

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

7

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

14

Statement of Activities

15

FUND FINANCIAL STATEMENTS

Balance Sheet - Governmental Fund

17

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

18

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

19

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance
of the Governmental Fund to the Statement of Activities

20

Statement of Assets and Liabilities - Fiduciary Fund

21

Statement of Changes in Fiduciary Net Position - Fiduciary Fund

22

NOTES TO FINANCIAL STATEMENTS

24

REQUIRED SUPPLEMENTARY INFORMATION

General Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

36

Road Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

37

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

39

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

Combining Balance Sheets - Funds Included in GASB 54 Consolidation

42

Statement of Revenues, Expenditures and Changes in Fund Balances -
Funds Included in GASB 54 Consolidation

43

INDIVIDUAL FUNDS

GENERAL FUND (PRE GASB 54 RESTATEMENT)

Balance Sheet

46

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

47

Statement of Revenues - Budget and Actual

48

Statement of Expenditures - Budget and Actual

49

CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)

Balance Sheet

53

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

54

ROAD FUND

Balance Sheet

56

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

57

CURRENT TAX COLLECTION FUND

Balance Sheet

59

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)

Balance Sheet

61

Statement of Revenues, Expenditures and Changes in Fund Balance

62



PFEFFER ■ HANNIFORD ■ PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
Kenneth J. Palka, C.P.A.

Members:
AICPA Private Practice Companies Section
MACPA

225 E. Grand River - Suite 104
Brighton, Michigan 48116-1575
(810) 229-5550
FAX (810) 229-5578

INDEPENDENT AUDITOR'S REPORT

September 10, 2026

To the Board of Trustees
Cohoctah Township
10518 Antcliff Road
Fowlerville, MI 48836

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cohoctah Township, Michigan, as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise Cohoctah Township, Michigan'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, each major fund, and the aggregate remaining fund information of Cohoctah Township, Michigan, as of March 31, 2026, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for 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 the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with GAAS we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 7-11 and 34-35 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying supplementary information such as the combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION AND ANALYSIS

Within this section of Cohoctah Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended March 31, 2026. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township, as a whole, is improving or deteriorating. Evaluation of the overall health of the Township may extend to various nonfinancial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net position changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, public safety, and planning and zoning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net position.

Fiduciary funds are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole

The Township's net position at the end of the fiscal year was \$2,310,111. This is a decrease of \$185,775 over last year's net position of \$2,495,886.

The following tables provide a summary of the Township's financial activities and changes in net position:

Summary of Net Position

	Governmental Activities	
	3/31/2026	3/31/2025
Assets		
Current and other assets	\$ 1,528,261	\$ 1,648,389
Capital assets	898,460	960,687
Total assets	2,426,721	2,609,076
Liabilities		
Accounts payable	33,612	31,956
Due to others	7,248	4,263
Unearned revenues	75,750	75,750
Total liabilities	116,610	111,969
Net position:		
Invested in capital assets, net of related debt	898,460	960,687
Unrestricted	1,411,651	1,535,199
Total net position	\$ 2,310,111	\$ 2,495,886

The governmental funds experienced a decrease in net position of \$185,775 for the year ended March 31, 2026, as compared to a decrease of \$146,301 in the prior year. This decrease in net position is primarily due to an increase in expenses for the Township compared to the prior year. In the 2026 fiscal year, the township had an increase in costs for refuse, attorney fees, and road maintenance projects.

Financial Analysis of the Township's Major Funds

Cohoctah Township determined it has two major governmental funds, the General Fund and the Road Fund. In the fiscal year ending March 31, 2026, the General Fund had a decrease in its fund balance by \$232,750. This was due to transfers to other funds, an increase in attorney fees and an increase in refuse costs.

The Road Fund increased its fund balance by \$109,202. This was primarily due to a transfer in from general fund to cover expenses for multiple road projects and chloride dust control expenses.

General Fund Budgetary Highlights

The Township approved a budget prior to the start of the fiscal year. The Township Board made immaterial amendments during the year to bring it closer to economic reality. There were a few budget overruns during the year. See the notes to required supplementary information.

Summary of Changes in Net Position

	Governmental Activities	
	3/31/2026	3/31/2025
Revenues:		
Program revenues		
Charges for services	\$ 265,531	\$ 252,032
General revenues		
Property taxes	357,265	350,526
State revenues	385,743	358,591
Interest income	33,567	36,033
Reimbursements	1,416	10,001
Other income	78,509	13,452
Total revenues	1,122,031	1,020,635
Expenses		
General government	776,197	738,016
Master plan	620	
Public works	27,580	26,874
Refuse	344,062	324,538
Cemetery	19,244	26,008
Community planning and zoning	32,822	26,819
Recreation	37,753	
Loss on disposal of assets	69,528	24,681
Total expenses	1,307,806	1,166,936
Changes in net position	(185,775)	(146,301)
Beginning net position	2,495,886	2,642,187
Ending net position	\$ 2,310,111	\$ 2,495,886

Capital Asset and Debt Administration

Capital asset additions. During the year, the Township added capital assets totaling \$35,346. These additions included new Township Hall windows totaling \$15,100, hardwood flooring in the Township Hall totaling \$8,729, new park bleachers totaling \$5,247, and a concrete floor for the pavilion totaling \$6,270.

Capital asset disposals. The Township also disposed of certain assets during the year. The Township removed carpeting from the Township Hall that had an original cost of \$3,183 and demolished a home and barn located on land the Township continues to own; those structures had an original cost of \$242,507. This resulted in a loss of disposal of these assets of \$69,528.

Refer to footnote 4 for further information.

Capital Asset and Debt Administration - continued

The governmental funds issued no debt during the year and have no outstanding debt.

Economic Conditions and Future Activities

Total tax revenue increased a little over 2% in the General Fund and Road Fund; which is due to an increase in taxable value and a decrease in the millage rates for General Fund and Road Fund. State Shared Revenues increased by 1%. This is based on a percentage of the sales tax collected by the State of Michigan, based on population.

The Township received \$350,398 in total funds under the State and Local Fiscal Recovery Program ("SLFRP") in relation to the American Rescue Plan Act ("ARPA"), which was passed to help communities recover from negative impacts of the Covid-19 pandemic. These funds were received over the 2022 fiscal year and the 2023 fiscal year. Of that amount received, \$274,648 was spent during the 2023 fiscal year on broadband internet for the Township, a cement pad, and security camera equipment for the Cohoctah Township Park. No ARPA amounts were spent during the 2024, 2025 or 2026 fiscal year. The \$75,750 remaining funds were obligated by December 31, 2024, for additional broadband internet infrastructure throughout the community.

Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and to comply with finance-related regulations. If you have any further questions about this report or require additional information, please contact Cohoctah Township at 10518 Antcliff Road, Fowlerville, Michigan 48836.

DRAFT

BASIC FINANCIAL STATEMENTS

DRAFT

GOVERNMENT-WIDE FINANCIAL STATEMENTS

COHOCTAH TOWNSHIP

**STATEMENT OF NET POSITION
MARCH 31, 2026**

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 1,431,179
Taxes receivable	22,165
State shared revenues receivable	52,925
Due from other funds	1,297
Due from others	20,695
Capital assets	
Non-depreciable	447,745
Depreciable, net of accumulated depreciation	<u>450,715</u>
Total assets	<u><u>2,426,721</u></u>
LIABILITIES	
Accounts payable	33,612
Due to others	7,248
Unearned revenues	<u>75,750</u>
Total liabilities	<u>116,610</u>
NET POSITION	
Invested in capital assets, net of related debt	898,460
Unrestricted	<u>1,411,651</u>
Total net position	<u><u>\$ 2,310,111</u></u>

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2026

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
			<u>Governmental Activities</u>
Governmental activities:			
General government	\$ (776,197)	\$ 13,479	\$ (762,718)
Master plan	(620)		(620)
Public works	(27,580)		(27,580)
Refuse	(344,062)	231,068	(112,994)
Cemetery	(19,244)	20,984	1,740
Community planning and zoning	(32,822)		(32,822)
Recreation	(37,753)		(37,753)
Loss on disposal of assets	(69,528)		(69,528)
Total governmental activities	\$ (1,307,806)	\$ 265,531	(1,042,275)
General Revenues:			
Property taxes			357,265
Licenses and permits			7,107
State revenues			385,743
Interest income			33,567
Reimbursements			1,416
Other income			66,120
Rental income			5,282
Total general revenues			856,500
Changes in net position			(185,775)
Net position, April 1, 2025			2,495,886
Net position, March 31, 2026			\$ 2,310,111

The accompanying notes are an integral part of these financial statements.

DRAFT

FUND FINANCIAL STATEMENTS

COHOCTAH TOWNSHIP

**BALANCE SHEET
GOVERNMENTAL FUND
MARCH 31, 2026**

	General Fund	Road Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,295,430	\$ 135,749	\$ 1,431,179
Receivables:			
Taxes	7,225	14,940	22,165
State shared revenues	52,925		52,925
Due from others	19,815	880	20,695
Due from other funds	<u>1,358</u>	<u>3,757</u>	<u>5,115</u>
Total assets	<u><u>\$ 1,376,753</u></u>	<u><u>\$ 155,326</u></u>	<u><u>\$ 1,532,079</u></u>
LIABILITIES			
Accounts payable	\$ 33,612	\$	\$ 33,612
Due to other funds	3,818		3,818
Due to others	7,248		7,248
Unearned revenues	<u>75,750</u>		<u>75,750</u>
Total liabilities	<u>120,428</u>		<u>120,428</u>
FUND BALANCES			
Committed for:			
Capital improvement	247,076		247,076
Assigned	75,750		75,750
Assigned for future budget deficit	379,010	75,000	454,010
Unassigned	<u>554,489</u>	<u>80,326</u>	<u>634,815</u>
Total fund balances	<u>1,256,325</u>	<u>155,326</u>	<u>1,411,651</u>
Total liabilities and fund balances	<u><u>\$ 1,376,753</u></u>	<u><u>\$ 155,326</u></u>	<u><u>\$ 1,532,079</u></u>

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
MARCH 31, 2026

Total fund balance per balance sheet \$ 1,411,651

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 therefore, are not reported in the
governmental funds:

Historical costs	\$ 1,092,199	
Accumulated depreciation	<u>(193,739)</u>	
Capital assets, net of depreciation		<u>898,460</u>

Net position of governmental activities \$ 2,310,111

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2026**

	General Fund	Road Fund	Total
REVENUES			
Taxes	\$ 117,065	\$ 240,200	\$ 357,265
Licenses and permits	7,107		7,107
State revenues	383,432	2,311	385,743
Charges for services	265,531		265,531
Interest	33,559	8	33,567
Reimbursements	1,416		1,416
Rental income	5,282		5,282
Miscellaneous	66,120		66,120
Total revenues	879,512	242,519	1,122,031
EXPENDITURES			
Current			
General government	516,835	231,317	748,152
Master plan	620		620
Public works	27,580		27,580
Refuse	344,062		344,062
Cemetery	19,244		19,244
Community planning and zoning	32,822		32,822
Recreation	37,753		37,753
Capital outlay			
General government	35,346		35,346
Total expenditures	1,014,262	231,317	1,245,579
Excess of revenues over (under) expenditures	(134,750)	11,202	(123,548)
OTHER FINANCING SOURCES (USES)			
Transfer in	121,082	98,000	219,082
Transfer (out)	(219,082)		(219,082)
Total other financing sources (uses)	(98,000)	98,000	
Net change in fund balance	(232,750)	109,202	(123,548)
FUND BALANCE, APRIL 1, 2025	1,489,075	46,124	1,535,199
FUND BALANCE, MARCH 31, 2026	\$ 1,256,325	\$ 155,326	\$ 1,411,651

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2026

Net change in fund balance - governmental fund \$ (123,548)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the Statement of Activities the cost of those assets
are allocated over their useful lives as depreciation expense.

The amount by which capital outlay exceeded depreciation
is as follows:

Capital outlay	\$ 35,346	
Gain/(Loss) on disposal of capital asset	(69,528)	
Depreciation expense	<u>(28,045)</u>	
Total		<u>(62,227)</u>

Change in net position of governmental activities \$ (185,775)

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
MARCH 31, 2026

	Current Tax Fund
ASSETS	
Cash	\$ 4,896
Accounts receivable	<u>1,401</u>
Total assets	<u><u>\$ 6,297</u></u>
LIABILITIES	
Due to others	\$ 5,000
Due to other funds	<u>\$ 1,297</u>
Total liabilities	<u><u>\$ 6,297</u></u>

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

STATEMENT OF CHANGES TO FIDUCIARY NET POSITION
FIDUCIARY FUND
MARCH 31, 2026

	<u>Current Tax Fund</u>
ADDITIONS	
Tax collection for others	\$ 4,211,807
DEDUCTIONS	
Payments of tax to others	<u>\$ 4,211,807</u>
Net increase (decrease) in fiduciary net position	
Net position, April 1, 2025	<u> </u>
Net position, March 31, 2026	<u><u>\$</u></u>

The accompanying notes are an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS

The accompanying notes are an integral part of these financial statements.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Cohoctah Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Standards, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Position reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net position, with the assets and liabilities shown in order of their relative liquidity. Net positions are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net position not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expense between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

COHOCTAH TOWNSHIP

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The Township reports the following major governmental funds:

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

The Road Fund is for the Township road improvement. It collects taxes for a special approved mileage and expenses for approved road improvements.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. BUDGETARY DATA

The Township's original budget was adopted prior to April 1, 2025. A budget was adopted for the General Fund and Road Fund as required. Amendments made during the fiscal year are reflected in the budget column.

The Township adopts its budget by functional activity which is the level of classification detail at which expenditures may not legally exceed appropriations. Expenditures did exceed budgeted appropriations, see notes to required supplementary information.

D. PROPERTY TAX REVENUE RECOGNITION

The Township property tax is levied each December 1 on the taxable value of property located in the Township as of the preceding December 31. Assessed values are established annually by the County and are equalized by the State at an estimated 50 percent of current market value. Real and personal property in the Township for the 2025 levy was assessed and equalized at \$161,817,393. Taxes are due and payable by February 28. Delinquent real property taxes are returned to the County Treasurer for collection. Information related to the 2025 tax levy is as follows:

	<u>Millage Rate</u>
Township operations	0.7152
Roads	1.4788
Total Township millage	<u><u>2.1940</u></u>

E. CAPITAL ASSETS

Under GASB standards, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

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

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

F. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

H. CASH AND CASH EQUIVALENTS

The Township considers its deposits and restricted deposits and investments held with maturities of three months or less are considered to be cash equivalents.

I. DATE OF MANAGEMENT'S REVIEW

Subsequent events have been evaluated through September 10, 2026, which is the date the financial statements were available to be issued.

J. FUND EQUITY

In the fund financial statements, governmental funds report the following components of fund balance:

- *Nonspendable:* Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- *Restricted:* Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- *Committed:* Amounts that have been formally set aside by the Township Board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Township Board.
- *Assigned:* Intent to spend resources on specific purposes expressed by the Township Board; or Supervisor, Clerk, and Treasurer; who are authorized by policy approved by the Township Board to make assignments.
- *Unassigned:* Amounts that do not fall into any other aforementioned category. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 2 - FINANCIAL REPORTING ENTITY

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) standards, certain other governmental organizations are not considered to be part of the reporting entity for financial statement purposes.

The criteria established by GASB standards for various governmental organizations to be included in the reporting entity's financial statements include accountability, control, and significant financial relationships.

The accompanying financial statements of Cohoctah Township as of March 31, 2026, include any and all boards, agencies, funds and account groups under the jurisdiction of the Cohoctah Township Board.

NOTE 3 - INTERFUND BALANCES

Interfund balances between individual funds of the Township, as reported in the fund financial statements, as of March 31, 2026. Interfund receivables and payables were as follows:

	<u>Interfund Receivable</u>		<u>Interfund Payable</u>	<u>Purpose</u>
General Fund	\$ 1,297	Current Tax Collection Fund	\$ 1,297	Repay expenses
General Fund	61	Trust & Agency Fund	61	Repay expenses
Road Fund	3,757	General Fund	3,757	Allocate PPT payment
Total	<u><u>\$ 5,115</u></u>		<u><u>\$ 5,115</u></u>	

Interfund receivables and payables were eliminated between combined funds on the fund financial statement balance sheet presentation.

Interfund transfers were eliminated between combined funds on the fund financial statement of revenues, expenditures and changes in fund balance presentation.

<u>Transfer In</u>	<u>Transfer out</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Road Fund	\$ 98,000	Fund road improvements
Capital Improvement Fund	General Fund	121,082	Fund road improvements
	Total	<u><u>\$ 219,082</u></u>	

COHOCTAH TOWNSHIP

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026**

NOTE 4 - CAPITAL ASSETS

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

	<u>Balance 4/1/2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/2026</u>
<u>Governmental Funds</u>				
Capital assets not being depreciated				
Land	\$ 447,745	\$	\$	\$ 447,745
Other capital assets:				
Building and improvements	554,394	30,099	(245,690)	338,803
Broadband internet	245,000			245,000
Vehicles and equipment	55,404	5,247		60,651
Total other capital assets at historical cost	<u>854,798</u>	<u>35,346</u>	<u>(245,690)</u>	<u>644,454</u>
Less accumulated depreciation for:				
Buildings and improvements	(298,650)	(16,352)	176,162	(138,840)
Broadband internet	(13,883)	(4,900)		(18,783)
Vehicles and equipment	(29,323)	(6,793)		(36,116)
Total accumulated depreciation	<u>(341,856)</u>	<u>(28,045)</u>	<u>176,162</u>	<u>(193,739)</u>
Other capital assets, net	<u>512,942</u>	<u>7,301</u>	<u>(69,528)</u>	<u>450,715</u>
Governmental activities capital asset, net	<u>\$ 960,687</u>	<u>\$ 7,301</u>	<u>\$ (69,528)</u>	<u>\$ 898,460</u>

Depreciation was charged to functions as follows:

General government	\$ 28,045
--------------------	-----------

Depreciation expense is being recorded in the government-wide statement of activities based upon the activity utilizing the assets. The Township uses the straight line method to depreciate capital assets over their estimated useful lives.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, (Public Act 20 of 1943, as amended) authorizes the Township 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 Township's deposits are in accordance with statutory authority.

The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investments in all of the investments mentioned in the preceding paragraph.

As of March 31, 2026, deposits and investments consist of the following:

Deposits	Total
Checking accounts	\$ 201,436
Savings	322,952
Money Market	95,499
ICS Demand Deposit	902,421
Total deposits	\$ 1,522,308

Deposits and investments are presented in the financial statements in the following areas:

Statement of Net Position

Cash \$ 1,431,179

Fiduciary Funds

Cash 4,896

Total cash and investments \$ 1,436,075

The carrying amount of cash reported in the financial statements is stated at \$1,436,075 as of March 31, 2026. The difference between the carrying amounts and amounts mentioned above stem from deposits in transit and outstanding checks.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS - continued

Deposits - Custodial Credit Risk

This is the risk that in the event of a bank failure, the Township will be able to recover its deposits. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township 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.

As of March 31, 2026, deposits in banks totaled \$1,522,308, which was exposed to custodial credit risks as follows:

Insured by FDIC	\$ 1,497,920
Uninsured and uncollateralized	<u>24,388</u>
	<u>\$ 1,522,308</u>

Investments - Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments, collateral or securities that are in the possession of an outside party. The Township does not have a policy to cover custodial credit risk of investments. The Township evaluates each financial institution with which it invests and assesses the level of risk of each institution. Investments are made only at those institutions with an acceptable estimated risk level.

Concentration of Credit Risk

Concentration of credit risk is the risk attributed to the magnitude of a Township's investment in a single issuer. The Township's investment policy requires diversification with a primary focus on safety. However, the policy does not place a fixed percentage limit for any one issuer.

The Township has no investments that exceed 5% of total portfolio assets available for investment as of March 31, 2026.

Interest Rate Risk

Interest rate risk is the risk that changes in market will adversely affect the fair values of investments and cash deposits. The Township's investment policy requires this risk to be minimized by investing primarily in short-term deposits and investments thus avoiding the need to sell prior to maturity.

As of March 31, 2026 the Township had no investments subject to interest rate risk.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026**

NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS - continued

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township investment policy limits investments to those authorized by Public Act 20 of 1943. Commercial paper must be rated within the two (2) highest classifications established by not less than two (2) standard ratings services. Ratings are not required for US Treasuries and money market accounts. As of March 31, 2026, the Township had no investments that were exposed to credit risk.

NOTE 6 – FAIR VALUE MEASUREMENTS

Accounting standards require certain assets and liabilities to be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritized the inputs and valuation techniques used to measure fair value.

The standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, the standards require the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs for which there is little or no market data, which requires the use of the reporting entity's own assumptions.

The carrying value of receivables, cash and cash equivalents, and current liabilities approximated fair value at March 31, 2026.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 7 - AGREEMENT TO LEASE COHOCTAH TOWNSHIP FIRE SUB-STATION

Cohoctah Township entered into a lease agreement to lease space to the Howell Area Fire Authority in the Cohoctah Township Fire Sub-station. The Authority is responsible for its operating expenses such as utilities, maintenance and repairs and replacements. The Township agreed not to collect the lease this year.

NOTE 8 - AGREEMENT TO LEASE COHOCTAH TOWNSHIP LAND FOR EMS BASE

Cohoctah Township entered into a lease agreement to lease land to Livingston County in the Cohoctah Township Ground Lease agreement signed April 10, 2025. The County will lease land at 3260 W M-36, Pinckney, MI 48169 for a term of 99 years, with the intent to construct, operate and maintain an emergency medical service base on the leased property. The agreement calls for an annual rent payment of \$1 and the County is responsible for all construction costs, operation, general upkeep, repairs and utilities.

NOTE 9 - CONTINGENCIES

The Township is involved in various legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

NOTE 10 - DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan was administered by MERS Uniform 457 Supplement Retirement plan. Contributions are made monthly.

NOTE 11 - DEFINED CONTRIBUTION PLAN

The Township began to offer its employees the MERS Defined Contribution Plan for Michigan Township Employees, starting in September of 2022. This is a single-employer plan. All Township Elected officials, Deputies and Appointed officials are eligible to participate in the plan. The Township contributes 10% of gross compensation.

Total Current Year Contributions:	<u>\$16,706</u>
-----------------------------------	-----------------

NOTE 12 - FEDERAL GRANTS

The Township received \$350,398 in funds the prior fiscal years, under the State and Local Fiscal Recovery Program ("SLFRP") in relation to the American Rescue Plan Act ("ARPA"), which was passed to help communities recover from negative impacts of the Covid- 19 pandemic. The Township spent \$274,648 in ARPA funds on Broadband internet for the community; a new cement pad and a camera security system for the Cohoctah Township Park in prior fiscal years. No amounts were spent in fiscal year 2024, 2025 or 2026. Accordingly, amounts that were unspent as of March 31, 2026 were recorded as unearned revenue in the General Fund, totaling \$75,750. The Township has obligated these remaining funds as of December 31, 2024 for additional broadband internet installation for the community.

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 10, 2026, which is the date the financial statements were available to be issued. Management has determined that the Township does not have any material recognizable or non-recognizable events.

COHOCTAH TOWNSHIP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 14 - RECENTLY ADOPTED ACCOUNTING STANDARDS

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause a substantial impact to have occurred, have begun to occur, or are more likely than not to be occurring within 12 months of the date the financial statements are issued. If a government determines that criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of circumstances disclosed and the government's vulnerability to the risk of substantial impact.

The Township implemented these standards for the year ended March 31, 2026, and has determined that they did not have a significant impact on the financial statements for the year ended March 31, 2026.

NOTE 15 - UPCOMING GASB PRONOUNCEMENTS

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement established new accounting and financial reporting requirements – or modified existing requirements – related to management's discussion and analysis (MD&A), unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses and changes in fund position, information about major components and budgetary comparison information. The Township is currently evaluating the impact this standard will have on the financial statements when it is adopted during the year ending March 31, 2027.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Leased assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of the underlying assets in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-based Information Technology Arrangements*, also should be separately disclosed. In addition, the Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosure for capital assets held for sale. The Township is currently evaluating the impact this Statement will have on the financial statements when it is adopted during the year ending March 31, 2027.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. The Township is currently evaluating the impact this Statement will have on the financial statement when it is adopted during the year ending March 31, 2027.

REQUIRED SUPPLEMENTARY INFORMATION

COHOCTAH TOWNSHIP

GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	Budget Amount			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 113,000	\$ 118,000	\$ 117,065	\$ (935)
Licenses and permits	2,500	2,510	7,107	4,597
State revenues	356,000	356,000	383,432	27,432
Charges for services	263,010	257,000	265,531	8,531
Interest income	3,000	5,000	33,559	28,559
Reimbursements		1,000	1,416	416
Rental income	5,280	5,280	5,282	2
Miscellaneous	16,800	16,800	66,120	49,320
Total revenues	759,590	761,590	879,512	117,922
EXPENDITURES				
General government:				
Township board	157,500	154,380	136,555	17,825
Supervisor	26,000	26,000	26,000	
Election	4,300	4,300	2,609	1,691
Attorney	80,000	80,000	83,456	(3,456)
Public Safety	26,880			
Assessor	41,000	41,000	38,744	2,256
Clerk	38,100	38,100	35,419	2,681
Board of review	2,800	2,800	960	1,840
Treasurer	40,200	40,200	37,671	2,529
Buildings and grounds	87,400	87,400	75,672	11,728
Payroll expenses		14,000	15,882	(1,882)
Deferred compensation	16,000	16,000	16,706	(706)
Insurance and bonds	12,000	12,000	13,465	(1,465)
Contingencies	35,000	35,000	66,047	(31,047)
Master Plan		3,000	620	2,380
Public works:				
Drains at large	21,000	21,000	22,508	(1,508)
Streetlights	6,600	6,600	5,072	1,528
Refuse:				
Trash pick up	350,000	350,000	344,062	5,938
Cemetery:				
Cemetery	24,300	24,300	19,244	5,056
Community planning and zoning:				
Planning and zoning	35,700	32,700	32,822	(122)
Recreation:				
Recreation	55,500	55,500	37,753	17,747
Total expenditures	1,060,280	1,044,280	1,011,267	33,013
Excess of revenues over (under) expenditures	(300,690)	(282,690)	(131,755)	150,935
OTHER FINANCING SOURCES (USES)				
Transfer in		1,200,000	121,082	(1,078,918)
Transfer (out)			(219,082)	(219,082)
Net change in fund balance	(300,690)	917,310	(229,755)	(1,147,065)
FUND BALANCE, APRIL 1, 2025	1,489,075	1,489,075	1,489,075	
FUND BALANCE, MARCH 31, 2026	\$ 1,188,385	\$ 2,406,385	\$ 1,259,320	\$ (1,147,065)

COHOCTAH TOWNSHIP

ROAD FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	Budget Amount			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 230,000	\$ 230,000	\$ 240,200	\$ 10,200
State revenues			2,311	2,311
Interest income	30	30	8	(22)
Total revenues	230,030	230,030	242,519	12,489
EXPENDITURES				
Road improvements	280,030	280,030	231,317	48,713
Excess of revenues over (under) expenditures	(50,000)	(50,000)	11,202	61,202
OTHER FINANCING SOURCES (USES)				
Transfer in	50,000	50,000	98,000	48,000
Net change in fund balance			109,202	109,202
FUND BALANCE, APRIL 1, 2025	46,124	46,124	46,124	
FUND BALANCE, MARCH 31, 2026	\$ 46,124	\$ 46,124	\$ 155,326	\$ 109,202

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

COHOCTAH TOWNSHIP

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2026

NOTE - BUDGETARY INFORMATION

Budget Overruns

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance (Unfavorable)</u>
General Fund			
Attorney	\$ 80,000	\$ 83,456	\$ (3,456)
Payroll expenses	14,000	15,882	(1,882)
Deferred compensation	16,000	16,706	(706)
Insurance and bonds	12,000	13,465	(1,465)
Contingencies	35,000	66,047	(31,047)
Drains at Large	21,000	22,508	(1,508)
Community planning and zoning	32,700	32,822	(122)
	<u>\$ 210,700</u>	<u>\$ 250,886</u>	<u>\$ (40,186)</u>

DRAFT

SUPPLEMENTARY INFORMATION

DRAFT

COMBINING FINANCIAL STATEMENTS

COHOCTAH TOWNSHIP

**COMBINING BALANCE SHEETS
FUNDS INCLUDED IN G A0SB 54 CONSOLIDATION
MARCH 31, 2026**

	General Fund Pre GASB 54 Consolidation	Capital Improvement Fund	Trust and Agency Fund	Total Restated General Fund
ASSETS				
Cash and cash equivalents	\$ 1,041,045	\$ 247,076	\$ 7,309	\$ 1,295,430
Receivable				
Taxes	7,225			7,225
State shared revenues	52,925			52,925
Due from others	19,815			19,815
Due from other funds	1,358			1,358
Total assets	<u>\$ 1,122,368</u>	<u>\$ 247,076</u>	<u>\$ 7,309</u>	<u>\$ 1,376,753</u>
LIABILITIES				
Accounts payable	\$ 33,612	\$		\$ 33,612
Due to other funds	3,757		61	3,818
Due to others			7,248	7,248
Unearned revenues	75,750			75,750
Total liabilities	<u>113,119</u>		<u>7,309</u>	<u>120,428</u>
FUND BALANCE				
Committed				
Capital improvement		247,076		247,076
Assigned	75,750			75,750
Assigned for future budget deficit	379,010			379,010
Unassigned	554,489			554,489
Total fund balance	<u>1,009,249</u>	<u>247,076</u>		<u>1,256,325</u>
Total liabilities and fund balance	<u>\$ 1,122,368</u>	<u>\$ 247,076</u>	<u>\$ 7,309</u>	<u>\$ 1,376,753</u>

COHOCTAH TOWNSHIP

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FUNDS INCLUDED IN GASB 54 CONSOLIDATION
FOR THE YEAR ENDED MARCH 31, 2026**

	General Fund Pre GASB 54 Consolidation	Capital Improvement Fund	Trust and Agency Fund	Totals Restated General Fund
REVENUES				
Taxes	\$ 117,065	\$	\$	\$ 117,065
License and permits	7,107			7,107
State revenues	383,432			383,432
Charges for services	262,536		2,995	265,531
Interest income	25,901	7,658		33,559
Reimbursements	1,416			1,416
Rental income	5,282			5,282
Miscellaneous	66,120			66,120
Total revenues	868,859	7,658	2,995	879,512
EXPENDITURES				
Current				
General government	513,840		2,995	516,835
Master Plan	620			620
Public works	27,580			27,580
Refuse	344,062			344,062
Cemetery	19,244			19,244
Community planning and zoning	32,822			32,822
Recreation	37,753			37,753
Capital outlay:				
General government	35,346			35,346
Total expenditures	1,011,267		2,995	1,014,262
Excess of revenues over (under) expenditures	(142,408)	7,658		(134,750)
OTHER FINANCING SOURCES (USES)				
Transfer in		121,082		121,082
Transfer (out)	(219,082)			(219,082)
Total other financing sources (uses)	(219,082)	121,082		(98,000)
Net changes in fund balances	(361,490)	128,740		(232,750)
FUND BALANCE, APRIL 1, 2025	1,370,739	118,336		1,489,075
FUND BALANCE, MARCH 31, 2026	\$ 1,009,249	\$ 247,076	\$	\$ 1,256,325

DRAFT

INDIVIDUAL FUNDS

GENERAL FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

GENERAL FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2026

ASSETS

Cash	\$ 1,041,045
Receivables:	
Taxes	7,225
State shared	52,925
Due from others	19,815
Due from other funds	<u>1,358</u>
Total assets	<u><u>\$ 1,122,368</u></u>

LIABILITIES

Accounts payable	\$ 33,612
Due to other funds	3,757
Unearned revenues	<u>75,750</u>
Total liabilities	113,119

FUND BALANCE

Total liabilities and fund balance	<u><u>\$ 1,122,368</u></u>
---	----------------------------

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 118,000	\$ 117,065	\$ (935)
Licenses and permits	2,510	7,107	4,597
State revenues	356,000	383,432	27,432
Charges for services	257,000	262,536	5,536
Interest income	3,000	25,901	22,901
Reimbursements	1,000	1,416	416
Rental income	5,280	5,282	2
Miscellaneous	16,800	66,120	49,320
Total revenues	<u>759,590</u>	<u>868,859</u>	<u>109,269</u>
EXPENDITURES			
General government:			
Township board	154,380	136,555	17,825
Supervisor	26,000	26,000	
Election	4,300	2,609	1,691
Attorney	80,000	83,456	(3,456)
Assessor	41,000	38,744	2,256
Clerk	38,100	35,419	2,681
Board of review	2,800	960	1,840
Treasurer	40,200	37,671	2,529
Buildings and grounds	87,400	75,672	11,728
Payroll expenses	14,000	15,882	(1,882)
Deferred compensation	16,000	16,706	(706)
Insurance and bonds	12,000	13,465	(1,465)
Contingencies	35,000	66,047	(31,047)
Master Plan	3,000	620	2,380
Public works:			
Drains at large	21,000	22,508	(1,508)
Streetlights	6,600	5,072	1,528
Refuse:			
Trash pick up	350,000	344,062	5,938
Cemetery:			
Cemetery	24,300	19,244	5,056
Community planning and zoning:			
Planning and zoning	32,700	32,822	(122)
Recreation:			
Recreation	55,500	37,753	17,747
Total expenditures	<u>1,044,280</u>	<u>1,011,267</u>	<u>33,013</u>
Excess of revenues over (under) expenditures	(284,690)	(142,408)	142,282
OTHER FINANCING SOURCES (USES)			
Transfer in	1,200,000		(1,200,000)
Transfer (out)		(219,082)	(219,082)
Net change in fund balance	915,310	(361,490)	(1,276,800)
FUND BALANCE, APRIL 1, 2025	<u>1,370,739</u>	<u>1,370,739</u>	
FUND BALANCE, MARCH 31, 2026	<u>\$ 2,286,049</u>	<u>\$ 1,009,249</u>	<u>\$ (1,276,800)</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TAXES	\$ 118,000	\$ 117,065	\$ (935)
LICENSES AND PERMITS	2,510	7,107	4,597
STATE REVENUES			
State shared revenues		352,516	
Personal property tax reimbursement		1,118	
Local community stabilization		29,798	
Total state revenues	356,000	383,432	27,432
CHARGES FOR SERVICES			
Franchise fees		5,819	
Burial service and cemetery plots		20,984	
Miscellaneous		4,665	
Trash pick up		231,068	
Total charges for services	257,000	262,536	5,536
INTEREST INCOME	3,000	25,901	22,901
RENTAL INCOME	5,280	5,282	2
REIMBURSEMENTS	1,000	1,416	416
MISCELLANEOUS	16,800	66,120	49,320
Total revenues	<u>\$ 759,590</u>	<u>\$ 868,859</u>	<u>\$ 109,269</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL GOVERNMENT			
Township board			
Trustee wages	\$	\$ 31,328	\$
Supplies		4,247	
Contracted services		69,800	
Telephone		561	
Conferences		437	
Publishing		1,695	
Sheriff patrol		24,640	
Equipment		457	
Dues		3,390	
Total township board	<u>154,380</u>	<u>136,555</u>	<u>17,825</u>
Supervisor	<u>26,000</u>	<u>26,000</u>	
Election			
Wages		725	
Supplies		208	
Publishing		73	
Repairs and maintenance		1,603	
Total election	<u>4,300</u>	<u>2,609</u>	<u>1,691</u>
Attorney	<u>80,000</u>	<u>83,456</u>	<u>(3,456)</u>
Assessor	<u>41,000</u>	<u>38,744</u>	<u>2,256</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Clerk			
Salary		33,000	
Deputy wages		1,540	
Mileage		277	
Supplies		602	
Total clerk	<u>38,100</u>	<u>35,419</u>	<u>2,681</u>
Board of review	<u>2,800</u>	<u>960</u>	<u>1,840</u>
Treasurer			
Salary		26,000	
Deputy		3,289	
Mileage		1,452	
Supplies		3,017	
Contracted services		3,913	
Total treasurer	<u>40,200</u>	<u>37,671</u>	<u>2,529</u>
Building and grounds			
Supplies		425	
Telephone		2,084	
Utilities		3,177	
Repairs and maintenance		69,986	
Total buildings and grounds	<u>87,400</u>	<u>75,672</u>	<u>11,728</u>
Payroll expenses	<u>14,000</u>	<u>15,882</u>	<u>(1,882)</u>
Deferred compensation	<u>16,000</u>	<u>16,706</u>	<u>(706)</u>
Insurance and bonds	<u>12,000</u>	<u>13,465</u>	<u>(1,465)</u>
Contingencies	<u>35,000</u>	<u>66,047</u>	<u>(31,047)</u>
TOTAL GENERAL GOVERNMENT	<u>551,180</u>	<u>549,186</u>	<u>1,994</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**GENERAL FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - continued
FOR THE YEAR ENDED MARCH 31, 2026**

	Budget	Actual	Variance Favorable (Unfavorable)
MASTER PLAN	<u>3,000</u>	<u>620</u>	<u>2,380</u>
PUBLIC WORKS			
Drains at large	<u>21,000</u>	<u>22,508</u>	<u>(1,508)</u>
Streetlights	<u>6,600</u>	<u>5,072</u>	<u>1,528</u>
TOTAL PUBLIC WORKS	<u>27,600</u>	<u>27,580</u>	<u>20</u>
REFUSE	<u>350,000</u>	<u>344,062</u>	<u>5,938</u>
CEMETERY			
Burials		3,450	
Foundations		3,886	
Wages		1,628	
Supplies		75	
Lawn care and maintenance		<u>10,205</u>	
TOTAL CEMETERY	<u>24,300</u>	<u>19,244</u>	<u>5,056</u>
COMMUNITY PLANNING AND ZONING			
Wages		29,851	
Publishing		1,136	
Mileage		1,312	
Supplies		<u>523</u>	
TOTAL COMMUNITY PLANNING AND ZONING	<u>32,700</u>	<u>32,822</u>	<u>(122)</u>
RECREATION			
Wages		1,969	
Lawn care		5,625	
Recreation - contracted		8,358	
Community promotion		5,041	
Utilities		923	
Park maintenance and improvement		<u>15,837</u>	
TOTAL RECREATION	<u>55,500</u>	<u>37,753</u>	<u>17,747</u>
Total expenditures	<u>\$ 1,044,280</u>	<u>\$ 1,011,267</u>	<u>\$ 33,013</u>

This supplementary information shows the General Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Capital Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2026**

ASSETS

Cash

\$ 247,076

FUND BALANCE

Committed - capital improvement

\$ 247,076

DRAFT

This supplementary information shows the Capital Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**CAPITAL IMPROVEMENT FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 2,000	\$ 7,658	\$ 5,658
EXPENDITURES			
Excess of revenues over (under) expenditures	2,000	7,658	5,658
OTHER FINANCING SOURCES			
Transfer in		121,082	121,082
Net change in fund balance	2,000	128,740	126,740
FUND BALANCE, APRIL 1, 2025	<u>118,336</u>	<u>118,336</u>	
FUND BALANCE, MARCH 31, 2026	<u>\$ 120,336</u>	<u>\$ 247,076</u>	<u>\$ 126,740</u>

This supplementary information shows the Capital Improvement Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

DRAFT

ROAD FUND

COHOCTAH TOWNSHIP

ROAD FUND
BALANCE SHEET
MARCH 31, 2026

ASSETS

Cash	\$ 135,749
Receivables:	
Taxes	14,940
Due from others	880
Due from other funds	<u>3,757</u>

Total assets	<u>\$ 155,326</u>
---------------------	--------------------------

FUND BALANCE

<u>\$ 155,326</u>

COHOCTAH TOWNSHIP

ROAD FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2026**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 230,000	\$ 240,200	\$
State revenues		2,311	
Interest income	30	8	
Total revenues	<u>230,030</u>	<u>242,519</u>	<u>12,489</u>
EXPENDITURES			
Road improvements	<u>280,030</u>	<u>231,317</u>	<u>48,713</u>
Excess of revenues over (under) expenditures	<u>(50,000)</u>	<u>11,202</u>	<u>61,202</u>
OTHER FINANCING SOURCES			
Transfer in	<u>50,000</u>	<u>98,000</u>	<u>48,000</u>
Net change in fund balance		<u>109,202</u>	<u>109,202</u>
FUND BALANCE, APRIL 1, 2025	<u>46,124</u>	<u>46,124</u>	
FUND BALANCE, MARCH 31, 2026	<u>\$ 46,124</u>	<u>\$ 155,326</u>	<u>\$ 109,202</u>

DRAFT

CURRENT TAX COLLECTION FUND

COHOCTAH TOWNSHIP

**CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2026**

ASSETS

Cash	\$ 4,896
Accounts receivable	<u>1,401</u>
Total assets	<u>\$ 6,297</u>

LIABILITIES

Due to others	\$ 5,000
Due to other funds	<u>1,297</u>
Total liabilities	<u>\$ 6,297</u>

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)

This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)
BALANCE SHEET
MARCH 31, 2026

ASSETS

Cash	\$ 7,309
------	----------

Total assets	<u>\$ 7,309</u>
---------------------	-----------------

LIABILITIES

Due to others	\$ 7,248
Due to other funds	61

Total liabilities	<u>\$ 7,309</u>
--------------------------	-----------------

This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.

COHOCTAH TOWNSHIP

**TRUST AND AGENCY FUND (PRE GASB 54 RESTATEMENT)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MARCH 31, 2026**

REVENUES

Charges for services	\$ 2,995
----------------------	----------

EXPENDITURES

2,995

Net change in fund balance

FUND BALANCE, APRIL 1, 2025

FUND BALANCE, MARCH 31, 2026

\$

This supplementary information shows the Trust and Agency Fund prior to the implementation of GASB 54, and as such does not present the results on the basis of generally accepted accounting principles but is presented solely for supplemental information.