



CORE PURPOSE: *CONNECT, ENGAGE AND SERVE THE COMMUNITY*

MISSION

WE DELIVER EXCEPTIONAL PUBLIC SERVICE IN A PROFESSIONAL, CREATIVE AND RESPONSIBLE MANNER TO ENHANCE THE QUALITY OF LIFE FOR THOSE WHO LIVE IN, WORK IN AND ENJOY OUR COMMUNITY.

BE THE LEADING, INNOVATIVE COMMUNITY
BUILT THROUGH A LEGACY OF EXCELLENCE.

VISION

VALUES

INTEGRITY • RESPECT • DEDICATION • COLLABORATION



2020 Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2020

Charter Township of Northville, Michigan

Charter Township of Northville, Michigan

Annual Comprehensive Financial Report with Supplemental Information Fiscal Year Ended December 31, 2020

Board of Trustees

Mark J. Abbo, Supervisor
Roger Lundberg, Clerk
Jason Rhines, Treasurer
Scott Frush, Trustee
Mindy Herrmann, Trustee
Cynthia Jankowski, Trustee
Christopher Roosen, Trustee

Township Manager

Todd Mutchler

Prepared by:

Township's Finance Department

Introductory Section

Letter of Transmittal	i-iv
GFOA Certificate of Achievement	v
Organization Chart	vi
List of Principal Officials	vii
Fund Organization Chart	viii

Financial Section

Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-13

Basic Financial Statements

Government-wide Financial Statements:	
Statement of Net Position	14-15
Statement of Activities	16-17

Fund Financial Statements:

Governmental Funds:

Balance Sheet	18
Reconciliation of the Balance Sheet to the Statement of Net Position	19
Statement of Revenue, Expenditures, and Changes in Fund Balances	20
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	21

Proprietary Fund:

Statement of Net Position	22
Statement of Revenue, Expenses, and Changes in Net Position	23
Statement of Cash Flows	24

Fiduciary Funds:

Statement of Fiduciary Net Position	25
Statement of Changes in Fiduciary Net Position	26

Component Units:

Statement of Net Position	27
Statement of Activities	28

Notes to Financial Statements	29-57
-------------------------------	-------

Required Supplemental Information 58

Budgetary Comparison Schedule - General Fund	59
Budgetary Comparison Schedule - Major Special Revenue Fund	60
Schedule of Changes in the Net Pension Liability and Related Ratios	61
Schedule of Pension Contributions	62
Schedule of Changes in the Net OPEB Liability and Related Ratios	63
Schedule of OPEB Contributions	64
Schedule of OPEB Investment Returns	65
Notes to Required Supplemental Information	66

Other Supplemental Information	67
Nonmajor Governmental Funds:	
Combining Balance Sheet	68-69
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	70-71
Budgetary Comparison Schedule - Nonmajor Governmental Funds	72-73
Component Units:	
Balance Sheet - Component Units	74
Statement of Revenue, Expenditures, and Changes in Fund Balances - Component Units	75
<u>Statistical Section</u>	76
Description of the Statistical Section	77
Financial Trend Information	
Net Position by Component	78-79
Changes in Governmental Net Position	80-81
Changes in Business Type Net Position	82-83
Fund Balances, Governmental Funds	84-85
Changes in Fund Balances, Governmental Funds	86-87
Revenue Capacity Information	
Taxable Value and Estimated Actual Value of Taxable Property	88-89
Direct and Overlapping Property Tax Rates	90-91
Principal Property Tax Payers	92
Property Tax Levies and Collections	93
Debt Capacity Information	
Ratios of Outstanding Debt	94-95
Ratios of General Bonded Debt Outstanding	96
Direct and Overlapping Governmental Activities Debt	97
Legal Debt Margin	98-99
Pledged-Revenue Coverage	100
Demographic and Economic Information	
Demographic and Economic Statistics	101
Principal Employers	102
Operating Information	
Full-Time Equivalent Government Employees	103
Operating Indicators	104-107
Capital Asset Statistics	108-109



BOARD OF TRUSTEES

Mark J. Abbo, *Supervisor*

Roger Lundberg, *Clerk*

Jason Rhines, *Treasurer*

Scott Frush, *Trustee*

Mindy Herrmann, *Trustee*

Cynthia Jankowski, *Trustee*

Christopher Roosen, *Trustee*

April 19, 2021

Honorable Supervisor, Mark J. Abbo

Members of the Board of Trustees

Citizens of the Charter Township of Northville, Michigan

We are pleased to submit the Annual Comprehensive Financial Report of the Charter Township of Northville for the fiscal year ended December 31, 2020. This report is prepared for the purpose of disclosing the Township's financial condition to its residents, elected officials and other interested parties. The financial statements contain all disclosures necessary to enable the reader to gain an understanding of the Township's financial activities. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the Township. We believe the data presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Township, and that all disclosures necessary to enable the reader to gain the maximum understanding of the Township's financial affairs have been included.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

All local units of government within the State of Michigan must comply with the Uniform Budgeting and Accounting Act, PA 2 of 1968, as amended, which requires an annual audit of the financial records and transactions of the Township by independent certified public accountants. The primary purpose of the auditing requirements of this act is to maintain the confidence of all interested parties in the integrity of the record keeping and financial reporting of local units of government.

Profile of the Government

The Charter Township of Northville, incorporated in 1829, is strategically located in the northwestern portion of Wayne County. Located just 15 miles east of Ann Arbor and 30 miles west of downtown Detroit, the Township serves over 28,000 residents and encompasses an area of approximately 16.5 square miles. Northville Township is considered a choice community to live. A dynamic, growing community, Northville Township, offers an abundance of rolling, wooded acreage, which provides a unique natural backdrop for residential and commercial land development. Northville Township is well connected to highway, rail, and air transportation routes offering outstanding accessibility.

The Township of Northville is governed by a Board of Trustees which is composed of seven members who are elected for four year terms. The Board is composed of a Supervisor, a Clerk, a Treasurer and four trustees under the Trustee-Manager form of government. Policy-making and legislative authority are vested in the Board of Trustees which is presided over by the Supervisor, who is the chief executive of the Township.

The Township provides a full range of municipal services including police and fire protection; parks, recreational and cultural activities; building inspection; code enforcement and planning and development. The Township is a member of the Western Township Utilities Authority (WTUA), which provides sewage disposal services to the residents of Canton, Northville and Plymouth Townships.

The Township of Northville prepares budgets in accordance with the Uniform Budgeting and Accounting Act, PA 2 of 1968, as amended. Under the direction of the Township Manager, the Finance Director prepares an initial projection of revenue for the next fiscal year. Spending priorities are then established based upon the Township's financial policies and mandated requirements. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by function and category.

Factors affecting financial condition

In 2015, Standard & Poor's Rating Service raised Northville Township's long-term general obligation bond rating to a "AA+" citing the stability of the Township's financial outlook. This rating places Northville Township in an elite group throughout the state receiving a AA+ rating or better. S&P assigns AA+ ratings to communities that have a very strong capacity to meet their financial commitments.

The strong rating demonstrates the Township Board's continued commitment and wisdom in overseeing township government and reflects the continuing cooperation between our Directors and the Board of Trustees. S&P officials listed several reasons for the upgrade, including strong management with good financial policies and practices. These policies serve as a guide in the decision making process and were established to ensure:

- Reserves aren't used to fund recurring expenditures therefore prohibiting unsustainable uses of fund balance.
- Strategic long-term policy decisions are properly identified.
- Capital improvement projects are carefully planned and funded.

The agency credits Northville Township for its transparency in financial reporting, updating the three-year financial forecast and capital improvement plan annually. S&P's upgraded rating also reflects the Township's strong budgetary performance and strong liquidity.

The AA+ bond rating confirms the Township's ability to effectively manage financial resources, making it an attractive destination for both new business and residential development.

The AA+ rating is also a sign of financial stability with good management systems in place and a strong set of fiscal policies established by the Board. Standard & Poor's notes that Northville Township has an extremely strong market value per capita as well as a moderate overall debt burden. The 2010 Census reports Northville Township's population at 28,497, which represents a 35% increase from the 2000 Census population of 21,036.

Long-term financial planning and major initiatives

One of the largest sources of revenue for the Township remains property taxes. To maintain existing services levels within the Township, in 2020 Northville Township residents approved both a millage renewal and a 0.4623 mill increase dedicated specifically for public safety, 0.0324 mills for shared services, and 0.0053 dedicated to general operating services. This approval reflects the public's confidence in the continued commitment to provide quality and dependable services by the dedicated staff of this Township.

A capital needs assessment was completed for Township Hall, Police, Fire and the Department of Public Services facilities. The assessment was conducted for the purpose of:

- Reviewing the physical condition of each site and structure within the Township.
- Determining the capital improvement needs of each respective Township facility, equipment, systems and structural elements over a 20-year period, including non-dwelling components such as parking lots and common areas.
- Estimating the projected costs of recommended capital improvements, major repairs, and replacement of appliances, taking into account such variables as standard rates of inflation.
- Creating building reserves to ensure that funds have been provided for the inevitable need to reinvest in the Township's facilities.

The Township now follows a capital renewal and replacement program that budgets for known cyclic repair and replacement requirements that extend the life and retain usable condition of facilities and systems. By planning ahead and systematically saving for future capital needs, the Township can help mitigate the financial impact of major, nonrecurring expenditures on future budgets.

Managing the Township's Long-Term Legacy Costs

The fundamental financial objective of the Township is to effectively manage and fund the long-term costs for both its defined benefit pension and retiree health care plan. To ensure sustainability, the target funded ratio for public pensions based on a recent Government Finance Officers Association industry best practice recommends that public officials and associated trustees should, at a minimum, adopt a funding policy with a target funded ratio of 100% or more (full funding).

During 2020, the Township contributed \$1,800,492 in excess of the required pension minimum contributions into its defined benefit pension plan administered by MERS. The additional contributions support the financial objective of the Township to strive for 100% funding of its pension obligations.

Relevant Financial Policies

Included in the 2020 Annual Budget and Financial Plan are the financial policies which set forth the basic framework for the overall fiscal management of the Township. Operating independently of changing economic circumstances and conditions, these policies help the decision making process of the Township Board and administration.

The Township's fund balance policy was established to be at least at the Government Finance Officers Association (GFOA) minimum recommended level of 16.7% to cover extraordinary events and contingencies for budgeted expenditures.

The **Northville Township Water & Sewer Fund Fiscal Policy** was adopted by the Board of Trustees and establishes recommended reserve levels and continues the Board's vision to set in writing the framework for the overall fiscal management of the Township to ensure the highest standards of financial stewardship are followed. A written and adopted Reserve Fund Policy provides for and facilitates attainment of program and financial goals relative to the prudent accumulation and management of designated reserves and reserve funds. It is the intent of the Reserve Fund Policy to set target levels for reserves that are consistent with the Township's overall financial framework.

Internal Controls

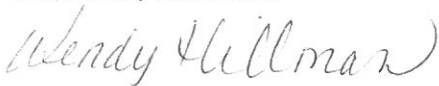
In developing and evaluating the Township's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the Township's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Awards and Acknowledgements

The GFOA awarded a Certificate of Excellence in Financial Reporting to Northville Township for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This represents the eighth consecutive year the Township has received this prestigious award.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The preparation of this Annual Comprehensive Financial Report was made possible by the dedicated service of many individuals. We wish to express our sincere appreciation to each of them. Special thanks to the independent auditing firm of Plante & Moran, LLC and to Township Supervisor, Mark J. Abbo, the entire Board of Trustees as well as Township Manager, Todd Mutchler for their leadership and support in matters pertaining to the financial affairs of the Township.

Respectfully submitted,



Wendy Hillman, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Charter Township of Northville
Michigan**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

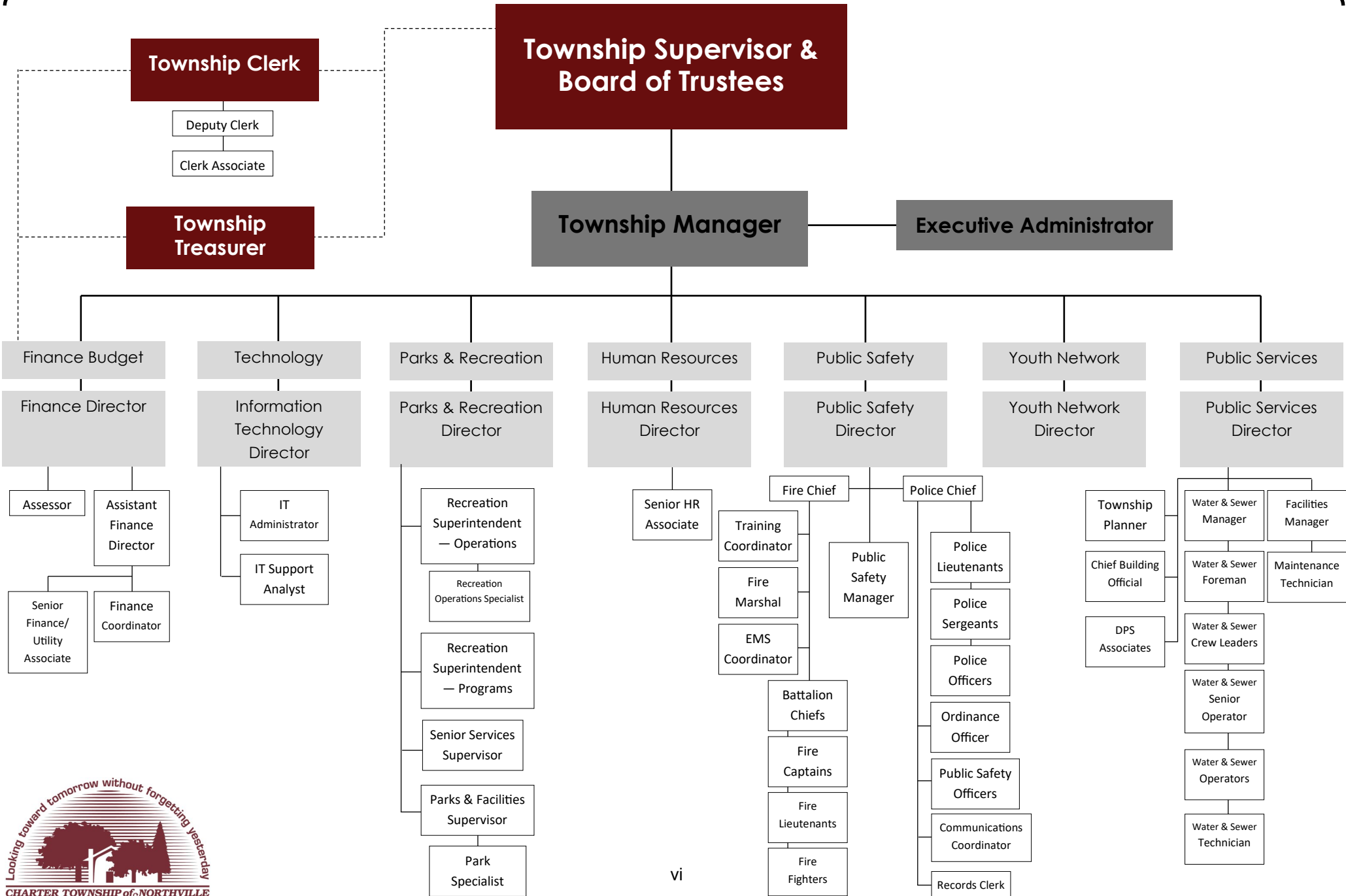
December 31, 2019

Christopher P. Morill

Executive Director/CEO

Charter Township of Northville | Organizational Chart

CITIZENS OF NORTHVILLE TOWNSHIP



Township of Northville, Michigan

List of Principal Officials

December 31, 2020

Title	Name
Township Supervisor	Mark J. Abbo
Township Clerk	Roger Lundberg
Township Treasurer	Jason Rhines
Township Trustee	Scott Frush
Township Trustee	Cynthia Jankowski
Township Trustee	Mindy Herrmann
Township Trustee	Christopher Roosen
Township Manager/Public Safety Director	Todd L. Mutchler
Finance Director	Wendy Hillman
Public Services Director	Bob Belair
Human Resources Director	Glenn Caldwell
Parks & Recreation Director	Mark Gasche
Information Technology Director	Shaun Nicoloff
Youth Network Director	Amy Prevo
Deputy Director of Fire Services / Fire Chief	Brent Siegel
Deputy Director of Police Services / Police Chief	Paul Tennies

Northville Township, Michigan
Fund Organization Chart

Governmental Funds

<u>General Fund</u>	<u>Capital Project Funds</u>
	Capital Improvement Fund Tree Fund
<u>Debt Service Funds</u>	<u>Special Revenue Funds</u>
Land Acquisition Edenderry Paving SAD 2012 Refunding Debt Seven Mile Road Property Purchase	Public Safety Shared Services Youth Network

Proprietary Fund - Enterprise Funds

Water and Sewer

Fiduciary Funds

<u>Custodial Funds</u>	<u>Pension and Other Employee Benefit Trust Fund</u>
Tax Collection Fund Agency	Retiree Health Care Trust Fund

Component Unit

Economic Development Corporation	Brownfield Redevelopment Authority
----------------------------------	------------------------------------

Independent Auditor's Report

To the Board of Trustees
Charter Township of Northville

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Northville (the "Township") as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the Charter Township of Northville's basic financial statements, as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Northville as of December 31, 2020 and the respective changes in its 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.

To the Board of Trustees
Charter Township of Northville

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, major fund budgetary comparison schedules for the General Fund and the major special revenue fund, schedule of changes in the township net pension liability and related ratios, schedule of township pension contributions, schedule of changes in the township net OPEB liability and related ratios, schedule of township OPEB contributions, schedule of OPEB investment returns, and notes to required supplemental information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Northville's basic financial statements. The combining statements and budgetary comparison schedules for nonmajor funds and introductory section and statistical section schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplemental 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. Such 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2021 on our consideration of Charter Township of Northville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter Township of Northville's internal control over financial reporting and compliance.



April 19, 2021

Township of Northville, Michigan

Management's Discussion and Analysis

The Township of Northville's discussion and analysis is a narrative overview of the Township's financial activities for the fiscal year ended December 31, 2020. The information presented here should be read in conjunction with our letter of transmittal, the financial statements, and notes to the financial statements that follow.

Financial Highlights

- * Total assets and deferred outflows of the Township exceeded liabilities and deferred inflows at December 31, 2020 by \$187,347,625.
- * The Township's total combined net position for both governmental and business-type activities increased during the year by \$13,674,931. This increase was driven by:
 - The contribution of \$1.5 million in capital and connection fees paid by developers into the Water and Sewer Fund. In addition, developers contributed almost \$190,000 in contributed water and sewer assets constructed by developers.
 - The Township's net retiree health care liability (also known as OPEB), was eliminated during the year and the Township is now recognizing a net OPEB asset of \$696,786 making the OPEB plan 108% funded at the end of 2020.
 - The Township received over \$1.5 million in operating grant funds from the CARES Act. These grant funds were primarily applied towards operating costs incurred within the Public Safety Fund.
- * Unrestricted net position associated with governmental activities increased by over \$4 million from the prior year. This increase is a result of the elimination of the Township's OPEB liability and the reduction of long term debt during 2020.
- * As of December 31, 2020, the Township's governmental funds reported combined ending fund balances of \$32,733,227. Fund balance of the General Fund totaled \$12,825,316 at December 31, 2020, which represents an increase of \$2,298,071 in comparison with the prior year. This increase was driven by \$1,133,016 received in permit fee revenue, including building, mechanical, electrical, and plumbing; \$909,046 in property tax administration fee revenue; and \$273,759 in payments received from the Brownfield Redevelopment Authority.
- * **The Township's total direct and other debt obligations were reduced by \$2,960,187** from the prior year. Total debt at December 31, 2020 was \$19,621,493 (including unamortized bond premium). Moody's Investor Service has established guidelines for a municipalities debt burden as measured by the ratio of total tax supported debt to the actual value of taxable property of the jurisdiction. In general, a government's total tax supported debt burden should remain below 4% of its total taxable value. The Township's percent of direct and other debt as of December 31, 2020 was well below this ratio at 0.87% of the Township's total 2019 taxable value.

Township of Northville, Michigan

Management's Discussion and Analysis

Overview of the Financial Statements

This discussion and analysis provides an introduction and overview to the Township's basic financial statements. This information will assist users in interpreting the basic statements. We will also provide other financial discussion and analysis of certain plans, projects, and trends necessary for understanding the full context of the financial condition of the Township.

Basic Financial Statements – The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The financial section of this report also contains required supplementary information, in addition to the basic financial statements.

Government-wide Financial Statements – Government-wide financial statements provide readers with a broad overview of the Township's finances in a manner similar to a private sector business, distinguishing functions of Northville Township that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as "business-type activities").

The statement of net position presents information on all of the Township's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business and presents a longer-term view of the Township's finances. Over time, increases or decreases in net position can serve as one indicator of the financial position of the Township. Other indicators include changes in the property tax base and general economic conditions within the Township.

The statement of activities presents information showing how the Township's net position changed during the year. This statement separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program). This shows the extent each program relies on taxes for funding. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Items such as special assessments and earned but unused employee leave time will be included in the statement of activities as revenue and expense, even though the cash flows associated with these items will be recognized in future fiscal periods.

In accordance with GASB No. 14, *The Financial Reporting Entity*, as amended by GASB No. 39, *Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statements No. 14*, the Township has identified certain entities as component units in the government-wide financial statements. By virtue of its authority to exercise influence over their operations, the Township has included the financial statements of both the Economic Development Corporation and the Northville Township Brownfield Redevelopment Authority, which are discretely presented component units within the government-wide financial statements.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township of Northville, Michigan, like other state and local governments, establishes funds for compliance with finance-related legal requirements. All of the funds of the Township fall into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental funds account for most, if not all, of a government's tax-supported functions. Proprietary funds account for a government's business-type activities; all or part of the costs of activities are supported by fees and charges that are paid by those who benefit from the activities. Fiduciary funds account for resources that are held by the government as a trustee or agent for parties outside of the government.

Township of Northville, Michigan

Management's Discussion and Analysis

Governmental Funds – The Township of Northville maintains ten individual governmental funds. The governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances present separate columns of financial data for the General Fund, Public Safety and the Seven Mile Road Property Purchase Fund. These funds are considered major funds as of December 31, 2020. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the other supplementary information section of this report.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year; this information is useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

Because the measurement focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The government-wide statements give readers a better understanding of the long-term impact of the government's near-term financing decisions. The governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide reconciliation to the governmental activities column in the government-wide statements, facilitating this comparison.

The Township adopts an annual appropriated budget for its General Fund and Special Revenue Funds. A budgetary comparison statement has been provided for each major fund within the required supplementary information. Budgetary comparisons for other nonmajor Special Revenue Funds are presented within the other supplementary section of the report.

Proprietary Funds – The Township maintains one type of proprietary fund used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses enterprise funds to account for its water and sewer activities. Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting.

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided and are an integral part of the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report also contains certain required supplementary information concerning budgetary comparisons of the General and all major funds. The combining statements in connection with nonmajor governmental funds and the component units are presented immediately following the required supplementary information.

Township of Northville, Michigan Management's Discussion and Analysis

Government-wide Financial Analysis

Statement of Net Position – As noted earlier, changes in net position may serve as a useful indicator of a government's financial position. The Township's total assets and deferred outflows exceeded its liabilities and deferred inflows by \$187,347,625 (net position) at the close of December 31, 2020. The following table shows, in a condensed format, the Township's net position as of December 31, 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	\$ 60,562,834	\$ 53,293,365	\$ 58,721,449	\$ 53,079,219	\$ 119,284,283	\$ 106,372,584
Capital assets	<u>62,410,206</u>	<u>63,046,694</u>	<u>48,142,950</u>	<u>49,063,027</u>	<u>110,553,156</u>	<u>112,109,721</u>
Total assets	122,973,040	116,340,059	106,864,399	102,142,246	229,837,439	218,482,305
Deferred Outflows of Resources						
	8,137,692	6,318,620	1,122,540	808,064	9,260,232	7,126,684
Liabilities						
Current liabilities	2,750,554	2,869,767	1,365,202	1,250,923	4,115,756	4,120,690
Noncurrent liabilities :						
Due within one year	2,950,365	3,344,270	556,770	590,220	3,507,135	3,934,490
Due in more than one year	<u>18,617,811</u>	<u>19,136,456</u>	<u>4,139,814</u>	<u>4,339,279</u>	<u>22,757,625</u>	<u>23,475,735</u>
Total liabilities	24,318,730	25,350,493	6,061,786	6,180,422	30,380,516	31,530,915
Deferred Inflow of Resources						
	21,264,745	20,346,148	104,785	59,232	21,369,530	20,405,380
Net Position						
Net investment in capital assets	46,851,756	45,059,020	44,290,283	44,738,092	91,142,039	89,797,112
Restricted	13,224,232	10,810,720	-	-	13,224,232	10,810,720
Unrestricted	<u>25,451,269</u>	<u>21,092,298</u>	<u>57,530,085</u>	<u>51,972,564</u>	<u>82,981,354</u>	<u>73,064,862</u>
Total net position	<u>\$ 85,527,257</u>	<u>\$ 76,962,038</u>	<u>\$ 101,820,368</u>	<u>\$ 96,710,656</u>	<u>\$ 187,347,625</u>	<u>\$ 173,672,694</u>

Over 49% of the Township's net position reflects its investment in capital assets. The portion of restricted net position represents resources that are subject to external restrictions on how they may be used. Unrestricted net position related specifically to governmental activities of \$25,451,269 represents the amount that may be used to meet the Township's ongoing obligations, without legal restrictions.

Township of Northville, Michigan Management's Discussion and Analysis

Changes in Net Position – In total, governmental activities increased the Township's net position by \$8,565,219. The Township recognized an increase in property tax revenue of \$1,171,135 compared to 2019. In addition, the Township recognized an increase of \$1,317,983 in operating grants and contributions which were used, in part, to offset public safety wages. In addition, during 2020, the governmental activities eliminated its net retiree health liability of \$113,914 and is instead recognizing a net retiree health asset of \$627,005. Business-type activities increased net position in total by \$5,109,712. The majority of this increase is mostly a result of \$1,647,021 in capital contributions and donated water and sewer assets constructed by developers as well as operating revenue of \$16,698,964 which is an increase of \$1,896,486 in water and sewer receipts compared to 2019.

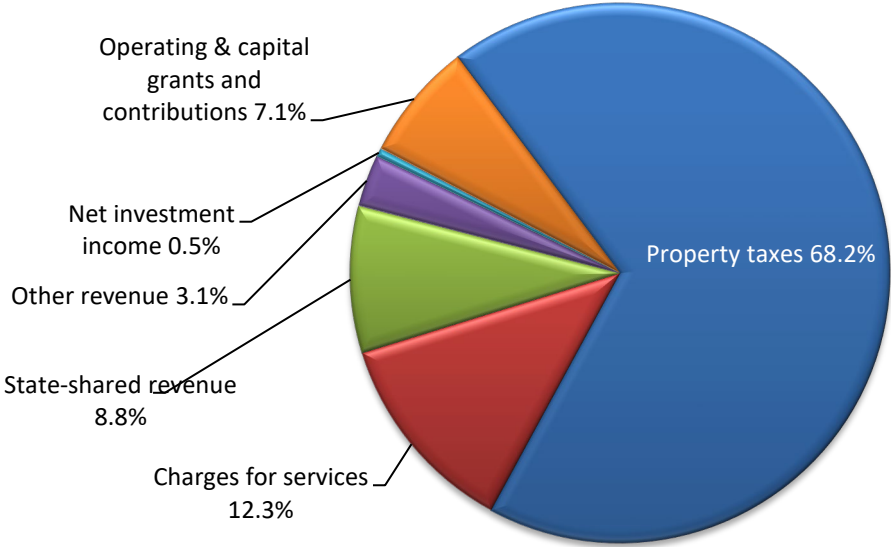
Key elements in the Township's change in net position are shown in the following table:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenue						
Program revenue:						
Charges for services	\$ 3,660,980	\$ 4,377,343	\$ 16,698,964	\$ 14,802,478	\$ 20,359,944	\$ 19,179,821
Operating grants and contributions	1,890,453	572,470	-	-	1,890,453	572,470
Capital grants and contributions	227,102	120,906	1,647,021	2,995,771	1,874,123	3,116,677
General revenue:						
Property taxes	20,370,481	19,199,346	-	-	20,370,481	19,199,346
State-shared revenue	2,626,793	2,633,619	-	-	2,626,793	2,633,619
Net investment income	161,328	747,423	274,267	550,181	435,595	1,297,604
Other miscellaneous income	923,611	389,166	-	-	923,611	389,166
Gain on sale of capital assets	-	82,630	-	-	-	82,630
Total revenue	29,860,748	28,122,903	18,620,252	18,348,430	48,481,000	46,471,333
Expenses						
General government	3,636,956	2,279,440	-	-	3,636,956	2,279,440
Public safety:						
Police and fire	15,169,219	9,601,064	-	-	15,169,219	9,601,064
Building department	505,532	631,644	-	-	505,532	631,644
Community and economic development	228,294	608,377	-	-	228,294	608,377
Recreation and culture	1,116,097	1,577,654	-	-	1,116,097	1,577,654
Interest on long-term debt	639,431	727,041	-	-	639,431	727,041
Solid waste	-	-	-	-	-	-
Water and sewer	-	-	13,510,540	12,783,088	13,510,540	12,783,088
Total expenses	21,295,529	15,425,220	13,510,540	12,783,088	34,806,069	28,208,308
Change in Net Position	8,565,219	12,697,683	5,109,712	5,565,342	13,674,931	18,263,025
Net Position - Beginning of year	76,962,038	64,264,355	96,710,656	91,145,314	173,672,694	155,409,669
Net Position - End of year	\$ 85,527,257	\$ 76,962,038	\$ 101,820,368	\$ 96,710,656	\$ 187,347,625	\$ 173,672,694

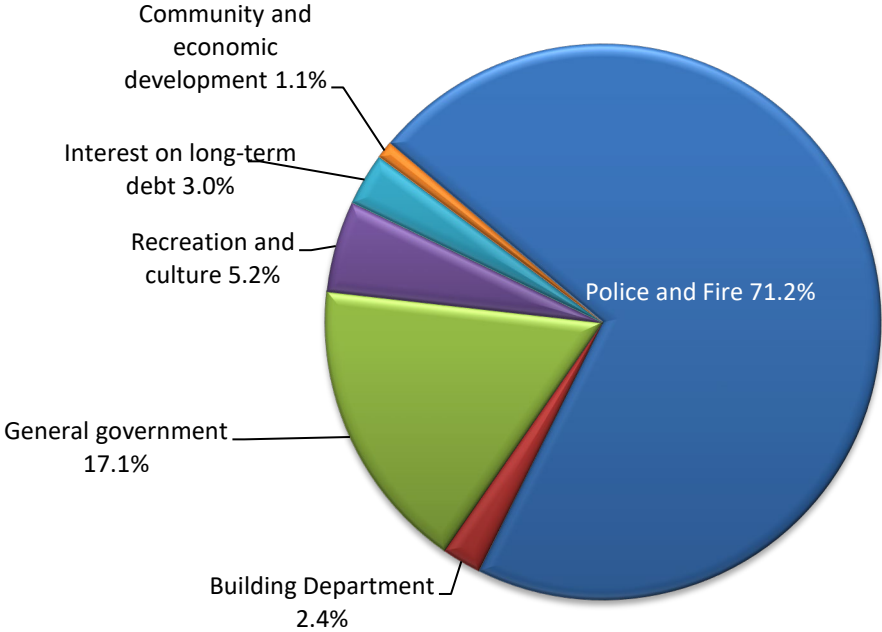
Governmental Activities – Program revenue, which includes user fees and charges and restricted operating and capital grants and contributions, represents 19% of total governmental revenue sources. Program revenues reduce the net cost of the governmental functions to be financed from the Township's general revenues, which are comprised primarily of property taxes and state revenue sharing.

Township of Northville, Michigan
Management's Discussion and Analysis

Revenue by Source - Governmental Activities



Expenses by Activity - Governmental Activities

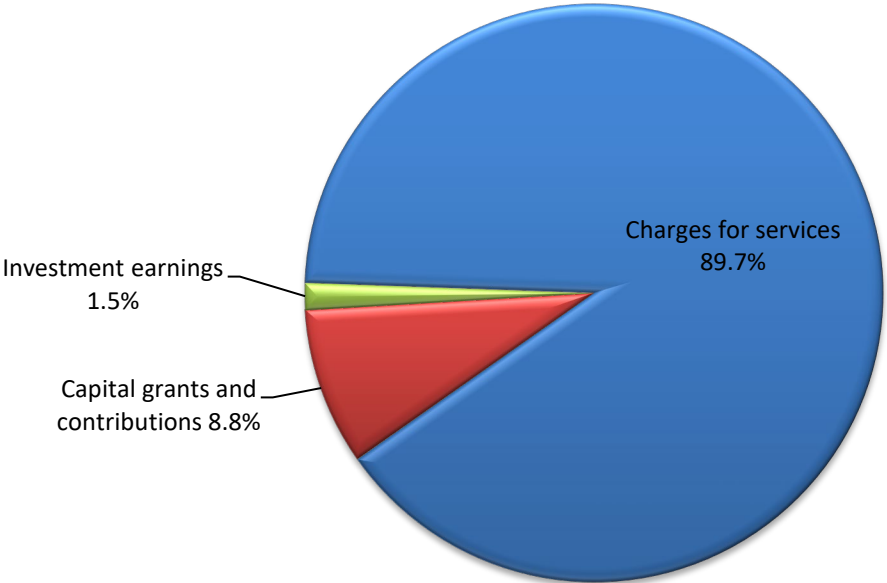


Township of Northville, Michigan Management's Discussion and Analysis

Business-type Activities – Business-type activities realized an increase in net position of \$5,109,712. This is a result of the following:

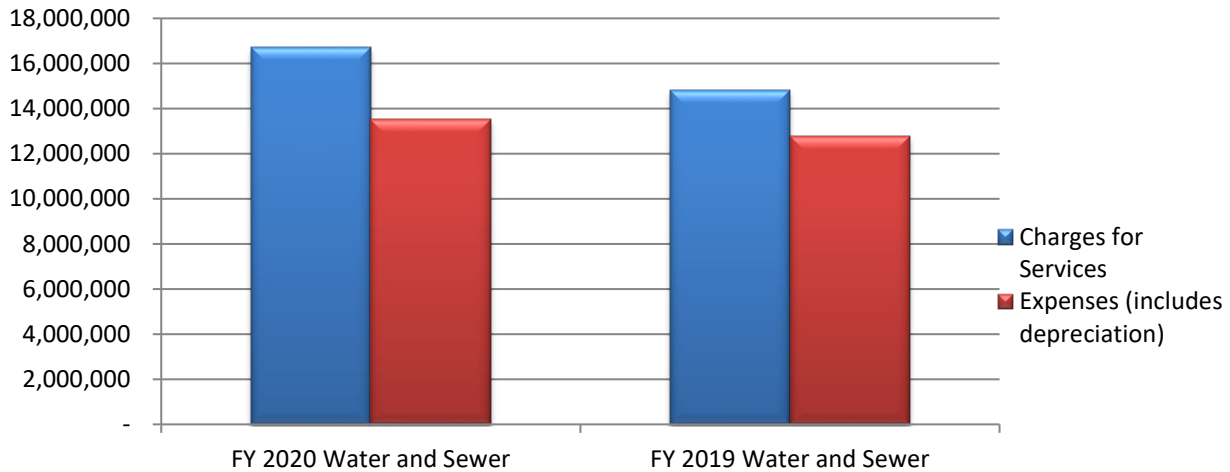
- The contribution of \$1.5million in capital and connection fees paid by developers into the Water and Sewer Fund. In addition, developers contributed almost \$190,000 in contributed water and sewer assets constructed by developers.
- The recognition of net investment income totaling \$274,267.
- The recognition of operating revenue totaling \$16,698,964, which is an increase of \$1,896,486 from 2019.
- The Township is a partial owner of WTUA, in conjunction with Plymouth and Canton Townships. The WTUA system is comprised of a number of gravity interceptors, lift stations, pump stations, force mains and equalization basins. General flows are intercepted from the local township sanitary sewer systems using a combination of newly constructed and older sanitary sewer interceptors. Any debt issued in conjunction with these sanitary systems is passed through WTUA, to each community based on their proportionate share of the system. As of December 31, 2020, the Township's share of WTUA debt service costs decreased by approximately \$55,000 from the prior year. The investment in WTUA increased by \$977,302.

Revenue by Source - Business-type Activities



Township of Northville, Michigan
Management's Discussion and Analysis

Expenses and Program Revenue - Business-type Activities



Financial Analysis of the Township's Funds

Governmental Funds – The Township has ten governmental funds, categorized into three fund types. Each fund type has a unique purpose. The governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances present separate columns of financial data for the General Fund, Public Safety and the Seven Mile Road Property Purchase Fund. These funds are considered major funds based on criteria as set forth by the Governmental Accounting Standards Board.

As of December 31, 2020, the governmental funds of the Township reported a combined fund balance of \$32,733,227, an increase of \$5,646,353 in comparison to the prior year. The majority of this increase is attributable to an increase in property tax revenue, totaling \$1,171,135 as well as an increase to operating grants and contributions in the amount of \$1,317,983. In addition, the Township spent less towards the Seven Mile project and other various capital projects leading to a decrease in capital outlay expenditures of \$1,111,889 from 2019.

Reserves and balances. As of December 31, 2020, fund balance of the General Fund totaled over \$12.8 million and is not restricted as to use. The Township's unassigned fund balance have increased by over \$10.6 million in the General Fund since 2009. The Township set aside these funds to pay for expenditures which could result from unforeseen emergencies and to weather the next economic downturn. These "rainy day funds" provide a buffer to withstand periodic deficits without endangering the Township's fiscal health over the long run.

Proprietary Funds – For the year ended December 31, 2020, the Water and Sewer Fund reported operating income of \$3,317,345. Total cash reserves increased by \$4,810,196 largely the result of the recognition of \$4,368,590 in cash flows provided from operating activities.

The **Northville Township Water & Sewer Fund Fiscal Policy** adopted by the Board of Trustees and establishes recommended reserve levels and continues the Board's vision to set in writing the framework for the overall fiscal management of the Township. Working capital reserves will be closely monitored to ensure that recurring revenues, including user rates, are adequate to fund recurring operating expenses

Township of Northville, Michigan

Management's Discussion and Analysis

General Fund Budgetary Highlights

The Township recognized favorable budget results for the fiscal year ended December 31, 2020. In total, revenues of the General Fund came in **over budget estimates for the year by \$936,757 or 14.4%**. This is a result of the recognition of permit revenue in excess of budgeted projections totaling \$373,015. In addition, the General Fund recognized higher than anticipated property tax administration fees in the totaling \$159,046 and reimbursement from the Brownfield Redevelopment Authority in the amount of \$213,756 that was unbudgeted.

The Township's General Fund expenditures as of December 31, 2020 were **under budget in total by \$609,154 or 10.6%**. During the year, the Township did not incur expenditures that were in excess of the amounts budgeted. The Legislative activity produced the majority of budget savings of \$295,560, primarily due to a reduction in legal services over budget estimates.

Capital Asset and Debt Administration

Capital Assets – The Township's investment in capital assets, including construction in progress, for its governmental and business-type activities as of December 31, 2020 totals \$110,553,156 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress.

Capital Assets – The following table is a comparison of the summary information for the fiscal years ended December 30, 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 49,163,914	\$ 49,163,914	\$ -	\$ -	\$ 49,163,914	\$ 49,163,914
Bike paths	750,945	858,013	-	-	750,945	858,013
Buildings and improvements	9,351,015	9,735,846	19,637	81,628	9,370,652	9,817,474
Vehicles and equipment	1,441,374	1,737,034	288,277	321,189	1,729,651	2,058,223
Furniture and equipment	1,556,231	1,438,270	-	-	1,556,231	1,438,270
Computer equipment	113,930	113,617	-	-	113,930	113,617
Infrastructure	-	-	47,380,777	48,631,591	47,380,777	48,631,591
Construction in progress	32,797	-	454,259	28,619	487,056	28,619
Total	\$ 62,410,206	\$ 63,046,694	\$ 48,142,950	\$ 49,063,027	\$ 110,553,156	\$ 112,109,721

Additional information on the Township's capital assets can be found in Note 7 of this report.

Township of Northville, Michigan Management's Discussion and Analysis

Long-term Debt – The following table is a comparison of the summary information for the fiscal years ended December 30, 2020 and 2019:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 15,458,651	\$ 17,882,976	\$ 2,986,037	\$ 3,406,899	\$ 18,444,688	\$ 21,289,875
Special assessment bonds	180,000	225,000	-	-	180,000	225,000
State revolving loan fund	-	-	996,805	1,066,805	996,805	1,066,805
Total bonds payable	15,638,651	18,107,976	3,982,842	4,473,704	19,621,493	22,581,680
Estimated self-insurance claims	3,050	26,800	-	-	3,050	26,800
Accumulated compensated absences	2,338,410	2,177,630	266,100	227,520	2,604,510	2,405,150
Total	<u>\$ 17,980,111</u>	<u>\$ 20,312,406</u>	<u>\$ 4,248,942</u>	<u>\$ 4,701,224</u>	<u>\$ 22,229,053</u>	<u>\$ 25,013,630</u>

Additional information on the Township's long-term debt can be found in Note 9 of this report.

Economic Factors and Next Year's Budget and Rates

*Having the **vision** to set the framework for the overall fiscal management of the Township and the **courage** to stay on course*

For 2021, Northville Township's financial plan includes:

An overall budget of \$38.9 million consisting of:

- Water & Sewer Fund operations totaling \$14 million.
- General Government expenditures totaling \$24.9 million.
- The 2020 total millage rate which funds the 2021 Budget was recommended to total 8.6232 mills – **a reduction of 0.0332 mills from the 2019 millage rate**
- 2021 General Government expenditures totaling \$24.9 million are estimated to decrease overall by 3.5%.
- No water or sewer rate increases are proposed for 2021.

Township of Northville, Michigan

Management's Discussion and Analysis

Constitutional Tax Limitations - Headlee Amendment Reduction to 2020 Authorized Millage Rates

- The Headlee Amendment of the State Constitution can also reduce the amount of operating millages allowed by Township Law. This amendment limits the growth in property tax revenue from existing property to the rate of inflation. It accomplishes this by reducing millage rates proportionally by the amount that market changes exceed the State's inflation rate multiplier.
- One of the largest sources of revenue for the Township remains property taxes. To maintain existing services levels within the Township, in 2020 Northville Township residents approved both a millage renewal and a 0.4623 mill increase dedicated specifically for public safety, 0.0324 mills for shared services, and 0.0053 dedicated to general operating services. This approval reflects the public's confidence in the continued commitment to provide quality and dependable services by the dedicated staff of this Township.

Factors affecting financial condition

During 2018, the Township Board approved amendments to the Defined Benefit Pension Plan administered by MERS for Police, Fire and AFSME Water & Sewer employees to freeze the existing cost-of-living benefit rider and bridge the benefit multiplier from 2.5 percent to 2.55 percent for active participants.

This pension reform eliminated approximately \$6.4 million of unfunded pension liability, which was first reported for the fiscal year ended December 31, 2019. To accelerate to a 100% funding ratio, the Township contributed an additional \$1.8 million to MERS during 2020 in addition to the required minimum pension contributions.

Northville Township residents continue to see their property values rising. Northville Township's total state equalized value, which represents half of a property's market value has grown 15.2 percent since 2008. Michigan's property taxes however do not respond to market gains in property values because of constitutional tax limitations placed on property tax growth. After declining nearly 14% between 2007 and 2013, it has taken over a decade for taxable values in Northville Township to return to 2008 levels.

Requests for Information

This financial report is designed to provide a general overview of the Township of Northville, Michigan's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the finance department, Township of Northville, 44405 Six Mile Road, Northville, MI 48168. You may also visit our website at www.twp.northville.mi.us or contact the Treasurer's Office directly at 248-348-5810.

Charter Township of Northville

Statement of Net Position

December 31, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments	\$ 44,376,529	\$ 13,235,563	\$ 57,612,092	\$ 180,125
Receivables:				
Taxes	10,115,340	-	10,115,340	854,221
Customer receivables	-	2,454,672	2,454,672	-
Accrued interest receivable	3,935	8,638	12,573	-
Due from other governmental units	492,076	-	492,076	-
Special assessments (Note 6)	127,985	31,882	159,867	-
Other	571,934	-	571,934	-
Prepaid items	453,522	147,276	600,798	-
Restricted cash (Note 5)	-	16,500,106	16,500,106	-
Investment in joint ventures (Note 14)	3,794,508	26,273,531	30,068,039	-
Net OPEB asset (Note 13)	627,005	69,781	696,786	-
Capital assets: (Note 7)				
Assets not subject to depreciation	49,196,711	454,259	49,650,970	500,181
Assets subject to depreciation - Net	13,213,495	47,688,691	60,902,186	-
Total assets	122,973,040	106,864,399	229,837,439	1,534,527
Deferred Outflows of Resources				
Deferred charge on refunding	80,201	130,174	210,375	-
Deferred outflows related to pension (Note 11)	7,101,024	885,918	7,986,942	-
Deferred outflows related to OPEB (Note 13)	956,467	106,448	1,062,915	-
Total deferred outflows of resources	8,137,692	1,122,540	9,260,232	-
Liabilities				
Accounts payable	480,937	1,300,928	1,781,865	54,723
Due to other governmental units	-	-	-	71,357
Accrued liabilities and other:				
Accrued salaries and wages	307,292	41,158	348,450	-
Accrued interest payable	162,934	23,116	186,050	-
Accrued other liabilities	-	-	-	8,872
Unearned revenue	285,404	-	285,404	-
Bonds and deposits	1,513,987	-	1,513,987	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	862,315	86,770	949,085	-
Provision for claims	3,050	-	3,050	-
Current portion of long-term debt	2,085,000	470,000	2,555,000	-
Due in more than one year:				
Compensated absences	1,476,095	179,330	1,655,425	-
Net pension liability (Note 11)	3,588,065	447,643	4,035,708	-
Long-term debt (Note 9)	13,553,651	3,512,841	17,066,492	10,250
Total liabilities	24,318,730	6,061,786	30,380,516	145,202
Deferred Inflows of Resources				
Property taxes levied for the following year	20,344,411	-	20,344,411	854,221
Deferred pension cost reductions (Note 11)	175,230	21,860	197,090	-
Deferred OPEB cost reductions (Note 13)	745,104	82,925	828,029	-
Total deferred inflows of resources	21,264,745	104,785	21,369,530	854,221

Charter Township of Northville

Statement of Net Position (Continued)

December 31, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Net Position				
Net investment in capital assets	\$ 46,851,756	\$ 44,290,283	\$ 91,142,039	\$ 489,931
Restricted:				
Drug forfeiture	603,139	-	603,139	-
Police and fire operations	8,718,203	-	8,718,203	-
Debt service	2,756,536	-	2,756,536	-
Youth assistance	207,301	-	207,301	-
Shared service	846,467	-	846,467	-
Metro act funds	92,586	-	92,586	-
Unrestricted	25,451,269	57,530,085	82,981,354	45,173
	\$ 85,527,257	\$ 101,820,368	\$ 187,347,625	\$ 535,104

Total net position

Charter Township of Northville

Functions/Programs	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 3,636,956	\$ 619,893	\$ 321,262	\$ -
Public safety:				
Police and fire	15,169,219	1,086,007	1,447,923	227,102
Building department	505,532	1,133,441	-	-
Community and economic development	228,294	63,068	-	-
Recreation and culture	1,116,097	758,571	121,268	-
Interest on long-term debt	639,431	-	-	-
Total governmental activities	21,295,529	3,660,980	1,890,453	227,102
Business-type activities - Water and Sewer Fund	13,510,540	16,698,964	-	1,647,021
Total primary government	\$ 34,806,069	\$ 20,359,944	\$ 1,890,453	\$ 1,874,123
Component units - Brownfield Redevelopment Authority Fund	\$ 1,603,123	\$ -	\$ 36,230	\$ -
General revenue:				
Property taxes				
Unrestricted state-shared revenue				
Net investment income				
Other miscellaneous income				
Total general revenue				
Change in Net Position				
Net Position - Beginning of year				
Net Position - End of year				

Statement of Activities

Year Ended December 31, 2020

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (2,695,801)	\$ -	\$ (2,695,801)	\$ -
(12,408,187)	-	(12,408,187)	-
627,909	-	627,909	-
(165,226)	-	(165,226)	-
(236,258)	-	(236,258)	-
(639,431)	-	(639,431)	-
(15,516,994)	-	(15,516,994)	-
-	4,835,445	4,835,445	-
(15,516,994)	4,835,445	(10,681,549)	-
-	-	-	(1,566,893)
20,370,481	-	20,370,481	1,678,122
2,626,793	-	2,626,793	-
161,328	274,267	435,595	-
923,611	-	923,611	-
24,082,213	274,267	24,356,480	1,678,122
8,565,219	5,109,712	13,674,931	111,229
76,962,038	96,710,656	173,672,694	423,875
<u>\$ 85,527,257</u>	<u>\$ 101,820,368</u>	<u>\$ 187,347,625</u>	<u>\$ 535,104</u>

Charter Township of Northville

Governmental Funds Balance Sheet

December 31, 2020

	General Fund	Public Safety Fund	Seven Mile Road Property Purchase Fund	Nonmajor Funds	Total Governmental Funds
Assets					
Cash and investments (Note 3)	\$ 13,376,516	\$ 16,552,677	\$ 3,802,052	\$ 10,645,284	\$ 44,376,529
Receivables:					
Taxes	1,072,626	6,843,410	1,370,253	829,051	10,115,340
Special assessments	10,150	-	-	117,835	127,985
Accrued interest receivable	-	3,935	-	-	3,935
Other	142,152	298,647	130,946	189	571,934
Due from other governmental units	447,692	34,827	5,849	3,708	492,076
Prepaid items	104,648	348,874	-	-	453,522
	<u>\$ 15,153,784</u>	<u>\$ 24,082,370</u>	<u>\$ 5,309,100</u>	<u>\$ 11,596,067</u>	<u>\$ 56,141,321</u>
Total assets					
Liabilities					
Accounts payable	\$ 67,058	\$ 398,074	\$ 1,820	\$ 13,985	\$ 480,937
Accrued liabilities and other	60,883	244,763	-	1,646	307,292
Unearned revenue	-	-	-	285,404	285,404
Bonds and deposits	-	-	-	1,513,987	1,513,987
Compensated absences	46,865	-	-	-	46,865
	<u>174,806</u>	<u>642,837</u>	<u>1,820</u>	<u>1,815,022</u>	<u>2,634,485</u>
Total liabilities					
Deferred Inflows of Resources (Note 6)	2,153,662	14,118,191	2,709,571	1,792,185	20,773,609
	<u>2,328,468</u>	<u>14,761,028</u>	<u>2,711,391</u>	<u>3,607,207</u>	<u>23,408,094</u>
Total liabilities and deferred inflows of resources					
Fund Balances (Note 17)					
Nonspendable	118,470	348,874	-	-	467,344
Restricted	-	8,972,468	2,597,709	1,229,568	12,799,745
Assigned	2,551,401	-	-	6,759,292	9,310,693
Unassigned	10,155,445	-	-	-	10,155,445
	<u>12,825,316</u>	<u>9,321,342</u>	<u>2,597,709</u>	<u>7,988,860</u>	<u>32,733,227</u>
Total fund balances					
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,153,784</u>	<u>\$ 24,082,370</u>	<u>\$ 5,309,100</u>	<u>\$ 11,596,067</u>	<u>\$ 56,141,321</u>

Charter Township of Northville

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

December 31, 2020

Fund Balances Reported in Governmental Funds	\$ 32,733,227
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	62,410,206
Investments in joint ventures are not financial resources and are not reported in the funds	3,794,508
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures	127,985
Bonds payable are not due and payable in the current period and are not reported in the funds	(15,638,651)
Accrued interest is not due and payable in the current period and is not reported in the funds	(162,934)
The excess deposit into the escrow account in connection with the bond refunding is deferred and recognized as a deferred outflow of resources	80,201
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(2,291,545)
Estimated self-insurance claims	(3,050)
Net pension liability and OPEB asset and related deferred outflows and inflows	4,176,097
Grants and other miscellaneous funds deferred and recognized as a deferred inflow of resources	301,213
Net Position of Governmental Activities	<u>\$ 85,527,257</u>

Charter Township of Northville

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended December 31, 2020

	General Fund	Public Safety Fund	Seven Mile Road Property Purchase Fund	Nonmajor Funds	Total Governmental Funds
Revenue					
Property taxes	\$ 2,654,777	\$ 13,481,653	\$ 2,600,685	\$ 1,633,366	\$ 20,370,481
Building department	1,133,441	-	-	-	1,133,441
Intergovernmental:					
Federal sources	25,918	1,519,034	-	-	1,544,952
State sources	2,626,322	155,991	11,882	23,135	2,817,330
Fines and forfeitures	-	7,202	-	-	7,202
Net investment income	56,272	67,478	7,224	30,354	161,328
Licensing and enforcement	-	954,330	-	-	954,330
Other revenue	965,927	424,635	-	1,215,164	2,605,726
Total revenue	7,462,657	16,610,323	2,619,791	2,902,019	29,594,790
Expenditures					
Current services:					
General government:					
Legislative	1,313,370	-	-	-	1,313,370
Facility operations	489,264	-	-	-	489,264
Treasurer	986,506	-	-	-	986,506
Clerk	538,524	-	-	-	538,524
Public safety:					
Police and fire	9,972	15,257,991	-	-	15,267,963
Building department	505,532	-	-	-	505,532
Community and economic development - Zoning	168,788	-	-	-	168,788
Recreation and culture	-	-	-	1,421,227	1,421,227
Capital outlay	-	-	-	190,122	190,122
Debt service	-	-	1,644,027	1,449,064	3,093,091
Total expenditures	4,011,956	15,257,991	1,644,027	3,060,413	23,974,387
Excess of Revenue Over (Under) Expenditures	3,450,701	1,352,332	975,764	(158,394)	5,620,403
Other Financing Sources (Uses)					
Transfers in (Note 8)	-	-	-	1,410,890	1,410,890
Transfers out (Note 8)	(1,152,630)	-	-	(258,260)	(1,410,890)
Proceeds from sale of capital assets	-	25,950	-	-	25,950
Total other financing (uses) sources	(1,152,630)	25,950	-	1,152,630	25,950
Net Change in Fund Balances	2,298,071	1,378,282	975,764	994,236	5,646,353
Fund Balances - Beginning of year	10,527,245	7,943,060	1,621,945	6,994,624	27,086,874
Fund Balances - End of year	\$ 12,825,316	\$ 9,321,342	\$ 2,597,709	\$ 7,988,860	\$ 32,733,227

Charter Township of Northville

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

Year Ended December 31, 2020

Net Change in Fund Balances Reported in Governmental Funds	\$ 5,646,353
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Net book value of assets disposed	(32,993)
Depreciation expense	(1,808,964)
Capital outlay	1,205,469
Special assessment revenue is recorded in the statement of activities when the assessment is set; it is not reported in the funds until collected or collectible within 60 days of year end	(35,255)
Grants and other miscellaneous funds received after period of availability are recognized as revenue in the statement of activities	301,213
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	2,385,000
Interest expense is recognized in the government-wide statements as it accrues	68,660
Change in accrued interest payable and amortization of premiums	(90,164)
Equity interest in the Northville Parks and Recreation Commission is not reported in the governmental funds	244,310
Net prepayments of pension and retiree health care obligations relate to expenditures in the funds and are not reported in the statement of activities	681,590
Change in Net Position of Governmental Activities	<u>\$ 8,565,219</u>

Charter Township of Northville

Proprietary Fund Statement of Net Position

December 31, 2020

	<u>Water and Sewer Fund</u>
Assets	
Current assets:	
Cash and investments (Note 3)	\$ 13,235,563
Receivables:	
Special assessments receivable	31,882
Customer receivables	2,454,672
Accrued interest receivable	8,638
Prepaid items	147,276
Total current assets	<u>15,878,031</u>
Noncurrent assets:	
Cash segregated for capital reserves	16,500,106
Investment in joint ventures (Note 14)	26,273,531
Net OPEB asset	69,781
Capital assets - Net (Note 7)	48,142,950
Total noncurrent assets	<u>90,986,368</u>
Total assets	<u>106,864,399</u>
Deferred Outflows of Resources	
Deferred charge on refunding	130,174
Deferred outflows related to pension (Note 11)	885,918
Deferred outflows related to OPEB (Note 13)	106,448
Total deferred outflows of resources	<u>1,122,540</u>
Liabilities	
Current liabilities:	
Accounts payable	1,300,928
Accrued liabilities and other	64,274
Compensated absences	86,770
Current portion of long-term debt (Note 9)	470,000
Total current liabilities	<u>1,921,972</u>
Noncurrent liabilities:	
Compensated absences	179,330
Net pension liability (Note 11)	447,643
Long-term debt (Note 9)	3,512,841
Total noncurrent liabilities	<u>4,139,814</u>
Total liabilities	<u>6,061,786</u>
Deferred Inflows of Resources - Pension (Note 11)	<u>104,785</u>
Net Position	
Net investment in capital assets	44,290,283
Unrestricted	57,530,085
Total net position	<u><u>\$ 101,820,368</u></u>

Charter Township of Northville

Proprietary Fund Statement of Revenue, Expenses, and Changes in Net Position

Year Ended December 31, 2020

	<u>Water and Sewer Fund</u>
Operating Revenue	
Sale of water and sewer services	\$ 16,584,947
Other	114,017
Total operating revenue	<u>16,698,964</u>
Operating Expenses	
Cost of water	5,888,740
Cost of sewage treatment	2,959,780
Personnel services	1,426,224
System maintenance and operations	662,117
General and administrative	604,500
Depreciation	1,840,258
Total operating expenses	<u>13,381,619</u>
Operating Income	3,317,345
Nonoperating Revenue (Expense)	
Net investment income	274,267
Interest expense	(128,921)
Total nonoperating revenue	<u>145,346</u>
Income - Before capital contributions	3,462,691
Capital Contributions	
Collection of connection fees	1,460,220
Lines constructed by developers	186,801
Total capital contributions	<u>1,647,021</u>
Change in Net Position	5,109,712
Net Position - Beginning of year	<u>96,710,656</u>
Net Position - End of year	<u><u>\$ 101,820,368</u></u>

Charter Township of Northville

Proprietary Fund Statement of Cash Flows

Year Ended December 31, 2020

	Water and Sewer Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 16,844,948
Payments to suppliers	(11,133,701)
Payments to employees	(1,019,562)
Other	(323,095)
	<u>4,368,590</u>
Net cash provided by operating activities	4,368,590
Cash Flows from Capital and Related Financing Activities	
Special assessment collections	14,151
Collection of connection fees	1,460,220
Purchase of capital assets	(733,380)
Principal and interest paid on capital debt	(622,767)
	<u>118,224</u>
Net cash provided by capital and related financing activities	118,224
Cash Flows Provided by Investing Activities - Interest received on investments	<u>323,382</u>
Net Increase in Cash	4,810,196
Cash - Beginning of year	<u>24,925,473</u>
Cash - End of year	<u><u>\$ 29,735,669</u></u>
Classification of Cash	
Cash and investments	\$ 13,235,563
Cash segregated for capital reserves	16,500,106
	<u><u>\$ 29,735,669</u></u>
Total cash	
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 3,317,345
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	1,840,258
Changes in assets and liabilities:	
Receivables	145,984
Prepaid and other assets	(971,503)
Accrued and other liabilities	247,055
Accounts payable	112,546
Other	(323,095)
	<u>4,368,590</u>
Net cash provided by operating activities	<u><u>\$ 4,368,590</u></u>
Significant Noncash Transactions - Donated water and sewer lines	\$ 186,801

Charter Township of Northville

Fiduciary Funds Statement of Fiduciary Net Position

December 31, 2020

	Retiree Health Care Trust Fund	Custodial Fund Tax Collection Fund
Assets		
Cash and cash equivalents	\$ 461,786	\$ 7,761,004
Investments:		
Certificates of deposit	260,766	-
Equities	5,519,903	-
Corporate bonds	466,411	-
Municipal bonds - fed taxable	208,565	-
Mutual funds	3,044,541	-
Prepaid items	3,131	-
Total assets	9,965,103	7,761,004
Liabilities - Tax collections distributable	-	7,761,004
Net Position		
Restricted:		
Postemployment benefits other than pension	9,965,103	-
Total net position	<u>\$ 9,965,103</u>	<u>\$ -</u>

Charter Township of Northville

Fiduciary Funds
Statement of Changes in Fiduciary Net Position

Year Ended December 31, 2020

	<u>Retiree Health Care Trust Fund</u>	<u>Custodial Fund Tax Collection Fund</u>
Additions		
Investment income:		
Interest and dividends	\$ 171,347	\$ -
Net increase in fair value of investments	<u>1,163,450</u>	<u>-</u>
Net investment income	1,334,797	-
Contributions - Employer contributions	457,060	-
Property tax collections	<u>-</u>	<u>72,814,110</u>
Total additions	1,791,857	72,814,110
Deductions		
Benefit payments	538,308	-
Administrative expenses	58,666	-
Tax distributions to other governments	<u>-</u>	<u>72,814,110</u>
Total deductions	<u>596,974</u>	<u>72,814,110</u>
Net Increase in Fiduciary Net Position	1,194,883	-
Net Position - Beginning of year	<u>8,770,220</u>	<u>-</u>
Net Position - End of year	<u><u>\$ 9,965,103</u></u>	<u><u>\$ -</u></u>

Charter Township of Northville

Component Units Statement of Net Position

December 31, 2020

	Brownfield Redevelopment Authority Fund	Economic Development Corporation	Total
Assets			
Cash and investments	\$ 179,022	\$ 1,103	\$ 180,125
Receivables - Taxes	854,221	-	854,221
Capital assets - Net	500,181	-	500,181
Total assets	1,533,424	1,103	1,534,527
Liabilities			
Accounts payable - Accrued liabilities and other	54,723	-	54,723
Due to other governmental units	71,357	-	71,357
Accrued liabilities and other	8,872	-	8,872
Noncurrent liabilities	10,250	-	10,250
Total liabilities	145,202	-	145,202
Deferred Inflows of Resources (Note 6)	854,221	-	854,221
Net Position	\$ 534,001	\$ 1,103	\$ 535,104

Charter Township of Northville

Component Units Statement of Activities

Year Ended December 31, 2020

	Program Revenue		Net (Expense) Revenue and Changes in Net Position		
	Expenses	Operating Grants and Contributions	Brownfield Redevelopment Authority Fund	Economic Development Corporation	Total
Functions/Programs					
Brownfield Redevelopment Authority Fund	\$ 1,603,123	\$ 36,230	\$ (1,566,893)	\$ -	\$ (1,566,893)
Economic Development Corporation	-	-	-	-	-
Total component units	<u>\$ 1,603,123</u>	<u>\$ 36,230</u>	(1,566,893)	-	(1,566,893)
General revenue - Property taxes			1,678,122	-	1,678,122
Change in Net Position			111,229	-	111,229
Net Position - Beginning of year			422,772	1,103	423,875
Net Position - End of year			<u>\$ 534,001</u>	<u>\$ 1,103</u>	<u>\$ 535,104</u>

December 31, 2020

Note 1 - Significant Accounting Policies

Accounting and Reporting Principles

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

Reporting Entity

The Township is governed by an elected seven-member board of trustees. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Blended component units are, in substance, part of the Township's operations, even though they are separate legal entities. Thus, blended component units are appropriately presented as funds of the Township. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township.

Blended Component Units

The Township Building Authority is governed by a three-member board appointed by the Township's governing body. Although it is legally separate from the Township, the Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the Township's public buildings.

Discretely Presented Component Units

The Economic Development Corporation (the "EDC") is reported within the component unit column in the financial statements. It is reported in a separate column to emphasize that it is separate from the Township. The EDC was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving, or expanding within the Township so as to provide needed services and facilities of such enterprises to the residents of the Township. The EDC's governing body, which consists of nine individuals, is selected by the Township's board of trustees. The EDC is included within the Township's financial statements because the Township is able to impose its will on the organization. The EDC does not separately issue financial statements.

The Charter Township of Northville Brownfield Redevelopment Authority was created under the provisions of Act 381, Public Acts of 1996 of the State of Michigan and is governed by a seven-member board that is appointed by the Township's board of trustees. The Charter Township of Northville Brownfield Redevelopment Authority is legally separate from the Township. The purpose of the Charter Township of Northville Brownfield Authority is to use tax increment revenue to promote revitalization of environmentally distressed areas within the boundaries of the Township. The Charter Township of Northville Brownfield Redevelopment Authority is included within the Township's financial statements because the Township is able to impose its will on the organization. The Charter Township of Northville Brownfield Redevelopment Authority does not separately issue financial statements.

The Retiree Health Care Trust Fund is governed by the Township board. Although the Retiree Health Care Trust Fund is legally separate from the Township, it is reported as a fiduciary component unit because the Township board serves as the plan's board and the plan imposes a financial burden on the Township.

Jointly Governed Organization

Jointly governed organizations are discussed in Note 14.

Note 1 - Significant Accounting Policies (Continued)

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

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

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the Township's water and sewer function and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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

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 fund 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. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to debt service, compensated absences, and claims and judgments are recorded only when payment is due.

Property taxes, franchise fees, licenses, state-shared revenue (which is unrestricted), and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be available only when cash is received by the Township. Receivables have been recorded for these, along with a deferred inflow.

Note 1 - Significant Accounting Policies (Continued)

Fund Accounting

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

Governmental Funds

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

- General Fund - 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.
- Public Safety Fund - The Public Safety Fund, a special revenue fund, is used to account for the operations of strictly police and fire. This fund receives its revenue pursuant to a voter-approved millage.
- Seven Mile Road Property Purchase Fund - The Seven Mile Road Property Purchase Fund, a debt service fund, accounts for the property tax revenue and debt service payments related to the acquisition of the Seven Mile Road property.

Proprietary Funds

Proprietary funds include enterprise funds, which provide goods or services to users in exchange for charges or fees. The Township reports the following major proprietary fund:

- Water and Sewer Fund - The Water and Sewer Fund accounts for the activities of the water distribution system and sewage collection system

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the Township's programs. The Township reports the following fiduciary fund types:

- Tax Collection Fund - The Tax Collection Fund collects taxes on behalf of all the taxing authorities (State, county, school district, and various others) and remits the taxes to each authority.
- Retiree Health Care Trust Fund - The Retiree Health Care Trust Fund accumulates resources to pay retiree health care payments.

Specific Balances and Transactions

Cash and Investments

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

Prepaid Items

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. These prepaid items are accounted for using the consumption method.

Note 1 - Significant Accounting Policies (Continued)

Inventories are valued at cost, on a first-in, first-out basis. Inventories are recorded as expenditures when purchased.

Due from Other Governmental Units

Due from other governmental units includes a receivable for state-shared revenue and a long-term interest-free receivable from the Northville Parks and Recreation Commission.

Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., bike paths and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$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 acquisition value at the date of donation.

Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

<u>Capital Asset Class</u>	<u>Depreciable Life - Years</u>
Bike paths and similar items	15
Water and sewer lines	50-75
Buildings and improvements	25-30
Equipment	5-15
Vehicles	5
Office equipment and furniture	3-5

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances as other financing sources, as well as bond premiums and discounts. The debt service funds are generally used to liquidate governmental long-term debt.

Deferred Outflows/Inflows of Resources

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

The Township reports deferred outflows of resources for deferred charge on bond refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Note 1 - Significant Accounting Policies (Continued)

The deferred outflows of resources related to the defined benefit pension and OPEB plans are reported in the government-wide financial statements and the Water and Sewer Fund. The deferred outflows of resources result from the following transactions: contributions to the defined benefit pension plan subsequent to the plan's year end through the Township's fiscal year end, changes in actuarial assumptions, the difference between expected and actual experience, and the variance between the plan's actual investment earnings compared to the plan's assumed investment earnings.

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

The Township has the following type of items that qualify for reporting in this category: unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from: special assessments, miscellaneous revenue, and grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property taxes received in advance of the period levied are reported as deferred inflows of resources in the government-wide statement of net position and governmental funds balance sheet.

The other item, deferred inflows related to pension and other postemployment benefit plans, represents the variance between the plans' actual investment earnings compared to the plans' assumed investment earnings, as well as differences between expected and actual experience, and is reported in the government-wide statement of net position and the Water and Sewer Fund statement of net position.

Net Position

Net position of the Township is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

December 31, 2020

Note 1 - Significant Accounting Policies (Continued)

Fund Balance Policies

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

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

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

Included in the 2020 annual budget and financial plan are the financial policies that set forth the basic framework for the overall fiscal management of the Township. Operating independently of changing economic circumstances and conditions, these policies help the decision-making process of the Township's board and administration.

The Township's fund balance was established to be at least at the Government Finance Officers Association (GFOA) minimum recommended level of 16.7 percent to cover extraordinary events and contingencies for budgeted expenditures and projects.

Property Tax Revenue

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

The Township's 2019 property tax revenue was levied and collectible on December 31, 2019 and is recognized as revenue in the year ended December 31, 2020 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2019 taxable valuation of the Township totaled \$2.3 billion, net of brownfield captured taxable value. Taxes were levied as follows:

Purpose	Millage Rate	Revenue
General operating	0.7682 \$	1,721,267
Public safety special voted mills	6.0112	13,469,391
Shared services special voted mills	0.7283	1,631,868
Debt service special voted mills	1.1487	2,598,739
Total		<u>\$ 19,421,265</u>

Note 1 - Significant Accounting Policies (Continued)

Pension

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

Other Postemployment Benefit Costs

The Township offers retiree health care benefits to retirees. The Township records a net OPEB asset for the difference between the total OPEB asset calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Retiree Health Care Trust Fund and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences (Vacation and Sick Leave)

It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end; generally, the funds that report each employee's compensation are used to liquidate the obligation.

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Township's proprietary funds relates to charges to customers for sales and services. The Water and Sewer Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. The portion intended to recover the cost of the infrastructure is recognized as nonoperating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Use of Estimates

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

December 31, 2020

Note 1 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Township is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the Township's financial statements for the year ended December 31, 2020 but were extended to December 31, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. As a result, issuers should not recognize a liability for items meeting the definition of conduit debt; however, a liability should be recorded for additional or voluntary commitments to support debt service if certain recognition criteria are met. The standard also addresses the treatment of arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by a third-party obligor. The requirements of the standard will be applied retrospectively and were originally effective for the Township's financial statements for the December 31, 2021 fiscal year but were extended to December 31, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including April 19, 2021, which is the date the financial statements were available to be issued.

Note 2 - Stewardship, Compliance, and Accountability

Construction Code Fees

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

Shortfall at January 1, 2020		\$ (684,513)
Current year permit revenue		1,133,441
Related expenses:		
Direct costs	\$ 505,531	
Estimated indirect costs	283,823	789,354
	<u> </u>	<u> </u>
Current year excess		344,087
		<u> </u>
Cumulative shortfall December 31, 2020		<u>\$ (340,426)</u>

December 31, 2020

Note 3 - Deposits and Investments

The following is a reconciliation of deposit and investment balances at December 31, 2020:

	Governmental and Business Type	Fiduciary Funds	Component Units
Cash and cash equivalents	\$ 53,855,072	\$ 8,222,790	\$ 180,125
Investments	20,257,126	9,500,186	-
Total deposits and investments	<u>\$ 74,112,198</u>	<u>\$ 17,722,976</u>	<u>\$ 180,125</u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

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

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$74,824,571 of bank deposits (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The Township believes that, due to the dollar amounts of cash deposits and the limits of Federal Deposit Insurance Corporation (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.

Interest Rate Risk

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

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

Primary Government	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
U.S. government agency securities	\$ 5,710,301	\$ 706,678	\$ 5,003,623	\$ -	\$ -

December 31, 2020

Note 3 - Deposits and Investments (Continued)

Fiduciary Funds	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	No Maturity
Retiree Health Care Trust Fund	\$ 9,500,186	\$ 355,050	\$ 525,297	\$ 55,395	\$ 8,564,444

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the Township had investments in three governmental investment funds that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. These funds are fully liquid for withdrawal at any time, and the price per unit does not fluctuate with interest earned according to the amount and duration of the investment.

Investment	Carrying Value	Rating	Rating Organization
Fiduciary Funds			
Mutual bonds	\$ 208,565	AA	S&P
Corporate bonds	210,349	A	S&P
Corporate bonds	200,668	A-	S&P
Corporate bonds	55,394	BBB+	S&P
Not subject to credit risk	<u>8,825,210</u>	N/A	N/A
Total	<u>\$ 9,500,186</u>		

Note 4 - 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 prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Township's assets measured at fair value on a recurring basis at December 31, 2020 and the valuation techniques used by the Township to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Township has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

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

December 31, 2020

Note 4 - Fair Value Measurements (Continued)

The Township has the following recurring fair value measurements as of December 31, 2020:

- U.S. agency bonds of \$5,710,301 are valued using a matrix pricing model (Level 2 inputs).

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2020
Retiree Health Care Trust Fund				
Negotiable certificates of deposit	\$ -	\$ 260,766	\$ -	\$ 260,766
Corporate bonds	-	466,411	-	466,411
Municipal bonds - Federal taxable	-	208,565	-	208,565
Equities	5,519,903	-	-	5,519,903
Mutual funds	-	3,044,541	-	3,044,541
Total assets	\$ 5,519,903	\$ 3,980,283	\$ -	\$ 9,500,186

Investments in Entities that Calculate Net Asset Value per Share

The Township holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the investment company.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Investments Held at December 31, 2020			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
MI CLASS	\$ 244,641	\$ -	None	None
Comerica investment pool	903,422	-	None	None
Total	\$ 1,148,063	\$ -		

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

The Comerica Investment Pool is not registered with the Securities and Exchange Commission (SEC) and does not issue a separate report. The fair value in the pool is not the same as the value of the pool shares, since the pool does not meet the requirements under GASB Statement No. 79 to report its value for financial reporting purposes at amortized cost.

December 31, 2020

Note 5 - Restricted Assets

Segregated assets at December 31, 2020 consist of bank deposits and investments. These assets are segregated by board resolution for replacement of plant, major repairs, acquisition of capacity, and facility expansion. The restricted assets are as follows:

	Business-type Activities
Cash segregated for capital reserve	\$ 16,500,106

Note 6 - Deferred Inflows of Resources

Governmental funds report deferred inflows of resources in connection with receivables that are not collectible soon enough after the end of the year (60 days) that they are considered to be available to liquidate liabilities of the current period. In addition, property taxes that have been levied on December 1 to support the following year's budget are deferred and recognized in the following year (in both the government-wide and fund-based statements). At December 31, 2020, the various components of deferred inflows of resources were as follows:

	Governmental Funds			Component Units
	Unavailable	Levied for the Next Year	Total	Levied for the Next Year
Property taxes	\$ -	\$ 20,344,411	\$ 20,344,411	\$ 854,221
Special assessments	127,985	-	127,985	-
Miscellaneous revenue	40,416	-	40,416	-
Grant revenue	260,797	-	260,797	-
Total	\$ 429,198	\$ 20,344,411	\$ 20,773,609	\$ 854,221

December 31, 2020

Note 7 - Capital Assets

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

Governmental Activities

	Balance January 1, 2020	Additions	Disposals and Adjustments	Balance December 31, 2020
Capital assets not being depreciated:				
Land	\$ 49,163,914	\$ -	\$ -	\$ 49,163,914
Construction in progress	-	32,797	-	32,797
Subtotal	49,163,914	32,797	-	49,196,711
Capital assets being depreciated:				
Bike paths	2,194,505	-	-	2,194,505
Buildings and improvements	18,560,019	256,486	-	18,816,505
Vehicles	4,159,892	347,645	(180,296)	4,327,241
Furniture and equipment	3,219,077	524,792	(17,277)	3,726,592
Computer equipment	264,592	43,749	(21,007)	287,334
Subtotal	28,398,085	1,172,672	(218,580)	29,352,177
Accumulated depreciation:				
Bike paths	1,336,492	107,068	-	1,443,560
Buildings and improvements	8,824,173	641,317	-	9,465,490
Vehicles	2,422,858	610,311	(147,302)	2,885,867
Furniture and equipment	1,780,807	406,831	(17,277)	2,170,361
Computer equipment	150,975	43,437	(21,008)	173,404
Subtotal	14,515,305	1,808,964	(185,587)	16,138,682
Net capital assets being depreciated	13,882,780	(636,292)	(32,993)	13,213,495
Net governmental activities capital assets	<u>\$ 63,046,694</u>	<u>\$ (603,495)</u>	<u>\$ (32,993)</u>	<u>\$ 62,410,206</u>

Business-type Activities

	Balance January 1, 2020	Additions	Disposals and Adjustments	Balance December 31, 2020
Capital assets not being depreciated - Construction in progress	\$ 28,619	\$ 425,640	\$ -	\$ 454,259
Capital assets being depreciated:				
Water and sewer systems	83,756,189	430,388	-	84,186,577
Buildings and improvements	1,549,787	-	-	1,549,787
Equipment	820,253	64,153	-	884,406
Subtotal	86,126,229	494,541	-	86,620,770
Accumulated depreciation:				
Water and sewer systems	35,124,598	1,681,202	-	36,805,800
Buildings and improvements	1,468,159	61,991	-	1,530,150
Equipment	499,064	97,065	-	596,129
Subtotal	37,091,821	1,840,258	-	38,932,079
Net capital assets being depreciated	49,034,408	(1,345,717)	-	47,688,691
Net business-type activities capital assets	<u>\$ 49,063,027</u>	<u>\$ (920,077)</u>	<u>\$ -</u>	<u>\$ 48,142,950</u>

December 31, 2020

Note 7 - Capital Assets (Continued)

Capital asset activity for the Charter Township of Northville Brownfield Redevelopment Authority for the year ended December 31, 2020 was as follows:

Component Unit

	Balance January 1, 2020	Additions	Disposals and Adjustments	Balance December 31, 2020
Capital assets not being depreciated - Land	\$ 422,772	\$ 77,409	\$ -	\$ 500,181

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

Governmental activities:				
General government				\$ 437,858
Public safety				1,277,407
Economic development				88,396
Recreation and culture				5,303
Total governmental activities				<u>\$ 1,808,964</u>
Business-type activities - Water and sewer				<u>\$ 1,840,258</u>

Construction Commitments

The Charter Township of Northville Brownfield Redevelopment Authority has one large active project at year end for the remediation of the gun range. As of December 31, 2020, no costs had been incurred on the active contract amount of \$415,910. The work on this contract is expected to be completed mid-2021.

Note 8 - Interfund Receivables, Payables, and Transfers

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Nonmajor governmental funds	\$ 1,152,630
Nonmajor governmental funds	Nonmajor governmental funds	258,260
	Total	<u>\$ 1,410,890</u>

The transfers from the General Fund to the nonmajor governmental funds represent the use of unrestricted resources to finance capital improvements and debt service.

The transfers from the nonmajor governmental funds to other nonmajor governmental funds represent transfers for debt service.

December 31, 2020

Note 9 - Long-term Debt

Long-term debt activity for the year ended December 31, 2020 can be summarized as follows:

Governmental Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable - Other debt:					
General obligations	\$ 17,630,000	\$ -	\$ (2,340,000)	\$ 15,290,000	\$ 2,040,000
Special assessment bonds	225,000	-	(45,000)	180,000	45,000
Issuance premium	252,976	-	(84,325)	168,651	-
Total bonds payable	18,107,976	-	(2,469,325)	15,638,651	2,085,000
Estimated self-insurance claims	26,800	16,580	(40,330)	3,050	3,050
Accumulated compensated absences	2,177,630	993,050	(832,270)	2,338,410	862,315
Total governmental activities	<u>\$ 20,312,406</u>	<u>\$ 1,009,630</u>	<u>\$ (3,341,925)</u>	<u>\$ 17,980,111</u>	<u>\$ 2,950,365</u>

Business-type Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Direct borrowings and direct placements - State revolving loan	\$ 1,066,805	\$ -	\$ (70,000)	\$ 996,805	\$ 70,000
Other debt:					
General obligation	3,280,000	-	(405,000)	2,875,000	400,000
Issuance premium	126,899	-	(15,863)	111,036	-
Total bonds payable	4,473,704	-	(490,863)	3,982,841	470,000
Accumulated compensated absences	227,520	125,350	(86,770)	266,100	86,770
Total business-type activities	<u>\$ 4,701,224</u>	<u>\$ 125,350</u>	<u>\$ (577,633)</u>	<u>\$ 4,248,941</u>	<u>\$ 556,770</u>

Component Units

The Charter Township of Northville Brownfield Redevelopment Authority received an EPA Loan in 2020 and began drawing down on this loan for a total \$10,250. The loan is not payable for five years and does not incur interest. Therefore, the outstanding balance of the loan at December 31, 2020 is \$10,250 with no amount due within one year.

General Obligation Bonds

The Township issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligations have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. Special assessment bonds provide for capital improvements that benefit specific properties and will be repaid from amounts levied against these properties benefiting from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the Township is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a reassessment of the Township) are received.

December 31, 2020

Note 9 - Long-term Debt (Continued)

Description	Amount
Governmental Activities	
General obligations:	
2009 Unlimited Tax General Obligation Bonds Series B: Amount of issue - \$18,145,000 Maturing through 2029 Interest rate 6.066% - 6.478%	\$ 12,355,000
2012 Refunding Limited Tax General Obligation Bonds: Amount of issue - \$9,115,000 Maturing through 2023 Interest rate 2.00% - 4.00%	<u>2,935,000</u>
Total general obligations	15,290,000
Special assessment bonds -	
2009 Special Assessment Limited Tax Bonds: Amount of issue - \$625,000 Maturing through 2024 Interest rate 3.10% - 5.00%	<u>180,000</u>
Total governmental activities	<u>\$ 15,470,000</u>
Business-type Activities	
General obligations -	
Drinking Water Revolving Fund Project #7299-01: Amount of issue - \$1,664,907 Maturing through 2032 Interest rate 2.50%	\$ 996,805
2009 General Obligation Bonds: Amount of issue - \$1,125,000 Maturing through 2024 Interest rate 3.25% - 4.50%	450,000
2015 Refunding Limited Tax General Obligation Bonds: Amount of issue - \$3,565,000 Maturing through 2027 Interest rate 2.00% - 3.50%	<u>2,425,000</u>
Total business-type activities	<u>\$ 3,871,805</u>

December 31, 2020

Note 9 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Total interest expense for the year was approximately \$768,000. Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending December 31	Governmental Activities			Business-type Activities				
	Other Debt		Total	Direct Borrowings and Direct Placements		Other Debt		
	Principal*	Interest (Net of Interest Subsidy)		Principal	Interest	Principal*	Interest	Total
2021	\$ 2,085,000	\$ 595,317	\$ 2,680,317	\$ 70,000	\$ 24,920	\$ 400,000	\$ 89,275	\$ 584,195
2022	2,150,000	510,920	2,660,920	75,000	23,170	395,000	77,600	570,770
2023	2,310,000	422,065	2,732,065	75,000	21,295	420,000	64,450	580,745
2024	1,345,000	347,609	1,692,609	75,000	19,420	515,000	48,675	658,095
2025	1,370,000	290,328	1,660,328	80,000	17,545	385,000	31,425	513,970
2026-2030	6,210,000	533,496	6,743,496	430,000	56,851	760,000	26,125	1,272,976
2031-2032	-	-	-	191,805	7,215	-	-	199,020
Total	\$ 15,470,000	\$ 2,699,735	\$ 18,169,735	\$ 996,805	\$ 170,416	\$ 2,875,000	\$ 337,550	\$ 4,379,771

*Principal balance excludes the issuance premiums of \$168,651 and \$111,037.

Bond Refunding

The Water and Sewer Fund has committed to repay a portion of the 2012 Refunding bonds issued to construct the municipal building. The outstanding amount of principal and interest to be paid by the Water and Sewer Fund at December 31, 2020 is \$249,144.

Defeased Debt

In prior years, the Township defeased certain bonds by placing the proceeds in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bond are not included in the financial statements. At December 31, 2020, \$4,600,000 of bonds outstanding is considered to be defeased.

Special Assessment Bonds

The Township has pledged substantially all revenue from the Edenderry Hills Special Assessment District to repay the above special assessment bonds. Proceeds from the bonds provided financing for the Edenderry Hills Special Assessment District (SAD). The bonds are payable solely from the revenue of the SAD. The remaining principal and interest to be paid on the bonds total \$197,100. During the current year, net revenue of the SAD was \$35,369. In 2020, the Township paid \$45,000 and \$9,563 toward principal and interest, respectively.

Build America Bonds

The 2009 General Obligation Unlimited Tax bonds are Build America Bonds and have an interest subsidy component. For the year ended December 31, 2020, the interest subsidy was \$271,324.

Note 10 - Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for employee medical benefits. The Township has purchased insurance through the Michigan Municipal League Workers' Compensation Fund for workers' compensation claims and participates in the Michigan Municipal Risk Management Authority for claims relating to property loss, torts, errors and omissions, and medical benefits paid related to settlements, if any.

December 31, 2020

Note 10 - Risk Management (Continued)

The Michigan Municipal League Workers' Compensation Fund operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The Michigan Municipal Risk Management Authority (the "Authority") risk pool program operates as a claims servicing pool for amounts up to member retention limits and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the Authority that it uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Township.

The Township estimates the liability for general liability claims that have been incurred through the end of the fiscal year, including claims that have been reported and those that have not yet been reported. Changes in the estimated liability for the past two fiscal years were as follows:

	2020	2019
Estimated liability - Beginning of year	\$ 26,800	\$ 98,393
Estimated incurred claims, including changes in estimates	16,580	32,381
Claim payments	(40,330)	(103,974)
Estimated liability - End of year	\$ 3,050	\$ 26,800

Note 11 - Pension Plan

Plan Description

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

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS.

The MERS plan covers eligible full-time union and nonunion employees. Retirement benefits for police/fire employees are calculated at 2.55 percent of the employee's 3-year average salary times the employee's years of service. Normal retirement is 60 with early retirement with 25 years of service (unreduced) or 55 with 15 years of service (reduced). The vesting period is 10 years. Employees are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. A nonduty death benefit is payable after 10 years of service. A duty death benefit is payable upon hire equal to a minimum of 25 percent of the employee's final average compensation. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest. Participants who retire on or after January 1, 2019 received a 2.5 percent cost of living adjustment calculated on the benefit accrued as of December 31, 2018 using a frozen final average compensation. Benefits accrued for service after January 1, 2019 will have no cost of living adjustment.

Note 11 - Pension Plan (Continued)

Retirement benefits for AFSCME DPS employees are calculated at 2.55 percent of the employee's 5-year average salary times the employee's years of service. Normal retirement is 60 with early retirement at 50 with 25 years of service (unreduced) or 55 with 15 years of service (reduced). The vesting period is 10 years. Employees are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. A nonduty death benefit is payable after 10 years of service. A duty death benefit is payable upon hire equal to a minimum of 25 percent of the employee's final average compensation. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest. Participants who retire on or after January 1, 2019 received a 2.5 percent cost of living adjustment calculated on the benefit accrued as of December 31, 2018 using a frozen final average compensation. Benefits accrued for service after January 1, 2019 will have no cost of living adjustment.

Retirement benefits for nonunion employees are calculated at 2.50 percent of the employee's 5-year average salary times the employee's years of service. Normal retirement is 60 with early retirement with 20 years of service (unreduced) or 55 with 15 years of service (reduced). The vesting period is 10 years. Employees are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. A nonduty death benefit is payable after 10 years of service. A duty death benefit is payable upon hire equal to a minimum of 25 percent of the employee's final average compensation. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest. Benefit terms do not provide for an annual cost of living adjustment to retirees.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Township's board of trustees, generally after negotiations of these terms with the affected unions. Police and fire employees' benefit terms may be subject to binding arbitration in certain circumstances.

Employees Covered by Benefit Terms

At the December 31, 2019 measurement date, the following members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	43
Inactive plan members entitled to but not yet receiving benefits	8
Active plan members	104
Total employees covered by the plan	155

Contributions

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

For the year ended December 31, 2020, the average active employee contribution rate was 3.0 percent of annual pay for all eligible full-time union and nonunion employees, and the Township's annual required contribution was \$926,775. Actual contributions made during the year ended December 31, 2020 were \$2,727,267.

December 31, 2020

Note 11 - Pension Plan (Continued)

Net Pension Liability

The net pension liability reported at December 31, 2020 was determined using a measure of the total pension liability and the pension net position as of December 31, 2019. The December 31, 2019 total pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2018	\$ 44,648,518	\$ 42,378,895	\$ 2,269,623
Changes for the year:			
Service cost	1,156,144	-	1,156,144
Interest	3,538,514	-	3,538,514
Differences between expected and actual experience	2,468,759	-	2,468,759
Changes in assumptions	2,155,927	-	2,155,927
Contributions - Employer	-	901,674	(901,674)
Contributions - Employee	-	983,421	(983,421)
Net investment gain	-	5,767,487	(5,767,487)
Benefit payments, including refunds	(1,990,334)	(1,990,334)	-
Administrative expenses	-	(99,323)	99,323
Net changes	7,329,010	5,562,925	1,766,085
Balance at December 31, 2019	<u>\$ 51,977,528</u>	<u>\$ 47,941,820</u>	<u>\$ 4,035,708</u>

Included in the net pension liability is \$3,588,065 related to governmental activities and \$447,643 related to business-type activities. The General Fund, Public Safety Fund, or the Water and Sewer Fund, based on the fund to which an employee is assigned and to which the employee's pension costs are charged, will be the fund to liquidate the net pension liability.

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

For the year ended December 31, 2020, the Township recognized pension expense of \$2,195,945, of which \$1,952,369 is related to governmental activities and \$243,576 is related to business-type activities. At December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,712,950	\$ (197,090)
Changes in assumptions	2,379,078	-
Net difference between projected and actual earnings on pension plan investments	167,647	-
Employer contributions to the plan subsequent to the measurement date	2,727,267	-
Total	<u>\$ 7,986,942</u>	<u>\$ (197,090)</u>

Note 11 - Pension Plan (Continued)

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

Years Ending December 31	Amount
2021	\$ 1,259,693
2022	1,440,389
2023	1,319,895
2024	271,825
2025	770,782

These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date of \$2,727,267, which will impact the net pension liability in fiscal year 2021, rather than pension expense.

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.00 percent, and an investment rate of return (net of pension plan investment expenses, including inflation) of 7.60 percent. These assumptions were applied to all periods included in the measurement.

Mortality rates were based on the 50 percent male and 50 percent female blend of the following tables:

- (1) The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent
- (2) The RP-2014 Employee Mortality Tables
- (3) The RP-2014 Juvenile Mortality Tables

For disabled retirees, the mortality rates were based on the 50 percent male - 50 percent female blend of the RP-2014 Disabled Retiree Mortality Tables.

Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Projected Cash Flows

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

Note 11 - Pension Plan (Continued)

Investment Rate of Return

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of December 31, 2019, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	6.15 %
Global fixed income	20.00	1.26
Private Investments	20.00	6.56

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

The following presents the net pension liability of the Township, calculated using the discount rate of 7.60 percent, as well as what the Township's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.60%)	Current Discount Rate (7.60%)	1 Percentage Point Increase (8.60%)
Net pension liability (asset) of the Township	\$ 11,083,527	\$ 4,035,708	\$ (1,799,129)

Pension Plan Fiduciary Net Position

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

Assumption Changes

In 2020, the discount rate was reduced from 8.00 to 7.60 percent, and the wage inflation was reduced from 3.75 to 3.00 percent.

Note 12 - Retirement Plans

The Township provides pension benefits to all of its full-time employees not enrolled in the defined benefit plan through a defined contribution plan administered by Allerus Financial. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. As established by the board of trustees, the Township contributes between 7 and 15 percent of employees' base earnings, and voluntary employee contributions are allowed. In accordance with these requirements, the Township contributed \$45,829 during the current year.

December 31, 2020

Note 13 - Other Postemployment Benefit Plan

Plan Description

The Township provides health benefits to certain full-time employees upon retirement in accordance with labor contracts. This is a single-employer defined benefit plan administered by the Township. Administrative costs are paid by the plan.

Benefits Provided

Full-time employees who have completed 25 years of service (15 years if management) can retire and receive benefits under this plan. There is effectively a minimum retirement age of 50 years for water and sewer employees. The Township includes pre-Medicare retirees and their dependents in its insured health care plan and requires a contribution by the participant for 10 percent of annual premiums. The Township does not provide retiree health benefits beyond age 65, but it does provide \$100 per month for each retiree (and covered spouse, if any).

Employees Covered by Benefit Terms

At December 31, 2020, the date of the most recent actuarial valuation, the following members were covered by the benefit terms:

Active employees	106
Retirees and covered spouses	77
	<hr/>
Total plan members	183
	<hr/> <hr/>

Contributions

The Township 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). However, as shown below, the Township has made contributions to advance fund these benefits, as determined by the township board through annual budget resolutions. For the year ended December 31, 2020, contributions for postemployment health care benefits totaled \$457,060.

Net OPEB Asset

The Township has chosen to use the December 31 measurement date as its measurement date for the net OPEB asset. The December 31, 2020 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability as of that date.

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

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability (Asset)
Balance at January 1, 2020	\$ 8,897,192	\$ 8,770,220	\$ 126,972
Changes for the year:			
Service cost	199,655	-	199,655
Interest	610,951	-	610,951
Changes in assumptions	98,827	-	98,827
Contributions - Employer	-	457,060	(457,060)
Net investment income	-	1,276,131	(1,276,131)
Benefit payments, including refunds	(538,308)	(538,308)	-
	<hr/>	<hr/>	<hr/>
Net changes	371,125	1,194,883	(823,758)
	<hr/>	<hr/>	<hr/>
Balance at December 31, 2020	\$ 9,268,317	\$ 9,965,103	\$ (696,786)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

December 31, 2020

Note 13 - Other Postemployment Benefit Plan (Continued)

The plan's fiduciary net position represents 107.52 percent of the total OPEB liability.

Included in the net OPEB asset is \$627,005 related to governmental activities and \$69,781 related to business-type activities. The General Fund, Public Safety Fund, or the Water and Sewer Fund, based on the fund to which an employee is assigned and to which the employee's OPEB costs are charged, will be the fund to liquidate the net OPEB liability.

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

For the year ended December 31, 2020, the Township recognized OPEB expense of \$168,861 of which \$151,950 is related to governmental activities and \$16,911 is related to business-type activities.

At December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 849,744	\$ -
Changes in assumptions	213,171	-
Net difference between projected and actual earnings on OPEB plan investments	-	(828,029)
Total	\$ 1,062,915	\$ (828,029)

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

Years Ending December 31	Amount
2021	\$ (30,674)
2022	(30,674)
2023	(169,515)
2024	21,706
2025	154,718
Thereafter	289,325
Total	\$ 234,886

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using an inflation assumption of 2.50 percent; assumed salary increases (including inflation) of 3.75 percent; an investment rate of return (net of investment expenses) of 7.00 percent; and a health care cost trend rate of 8.50 percent for 2020, decreasing 0.25 to 0.50 percent per year to an ultimate rate of 4.50 percent after 16 years. These assumptions were applied to all periods included in the measurement.

The Township's net OPEB asset was measured as of December 31, 2020 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019 and rolled forward using generally accepted actuarial procedures.

December 31, 2020

Note 13 - Other Postemployment Benefit Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB asset was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2020 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash or cash equivalents	2.00 %	- %
Investment-grade U.S. bonds	20.00	0.80
Emerging markets bonds	5.00	3.70
High-yield U.S. bonds	5.00	3.60
U.S. large-cap stocks	39.00	5.20
U.S. mid-cap stocks	5.00	5.80
Developed markets stock U.S.	2.00	5.00
Emerging markets stocks	18.00	7.50
Listed real estate	2.00	4.90
Listed infrastructure	2.00	5.00

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the net OPEB asset of the Township, calculated using the discount rate of 7.00 percent, as well as what the Township's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.00%)	Current Discount Rate (7.00%)	1 Percentage Point Increase (8.00%)
Net OPEB liability (asset) of the Northville Township Retiree Health Care Plan	\$ 372,395	\$ (696,786)	\$ (1,631,777)

Note 13 - Other Postemployment Benefit Plan (Continued)

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

The following presents the net OPEB asset of the Township, calculated using the health care cost trend rate of 8.50 percent, as well as what the Township's net OPEB (asset) liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (7.50%)	Current Health Care Cost Trend Rate (8.50%)	1 Percentage Point Increase (9.50%)
Net OPEB (asset) liability of the Northville Township Retiree Health Care Plan	\$ (1,759,874)	\$ (696,786)	\$ 571,481

OPEB Plan Fiduciary Net Position

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

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 14.84 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 14 - Joint Ventures

The Township is a member of the Western Township Utilities Authority (WTUA), which provides sewage disposal services to the residents of Canton, Northville, and Plymouth townships. The participating communities provide annual funding for its operations. During the current year, the Township paid WTUA \$3,937,082 for operations, debt, and capital. The Township's equity interest is recorded within the Water and Sewer Fund. The Township is unaware of any circumstances that would cause an additional financial benefit or burden to the participating governments in the near future. Complete financial statements for WTUA can be obtained from the administrative offices at 40905 Joy Road, Canton, MI 48187.

The Township also participates in the Northville Parks and Recreation Commission (the "Recreation Commission") as a joint venture with the City of Northville, Michigan. The Recreation Commission has been subsidized to the extent that expenditures exceed operating revenue. The Township's equity interest is recorded within the governmental activities column in the statement of net position. The participating communities provide annual funding for its operations. During the current year, the Township contributed \$1,011,229 for the Recreation Commission's operations. The Township is unaware of any circumstances that would cause an additional financial benefit or burden to the Township in the near future. Complete financial statements for the Recreation Commission can be obtained from the administrative office at 44405 Six Mile Road, Northville, MI 48168.

An intergovernmental agreement between the Charter Township of Northville Brownfield Redevelopment Authority and the Plymouth Township Brownfield Redevelopment Authority creating the MITC Redevelopment Authority (MITC stands for Michigan International Technology Center) became effective on January 4, 2019, pursuant to the provisions of the Urban Cooperation Act of 1967, Act 7 of the Public Acts of Michigan, as amended, MCL 125.501 to 125.512.

Note 14 - Joint Ventures (Continued)

The MITC Redevelopment Authority, a separate legal entity and public body corporate, was created to jointly exercise the brownfield economic development powers shared by the Charter Township of Northville Brownfield Redevelopment Authority and the Plymouth Township Brownfield Redevelopment Authority within the geographic boundaries of the Five Mile Corridor development zone. Various sites along the Five Mile Corridor are known to be contaminated, and other areas require infrastructure installation and improvement, which qualify as eligible project properties under the Brownfield Redevelopment Financing Act, PA 381 of 1996.

The MITC Redevelopment Authority shall be governed by the MITC Redevelopment Authority Board, which shall be a five-member board. The MITC Redevelopment Authority Board shall consist of the following members:

- One member appointed by the board of the Charter Township of Northville Brownfield Redevelopment Authority
- One member appointed by the board of the Plymouth Township Brownfield Redevelopment Authority
- One member appointed by the Northville Township supervisor and the Plymouth Township supervisor
- The Northville Township supervisor
- The Plymouth Township supervisor

The MITC Redevelopment Authority may borrow money and issue bonds or notes in its name pursuant to Act 381 for local public improvements or for economic development purposes provided that the MITC Redevelopment Authority shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the MITC Redevelopment Authority, exceeds 2 mills of the taxable value of the taxable property within the townships, as determined under Section 27a of The General Property Tax Act, 1893 PA 206, 211.27a, unless otherwise authorized by Act 7.

On January 28, 2019, a transfer contract between the MITC Redevelopment Authority and the Michigan Land Bank Fast Track Authority, a Michigan public body corporate and politic, was approved to transfer some of the MITC Authority's functions and responsibilities relating to the adoption and implementation of one or more brownfield redevelopment plans for the Five Mile Corridor development zone. These responsibilities include overseeing the financial operations of the MITC Redevelopment Authority, including the preparation of budgets and providing for any audits; negotiating and securing funding for related site improvements; environmental remediation; and the installation and improvement of public infrastructure along the Five Mile Corridor.

The combined authority will create one or more brownfield plans for the purpose of capturing tax increment revenue to pay debt obligations incurred to finance eligible costs of the MITC Redevelopment Authority. The obligations of the Authority to fund such improvements are to be repaid from captured tax increment revenue, which relies on anticipated economic growth along the Five Mile Corridor. The future collection of tax increment revenue is dependent on several factors, including the timing of when properties along Five Mile will be sold and developed. Both Plymouth and Northville townships have retained the consulting services of G.D. Roberts Company, LLC to assist with the marketing of properties for sale within each respective community. In addition to providing consulting services to Northville Township, G.D. Roberts Company, LLC provides land planning and private real estate development consulting services for developers that have purchased properties located within the geographic boundaries of the Five Mile Corridor development zone.

During 2019, The Charter Township of Northville transferred land with a value of \$422,722 to the Charter Township of Northville Brownfield Redevelopment Authority for future MITC development purposes.

Note 14 - Joint Ventures (Continued)

On March 19, 2020 Northville Township entered into a Property Transfer and Loan Repayment Agreement effective September 20, 2019 between the Township and the Township's Brownfield Redevelopment Authority (BRDA). In the agreement, the Township agrees to transfer certain property to the BRDA and the BRDA agreed to obtain a loan from The Michigan Land Bank for the purpose of conducting certain defined response activities. The loan is secured by tax increment revenue attributable to the land. Upon sale of the land, the proceeds shall be paid to satisfy the loan. If the proceeds are insufficient to pay off the loan, the Township is required to pay the BRDA sufficient amounts so the BRDA may satisfy the loan. If there are excess proceeds from the sale, the excess may be used for additional environmental response activities by the BRDA, or, if none, the remaining proceeds shall be paid to the Township.

The following table displays the Township's equity interest in joint ventures recorded on the financial statements:

	Governmental Activities	Business-type Activities	Total
Western Township Utilities Authority	\$ -	\$ 26,273,531	\$ 26,273,531
Northville Parks and Recreation Commission	3,794,508	-	3,794,508
Total	<u>\$ 3,794,508</u>	<u>\$ 26,273,531</u>	<u>\$ 30,068,039</u>

Note 15 - Tax Abatements

The Township uses the Industrial Facilities Tax exemption (PA 198 of 1974) to enter into agreements with local businesses to construct new industrial facilities or rehabilitate historical facilities. Under the program, the Township grants reductions of 50 percent of the property tax bill for new property (or it can freeze taxable values for rehabilitation purposes) for up to 12 years. For the fiscal year ended December 31, 2020, the Township abated \$44,119 of taxes under this program. There are no significant abatements made by other governments that reduce the Township's tax revenue.

In addition, the Charter Township of Northville Brownfield Redevelopment Authority was created under the provisions of Act 381, Public Acts of 1996 of the State of Michigan and is governed by a seven-member board that is appointed by the Township's board of trustees. The purpose of the Charter Township of Northville Brownfield Redevelopment Authority is to use tax increment revenue to promote revitalization of environmentally distressed areas within the boundaries of the Township. For the fiscal year ended December 31, 2020, the Township captured \$1,678,122 of tax increment revenue under this program for both payment to the developer and the Township for the redevelopment of the former Northville Psychiatric Hospital property and the former Scott Correctional Facility.

Note 16 - Commitments from Component Units

The Five Mile Property Brownfield Plan was amended in 2017 to create a local site remediation revolving fund to provide resources to facilitate the redevelopment of brownfield properties within the Township. The Brownfield Redevelopment Authority has committed to repay the Township \$5 million from future tax increment revenue captured by the Northville Township Brownfield Redevelopment Authority Revolving Fund to assist with the Seven Mile Property demolition and cleanup costs. As of December 31, 2020, the Township has been paid \$427,520. The future collection of tax increment revenue is dependent upon several factors, including development, increases in property valuation, and general economic conditions. It is not known when or if such amounts due from the revolving fund will be repaid. Because collectibility cannot be reasonably estimated or assured due to the uncertainties discussed above and the extended period of the expected payments, the Township has not recorded the outstanding balances due from component units.

December 31, 2020

Note 17 - Fund Balance Constraints

The detail of the various components of fund balance is as follows:

	General Fund	Public Safety Fund	Seven Mile Road Property Purchase Fund	Nonmajor Funds	Total
Nonspendable:					
Prepays	\$ 104,648	\$ 348,874	\$ -	\$ -	\$ 453,522
Long-term receivable	13,822	-	-	-	13,822
Total nonspendable	118,470	348,874	-	-	467,344
Restricted:					
Drug forfeiture	-	603,139	-	-	603,139
Police and fire operations	-	8,369,329	-	-	8,369,329
Debt service	-	-	2,597,709	83,214	2,680,923
Youth assistance	-	-	-	207,301	207,301
Parks, recreation, and senior services	-	-	-	846,467	846,467
Metro Act funds	-	-	-	92,586	92,586
Total restricted	-	8,972,468	2,597,709	1,229,568	12,799,745
Assigned:					
Debt service	-	-	-	488,942	488,942
Tree plantings and replacement	-	-	-	421,752	421,752
Other capital projects	51,401	-	-	488,048	539,449
Facility replacement reserve	-	-	-	2,500,000	2,500,000
Seven Mile demolition project	-	-	-	1,200,000	1,200,000
Public safety headquarters	-	-	-	1,000,000	1,000,000
Five Mile Corridor project	1,500,000	-	-	-	1,500,000
Pathways	1,000,000	-	-	-	1,000,000
Gun range	-	-	-	660,550	660,550
Total assigned	2,551,401	-	-	6,759,292	9,310,693
Unassigned	10,155,445	-	-	-	10,155,445
Total fund balance	\$ 12,825,316	\$ 9,321,342	\$ 2,597,709	\$ 7,988,860	\$ 32,733,227

Required Supplemental Information

Charter Township of Northville

Required Supplemental Information Budgetary Comparison Schedule General Fund

Year Ended December 31, 2020

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 2,461,910	\$ 2,461,910	\$ 2,654,777	\$ 192,867
Intergovernmental:				
Federal sources	-	26,000	25,918	(82)
State sources	2,609,140	2,609,140	2,626,322	17,182
Building department	760,100	760,100	1,133,441	373,341
Net investment income	40,000	40,000	56,272	16,272
Other revenue	581,750	628,750	965,927	337,177
Total revenue	6,452,900	6,525,900	7,462,657	936,757
Expenditures				
Current services:				
General government:				
Legislative	1,532,930	1,608,930	1,313,370	295,560
Facility operations	574,010	574,010	489,264	84,746
Treasurer	1,043,290	1,043,290	986,506	56,784
Clerk	495,990	606,450	538,524	67,926
Public safety	572,430	572,430	515,504	56,926
Community and Economic Development	216,000	216,000	168,788	47,212
Transfers out	1,152,630	1,152,630	1,152,630	-
Total expenditures	5,587,280	5,773,740	5,164,586	609,154
Net Change in Fund Balance	865,620	752,160	2,298,071	1,545,911
Fund Balance - Beginning of year	10,527,245	10,527,245	10,527,245	-
Fund Balance - End of year	\$ 11,392,865	\$ 11,279,405	\$ 12,825,316	\$ 1,545,911

Charter Township of Northville

Required Supplemental Information
 Budgetary Comparison Schedule - Major Special Revenue Fund
 Public Safety Fund

Year Ended December 31, 2020

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 13,269,000	\$ 13,269,000	\$ 13,481,653	\$ 212,653
Intergovernmental:				
Federal sources	-	1,497,320	1,519,034	21,714
State sources	40,000	40,000	155,991	115,991
Licensing and enforcement	977,880	977,880	954,330	(23,550)
Fines and forfeitures	2,550	2,550	7,202	4,652
Net investment income	40,000	40,000	67,478	27,478
Other revenue	252,840	252,840	424,635	171,795
Total revenue	14,582,270	16,079,590	16,610,323	530,733
Expenditures - Public safety	14,335,060	16,282,380	15,257,991	1,024,389
Excess of Revenue Over (Under)				
Expenditures	247,210	(202,790)	1,352,332	1,555,122
Other Financing Sources - Proceeds from sale of capital assets	-	-	25,950	25,950
Net Change in Fund Balance	247,210	(202,790)	1,378,282	1,581,072
Fund Balance - Beginning of year	7,943,060	7,943,060	7,943,060	-
Fund Balance - End of year	<u>\$ 8,190,270</u>	<u>\$ 7,740,270</u>	<u>\$ 9,321,342</u>	<u>\$ 1,581,072</u>

Charter Township of Northville

Required Supplemental Information

Schedule of Changes in the Net Pension Liability and Related Ratios

**Last Six Plan Fiscal Years
(Built Prospectively from 2014)***

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 1,156,144	\$ 1,209,059	\$ 1,167,519	\$ 1,097,887	\$ 1,084,463	\$ 1,032,663
Interest	3,538,514	3,828,046	3,573,602	3,304,957	2,934,666	2,721,296
Changes in benefit terms	-	(6,427,647)	-	-	(23,197)	-
Differences between expected and actual experience	2,468,759	(295,636)	191,721	550,696	1,085,292	-
Changes in assumptions	2,155,927	-	-	-	2,038,650	-
Benefit payments, including refunds	(1,990,334)	(1,822,691)	(1,723,468)	(1,537,124)	(1,235,557)	(1,151,510)
Net Change in Total Pension Liability	7,329,010	(3,508,869)	3,209,374	3,416,416	5,884,317	2,602,449
Total Pension Liability - Beginning of year	44,648,518	48,157,387	44,948,013	41,531,597	35,647,280	33,044,831
Total Pension Liability - End of year	<u>\$ 51,977,528</u>	<u>\$ 44,648,518</u>	<u>\$ 48,157,387</u>	<u>\$ 44,948,013</u>	<u>\$ 41,531,597</u>	<u>\$ 35,647,280</u>
Plan Fiduciary Net Position						
Contributions - Employer	\$ 901,674	\$ 9,806,034	\$ 2,452,391	\$ 2,631,259	\$ 2,517,489	\$ 2,959,247
Contributions - Member	983,421	247,738	445,107	231,113	201,851	134,582
Net investment income (loss)	5,767,487	(1,650,952)	4,124,310	3,059,182	(394,527)	1,424,260
Administrative expenses	(99,323)	(72,426)	(65,096)	(60,333)	(56,750)	(52,913)
Benefit payments, including refunds	(1,990,334)	(1,822,691)	(1,723,468)	(1,537,124)	(1,235,557)	(1,151,510)
Net Change in Plan Fiduciary Net Position	5,562,925	6,507,703	5,233,244	4,324,097	1,032,506	3,313,666
Plan Fiduciary Net Position - Beginning of year	42,378,895	35,871,192	30,637,948	26,313,851	25,281,345	21,967,679
Plan Fiduciary Net Position - End of year	<u>\$ 47,941,820</u>	<u>\$ 42,378,895</u>	<u>\$ 35,871,192</u>	<u>\$ 30,637,948</u>	<u>\$ 26,313,851</u>	<u>\$ 25,281,345</u>
Township's Net Pension Liability - Ending	<u>\$ 4,035,708</u>	<u>\$ 2,269,623</u>	<u>\$ 12,286,195</u>	<u>\$ 14,310,065</u>	<u>\$ 15,217,746</u>	<u>\$ 10,365,935</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.24 %	94.92 %	74.49 %	68.16 %	63.36 %	70.92 %
Covered Payroll	\$ 8,921,421	\$ 8,217,324	\$ 8,007,361	\$ 7,534,853	\$ 7,639,502	\$ 7,271,632
Township's Net Pension Liability as a Percentage of Covered Payroll	45.24 %	27.62 %	153.44 %	189.92 %	199.20 %	142.55 %

*Additional information will be displayed as it becomes available.

Charter Township of Northville

Required Supplemental Information Schedule of Pension Contributions

Last Ten Fiscal Years Years Ended December 31

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 926,775	\$ 901,674	\$ 1,999,234	\$ 2,086,065	\$ 1,778,342	\$ 1,819,343	\$ 1,653,870	\$ 1,482,852	\$ 1,388,954	\$ 1,411,012
Contributions in relation to the actuarially determined contribution	2,727,267	901,674	9,806,034	2,452,391	2,631,259	2,517,489	2,959,247	1,400,362	1,337,281	1,366,032
Contribution Excess (Deficiency)	\$ 1,800,492	\$ -	\$ 7,806,800	\$ 366,326	\$ 852,917	\$ 698,146	\$ 1,305,377	\$ (82,490)	\$ (51,673)	\$ (44,980)
Covered Payroll	\$ 9,480,087	\$ 8,217,324	\$ 8,546,868	\$ 8,015,774	\$ 7,534,853	\$ 7,639,502	\$ 7,271,632	\$ 6,978,674	\$ 6,712,188	\$ 7,069,637
Contributions as a Percentage of Covered Payroll	28.77 %	10.97 %	114.73 %	30.59 %	34.92 %	32.95 %	40.70 %	20.07 %	19.92 %	19.32 %

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage payroll, open
Remaining amortization period	22 years
Asset valuation method	5-year smoothed
Inflation	2.50 percent
Salary increase	3.75 percent
Investment rate of return	8.00 percent
Retirement age	Varies depending on plan adoption
Mortality	50 percent female/50 percent male RP-2014 Mortality Table
Other information	None

Charter Township of Northville

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

	Last Three Fiscal Years (Built Prospectively from 2018)*		
	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 199,655	\$ 173,441	\$ 167,172
Interest	610,951	503,288	493,165
Changes in benefit terms	-	131,851	-
Differences between expected and actual experience	-	1,099,302	-
Changes in assumptions	98,827	162,757	-
Benefit payments, including refunds	<u>(538,308)</u>	<u>(553,134)</u>	<u>(484,554)</u>
Net Change in Total OPEB Liability	371,125	1,517,505	175,783
Total OPEB Liability - Beginning of year	<u>8,897,192</u>	<u>7,379,687</u>	<u>7,203,904</u>
Total OPEB Liability - End of year	<u>\$ 9,268,317</u>	<u>\$ 8,897,192</u>	<u>\$ 7,379,687</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 457,060	\$ 1,228,740	\$ 428,130
Net investment income (loss)	1,276,131	1,445,209	(211,938)
Benefit payments, including refunds	<u>(538,308)</u>	<u>(553,134)</u>	<u>(484,554)</u>
Net Change in Plan Fiduciary Net Position	1,194,883	2,120,815	(268,362)
Plan Fiduciary Net Position - Beginning of year	<u>8,770,220</u>	<u>6,649,405</u>	<u>6,917,767</u>
Plan Fiduciary Net Position - End of year	<u>\$ 9,965,103</u>	<u>\$ 8,770,220</u>	<u>\$ 6,649,405</u>
Net OPEB (Asset) Liability - Ending	<u>\$ (696,786)</u>	<u>\$ 126,972</u>	<u>\$ 730,282</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	107.52 %	98.57 %	90.10 %
Covered Payroll	\$ 8,473,900	\$ 8,969,831	\$ 8,645,620
Net OPEB Liability as a Percentage of Covered Payroll	(8.22)%	1.42 %	8.45 %

*Additional information will be displayed as it becomes available.

Charter Township of Northville

**Required Supplemental Information
Schedule of OPEB Investment Returns**

**Last Four Fiscal Years
Years Ended December 31**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	14.84 %	21.94 %	(3.13)%	16.93 %

Charter Township of Northville

Notes to Required Supplemental Information

December 31, 2020

Budgetary Information

The annual budget is prepared by the Township's supervisor and adopted by the Township's board; subsequent amendments are approved by the Township's board. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. During the current year, the budget was amended in a legally permissible manner.

The budget has been prepared in accordance with accounting principles generally accepted in the United States of America for the General Fund and all special revenue funds, with the exception that transfers have been included in the revenue or expenditures categories, rather than as other financing sources (uses).

The Township follows procedures outlined below in establishing the budget reflected in the financial statements. The budget process begins in August via an email distribution to various township departments. In September, the budget is available for public viewing, and public hearings take place with the board of trustees. In October, the final operating budget is adopted.

The budget has been adopted on an activity basis; expenditures at this level in excess of amounts budgeted are a violation of Michigan law. Comparison of actual results of operations to the budgets of the General Fund and major special revenue funds, as adopted by the Township's board, is included in the required supplemental information of the basic financial statements.

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

Charter Township of Northville - General Fund	Total Revenue	Total Expenditures
Amounts per operating statement	\$ 7,462,657	\$ 4,011,956
Interfund transfers budgeted as revenue and expenditures	-	1,152,630
Amounts per budget statement	<u>\$ 7,462,657</u>	<u>\$ 5,164,586</u>

Pension Information

Benefit Changes

There were changes of benefit terms related to cost of living adjustments increases in the December 31, 2018 valuation.

Changes in Assumptions

In 2015, mortality tables were updated to the most recent tables.

In the December 31, 2019 valuation, there were changes of the economic assumptions lowering the investment rate of return assumption from 8.00 to 7.60 percent and lowering the assumed rate of wage inflation from 3.75 to 3.00 percent.

Other Supplemental Information

Charter Township of Northville

	Special Revenue Funds		Debt Service Funds		
	Youth Assistance Fund	Shared Services Fund	Land Acquisition Fund	Edenderry Paving SAD Fund	2012 Refunding Debt Fund
Assets					
Cash and investments	\$ 208,962	\$ 1,727,052	\$ -	\$ 83,214	\$ 488,942
Receivables:					
Property taxes	-	829,051	-	-	-
Special assessments	-	-	-	75,613	-
Other	-	-	-	-	-
Due from other governmental units	-	3,708	-	-	-
Total assets	\$ 208,962	\$ 2,559,811	\$ -	\$ 158,827	\$ 488,942
Liabilities					
Accounts payable	\$ 15	\$ 3,994	\$ -	\$ -	\$ -
Accrued liabilities and other	1,646	-	-	-	-
Unearned revenue	-	35,000	-	-	-
Bonds and deposits	-	-	-	-	-
Total liabilities	1,661	38,994	-	-	-
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	75,613	-
Property taxes levied for the following year	-	1,674,350	-	-	-
Total deferred inflows of resources	-	1,674,350	-	75,613	-
Total liabilities and deferred inflows of resources	1,661	1,713,344	-	75,613	-
Fund Balances					
Restricted:					
Debt service	-	-	-	83,214	-
Youth assistance	207,301	-	-	-	-
Parks, recreation, and senior services	-	846,467	-	-	-
Metro Act funds	-	-	-	-	-
Assigned:					
Debt service	-	-	-	-	488,942
Tree plantings and replacement	-	-	-	-	-
Seven Mile demolition project	-	-	-	-	-
Facility replacement reserve	-	-	-	-	-
Public safety headquarters	-	-	-	-	-
Other capital projects	-	-	-	-	-
Gun range	-	-	-	-	-
Total fund balances	207,301	846,467	-	83,214	488,942
Total liabilities, deferred inflows of resources, and fund balances	\$ 208,962	\$ 2,559,811	\$ -	\$ 158,827	\$ 488,942

Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds

December 31, 2020

<u>Capital Project Funds</u>		
<u>Tree Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
\$ 421,752	\$ 7,715,362	\$ 10,645,284
-	-	829,051
-	42,222	117,835
-	189	189
-	-	3,708
\$ 421,752	\$ 7,757,773	\$ 11,596,067
\$ -	\$ 9,976	\$ 13,985
-	-	1,646
-	250,404	285,404
-	1,513,987	1,513,987
-	1,774,367	1,815,022
-	42,222	117,835
-	-	1,674,350
-	42,222	1,792,185
-	1,816,589	3,607,207
-	-	83,214
-	-	207,301
-	-	846,467
-	92,586	92,586
-	-	488,942
421,752	-	421,752
-	1,200,000	1,200,000
-	2,500,000	2,500,000
-	1,000,000	1,000,000
-	488,048	488,048
-	660,550	660,550
421,752	5,941,184	7,988,860
\$ 421,752	\$ 7,757,773	\$ 11,596,067

Charter Township of Northville

	Special Revenue Funds		Debt Service Funds		
	Youth Assistance Fund	Shared Services Fund	Land Acquisition Fund	Edenderry Paving SAD Fund	2012 Refunding Debt Fund
Revenue					
Property taxes	\$ -	\$ 1,633,366	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Net investment income	-	3,702	-	7,359	-
Other revenue	121,268	7,957	-	28,010	274,220
Total revenue	121,268	1,645,025	-	35,369	274,220
Expenditures					
Recreation and culture	99,332	1,316,464	-	-	-
Capital outlay	-	-	-	-	-
Debt service	-	-	296,901	55,313	1,096,850
Total expenditures	99,332	1,316,464	296,901	55,313	1,096,850
Excess of Revenue Over (Under) Expenditures	21,936	328,561	(296,901)	(19,944)	(822,630)
Other Financing Sources (Uses)					
Transfers in	-	-	258,260	-	822,630
Transfers out	-	(258,260)	-	-	-
Total other financing (uses) sources	-	(258,260)	258,260	-	822,630
Net Change in Fund Balances	21,936	70,301	(38,641)	(19,944)	-
Fund Balances - Beginning of year	185,365	776,166	38,641	103,158	488,942
Fund Balances - End of year	\$ 207,301	\$ 846,467	\$ -	\$ 83,214	\$ 488,942

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended December 31, 2020

<u>Capital Project Funds</u>		
<u>Tree Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 1,633,366
-	23,135	23,135
1,069	18,224	30,354
<u>17,000</u>	<u>766,709</u>	<u>1,215,164</u>
18,069	808,068	2,902,019
5,431	-	1,421,227
-	190,122	190,122
-	-	1,449,064
<u>5,431</u>	<u>190,122</u>	<u>3,060,413</u>
12,638	617,946	(158,394)
-	330,000	1,410,890
-	-	(258,260)
-	330,000	1,152,630
12,638	947,946	994,236
<u>409,114</u>	<u>4,993,238</u>	<u>6,994,624</u>
<u>\$ 421,752</u>	<u>\$ 5,941,184</u>	<u>\$ 7,988,860</u>

Charter Township of Northville

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
Youth Assistance

Year Ended December 31, 2020

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Other revenue	\$ 125,540	\$ 121,268	\$ (4,272)
Expenditures - Recreation and culture	132,810	99,332	33,478
Net Change in Fund Balance	(7,270)	21,936	29,206
Fund Balance - Beginning of year	185,365	185,365	-
Fund Balance - End of year	<u>\$ 178,095</u>	<u>\$ 207,301</u>	<u>\$ 29,206</u>

Charter Township of Northville

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Shared Services

Year Ended December 31, 2020

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue			
Property taxes	\$ 1,608,000	\$ 1,633,366	\$ 25,366
Net investment income	1,500	3,702	2,202
Other revenue	4,300	7,957	3,657
Total revenue	1,613,800	1,645,025	31,225
Expenditures - Recreation and culture	1,475,760	1,316,464	159,296
Excess of Revenue Over Expenditures	138,040	328,561	190,521
Other Financing Uses - Transfers out	(258,260)	(258,260)	-
Net Change in Fund Balance	(120,220)	70,301	190,521
Fund Balance - Beginning of year	776,166	776,166	-
Fund Balance - End of year	\$ 655,946	\$ 846,467	\$ 190,521

Charter Township of Northville

**Other Supplemental Information
Balance Sheet
Component Units**

December 31, 2020

	<u>Brownfield Redevelopment Authority</u>	<u>Economic Development Corporation</u>
Assets		
Cash and investments	\$ 179,022	\$ 1,103
Receivables - Taxes	854,221	-
Total assets	<u>\$ 1,033,243</u>	<u>\$ 1,103</u>
Liabilities		
Accounts payable	\$ 54,723	\$ -
Due to other governmental units	71,357	-
Accrued liabilities and other	8,872	-
Total liabilities	134,952	-
Deferred Inflows of Resources - Property taxes levied for the following year	854,221	-
Total liabilities and deferred inflows of resources	989,173	-
Fund Balances - Unassigned	44,070	1,103
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,033,243</u>	<u>\$ 1,103</u>

Charter Township of Northville

Other Supplemental Information
Statement of Revenue, Expenditures, and Changes in Fund Balances
Component Units

Year Ended December 31, 2020

	<u>Brownfield Redevelopment Authority</u>	<u>Economic Development Corporation</u>
Revenue		
Property taxes	\$ 1,678,122	\$ -
Intergovernmental - Federal sources	<u>36,230</u>	<u>-</u>
Total revenue	1,714,352	-
Expenditures - Current services	<u>1,680,532</u>	<u>-</u>
Excess of Revenue Over Expenditures	33,820	-
Other Financing Sources - Loan proceeds	<u>10,250</u>	<u>-</u>
Net Change in Fund Balances	44,070	-
Fund Balances - Beginning of year	<u>-</u>	<u>1,103</u>
Fund Balances - End of year	<u><u>\$ 44,070</u></u>	<u><u>\$ 1,103</u></u>

Statistical Section

Statistical Section

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health

The statistical section is organized into the following main categories:

- Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

- Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

- Debt capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

- Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

- Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Charter Township of Northville

	As of December 31,			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental Activities:				
Net investment in capital assets	\$ 21,854,912	\$ 23,055,264	\$ 24,441,185	\$ 25,741,191
Restricted	6,670,564	8,666,302	7,352,257	5,641,118
Unrestricted	<u>11,865,805</u>	<u>9,927,066</u>	<u>11,144,529</u>	<u>14,770,526</u>
Total net position	<u>\$ 40,391,281</u>	<u>\$ 41,648,632</u>	<u>\$ 42,937,971</u>	<u>\$ 46,152,835</u>
Business Type Activities:				
Net investment in capital assets	\$ 46,458,045	\$ 46,350,805	\$ 46,098,141	\$ 46,582,470
Restricted	-	-	-	-
Unrestricted	<u>34,564,108</u>	<u>35,809,582</u>	<u>34,320,753</u>	<u>33,951,924</u>
Total net position	<u>\$ 81,022,153</u>	<u>\$ 82,160,387</u>	<u>\$ 80,418,894</u>	<u>\$ 80,534,394</u>
Primary government in total:				
Net investment in capital assets	\$ 68,312,957	\$ 69,406,069	\$ 70,539,326	\$ 72,323,661
Restricted	6,670,564	8,666,302	7,352,257	5,641,118
Unrestricted	<u>46,429,913</u>	<u>45,736,648</u>	<u>45,465,282</u>	<u>48,722,450</u>
Total net position	<u>\$ 121,413,434</u>	<u>\$ 123,809,019</u>	<u>\$ 123,356,865</u>	<u>\$ 126,687,229</u>

Source: Township's annual financial statements

Net Position by Component

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
\$ 27,791,289	\$ 29,110,146	\$ 31,414,490	\$ 42,377,681	\$ 45,059,020	\$ 46,851,756
6,891,613	8,653,806	10,377,739	8,895,456	10,810,720	13,224,232
8,041,009	15,362,234	18,638,232	12,991,218	21,092,298	25,451,269
<u>\$ 42,723,911</u>	<u>\$ 53,126,186</u>	<u>\$ 60,430,461</u>	<u>\$ 64,264,355</u>	<u>\$ 76,962,038</u>	<u>\$ 85,527,257</u>
\$ 46,295,825	\$ 45,593,094	\$ 45,915,955	\$ 45,321,290	\$ 44,738,092	\$ 44,290,283
-	-	-	-	-	-
34,966,807	36,897,950	40,634,504	45,824,024	51,972,564	57,530,085
<u>\$ 81,262,632</u>	<u>\$ 82,491,044</u>	<u>\$ 86,550,459</u>	<u>\$ 91,145,314</u>	<u>\$ 96,710,656</u>	<u>\$ 101,820,368</u>
\$ 74,087,114	\$ 74,703,240	\$ 77,330,445	\$ 87,698,971	\$ 89,797,112	\$ 91,142,039
6,891,613	8,653,806	10,377,739	8,895,456	10,810,720	13,224,232
43,007,816	52,260,184	59,272,736	58,815,242	73,064,862	82,981,354
<u>\$ 123,986,543</u>	<u>\$ 135,617,230</u>	<u>\$ 146,980,920</u>	<u>\$ 155,409,669</u>	<u>\$ 173,672,694</u>	<u>\$ 187,347,625</u>

Charter Township of Northville

	As of December 31,			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses:				
General government	\$ 2,046,634	\$ 3,493,755	\$ 2,653,730	\$ 2,854,999
Public safety:				
Police and fire	8,553,942	10,734,926	11,108,991	11,157,575
Building department	370,979	491,918	558,867	574,795
Community & economic development	220,606	195,707	186,797	186,394
Recreation and culture	2,475,283	1,989,540	1,833,427	1,436,843
Interest on long-term debt	1,630,883	1,485,959	1,182,782	1,118,780
Total governmental activities	<u>15,298,327</u>	<u>18,391,805</u>	<u>17,524,594</u>	<u>17,329,386</u>
Program revenues:				
Charges for services				
General government	1,132,659	870,261	980,963	836,203
Public safety:				
Police and fire	1,231,599	475,819	1,321,420	1,191,650
Building department	748,445	1,062,979	1,181,220	1,051,596
Community & economic development	7,388	34,171	254,269	148,868
Recreation and culture	207,152	140,731	142,802	135,413
Total charges for services	<u>3,327,243</u>	<u>2,583,961</u>	<u>3,880,674</u>	<u>3,363,730</u>
Operating grants and contributions	354,108	352,870	620,958	696,401
Capital grants and contributions	1,105,462	2,061,160	17,451	244,931
Total program revenue	<u>4,786,813</u>	<u>4,997,991</u>	<u>4,519,083</u>	<u>4,305,062</u>
Net (expense) revenue	<u>(10,511,514)</u>	<u>(13,393,814)</u>	<u>(13,005,511)</u>	<u>(13,024,324)</u>
General revenues:				
Property taxes	12,455,833	12,135,482	12,104,998	12,941,502
Unrestricted state-shared revenues	2,283,885	2,077,884	2,118,456	2,214,975
Gain or loss on sales of assets	124,472	86,826	(36,777)	124,336
Unrestricted investment earnings/(loss)	323,222	2,646	53,659	64,617
Miscellaneous	610,684	348,327	54,514	893,758
Total general revenues	<u>15,798,096</u>	<u>14,651,165</u>	<u>14,294,850</u>	<u>16,239,188</u>
Transfers	-	-	-	-
Change in net position	<u>\$ 5,286,582</u>	<u>\$ 1,257,351</u>	<u>\$ 1,289,339</u>	<u>\$ 3,214,864</u>

Source: Township's annual financial statements

Changes in Governmental Net Position

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
\$ 3,433,997	\$ 3,709,606	\$ 3,421,527	\$ 3,051,711	\$ 2,279,440	\$ 3,636,956
11,073,853	11,957,837	12,199,157	13,369,529	9,601,064	15,169,219
642,982	558,062	554,962	599,594	631,644	505,532
217,583	3,654,250	311,904	702,317	608,377	228,294
1,587,317	1,499,753	1,663,267	1,164,707	1,577,654	1,099,097
1,061,054	999,369	1,042,526	838,687	727,041	639,431
<u>18,016,786</u>	<u>22,378,877</u>	<u>19,193,343</u>	<u>19,726,545</u>	<u>15,425,220</u>	<u>21,278,529</u>
867,597	957,220	1,114,059	585,042	583,131	619,893
1,234,197	1,304,376	1,261,022	1,157,736	1,132,800	1,086,007
1,135,386	999,861	1,414,821	1,654,299	1,440,917	1,133,441
114,522	138,014	278,375	266,761	116,405	63,068
63,298	442,547	407,794	287,226	1,104,090	758,571
3,415,000	3,842,018	4,476,071	3,951,064	4,377,343	3,660,980
569,297	421,855	716,885	297,130	572,470	1,890,453
245,651	155,762	105,687	304,249	120,906	227,102
4,229,948	4,419,635	5,298,643	4,552,443	5,070,719	5,778,535
<u>(13,786,838)</u>	<u>(17,959,242)</u>	<u>(13,894,700)</u>	<u>(15,174,102)</u>	<u>(10,354,501)</u>	<u>(15,499,994)</u>
16,222,225	16,713,080	17,027,702	18,305,872	19,199,346	20,370,481
2,219,929	2,281,802	2,470,135	2,527,787	2,633,619	2,626,793
79,256	87,050	189,036	702,837	82,630	-
7,197	8,514,323	1,018,264	250,977	747,423	161,328
532,555	765,262	493,838	877,815	389,166	906,611
19,061,162	28,361,517	21,198,975	22,665,288	23,052,184	24,065,213
-	-	-	-	-	-
<u>\$ 5,274,324</u>	<u>\$ 10,402,275</u>	<u>\$ 7,304,275</u>	<u>\$ 7,491,186</u>	<u>\$ 12,697,683</u>	<u>\$ 8,565,219</u>

Charter Township of Northville

	As of December 31,			
	2011	2012	2013	2014
Operating Revenue				
Water and sewer	\$ 10,291,344	\$ 12,289,757	\$ 10,548,452	\$ 10,371,892
Solid waste	<u>1,200,640</u>	<u>1,221,220</u>	<u>1,220,996</u>	<u>1,231,692</u>
Total operating revenue	11,491,984	13,510,977	11,769,448	11,603,584
Operating Expenses				
Water and sewer	13,398,252	13,998,826	14,695,035	13,909,882
Solid waste	<u>1,047,325</u>	<u>1,273,154</u>	<u>934,679</u>	<u>1,133,997</u>
Total operating expenses	14,445,577	15,271,980	15,629,714	15,043,879
Operating Income (Loss)	(2,953,593)	(1,761,003)	(3,860,266)	(3,440,295)
Nonoperating Revenue (Expenses)				
Investment income	628,701	149,249	(831,373)	985,622
Interest expense	-	-	-	-
Gain (loss) on disposal of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) - Before contributions and other items	(2,324,892)	(1,611,754)	(4,691,639)	(2,454,673)
Operating grants and contributions	2,171,519	320,675	-	-
Capital grants and contributions	<u>48,923</u>	<u>2,742,609</u>	<u>2,950,146</u>	<u>2,570,173</u>
Total capital contributions	2,220,442	3,063,284	2,950,146	2,570,173
Transfers to other funds	<u>(314,546)</u>	<u>(313,296)</u>	<u>-</u>	<u>-</u>
Change in Net Position, business type	(418,996)	1,138,234	(1,741,493)	115,500
Primary government in total:				
Primary government revenue	\$ 34,926,036	\$ 36,372,666	\$ 32,702,154	\$ 35,703,629
Primary government expense	<u>30,058,450</u>	<u>33,977,081</u>	<u>33,154,308</u>	<u>32,373,265</u>
Total Primary government Change in Net Position	\$ 4,867,586	\$ 2,395,585	\$ (452,154)	\$ 3,330,364

Source: Township's annual financial statements

Changes in Business Type Net Position

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,						
2015	2016	2017	2018	2019	2020	
\$ 13,289,726	\$ 14,986,362	\$ 15,858,043	\$ 15,354,365	\$ 14,802,478	\$ 16,698,964	
<u>1,240,316</u>	<u>205,373</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
14,530,042	15,191,735	15,858,043	15,354,365	14,802,478	16,698,964	
14,780,896	15,949,475	15,623,629	14,098,164	12,783,088	13,510,540	
<u>1,145,022</u>	<u>269,639</u>	<u>93,448</u>	<u>523,999</u>	<u>-</u>	<u>-</u>	
15,925,918	16,219,114	15,717,077	14,622,163	12,783,088	13,510,540	
(1,395,876)	(1,027,379)	140,966	732,202	2,019,390	3,188,424	
406,748	288,425	120,968	264,425	550,181	274,267	
-	-	-	-	-	-	
<u>(989,128)</u>	<u>(738,954)</u>	<u>261,934</u>	<u>996,627</u>	<u>2,569,571</u>	<u>3,462,691</u>	
-	-	-	-	-	-	
<u>2,571,952</u>	<u>1,967,366</u>	<u>3,797,481</u>	<u>4,093,237</u>	<u>2,995,771</u>	<u>1,647,021</u>	
2,571,952	1,967,366	3,797,481	4,093,237	2,995,771	1,647,021	
-	-	-	-	-	-	
1,582,824	1,228,412	4,059,415	5,089,864	5,565,342	5,109,712	
\$ 40,799,852	\$ 50,228,678	\$ 46,274,110	\$ 46,929,758	\$ 46,471,333	\$ 48,464,000	
<u>33,942,704</u>	<u>38,597,991</u>	<u>34,910,420</u>	<u>34,348,708</u>	<u>28,208,308</u>	<u>34,789,069</u>	
<u>\$ 6,857,148</u>	<u>\$ 11,630,687</u>	<u>\$ 11,363,690</u>	<u>\$ 12,581,050</u>	<u>\$ 18,263,025</u>	<u>\$ 13,674,931</u>	

Charter Township of Northville

	As of December 31,			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund:				
Nonspendable:				
Prepays	\$ 45,024	\$ 47,588	\$ 39,012	\$ 24,955
Long-term receivable	1,303,142	1,159,884	960,111	816,853
Restricted - Contributions and donations	-	5,000	5,125	6,225
Assigned	-	-	-	-
Unassigned	3,127,521	4,429,642	5,752,961	7,036,145
Total general fund	<u>4,475,687</u>	<u>5,642,114</u>	<u>6,757,209</u>	<u>7,884,178</u>
All other governmental funds:				
Nonspendable:				
Prepays	136,027	17,697	-	81,243
Restricted:				
Parks, recreation, and cultural services	1,972,012	1,439,625	1,097,614	811,017
Debt service	959,569	1,360,894	1,207,110	431,690
Youth assistance	169,860	145,555	123,696	104,265
Drug forfeiture	-	1,590,962	1,455,089	1,339,507
Police and fire operations	3,013,779	3,533,774	2,862,861	2,356,783
Special operations	-	-	54,433	26,833
Conrad charitable trust	-	-	33,115	41,601
Metro act funds	-	-	-	-
Road improvements	-	-	-	-
Committed - Tree plantings & replacement	-	-	-	-
Assigned	2,786,945	437,084	551,014	1,508,423
Unassigned	(26,088)	-	-	-
Total all other governmental funds	<u>9,012,104</u>	<u>8,525,591</u>	<u>7,384,932</u>	<u>6,701,362</u>
Total of all governmental funds	<u>\$ 13,487,791</u>	<u>\$ 14,167,705</u>	<u>\$ 14,142,141</u>	<u>\$ 14,585,540</u>

Source: Township's annual financial statements

Note: For the year-ended December 31, 2011, the Township implemented GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions which required changes in how governmental fund balance is reported. For purposes of this schedule, the Township did not restate prior year fund balances.

Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,					
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 28,931	\$ 24,980	\$ 5,373	\$ 95,944	\$ 90,917	\$ 104,648
673,595	530,338	387,080	243,822	128,822	13,822
6,225	-	-	-	-	-
-	-	-	-	-	2,551,401
<u>8,458,234</u>	<u>10,080,957</u>	<u>7,487,236</u>	<u>6,297,996</u>	<u>10,307,506</u>	<u>10,155,445</u>
<u>9,166,985</u>	<u>10,636,275</u>	<u>7,879,689</u>	<u>6,637,762</u>	<u>10,527,245</u>	<u>12,825,316</u>
108,660	95,178	18,616	327,873	327,573	348,874
841,876	925,335	945,533	1,059,775	776,166	846,467
390,854	486,429	679,406	1,090,585	1,725,103	2,680,923
105,420	115,634	115,461	163,938	185,365	207,301
1,249,549	1,312,353	1,423,510	1,075,318	820,682	603,139
3,758,701	5,502,085	6,762,381	4,894,777	6,794,805	8,369,329
20,864	15,806	-	-	-	-
23,177	2,678	-	-	-	-
-	-	137,317	149,108	77,403	92,586
-	-	295,515	-	-	-
-	321,574	363,807	-	-	-
1,650,392	7,271,314	13,146,674	6,389,221	5,852,532	6,759,292
-	-	-	-	-	-
<u>8,149,493</u>	<u>16,048,386</u>	<u>23,888,220</u>	<u>15,150,595</u>	<u>16,559,629</u>	<u>19,907,911</u>
<u>\$ 17,316,478</u>	<u>\$ 26,684,661</u>	<u>\$ 31,767,909</u>	<u>\$ 21,788,357</u>	<u>\$ 27,086,874</u>	<u>\$ 32,733,227</u>

Charter Township of Northville

	As of December 31,			
	2011	2012	2013	2014
Revenue				
Property taxes	\$ 12,455,833	\$ 12,135,482	\$ 12,104,998	\$ 12,941,502
Licenses, permits, and charges for services	748,445	1,062,979	1,361,730	1,282,307
Federal grants	484,758	2,211,091	474,722	462,664
State sources	2,600,131	2,157,804	2,147,098	2,261,359
Fines and forfeitures	327,666	196,471	272,560	-
Interest income	124,472	86,826	(36,777)	124,336
Other revenue	3,516,229	2,139,410	2,351,948	3,179,280
Total revenue	<u>20,257,534</u>	<u>19,990,063</u>	<u>18,676,279</u>	<u>20,251,448</u>
Expenditures				
Current:				
Legislative	1,372,569	1,615,843	1,275,674	2,314,508
Facility operations	-	-	-	-
Clerk	360,165	438,753	354,551	386,344
Treasurer	1,061,269	984,656	987,325	952,924
Police department	6,104,468	6,400,651	6,225,928	6,563,346
Fire department	3,548,206	4,259,831	4,299,760	4,750,283
Building department	431,065	482,455	548,026	526,861
Planning and zoning	159,760	165,172	173,747	186,394
Shared services	1,054,694	1,543,347	1,311,042	1,292,417
Community development programs	60,846	30,535	13,050	-
Other	-	-	-	-
Capital outlay	1,394,769	539,304	491,075	184,218
Debt service principal	-	-	-	-
Debt service interest	3,394,527	3,295,616	3,096,000	3,067,108
Total expenditures	<u>18,942,338</u>	<u>19,756,163</u>	<u>18,776,178</u>	<u>20,224,403</u>
Excess of Revenue Over Expenditures	1,315,196	233,900	(99,899)	27,045
Other Financing Sources (Uses)				
Payment to refunded bond escrow agent	-	(9,826,007)	-	-
Debt premium	-	843,254	-	-
Proceeds from issuance of debt	-	9,115,000	-	-
Proceeds from sale of assets	4,403	471	74,335	416,354
Transfers in	1,655,001	2,438,016	2,868,292	1,642,100
Transfers out	(1,340,455)	(2,124,720)	(2,868,292)	(1,642,100)
Total other financing sources (uses)	<u>318,949</u>	<u>446,014</u>	<u>74,335</u>	<u>416,354</u>
Net change in fund balances	1,634,145	679,914	(25,564)	443,399
Fund Balances - Beginning of year	11,853,646	13,487,791	14,167,705	14,142,141
Fund Balances - End of year	<u>\$ 13,487,791</u>	<u>\$ 14,167,705</u>	<u>\$ 14,142,141</u>	<u>\$ 14,585,540</u>
Debt service as a percentage of noncapital expenditures	19.34%	17.15%	16.93%	15.30%

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
\$ 16,222,255	\$ 16,713,080	\$ 17,027,702	\$ 18,305,872	\$ 19,199,346	\$ 20,370,481
2,007,797	1,953,377	2,405,813	2,641,913	2,397,131	2,087,771
463,088	202,086	182,654	189,345	3,663	1,544,952
2,427,018	2,507,912	2,978,795	2,721,729	3,190,442	2,817,330
153,631	198,438	103,452	5,319	6,072	7,202
79,256	87,050	189,036	702,837	747,423	161,328
<u>1,982,262</u>	<u>2,678,437</u>	<u>2,609,987</u>	<u>2,487,276</u>	<u>2,540,070</u>	<u>2,588,726</u>
<u>23,335,307</u>	<u>24,340,380</u>	<u>25,497,439</u>	<u>27,054,291</u>	<u>28,084,147</u>	<u>29,577,790</u>
1,954,709	1,694,273	1,876,128	6,243,930	1,224,962	1,313,370
-	280,128	358,201	390,477	366,433	489,264
333,552	391,470	303,449	385,141	409,459	538,524
976,064	881,256	918,012	938,565	945,327	986,506
6,764,212	7,054,934	6,935,315	9,390,100	7,856,763	9,246,599
4,747,836	4,621,109	5,073,888	6,373,614	5,041,169	6,021,364
640,655	530,185	554,962	599,594	631,644	505,532
217,583	235,544	311,904	630,261	179,223	168,788
1,570,054	1,267,373	1,298,691	1,308,482	1,831,460	1,404,227
-	-	-	-	-	-
-	3,434,905	-	-	-	-
315,106	74,517	698,601	8,156,799	1,302,011	190,122
1,980,000	1,980,000	2,120,000	2,185,000	2,275,000	2,385,000
1,120,881	1,056,128	983,304	896,389	804,809	708,091
<u>20,620,652</u>	<u>23,501,822</u>	<u>21,432,455</u>	<u>37,498,352</u>	<u>22,868,260</u>	<u>23,957,387</u>
2,714,655	838,558	4,064,984	(10,444,061)	5,215,887	5,620,403
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,283	8,529,625	1,018,264	464,509	82,630	25,950
1,386,120	1,228,190	6,261,990	1,039,260	2,260,510	1,410,890
(1,386,120)	(1,228,190)	(6,261,990)	(1,039,260)	(2,260,510)	(1,410,890)
<u>16,283</u>	<u>8,529,625</u>	<u>1,018,264</u>	<u>464,509</u>	<u>82,630</u>	<u>25,950</u>
2,730,938	9,368,183	5,083,248	(9,979,552)	5,298,517	5,646,353
14,585,540	17,316,478	26,684,661	31,767,909	21,788,357	27,086,874
<u>\$ 17,316,478</u>	<u>\$ 26,684,661</u>	<u>\$ 31,767,909</u>	<u>\$ 21,788,357</u>	<u>\$ 27,086,874</u>	<u>\$ 32,733,227</u>
15.27%	12.96%	14.97%	10.50%	24.88%	13.01%

Charter Township of Northville

		Taxable Value by Property Type			
		Real Property			
Tax Year	Fiscal year	Residential	Commercial	Industrial	Developmental
2010	2011	1,462,915,210	180,442,756	36,570,012	3,086,924
2011	2012	1,424,964,550	180,692,481	39,321,526	1,523,677
2012	2013	1,481,357,931	174,471,840	37,602,545	1,496,813
2013	2014	1,530,830,084	159,848,207	34,106,264	1,532,735
2014	2015	1,588,937,304	166,723,196	34,596,194	-
2015	2016	1,649,321,507	172,157,844	33,462,273	-
2016	2017	1,689,242,557	176,600,072	32,142,847	-
2017	2018	1,748,352,259	186,713,022	30,863,501	-
2018	2019	1,827,580,514	197,511,924	31,676,272	-
2019	2020	1,925,406,222	215,350,463	36,955,322	-

Source: Assessor's records

Taxable Value and Estimated Actual Value of Taxable Property

**December 31, 2020
(Unaudited)**

Taxable Value by Property Type

Personal Property	Total Taxable Value	Tax Rate (Mills)	State Equalized Value (SEV)	Taxable Value as a Percent of SEV
59,111,188	1,742,126,090	7.1674	1,817,740,850	95.84%
63,512,823	1,710,015,057	7.1574	1,764,076,740	96.94%
61,675,518	1,756,604,647	7.1074	1,836,113,250	95.67%
63,449,640	1,789,766,930	7.1074	1,867,281,729	95.85%
61,449,200	1,851,705,894	8.6564	2,014,863,081	91.90%
65,791,900	1,920,733,524	8.6564	2,200,717,244	87.28%
62,248,490	1,960,233,966	8.6564	2,320,473,362	84.48%
61,765,300	2,027,694,082	8.6564	2,452,109,475	82.69%
63,039,395	2,119,808,105	8.6564	2,515,166,900	84.28%
72,518,020	2,250,230,027	8.6564	2,660,103,904	84.59%

Charter Township of Northville

Northville Township

Tax Year	Fiscal Year	Operating	Operating*	Public Safety*	Shared Services*	Debt Service	Total
2010	2011	0.6824	0.1176	5.0000	0.4574	0.9100	7.1674
2011	2012	0.6824	0.1176	5.0000	0.4574	0.9000	7.1574
2012	2013	0.6824	0.1176	5.0000	0.4574	0.8500	7.1074
2013	2014	0.6824	0.1176	5.0000	0.4574	0.8500	7.1074
2014	2015	0.6816	0.1176	6.2500	0.7574	0.8498	8.6564
2015	2016	0.6804	0.1174	6.2386	0.7560	0.8640	8.6564
2016	2017	0.6750	0.1164	6.1899	0.7501	0.9250	8.6564
2017	2018	0.6702	0.1155	6.1465	0.7448	0.9794	8.6564
2018	2019	0.6642	0.1144	6.0917	0.7381	1.0480	8.6564
2019	2020	0.6554	0.1128	6.0112	0.7283	1.1487	8.6564

Note: All rates are expressed in dollars per \$1,000 of taxable value

Source: Township Treasury Department records

* Voted millages

Direct and Overlapping Property Tax Rates

**December 31, 2020
(Unaudited)**

Overlapping Government

Northville Schools

		Northville Schools								Total All	Total All
		Northville	Wayne	Wayne	Schoolcraft	Zoo	DIA	Huron	State	Total All	Total All
Homestead	Non-	District	County	County	College	Authority	Authority	Clinton	Education	Jurisdictions	Jurisdictions
	Homestead	Library	County	RESA	College	Authority	Authority	Metro		Homestead	Non-
								Authority		Homestead	Homestead
4.5000	22.5000	1.3665	7.8220	3.4643	1.7967	0.1000	-	0.2146	6.0000	32.4315	50.4315
5.5000	23.5000	1.3935	7.8220	3.4643	1.7967	0.1000	-	0.2146	6.0000	33.4485	51.4485
5.3000	23.3000	1.4223	7.8220	3.4643	1.7967	0.1000	0.2000	0.2146	6.0000	33.4273	51.4273
5.3000	23.3000	1.3913	7.8220	3.4643	1.7967	0.1000	0.2000	0.2146	6.0000	33.3963	51.3963
4.8678	22.8678	1.2856	7.8220	3.4643	1.7967	0.1000	0.2000	0.2146	6.0000	34.4074	52.4074
4.7937	22.7937	1.1530	8.7981	3.4643	1.7967	0.1000	0.2000	0.2146	6.0000	35.1768	53.1768
4.6248	22.6248	1.1431	7.8220	5.4643	1.7880	0.1000	0.2000	0.2146	6.0000	36.0132	54.0132
4.6140	22.6140	1.1337	7.8220	5.4643	1.7766	0.1000	0.2000	0.2140	6.0000	35.9810	53.9810
4.6041	22.6041	1.1224	7.8220	5.4643	1.7662	0.1000	0.2000	0.2129	6.0000	35.9483	53.9483
4.5919	22.5919	1.1077	7.8220	5.4643	2.2516	0.1000	0.2000	0.2117	6.0000	36.4056	54.4056

Principal Property Tax Payers

Current and Nine Years Ago
December 31, 2020
(Unaudited)

	2019	Percentage	2010	Percentage	2010
Taxpayer	Taxable Value	of Total	Taxable Value	of Total	Rank
1 Park Place Apts Property Owner LLC	24,642,968	1.10%	19,260,378	1.11%	1
2 Consumers Energy	22,897,858	1.02%	17,035,189	0.98%	2
3 DTE Electric Company	17,949,949	0.80%	14,077,576	0.81%	3
4 BMSH I Cedarbrook Northville MI LLC	16,101,200	0.72%			
5 M/I Homes of Michigan	14,692,400	0.65%			
6 REIS-MOB 1 LLC	12,553,523	0.56%			
7 Northville Woods Acquisition LLC	10,670,800	0.47%			
8 Kings Mill Cooperative	9,168,200	0.41%	8,500,725	0.49%	4
9 ZF North America	8,086,300	0.36%	5,857,479	0.34%	8
10 IRPF Northville Park Place LLC	7,629,600	0.34%			
Hayes-Lemmerz International LLC	-	-	7,558,904	0.43%	5
Meijer Inc	-	-	7,180,781	0.41%	6
Innsbrook LLC	-	-	6,477,588	0.37%	7
Huntington Management	-	-	5,499,061	0.32%	9
Ventas Inc	-	-	5,057,800	0.29%	10
Total	\$ 144,392,798	6.42%	\$ 96,505,481	5.54%	
Source: Assessor's records					
Total taxable value for each year	\$ 2,250,230,027		\$ 1,742,126,090		

Property Tax Levies and Collections

**Last Ten Fiscal Years
December 31, 2020
(Unaudited)**

Tax Year	Fiscal Year	Total Tax Levy	Collections to March 1 of Following Year	Percent of Levy Collected	Delinquent Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
2010	2011	12,144,940	11,765,494	96.88%	342,539	12,108,033	99.70%
2011	2012	12,269,725	11,850,278	96.58%	235,814	12,086,092	98.50%
2012	2013	12,503,503	12,169,947	97.33%	327,879	12,497,826	99.95%
2013	2014	12,823,837	12,491,792	97.41%	332,045	12,812,270	99.91%
2014	2015	16,117,438	15,704,034	97.44%	389,749	16,093,783	99.85%
2015	2016	16,746,774	16,380,003	97.81%	360,679	16,740,682	99.96%
2016	2017	17,085,412	16,726,624	97.90%	354,696	17,081,320	99.98%
2017	2018	17,663,803	17,341,661	98.18%	312,924	17,654,585	99.95%
2018	2019	18,489,608	18,049,213	97.62%	430,623	18,479,836	99.95%
2019	2020	19,611,562	19,223,236	98.02%	374,317	19,597,554	99.93%

Note: Tax levy and collection information does not include special assessments.

Source: Township Treasury Department records

Charter Township of Northville

	As of December 31,			
	2011	2012	2013	2014
Governmental Activities:				
General obligation bonds (1)	\$ 33,670,000	\$ 32,468,254	\$ 30,558,929	\$ 28,624,603
Special assessment bonds	<u>565,000</u>	<u>525,000</u>	<u>485,000</u>	<u>445,000</u>
Total	34,235,000	32,993,254	31,043,929	29,069,603
Business Type Activities:				
General obligation bonds	1,100,000	1,075,000	1,050,000	1,000,000
General obligation capital improvement bonds (1)	4,600,000	4,400,000	4,200,000	4,000,000
State Revolving Loan Fund	<u>-</u>	<u>48,291</u>	<u>1,451,805</u>	<u>1,391,805</u>
Total	5,700,000	5,523,291	6,701,805	6,391,805
Total debt of the government	<u>\$ 39,935,000</u>	<u>\$ 38,516,545</u>	<u>\$ 37,745,734</u>	<u>\$ 35,461,408</u>
Total taxable value	\$1,742,126,090	\$1,710,015,057	\$1,756,604,647	\$1,789,766,930
Ratio of total debt to taxable value	2.29%	2.25%	2.15%	1.98%
Total Population	29,057	29,514	30,255	30,490
Total debt per capita	\$ 1,374	\$ 1,305	\$ 1,248	\$ 1,163

* Population estimate information obtained from the Southeast Michigan Council of Governments: www.semcog.org

(1) Presented net of original discounts and premiums

Note: Personal income information is not available

Source: Township's annual financial statements

Ratios of Outstanding Debt

Last Ten Fiscal Years
December 31, 2020
(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
\$ 26,600,278	\$ 24,580,952	\$ 22,421,627	\$ 20,197,302	\$ 17,882,976	\$ 15,458,651
<u>405,000</u>	<u>360,000</u>	<u>315,000</u>	<u>270,000</u>	<u>225,000</u>	<u>180,000</u>
27,005,278	24,940,952	22,736,627	20,467,302	18,107,976	15,638,651
925,000	850,000	750,000	650,000	550,000	450,000
3,955,348	3,739,486	3,508,624	3,182,762	2,856,899	2,536,037
<u>1,331,805</u>	<u>1,266,805</u>	<u>1,201,805</u>	<u>1,136,805</u>	<u>1,066,805</u>	<u>996,805</u>
6,212,153	5,856,291	5,460,429	4,969,567	4,473,704	3,982,842
<u>\$ 33,217,431</u>	<u>\$ 30,797,243</u>	<u>\$ 28,197,056</u>	<u>\$ 25,436,869</u>	<u>\$ 22,581,680</u>	<u>\$ 19,621,493</u>
\$ 1,851,705,894	\$ 1,920,733,524	\$ 1,960,233,966	\$ 2,027,694,082	\$ 2,119,808,105	\$ 2,250,230,027
1.79%	1.60%	1.44%	1.25%	1.07%	0.87%
30,010	30,202	30,750	31,453	32,164	32,103
\$ 1,107	\$ 1,020	\$ 917	\$ 809	\$ 702	\$ 611

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years
December 31, 2020
(Unaudited)

Fiscal Year	Tax - Limited		Less Amounts		Total	Taxable Value	Debt as a		Debt per
	General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Available in Debt Service Fund (1)	Percentage of Taxable Value			Population (2)	Capita	
2011	14,250,000	20,520,000	959,569	33,810,431	1,742,126,090	194%	29,057	1,164	
2012	13,768,254	19,775,000	1,400,200	32,143,054	1,710,015,057	188%	29,514	1,089	
2013	12,653,929	18,955,000	1,207,110	30,401,819	1,756,604,647	173%	30,255	1,005	
2014	11,479,603	18,955,000	1,210,183	29,224,420	1,789,766,930	163%	30,490	958	
2015	14,220,626	17,260,000	1,168,636	30,311,990	1,851,705,894	164%	30,010	1,010	
2016	12,790,438	16,380,000	1,264,214	27,906,224	1,920,733,524	145%	30,202	924	
2017	11,255,251	15,425,000	1,457,189	25,223,062	1,960,233,966	129%	30,750	820	
2018	9,555,064	14,475,000	1,090,585	22,939,479	2,027,694,082	113%	31,453	729	
2019	7,839,875	13,450,000	1,725,104	19,564,771	2,119,808,105	92%	32,164	608	
2020	6,089,688	12,355,000	2,680,923	15,763,765	2,250,230,027	70%	32,103	491	

Note: Details regarding the Township's outstanding debt can be found in the notes to the financial statements and the schedule of indebtedness.

(1) This is the amount assigned and restricted for debt service principal payments

(2) Population estimate information obtained from the Southeast Michigan Council of Governments: www.semcog.org

Source: Township's Treasury records

Charter Township of Northville

Direct and Overlapping Governmental Activities Debt

**December 31, 2020
(Unaudited)**

Governmental unit	Debt outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
Northville School District	\$ 104,245,000	65.27	\$ 68,040,712
Plymouth-Canton District	269,895,000	2.80	7,557,060
Wayne County	207,426,697	5.36	11,118,071
Schoolcraft Community College	48,275,000	15.13	<u>\$ 7,304,008</u>
Total overlapping debt			<u>\$ 94,019,850</u>
Direct Township debt (not including debt related to business-type activities)			<u>15,638,651</u>
Total direct and overlapping debt			<u><u>\$ 109,658,501</u></u>

(1) Percent obtained from Municipal Advisory Council of Michigan

Source: Various taxing authorities

Charter Township of Northville

	As of December 31,			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Calculation of debt limit:				
State equalized valuation (2)	\$ 1,817,740,850	\$ 1,764,076,740	\$ 1,836,113,250	\$ 1,867,281,729
Assessed value equivalent of Act 198 exemptions (1)	<u>19,349,700</u>	<u>13,197,500</u>	<u>15,458,000</u>	<u>13,549,646</u>
Debt limit (10% of SEV)	183,709,055	177,727,424	185,157,125	188,083,138
Calculation of debt subject to limit:				
Total debt	39,935,000	38,516,545	37,745,734	35,461,408
Less special assessment bonds	<u>565,000</u>	<u>525,000</u>	<u>485,000</u>	<u>445,000</u>
Net debt subject to limit	39,370,000	37,991,545	37,260,734	35,016,408
Legal debt margin	144,339,055	139,735,879	147,896,391	153,066,730
Net debt subject to limit as % of debt limit	21.43%	21.38%	20.12%	18.62%

(1) Assessed value changes in prior years as a result of Michigan tax tribunal case

(2) Debt limit is calculated based on prior tax year SEV

Source: Township's Treasury Department records

Act 279, Public Acts of Michigan, 1909, as amended, provides that the net indebtedness of the City shall not exceed 10% of all assessed real and personal property in the Township plus assessed value equivalent of Act 198 specific tax levies.

Bonds which are not included in the computation of legal debt margin according to said Act 279 are:

- (a) Special assessment bonds
- (b) Mortgage bonds
- (c) Michigan Transportation Fund bonds and notes
- (d) Revenue bonds
- (e) Bonds issued, or contract or assessment obligations incurred, to comply with an order of the former water resources commission, the department of environmental quality, or a court of competent jurisdiction
- (f) Bonds issued, or contract or assessment obligations incurred, for water supply, sewerage, drainage, or refuse disposal projects necessary to protect the public health by abating pollution
- (g) Bonds issued, or contract or assessment obligations incurred, for the construction, improvement, or replacement of a combined sewer overflow abatement facility
- (h) Bonds issued to pay premiums or establish self-insurance contracts in accordance with Act 34, Public Acts of Michigan, 2001, as amended

Legal Debt Margin

December 31, 2020

(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
\$ 2,014,863,081	\$ 2,200,717,244	\$ 2,320,473,362	\$ 2,452,109,475	\$ 2,515,166,900	\$ 2,660,103,904
<u>12,924,500</u>	<u>13,526,985</u>	<u>12,896,200</u>	<u>12,133,700</u>	<u>11,346,800</u>	<u>12,734,400</u>
202,778,758	221,424,423	233,336,956	246,424,318	252,651,370	267,283,830
33,217,431	30,797,243	28,197,056	25,436,869	22,581,680	19,621,493
<u>405,000</u>	<u>360,000</u>	<u>315,000</u>	<u>270,000</u>	<u>225,000</u>	<u>180,000</u>
32,812,431	30,437,243	27,882,056	25,166,869	22,356,680	19,441,493
169,966,327	190,987,180	205,454,900	221,257,449	230,294,690	247,842,337
16.18%	13.75%	11.95%	10.21%	8.85%	7.27%

Charter Township of Northville

Pledged-Revenue Coverage

December 31, 2020

(Unaudited)

Fiscal year	Special assessment bonds				
	Special assessment collections	Debt service		Coverage	
		Principal	Interest		
2011	\$ 97,221	\$ 30,000	\$ 25,498		0.18%
2012	58,171	40,000	23,748		0.09%
2013	127,396	40,000	21,648		0.21%
2014	171,463	40,000	20,778		0.28%
2015	112,847	40,000	19,488		0.19%
2016	96,274	45,000	17,996		0.15%
2017	61,869	45,000	16,275		0.10%
2018	53,103	45,000	13,613		0.09%
2019	59,175	45,000	11,588		0.10%
2020	50,298	45,000	9,563		0.09%

Source: Township's annual financial statements

Charter Township of Northville

Demographic and Economic Statistics

December 31, 2020

(Unaudited)

Fiscal year	Population	Personal income (in thousands)	Per Capita Personal Income	Unemployment rate
2011	28,497	*	*	3.25
2012	29,057	*	*	2.50
2013	29,514	*	*	2.25
2014	30,255	*	*	1.80
2015	30,490	*	*	1.50
2016	30,010	*	*	1.80
2017	30,202	*	*	1.60
2018	31,453	*	*	1.30
2019	32,164	*	*	1.30
2020	32,103	*	*	3.80

* Data as of December 31st not available.

Sources: Southeast Michigan Council of Governments
Michigan Department of Labor and Economic Growth
U.S. Bureau of the Census
U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Principal Employers

December 31, 2020

(Unaudited)

<u>Employer</u>	<u>2020 Employees</u>	<u>2011 Employees</u>
1 ZF Group North American	450	-
2 Aisin World Corporation of America	350	-
3 Bed Bath & Beyond	300	-
4 Home Depot	300	-
5 Meijer	300	-
6 Northville Health Center	300	-
7 Belanger Inc	150	-
8 Hawthorn Center	150	-
9 Jack Doheny Co	150	-
10 Kroger	150	-
11 Meadowbrook Country Club	150	-
12 Mitsubishi Electric Automotive	150	-

Source: ReferenceUSA.

Full-Time Equivalent Government Employees

Last Ten Fiscal Years
December 31, 2020
(Unaudited)

Function/ program:	As of December 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Manager's Office	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Treasurer's Office	7.0	7.0	7.0	5.0	5.0	5.0	5.0	5.0	3.5	4.0
Human resources	1.0	1.0	1.0	1.0	1.0	-	-	-	1.0	2.0
Information technology	2.0	1.0	1.0	1.0	1.0	1.0	2.5	2.5	2.0	2.0
Community Relations	-	-	-	-	-	-	-	-	1.0	-
Clerk's Office	4.0	4.0	4.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Facility operations	-	-	-	-	-	2.0	2.0	2.0	2.0	2.0
Police department	47.0	43.5	43.5	43.0	43.0	43.0	43.0	43.0	49.0	48.0
Fire department	28.0	28.0	32.0	32.0	32.0	32.0	32.0	32.0	31.0	31.0
Building department *	3.5	4.5	4.5	5.5	5.5	5.5	4.5	4.5	4.5	2.5
Department of Public Services	18.0	16.0	16.0	16.0	16.0	13.0	13.0	13.0	14.0	14.0
Planning department *	2.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Youth assistance	1.0	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5
Total	114.5	108.5	112.5	109.0	109.0	108.0	108.0	108.0	114.0	111.5

* Planning and Building each share one full-time employee.

Police department includes dispatch.

Source: Township's human resources records

Charter Township of Northville

Function/ Program	As of December 31,			
	2011	2012	2013	2014
Clerk's				
Election data				
		2-28-12 PP		
Registered voters		21,665		
Voters at polls		3,117		
Absentee ballots		2,676		
Percent voting		27.00%		
Election data				
	5-3-11 Sch.			
Registered voters	19,305			
Voters at polls	1,799			
Absentee ballots	2,121			
Percent voting	20.00%			
Election data				
		9-5-12 Spec.		8-5-14 Prim
Registered voters		22,119		22,499
Voters at polls		578		3,915
Absentee ballots		2,022		3,277
Percent voting		12.00%		31.97%
Election data				
	11-8-11 Sch.	11-6-12 Gen		11-4-14 Gen
Registered voters	21,571	22,560		22,584
Voters at polls	1,841	10,427		7,457
Absentee ballots	2,368	6,993		5,000
Percent voting		83.00%		59.83%
Election Data				
		9-5-12 Spec.		5-7-13 Sch.
Registered voters		22,119		1,987
Voters at polls		578		45
Absentee ballots		2,022		269
Percent voting		12.00%		16.00%

Operating Indicators

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

As of December 31,					
2015	2016	2017	2018	2019	2020
				(no elections were held in 2019)	
	3-8-16 PP				3-10-20 PP
	22,154				24,118
	6,517				5,184
	3,905				5,051
	48.20%				42.44%
5-5-15 Sch.		11-7-17 Sch			
20,857		20,402			
3,506		2,502			
3,806		3,057			
35.06%		27.25%			
	8-2-16 Prim		8-7-18 Prim		8-4-20 Prim
	20,990		20,895		24,545
	1,464		4,691		2,466
	3,537		4,426		8,284
	23.83%		43.63%		43.80%
11-3-15 Gen	11-8-16 Gen		11-6-18 Gen		11-3-20 Gen
20,684	23,124		21,321		25,713
1,125	10,454		9,560		9,762
3,289	7,345		7,028		15,951
21.34%	76.97%		77.80%		81.62%

Charter Township of Northville

Function/Program	2011	2012	2013	2014
General Government	-	-	2,495	2,317
Building Permits Issued	-	-	6,713	5,725
Number of Building Inspections	-	-	85	57
New Residential Building Permits	-	-	-	-
Public Services				
Solid Waste				
Solid Waste Collected and Disposed (Tons)	-	-	6,319	7,019
Single Stream Recycling (Tons)	-	-	1,777	1,959
Yard Waste (Tons)	-	-	3,107	3,179
Wastewater				
Sewer Line Cleaned (miles)	-	-	22	30
Sewer Structures Inspected	-	-	290	357
Sewer Structures Repaired	-	-	7	14
Water				
Number of Meter Readings	-	-	49,578	50,097
Water Meters Installed	-	-	100	594
Fire Hydrants Inspected and Tested	-	-	921	351
Police				
Crime data				
Part A crimes	814	776	822	852
Part B crimes	214	233	264	249
Traffic crashes involving fatalities	3	3	-	-
Traffic crashes involving injuries	74	87	92	83
Property damage crashes	357	461	394	486
Parking violations	167	61	96	94
Moving traffic violations	4,934	4,563	4,289	3,843
Adult arrests	764	817	679	672
Juvenile arrests	55	47	28	48
OUIL arrests	72	80	101	65
False alarms	1,164	1,273	1,315	1,427
Fire				
Total fire calls	2,307	2,334	2,600	2,779
Fire incidents	35	46	53	50
Service incidents	527	524	557	594
Fire inspections conducted	-	-	97	121

Operating Indicators

Last Ten Fiscal Years
December 31, 2020
(Unaudited)(Continued)

2015	2016	2017	2018	2019	2020
2,400	2,442	2,908	3,384	2,987	2,899
6,440	5,636	6,413	8,448	7,865	6,198
44	61	90	162	78	77
7,043	7,709	7,623	7,745	7,641	8,770
1,955	1,702	1,860	1,988	1,985	1,817
3,334	3,296	3,120	2,247	2,352	2,450
27	33	18	33	20	7
769	1,402	395	957	301	122
33	5	46	-	16	8
50,582	51,128	51,217	51,088	51,254	50,537
36	40	72	98	107	69
1,762	1,781	823	1,857	154	1,983
930	935	883	822	712	607
249	313	610	494	356	212
-	-	-	-	-	2
74	120	106	96	116	78
389	459	500	443	453	274
831	187	125	62	55	20
5,969	4,035	3,377	3,261	2,937	612
645	840	889	684	661	340
48	37	54	19	6	32
67	77	49	62	50	27
1,346	1,710	1,390	1,341	1,211	777
3,081	3,200	3,414	3,311	3,301	3,138
44	46	40	49	34	55
656	607	661	702	708	663
246	213	450	393	331	199

Charter Township of Northville

Function/ program	As of December 31,			
	2011	2012	2013	2014
Water and Sewer				
Customers:				
Residential	7,200	7,332	7,430	7,483
Commercial	1,055	1,059	1,061	1,069
Water (in thousand gallons):				
Purchased from Detroit	1,196,646	1,305,133	1,078,321	931,731
Sold to residents	1,068,677	1,223,513	1,006,256	868,217
Rates				
Fixed rate monthly water charge (*)	\$ -	\$ -	\$ -	\$ 7.36
Fixed rate monthly sewer charge (*)	-	-	-	2.78
Water rate per 1,000 gallons	4.71	4.94	5.19	5.19
Sewer rate per 1,000 gallons	4.37	4.59	4.82	4.82
Flat rate sewer (Bi-monthly rate)	\$ 109.25	\$ 114.75	\$ 120.49	\$ 120.49

(*) In 2014, the Township adopted a fixed rate structure for both water and sewer fees. Rates assume a 1" meter size.

Capital Asset Statistics

Last Ten Fiscal Years

December 31, 2020

(Unaudited)

		As of December 31,					
		2015	2016	2017	2018	2019	2020
		7,512	7,550	7,620	7,708	7,805	7,872
		1,076	1,078	1,080	1,090	1,100	1,102
		996,543	1,099,909	1,113,338	1,047,049	971,294	1,143,555
		936,387	1,050,340	1,042,223	972,772	922,057	1,073,131
\$	15.62	\$	17.97	\$	17.97	\$	17.97
	12.45		12.45		12.45		12.45
	5.19		5.55		6.53		6.53
	4.82		5.09		4.75		5.09
\$	120.49	\$	120.49	\$	120.49	\$	120.49



CORE PURPOSE:
**CONNECT, ENGAGE AND
SERVE THE COMMUNITY**

2020 *Annual Comprehensive Financial Report*

For the Fiscal Year Ended December 31, 2020

Charter Township of Northville, Michigan

*Having the courage to
make responsible decisions
for our community
and future generations*

