



Doing *good government* the right way,  
by aligning our actions with our words.

ALIGNED

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# Charter Township of Northville, Michigan

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## **Annual Comprehensive Financial Report with Supplemental Information Fiscal Year Ended December 31, 2022**

### **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 and Budget Department

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## BOARD OF TRUSTEES

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Mark J. Abbo, *Supervisor*

Roger Lundberg, *Clerk*

Jason Rhines, *Treasurer*

Scott Frush, *Trustee*

Mindy Herrmann, *Trustee*

Cynthia Jankowski, *Trustee*

Christopher Roosen, *Trustee*

April 18, 2023

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, 2022. 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 31,000 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 and Budget 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 2021, Standard & Poor's Rating Service raised Northville Township's long-term general obligation bond rating to a "AAA" citing the stability of the Township's financial outlook. This rating places Northville Township in an elite group throughout the state. S&P assigns AAA 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 are not 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 AAA bond rating confirms the Township's ability to effectively manage financial resources, making it an attractive destination for both new business and residential development.**

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The AAA 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 fair value per capita as well as a moderate overall debt burden. The 2020 Census reports Northville Township's population at 31,758, which represents an 11% increase from the 2010 Census population of 28,497.

### ***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.

In 2022, the fire and police departments saw growth in service and personnel. The Fire Department hired seven new firefighters/paramedics and the Police Department added two dispatchers, a records clerk, and an additional officer. The additional staffing will better allow our public safety department to provide residents of Northville Township with both quality and dependable services.

*Legacy Park* continues to move forward with significant strides made by the Board of Trustees and its sub-committees in 2022. Funding sources are identified during the capital planning phase of the budget planning process. Initiatives include:

- In June 2022, there were 11 buildings that needed abatement to remove hazardous materials before being demolished. By the end of December, only three buildings remained to be abated. One building is being repurposed. All buildings are expected to be demolished by Spring 2023. Proceeds from the Series 2021 \$12 million bond issuance are funding the demolition.
- The creation of a trail plan was approved and subsequently developed, adding approximately 17.5 miles of trails.
- The construction of a second water tower was approved, with completion expected in late 2023. The tower will be filled during non-peak hours, when water is at its cheapest. It is then distributed during peak demand, keeping costs low.
- Funding was approved for the design of a new Essential Services Complex, housing Public Safety Headquarters, a second fire station, and the Department of Public Works. Construction is anticipated to begin in late 2023, using multiple funding sources, including bond proceeds, ARPA grant funds, water and sewer funds, and general funds.

The *Michigan International Technology Center (MITC)* is a joint real estate development initiative with Plymouth Township. The project, located on Five Mile between Beck and Napier roads, consists of 800 acres of land for development of which Northville Township has 164 undeveloped acres. Once developed, MITC will expand its tax base for Northville Township. Initiatives include:

- Continued pursuit of grant opportunities
- Prospective sale of 75 acres to two developers

The Township 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 2022, the Township contributed \$750,000 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. In addition, the Township added surplus divisions to its MERS plan. The additional contributions are deposited within the surplus divisions. Contributions into the surplus divisions are not considered when calculating the annual required contribution. Therefore, the funding level increases at a faster rate.

### ***Relevant Financial Policies***

Included in the 2022 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.

In 2022, the Township Board of Trustees approved a General Fund-Fund Balance Policy. The policy identifies a target range of fund balance of not less than 100%-150% of operating expenses. Fund balance in excess of this range will fund future capital projects. Should fund balance fall below the minimum threshold, a plan will be established during the budgeting process to replenish fund balance within a three-year budget cycle.

The Township's fund balance policy for special revenue funds 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. During 2022, the Township reduced its variable water and sewer rates by 3%, lowering the combined user rate from \$11.62 to \$11.27 (per 1000 gallons). The Township plans to implement a full rate study in 2022.

### ***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.

The annual adopted budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund and Special Revenue Funds are included in the annual approved budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by "activity" within each individual fund. The general fund defines the activity level at the department level. Special revenue funds define activity level at the fund based level. Exceedance of expenditures over the appropriated amounts by department level for the general fund or total fund level for special revenue funds requires approval of the Township Board of Trustees.



### ***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, 2021. This represents the tenth 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,

A handwritten signature in cursive script that reads "Wendy Hillman".

Wendy Hillman, CPA  
Finance and Budget Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Charter Township of Northville  
Michigan**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

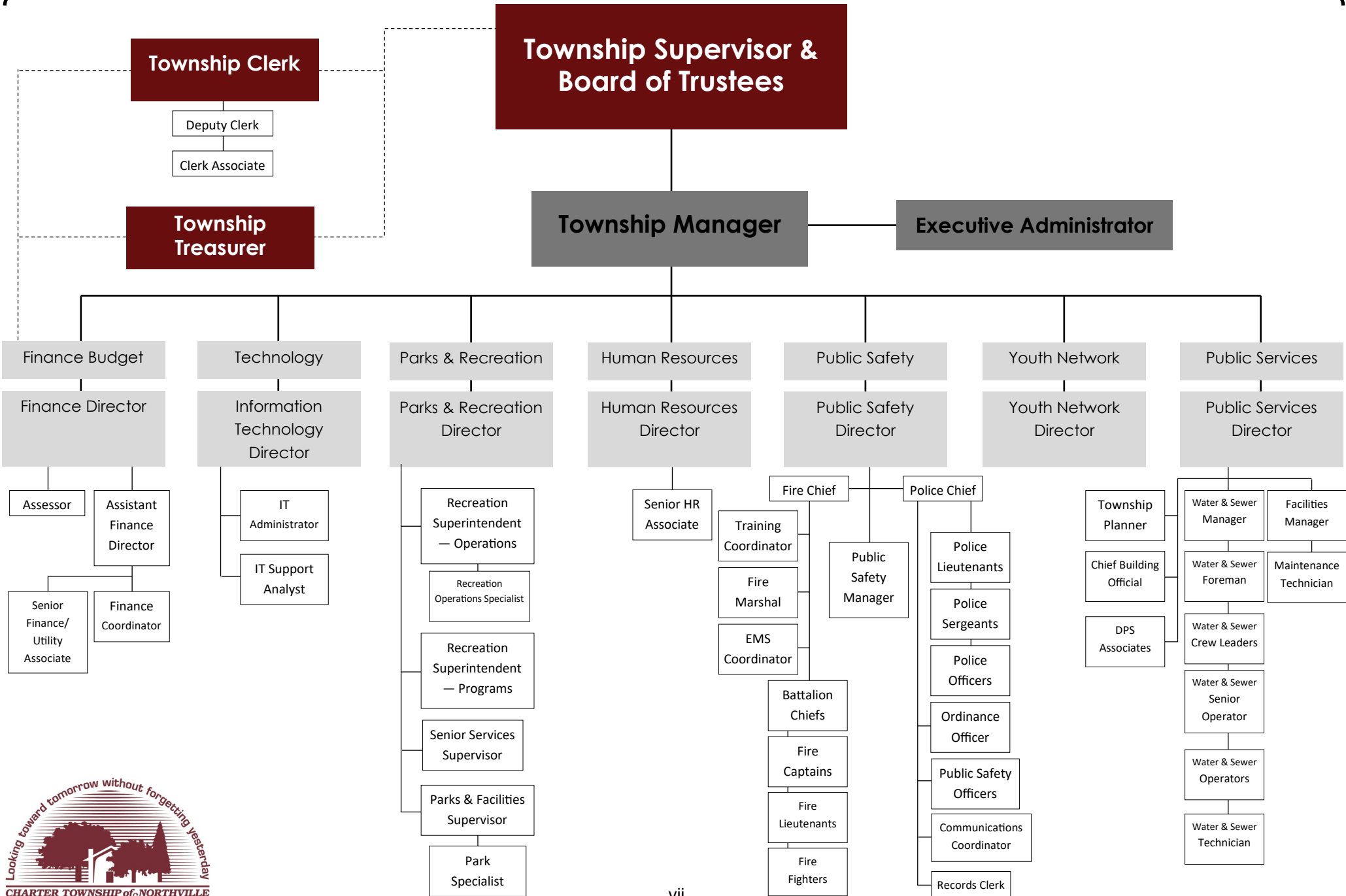
December 31, 2021

*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, 2022**

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

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
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**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
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## **Independent Auditor's Report**

To the Board of Trustees  
Charter Township of Northville

### **Opinions**

We have audited the 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, 2022 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.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Charter Township of Northville as of December 31, 2022 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.

### **Basis for Opinions**

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

### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, during the year ended December 31, 2022, the Township adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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

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

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

To the Board of Trustees  
Charter Township of Northville

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

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

In performing an audit in accordance with GAAS, we:

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

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

***Required 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required 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.

To the Board of Trustees  
Charter Township of Northville

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

***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section and statistical section schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Plante & Moran, PLLC*

April 18, 2023



# 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, 2022. 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

- \* In 2022, the Township adjusted its investment strategy to take advantage of rising interest rates. As a result, investment income earned in 2022 exceeded \$1,000,000, compared to \$76,000 in 2021. In addition to focusing on yield, the Township also focused on the safety of its investments. As of December 31, 2022, the uninsured and uncollateralized bank deposits was \$11,293,943, down from \$34,287,522 at December 31, 2021. As of March 31, 2023, the uninsured and uncollateralized bank deposits was at \$1,451,000.
- \* During 2022, the Township contributed \$584,926 in excess of the actuarially determined contribution into its OPEB Trust Fund. The additional contributions support the financial objective of the Township to strive for 100% funding of its retirement healthcare obligations. This helped to offset the 13% decrease in funding level, primarily due to the unrealized market losses, trending across all municipalities.
- \* During 2022, the Township contributed \$750,000 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. In addition, the Township added surplus divisions to its MERS plan. The additional contributions are deposited within the surplus divisions. Contributions into the surplus divisions are not considered when calculating the annual required contribution. Therefore, the funding level increases at a faster rate.
- \* In 2022, the Township Board of Trustees approved a General Fund-Fund Balance Policy. The approved policy establishes a target range of fund balance between 100%-150% of operating expenditures. Should fund balance exceed the target range, a transfer will be made to fund its capital projects. Should fund balance fall below the target range, a plan must be established to replenish fund balance during the three-year budget cycle.
- \* In 2021, the Brownfield Redevelopment Authority successfully issued \$12,000,000 in bonds for the demolition of the psychiatric hospital on Seven Mile Road. As of December 31, 2022, only three buildings remained to be abated. All buildings are expected to be demolished by spring 2023. The debt service for the bond issuance is paid with tax increment revenue from the Seven Mile Brownfield. In 2022, the Township began to explore amending the Seven Mile Brownfield plan to allow the tax increment capture to be used for additional eligible activities, namely infrastructure.
- \* The Township entered into two purchase agreements for two parcels of land, both of which reside within the Michigan International Technology Center (MITC) corridor. The sale of this land will generate sale proceeds of approximately \$4.7 million as well as future tax increment revenue. Sale proceeds from the sale of the land may be used towards additional fund balance reserves or to support Township initiatives, such as supporting the development of Legacy Park. Northville Township has 39 acres left for sale, which is estimated to generate approximately \$5.8 million in future sale proceeds.
- \* Total assets and deferred outflows of the Township exceeded liabilities and deferred inflows at December 31, 2022 by \$216,719,793.
- \* The Township's total combined net position for both governmental and business-type activities increased during the year by \$15,484,557. This increase was driven by:

## Township of Northville, Michigan Management's Discussion and Analysis

- Contribution revenue of \$5,645,236 was recognized by the general government for demolition costs of the psychiatric hospital on Seven Mile. These costs were paid for by the Brownfield Redevelopment Authority bond issuance, however the asset is owned by the Township.
  - State-shared revenue was higher than anticipated with a total amount received of \$4,014,056. In addition, the Township received additional state-shared revenue in the amount of \$400,722 due to adjustments made by the state in 2022 based on 2020 census data. This additional allocation was deferred in 2021 and recognized as revenue in 2022.
  - Investment income increased by \$583,008 due to laddered treasury investments and rising interest rates.
- \* As of December 31, 2022, the Township's governmental funds reported combined ending fund balances of \$44,889,866. Fund balance of the General Fund totaled \$16,951,574 at December 31, 2022, which represents an increase of \$1,346,471 in comparison with the prior year. This increase was driven primarily by increases in state-shared revenue of \$981,718, reimbursements from cost allocations of \$212,464, and reimbursements from the Brownfield Redevelopment Authority of \$155,306.
- \* **The Township's total direct and other debt obligations were reduced by \$2,720,188** from the prior year. Total governmental and business-type debt at December 31, 2022 was \$14,246,117 (including unamortized bond premium). The total debt of the component unit at December 31, 2022 was \$12,395,229. Moody's Investor Service has established guidelines for a municipality's 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, 2022 was well below this ratio at 0.59% of the Township's total 2021 taxable value.

### 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

## Township of Northville, Michigan Management's Discussion and Analysis

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.

**Governmental Funds** – The Township of Northville maintains nine 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 Capital Projects Fund. These funds are considered major funds as of December 31, 2022. 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.

# Township of Northville, Michigan

## Management's Discussion and Analysis

**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.

### 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 \$216,706,590 (net position) at the close of December 31, 2022. The following table shows, in a condensed format, the Township's net position as of December 31, 2022 and 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets	\$ 77,400,007	\$ 69,183,609	\$ 64,776,458	\$ 63,025,478	\$ 142,176,465	\$ 132,209,087
Capital assets	66,826,562	61,669,593	47,951,858	47,560,086	114,778,420	109,229,679
Total assets	144,226,569	130,853,202	112,728,316	110,585,564	256,954,885	241,438,766
<b>Deferred Outflows of Resources</b>						
	13,149,658	11,452,482	1,117,960	1,220,773	14,267,618	12,673,255
<b>Liabilities</b>						
Current liabilities	6,128,843	4,704,833	1,591,371	1,590,090	7,720,214	6,294,923
Noncurrent liabilities :						
Due within one year	3,735,431	3,449,059	630,006	593,208	4,365,437	4,042,267
Due in more than one year	13,273,327	15,036,958	2,870,288	3,370,949	16,143,615	18,407,907
Total liabilities	23,137,601	23,190,850	5,091,665	5,554,247	28,229,266	28,745,097
<b>Deferred Inflow of Resources</b>						
	25,952,078	23,802,844	334,569	328,664	26,286,647	24,131,508
<b>Net Position</b>						
Net investment in capital assets	55,591,562	48,240,367	45,033,722	44,174,684	100,625,284	92,415,051
Restricted	19,899,248	16,548,604	-	-	19,899,248	16,548,604
Unrestricted	32,795,738	30,523,019	63,386,320	61,748,742	96,182,058	92,271,761
Total net position	<b>\$ 108,286,548</b>	<b>\$ 95,311,990</b>	<b>\$ 108,420,042</b>	<b>\$ 105,923,426</b>	<b>\$ 216,706,590</b>	<b>\$ 201,235,416</b>

Over 46% 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 \$32,795,738 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** – Governmental activities increased the Township's net position by \$12,974,558. Contribution revenue of \$5,645,236 was recognized by the general government for demolition costs of the psychiatric hospital on Seven Mile. These costs were paid for by the Brownfield Redevelopment Authority bond issuance, however the asset is owned by the Township. State-shared revenue was higher than anticipated with a total amount received of \$4,014,056. In addition, the Township received additional state-shared revenue in the amount of \$400,722 due to adjustments made by the state in 2022 based on 2020 census data. This additional allocation was deferred in 2021 and recognized as revenue in 2022. Other income increased due to additional tax increment capture reimbursement to both the general and public safety funds. Investment income increased by \$583,008 due to laddered treasury investments and rising interest rates.

Business-type activities increased net position in total by \$2,496,616. The majority of this increase is mostly a result of \$1,269,521 in capital contributions and donated water and sewer assets constructed by developers. This is an increase due to higher than anticipated development within the Township compared to 2021.

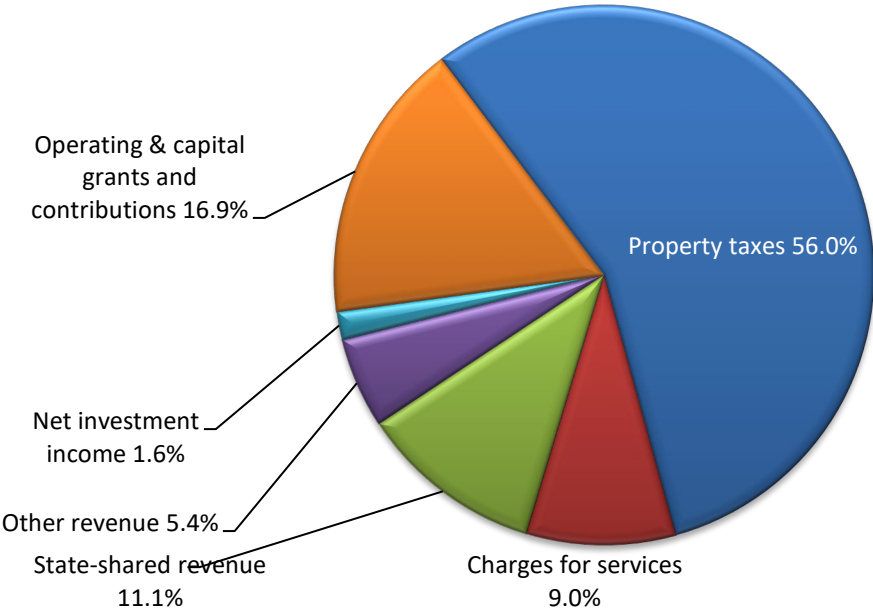
Key elements in the Township's change in net position are shown in the following table:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenue</b>						
Program revenue:						
Charges for services	\$ 3,267,393	\$ 3,971,076	\$ 15,165,072	\$ 15,259,102	\$ 18,432,465	\$ 19,230,178
Operating grants and contributions	502,075	508,520	-	-	502,075	508,520
Capital grants and contributions	5,645,236	-	1,269,521	2,477,013	6,914,757	2,477,013
General revenue:						
Property taxes	20,416,290	20,377,918	-	-	20,416,290	20,377,918
State-shared revenue	4,031,570	3,047,338	-	-	4,031,570	3,047,338
Net investment income	619,216	21,326	(31,365)	(16,483)	587,851	4,843
Other miscellaneous income	1,983,317	1,804,806	-	-	1,983,317	1,804,806
Gain on sale of capital assets	-	-	45,186	2,500	45,186	2,500
<b>Total revenue</b>	<b>36,465,097</b>	<b>29,730,984</b>	<b>16,448,414</b>	<b>17,722,132</b>	<b>52,913,511</b>	<b>47,453,116</b>
<b>Expenses</b>						
General government	4,388,943	3,626,493	-	-	4,388,943	3,626,493
Public safety:						
Police and fire	16,293,745	13,867,355	-	-	16,293,745	13,867,355
Building department	419,078	450,454	-	-	419,078	450,454
Community and economic development	514,214	228,459	-	-	514,214	228,459
Recreation and culture	1,303,032	1,229,765	-	-	1,303,032	1,229,765
Interest on long-term debt	571,527	543,725	-	-	571,527	543,725
Water and sewer	-	-	13,951,798	13,619,074	13,951,798	13,619,074
<b>Total expenses</b>	<b>23,490,539</b>	<b>19,946,251</b>	<b>13,951,798</b>	<b>13,619,074</b>	<b>37,442,337</b>	<b>33,565,325</b>
<b>Change in Net Position</b>	<b>12,974,558</b>	<b>9,784,733</b>	<b>2,496,616</b>	<b>4,103,058</b>	<b>15,471,174</b>	<b>13,887,791</b>
<b>Net Position - Beginning of year</b>	<b>95,311,990</b>	<b>85,527,257</b>	<b>105,923,426</b>	<b>101,820,368</b>	<b>201,235,416</b>	<b>187,347,625</b>
<b>Net Position - End of year</b>	<b>\$ 108,286,548</b>	<b>\$ 95,311,990</b>	<b>\$ 108,420,042</b>	<b>\$ 105,923,426</b>	<b>\$ 216,706,590</b>	<b>\$ 201,235,416</b>

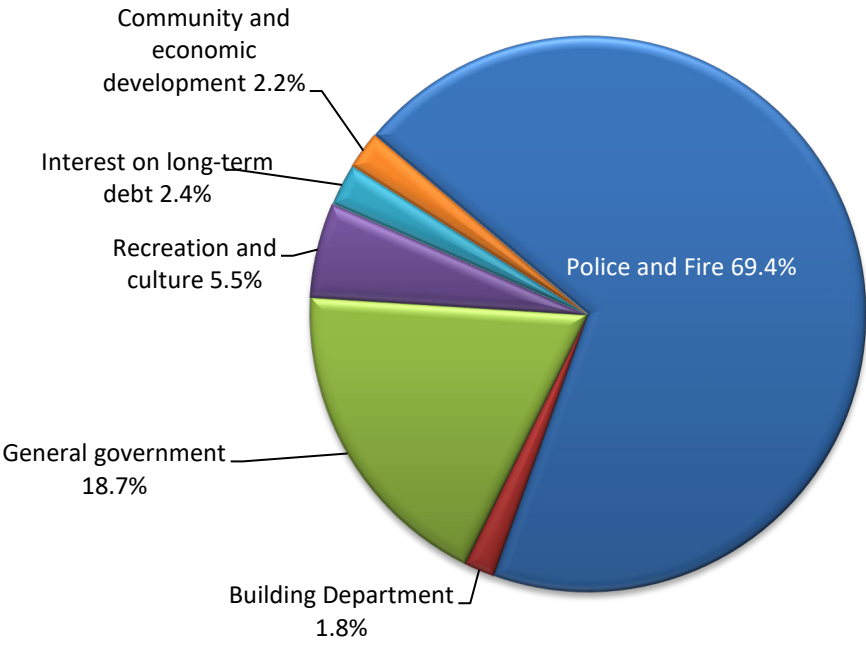
**Governmental Activities** – Program revenue, which includes user fees and charges and restricted operating and capital grants and contributions, represents 26% of total governmental revenue sources. Program revenues reduce the net cost of the governmental functions to be financed from the Township's 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**

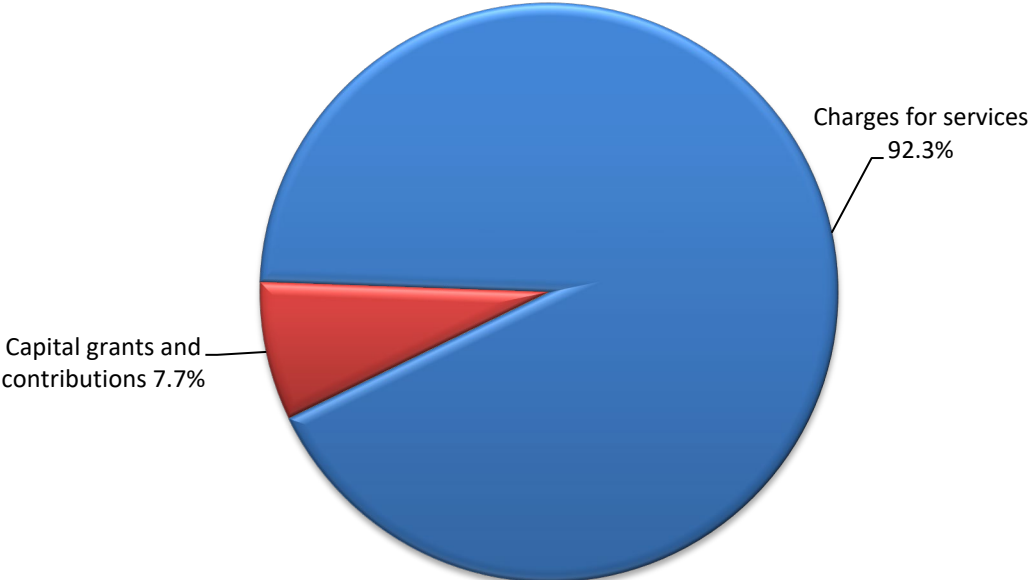


# Township of Northville, Michigan Management's Discussion and Analysis

**Business-type Activities** – Business-type activities realized an increase in net position of \$2,496,616. This is a result of the following:

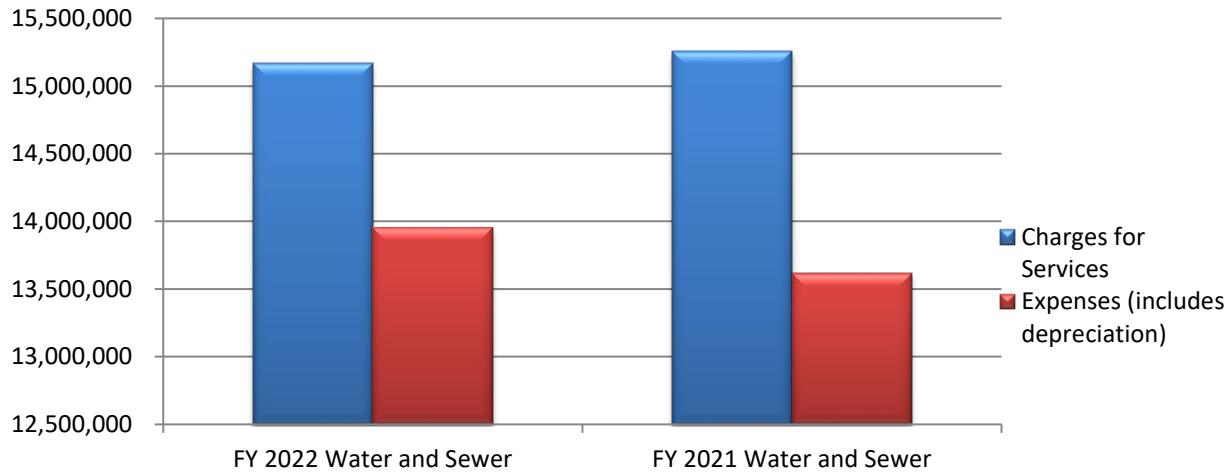
- The collection of \$970,307 in connection fees paid by developers into the Water and Sewer Fund. In addition, developers contributed \$299,214 in water and sewer assets constructed by developers.
- The Township is a partial owner of WTUA, in conjunction with Plymouth and Canton Townships. The WTUA 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. The Township paid its final debt service payment to WTUA in 2022 and does not share in any WTUA debt as of December 31, 2022. The equity in WTUA increased by \$944,887.

## 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 nine 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 Capital Projects Fund. These funds are considered major funds based on criteria as set forth by the Governmental Accounting Standards Board.

As of December 31, 2022, the governmental funds of the Township reported a combined fund balance of \$44,889,866, an increase of \$5,342,889 in comparison to the prior year.

**Reserves and balances.**

In 2022, the Township Board of Trustees adopted a General Fund-Fund Balance policy. The policy provides guidance on the treatment of fund balance in excess of 150% of operating expenses. The policy recommends that fund balance in excess of 150% of operating expenses be assigned to the capital projects fund in order to provide funding resources in support of the capital improvement plan. As of December 31, 2022, \$7 million was assigned to support Township capital initiatives.

As of December 31, 2022, fund balance of the General Fund totaled \$16,951,574 and is not restricted as to use, with the exception of the construction code surplus in the amount of \$1,058,131 million. This represents an increase of \$1,346,471 from prior year.

Within the General Fund, the majority of this increase is attributable to the increase in state-shared revenue of \$984,311. During 2022, investment income increased by \$234,822 due to rising interest rates and treasury investments. In addition, the Township's general fund was reimbursed an increased amount of tax increment revenue in 2022 due to higher taxable value on the properties within the brownfield redevelopment authority. In 2022, those funds received reimbursement of almost \$645,000 versus \$525,000 received in 2021. The tax increment revenue is reimbursement for costs incurred by the general fund on the seven mile psychiatric hospital demolition.

As of December 31, 2022, the fund balance of the Public Safety Fund totaled \$13,055,888. Fund balance is restricted for use on public safety operations and capital. Fund balance increased \$2,375,679 over 2021. Increases in fund balance are budgeted in an effort to build the capital reserve needed to replace capital as well as to maintain a fund balance operating minimum of 20% of operating expenses.



## Township of Northville, Michigan Management's Discussion and Analysis

As of December 31, 2022, the fund balance of the Capital Projects Fund totaled \$8,296,221. Fund balance is unrestricted for use however has been assigned for the purposes of funding township infrastructure and capital projects. This funds are currently assigned towards facility replacement, pathways, essential services complex, and seven mile and five mile redevelopment. These projects are primarily funded with budgeted transfers in from the general fund.

**Proprietary Funds** – For the year ended December 31, 2022, the Water and Sewer Fund reported operating income of \$1,315,276. Total cash reserves increased by \$2,016,394 largely the result of the cash flows from capital and related financing activities. The reserve fund is primarily funded with connection fees and reduced by capital projects.

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

### **General Fund Budgetary Highlights**

The Township recognized favorable budget results for the fiscal year ended December 31, 2022. In total, revenues of the General Fund came in **over amended budget estimates for the year by \$1,615,856 or 21%**. During 2022, the budget was amended to account for the increase in state-shared revenue and building permit revenue. Even with this budget amendment, the actual results exceeded budget in both of these funding sources by \$788,056. The budget was not amended, however, for the increase in tax increment revenue reimbursement received from the brownfield redevelopment authority. This higher than anticipated revenue was almost \$645,546 over budget.

The Township's General Fund expenditures as of December 31, 2022 were **under amended budget in total by \$341,670 or 4.3%**. During the year, the Township did not incur expenditures that were in excess of the amounts budgeted. Significant amendments approved during 2022 include a request for an additional staffing position within the Finance and Budget Department, a contribution to the 35<sup>th</sup> District Court, and an additional transfer to the capital projects fund.

### **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, 2022 totals \$114,778,420 (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, 2022 and 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 49,154,814	\$ 49,154,814	\$ -	\$ -	\$ 49,154,814	\$ 49,154,814
Intangible assets	8,400	10,800	-	-	8,400	10,800
Bike paths	690,372	644,110	-	-	690,372	644,110
Buildings and improvements	8,688,707	9,217,283	-	7	8,688,707	9,217,290
Vehicles and equipment	689,925	1,089,269	314,264	269,790	1,004,189	1,359,059
Furniture and equipment	1,213,264	1,290,211	-	-	1,213,264	1,290,211
Computer equipment	70,301	100,882	-	-	70,301	100,882
Infrastructure	-	-	45,799,812	47,055,327	45,799,812	47,055,327
Construction in progress	6,310,779	162,224	1,837,782	234,962	8,148,561	397,186
<b>Total</b>	<b>\$ 66,826,562</b>	<b>\$ 61,669,593</b>	<b>\$ 47,951,858</b>	<b>\$ 47,560,086</b>	<b>\$ 114,778,420</b>	<b>\$ 109,229,679</b>

# Township of Northville, Michigan Management's Discussion and Analysis

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

**Long-term Debt** – The following table is a comparison of the summary information for the fiscal years ended December 30, 2022 and 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 11,145,000	\$ 13,334,326	\$ 2,159,312	\$ 2,570,174	\$ 13,304,312	\$ 15,904,500
Special assessment bonds	90,000	135,000	-	-	90,000	135,000
State revolving loan fund	-	-	851,805	926,805	851,805	926,805
Total bonds payable	11,235,000	13,469,326	3,011,117	3,496,979	14,246,117	16,966,305
Estimated self-insurance claims	118,211	60	-	-	118,211	60
Accumulated compensated absences	2,421,261	2,307,461	228,718	206,266	2,649,979	2,513,727
Total	<u>\$ 13,774,472</u>	<u>\$ 15,776,847</u>	<u>\$ 3,239,835</u>	<u>\$ 3,703,245</u>	<u>\$ 17,014,307</u>	<u>\$ 19,480,092</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*

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For 2023, Northville Township's financial plan includes:

- An overall budget of \$63.9 million consisting of:
  - Water & Sewer Fund operations totaling \$13.7 million.
  - General Government operating expenditures totaling \$26.7 million.
  - General Government capital outlay totaling \$14.5 million
  - General Government transfers out totaling \$9 million
- The 2023 Budget **reduces the 2022 total millage rate by 0.3005 mills – totaling 8.3113 mills.**
- The 2023 Budget includes three new funds: Public Safety Capital Projects Fund, Essential Services Construction Fund and 2023 Capital Improvement Bond Essential Services Fund. The creation of each new fund will allow for increased transparency in capital planning and project management.

Township of Northville, Michigan  
Management's Discussion and Analysis

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*Factors affecting financial condition*

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**Investments:** During 2022, the market was a rising rate environment. The benchmark yield of a 6-month treasury bill rose from 0.19% at December 31, 2021 to 4.60% at December 31, 2022. Unrealized losses are indicative of a rising rate environment. As treasuries move closer to maturity, the unrealized losses will start to diminish. At maturity, the Township will receive its full PAR plus its final coupon payment. Total interest income generated as of December 31, 2022 was \$1,034,782 versus \$76,700 in 2021. In 2023, the Township will continue to monitor the market and make decisions under the guidance of the Township Treasury and with the support of the Treasury and Finance Committee.

**Pension Surplus Divisions:** In March 2022, the Township opened surplus divisions within MERS to account for its additional pension contributions. When an additional pension contribution is made directly into a non-surplus pension division, it reduces the actuarially determined contribution (ADC) for the following period. By investing additional contributions into a surplus division, the ADC will be unaffected which will strengthen the impact of the additional contributions as well as the funding ratio. The Township funded the surplus divisions with its budgeted additional pension contributions in May 2022, for a total contribution amount of \$750,000. In 2023, the Township will be formalizing its funding method with a Pension Funding Policy.

**OPEB Experience Study:** During the 2021 valuation, a key assumption change increased the Township's actuarial accrued liability by almost \$3M. This change was to assume that eligible employees will retire at a younger age, thereby increasing the number of years for which they will be eligible for retiree health. The Township must use this assumption, as well as all others, unless it has an individual experience study performed on Township-only data. In May 2022, the Township Board of Trustees approved an experience study to be performed by CBIZ. This data will be used to more accurately calculate the funding level of the Township's OPEB plan. In 2023, the Township will be formalizing its funding method with an OPEB Funding Policy.

### **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](http://www.twp.northville.mi.us) or contact the Finance and Budget Office directly at 248-348-5810.

# Charter Township of Northville

## Statement of Net Position

December 31, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 53,813,731	\$ 13,601,619	\$ 67,415,350	\$ 527,153
Receivables:				
Taxes	15,900,051	-	15,900,051	1,167,428
Customer receivables	-	2,705,959	2,705,959	-
Accrued interest receivable	55,088	19,564	74,652	-
Due from other governmental units	659,974	-	659,974	-
Leases receivable	1,103,770	-	1,103,770	-
Special assessments (Note 6)	78,374	20,657	99,031	-
Other	733,098	-	733,098	-
Prepaid items	659,279	161,252	820,531	-
Restricted cash (Note 5)	-	19,189,072	19,189,072	7,596,963
Investment in joint ventures (Note 14)	4,396,642	29,078,335	33,474,977	-
Capital assets: (Note 7)				
Assets not subject to depreciation	55,465,593	1,837,782	57,303,375	869,587
Assets subject to depreciation - Net	11,360,969	46,114,076	57,475,045	-
Total assets	144,226,569	112,728,316	256,954,885	10,161,131
<b>Deferred Outflows of Resources</b>				
Deferred charge on refunding	-	92,981	92,981	-
Deferred outflows related to pension (Note 11)	9,606,777	735,714	10,342,491	-
Deferred outflows related to OPEB (Note 13)	3,542,881	289,265	3,832,146	-
Total deferred outflows of resources	13,149,658	1,117,960	14,267,618	-
<b>Liabilities</b>				
Accounts payable	657,200	1,525,444	2,182,644	1,282,238
Due to other governmental units	48,123	-	48,123	130,836
Accrued liabilities and other:				
Accrued salaries and wages	402,837	48,303	451,140	-
Accrued interest payable	120,262	17,624	137,886	72,654
Accrued other liabilities	3,000	-	3,000	22,249
Unearned revenue	3,370,013	-	3,370,013	-
Bonds and deposits	1,527,408	-	1,527,408	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	1,307,220	135,006	1,442,226	-
Provision for claims	118,211	-	118,211	-
Current portion of long-term debt	2,310,000	495,000	2,805,000	155,000
Due in more than one year:				
Compensated absences	1,114,041	93,712	1,207,753	-
Net pension liability (Note 11)	712,532	54,569	767,101	-
Net OPEB liability (Note 13)	2,521,754	205,890	2,727,644	-
Long-term debt (Note 9)	8,925,000	2,516,117	11,441,117	12,240,229
Total liabilities	23,137,601	5,091,665	28,229,266	13,903,206
<b>Deferred Inflows of Resources</b>				
Property taxes levied for the following year	20,511,980	-	20,511,980	1,167,428
Deferred pension cost reductions (Note 11)	4,368,728	334,569	4,703,297	-
Leases	1,071,370	-	1,071,370	-
Total deferred inflows of resources	25,952,078	334,569	26,286,647	1,167,428

# Charter Township of Northville

## Statement of Net Position (Continued)

December 31, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Net Position (Deficit)</b>				
Net investment in capital assets	\$ 55,591,562	\$ 45,033,722	\$ 100,625,284	\$ 464,026
Restricted:				
Drug forfeiture	616,848	-	616,848	-
Police and fire operations	12,439,040	-	12,439,040	-
Debt service	3,681,170	-	3,681,170	-
Youth assistance	209,791	-	209,791	-
Shared service	1,745,773	-	1,745,773	-
Metro act funds	148,495	-	148,495	-
Construction code fees	1,058,131	-	1,058,131	-
Unrestricted	32,795,738	63,386,320	96,182,058	(5,373,529)
	<b>\$ 108,286,548</b>	<b>\$ 108,420,042</b>	<b>\$ 216,706,590</b>	<b>\$ (4,909,503)</b>

# Charter Township of Northville

Functions/Programs	Program Revenue			Capital Grants and Contributions
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
General government	\$ 4,388,943	\$ 569,069	\$ 28,556	\$ 5,645,236
Public safety:				
Police and fire	16,293,745	1,249,398	244,360	-
Building department	419,078	1,328,007	-	-
Community and economic development	514,214	120,919	-	-
Recreation and culture	1,303,032	-	229,159	-
Interest on long-term debt	571,527	-	-	-
Total governmental activities	23,490,539	3,267,393	502,075	5,645,236
Business-type activities - Water and Sewer Fund	13,951,798	15,165,072	-	1,269,521
Total primary government	<b>\$ 37,442,337</b>	<b>\$ 18,432,465</b>	<b>\$ 502,075</b>	<b>\$ 6,914,757</b>
Component units - Brownfield Redevelopment Authority Fund	<b>\$ 7,900,172</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
General revenue:				
Property taxes				
Unrestricted state-shared revenue				
Gain on sale of capital assets				
Net investment income (loss)				
Other miscellaneous income				
Total general revenue				
<b>Change in Net Position</b>				
<b>Net Position - Beginning of year</b>				
<b>Net Position (Deficit) - End of year</b>				

## Statement of Activities

Year Ended December 31, 2022

Net Revenue (Expense) and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ 1,853,918	\$ -	\$ 1,853,918	\$ -
(14,799,987)	-	(14,799,987)	-
908,929	-	908,929	-
(393,295)	-	(393,295)	-
(1,073,873)	-	(1,073,873)	-
(571,527)	-	(571,527)	-
(14,075,835)	-	(14,075,835)	-
-	2,482,795	2,482,795	-
(14,075,835)	2,482,795	(11,593,040)	-
-	-	-	(7,900,172)
20,416,290	-	20,416,290	2,680,698
4,031,570	-	4,031,570	-
-	45,186	45,186	-
619,216	(31,365)	587,851	156,141
1,983,317	-	1,983,317	-
27,050,393	13,821	27,064,214	2,836,839
12,974,558	2,496,616	15,471,174	(5,063,333)
95,311,990	105,923,426	201,235,416	153,830
<b>\$ 108,286,548</b>	<b>\$ 108,420,042</b>	<b>\$ 216,706,590</b>	<b>\$ (4,909,503)</b>

# Charter Township of Northville

## Governmental Funds Balance Sheet

December 31, 2022

	General Fund	Public Safety Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>					
Cash and investments (Note 3)	\$ 16,762,106	\$ 16,823,497	\$ 13,204,691	\$ 7,023,437	\$ 53,813,731
Receivables:					
Taxes	1,467,983	12,293,455	-	2,138,613	15,900,051
Special assessments	17,853	-	27,486	33,035	78,374
Accrued interest receivable	27,081	9,819	-	18,188	55,088
Leases receivable	1,103,770	-	-	-	1,103,770
Other	145,453	417,731	-	169,914	733,098
Due from other governmental units	607,288	41,624	-	11,062	659,974
Prepaid items	59,245	358,584	-	241,450	659,279
<b>Total assets</b>	<b>\$ 20,190,779</b>	<b>\$ 29,944,710</b>	<b>\$ 13,232,177</b>	<b>\$ 9,635,699</b>	<b>\$ 73,003,365</b>
<b>Liabilities</b>					
Accounts payable	\$ 108,688	\$ 396,198	\$ 47,549	\$ 104,765	\$ 657,200
Due to other governmental units	40,000	-	-	8,123	48,123
Accrued liabilities and other	88,824	313,493	-	3,520	405,837
Unearned revenue	-	-	3,333,513	36,500	3,370,013
Bonds and deposits	-	-	1,527,408	-	1,527,408
Compensated absences	-	46,531	-	-	46,531
<b>Total liabilities</b>	<b>237,512</b>	<b>756,222</b>	<b>4,908,470</b>	<b>152,908</b>	<b>6,055,112</b>
<b>Deferred Inflows of Resources</b> (Note 6)	<b>3,001,693</b>	<b>16,132,600</b>	<b>27,486</b>	<b>2,896,608</b>	<b>22,058,387</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>3,239,205</b>	<b>16,888,822</b>	<b>4,935,956</b>	<b>3,049,516</b>	<b>28,113,499</b>
<b>Fund Balances</b> (Note 17)					
Nonspendable	59,245	358,584	-	241,450	659,279
Restricted	1,058,131	12,697,304	148,495	5,362,249	19,266,179
Assigned	7,000,000	-	8,147,726	982,484	16,130,210
Unassigned	8,834,198	-	-	-	8,834,198
<b>Total fund balances</b>	<b>16,951,574</b>	<b>13,055,888</b>	<b>8,296,221</b>	<b>6,586,183</b>	<b>44,889,866</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 20,190,779</b>	<b>\$ 29,944,710</b>	<b>\$ 13,232,177</b>	<b>\$ 9,635,699</b>	<b>\$ 73,003,365</b>



# Charter Township of Northville

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

December 31, 2022

<b>Fund Balances Reported in Governmental Funds</b>	\$ 44,889,866
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	66,826,562
Investments in joint ventures are not financial resources and are not reported in the funds	4,396,642
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures	78,374
Bonds payable are not due and payable in the current period and are not reported in the funds	(11,235,000)
Accrued interest is not due and payable in the current period and is not reported in the funds	(120,262)
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	(2,374,730)
Estimated self-insurance claims	(118,211)
Net pension and OPEB liabilities and related deferred outflows and inflows	5,546,644
Grants and other miscellaneous funds deferred and recognized as a deferred inflow of resources	396,663
<b>Net Position of Governmental Activities</b>	<b><u>\$ 108,286,548</u></b>

# Charter Township of Northville

## Governmental Funds

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

**Year Ended December 31, 2022**

	General Fund	Public Safety Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>					
Property taxes	\$ 1,834,123	\$ 15,220,655	\$ -	\$ 3,361,512	\$ 20,416,290
Building department	1,328,007	-	-	-	1,328,007
Intergovernmental:					
Federal sources	-	161,945	-	13,229	175,174
State sources	4,022,649	52,432	28,556	83,848	4,187,485
Fines and forfeitures	-	1,709	-	-	1,709
Net investment income:					
Investment earnings	237,638	194,683	117,585	69,310	619,216
Lease revenue	27,425	-	-	-	27,425
Licensing and enforcement	-	997,299	-	-	997,299
Other revenue	1,540,075	1,061,205	18,556	503,892	3,123,728
Total revenue	8,989,917	17,689,928	164,697	4,031,791	30,876,333
<b>Expenditures</b>					
Current services:					
General government:					
Legislative	1,368,399	-	-	-	1,368,399
Facility operations	741,523	-	-	-	741,523
Information technology and communications	390,918	-	-	-	390,918
Treasurer	1,108,757	-	-	-	1,108,757
Clerk	679,496	-	-	-	679,496
Public safety:					
Police and fire	10,077	15,346,340	-	-	15,356,417
Building department	419,078	-	-	-	419,078
Community and economic development - Zoning	316,048	-	-	-	316,048
Recreation and culture	-	-	-	1,633,147	1,633,147
Capital outlay	-	-	767,821	-	767,821
Debt service:					
Principal	-	-	-	2,150,000	2,150,000
Interest and fiscal charges	-	-	-	633,931	633,931
Total expenditures	5,034,296	15,346,340	767,821	4,417,078	25,565,535
<b>Excess of Revenue Over (Under) Expenditures</b>	3,955,621	2,343,588	(603,124)	(385,287)	5,310,798
<b>Other Financing Sources (Uses)</b>					
Transfers in (Note 8)	-	-	1,855,000	754,150	2,609,150
Transfers out (Note 8)	(2,609,150)	-	-	-	(2,609,150)
Proceeds from sale of capital assets	-	32,091	-	-	32,091
Total other financing (uses) sources	(2,609,150)	32,091	1,855,000	754,150	32,091
<b>Net Change in Fund Balances</b>	1,346,471	2,375,679	1,251,876	368,863	5,342,889
<b>Fund Balances - Beginning of year</b>	15,605,103	10,680,209	7,044,345	6,217,320	39,546,977
<b>Fund Balances - End of year</b>	<b>\$ 16,951,574</b>	<b>\$ 13,055,888</b>	<b>\$ 8,296,221</b>	<b>\$ 6,586,183</b>	<b>\$ 44,889,866</b>

## 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, 2022

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 5,342,889</b>
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	(57,701)
Depreciation expense	(1,776,088)
Contributed assets	5,645,236
Capital outlay	1,345,522
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	(30,288)
Grants and other miscellaneous funds received after period of availability are recognized as revenue in the statement of activities	(26,183)
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	2,150,000
Change in accrued interest payable and amortization of premiums	62,403
Change in compensated absences and self-insurance liability	(238,737)
Equity interest in the Northville Parks and Recreation Commission is not reported in the governmental funds	293,744
Net prepayments of pension and retiree health care obligations relate to expenditures in the funds and are not reported in the statement of activities	263,761
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 12,974,558</u></b>

# Charter Township of Northville

## Proprietary Fund Statement of Net Position

December 31, 2022

	Water and Sewer Fund
<b>Assets</b>	
Current assets:	
Cash and investments (Note 3)	\$ 13,601,619
Receivables:	
Special assessments receivable	20,657
Customer receivables	2,705,959
Accrued interest receivable	19,564
Prepaid items	161,252
Total current assets	16,509,051
Noncurrent assets:	
Cash segregated for capital reserves (Note 5)	19,189,072
Investment in joint ventures (Note 14)	29,078,335
Capital assets - Net (Note 7)	47,951,858
Total noncurrent assets	96,219,265
Total assets	112,728,316
<b>Deferred Outflows of Resources</b>	
Deferred charge on refunding	92,981
Deferred outflows related to pension (Note 11)	735,714
Deferred outflows related to OPEB (Note 13)	289,265
Total deferred outflows of resources	1,117,960
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	1,525,444
Accrued liabilities and other	65,927
Compensated absences	135,006
Current portion of long-term debt (Note 9)	495,000
Total current liabilities	2,221,377
Noncurrent liabilities:	
Compensated absences	93,712
Net pension liability (Note 11)	54,569
Net OPEB liability (Note 13)	205,890
Long-term debt (Note 9)	2,516,117
Total noncurrent liabilities	2,870,288
Total liabilities	5,091,665
<b>Deferred Inflows of Resources - Deferred pension cost reductions</b>	334,569
<b>Net Position</b>	
Net investment in capital assets	45,033,722
Unrestricted	63,386,320
Total net position	<b>\$ 108,420,042</b>

# Charter Township of Northville

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

Year Ended December 31, 2022

	<u>Water and Sewer Fund</u>
<b>Operating Revenue</b>	
Sale of water	\$ 15,117,292
Other	<u>47,780</u>
Total operating revenue	15,165,072
<b>Operating Expenses</b>	
Cost of water	5,983,551
Cost of sewage treatment	2,501,135
Personnel services	2,131,130
System maintenance and operations	724,116
General and administrative	683,624
Depreciation	<u>1,826,240</u>
Total operating expenses	<u>13,849,796</u>
<b>Operating Income</b>	1,315,276
<b>Nonoperating (Expense) Revenue</b>	
Net investment loss	(31,365)
Interest expense	(102,002)
Gain on sale of assets	<u>45,186</u>
Total nonoperating expense	<u>(88,181)</u>
<b>Income - Before capital contributions</b>	1,227,095
<b>Capital Contributions</b>	
Collection of connection fees	970,307
Lines constructed by developers	<u>299,214</u>
Total capital contributions	<u>1,269,521</u>
<b>Change in Net Position</b>	2,496,616
<b>Net Position - Beginning of year</b>	<u>105,923,426</u>
<b>Net Position - End of year</b>	<u><u>\$ 108,420,042</u></u>

# Charter Township of Northville

## Proprietary Fund Statement of Cash Flows

Year Ended December 31, 2022

	Water and Sewer Fund
<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 14,874,844
Payments to suppliers	(11,630,947)
Payments to employees	(1,421,368)
Other	151,059
	<u>1,973,588</u>
Net cash provided by operating activities	1,973,588
<b>Cash Flows from Capital and Related Financing Activities</b>	
Special assessment collections	7,355
Collection of connection fees	970,307
Proceeds from sale of capital assets	45,186
Purchase of capital assets	(1,918,798)
Principal and interest paid on capital debt	(590,867)
	<u>(1,486,817)</u>
Net cash used in capital and related financing activities	(1,486,817)
<b>Cash Flows Used in Investing Activities - Net purchases of investment securities</b>	<u>(44,462)</u>
<b>Net Increase in Cash</b>	442,309
<b>Cash - Beginning of year</b>	<u>32,348,382</u>
<b>Cash - End of year</b>	<u><u>\$ 32,790,691</u></u>
<b>Classification of Cash</b>	
Cash and investments	\$ 13,601,619
Cash segregated for capital reserves	19,189,072
	<u><u>\$ 32,790,691</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	\$ 1,315,276
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	1,826,240
Changes in assets and liabilities:	
Receivables	(290,228)
Prepaid and other assets	(1,012,701)
Accrued and other liabilities	(16,526)
Accounts payable	468
Other	151,059
	<u>1,973,588</u>
Net cash provided by operating activities	<u><u>\$ 1,973,588</u></u>
<b>Significant Noncash Transactions - Donated water and sewer lines</b>	\$ 299,214

**Charter Township of Northville**

**Fiduciary Funds  
Statement of Fiduciary Net Position**

**December 31, 2022**

	Retiree Health Care Trust Fund	Custodial Fund Current Tax Fund
<b>Assets</b>		
Cash and cash equivalents	\$ 1,184,495	\$ 6,372,669
Investments:		
Certificates of deposit	174,008	-
U.S. government securities	91,711	-
Equities	4,788,836	-
Corporate bonds	623,672	-
Municipal bonds - Federal taxable	478,556	-
Mutual funds	2,719,903	-
Receivables	-	15,299,361
Total assets	10,061,181	21,672,030
<b>Liabilities</b>		
Accounts payable	858	-
Tax collections distributable	-	6,372,669
Total liabilities	858	6,372,669
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	-	15,299,361
<b>Net Position</b> - Restricted -		
Postemployment benefits other than pension	\$ 10,060,323	\$ -

**Charter Township of Northville**

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

**Year Ended December 31, 2022**

	Retiree Health Care Trust Fund	Custodial Fund Current Tax Fund
<b>Additions</b>		
Investment income (loss):		
Interest and dividends	\$ 210,175	\$ -
Net decrease in fair value of investments	(1,619,110)	-
Net investment loss	(1,408,935)	-
Contributions - Employer contributions	1,041,983	-
Property tax collections for other governments	-	76,865,655
Total additions	(366,952)	76,865,655
<b>Deductions</b>		
Benefit payments	674,316	-
Administrative expenses	62,108	-
Tax distributions to other governments	-	76,865,655
Total deductions	736,424	76,865,655
<b>Net Decrease in Fiduciary Net Position</b>	(1,103,376)	-
<b>Net Position - Beginning of year</b>	11,163,699	-
<b>Net Position - End of year</b>	<b>\$ 10,060,323</b>	<b>\$ -</b>



# Charter Township of Northville

## Component Units Statement of Net Position

December 31, 2022

	Brownfield Redevelopment Authority Fund	Economic Development Corporation	Total
<b>Assets</b>			
Cash and investments	\$ 526,050	\$ 1,103	\$ 527,153
Receivables - Taxes	1,167,428	-	1,167,428
Restricted cash	7,596,963	-	7,596,963
Capital assets - Net	869,587	-	869,587
Total assets	10,160,028	1,103	10,161,131
<b>Liabilities</b>			
Accounts payable	1,282,238	-	1,282,238
Due to other governmental units	130,836	-	130,836
Accrued liabilities and other	94,903	-	94,903
Noncurrent liabilities:			
Due within one year - Current portion of long-term debt	155,000	-	155,000
Due in more than one year - Long-term debt	12,240,229	-	12,240,229
Total liabilities	13,903,206	-	13,903,206
<b>Deferred Inflows of Resources</b> (Note 6)	1,167,428	-	1,167,428
<b>Net Position (Deficit)</b>			
Net investment in capital assets	464,026	-	464,026
Unrestricted	(5,374,632)	1,103	(5,373,529)
Total net position (deficit)	<u>\$ (4,910,606)</u>	<u>\$ 1,103</u>	<u>\$ (4,909,503)</u>

**Charter Township of Northville**

**Component Units  
Statement of Activities**

**Year Ended December 31, 2022**

	Program Revenue		Net (Expense) Revenue and Changes in Net Position		
	Expenses	Operating Grants and Contributions	Brownfield Redevelopment Authority Fund	Economic Development Corporation	Total
<b>Functions/Programs</b>					
Brownfield Redevelopment Authority Fund	\$ 7,900,172	\$ -	\$ (7,900,172)	\$ -	\$ (7,900,172)
Economic Development Corporation	-	-	-	-	-
Total component units	<u>\$ 7,900,172</u>	<u>\$ -</u>	(7,900,172)	-	(7,900,172)
General revenue:					
Property taxes			2,680,698	-	2,680,698
Interest on investments			156,141	-	156,141
Total general revenue			<u>2,836,839</u>	<u>-</u>	<u>2,836,839</u>
<b>Change in Net Position</b>			(5,063,333)	-	(5,063,333)
<b>Net Position</b> - Beginning of year			<u>152,727</u>	<u>1,103</u>	<u>153,830</u>
<b>Net Position (Deficit)</b> - End of year			<u>\$ (4,910,606)</u>	<u>\$ 1,103</u>	<u>\$ (4,909,503)</u>

**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 (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 Redevelopment 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.

**Fiduciary Component Unit**

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 Organizations**

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.
- Capital Projects Fund - The Capital Projects Fund accounts for the acquisition and construction of assets in the Township.

**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:

- Current Tax Fund - The Current Tax 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.

Restricted cash and investments recorded in business-type activities consist of cash segregated by board resolution for replacement of plant, major repairs, acquisition of capacity, and facility expansion. Restricted cash and investments recorded in component units consist of unspent bond proceeds.

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

**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.

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.

**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.

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	15-30
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.

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

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.

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 assets 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, represents the variance between the plan's actual investment earnings compared to the plan's 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. The Township additionally reports deferred inflows of resources related to leases.

**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 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 (as applicable), a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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

**Fund Balance Flow Assumptions**

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

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The Township 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 exist only 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 2022 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.

In 2022, the Township adopted a fund balance policy for the General Fund. The policy identifies a target range of fund balance of no less than 100 to 150 percent of operating expenditures. Fund balance in excess of 150 percent will fund future capital projects. If fund balance falls below the minimum threshold, a plan will be established during the budgeting process to replenish fund balance within a three-year budget cycle.



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

**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 2021 property tax revenue was levied and collectible on December 31, 2021 and is recognized as revenue in the year ended December 31, 2022 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2021 taxable valuation of the Township totaled \$2.4 billion, net of brownfield captured taxable value. Taxes were levied as follows:

Purpose	Millage Rate	Revenue
General operating	0.7689 \$	1,807,621
Public safety special voted mills	6.4379	15,199,418
Shared services special voted mills	0.7563	1,785,553
Debt service special voted mills	0.6487	1,570,452
		-
Total		<u>\$ 20,363,044</u>

**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 liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the 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 obligations.

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

**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 or 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.

**Leases**

The Township is a lessor for noncancelable leases of land for wireless communications towers. The Township recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

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

Key estimates and judgments include how the Township determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Township uses the lessee's estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

**Upcoming Accounting Pronouncements**

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Township is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2023.

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

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2024.

***Adoption of New Accounting Pronouncement***

During the current year, the Township adopted GASB Statement No. 87, *Leases*. As a result, the governmental activities and General Fund now include receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 18.

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

***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the activity level. Expenditures in excess of amounts budgeted are a violation of Michigan law. During the year, the budget was amended in a legally permissible manner.

Encumbrance accounting is employed in governmental and proprietary funds. Encumbrances (e.g., purchase orders or contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year. The amount of encumbrances outstanding at year end is \$52,686 in the General Fund, \$803,427 in the Public Safety Fund, \$5,540,353 in the Capital Projects Fund, \$6,952,394 in the Water and Sewer Fund, and \$150,000 in nonmajor governmental funds.

**December 31, 2022**

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

**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:

Surplus at January 1, 2022		\$	461,670
Current year permit revenue			1,328,007
Related expenses:			
Direct costs	\$	419,078	
Estimated indirect costs		312,468	731,546
			<u>596,461</u>
Current year excess			<u>596,461</u>
Cumulative surplus at December 31, 2022		\$	<u><u>1,058,131</u></u>

**Note 3 - Deposits and Investments**

The following is a reconciliation of deposit and investment balances at December 31, 2022:

	Governmental and Business Type	Fiduciary Funds	Component Units
Cash and cash equivalents	\$ 12,402,352	\$ 2,140,378	\$ 1,602,743
Investments	74,202,070	14,293,472	6,521,373
Total deposits and investments	<u>\$ 86,604,422</u>	<u>\$ 16,433,850</u>	<u>\$ 8,124,116</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 no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township has designated seven 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.

December 31, 2022

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

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 bank deposits of \$11,293,943 (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	\$ 29,073,559	\$ 15,405,538	\$ 13,668,021	\$ -	\$ -
Fiduciary Funds	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	No Maturity
Retiree Health Care Trust Fund	\$ 8,876,686	\$ 246,164	\$ 1,121,783	\$ -	\$ 7,508,739

**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.

At December 31, 2022, the Township's fiduciary funds had the following investments:

Investment	Carrying Value	Rating	Rating Organization
<b>Fiduciary Funds</b>			
Municipal bonds	\$ 90,660	AAA	S&P
U.S. government agency bonds	91,711	AA+	S&P
Municipal bonds	99,536	AA	S&P
Corporate bonds	95,807	A+	S&P
Corporate bonds	300,056	A	S&P
Corporate bonds	180,562	A-	S&P
Corporate bonds	47,247	BBB+	S&P
Not subject to credit risk	7,971,107	N/A	N/A
Total	<u>\$ 8,876,686</u>		

December 31, 2022

**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 table presents information about the Township’s assets measured at fair value on a recurring basis at December 31, 2022 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.

The Township has the following recurring fair value measurements as of December 31, 2022:

- U.S. agency bonds of \$29,073,559 are valued using a matrix pricing model (Level 2 inputs).

The table below shows the fair values for the fiduciary fund as of December 31, 2022:

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2022			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2022
<b>Retiree Health Care Trust Fund</b>				
U.S. agency securities	\$ -	\$ 91,711	\$ -	\$ 91,711
Negotiable certificates of deposit	-	174,008	-	174,008
Corporate bonds	-	623,672	-	623,672
Municipal bonds - Federal taxable	-	478,556	-	478,556
Equities	4,788,836	-	-	4,788,836
Mutual funds	-	2,719,903	-	2,719,903
<b>Total assets</b>	<b>\$ 4,788,836</b>	<b>\$ 4,087,850</b>	<b>\$ -</b>	<b>\$ 8,876,686</b>

Equity securities classified as Level 1 are valued using prices quoted in active markets for those securities.

The fair value of certain U.S. agency securities, negotiable certificates of deposit, corporate bonds, municipal bonds, and mutual funds at December 31, 2022 were determined primarily based on Level 2 inputs using a pricing matrix.

December 31, 2022

**Note 4 - Fair Value Measurements (Continued)**

*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, 2022			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
MI CLASS	\$ 38,088,095	\$ -	None	None
Comerica investment pool	12,287,899	-	None	None
Total	<u>\$ 50,375,994</u>	<u>\$ -</u>		

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

The 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.

**Note 5 - Restricted Assets**

Segregated assets at December 31, 2022 consist of bank deposits and investments. For business-type activities, these assets are segregated by board resolution for replacement of plant, major repairs, acquisition of capacity, and facility expansion. Component unit restricted assets consist of unspent bond proceeds. The restricted assets are as follows:

	Business-type Activities	Component Units
Cash segregated for capital reserve	\$ 19,189,072	\$ -
Unspent bond proceeds	-	7,596,963
Total	<u>\$ 19,189,072</u>	<u>\$ 7,596,963</u>

**December 31, 2022**

**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, 2022, the various components of deferred inflows of resources were as follows:

	Governmental Funds			Component
	Unavailable	Levied for the Next Year	Total	Units Levied for the Next Year
Property taxes	\$ -	\$ 20,511,980	\$ 20,511,980	\$ 1,167,428
Special assessments	78,374	-	78,374	-
Miscellaneous revenue	354,924	-	354,924	-
Grant revenue	41,739	-	41,739	-
Leases	1,071,370	-	1,071,370	-
<b>Total</b>	<b>\$ 1,546,407</b>	<b>\$ 20,511,980</b>	<b>\$ 22,058,387</b>	<b>\$ 1,167,428</b>



December 31, 2022

**Note 7 - Capital Assets**

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

**Governmental Activities**

	Balance January 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2022
Capital assets not being depreciated:					
Land	\$ 49,154,814	\$ -	\$ -	\$ -	\$ 49,154,814
Construction in progress	162,224	(30,816)	6,179,371	-	6,310,779
Subtotal	49,317,038	(30,816)	6,179,371	-	55,465,593
Capital assets being depreciated:					
Intangible assets	12,000	-	-	-	12,000
Bike paths	2,194,505	30,816	127,298	-	2,352,619
Buildings and improvements	19,310,796	-	160,028	(32,475)	19,438,349
Vehicles	4,246,169	-	192,297	(253,272)	4,185,194
Furniture and equipment	3,717,303	-	319,648	(70,971)	3,965,980
Computer equipment	288,446	-	12,116	-	300,562
Subtotal	29,769,219	30,816	811,387	(356,718)	30,254,704
Accumulated depreciation:					
Intangible assets	1,200	-	2,400	-	3,600
Bike paths	1,550,395	-	111,852	-	1,662,247
Buildings and improvements	10,093,513	-	661,086	(4,957)	10,749,642
Vehicles	3,156,900	-	561,458	(223,089)	3,495,269
Furniture and equipment	2,427,092	-	396,595	(70,971)	2,752,716
Computer equipment	187,564	-	42,697	-	230,261
Subtotal	17,416,664	-	1,776,088	(299,017)	18,893,735
Net capital assets being depreciated	12,352,555	30,816	(964,701)	(57,701)	11,360,969
Net governmental activities capital assets	\$ 61,669,593	\$ -	\$ 5,214,670	\$ (57,701)	\$ 66,826,562

**December 31, 2022**

**Note 7 - Capital Assets (Continued)**

***Business-type Activities***

	Balance January 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2022
Capital assets not being depreciated - Construction in progress	\$ 234,962	\$ -	\$ 1,602,820	\$ -	\$ 1,837,782
Capital assets being depreciated:					
Water and sewer systems	85,579,224	-	466,605	-	86,045,829
Buildings and improvements	1,549,787	-	-	-	1,549,787
Equipment	1,216,221	-	171,105	150,791	1,538,117
Subtotal	88,345,232	-	637,710	150,791	89,133,733
Accumulated depreciation:					
Water and sewer systems	38,523,897	-	1,722,120	-	40,246,017
Buildings and improvements	1,549,780	-	7	-	1,549,787
Equipment	946,431	-	104,113	173,309	1,223,853
Subtotal	41,020,108	-	1,826,240	173,309	43,019,657
Net capital assets being depreciated	47,325,124	-	(1,188,530)	(22,518)	46,114,076
Net business-type activities capital assets	<u>\$ 47,560,086</u>	<u>\$ -</u>	<u>\$ 414,290</u>	<u>\$ (22,518)</u>	<u>\$ 47,951,858</u>

Capital asset activity for the Charter Township of Northville Brownfield Redevelopment Authority for the year ended December 31, 2022 was as follows:

***Component Unit***

	Balance January 1, 2021	Additions	Disposals and Adjustments	Balance December 31, 2022
Capital assets not being depreciated - Land	\$ 869,587	\$ -	\$ -	\$ 869,587

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

Governmental activities:	
General government	\$ 429,102
Public safety	1,235,202
Economic development	106,482
Recreation and culture	5,302
Total governmental activities	<u>\$ 1,776,088</u>
Business-type activities - Water and sewer	<u>\$ 1,826,240</u>

December 31, 2022

**Note 7 - Capital Assets (Continued)**

**Construction Commitments**

The Township has active construction projects at year end. As of December 31, 2022, the Township's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment	Total
Demolition of buildings on Legacy Park (the former State of Michigan Psychiatric Hospital)	\$ 5,385,454	\$ 4,693,669	\$ 10,079,123
Essential Services building	168,554	76,446	245,000
Water tower	1,206,200	6,928,744	8,134,944
Water main extension	90,350	23,650	114,000
Township Hall renovation	232,903	264,612	497,515
Total	<u>\$ 7,083,461</u>	<u>\$ 11,987,121</u>	<u>\$ 19,070,582</u>

**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	Capital Projects Fund	\$ 1,855,000
	Nonmajor governmental funds	754,150
	Total	<u>\$ 2,609,150</u>

The transfers from the General Fund to the Capital Projects Fund represent the use of unrestricted resources to finance capital improvements.

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

**Note 9 - Long-term Debt**

Long-term debt activity for the year ended December 31, 2022 can be summarized as follows:

**Governmental Activities**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable - Other debt:					
General obligations	\$ 13,250,000	\$ -	\$ (2,105,000)	\$ 11,145,000	\$ 2,265,000
Special assessment bonds	135,000	-	(45,000)	90,000	45,000
Issuance premium	84,326	-	(84,326)	-	-
Total bonds payable	13,469,326	-	(2,234,326)	11,235,000	2,310,000
Estimated self-insurance claims	60	188,567	(70,416)	118,211	118,211
Accumulated compensated absences	2,307,461	1,427,806	(1,314,006)	2,421,261	1,307,220
Total governmental activities	<u>\$ 15,776,847</u>	<u>\$ 1,616,373</u>	<u>\$ (3,618,748)</u>	<u>\$ 13,774,472</u>	<u>\$ 3,735,431</u>

December 31, 2022

**Note 9 - Long-term Debt (Continued)**

**Business-type Activities**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Direct borrowings and direct placements - State revolving loan - EPA loan	\$ 926,805	\$ -	\$ (75,000)	\$ 851,805	\$ 75,000
Other debt:					
General obligation	2,475,000	-	(395,000)	2,080,000	420,000
Issuance premium	95,174	-	(15,862)	79,312	-
Total bonds payable	3,496,979	-	(485,862)	3,011,117	495,000
Accumulated compensated absences	206,266	157,458	(135,006)	228,718	135,006
Total business-type activities	<u>\$ 3,703,245</u>	<u>\$ 157,458</u>	<u>\$ (620,868)</u>	<u>\$ 3,239,835</u>	<u>\$ 630,006</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 of \$10,250 in 2020 and an additional \$395,311 in 2021. The loan is not payable for five years, does not incur interest, and has a maximum balance of \$460,000. Therefore, the outstanding balance of the loan at December 31, 2022 is \$405,561 with no amount due within one year.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Direct borrowings and direct placements - EPA loan	\$ 405,561	\$ -	\$ -	\$ 405,561	\$ -
Other debt:	12,000,000	-	(140,000)	11,860,000	155,000
Issuance premium	135,843	-	(6,175)	129,668	-
Total bonds payable	<u>\$ 12,541,404</u>	<u>\$ -</u>	<u>\$ (146,175)</u>	<u>\$ 12,395,229</u>	<u>\$ 155,000</u>

**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 and component units. 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, 2022

**Note 9 - Long-term Debt (Continued)**

Description	Amount
<b>Governmental Activities</b>	
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%	\$ 10,110,000
2012 Refunding Limited Tax General Obligation Bonds: Amount of issue - \$9,115,000 Maturing through 2023 Interest rate 2.00% - 4.00%	1,035,000
Special assessment bonds -	
2009 Special Assessment Limited Tax Bonds: Amount of issue - \$625,000 Maturing through 2024 Interest rate 3.10% - 5.00%	90,000
Total governmental activities	\$ 11,235,000
<b>Business-type Activities</b>	
General obligations:	
Drinking Water Revolving Fund Project #7299-01: Amount of issue - \$1,664,907 Maturing through 2032 Interest rate 2.50%	\$ 851,805
2009 General Obligation Bonds: Amount of issue - \$1,125,000 Maturing through 2024 Interest rate 3.25% - 4.50%	250,000
2015 Refunding Limited Tax General Obligation Bonds: Amount of issue - \$3,565,000 Maturing through 2027 Interest rate 2.00% - 3.50%	1,830,000
Total business-type activities	\$ 2,931,805
<b>Component Units</b>	
General obligations -	
Tax Increment Bonds, Series 2021: Amount of issue - \$12,000,000 Maturing through 2043 Interest rate: 2.00% - 4.00% (True interest cost of 2.49%)	\$ 11,860,000

December 31, 2022

**Note 9 - Long-term Debt (Continued)**

**Debt Service Requirements to Maturity**

Total interest expense for the year was approximately \$938,000. 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
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	1,470,000	230,536	1,700,536	80,000	15,545	380,000	19,475	495,020
2027	1,545,000	167,060	1,712,060	85,000	13,545	380,000	6,650	485,195
2028-2032	3,195,000	135,900	3,330,900	456,805	34,976	-	-	491,781
2033-2037	-	-	-	-	-	-	-	-
2038-2042	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 11,235,000</b>	<b>\$ 1,593,498</b>	<b>\$ 12,828,498</b>	<b>\$ 851,805</b>	<b>\$ 122,326</b>	<b>\$ 2,080,000</b>	<b>\$ 170,675</b>	<b>\$ 3,224,806</b>

Years Ending December 31	Component Unit Activities				
	Direct Borrowings and Direct Placements		Other Debt		
	Principal	Interest	Principal*	Interest	Total
2023	\$ -	\$ -	\$ 155,000	\$ 288,293	\$ 443,293
2024	-	-	165,000	282,668	447,668
2025	405,561	-	180,000	276,668	862,229
2026	-	-	195,000	270,068	465,068
2027	-	-	210,000	261,968	471,968
2028-2032	-	-	3,110,000	1,153,888	4,263,888
2033-2037	-	-	4,145,000	696,293	4,841,293
2038-2042	-	-	3,010,000	301,304	3,311,304
2043	-	-	690,000	9,488	699,488
<b>Total</b>	<b>\$ 405,561</b>	<b>\$ -</b>	<b>\$ 11,860,000</b>	<b>\$ 3,540,638</b>	<b>\$ 15,806,199</b>

\*Principal balance excludes the issuance premiums of \$79,312 and \$129,668 for business-type activities and component units, respectively.

**Repayment of Refunding Bonds**

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, 2022 is \$84,456.

**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, 2022, \$1,900,000 of bonds outstanding is considered to be defeased.

**Note 9 - Long-term Debt (Continued)**

***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 \$94,275. During the current year, net revenue of the SAD was \$26,670. In 2022, the Township paid \$45,000 and \$5,344 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, 2022, the interest subsidy was \$118,855.

**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.

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:

	2022	2021
Estimated liability - Beginning of year	\$ 60	\$ 3,050
Estimated incurred claims, including changes in estimates	188,567	12,634
Claim payments	(70,416)	(15,624)
Estimated liability - End of year	\$ 118,211	\$ 60

**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](http://www.mersofmichigan.com) or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

**Note 11 - Pension Plan (Continued)**

***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.

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.



December 31, 2022

**Note 11 - Pension Plan (Continued)**

**Employees Covered by Benefit Terms**

At the December 31, 2021 measurement date, the following members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	52
Inactive plan members entitled to but not yet receiving benefits	10
Active plan members	<u>103</u>
Total employees covered by the plan	<u><u>165</u></u>

**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, 2022, 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 \$1,764,793. Actual contributions made during the year ended December 31, 2022 were \$2,514,793.

**Net Pension Liability**

The net pension liability reported at December 31, 2022 was determined using a measure of the total pension liability and the pension net position as of December 31, 2021. The December 31, 2021 total pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at December 31, 2020</b>	\$ 57,986,768	\$ 55,898,610	\$ 2,088,158
Changes for the year:			
Service cost	1,257,369	-	1,257,369
Interest	4,360,403	-	4,360,403
Differences between expected and actual experience	1,030,081	-	1,030,081
Changes in assumptions	2,787,203	-	2,787,203
Contributions - Employer	-	2,830,843	(2,830,843)
Contributions - Employee	-	430,879	(430,879)
Net investment gain	-	7,584,043	(7,584,043)
Benefit payments, including refunds	(2,483,442)	(2,483,442)	-
Administrative expenses	-	(89,652)	89,652
Net changes	<u>6,951,614</u>	<u>8,272,671</u>	<u>(1,321,057)</u>
<b>Balance at December 31, 2021</b>	<u><u>\$ 64,938,382</u></u>	<u><u>\$ 64,171,281</u></u>	<u><u>\$ 767,101</u></u>

Included in the net pension liability is \$712,532 related to governmental activities and \$54,569 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.

December 31, 2022

**Note 11 - Pension Plan (Continued)**

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

For the year ended December 31, 2022, the Township recognized pension expense of \$2,309,532, of which \$2,145,243 is related to governmental activities and \$164,289 is related to business-type activities. At December 31, 2022, 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	\$ 3,138,260	\$ (98,545)
Changes in assumptions	4,689,438	-
Net difference between projected and actual earnings on pension plan investments	-	(4,604,752)
Employer contributions to the plan subsequent to the measurement date	2,514,793	-
Total	\$ 10,342,491	\$ (4,703,297)

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
2023	\$ 1,186,954
2024	138,885
2025	637,840
2026	524,507
2027	636,215
Total	\$ 3,124,401

These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date of \$2,514,793, which will impact the net pension liability in fiscal year 2023, rather than pension expense.

***Actuarial Assumptions***

The total pension liability in the December 31, 2021 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 7.25 percent. These assumptions were applied to all periods included in the measurement.

Mortality rates were based on the Pub-2010 Mortality Tables. The mortality assumptions include a margin for future mortality improvements using Scale MP-2019 applied fully generationally from the Pub-2010 base year of 2010.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.25 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.

**Note 11 - Pension Plan (Continued)**

***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.

***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, 2021, 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 %	4.50 %
Global fixed income	20.00	2.00
Private investments	20.00	7.00

***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 7.25 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 (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability (asset) of the Township	\$ 9,903,562	\$ 767,101	\$ (6,720,025)

***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***

For the December 31, 2021 valuation, the discount rate and investment rate of return was reduced from 7.60 to 7.25 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 \$39,595 during the current year.

**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.

The financial statements of the OPEB plan are included in these financial statements as a Retiree Health Care Trust Fund (a fiduciary fund). There are no separately issued financial statements of the OPEB plan.

Management of the plan is vested in the pension board, which consists of seven members - three elected by plan members, three appointed by the Township, and the Township treasurer, who serves as an ex-officio member.

***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 retirement age for clerical employees is age 55 with 15 years of service or age 50 with 20 years of service. 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, 2021, the date of the most recent actuarial valuation, the following members were covered by the benefit terms:

Active employees	106
Retirees and covered spouses	88
Total plan members	194

***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, 2022, contributions for postemployment health care benefits totaled \$1,041,983.

***Net OPEB Liability***

The Township has chosen to use the December 31 measurement date as its measurement date for the net OPEB liability. The December 31, 2022 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability as of that date.

December 31, 2022

**Note 13 - Other Postemployment Benefit Plan (Continued)**

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

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
<b>Balance at January 1, 2022</b>	\$ 12,045,623	\$ 11,163,699	\$ 881,924
Changes for the year:			
Service cost	356,890	-	356,890
Interest	832,084	-	832,084
Changes in benefits	66,160	-	66,160
Differences between expected and actual experience	131,693	-	131,693
Changes in assumptions	29,833	-	29,833
Contributions - Employer	-	1,041,983	(1,041,983)
Net investment loss	-	(1,471,043)	1,471,043
Benefit payments, including refunds	(674,316)	(674,316)	-
Net changes	742,344	(1,103,376)	1,845,720
<b>Balance at December 31, 2022</b>	<u>\$ 12,787,967</u>	<u>\$ 10,060,323</u>	<u>\$ 2,727,644</u>

The plan's fiduciary net position represents 78.67 percent of the total OPEB liability.

Included in the net OPEB liability is \$2,521,754 related to governmental activities and \$205,890 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, 2022, the Township recognized OPEB expense of \$1,073,154, of which \$992,148 is related to governmental activities and \$81,006 is related to business-type activities.

At December 31, 2022, 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	\$ 1,365,296	\$ -
Changes in assumptions	1,494,709	-
Net difference between projected and actual earnings on OPEB plan investments	972,141	-
Total	<u>\$ 3,832,146</u>	<u>\$ -</u>

**Note 13 - Other Postemployment Benefit Plan (Continued)**

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
2023	\$ 473,505
2024	664,726
2025	797,737
2026	925,374
2027	445,082
Thereafter	<u>525,722</u>
Total	<u>\$ 3,832,146</u>

**Actuarial Assumptions**

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using an inflation assumption of 2.5 percent; assumed salary increases (including inflation) of 3.00 percent; an investment rate of return (net of investment expenses) of 7.00 percent; and a health care cost trend rate of 7.25 percent for 2022, decreasing by 0.25 percent per year to an ultimate rate of 4.50 percent after 12 years. These assumptions were applied to all periods included in the measurement.

The Township's net OPEB liability was measured as of December 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022.

**Discount Rate**

The discount rate used to measure the total OPEB liability 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.

December 31, 2022

**Note 13 - Other Postemployment Benefit Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2022 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 table:

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 Liability to Changes in the Discount Rate**

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

	1 Percentage Point Decrease (6.00%)	Current Discount Rate (7.00%)	1 Percentage Point Increase (8.00%)
Net OPEB liability of the Northville Township Retiree Health Care Plan	\$ 4,112,222	\$ 2,727,644	\$ 1,508,541

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

The following presents the net OPEB liability of the Township, calculated using the health care cost trend rate of 7.25 percent, as well as what the Township's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Health Care Cost Trend Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net OPEB liability of the Northville Township Retiree Health Care Plan	\$ 1,289,847	\$ 2,727,644	\$ 4,426,088

**December 31, 2022**

**Note 13 - Other Postemployment Benefit Plan (Continued)**

***OPEB Plan Fiduciary Net Position***

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the 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, 2022, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was (13.46) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Assumption Changes***

The immediate medical trend rate was decreased from 7.50 percent to 7.25 percent.

**Note 14 - Joint Ventures**

***Western Township Utilities Authority***

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 \$3,446,022 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.

***Northville Parks and Recreation Commission***

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 \$1,011,228 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.

***MITC Redevelopment Authority***

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.



December 31, 2022

### 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.

The combined authority will create one or more brownfield plans for the purpose of capturing tax increment revenue 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.

During 2022, Northville Township entered into a land bank agreement with the State Land Bank Authority to transfer three vacant parcels into the State Land Bank. These three parcels reside within the MITC corridor. Although the Township retains the rights of ownership, the transfer will allow MITC to capture for infrastructure improvements once the parcels are sold and developed. The eligibility of these financial incentives will enhance both the value and marketability of the land.

**December 31, 2022**

**Note 14 - Joint Ventures (Continued)**

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	\$ -	\$ 29,078,335	\$ 29,078,335
Northville Parks and Recreation Commission	4,396,642	-	4,396,642
Total	<u>\$ 4,396,642</u>	<u>\$ 29,078,335</u>	<u>\$ 33,474,977</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, 2022, the Township abated \$34,131 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, 2022, the Township captured \$2,680,698 of tax increment revenue (approximately \$465,000 from township levies) 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, beginning with the summer 2020 capture. As of December 31, 2022, the Township has been paid \$2,697,277. 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, 2022**

**Note 17 - Fund Balance Constraints**

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

	General Fund	Public Safety Fund	Capital Projects Fund	Nonmajor Funds	Total
Nonspendable - Prepaids	\$ 59,245	\$ 358,584	\$ -	\$ 241,450	\$ 659,279
Restricted:					
Drug forfeiture	-	616,848	-	-	616,848
Police and fire operations	-	12,080,456	-	-	12,080,456
Debt service	-	-	-	3,648,135	3,648,135
Youth assistance	-	-	-	209,791	209,791
Parks, recreation, and senior services	-	-	-	1,504,323	1,504,323
Construction code fees	1,058,131	-	-	-	1,058,131
Metro Act funds	-	-	148,495	-	148,495
Total restricted	1,058,131	12,697,304	148,495	5,362,249	19,266,179
Assigned:					
Debt service	-	-	-	488,932	488,932
Tree plantings and replacement	-	-	-	493,552	493,552
Pathway construction	-	-	500,000	-	500,000
Other capital projects	-	-	1,147,726	-	1,147,726
Facility replacement reserve	-	-	1,500,000	-	1,500,000
Gun range	-	-	500,000	-	500,000
Michigan International Technology Center	-	-	500,000	-	500,000
Legacy Park	1,500,000	-	1,000,000	-	2,500,000
Farmers Market	2,500,000	-	-	-	2,500,000
Essential Services building	3,000,000	-	3,000,000	-	6,000,000
Total assigned	7,000,000	-	8,147,726	982,484	16,130,210
Unassigned	8,834,198	-	-	-	8,834,198
Total fund balances	<u>\$ 16,951,574</u>	<u>\$ 13,055,888</u>	<u>\$ 8,296,221</u>	<u>\$ 6,586,183</u>	<u>\$ 44,889,866</u>

**Note 18 - Leases**

The Township leases certain assets to various third parties. The assets leased include land for wireless communications towers. Payments are generally fixed monthly.

During the year ended December 31, 2022, the Township recognized the following related to its lessor agreements:

Lease revenue	\$ 27,425
Interest income related to its leases	33,914

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## Required Supplemental Information

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**Charter Township of Northville**

Required Supplemental Information  
Budgetary Comparison Schedule  
General Fund

**Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 1,822,000	\$ 1,822,000	\$ 1,834,123	\$ 12,123
Intergovernmental - State sources	2,792,500	3,492,500	4,022,649	530,149
Building department	720,100	1,070,100	1,328,007	257,907
Net investment income:				
Investment earnings	-	-	237,638	237,638
Lease revenue	-	-	27,425	27,425
Other revenue	989,461	989,461	1,540,075	550,614
<b>Total revenue</b>	<b>6,324,061</b>	<b>7,374,061</b>	<b>8,989,917</b>	<b>1,615,856</b>
<b>Expenditures</b>				
Current services:				
General government:				
Legislative	1,306,034	1,475,034	1,368,399	106,635
Facility operations	708,470	761,547	741,523	20,024
Information technology and communications	455,147	430,692	390,918	39,774
Treasurer	1,098,436	1,161,609	1,108,757	52,852
Clerk	698,784	739,784	679,496	60,288
Public safety	427,634	430,634	429,155	1,479
Community and Economic Development	376,666	376,666	316,048	60,618
Transfers out	1,754,150	2,609,150	2,609,150	-
<b>Total expenditures</b>	<b>6,825,321</b>	<b>7,985,116</b>	<b>7,643,446</b>	<b>341,670</b>
<b>Net Change in Fund Balance</b>	<b>(501,260)</b>	<b>(611,055)</b>	<b>1,346,471</b>	<b>1,957,526</b>
<b>Fund Balance - Beginning of year</b>	<b>15,605,103</b>	<b>15,605,103</b>	<b>15,605,103</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 15,103,843</b>	<b>\$ 14,994,048</b>	<b>\$ 16,951,574</b>	<b>\$ 1,957,526</b>

## Charter Township of Northville

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

**Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 15,092,000	\$ 15,092,000	\$ 15,220,655	\$ 128,655
Intergovernmental:				
Federal sources	982,950	982,950	161,945	(821,005)
State sources	35,000	35,000	52,432	17,432
Licensing and enforcement	917,280	917,280	997,299	80,019
Fines and forfeitures	3,600	3,600	1,709	(1,891)
Net investment income	-	-	194,683	194,683
Other revenue	278,000	278,000	1,061,205	783,205
Total revenue	17,308,830	17,308,830	17,689,928	381,098
<b>Expenditures - Public safety</b>	16,693,905	16,755,053	15,346,340	1,408,713
<b>Excess of Revenue Over Expenditures</b>	614,925	553,777	2,343,588	1,789,811
<b>Other Financing Sources - Proceeds from sale of capital assets</b>	-	-	32,091	32,091
<b>Net Change in Fund Balance</b>	614,925	553,777	2,375,679	1,821,902
<b>Fund Balance - Beginning of year</b>	10,680,209	10,680,209	10,680,209	-
<b>Fund Balance - End of year</b>	<b><u>\$ 11,295,134</u></b>	<b><u>\$ 11,233,986</u></b>	<b><u>\$ 13,055,888</u></b>	<b><u>\$ 1,821,902</u></b>

# Charter Township of Northville

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

**Last Eight Plan Fiscal Years  
(Built Prospectively from 2014)\***

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>								
Service cost	\$ 1,257,369	\$ 1,141,964	\$ 1,156,144	\$ 1,209,059	\$ 1,167,519	\$ 1,097,887	\$ 1,084,463	\$ 1,032,663
Interest	4,360,403	3,904,813	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	1,030,081	1,368,047	2,468,759	(295,636)	191,721	550,696	1,085,292	-
Changes in assumptions	2,787,203	1,933,208	2,155,927	-	-	-	2,038,650	-
Benefit payments, including refunds	(2,483,442)	(2,338,792)	(1,990,334)	(1,822,691)	(1,723,468)	(1,537,124)	(1,235,557)	(1,151,510)
<b>Net Change in Total Pension Liability</b>	6,951,614	6,009,240	7,329,010	(3,508,869)	3,209,374	3,416,416	5,884,317	2,602,449
<b>Total Pension Liability - Beginning of year</b>	57,986,768	51,977,528	44,648,518	48,157,387	44,948,013	41,531,597	35,647,280	33,044,831
<b>Total Pension Liability - End of year</b>	<b>\$ 64,938,382</b>	<b>\$ 57,986,768</b>	<b>\$ 51,977,528</b>	<b>\$ 44,648,518</b>	<b>\$ 48,157,387</b>	<b>\$ 44,948,013</b>	<b>\$ 41,531,597</b>	<b>\$ 35,647,280</b>
<b>Plan Fiduciary Net Position</b>								
Contributions - Employer	\$ 2,830,843	\$ 2,727,267	\$ 901,674	\$ 9,806,034	\$ 2,452,391	\$ 2,631,259	\$ 2,517,489	\$ 2,959,247
Contributions - Member	430,879	697,510	983,421	247,738	445,107	231,113	201,851	134,582
Net investment income (loss)	7,584,043	6,968,376	5,767,487	(1,650,952)	4,124,310	3,059,182	(394,527)	1,424,260
Administrative expenses	(89,652)	(97,571)	(99,323)	(72,426)	(65,096)	(60,333)	(56,750)	(52,913)
Benefit payments, including refunds	(2,483,442)	(2,338,792)	(1,990,334)	(1,822,691)	(1,723,468)	(1,537,124)	(1,235,557)	(1,151,510)
<b>Net Change in Plan Fiduciary Net Position</b>	8,272,671	7,956,790	5,562,925	6,507,703	5,233,244	4,324,097	1,032,506	3,313,666
<b>Plan Fiduciary Net Position - Beginning of year</b>	55,898,610	47,941,820	42,378,895	35,871,192	30,637,948	26,313,851	25,281,345	21,967,679
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 64,171,281</b>	<b>\$ 55,898,610</b>	<b>\$ 47,941,820</b>	<b>\$ 42,378,895</b>	<b>\$ 35,871,192</b>	<b>\$ 30,637,948</b>	<b>\$ 26,313,851</b>	<b>\$ 25,281,345</b>
<b>Township's Net Pension Liability - Ending</b>	<b>\$ 767,101</b>	<b>\$ 2,088,158</b>	<b>\$ 4,035,708</b>	<b>\$ 2,269,623</b>	<b>\$ 12,286,195</b>	<b>\$ 14,310,065</b>	<b>\$ 15,217,746</b>	<b>\$ 10,365,935</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	98.82 %	96.40 %	92.24 %	94.92 %	74.49 %	68.16 %	63.36 %	70.92 %
<b>Covered Payroll</b>	\$ 9,845,240	\$ 9,138,203	\$ 8,921,421	\$ 8,217,324	\$ 8,007,361	\$ 7,534,853	\$ 7,639,502	\$ 7,271,632
<b>Township's Net Pension Liability as a Percentage of Covered Payroll</b>	7.79 %	22.85 %	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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,764,793	\$ 1,532,313	\$ 926,775	\$ 901,674	\$ 1,999,234	\$ 2,086,065	\$ 1,778,342	\$ 1,819,343	\$ 1,653,870	\$ 1,482,852
Contributions in relation to the actuarially determined contribution	2,514,793	2,830,843	2,727,267	901,674	9,806,034	2,452,391	2,631,259	2,517,489	2,959,247	1,400,362
<b>Contribution Excess (Deficiency)</b>	<b>\$ 750,000</b>	<b>\$ 1,298,530</b>	<b>\$ 1,800,492</b>	<b>\$ -</b>	<b>\$ 7,806,800</b>	<b>\$ 366,326</b>	<b>\$ 852,917</b>	<b>\$ 698,146</b>	<b>\$ 1,305,377</b>	<b>\$ (82,490)</b>
<b>Covered Payroll</b>	\$ 10,305,013	\$ 9,845,240	\$ 9,138,203	\$ 8,921,421	\$ 8,217,324	\$ 8,007,361	\$ 7,534,853	\$ 7,639,502	\$ 7,271,632	\$ 6,978,674
<b>Contributions as a Percentage of Covered Payroll</b>	24.40 %	28.75 %	28.77 %	10.97 %	114.73 %	30.59 %	34.92 %	32.95 %	40.70 %	20.07 %

### 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 of payroll, closed
Remaining amortization period	14 years
Asset valuation method	5-year smoothed
Inflation	2.50 percent
Salary increase	3.00 percent
Investment rate of return	7.60 percent
Retirement age	Varies depending on plan adoption
Mortality	Pub-2010 Mortality Tables with margin for future mortality improvements using Scale MP-2019 applied fully generationally from the Pub-2010 base year of 2010
Other information	None



## Charter Township of Northville

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

	<b>Last Five Fiscal Years (Built Prospectively from 2018)*</b>				
	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>					
Service cost	\$ 356,890	\$ 209,756	\$ 199,655	\$ 173,441	\$ 167,172
Interest	832,084	635,729	610,951	503,288	493,165
Changes in benefit terms	66,160	(44,991)	-	131,851	-
Differences between expected and actual experience	131,693	846,710	-	1,099,302	-
Changes in assumptions	29,833	1,712,799	98,827	162,757	-
Benefit payments, including refunds	(674,316)	(582,697)	(538,308)	(553,134)	(484,554)
<b>Net Change in Total OPEB Liability</b>	742,344	2,777,306	371,125	1,517,505	175,783
<b>Total OPEB Liability - Beginning of year</b>	12,045,623	9,268,317	8,897,192	7,379,687	7,203,904
<b>Total OPEB Liability - End of year</b>	<b>\$ 12,787,967</b>	<b>\$ 12,045,623</b>	<b>\$ 9,268,317</b>	<b>\$ 8,897,192</b>	<b>\$ 7,379,687</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 1,041,983	\$ 450,190	\$ 457,060	\$ 1,228,740	\$ 428,130
Net investment (loss) income	(1,471,043)	1,331,103	1,276,131	1,445,209	(211,938)
Benefit payments, including refunds	(674,316)	(582,697)	(538,308)	(553,134)	(484,554)
<b>Net Change in Plan Fiduciary Net Position</b>	(1,103,376)	1,198,596	1,194,883	2,120,815	(268,362)
<b>Plan Fiduciary Net Position - Beginning of year</b>	11,163,699	9,965,103	8,770,220	6,649,405	6,917,767
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 10,060,323</b>	<b>\$ 11,163,699</b>	<b>\$ 9,965,103</b>	<b>\$ 8,770,220</b>	<b>\$ 6,649,405</b>
<b>Net OPEB Liability (Asset) - Ending</b>	<b>\$ 2,727,644</b>	<b>\$ 881,924</b>	<b>\$ (696,786)</b>	<b>\$ 126,972</b>	<b>\$ 730,282</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	78.67 %	92.68 %	107.52 %	98.57 %	90.10 %
<b>Covered Payroll</b>	\$ 9,443,240	\$ 8,513,890	\$ 8,473,900	\$ 8,969,831	\$ 8,645,620
<b>Net OPEB Liability as a Percentage of Covered Payroll</b>	28.88 %	10.36 %	(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 Contributions

**Last Ten Fiscal Years  
Years Ended December 31**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 457,057	\$ 226,377	\$ 218,628	\$ 205,380	\$ 198,891	\$ 231,376	\$ 221,412	\$ 446,989	\$ 437,318	\$ 428,063
Contributions in relation to the actuarially determined contribution	1,041,983	450,190	457,060	1,228,740	428,130	432,750	432,590	446,989	437,318	428,063
<b>Contribution Excess</b>	<b>\$ 584,926</b>	<b>\$ 223,813</b>	<b>\$ 238,432</b>	<b>\$ 1,023,360</b>	<b>\$ 229,239</b>	<b>\$ 201,374</b>	<b>\$ 211,178</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	\$ 9,443,240	\$ 8,513,890	\$ 8,473,900	\$ 8,969,831	\$ 8,645,620	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Contributions as a Percentage of Covered Payroll</b>	11.03 %	5.29 %	5.39 %	13.70 %	4.95 %	- %	- %	- %	- %	- %

Note: Prior to 2018, the annual required contribution was not based on a percentage of pay, but rather was a flat rate. Therefore, covered payroll amount for periods prior to 2018 are not shown.

### Notes to Schedule of 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 normal as a percentage of payroll
Amortization method	Level dollar
Remaining amortization period	18 years
Asset valuation method	Fair value
Inflation	2.50 percent
Health care cost trend rates	7.50 percent
Investment rate of return	7.00 percent
Mortality	Pub-2010 Mortality Tables with margin for future mortality improvements using Scale MP-2021 applied fully generationally from the Pub-2010 base year of 2010
Other information	None

**Charter Township of Northville**

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

**Last Six Fiscal Years  
Years Ended December 31**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	(13.46)%	13.72 %	14.84 %	21.94 %	(3.13)%	16.93 %

# Charter Township of Northville

## Notes to Required Supplemental Information

December 31, 2022

### ***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	\$ 8,989,917	\$ 5,034,296
Interfund transfers budgeted as revenue and expenditures	-	2,609,150
Amounts per budget statement	<u>\$ 8,989,917</u>	<u>\$ 7,643,446</u>

### ***Pension Information***

#### **Benefit Changes**

There were changes of benefit terms related to cost of living adjustment 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.

Beginning with the 2020 valuation, changes to the demographic assumptions were made as a result of an experience study being performed for the period from 2013 through 2018. The most notable change was that the mortality tables were updated to the Pub-2010 mortality tables. The valuation adopted new final average compensation load assumptions.

In the December 31, 2021 valuation, the investment rate of return assumption and discount rate were decreased from 7.60 percent to 7.25 percent.

***OPEB Information***

**Benefit Changes**

In the December 31, 2021 valuation, benefit terms were changed to recognize Act 88 and purchased service toward retirement eligibility and to correct eligibility for duty-related disability and death benefits to reflect no minimum age or service requirement.

In the December 31, 2022 valuation, benefit terms were changed to add additional retirement eligibility at age 50 with 20 years of service for clerical employees.

***Changes in Assumptions***

In the December 31, 2021 valuation, the assumed salary increase was decreased from 3.75 percent to 3.00 percent. The immediate medical trend rate was decreased from 8.25 percent to 7.50 percent, and the mortality improvement scale was updated from Scale MP-2019 to Scale MP-2021.

In the December 31, 2022 valuation, the immediate medical trend rate was decreased from 7.50 percent to 7.25 percent.

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## Other Supplemental Information

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# Charter Township of Northville

## Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds

**December 31, 2022**

	Special Revenue Funds		Debt Service Funds			Capital Project Fund		Total
	Youth Assistance Fund	Shared Services Fund	Edenderry Paving SAD Fund	2012 Refunding Debt Fund	Seven Mile Road Property Purchase Fund	Tree Fund		
<b>Assets</b>								
Cash and investments	\$ 214,997	\$ 2,007,283	\$ 28,613	\$ 488,932	\$ 3,797,506	\$ 486,106	\$ 7,023,437	
Receivables:								
Property taxes	-	1,444,110	-	-	694,503	-	2,138,613	
Special assessments	-	-	33,035	-	-	-	33,035	
Accrued interest receivable	-	5,508	-	-	11,234	1,446	18,188	
Other	6,671	50,000	-	-	107,243	6,000	169,914	
Due from other governmental units	-	5,955	-	-	5,107	-	11,062	
Prepaid items	-	241,450	-	-	-	-	241,450	
Total assets	<b>\$ 221,668</b>	<b>\$ 3,754,306</b>	<b>\$ 61,648</b>	<b>\$ 488,932</b>	<b>\$ 4,615,593</b>	<b>\$ 493,552</b>	<b>\$ 9,635,699</b>	
<b>Liabilities</b>								
Accounts payable	\$ 4,395	\$ 100,250	\$ -	\$ -	\$ 120	\$ -	\$ 104,765	
Due to other governmental units	-	8,123	-	-	-	-	8,123	
Accrued liabilities and other	3,520	-	-	-	-	-	3,520	
Unearned revenue	-	36,500	-	-	-	-	36,500	
Total liabilities	7,915	144,873	-	-	120	-	152,908	
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	-	33,035	-	-	-	33,035	
Property taxes levied for the following year	-	1,863,660	-	-	888,708	-	2,752,368	
Other deferred inflows	3,962	-	-	-	107,243	-	111,205	
Total deferred inflows of resources	3,962	1,863,660	33,035	-	995,951	-	2,896,608	
Total liabilities and deferred inflows of resources	11,877	2,008,533	33,035	-	996,071	-	3,049,516	
<b>Fund Balances</b>								
Nonspendable	-	241,450	-	-	-	-	241,450	
Restricted:								
Debt service	-	-	28,613	-	3,619,522	-	3,648,135	
Youth assistance	209,791	-	-	-	-	-	209,791	
Parks, recreation, and senior services	-	1,504,323	-	-	-	-	1,504,323	
Assigned:								
Debt service	-	-	-	488,932	-	-	488,932	
Tree plantings and replacement	-	-	-	-	-	493,552	493,552	
Total fund balances	209,791	1,745,773	28,613	488,932	3,619,522	493,552	6,586,183	
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 221,668</b>	<b>\$ 3,754,306</b>	<b>\$ 61,648</b>	<b>\$ 488,932</b>	<b>\$ 4,615,593</b>	<b>\$ 493,552</b>	<b>\$ 9,635,699</b>	

# Charter Township of Northville

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

**Year Ended December 31, 2022**

	Special Revenue Funds		Debt Service Funds			Capital Project Fund	Total
	Youth Assistance Fund	Shared Services Fund	Edenderry Paving SAD Fund	2012 Refunding Debt Fund	Seven Mile Road Property Purchase Fund	Tree Fund	
<b>Revenue</b>							
Property taxes	\$ -	\$ 1,788,082	\$ -	\$ -	\$ 1,573,430	\$ -	\$ 3,361,512
Intergovernmental	7,229	74,927	-	-	8,921	6,000	97,077
Net investment income	-	23,026	3,442	-	39,180	3,662	69,310
Other revenue	142,003	87,261	23,228	251,400	-	-	503,892
<b>Total revenue</b>	<b>149,232</b>	<b>1,973,296</b>	<b>26,670</b>	<b>251,400</b>	<b>1,621,531</b>	<b>9,662</b>	<b>4,031,791</b>
<b>Expenditures</b>							
Recreation and culture	159,360	1,459,787	-	-	-	14,000	1,633,147
Debt service	-	-	51,094	1,005,550	1,727,287	-	2,783,931
<b>Total expenditures</b>	<b>159,360</b>	<b>1,459,787</b>	<b>51,094</b>	<b>1,005,550</b>	<b>1,727,287</b>	<b>14,000</b>	<b>4,417,078</b>
<b>Excess of Revenue (Under) Over Expenditures</b>	<b>(10,128)</b>	<b>513,509</b>	<b>(24,424)</b>	<b>(754,150)</b>	<b>(105,756)</b>	<b>(4,338)</b>	<b>(385,287)</b>
<b>Other Financing Sources -</b>							
Transfers in	-	-	-	754,150	-	-	754,150
<b>Net Change in Fund Balances</b>	<b>(10,128)</b>	<b>513,509</b>	<b>(24,424)</b>	<b>-</b>	<b>(105,756)</b>	<b>(4,338)</b>	<b>368,863</b>
<b>Fund Balances - Beginning of year</b>	<b>219,919</b>	<b>1,232,264</b>	<b>53,037</b>	<b>488,932</b>	<b>3,725,278</b>	<b>497,890</b>	<b>6,217,320</b>
<b>Fund Balances - End of year</b>	<b>\$ 209,791</b>	<b>\$ 1,745,773</b>	<b>\$ 28,613</b>	<b>\$ 488,932</b>	<b>\$ 3,619,522</b>	<b>\$ 493,552</b>	<b>\$ 6,586,183</b>



**Charter Township of Northville**

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

**Year Ended December 31, 2022**

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
<b>Revenue</b>			
Intergovernmental	\$ -	\$ 7,229	\$ 7,229
Other revenue	127,540	142,003	14,463
Total revenue	127,540	149,232	21,692
<b>Expenditures - Recreation and culture</b>	160,016	159,360	656
<b>Net Change in Fund Balance</b>	(32,476)	(10,128)	22,348
<b>Fund Balance - Beginning of year</b>	219,919	219,919	-
<b>Fund Balance - End of year</b>	<u><u>\$ 187,443</u></u>	<u><u>\$ 209,791</u></u>	<u><u>\$ 22,348</u></u>

**Charter Township of Northville**

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

**Year Ended December 31, 2022**

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
<b>Revenue</b>			
Property taxes	\$ 1,773,000	\$ 1,788,082	\$ 15,082
Intergovernmental	-	74,927	74,927
Net investment income	-	23,026	23,026
Other revenue	8,000	87,261	79,261
	<u>1,781,000</u>	<u>1,973,296</u>	<u>192,296</u>
Total revenue	1,781,000	1,973,296	192,296
<b>Expenditures</b> - Recreation and culture	<u>1,656,056</u>	<u>1,459,787</u>	<u>196,269</u>
<b>Net Change in Fund Balance</b>	124,944	513,509	388,565
<b>Fund Balance</b> - Beginning of year	<u>1,232,264</u>	<u>1,232,264</u>	<u>-</u>
<b>Fund Balance</b> - End of year	<u><b>\$ 1,357,208</b></u>	<u><b>\$ 1,745,773</b></u>	<u><b>\$ 388,565</b></u>

**Charter Township of Northville**

Other Supplemental Information  
Balance Sheet  
Economic Development Corporation

**December 31, 2022**

	<u>Economic Development Corporation</u>
<b>Assets - Cash and investments</b>	\$ 1,103
Total assets	<u><u>\$ 1,103</u></u>
<b>Liabilities</b>	\$ -
<b>Fund Balance - Unassigned</b>	<u>1,103</u>
Total liabilities and fund balance	<u><u>\$ 1,103</u></u>

**Charter Township of Northville**

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Other Supplemental Information  
Statement of Revenue, Expenditures, and Changes in Fund Balance  
Economic Development Corporation

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**Year Ended December 31, 2022**

	Economic Development Corporation
<b>Expenditures</b>	<u>\$ -</u>
<b>Net Change in Fund Balance</b>	-
<b>Fund Balance - Beginning of year</b>	<u>1,103</u>
<b>Fund Balance - End of year</b>	<u><u>\$ 1,103</u></u>

# Charter Township of Northville

## Other Supplemental Information Statement of Net Position/Governmental Fund Balance Sheet Brownfield Redevelopment Authority

**December 31, 2022**

	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and investments	\$ 526,050	\$ -	\$ 526,050
Receivables - Taxes	1,167,428	-	1,167,428
Restricted cash	7,596,963	-	7,596,963
Capital assets - Net	-	869,587	869,587
	<b>\$ 9,290,441</b>	869,587	10,160,028
<b>Liabilities</b>			
Accounts payable	\$ 1,282,238	-	1,282,238
Due to other governmental units	130,836	-	130,836
Accrued liabilities and other	22,249	72,654	94,903
Noncurrent liabilities:			
Due within one year - Current portion of long-term debt	-	155,000	155,000
Due in more than one year - Long-term debt	-	12,240,229	12,240,229
	1,435,323	12,467,883	13,903,206
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	1,167,428	-	1,167,428
	2,602,751	12,467,883	15,070,634
<b>Fund Balance</b>			
Restricted	6,314,725	(6,314,725)	-
Unassigned	372,965	(372,965)	-
	6,687,690	(6,687,690)	-
Total liabilities, deferred inflows of resources, and fund balance	<b>\$ 9,290,441</b>		
<b>Net Position (Deficit)</b>			
Net investment in capital assets		464,026	464,026
Unrestricted		(5,374,632)	(5,374,632)
		<b>\$ (4,910,606)</b>	<b>\$ (4,910,606)</b>

## Charter Township of Northville

### Other Supplemental Information Statement of Revenue, Expenditures, and Changes in Fund Balance/Statement of Activities Brownfield Redevelopment Authority

Year Ended December 31, 2022

	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
<b>Revenue</b>			
Property taxes	\$ 2,680,698	\$ -	\$ 2,680,698
Net investment income	156,141	-	156,141
Total revenue	2,836,839	-	2,836,839
<b>Expenditures</b>			
Current services	1,996,878	-	1,996,878
Capital outlay	5,645,236	-	5,645,236
Debt service:			
Principal	140,000	(140,000)	-
Interest and fiscal charges	237,849	20,209	258,058
Total expenditures	8,019,963	(119,791)	7,900,172
<b>Excess of Expenditures Over Revenue</b>	<b>(5,183,124)</b>	<b>119,791</b>	<b>(5,063,333)</b>
<b>Net Change in Fund Balance/Net Position</b>	<b>(5,183,124)</b>	<b>119,791</b>	<b>(5,063,333)</b>
<b>Fund Balance/Net Position - Beginning of year</b>	<b>11,870,814</b>	<b>(11,718,087)</b>	<b>152,727</b>
<b>Fund Balance/Net Position (Deficit) - End of year</b>	<b>\$ 6,687,690</b>	<b>\$ (11,598,296)</b>	<b>\$ (4,910,606)</b>

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## Statistical Section

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# 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

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	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Governmental Activities:</b>				
Net investment in capital assets	\$ 24,441,185	\$ 25,741,191	\$ 27,791,289	\$ 29,110,146
Restricted	7,352,257	5,641,118	6,891,613	8,653,806
Unrestricted	11,144,529	14,770,526	8,041,009	15,362,234
Total net position	<b>\$ 42,937,971</b>	<b>\$ 46,152,835</b>	<b>\$ 42,723,911</b>	<b>\$ 53,126,186</b>
<b>Business Type Activities:</b>				
Net investment in capital assets	\$ 46,098,141	\$ 46,582,470	\$ 46,295,825	\$ 45,593,094
Restricted	-	-	-	-
Unrestricted	34,320,753	33,951,924	34,966,807	36,897,950
Total net position	<b>\$ 80,418,894</b>	<b>\$ 80,534,394</b>	<b>\$ 81,262,632</b>	<b>\$ 82,491,044</b>
<b>Primary government in total:</b>				
Net investment in capital assets	\$ 70,539,326	\$ 72,323,661	\$ 74,087,114	\$ 74,703,240
Restricted	7,352,257	5,641,118	6,891,613	8,653,806
Unrestricted	45,465,282	48,722,450	43,007,816	52,260,184
Total net position	<b>\$ 123,356,865</b>	<b>\$ 126,687,229</b>	<b>\$ 123,986,543</b>	<b>\$ 135,617,230</b>

Source: Township's annual financial statements

## Net Position by Component

Last Ten Fiscal Years

December 31, 2022

(Unaudited)

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 31,414,490	\$ 42,377,681	\$ 45,059,020	\$ 46,851,756	\$ 48,240,367	\$ 55,591,562
10,377,739	8,895,456	10,810,720	13,224,232	16,548,604	19,899,248
18,638,232	12,991,218	21,092,298	25,451,269	30,523,019	32,795,738
<b>\$ 60,430,461</b>	<b>\$ 64,264,355</b>	<b>\$ 76,962,038</b>	<b>\$ 85,527,257</b>	<b>\$ 95,311,990</b>	<b>\$ 108,286,548</b>
\$ 45,915,955	\$ 45,321,290	\$ 44,738,092	\$ 44,290,283	\$ 44,174,684	\$ 45,033,722
-	-	-	-	-	-
40,634,504	45,824,024	51,972,564	57,530,085	61,748,742	63,386,320
<b>\$ 86,550,459</b>	<b>\$ 91,145,314</b>	<b>\$ 96,710,656</b>	<b>\$ 101,820,368</b>	<b>\$ 105,923,426</b>	<b>\$ 108,420,042</b>
\$ 77,330,445	\$ 87,698,971	\$ 89,797,112	\$ 91,142,039	\$ 92,415,051	\$ 100,625,284
10,377,739	8,895,456	10,810,720	13,224,232	16,548,604	19,899,248
59,272,736	58,815,242	73,064,862	82,981,354	92,271,761	96,182,058
<b>\$ 146,980,920</b>	<b>\$ 155,409,669</b>	<b>\$ 173,672,694</b>	<b>\$ 187,347,625</b>	<b>\$ 201,235,416</b>	<b>\$ 216,706,590</b>

## Charter Township of Northville

	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Expenses:</b>				
General government	\$ 2,653,730	\$ 2,854,999	\$ 3,433,997	\$ 3,709,606
Public safety:				
Police and fire	11,108,991	11,157,575	11,073,853	11,957,837
Building department	558,867	574,795	642,982	558,062
Community & economic development	186,797	186,394	217,583	3,654,250
Recreation and culture	1,833,427	1,436,843	1,587,317	1,499,753
Interest on long-term debt	<u>1,182,782</u>	<u>1,118,780</u>	<u>1,061,054</u>	<u>999,369</u>
Total governmental activities	<u>17,524,594</u>	<u>17,329,386</u>	<u>18,016,786</u>	<u>22,378,877</u>
<b>Program revenues:</b>				
Charges for services				
General government	980,963	836,203	867,597	957,220
Public safety:				
Police and fire	1,321,420	1,191,650	1,234,197	1,304,376
Building department	1,181,220	1,051,596	1,135,386	999,861
Community & economic development	254,269	148,868	114,522	138,014
Recreation and culture	<u>142,802</u>	<u>135,413</u>	<u>63,298</u>	<u>442,547</u>
Total charges for services	3,880,674	3,363,730	3,415,000	3,842,018
Operating grants and contributions	620,958	696,401	569,297	421,855
Capital grants and contributions	<u>17,451</u>	<u>244,931</u>	<u>245,651</u>	<u>155,762</u>
Total program revenue	<u>4,519,083</u>	<u>4,305,062</u>	<u>4,229,948</u>	<u>4,419,635</u>
Net (expense) revenue	<u>(13,005,511)</u>	<u>(13,024,324)</u>	<u>(13,786,838)</u>	<u>(17,959,242)</u>
General revenues:				
Property taxes	12,104,998	12,941,502	16,222,225	16,713,080
State-shared revenues	2,118,456	2,214,975	2,219,929	2,281,802
Unrestricted investment earnings/(loss)	(36,777)	124,336	79,256	87,050
Gain or loss on sales of assets	53,659	64,617	7,197	8,514,323
Miscellaneous	<u>54,514</u>	<u>893,758</u>	<u>532,555</u>	<u>765,262</u>
Total general revenues	14,294,850	16,239,188	19,061,162	28,361,517
Transfers	-	-	-	-
Change in net position	<u>\$ 1,289,339</u>	<u>\$ 3,214,864</u>	<u>\$ 5,274,324</u>	<u>\$ 10,402,275</u>
	<u>\$ (1,741,493)</u>	<u>\$ 115,500</u>	<u>\$ 1,582,824</u>	<u>\$ 1,228,412</u>

Source: Township's annual financial statements

## Changes in Governmental Net Position

Last Ten Fiscal Years

December 31, 2022

(Unaudited)

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 3,421,527	\$ 3,051,711	\$ 2,279,440	\$ 3,636,956	\$ 3,626,493	\$ 4,388,943
12,199,157	13,369,529	9,601,064	15,169,219	13,867,355	16,293,745
554,962	599,594	631,644	505,532	450,454	419,078
311,904	702,317	608,377	228,294	228,459	514,214
1,663,267	1,164,707	1,577,654	1,099,097	1,229,765	1,303,032
<u>1,042,526</u>	<u>838,687</u>	<u>727,041</u>	<u>639,431</u>	<u>543,725</u>	<u>571,527</u>
<u>19,193,343</u>	<u>19,726,545</u>	<u>15,425,220</u>	<u>21,278,529</u>	<u>19,946,251</u>	<u>23,490,539</u>
1,114,059	585,042	583,131	619,893	591,430	569,069
1,261,022	1,157,736	1,132,800	1,086,007	1,021,044	1,249,398
1,414,821	1,654,299	1,440,917	1,133,441	1,621,548	1,328,007
278,375	266,761	116,405	63,068	104,278	120,919
407,794	287,226	1,104,090	758,571	632,776	-
4,476,071	3,951,064	4,377,343	3,660,980	3,971,076	3,267,393
716,885	297,130	572,470	1,890,453	508,520	502,075
105,687	304,249	120,906	227,102	-	5,645,236
<u>5,298,643</u>	<u>4,552,443</u>	<u>5,070,719</u>	<u>5,778,535</u>	<u>4,479,596</u>	<u>9,414,704</u>
<u>(13,894,700)</u>	<u>(15,174,102)</u>	<u>(10,354,501)</u>	<u>(15,499,994)</u>	<u>(15,466,655)</u>	<u>(14,075,835)</u>
17,027,702	18,305,872	19,199,346	20,370,481	20,377,918	20,416,290
2,470,135	2,527,787	2,633,619	2,626,793	3,047,338	4,031,570
189,036	702,837	82,630	-	21,326	619,216
1,018,264	250,977	747,423	161,328	-	-
493,838	877,815	389,166	906,611	1,804,806	1,983,317
21,198,975	22,665,288	23,052,184	24,065,213	25,251,388	27,050,393
-	-	-	-	-	-
<u>\$ 7,304,275</u>	<u>\$ 7,491,186</u>	<u>\$ 12,697,683</u>	<u>\$ 8,565,219</u>	<u>\$ 9,784,733</u>	<u>\$ 12,974,558</u>
<u>\$ 4,059,415</u>	<u>\$ 5,089,864</u>	<u>\$ 5,565,342</u>	<u>\$ 5,109,712</u>	<u>\$ 4,103,058</u>	<u>\$ 2,496,616</u>

## Charter Township of Northville

	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Operating Revenue				
Water and sewer	\$ 10,548,452	\$ 10,371,892	\$ 13,289,726	\$ 14,986,362
Solid waste	1,220,996	1,231,692	1,240,316	205,373
Total operating revenue	11,769,448	11,603,584	14,530,042	15,191,735
Operating Expenses				
Water and sewer	14,695,035	13,909,882	14,780,896	15,949,475
Solid waste	934,679	1,133,997	1,145,022	269,639
Total operating expenses	15,629,714	15,043,879	15,925,918	16,219,114
Operating Income (Loss)	(3,860,266)	(3,440,295)	(1,395,876)	(1,027,379)
Nonoperating Revenue (Expenses)				
Investment income	(831,373)	985,622	406,748	288,425
Interest expense	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Income (Loss) - Before contributions and other items	(4,691,639)	(2,454,673)	(989,128)	(738,954)
Operating grants and contributions	-	-	-	-
Capital grants and contributions	2,950,146	2,570,173	2,571,952	1,967,366
Total capital contributions	2,950,146	2,570,173	2,571,952	1,967,366
Transfers to other funds	-	-	-	-
Change in Net Position, business type	(1,741,493)	115,500	1,582,824	1,228,412
<b>Primary government in total:</b>				
Primary government revenue	\$ 32,702,154	\$ 35,703,629	\$ 40,799,852	\$ 50,228,678
Primary government expense	33,154,308	32,373,265	33,942,704	38,597,991
Total Primary government Change in Net Position	<b>\$ (452,154)</b>	<b>\$ 3,330,364</b>	<b>\$ 6,857,148</b>	<b>\$ 11,630,687</b>

Source: Township's annual financial statements

## Changes in Business Type Net Position

Last Ten Fiscal Years

December 31, 2022

(Unaudited)

As of December 31,					
2017	2018	2019	2020	2021	2022
\$ 15,858,043	\$ 15,354,365	\$ 14,802,478	\$ 16,698,964	\$ 15,259,102	\$ 15,165,072
-	-	-	-	-	-
15,858,043	15,354,365	14,802,478	16,698,964	15,259,102	15,165,072
15,623,629	14,098,164	12,783,088	13,510,540	13,619,074	13,951,798
93,448	523,999	-	-	-	-
15,717,077	14,622,163	12,783,088	13,510,540	13,619,074	13,951,798
140,966	732,202	2,019,390	3,188,424	1,640,028	1,213,274
120,968	264,425	550,181	274,267	(16,483)	(31,365)
-	-	-	-	-	-
-	-	-	-	2,500	45,186
261,934	996,627	2,569,571	3,462,691	1,626,045	1,227,095
-	-	-	-	-	-
3,797,481	4,093,237	2,995,771	1,647,021	2,477,013	1,269,521
3,797,481	4,093,237	2,995,771	1,647,021	2,477,013	1,269,521
-	-	-	-	-	-
4,059,415	5,089,864	5,565,342	5,109,712	4,103,058	2,496,616
\$ 46,274,110	\$ 46,929,758	\$ 46,471,333	\$ 48,464,000	\$ 47,453,116	\$ 52,913,511
34,910,420	34,348,708	28,208,308	34,789,069	33,565,325	37,442,337
<b>\$ 11,363,690</b>	<b>\$ 12,581,050</b>	<b>\$ 18,263,025</b>	<b>\$ 13,674,931</b>	<b>\$ 13,887,791</b>	<b>\$ 15,471,174</b>

## Charter Township of Northville

	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund:				
Nonspendable:				
Prepays	\$ 39,012	\$ 24,955	\$ 28,931	\$ 24,980
Long-term receivable	960,111	816,853	673,595	530,338
Restricted - Contributions and donations	5,125	6,225	6,225	-
Assigned	-	-	-	-
Unassigned	<u>5,752,961</u>	<u>7,036,145</u>	<u>8,458,234</u>	<u>10,080,957</u>
Total general fund	<u>6,757,209</u>	<u>7,884,178</u>	<u>9,166,985</u>	<u>10,636,275</u>
All other governmental funds:				
Nonspendable:				
Prepays	-	81,243	108,660	95,178
Restricted:				
Parks, recreation, and cultural services	1,097,614	811,017	841,876	925,335
Debt service	1,207,110	431,690	390,854	486,429
Youth assistance	123,696	104,265	105,420	115,634
Drug forfeiture	1,455,089	1,339,507	1,249,549	1,312,353
Police and fire operations	2,862,861	2,356,783	3,758,701	5,502,085
Special operations	54,433	26,833	20,864	15,806
Conrad charitable trust	33,115	41,601	23,177	2,678
Metro act funds	-	-	-	-
Road improvements	-	-	-	-
Committed - Tree plantings & replacement	-	-	-	321,574
Assigned	551,014	1,508,423	1,650,392	7,271,314
Unassigned	-	-	-	-
Total all other governmental funds	<u>7,384,932</u>	<u>6,701,362</u>	<u>8,149,493</u>	<u>16,048,386</u>
Total of all governmental funds	<u><b>\$ 14,142,141</b></u>	<u><b>\$ 14,585,540</b></u>	<u><b>\$ 17,316,478</b></u>	<u><b>\$ 26,684,661</b></u>

Source: Township's annual financial statements

## Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2022

(Unaudited)

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 5,373	\$ 95,944	\$ 90,917	\$ 104,648	\$ 75,146	\$ 59,245
387,080	243,822	128,822	13,822	-	-
-	-	-	-	461,670	1,058,131
-	-	-	2,551,401	6,000,000	7,000,000
<u>7,487,236</u>	<u>6,297,996</u>	<u>10,307,506</u>	<u>10,155,445</u>	<u>9,068,287</u>	<u>8,834,198</u>
<u>7,879,689</u>	<u>6,637,762</u>	<u>10,527,245</u>	<u>12,825,316</u>	<u>15,605,103</u>	<u>16,951,574</u>
18,616	327,873	327,573	348,874	259,594	600,034
945,533	1,059,775	776,166	846,467	1,232,264	1,504,323
679,406	1,090,585	1,725,103	2,680,923	3,778,315	3,648,135
115,461	163,938	185,365	207,301	219,902	209,791
1,423,510	1,075,318	820,682	603,139	645,842	616,848
6,762,381	4,894,777	6,794,805	8,369,329	9,774,790	12,080,456
-	-	-	-	-	-
-	-	-	-	-	-
137,317	149,108	77,403	92,586	119,965	148,495
295,515	-	-	-	-	-
363,807	-	-	-	-	-
13,146,674	6,389,221	5,852,532	6,759,292	7,911,202	9,130,210
-	-	-	-	-	-
<u>23,888,220</u>	<u>15,150,595</u>	<u>16,559,629</u>	<u>19,907,911</u>	<u>23,941,874</u>	<u>27,938,292</u>
<b><u>\$ 31,767,909</u></b>	<b><u>\$ 21,788,357</u></b>	<b><u>\$ 27,086,874</u></b>	<b><u>\$ 32,733,227</u></b>	<b><u>\$ 39,546,977</u></b>	<b><u>\$ 44,889,866</u></b>



## Charter Township of Northville

	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Revenue</b>				
Property taxes	\$ 12,104,998	\$ 12,941,502	\$ 16,222,255	\$ 16,713,080
Licenses, permits, and charges for services	1,361,730	1,282,307	2,007,797	1,953,377
Federal grants	474,722	462,664	463,088	202,086
State sources	2,147,098	2,261,359	2,427,018	2,507,912
Fines and forfeitures	272,560	-	153,631	198,438
Interest income	(36,777)	124,336	79,256	87,050
Other revenue	2,351,948	3,179,280	1,982,262	2,678,437
Total revenue	<u>18,676,279</u>	<u>20,251,448</u>	<u>23,335,307</u>	<u>24,340,380</u>
<b>Expenditures</b>				
Current:				
Legislative	1,275,674	2,314,508	1,954,709	1,694,273
Facility operations	-	-	-	280,128
Information technology and communications	-	-	-	-
Clerk	354,551	386,344	333,552	391,470
Treasurer	987,325	952,924	976,064	881,256
Police department	6,225,928	6,563,346	6,764,212	7,054,934
Fire department	4,299,760	4,750,283	4,747,836	4,621,109
Building department	548,026	526,861	640,655	530,185
Planning and zoning	173,747	186,394	217,583	235,544
Shared services	1,311,042	1,292,417	1,570,054	1,267,373
Community development programs	13,050	-	-	-
Other	-	-	-	3,434,905
Capital outlay	491,075	184,218	315,106	74,517
Debt service principal	-	-	1,980,000	1,980,000
Debt service interest	3,096,000	3,067,108	1,120,881	1,056,128
Total expenditures	<u>18,776,178</u>	<u>20,224,403</u>	<u>20,620,652</u>	<u>23,501,822</u>
<b>Excess of Revenue Over Expenditures</b>	<u>(99,899)</u>	<u>27,045</u>	<u>2,714,655</u>	<u>838,558</u>
Other Financing Sources (Uses)				
Payment to refunded bond escrow agent	-	-	-	-
Debt premium	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Proceeds from sale of assets	74,335	416,354	16,283	8,529,625
Transfers in	2,868,292	1,642,100	1,386,120	1,228,190
Transfers out	(2,868,292)	(1,642,100)	(1,386,120)	(1,228,190)
Total other financing sources (uses)	<u>74,335</u>	<u>416,354</u>	<u>16,283</u>	<u>8,529,625</u>
<b>Net change in fund balances</b>	<u>(25,564)</u>	<u>443,399</u>	<u>2,730,938</u>	<u>9,368,183</u>
Fund Balances - Beginning of year	<u>14,167,705</u>	<u>14,142,141</u>	<u>14,585,540</u>	<u>17,316,478</u>
Fund Balances - End of year	<u>\$ 14,142,141</u>	<u>\$ 14,585,540</u>	<u>\$ 17,316,478</u>	<u>\$ 26,684,661</u>
Debt service as a percentage of noncapital expenditures	17.10%	15.66%	15.88%	13.14%

# Changes in Fund Balances, Governmental Funds

**Last Ten Fiscal Years**

**December 31, 2022**

**(Unaudited)**

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 17,027,702	\$ 18,305,872	\$ 19,199,346	\$ 20,370,481	\$ 20,377,918	\$ 20,416,290
2,405,813	2,641,913	2,397,131	2,087,771	2,507,213	2,325,306
182,654	189,345	3,663	1,544,952	385,309	175,174
2,978,795	2,721,729	3,190,442	2,817,330	3,285,100	4,187,485
103,452	5,319	6,072	7,202	4,550	1,709
189,036	702,837	747,423	161,328	21,326	646,641
<u>2,609,987</u>	<u>2,487,276</u>	<u>2,540,070</u>	<u>2,605,726</u>	<u>3,047,260</u>	<u>3,123,728</u>
<u>25,497,439</u>	<u>27,054,291</u>	<u>28,084,147</u>	<u>29,594,790</u>	<u>29,628,676</u>	<u>30,876,333</u>
1,876,128	6,243,930	1,224,962	1,313,370	1,341,330	1,368,399
358,201	390,477	366,433	489,264	490,798	741,523
-	-	-	-	407,624	390,918
303,449	385,141	409,459	538,524	413,145	679,496
918,012	938,565	945,327	986,506	894,429	1,108,757
6,935,315	9,390,100	7,856,763	9,246,599	8,857,081	8,730,812
5,073,888	6,373,614	5,041,169	6,021,364	5,731,178	6,625,605
554,962	599,594	631,644	505,532	450,454	419,078
311,904	630,261	179,223	168,788	174,170	316,048
1,298,691	1,308,482	1,831,460	1,421,227	1,554,391	1,633,147
-	-	-	-	-	-
-	-	-	-	-	-
698,601	8,156,799	1,302,011	190,122	155,902	767,821
2,120,000	2,185,000	2,275,000	2,385,000	2,085,000	2,150,000
983,304	896,389	804,809	708,091	612,444	633,931
<u>21,432,455</u>	<u>37,498,352</u>	<u>22,868,260</u>	<u>23,974,387</u>	<u>23,167,946</u>	<u>25,565,535</u>
4,064,984	(10,444,061)	5,215,887	5,620,403	6,460,730	5,310,798
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,018,264	464,509	82,630	25,950	353,020	32,091
6,261,990	1,039,260	2,260,510	1,410,890	1,120,150	2,609,150
<u>(6,261,990)</u>	<u>(1,039,260)</u>	<u>(2,260,510)</u>	<u>(1,410,890)</u>	<u>(1,120,150)</u>	<u>(2,609,150)</u>
<u>1,018,264</u>	<u>464,509</u>	<u>82,630</u>	<u>25,950</u>	<u>353,020</u>	<u>32,091</u>
5,083,248	(9,979,552)	5,298,517	5,646,353	6,813,750	5,342,889
26,684,661	31,767,909	21,788,357	27,086,874	32,733,227	39,546,977
<b>\$ 31,767,909</b>	<b>\$ 21,788,357</b>	<b>\$ 27,086,874</b>	<b>\$ 32,733,227</b>	<b>\$ 39,546,977</b>	<b>\$ 44,889,866</b>

15.35%

11.41%

15.06%

13.58%

12.24%

11.39%

**Charter Township of Northville**

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		Taxable Value by Property Type			
		Real Property			
Tax Year	Fiscal year	Residential	Commercial	Industrial	Developmental
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	-
2020	2021	2,003,225,626	222,073,760	42,064,743	-
2021	2022	2,057,588,011	225,717,131	44,275,129	-

Source: Assessor's records

## Taxable Value and Estimated Actual Value of Taxable Property

**December 31, 2022**  
**(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
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%
73,905,750	2,341,269,879	8.6232	2,751,543,350	85.09%
78,867,200	2,406,447,471	8.6118	2,801,170,700	85.91%

**Charter Township of Northville**

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Northville Township

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Tax Year	Fiscal Year	Operating	Operating*	Public Safety*	Shared Services*	Debt Service	Total
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
2020	2021	0.6525	0.1123	5.9847	0.7250	1.1487	8.6232
2021	2022	0.6515	0.1174	6.4379	0.7563	0.6487	8.6118

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, 2022  
(Unaudited)**

Overlapping Government

Northville Schools

		Overlapping Government								Total All	Total All
		Northville Schools								Jurisdictions	Jurisdictions
Homestead	Non-Homestead	Northville District Library	Wayne County	Wayne County RESA	Schoolcraft College	Zoo Authority	DIA Authority	Huron Clinton Metro Authority	State Education	Homestead	Non-Homestead
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
4.5853	22.5853	1.1015	7.8220	5.4643	2.2877	0.1000	0.2000	0.2104	6.0000	36.3944	54.3944
4.5816	22.5816	1.0981	7.8031	5.4520	2.2700	0.0997	0.1995	0.2089	6.0000	36.3247	54.3247

Principal Property Tax Payers

Current and Nine Years Ago  
 December 31, 2022  
 (Unaudited)

	Taxpayer	2021	Percentage	2012	Percentage	2012 Rank
		Taxable Value	of Total	Taxable Value	of Total	
1	Park Place Apts Property Owner LLC	25,462,736	1.06%	20,116,670	1.15%	1
2	Consumers Energy	25,077,534	1.04%	15,309,300	0.87%	2
3	DTE Electric Company	19,401,457	0.81%	14,272,469	0.81%	3
4	BMSH I Cedarbrook Northville MI LLC	15,565,200	0.65%			
5	REIS-MOB 1 LLC	12,867,500	0.53%			
6	Northville Woods Acquisition LLC	10,670,800	0.44%			
7	ZF North America	8,111,789	0.34%			
8	IRPF Northville Park Place LLC	7,793,900	0.32%			
9	CA Senior Heartland Portfolio LLC	6,449,700	0.27%			
10	Michigan-Maybury State Park	11,334,432	0.47%			
	Kings Mill Cooperative	-	-	8,875,727	0.51%	4
	Meijer Inc	-	-	7,346,750	0.42%	5
	ZF Technologies, LLC	-	-	7,362,176	0.42%	6
	Hayes-Lemmerz International LLC	-	-	7,278,700	0.41%	7
	Innsbrook LLC	-	-	6,461,800	0.37%	8
	Ventas, Inc.	-	-	4,444,600	0.25%	9
	Hidden Coves Estates, LLC			4,366,800	0.25%	10
	<b>Total</b>	<b>\$ 142,735,048</b>	<b>5.93%</b>	<b>\$ 95,834,992</b>	<b>5.46%</b>	

Source: Assessor's records

Total taxable value for each year      **\$ 2,406,447,471**                      **\$ 1,756,604,647**

Property Tax Levies and Collections

Last Ten Fiscal Years  
December 31, 2022  
(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
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%
2020	2021	20,331,642	19,904,417	97.90%	418,308	20,322,726	99.96%
2021	2022	20,715,010	20,337,627	98.18%	354,669	20,692,295	99.89%

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

Source: Township Treasury Department records



## Charter Township of Northville

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	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Governmental Activities:</b>				
General obligation bonds (1)	\$ 30,558,929	\$ 28,624,603	\$ 26,600,278	\$ 24,580,952
Installment purchase agreements	-	-	-	-
Special assessment bonds	485,000	445,000	405,000	360,000
Total	31,043,929	29,069,603	27,005,278	24,940,952
<b>Business Type Activities:</b>				
General obligation bonds	1,050,000	1,000,000	925,000	850,000
General obligation capital improvement bonds (1)	4,200,000	4,000,000	3,955,348	3,739,486
State Revolving Loan Fund	1,451,805	1,391,805	1,331,805	1,266,805
Total	6,701,805	6,391,805	6,212,153	5,856,291
Total debt of the government	<b>\$ 37,745,734</b>	<b>\$ 35,461,408</b>	<b>\$ 33,217,431</b>	<b>\$ 30,797,243</b>
<b>Total taxable value</b>	\$ 1,756,604,647	\$ 1,789,766,930	\$ 1,851,705,894	\$ 1,920,733,524
Ratio of total debt to taxable value	2.15%	1.98%	1.79%	1.60%
<b>Total Population</b>	30,255	30,490	30,010	30,202
Total debt per capita	\$ 1,248	\$ 1,163	\$ 1,107	\$ 1,020

\* Population estimate information obtained from the Southeast Michigan Council of Governments: [www.semco.org](http://www.semco.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, 2022

(Unaudited)

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 22,421,627	\$ 20,197,302	\$ 17,882,977	\$ 15,458,651	\$ 13,334,326	\$ 11,145,000
-	-	-	-	-	-
<u>315,000</u>	<u>270,000</u>	<u>225,000</u>	<u>180,000</u>	<u>135,000</u>	<u>90,000</u>
22,736,627	20,467,302	18,107,977	15,638,651	13,469,326	11,235,000
750,000	650,000	550,000	450,000	350,000	250,000
3,508,624	3,182,762	2,856,900	2,536,037	2,220,174	1,909,312
<u>1,201,805</u>	<u>1,136,805</u>	<u>1,066,805</u>	<u>996,805</u>	<u>926,805</u>	<u>851,805</u>
5,460,429	4,969,567	4,473,705	3,982,842	3,496,979	3,011,117
<b><u>\$ 28,197,056</u></b>	<b><u>\$ 25,436,869</u></b>	<b><u>\$ 22,581,682</u></b>	<b><u>\$ 19,621,493</u></b>	<b><u>\$ 16,966,305</u></b>	<b><u>\$ 14,246,117</u></b>
\$ 1,960,233,966	\$ 2,027,694,082	\$ 2,119,808,105	\$ 2,250,230,027	\$ 2,341,269,879	\$ 2,406,447,471
1.44%	1.25%	1.07%	0.87%	0.72%	0.59%
30,750	31,453	32,164	31,758	31,845	32,067
\$ 917	\$ 809	\$ 702	\$ 618	\$ 533	\$ 444

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years  
December 31, 2022  
(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	
2013	12,653,929	18,955,000	1,207,110	30,401,819	1,756,604,647	1.73%	30,255	1,005	
2014	11,479,603	18,955,000	1,210,183	29,224,420	1,789,766,930	1.63%	30,490	958	
2015	14,220,626	17,260,000	1,168,636	30,311,990	1,851,705,894	1.64%	30,010	1,010	
2016	12,790,438	16,380,000	1,264,214	27,906,224	1,920,733,524	1.45%	30,202	924	
2017	11,255,251	15,425,000	1,457,189	25,223,062	1,960,233,966	1.29%	30,750	820	
2018	9,555,064	14,475,000	1,090,585	22,939,479	2,027,694,082	1.13%	31,453	729	
2019	7,839,877	13,450,000	1,725,104	19,564,773	2,119,808,105	0.92%	32,164	608	
2020	6,089,688	12,355,000	2,680,923	15,763,765	2,250,230,027	0.70%	31,758	496	
2021	4,634,500	11,270,000	3,778,315	12,126,185	2,341,269,879	0.52%	31,845	381	
2022	3,194,312	10,110,000	3,648,135	9,656,177	2,406,447,471	0.40%	32,067	301	

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.semco.org](http://www.semco.org)

Source: Township's Treasury records

**Charter Township of Northville**

**Direct and Overlapping Governmental Activities Debt**

**December 31, 2022  
(Unaudited)**

Governmental unit	Debt outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
Northville School District	\$ 89,085,000	64.63	\$ 57,575,636
Plymouth-Canton District	236,635,000	2.76	6,531,126
Wayne County	35,049,551	5.25	1,840,101
Schoolcraft Community College	42,185,000	14.95	<u>\$ 6,306,658</u>
 Total overlapping debt			 \$ 72,253,520
Direct Township debt (not including debt related to business-type activities)			<u>11,235,000</u>
 Total direct and overlapping debt			 <u>\$ 83,488,520</u>

(1) Percent obtained from Municipal Advisory Council of Michigan

Source: Various taxing authorities

## Charter Township of Northville

	As of December 31,			
	2013	2014	2015	2016
Calculation of debt limit:				
State equalized valuation (2)	\$ 1,836,113,250	\$ 1,867,281,729	\$ 2,014,863,081	\$ 2,200,717,244
Assessed value equivalent of Act 198 exemptions (1)	<u>15,458,000</u>	<u>13,549,646</u>	<u>12,924,500</u>	<u>13,526,985</u>
Debt limit (10% of SEV)	185,157,125	188,083,138	202,778,758	221,424,423
Calculation of debt subject to limit:				
Total debt	37,745,734	35,461,408	33,217,431	30,797,243
Less special assessment bonds	<u>485,000</u>	<u>445,000</u>	<u>405,000</u>	<u>360,000</u>
Net debt subject to limit	37,260,734	35,016,408	32,812,431	30,437,243
Legal debt margin	147,896,391	153,066,730	169,966,327	190,987,180
Net debt subject to limit as % of debt limit	20.12%	18.62%	16.18%	13.75%

(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, 2022**  
**(Unaudited)**

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,320,473,362	\$ 2,452,109,475	\$ 2,515,166,900	\$ 2,660,103,904	\$ 2,751,543,350	\$ 2,801,170,700
<u>12,896,200</u>	<u>12,133,700</u>	<u>11,346,800</u>	<u>12,734,400</u>	<u>7,927,045</u>	<u>2,475,123</u>
233,336,956	246,424,318	252,651,370	267,283,830	275,947,040	280,364,582
28,197,056	25,436,869	22,581,682	19,621,493	16,966,305	14,246,117
<u>315,000</u>	<u>270,000</u>	<u>225,000</u>	<u>180,000</u>	<u>135,000</u>	<u>90,000</u>
27,882,056	25,166,869	22,356,682	19,441,493	16,831,305	14,156,117
205,454,900	221,257,449	230,294,688	247,842,337	259,115,734	266,208,465
11.95%	10.21%	8.85%	7.27%	6.10%	5.05%

## Charter Township of Northville

### Pledged-Revenue Coverage

December 31, 2022

(Unaudited)

Fiscal year	Special assessment collections	Special assessment bonds		Coverage
		Debt service		
		Principal	Interest	
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%
2021	28,347	45,000	7,481	0.05%
2022	40,193	45,000	5,344	0.08%

Source: Township's annual financial statements

## Charter Township of Northville

# Demographic and Economic Statistics

December 31, 2022

(Unaudited)

Fiscal year	Population	Personal income (in thousands)	Per Capita Personal Income	Unemployment rate
2013	30,255	*	*	1.80
2014	30,490	*	*	1.50
2015	30,010	*	*	1.80
2016	30,202	*	*	1.60
2017	30,750	*	*	1.40
2018	31,453	*	*	1.30
2019	32,164	*	*	1.30
2020	31,758	*	*	3.80
2021	31,845	*	*	1.50
2022	32,067	*	*	1.10

\* 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, 2022**

**(Unaudited)**

<u>Employer</u>	<u>2022 Employees</u>	<u>2013 Employees</u>
1 ZF Group North American	450	300
2 Aisin World Corporation of America	350	-
3 Cooper-Standard Holdings Inc	300	-
4 Home Depot	300	-
5 Northville Health Center	300	-
6 Belanger Inc	150	-
7 Hawthorn Center	150	-
8 Jack Doheny Co	150	-
9 Kroger	150	-
10 Meadowbrook Country Club	150	-
11 Mitsubishi Electric Automotive	150	-
12 HELLA Corporate Ctr USA Inc	130	-
13 NTH Consultants LTD	125	-
14 Northville High School	120	-
15 PF Chang's	120	-
16 Kohl's	115	135
17 Granite City Food & Brewery	115	-
18 Pomeroy Living	100	-
19 Hayes Lemmerz International	-	175

Source: Reference Solutions

Full-Time Equivalent Government Employees

Last Ten Fiscal Years  
December 31, 2022  
(Unaudited)

Function/ program:	As of December 31,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Manager's Office	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance & Budget	7.0	5.0	5.0	5.0	5.0	5.0	3.5	4.0	3.0	3.0
Human Resources	1.0	1.0	1.0	-	-	-	1.0	2.0	2.0	2.0
Information Technology and Communications	1.0	1.0	1.0	1.0	2.5	2.5	2.0	2.0	2.0	5.0
Community Relations	-	-	-	-	-	-	1.0	-	-	-
Clerk's Office	4.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	4.0
Facility Management	-	-	-	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police	43.5	43.0	43.0	43.0	43.0	43.0	49.0	48.0	47.0	51.0
Fire	32.0	32.0	32.0	32.0	32.0	32.0	31.0	31.0	31.0	37.0
Building	4.5	5.5	5.5	5.5	4.5	4.5	4.5	2.5	2.0	2.0
Public Services	16.0	16.0	16.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0
Planning	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0
Youth Assistance	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5	0.5
<b>Total</b>	<b>112.5</b>	<b>109.0</b>	<b>109.0</b>	<b>108.0</b>	<b>108.0</b>	<b>108.0</b>	<b>114.0</b>	<b>111.5</b>	<b>110.5</b>	<b>124.5</b>

Police includes dispatch

Source: Township's Human Resources records

## Charter Township of Northville

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Function/ Program	As of December 31,			
	2013	2014	2015	2016
<b>Clerk's</b>				
<b>Election data</b>				<b>3-8-16 PP</b>
Registered voters				22,154
Voters at polls				6,517
Absentee ballots				3,905
Percent voting				48.20%
<b>Election data</b>	<b>5-7-13 Sch.</b>		<b>5-5-15 Sch.</b>	
Registered voters	1,987		20,857	
Voters at polls	45		3,506	
Absentee ballots	269		3,806	
Percent voting	16.00%		35.06%	
<b>Election data</b>		<b>8-5-14 Prim</b>		<b>8-2-16 Prim</b>
Registered voters		22,499		20,990
Voters at polls		3,915		1,464
Absentee ballots		3,277		3,537
Percent voting		31.97%		23.83%
<b>Election data</b>		<b>11-4-14 Gen</b>	<b>11-3-15 Gen</b>	<b>11-8-16 Gen</b>
Registered voters		22,584	20,684	23,124
Voters at polls		7,457	1,125	10,454
Absentee ballots		5,000	3,289	7,345
Percent voting		59.83%	21.34%	76.97%

# Operating Indicators

**Last Ten Fiscal Years**

**December 31, 2022**

**(Unaudited)**

As of December 31,					
2017	2018	2019	2020	2021	2022
		(no elections were held in 2019)			
			<b>3-10-20 PP</b>		
			24,118		
			5,184		
			5,051		
			42.44%		
<b>11-7-17 Sch.</b>				<b>5-4-21 Sch.</b>	
20,402				25,231	
2,502				840	
3,057				3,736	
27.25%				20.05%	
	<b>8-7-18 Prim</b>		<b>8-4-20 Prim</b>		<b>8-2-2022 Prim</b>
	20,895		24,545		25,868
	4,691		2,466		2,532
	4,426		8,284		5,812
	43.63%		43.80%		32.26%
	<b>11-6-18 Gen</b>		<b>11-3-20 Gen</b>		<b>11-8-22 Gen</b>
	21,321		25,713		26,114
	9,560		9,762		7,516
	7,028		15,951		10,041
	77.80%		81.62%		67.23%

## Charter Township of Northville

Function/Program	2013	2014	2015	2016
<b>General Government</b>				
Building Permits Issued	2,495	2,317	2,400	2,442
Number of Building Inspections	6,713	5,725	6,440	5,636
New Residential Building Permits	85	57	44	61
<b>Public Services</b>				
<b>Solid Waste</b>				
Solid Waste Collected and Disposed (Tons)	6,319	7,019	7,043	7,709
Single Stream Recycling (Tons)	1,777	1,959	1,955	1,702
Yard Waste (Tons)	3,107	3,179	3,334	3,296
<b>Wastewater</b>				
Sewer Line Cleaned (miles)	22	30	27	33
Sewer Structures Inspected	290	357	769	1,402
Sewer Structures Repaired	7	14	33	5
<b>Water</b>				
Number of Meter Readings	49,578	50,097	50,582	51,128
Water Meters Installed	100	594	36	40
Fire Hydrants Inspected and Tested	921	351	1,762	1,781
<b>Police</b>				
Crime data				
Part A crimes	822	852	930	935
Part B crimes	264	249	249	313
Traffic crashes involving fatalities	-	-	-	-
Traffic crashes involving injuries	92	83	74	120
Property damage crashes	394	486	389	459
Parking violations	96	94	831	187
Moving traffic violations	4,289	3,843	5,969	4,035
Adult arrests	679	672	645	840
Juvenile arrests	28	48	48	37
OUIL arrests	101	65	67	77
False alarms	1,315	1,427	1,346	1,710
<b>Fire</b>				
Total fire calls	2,600	2,779	3,081	3,200
Fire incidents	53	50	44	46
Service incidents	557	594	656	607
Fire inspections conducted	97	121	246	213

## Operating Indicators

**Last Ten Fiscal Years**  
**December 31, 2022**  
**(Unaudited)(Continued)**

2017	2018	2019	2020	2021	2022
2,908	3,384	2,987	2,899	3,704	3,051
6,413	8,448	7,865	6,198	6,963	6,631
90	162	78	77	94	76
7,623	7,745	7,641	8,770	9,251	8,751
1,860	1,988	1,985	1,817	1,458	1,774
3,120	2,247	2,352	2,450	1,749	1,874
18	33	20	7	26	26
395	957	301	122	544	384
46	-	16	8	21	36
51,217	51,088	51,254	50,537	51,163	53,633
72	98	107	69	93	86
823	1,857	154	1,983	1,998	1,998
883	822	712	607	671	654
610	494	356	212	162	178
-	-	-	2	-	2
106	96	116	78	98	112
500	443	453	274	291	391
125	62	55	20	15	12
3,377	3,261	2,937	612	709	1,285
889	684	661	340	317	482
54	19	6	32	25	20
49	62	50	27	34	43
1,390	1,341	1,211	777	1,023	935
3,414	3,311	3,301	3,138	3,121	3,523
40	49	34	55	49	46
661	702	708	663	760	888
450	393	331	199	200	155

## Charter Township of Northville

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Function/ program	As of December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Water and Sewer</b>				
Customers:				
Residential	7,430	7,483	7,512	7,550
Commercial	1,061	1,069	1,076	1,078
Water (in thousand gallons):				
Purchased from Detroit	1,078,321	931,731	996,543	1,099,909
Sold to residents	1,006,256	868,217	936,387	1,050,340
<b>Rates</b>				
Fixed rate monthly water charge (*)	\$ -	\$ 7.36	\$ 15.62	\$ 17.97
Fixed rate monthly sewer charge (*)	-	2.78	12.45	12.45
Water rate per 1,000 gallons	5.19	5.19	5.19	5.55
Sewer rate per 1,000 gallons	4.82	4.82	4.82	5.09
Flat rate sewer (Bi-monthly rate)	\$ 120.49	\$ 120.49	\$ 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, 2022  
(Unaudited)**

As of December 31,					
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
7,620	7,708	7,805	7,872	7,952	8,085
1,080	1,090	1,100	1,102	1,102	1,111
1,113,338	1,047,049	971,294	1,143,555	1,008,597	1,009,810
1,042,223	972,772	922,057	1,073,131	942,866	971,111
\$ 17.97	\$ 17.97	\$ 17.97	\$ 17.97	\$ 17.97	\$ 17.97
12.45	12.45	12.45	12.45	12.45	12.45
6.53	6.53	6.53	6.53	6.53	6.33
4.75	5.09	5.09	5.09	5.09	4.94
\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49





Doing *good government* the right way,  
by aligning our actions with purpose.