

# Northville Township.

Connecting residents, businesses and lives.

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**For the year ended December 31, 2023**  
**Charter Township of Northville, Michigan**



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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, 2023**

### **Board of Trustees**

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

### **Township Manager**

Todd Mutchler

### **Prepared by:**

Township's Finance and Budget Department

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Mark J. Abbo, Supervisor  
Cynthia L. Jankowski, Clerk  
Jason Rhines, Treasurer

Scott Frush, Trustee  
Mindy Herrmann, Trustee  
Roger Lundberg, Trustee  
Christopher Roosen, Trustee

April 30, 2024

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, 2023. 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 at the activity level. The general fund defines the activity level at the department level. Special revenue funds define activity level at the fund-based level.

### ***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. In early 2024, the Township used its reaffirmed AAA-bond rating to secure a low-interest rate for a \$15 million bond sale for the Essential Services Complex.

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 market value per capita as well as a moderate overall debt burden.

## ***Long-term financial planning and major initiatives***

### Property Taxes

Property taxes are one of the largest and most significant sources of revenue for the Township. Property taxes play a vital role in funding Township operations and services, supporting the quality of life and well-being of Northville residents. Property tax revenue is used to fund a wide range of essential services and functions provided by the Township, including public safety, parks and recreation, and youth services. The Headlee amendment limits the growth in property tax revenue from existing property to the rate of inflation or 5.0%, whichever is lower. It accomplishes this by reducing millages proportionally by the amount that market changes exceed the state's inflation rate multiplier.

In October 2023, the Michigan State Tax Commission released the Inflation Rate Multiplier (IRM) for use in the 2024 Headlee calculations. This has been decreased from 7.9% to 5.1%. However, because the IRM remains above 5%, the Headlee reduction remains eliminated for the calculation of the 2024 millage rates, affecting 2025 fiscal year revenue. Headlee reductions reduce the amount of property taxes that can be levied, which result in less tax revenue to the local taxing jurisdictions. Assumptions and estimates of inflation rates are considered when forecasting revenue growth.

### Growth and Development

The Township has made significant progress in the design of the new *Essential Services Complex*. Construction began in 2023 and completion is scheduled for spring 2025. This 96,000-square-foot complex includes a new Public Safety Headquarters, a new Department of Public Works building, a second Fire Station, and a Parks and Recreation Trailhead. In early 2024, the Township used its reaffirmed AAA-bond rating to secure a low-interest rate for a \$15 million bond sale. Other funding sources include enterprise funds, general funds, public safety funds, and grant funding. It is estimated to cost \$41 million.

*Legacy Park* continues to move forward with significant strides made by the Board of Trustees. Funding sources are identified during the capital planning phase of the budget planning process.

Initiatives include:

- The demolition of all psychiatric buildings is complete - Building 14 remains standing and will be repurposed. 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 is near completion. The tower will be filled during non-peak hours, when water is its cheapest. It is then distributed during peak demand, keeping costs low.

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 of which Northville Township has 250 undeveloped acres. Once developed, MITC will expand its tax base for Northville Township.

Initiatives include:

- Approved purchase agreements for 54-acres which will generate \$3.9 million
- Pending purchase agreements for 29-acres which will generate \$4.2 million
- Continued pursuit of funding opportunities



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. The Township Board approved both a Pension and OPEB Funding Policy in 2023. These policies provide a structured framework and guidelines for managing pension and OPEB obligations, ensuring that they are adequately funded and reducing the risk of financial strain on the Township. By establishing clear funding objectives and strategies, the policies promote financial stability and long-term sustainability.

During 2023, the Township demonstrated its commitment to addressing legacy costs, particularly pension and Other Post-Employment Benefits (OPEB), within its budgeting process. The Township allocated \$1,715,000 in additional contributions towards its pension fund and \$529,146 towards OPEB. These additional contributions signify the Township's proactive approach to funding its long-term obligations and mitigating financial risks associated with pension and OPEB liabilities.

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

Included in the 2023 Annual Budget and Financial Plan are the financial policies which set forth the basic framework for the overall fiscal management of the Township. Operating independently of changing economic circumstances and conditions, these policies help the decision making process of the Township Board and administration.

The Township has a Board of Trustees approved 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 2023, the Township completed a full rate study. Rates are expected to remain steady in 2024.

### ***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 annual comprehensive financial report for the fiscal year ended December 31, 2022. This represents the eleventh 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

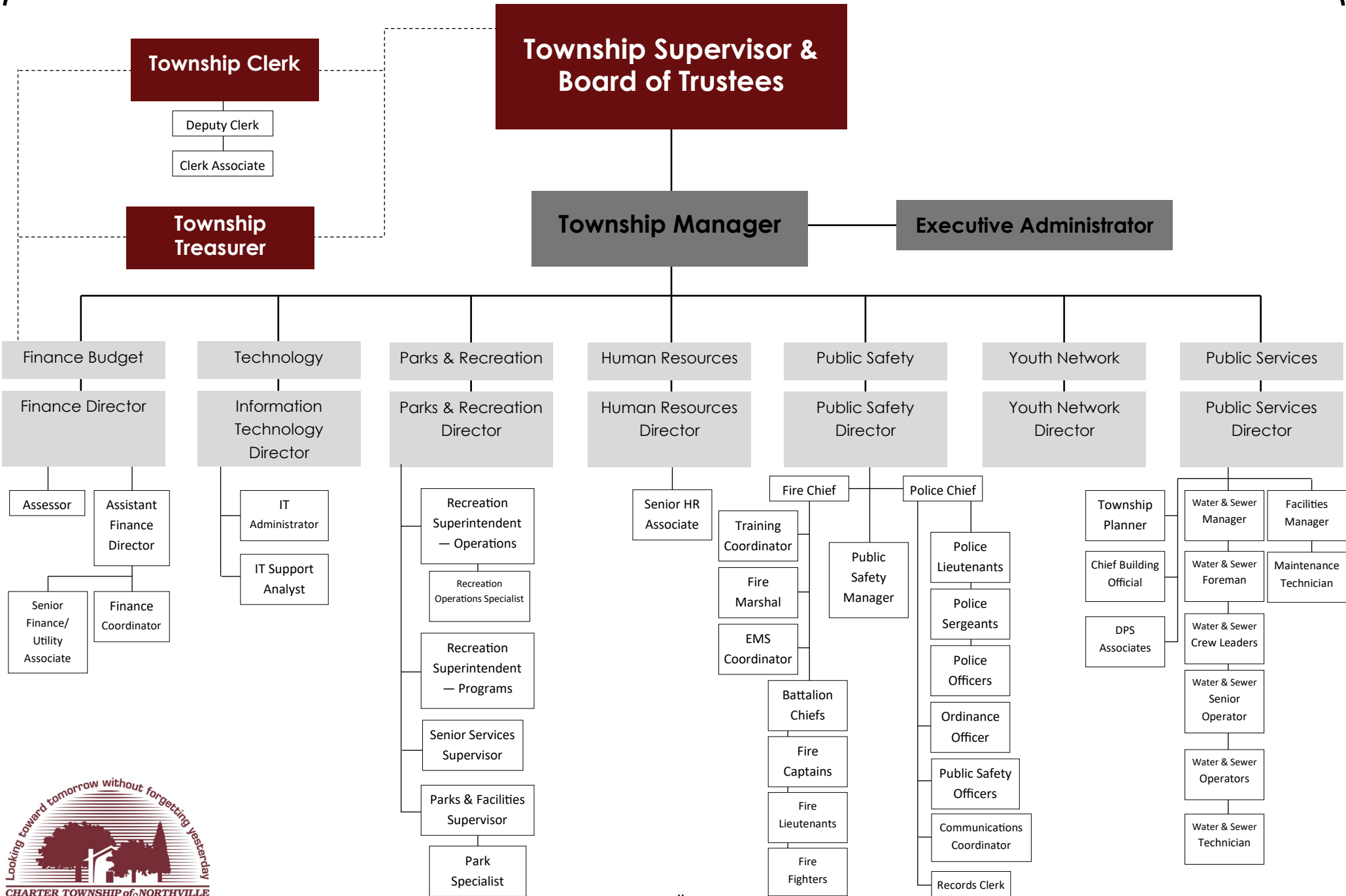
December 31, 2022

*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, 2023**

<b>Title</b>	<b>Name</b>
<b>Township Supervisor</b>	<b>Mark J. Abbo</b>
<b>Township Clerk</b>	<b>Cynthia Jankowski</b>
<b>Township Treasurer</b>	<b>Jason Rhines</b>
<b>Township Trustee</b>	<b>Scott Frush</b>
<b>Township Trustee</b>	<b>Roger Lundberg</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 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>Derek Smith</b>
Information Technology and Communications Director	<b>Shaun Nicoloff</b>
Youth Network Director	<b>Amy Prevo</b>
Fire Chief	<b>Brent Siegel</b>
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
	Public Safety Capital Improvement Fund
	Tree Fund
	Essential Services Construction Fund
<u>Debt Service Funds</u>	<u>Special Revenue Funds</u>
Seven Mile Road Property Purchase	Public Safety Operating Fund
Edenderry Paving SAD	Parks, Recreation, and Senior Services Fund
2012 Refunding Debt	Youth Network Fund
	Shared Services Fund
	Opioid Settlement Fund

**Proprietary Fund - Enterprise Funds**

Water and Sewer Fund
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**Fiduciary Funds**

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

**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, 2023 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, 2023 and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, during the year ended December 31, 2023, the Township adopted the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

As discussed in Note 22 to the financial statements, the 2022 financial statements have been restated to correct a misstatement. 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.

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

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

In performing an audit in accordance with GAAS, we:

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

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

***Required Supplementary Information***

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

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

To the Board of Trustees  
Charter Township of Northville

**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 30, 2024

# 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, 2023. 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 2023, the Township prepared for construction of its 96,000 square foot Essential Services Complex (ESC). The ESC is an estimated \$41 million project consisting of a new public safety headquarters, new public works headquarters, second fire station, and a parks & recreation trailhead building. In February 2024, Standard and Poor's reaffirmed Northville Township's AAA bond rating which helped to secure a low-interest rate for the \$15 million bond sale. Other funding sources include enterprise funds, general fund, public safety funds, and grant funds.
- \* In 2023, Northville Township sold 25 acres within the Michigan International Technology Center (MITC) corridor to Northville Lumber. The sale of this land generated sale proceeds of approximately \$2.3 million. In addition, Northville Township has an additional 54 acres with approved purchase agreements which will generate an additional \$3.9 million and 29 acres with pending purchase agreements which will generate \$4.2 million. 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.
- \* In 2023, the Township capitalized on rising interest rates while monitoring liquidity and reducing insurance risk. As a result, investment income earned in 2023 exceeded \$4 million, compared to \$1 million in 2022. In addition to focusing on yield, the Township also focused on the safety of its investments. As of December 31, 2023, the uninsured and uncollateralized bank deposits was \$7,951,108, down from \$11,293,943 at December 31, 2022.
- \* During 2023, the Township contributed \$61,007 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. Funding for the Township's retirement health plan increased from 78.7% in 2022 to 84.8% in 2023.
- \* During 2023, the Township contributed \$1,715,000 in excess of the required pension 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. 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.
- \* During 2023, The Township Board approved both a Pension and OPEB Funding Policy in 2023. These policies provide a structured framework and guidelines for managing pension and OPEB obligations, ensuring that they are adequately funded and reducing the risk of financial strain on the Township. By establishing clear funding objectives and strategies, the policies promote financial stability and long-term sustainability.
- \* Total assets and deferred outflows of the Township exceeded liabilities and deferred inflows at December 31, 2023 by \$230,019,956.



# Township of Northville, Michigan

## Management's Discussion and Analysis

- \* The Township's total combined net position for both governmental and business-type activities increased during the year by \$13,091,551. This increase was driven by:
  - \* Investment earnings in 2023 exceeded \$4.5 million.
  - \* Contribution revenue of \$3,998,223 was recognized by the general government for demolition costs of the former psychiatric hospital on seven mile, now known as Legacy Park. These costs were paid for by the Brownfield Redevelopment Authority bond issuance, however the asset is owned by the Township.
  - \* Land sale proceeds in the amount of \$2,327,000 were received in 2023.
- \* As of December 31, 2023, the Township's governmental funds reported combined ending fund balances of \$51,834,189. Fund balance of the General Fund totaled \$20,896,445 at December 31, 2023, which represents an increase of \$3,944,871 in comparison with the prior year. This increase was driven primarily by land sale proceeds of \$2,327,000, interest income of \$944,082, and reimbursements from the Brownfield Redevelopment Authority of \$946,459.
- \* **The Township's total direct and other debt obligations were reduced by \$2,820,863** from the prior year. Total governmental and business-type debt at December 31, 2023 was \$11,425,254 (including unamortized bond premium). The total debt of the component unit at December 31, 2023 was \$12,234,054. 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, 2023 was well below this ratio at 0.45% of the Township's total 2022 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 thirteen 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 Operating Fund; Parks, Recreation, and Senior Services Fund; Capital Projects Fund; and the Essential Services Construction Fund. These funds are considered major funds as of December 31, 2023. 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

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

same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting.

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

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

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

### 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 \$230,019,956 (net position) at the close of December 31, 2023. The following table shows, in a condensed format, the Township's net position as of December 31, 2023 and 2022:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and other assets	\$ 82,396,507	\$ 77,400,007	\$ 59,479,755	\$ 64,776,458	\$ 141,876,262	\$ 142,176,465
Capital assets	<u>75,543,137</u>	<u>66,826,562</u>	<u>55,767,840</u>	<u>47,951,858</u>	<u>131,310,977</u>	<u>114,778,420</u>
Total assets	157,939,644	144,226,569	115,247,595	112,728,316	273,187,239	256,954,885
<b>Deferred Outflows of Resources</b>						
	18,244,857	13,149,658	1,317,525	1,117,960	19,562,382	14,267,618
<b>Liabilities</b>						
Current liabilities	6,828,499	6,128,843	2,834,886	1,591,371	9,663,385	7,720,214
Noncurrent liabilities :						
Due within one year	3,025,699	3,735,431	736,482	630,006	3,762,181	4,365,437
Due in more than one year	<u>22,659,444</u>	<u>13,273,327</u>	<u>2,941,557</u>	<u>2,870,288</u>	<u>25,601,001</u>	<u>16,143,615</u>
Total liabilities	32,513,642	23,137,601	6,512,925	5,091,665	39,026,567	28,229,266
<b>Deferred Inflow of Resources</b>						
	23,645,440	25,952,078	57,658	334,569	23,703,098	26,286,647
<b>Net Position</b>						
Net investment in capital assets	66,173,477	55,591,562	53,341,971	45,033,722	119,515,448	100,625,284
Restricted	22,113,682	19,899,248	-	-	24,516,572	19,899,248
Unrestricted	<u>31,738,260</u>	<u>32,795,738</u>	<u>56,652,566</u>	<u>63,386,320</u>	<u>85,987,936</u>	<u>96,182,058</u>
Total net position	<u>\$ 120,025,419</u>	<u>\$ 108,286,548</u>	<u>\$ 109,994,537</u>	<u>\$ 108,420,042</u>	<u>\$ 230,019,956</u>	<u>\$ 216,706,590</u>

Over 52% 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 \$31,738,260 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** – During 2023, the Township experienced an increase in its overall net position. This increase reflects the organization's ability to generate positive financial results which generates opportunities for growth and development.

Governmental activities net position increased by \$11,517,056. Highlights include:

- \* The Township achieved favorable investment returns on its financial assets, capitalizing on market opportunities and prudent investment strategies. Investment earnings in 2023 exceeded \$3 million.
- \* Contribution revenue of \$3,998,223 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.
- \* Land sale proceeds totaling \$2,327,000 from the sale of property within the Michigan International Technology Center (MITC) in 2023 was recognized within the General Fund. These proceeds offer an opportunity to allocate resources towards funding capital projects or bolstering cash reserves.

Business-type activities increased net position in total by \$1,574,495. The Township achieved favorable investment returns on its financial assets, capitalizing on market opportunities and prudent investment strategies. Investment earnings in 2023 exceeded \$1.4 million.

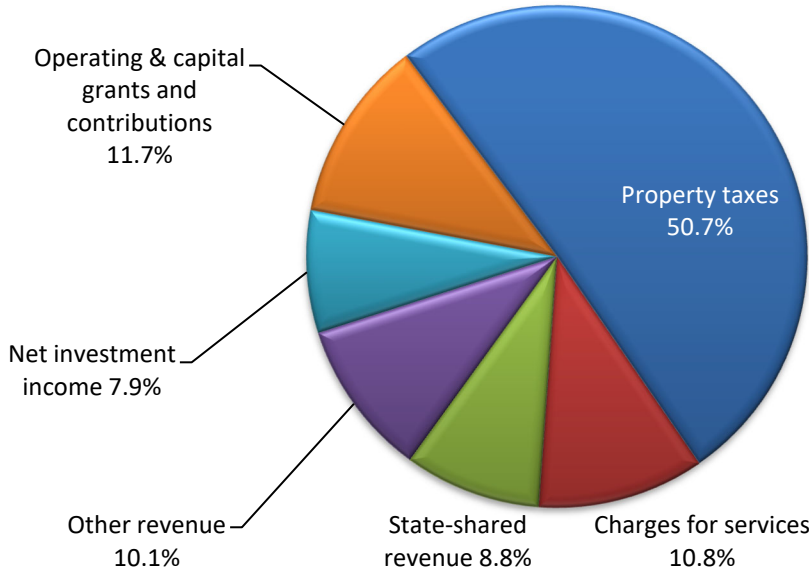
Key elements in the Township's change in net position are shown in the following table:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenue</b>						
Program revenue:						
Charges for services	\$ 4,359,461	\$ 3,267,393	\$ 14,900,846	\$ 15,165,072	\$ 19,260,307	\$ 18,432,465
Operating grants and contributions	503,101	502,075	-	-	503,101	502,075
Capital grants and contributions	4,250,044	5,645,236	953,146	1,269,521	5,203,190	6,914,757
General revenue:						
Property taxes	20,511,736	20,416,290	-	-	20,511,736	20,416,290
State-shared revenue	3,573,749	4,031,570	-	-	3,573,749	4,031,570
Net investment income	3,196,102	619,216	1,474,524	(31,365)	4,670,626	587,851
Other miscellaneous income	4,074,378	1,983,317	-	-	4,074,378	1,983,317
Gain on sale of capital assets	9,450	-	19,755	45,186	29,205	45,186
<b>Total revenue</b>	<b>40,478,021</b>	<b>36,465,097</b>	<b>17,348,271</b>	<b>16,448,414</b>	<b>57,826,292</b>	<b>52,913,511</b>
<b>Expenses</b>						
General government	2,746,146	4,388,943	-	-	2,746,146	4,388,943
Public safety:						
Police and fire	18,964,356	16,293,745	-	-	18,964,356	16,293,745
Building department	485,095	419,078	-	-	485,095	419,078
Community and economic development	705,978	514,214	-	-	705,978	514,214
Recreation and culture	5,631,097	1,303,032	-	-	5,631,097	1,303,032
Interest on long-term debt	428,293	571,527	-	-	428,293	571,527
Water and sewer	-	-	15,773,776	13,951,798	15,773,776	13,951,798
<b>Total expenses</b>	<b>28,960,965</b>	<b>23,490,539</b>	<b>15,773,776</b>	<b>13,951,798</b>	<b>44,734,741</b>	<b>37,442,337</b>
<b>Change in Net Position</b>	<b>11,517,056</b>	<b>12,974,558</b>	<b>1,574,495</b>	<b>2,496,616</b>	<b>13,091,551</b>	<b>15,471,174</b>
<b>Net Position - Beginning of year, as restated</b>	<b>108,508,363</b>	<b>95,311,990</b>	<b>108,420,042</b>	<b>105,923,426</b>	<b>216,928,405</b>	<b>201,235,416</b>
<b>Net Position - End of year</b>	<b>\$ 120,025,419</b>	<b>\$ 108,286,548</b>	<b>\$ 109,994,537</b>	<b>\$ 108,420,042</b>	<b>\$ 230,019,956</b>	<b>\$ 216,706,590</b>

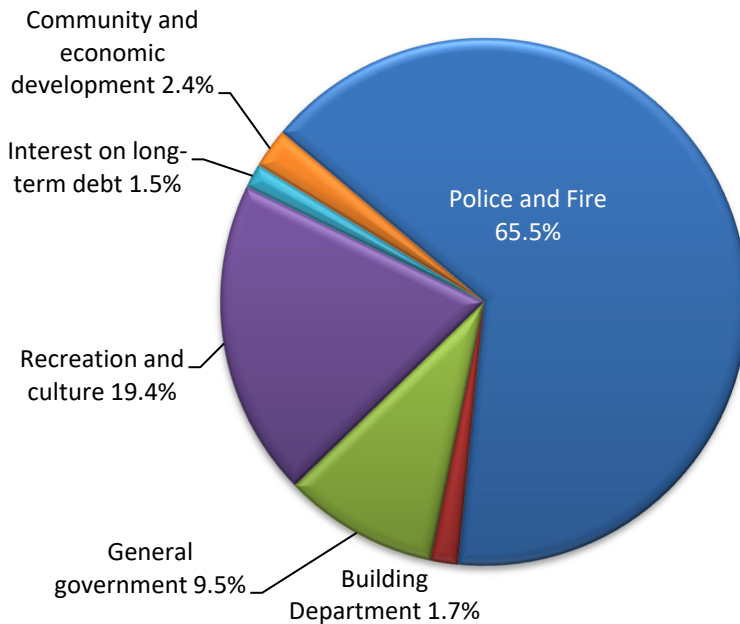
# Township of Northville, Michigan Management's Discussion and Analysis

**Governmental Activities** – Program revenue, which includes user fees and charges and restricted operating and capital grants and contributions, represents 23% 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.

## Revenue by Source - Governmental Activities



## Expenses by Activity - Governmental Activities



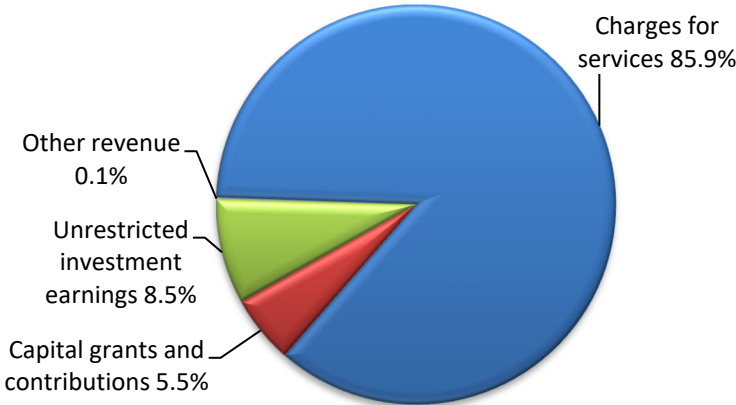


# Township of Northville, Michigan Management's Discussion and Analysis

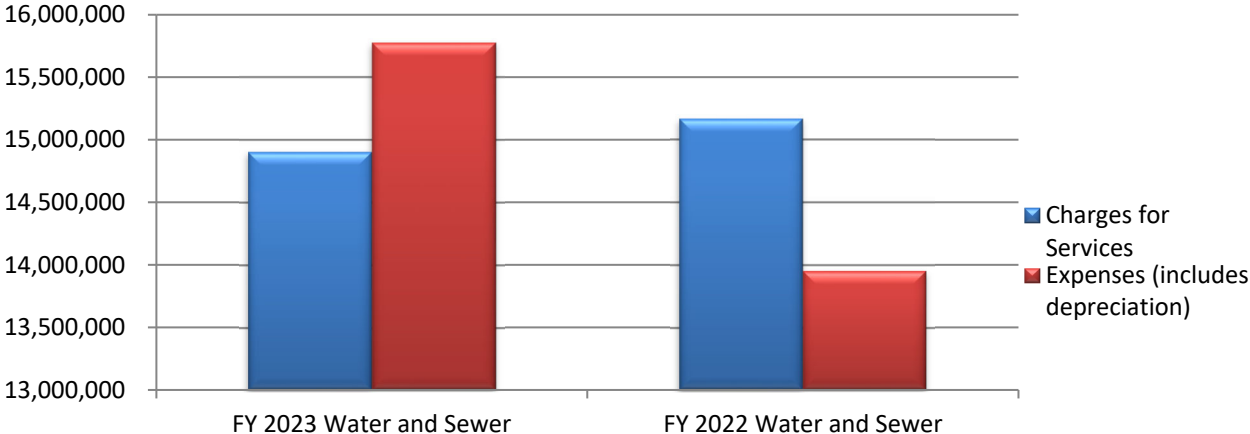
**Business-type Activities** – Business-type activities realized an increase in net position of \$1,574,495. This is a result of the following:

- \* The Township achieved favorable investment returns on its financial assets, capitalizing on market opportunities and prudent investment strategies. Investment earnings in 2023 was \$1,474,524.
- \* 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. At December 31, 2023, WTUA did not have any outstanding debt. The equity interest in WTUA was \$28,016,941 at December 31, 2023, a decrease of \$1,061,394 from prior year.

**Revenue by Source - Business-type Activities**



**Expenses and Program Revenue - Business-type Activities**



**Financial Analysis of the Township's Funds**

# Township of Northville, Michigan

## Management's Discussion and Analysis

**Governmental Funds** – The Township has thirteen governmental funds, categorized into four 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 Operating Fund; Parks, Recreation and Senior Services Fund; Capital Projects Fund; and the Essential Services Construction Fund. These funds are considered major funds based on criteria as set forth by the Governmental Accounting Standards Board.

As of December 31, 2023, the governmental funds of the Township reported a combined fund balance of \$51,834,189, an increase of \$3,939,716 in comparison to the prior year.

### **Reserves and balances.**

The Township Board of Trustees adopted General Fund-Fund Balance 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, 2023, \$6 million was assigned to support Township capital initiatives.

As of December 31, 2023, fund balance of the General Fund totaled \$20,896,445 and is not restricted as to use, with the exception of the construction code surplus in the amount of \$1,131,018. This represents an increase of \$3,944,871 from prior year.

The General Fund experienced an increase in reserves during 2023, primarily attributed to three key factors: investment income, tax increment revenue, and land sale proceeds. Here's a breakdown of each factor and its impact on the fund:

- \* Investment income increased by \$706,444 during 2023, driven by rising interest rates and favorable returns on treasury investments. The higher returns on investments contributed to the growth of the General Fund's financial assets, bolstering its overall financial position.
- \* The Township's General Fund received an increased amount of tax increment revenue in 2023, totaling \$946,000 compared to \$596,000 in 2022. This increase in tax increment revenue is attributed to higher taxable values on properties within the brownfield redevelopment authority. The revenue represents reimbursement for costs incurred by the General Fund related to the demolition of the seven-mile psychiatric hospital.
- \* Land sale proceeds totaling \$2,327,000 were received into the General Fund during 2023. These proceeds were generated from the sale of land within the Michigan International Technology Center (MITC). The funds from the land sale improved the General Fund's financial resources, providing additional liquidity and flexibility for funding various initiatives and projects.

As of December 31, 2023, the fund balance of the Public Safety Operating Fund totaled \$8,339,243. This is a decrease of \$4,716,645 from prior year. Beginning in 2023, the Public Safety Operating Fund transferred \$6.5 million of reserves into its \*new\* Public Safety Capital Fund. This transfer was based on 2022 audit results and represents approximately 30% of operating expenses in excess of fund balance. The purpose of this new accounting system is to provide greater transparency of both the operating and capital costs of the Public Safety department. An annual transfer has been budgeted within both the Public Safety Operating and Capital Funds in accordance with budgeted operating expenditures against estimated ending fund balance of the operating fund. The Public Safety Operating Fund reserves are restricted for use on public safety operations and capital.

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

As of December 31, 2023, the Parks, Recreation, and Senior Services Fund experienced a decrease in fund balance, totaling \$2,805,197, compared to the prior year, representing a decrease of \$199,410. Funding is primarily generated from local government contributions from both Northville Township and Northville City, as well as revenue generated from programs. While revenue increased during the period, it was outpaced by a greater increase in expenditures. Expenditures increased during 2023, primarily due to the filling of staffing vacancies. The increased staffing costs and other operational expenses contributed to the overall decrease in the fund balance. Despite the decrease in fund balance, the implementation of new processes and procedures administered by a new leadership team, is expected to lead to improved program efficiency and effectiveness. This, in turn, is expected to result in additional program revenue and cost management.

As of December 31, 2023, the fund balance of the Capital Projects Fund totaled \$6,545,621, a decrease of \$1,750,600 from the prior year. The decrease was anticipated as the construction of the new Essential Services Complex began in 2023. Capital Project Funds were utilized to fund the architectural design as well as the foundation removal on the seven mile property. Fund balance is anticipated to recover over the next four-year budgeting cycle with project costs moving to the Essential Services Construction Fund and transfers in continuing from the General Fund. 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, and five mile redevelopment.

In 2023, the construction of the Essential Services Complex began and the Essential Services Construction Fund was created. This new fund is used to account for revenue sources and construction outflows. In 2023, ARPA grant funds were transferred into the Fund, as directed by the Township Board of Trustees. As of December 31, 2023, the fund balance of the Essential Services Construction Fund totaled \$62,859.

**Proprietary Funds** – For the year ended December 31, 2023, the Water and Sewer Fund reported an operating loss of \$786,253. Total cash reserves decreased by \$7,615,224. This was due to the cash outflow for the construction of a new water tower. 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, 2023. In total, revenues of the General Fund came in ***over amended budget estimates for the year by \$897,477 or 10.3%***. Significant amendments approved during 2023 include the recognition of land sale proceeds, increase in investment income, and an increase in tax increment revenue.

The Township's General Fund expenditures as of December 31, 2023 were ***under amended budget in total by \$585,013 or 6.8%***. During the year, the Township did not incur expenditures that were in excess of the amounts budgeted. Significant amendments approved during 2023 include an increase in legal fees, an increase in the contribution to the 35<sup>th</sup> District Court, and an increase in technology for a new online-budgeting platform.

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

## **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, 2023 totals \$130,097,483 (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, 2023 and 2022:

	Governmental Activities		Business-type Activities		Total	
	2022, As		2023	2022	2022, As	
	2023	Restated			2023	Restated
Land	\$ 48,781,026	\$ 49,154,814	\$ -	\$ -	\$ 48,781,026	49,154,814
Park improvements	1,213,494	1,230,773	-	-	1,213,494	1,230,773
Intangible assets	6,000	8,400	-	-	6,000	8,400
Bike paths	578,074	690,372	-	-	578,074	690,372
Buildings and improvements	8,525,693	8,688,707	12,426	-	8,538,119	8,688,707
Vehicles and equipment	737,790	689,925	529,315	314,264	1,267,105	1,004,189
Furniture and equipment	1,321,650	1,163,264	-	-	1,321,650	1,163,264
Computer equipment	136,475	70,301	-	-	136,475	70,301
Parks office equipment and furniture	13,282	12,204	-	-	13,282	12,204
Parks maintenance and equipment	124,087	124,359	-	-	124,087	124,359
Leased facilities	422,796	456,175	-	-	422,796	456,175
Subscription assets	6,404	17,382	-	-	6,404	17,382
Infrastructure	-	-	44,977,738	45,799,812	44,977,738	45,799,812
Construction in progress	13,676,366	6,310,779	10,248,361	1,837,782	23,924,727	8,148,561
<b>Total</b>	<b>\$ 75,543,137</b>	<b>\$ 68,617,455</b>	<b>\$ 55,767,840</b>	<b>\$ 47,951,858</b>	<b>\$ 131,310,977</b>	<b>\$ 116,569,313</b>

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, 2023 and 2022:

	Governmental Activities		Business-type Activities		Total	
	2022, As		2023	2022	2022, As	
	2023	Restated			2023	Restated
General obligation bonds	\$ 8,880,000	\$ 11,145,000	\$ 1,723,449	\$ 2,159,312	\$ 10,603,449	\$ 13,304,312
Special assessment bonds	45,000	90,000	-	-	45,000	90,000
State revolving loan fund	-	-	776,805	851,805	776,805	851,805
<b>Total bonds payable</b>	<b>8,925,000</b>	<b>11,235,000</b>	<b>2,500,254</b>	<b>3,011,117</b>	<b>11,425,254</b>	<b>14,246,117</b>
Estimated self-insurance claims	96,122	118,211	-	-	96,122	118,211
Accumulated compensated absences	2,729,859	2,481,687	264,617	228,718	2,994,476	2,710,405
Leased facilities	437,893	464,606	-	-	437,893	464,606
Subscription liabilities	6,767	17,382	-	-	6,767	17,382
<b>Total</b>	<b>\$ 12,195,641</b>	<b>\$ 14,316,886</b>	<b>\$ 2,764,871</b>	<b>\$ 3,239,835</b>	<b>\$ 14,960,512</b>	<b>\$ 17,556,721</b>

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

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

## 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 2024, Northville Township's financial plan includes:

- An overall budget of \$86.5 million consisting of:
  - Water & Sewer Fund operations totaling \$16.1 million.
  - General Government operating expenditures totaling \$27.6 million.
  - General Government capital outlay totaling \$37.6 million
  - General Government transfers out totaling \$5.2 million
- The 2024 Budget ***remains consistent with a 2023 total millage rate of 8.3113 mills.***

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### *Special Projects and Other Factors affecting Financial Condition*

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**Essential Services Complex:** The Township has made significant progress in the design of the new Essential Services Complex. Construction began in 2023 and completion is scheduled for spring 2025. This 96,000-square-foot complex includes a new Public Safety Headquarters, a new Department of Public Works building, a second Fire Station, and a Parks and Recreation Trailhead. In early 2024, the Township used its reaffirmed AAA-bond rating to secure a low-interest rate for a \$15 million bond sale. Other funding sources include enterprise funds, general funds, public safety funds, and grant funding. It is estimated to cost \$41 million.

**Legacy Park:** The redevelopment of Legacy Park is a multi-year project. Once riddled with abandoned tunnels and decaying debris from the former state psychiatric hospital, the 350-acre park will soon be complete with non-motorized trails for biking, hiking, and nature exploration. The funding for improvements at Legacy Park will be funded with Shared Services millage fund, capital project funds, and land sale proceeds of properties located within the Michigan International Technology Center corridor. Overall cost estimates are currently unknown, but are expected to be several million dollars.

**Michigan International Technology Center (MITC):** MITC is a joint-venture real estate development initiative, shared with Plymouth Township. Northville Township currently has approximately 145 undeveloped acres. Proceeds from the sale of this land will help to fund future capital projects. In the meantime, infrastructure projects are underway to prepare the land for development. These projects include road improvements, intersection upgrades and water and sewer infrastructure. Funding for these projects include Township funds and grant revenue.

**Investments:** In 2023, the market experienced a rising rate environment, with benchmark yields increasing steadily. The benchmark yield of a 6-month Treasury bill rose from 4.60% at December 31, 2022, to 5.05% at December 31, 2023. This upward trend in interest rates had a notable impact on the

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

Township's total interest income, which increased significantly compared to the previous year. As of December 31, 2023, total interest income generated amounted to \$4,220,136, compared to \$1,034,782 in 2022.

It is anticipated that the Federal Reserve will begin to cut interest rates, as soon as summer 2024. The Township recognizes the need to stay vigilant and responsive to changes in the interest rate environment to optimize investment returns and manage financial risks effectively. The Township will continue to rely on the expertise of its Treasurer and the support of the Treasury and Finance Committee.

**Legacy Costs:** In 2023, the Township demonstrated its commitment to addressing legacy costs, particularly pension and Other Post-Employment Benefits (OPEB), within its budgeting process. The Township allocated \$1,715,000 in additional contributions towards its pension fund and \$61,007 towards OPEB. These additional contributions signify the Township's proactive approach to funding its long-term obligations and mitigating financial risks associated with pension and OPEB liabilities.

Due to market volatility, the Township's pension funding ratio decreased slightly from 96% to 93% per the actuarial valuation as of December 31, 2022. However, MERS has adopted a strategy to smooth market losses over a five-year period, which aims to stabilize funding levels and mitigate the impact of market fluctuations on pension obligations. The OPEB funding ratio showed improvement, increasing from 78.7% at December 31, 2022, to 84.8% at December 31, 2023. Unlike pension gains and losses, OPEB gains and losses are not smoothed, indicating the positive performance and financial health of the OPEB fund during the period.

The Township Board approved both a Pension and OPEB Funding Policy in 2023. These policies provide a structured framework and guidelines for managing pension and OPEB obligations, ensuring that they are adequately funded and reducing the risk of financial strain on the Township's budget. By establishing clear funding objectives and strategies, the policies promote financial stability and long-term sustainability.

### **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, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 61,911,706	\$ 16,967,917	\$ 78,879,623	\$ 1,803,201
Receivables:				
Taxes	16,929,312	-	16,929,312	1,273,773
Special assessments (Note 6)	53,411	14,087	67,498	-
Customer receivables	13,437	2,722,430	2,735,867	-
Accrued interest receivable	124,764	52,448	177,212	5,647
Leases receivable	1,107,737	-	1,107,737	-
Other	587,478	-	587,478	-
Due from other governmental units	682,055	-	682,055	-
Prepaid items	438,843	132,084	570,927	-
Restricted cash (Note 5)	-	11,573,848	11,573,848	1,461,564
Investment in joint ventures (Note 16)	-	28,016,941	28,016,941	-
Net OPEB asset (Note 14)	547,764	-	547,764	-
Capital assets: (Note 7)				
Assets not subject to depreciation	62,457,392	10,248,361	72,705,753	869,587
Assets subject to depreciation - Net	13,085,745	45,519,479	58,605,224	-
Total assets	157,939,644	115,247,595	273,187,239	5,413,772
<b>Deferred Outflows of Resources</b>				
Deferred charge on refunding	-	74,385	74,385	-
Deferred outflows related to pension (Note 11)	14,826,865	1,010,840	15,837,705	-
Deferred outflows related to OPEB (Note 14)	3,417,992	232,300	3,650,292	-
Total deferred outflows of resources	18,244,857	1,317,525	19,562,382	-
<b>Liabilities</b>				
Accounts payable	1,135,294	2,345,982	3,481,276	189,514
Due to other governmental units	42,180	423,465	465,645	150,672
Accrued liabilities and other:				
Accrued salaries and wages	487,443	51,117	538,560	-
Accrued interest payable	96,881	14,322	111,203	71,492
Accrued other liabilities	3,000	-	3,000	3,560
Unearned revenue	3,444,990	-	3,444,990	-
Bonds and deposits	1,618,711	-	1,618,711	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	1,550,091	146,482	1,696,573	-
Provision for claims	96,122	-	96,122	-
Current portion of long-term debt	1,379,486	590,000	1,969,486	165,000
Due in more than one year:				
Compensated absences	1,179,768	118,135	1,297,903	-
Net pension liability (Note 11)	11,579,873	781,862	12,361,735	-
Net OPEB liability (Note 14)	1,909,629	131,306	2,040,935	-
Long-term debt (Note 9)	7,990,174	1,910,254	9,900,428	12,069,054
Total liabilities	32,513,642	6,512,925	39,026,567	12,649,292

# Charter Township of Northville

## Statement of Net Position (Continued)

December 31, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Deferred Inflows of Resources</b>				
Property taxes levied for the following year	\$ 21,764,388	\$ -	\$ 21,764,388	\$ 1,273,773
Deferred pension cost reductions (Note 11)	46,109	3,163	49,272	-
Deferred OPEB cost reductions (Note 14)	792,522	54,495	847,017	-
Leases	1,042,421	-	1,042,421	-
Total deferred inflows of resources	<u>23,645,440</u>	<u>57,658</u>	<u>23,703,098</u>	<u>1,273,773</u>
<b>Net Position (Deficit)</b>				
Net investment in capital assets	66,173,477	53,341,971	119,515,448	464,026
Restricted:				
Drug forfeiture	646,699	-	646,699	-
Police and fire operations	14,569,819	-	14,569,819	-
Debt service	3,163,251	-	3,163,251	-
Youth assistance	214,933	-	214,933	-
Shared service	1,943,571	-	1,943,571	-
Metro Act funds	106,039	-	106,039	-
Construction code fees	1,131,018	-	1,131,018	-
Opioid treatment and education	338,352	-	338,352	-
Unrestricted	31,738,260	56,652,566	88,390,826	(8,973,319)
Total net position (deficit)	<u>\$ 120,025,419</u>	<u>\$ 109,994,537</u>	<u>\$ 230,019,956</u>	<u>\$ (8,509,293)</u>



# Charter Township of Northville

Functions/Programs	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 2,746,148	\$ 597,672	\$ 54,159	\$ 3,998,223
Public safety:				
Police and fire	18,964,356	1,341,180	180,491	-
Building department	485,095	1,212,952	-	-
Health and welfare	-	-	120,677	-
Community and economic development	705,976	82,644	-	-
Recreation and culture	5,631,097	1,125,013	147,774	251,821
Interest on long-term debt	428,293	-	-	-
Total governmental activities	28,960,965	4,359,461	503,101	4,250,044
Business-type activities - Water and Sewer Fund	15,773,776	14,900,846	-	953,146
Total primary government	<u>\$ 44,734,741</u>	<u>\$ 19,260,307</u>	<u>\$ 503,101</u>	<u>\$ 5,203,190</u>
Component units - Brownfield Redevelopment Authority Fund	<u>\$ 6,789,892</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenue:  
 Property taxes  
 Unrestricted state-shared revenue  
 Gain on sale of capital assets  
 Net investment income  
 Other miscellaneous income  
 Total general revenue

### Change in Net Position

**Net Position (Deficit)** - Beginning of year, as restated (Note 22)

**Net Position (Deficit)** - End of year

## Statement of Activities

Year Ended December 31, 2023

Net Revenue (Expense) and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ 1,903,906	\$ -	\$ 1,903,906	\$ -
(17,442,685)	-	(17,442,685)	-
727,857	-	727,857	-
120,677	-	120,677	-
(623,332)	-	(623,332)	-
(4,106,489)	-	(4,106,489)	-
(428,293)	-	(428,293)	-
(19,848,359)	-	(19,848,359)	-
-	80,216	80,216	-
(19,848,359)	80,216	(19,768,143)	-
-	-	-	(6,789,892)
20,511,736	-	20,511,736	2,990,983
3,573,749	-	3,573,749	-
9,450	19,755	29,205	-
3,196,102	1,474,524	4,670,626	199,119
4,074,378	-	4,074,378	-
31,365,415	1,494,279	32,859,694	3,190,102
11,517,056	1,574,495	13,091,551	(3,599,790)
108,508,363	108,420,042	216,928,405	(4,909,503)
<b>\$ 120,025,419</b>	<b>\$ 109,994,537</b>	<b>\$ 230,019,956</b>	<b>\$ (8,509,293)</b>

# Charter Township of Northville

	General Fund	Public Safety Operating Fund	Parks, Recreation, and Senior Services Fund	Capital Projects Fund
<b>Assets</b>				
Cash and investments (Note 3)	\$ 20,581,224	\$ 12,554,309	\$ 3,116,290	\$ 8,602,155
Receivables:				
Taxes	1,562,973	13,088,925	-	-
Special assessments	21,639	-	-	18,516
Customer receivables	-	-	13,437	-
Accrued interest receivable	48,704	18,746	12,780	1,019
Leases receivable	1,107,737	-	-	-
Other	132,525	50,810	-	16,902
Due from other governmental units	595,991	72,738	-	-
Prepaid items	196,243	217,750	24,564	-
<b>Total assets</b>	<b>\$ 24,247,036</b>	<b>\$ 26,003,278</b>	<b>\$ 3,167,071</b>	<b>\$ 8,638,592</b>
<b>Liabilities</b>				
Accounts payable	\$ 135,797	\$ 442,144	\$ 124,296	\$ 205,744
Due to other governmental units	34,057	-	-	-
Accrued liabilities and other	95,921	354,256	36,549	-
Unearned revenue	-	-	197,154	250,000
Bonds and deposits	-	-	-	1,618,711
Compensated absences	-	5,873	-	-
<b>Total liabilities</b>	<b>265,775</b>	<b>802,273</b>	<b>357,999</b>	<b>2,074,455</b>
<b>Deferred Inflows of Resources</b> (Note 6)	<b>3,084,816</b>	<b>16,861,762</b>	<b>3,875</b>	<b>18,516</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>3,350,591</b>	<b>17,664,035</b>	<b>361,874</b>	<b>2,092,971</b>
<b>Fund Balances</b> (Note 19)				
Nonspendable	196,243	217,750	24,564	-
Restricted	1,131,018	8,121,493	-	106,039
Committed	-	-	2,780,633	-
Assigned	6,000,000	-	-	6,439,582
Unassigned	13,569,184	-	-	-
<b>Total fund balances</b>	<b>20,896,445</b>	<b>8,339,243</b>	<b>2,805,197</b>	<b>6,545,621</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 24,247,036</b>	<b>\$ 26,003,278</b>	<b>\$ 3,167,071</b>	<b>\$ 8,638,592</b>

Governmental Funds  
Balance Sheet

December 31, 2023

Essential Services Construction Fund	Nonmajor Funds	Total Governmental Funds
\$ 3,160,732	\$ 13,896,996	\$ 61,911,706
-	2,277,414	16,929,312
-	13,256	53,411
-	-	13,437
12,749	30,766	124,764
-	-	1,107,737
-	387,241	587,478
-	13,326	682,055
-	286	438,843
<b>\$ 3,173,481</b>	<b>\$ 16,619,285</b>	<b>\$ 81,848,743</b>
\$ 147,786	\$ 79,527	\$ 1,135,294
-	8,123	42,180
-	3,717	490,443
2,962,836	35,000	3,444,990
-	-	1,618,711
-	-	5,873
3,110,622	126,367	6,737,491
-	3,308,094	23,277,063
3,110,622	3,434,461	30,014,554
-	286	438,843
-	12,121,533	21,480,083
-	-	2,780,633
62,859	1,063,005	13,565,446
-	-	13,569,184
62,859	13,184,824	51,834,189
<b>\$ 3,173,481</b>	<b>\$ 16,619,285</b>	<b>\$ 81,848,743</b>

# Charter Township of Northville

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

December 31, 2023

<b>Fund Balances Reported in Governmental Funds</b>	<b>\$ 51,834,189</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets (including right-of-use assets) are not financial resources and are not reported in the funds	75,543,137
Special assessment receivables are expected to be collected over several years and are not available to pay for current year expenditures	470,254
Bonds payable, lease liabilities, and subscription liabilities are not due and payable in the current period and are not reported in the funds	(9,369,660)
Accrued interest is not due and payable in the current period and is not reported in the funds	(96,881)
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	(2,723,986)
Estimated self-insurance claims	(96,122)
Net pension and OPEB liabilities and assets and related deferred outflows and inflows	4,464,488
<b>Net Position of Governmental Activities</b>	<b><u>\$ 120,025,419</u></b>

# Charter Township of Northville

	General Fund	Public Safety Operating Fund	Parks, Recreation, and Senior Services Fund	Capital Projects Fund
<b>Revenue</b>				
Property taxes	\$ 1,907,506	\$ 15,853,749	\$ -	\$ -
Building department	1,212,952	-	-	-
Intergovernmental:				
Federal sources	24,138	95,186	-	-
State sources	3,565,512	89,125	-	25,046
Fines and forfeitures	-	1,650	49,994	-
Net investment income:				
Investment earnings	944,082	889,404	139,218	478,400
Rental income	-	-	213,023	-
Lease revenue	28,949	-	-	-
Licensing and enforcement	-	1,166,776	669,107	-
Other revenue	1,925,838	288,155	1,675,395	64,400
<b>Total revenue</b>	<b>9,608,977</b>	<b>18,384,045</b>	<b>2,746,737</b>	<b>567,846</b>
<b>Expenditures</b>				
Current services:				
General government:				
Executive	1,568,845	-	-	-
Finance and budget	745,103	-	-	-
Facility operations	667,310	-	-	-
Information technology and communications	723,561	-	-	-
Treasurer	52,606	-	-	-
Assessing	386,083	-	-	-
Clerk	344,938	-	-	-
Elections	241,511	-	-	-
Human resources	316,885	-	-	-
Public safety:				
Police and fire	-	16,591,290	-	-
Building department	485,095	-	-	-
Community and economic development - Planning department	331,549	-	-	-
Recreation and culture	-	-	2,904,842	-
Capital outlay	-	-	-	3,648,446
Debt service:				
Principal	-	10,615	26,713	-
Interest and fiscal charges	-	950	14,592	-
<b>Total expenditures</b>	<b>5,863,486</b>	<b>16,602,855</b>	<b>2,946,147</b>	<b>3,648,446</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>3,745,491</b>	<b>1,781,190</b>	<b>(199,410)</b>	<b>(3,080,600)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in (Note 8)	-	-	-	1,330,000
Transfers out (Note 8)	(2,127,620)	(6,500,000)	-	-
Proceeds from sale of capital assets	2,327,000	2,165	-	-
<b>Total other financing sources (uses)</b>	<b>199,380</b>	<b>(6,497,835)</b>	<b>-</b>	<b>1,330,000</b>
<b>Net Change in Fund Balances</b>	<b>3,944,871</b>	<b>(4,716,645)</b>	<b>(199,410)</b>	<b>(1,750,600)</b>
<b>Fund Balances - Beginning of year, as restated (Note 22)</b>	<b>16,951,574</b>	<b>13,055,888</b>	<b>3,004,607</b>	<b>8,296,221</b>
<b>Fund Balances - End of year</b>	<b>\$ 20,896,445</b>	<b>\$ 8,339,243</b>	<b>\$ 2,805,197</b>	<b>\$ 6,545,621</b>

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended December 31, 2023

Essential Services Construction Fund	Nonmajor Funds	Total Governmental Funds
\$ -	\$ 2,750,481	\$ 20,511,736
-	-	1,212,952
120,677	-	240,001
-	12,135	3,691,818
-	-	51,644
89,968	655,030	3,196,102
-	-	213,023
-	-	28,949
-	-	1,835,883
-	1,291,291	5,245,079
210,645	4,708,937	36,227,187
-	-	1,568,845
-	-	745,103
-	-	667,310
-	-	723,561
-	-	52,606
-	-	386,083
132,874	-	477,812
-	-	241,511
-	-	316,885
-	693,419	17,284,709
-	-	485,095
-	-	331,549
-	1,981,814	4,886,656
14,912	-	3,663,358
-	2,310,000	2,347,328
-	436,133	451,675
147,786	5,421,366	34,630,086
62,859	(712,429)	1,597,101
-	7,297,620	8,627,620
-	-	(8,627,620)
-	13,450	2,342,615
-	7,311,070	2,342,615
62,859	6,598,641	3,939,716
-	6,586,183	47,894,473
<b>\$ 62,859</b>	<b>\$ 13,184,824</b>	<b>\$ 51,834,189</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, 2023

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 3,939,716</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	(412,450)
Depreciation expense	(1,825,541)
Amortization expense	(44,357)
Contributed assets	4,246,169
Capital outlay	4,961,861
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	(4,783)
Repayment of bond principal and lease and subscription liabilities is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt and lease and subscription liabilities)	2,347,328
Change in accrued interest payable and amortization of premiums	23,381
Change in compensated absences and self-insurance liability	(266,741)
Net prepayments of pension and retiree health care obligations relate to expenditures in the funds and are not reported in the statement of activities	(1,447,527)
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 11,517,056</u></b>



# Charter Township of Northville

## Proprietary Fund Statement of Net Position

December 31, 2023

	Water and Sewer Fund
<b>Assets</b>	
Current assets:	
Cash and investments (Note 3)	\$ 16,967,917
Receivables:	
Special assessments receivable	14,087
Customer receivables	2,722,430
Accrued interest receivable	52,448
Prepaid items	132,084
Total current assets	19,888,966
Noncurrent assets:	
Cash segregated for capital reserves (Note 5)	11,573,848
Investment in joint ventures (Note 16)	28,016,941
Capital assets - Net (Note 7)	55,767,840
Total noncurrent assets	95,358,629
Total assets	115,247,595
<b>Deferred Outflows of Resources</b>	
Deferred charge on refunding	74,385
Deferred outflows related to pension (Note 11)	1,010,840
Deferred outflows related to OPEB (Note 14)	232,300
Total deferred outflows of resources	1,317,525
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	2,345,982
Due to other governmental units	423,465
Accrued liabilities and other	65,439
Compensated absences	146,482
Current portion of long-term debt (Note 9)	590,000
Total current liabilities	3,571,368
Noncurrent liabilities:	
Compensated absences	118,135
Net pension liability (Note 11)	781,862
Net OPEB liability (Note 14)	131,306
Long-term debt (Note 9)	1,910,254
Total noncurrent liabilities	2,941,557
Total liabilities	6,512,925
<b>Deferred Inflows of Resources</b>	
Deferred pension cost reductions	3,163
Deferred OPEB cost reductions	54,495
Total deferred inflows of resources	57,658
<b>Net Position</b>	
Net investment in capital assets	53,341,971
Unrestricted	56,652,566
Total net position	<b>\$ 109,994,537</b>

# Charter Township of Northville

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

Year Ended December 31, 2023

	<u>Water and Sewer Fund</u>
<b>Operating Revenue</b>	
Sale of water	\$ 14,826,521
Other	<u>74,325</u>
Total operating revenue	14,900,846
<b>Operating Expenses</b>	
Cost of water	6,156,304
Cost of sewage treatment	3,843,186
Personnel services	2,307,588
System maintenance and operations	715,111
General and administrative	726,655
Depreciation	<u>1,938,255</u>
Total operating expenses	<u>15,687,099</u>
<b>Operating Loss</b>	(786,253)
<b>Nonoperating Revenue (Expense)</b>	
Net investment income	1,474,524
Interest expense	(86,677)
Gain on sale of assets	<u>19,755</u>
Total nonoperating revenue	<u>1,407,602</u>
<b>Income - Before capital contributions</b>	621,349
<b>Capital Contributions</b>	
Collection of connection fees	673,381
Lines constructed by developers	<u>279,765</u>
Total capital contributions	<u>953,146</u>
<b>Change in Net Position</b>	1,574,495
<b>Net Position - Beginning of year</b>	<u>108,420,042</u>
<b>Net Position - End of year</b>	<u><u>\$ 109,994,537</u></u>

# Charter Township of Northville

## Proprietary Fund Statement of Cash Flows

Year Ended December 31, 2023

	Water and Sewer Fund
<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 14,884,375
Payments to suppliers	(9,975,424)
Payments to employees	(967,379)
Other	(256,530)
	<u>3,685,042</u>
Net cash provided by operating activities	3,685,042
<b>Cash Flows from Capital and Related Financing Activities</b>	
Special assessment collections	6,570
Collection of connection fees	673,381
Proceeds from sale of capital assets	19,755
Purchase of capital assets	(9,474,472)
Principal and interest paid on capital debt	(600,842)
	<u>(9,375,608)</u>
Net cash used in capital and related financing activities	(9,375,608)
<b>Cash Flows Provided by Investing Activities - Net income from investment securities</b>	<u>1,441,640</u>
<b>Net Decrease in Cash</b>	(4,248,926)
<b>Cash - Beginning of year</b>	<u>32,790,691</u>
<b>Cash - End of year</b>	<u><b>\$ 28,541,765</b></u>
<b>Classification of Cash</b>	
Cash and investments	\$ 16,967,917
Cash segregated for capital reserves	11,573,848
	<u><b>\$ 28,541,765</b></u>
<b>Reconciliation of Operating Income to Net Cash from Operating Activities</b>	
Operating loss	\$ (786,253)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation	1,938,255
Changes in assets and liabilities:	
Receivables	(16,471)
Prepaid and other assets	1,090,562
Accrued and other liabilities	471,476
Accounts payable	1,244,003
Other	(256,530)
	<u><b>\$ 3,685,042</b></u>
Net cash provided by operating activities	<u><b>\$ 3,685,042</b></u>
<b>Significant Noncash Transactions - Donated water and sewer lines</b>	\$ 279,765

**Charter Township of Northville**

**Fiduciary Funds  
Statement of Fiduciary Net Position**

**December 31, 2023**

	Retiree Health Care Trust Fund	<u>Custodial Fund</u> Current Tax Fund
<b>Assets</b>		
Cash and cash equivalents	\$ 413,757	\$ 6,589,134
Investments:		
Certificates of deposit	178,417	-
U.S. government securities	94,944	-
Equities	6,241,540	-
Corporate bonds	492,479	-
Municipal bonds - Federal taxable	390,823	-
Mutual funds	3,610,296	-
Receivables	-	16,266,721
Total assets	11,422,256	22,855,855
<b>Liabilities</b>		
Accounts payable	1,502	-
Tax collections distributable	-	6,589,134
Total liabilities	1,502	6,589,134
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	-	16,266,721
<b>Net Position</b> - Restricted - Postemployment benefits other than pension	<b>\$ 11,420,754</b>	<b>\$ -</b>

**Charter Township of Northville**

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

**Year Ended December 31, 2023**

	Retiree Health Care Trust Fund	Custodial Fund Current Tax Fund
<b>Additions</b>		
Investment income:		
Interest and dividends	\$ 258,258	\$ -
Net increase in fair value of investments	1,322,211	-
Net investment income	1,580,469	-
Contributions - Employer contributions	529,146	-
Property tax collections for other governments	-	80,768,467
Total additions	2,109,615	80,768,467
<b>Deductions</b>		
Benefit payments	682,465	-
Administrative expenses	66,719	-
Tax distributions to other governments	-	80,768,467
Total deductions	749,184	80,768,467
<b>Net Increase in Fiduciary Net Position</b>	1,360,431	-
<b>Net Position - Beginning of year</b>	10,060,323	-
<b>Net Position - End of year</b>	<b>\$ 11,420,754</b>	<b>\$ -</b>

# Charter Township of Northville

## Component Units Statement of Net Position

December 31, 2023

	Brownfield Redevelopment Authority Fund	Economic Development Corporation	Total
<b>Assets</b>			
Cash and investments	\$ 1,802,098	\$ 1,103	\$ 1,803,201
Receivables:			
Taxes	1,273,773	-	1,273,773
Accrued interest receivable	5,647	-	5,647
Restricted cash	1,461,564	-	1,461,564
Capital assets - Net	869,587	-	869,587
Total assets	5,412,669	1,103	5,413,772
<b>Liabilities</b>			
Accounts payable	189,514	-	189,514
Due to other governmental units	150,672	-	150,672
Accrued liabilities and other	75,052	-	75,052
Noncurrent liabilities:			
Due within one year - Current portion of long-term debt	165,000	-	165,000
Due in more than one year - Long-term debt	12,069,054	-	12,069,054
Total liabilities	12,649,292	-	12,649,292
<b>Deferred Inflows of Resources</b> (Note 6)	1,273,773	-	1,273,773
<b>Net Position (Deficit)</b>			
Net investment in capital assets	464,026	-	464,026
Unrestricted	(8,974,422)	1,103	(8,973,319)
Total net position (deficit)	<u>\$ (8,510,396)</u>	<u>\$ 1,103</u>	<u>\$ (8,509,293)</u>

**Charter Township of Northville**

**Component Units  
Statement of Activities**

**Year Ended December 31, 2023**

	Expenses	Program Revenue	Net (Expense) Revenue and Changes in Net Position		
		Operating Grants and Contributions	Brownfield Redevelopment Authority Fund	Economic Development Corp	Total
<b>Functions/Programs</b>					
Brownfield Redevelopment Authority Fund	\$ 6,789,892	\$ -	\$ (6,789,892)	\$ -	\$ (6,789,892)
Economic Development Corporation	-	-	-	-	-
Total component units	<u>\$ 6,789,892</u>	<u>\$ -</u>	(6,789,892)	-	(6,789,892)
General revenue:					
Property taxes			2,990,983	-	2,990,983
Income on investments			199,119	-	199,119
Total general revenue			<u>3,190,102</u>	<u>-</u>	<u>3,190,102</u>
<b>Change in Net Position</b>			(3,599,790)	-	(3,599,790)
<b>Net Position (Deficit) - Beginning of year</b>			<u>(4,910,606)</u>	<u>1,103</u>	<u>(4,909,503)</u>
<b>Net Position (Deficit) - End of year</b>			<u>\$ (8,510,396)</u>	<u>\$ 1,103</u>	<u>\$ (8,509,293)</u>

December 31, 2023

### 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 16.



**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 Operating Fund - The Public Safety Operating 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.
- Parks, Recreation, and Senior Services Fund - The Parks, Recreation, and Senior Services Fund is used for the maintenance of land for parks and recreational purposes; for the operation of public facilities; and to provide senior, youth, and community recreation programs.
- Essential Services Construction Fund - The Essential Services Construction Fund accounts for the construction activity associated with the Essential Services Complex.

**Proprietary Fund**

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.

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

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.

**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
Park improvements	5-50
Leased assets	15
Subscription assets	2

**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 life of the bond 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 assets 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 and OPEB, 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 changes in actuarial assumptions, 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 2023 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 2022 property tax revenue was levied and collectible on December 31, 2022 and is recognized as revenue in the year ended December 31, 2023 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2022 taxable valuation of the Township totaled \$2.5 billion, net of brownfield captured taxable value. Taxes were levied as follows:

Purpose	Millage Rate	Revenue
General operating	0.7686 \$	1,892,875
Public safety special voted mills	6.4366	15,852,140
Shared services special voted mills	0.7561	1,862,081
Debt service special voted mills	0.3500	887,345
Total		<u>\$ 20,494,441</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 or asset 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 liabilities and assets, 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.

The Township is a lessee for a noncancelable lease for a building. The Township recognizes a lease liability and a right-of-use lease asset (lease asset) in the applicable governmental activities column in the government-wide financial statements. The Township recognized a lease asset and liability with an initial value of \$489,554.

At the commencement of a lease, the Township initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

Key estimates and judgments related to leases include how the Township determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The Township uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Township generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Township is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Subscriptions**

The Township obtains the right to use vendors' information technology software through various long-term contracts. The Township recognizes a subscription liability and an intangible right-of-use subscription asset (the "subscription asset") in the applicable governmental or business-type activities column in the government-wide financial statements.

At the commencement of a subscription, the Township initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus initial implementation costs. Subsequently, the subscription asset is depreciated on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the Township determines the discount rate it uses to discount the expected subscription payments to present value and the subscription term.

The Township uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Township generally uses its estimated incremental borrowing rate as the discount rate for subscriptions

The subscription term includes the noncancelable period of the subscription.

The Township monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

**Upcoming Accounting Pronouncements**

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.



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

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.

In December 2023, the Government Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the primary government or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date of the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the Township's financial statements for the year ending December 31, 2025.

***Adoption of New Accounting Pronouncement***

During the current year, the Township adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. As a result, the statement of net position of the governmental activities now includes a liability for the present value of payments expected to be made and subscription assets. The subscription assets and liabilities have been added to Note 7 and Note 9, respectively, as of the beginning of the year. Subscription activity is further described in Note 21.

**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 \$678,922 in the Public Safety Operating Fund, \$5,440,227 in the Capital Projects Fund, \$1,728,905 in the Water and Sewer Fund, and \$511,231 in nonmajor governmental funds. There were no encumbrances outstanding at year end in the General Fund; Parks, Recreation, and Senior Services Fund; or Essential Services Construction Fund.

***Excess of Expenditures Over Appropriations in Budgeted Funds***

The Township did not have significant expenditure budget variances.

**December 31, 2023**

**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:

Cumulative surplus at January 1, 2023		\$	1,058,131
Current year permit revenue			1,212,952
Related expenses:			
Direct costs	\$	485,095	
Estimated indirect costs		654,970	1,140,065
			<u>72,887</u>
Current year excess			<u>72,887</u>
Cumulative surplus at December 31, 2023		\$	<u><u>1,131,018</u></u>

**Note 3 - Deposits and Investments**

The following is a reconciliation of deposit and investment balances at December 31, 2023:

	Governmental and Business Type	Fiduciary Funds	Component Units
Cash and cash equivalents	\$ 17,240,281	\$ 1,219,188	\$ 860,618
Investments	73,213,190	16,792,202	2,404,147
Total deposits and investments	<u>\$ 90,453,471</u>	<u>\$ 18,011,390</u>	<u>\$ 3,264,765</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.

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 \$7,951,108 (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.

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

**Interest Rate Risk**

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

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

Primary Government	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	No Maturity
U.S. government agency securities	\$ 22,761,671	\$ 13,887,567	\$ 8,874,104	\$ -	\$ -
MI CLASS	18,349,776	-	-	-	18,349,776
Huntington Liquidity Portal	11,137,287	-	-	-	11,137,287
Comerica investment pool	18,382,443	-	-	-	18,382,443
Fiduciary Funds	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	No Maturity
Retiree Health Care Trust Fund	\$ 11,008,499	\$ 444,805	\$ 715,737	\$ -	\$ 9,847,957
Comerica investment pool	5,783,704	-	-	-	5,783,704
Component Unit	Carrying Value	Less Than 1 Year	1-5 Years	6-10 Years	No Maturity
MI CLASS	\$ 1,166,221	\$ -	\$ -	\$ -	\$ 1,166,221
Comerica investment pool	1,237,925	-	-	-	1,237,925

**Credit Risk**

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

Investment	Carrying Value	Rating	Rating Organization
<b>Primary Government</b>			
MI CLASS	\$ 18,349,776	AAAm	S&P
Huntington Liquidity Portal	11,137,287	AAAm	S&P
Comerica investment pool	18,382,443	N/A	N/A
Total	<u>\$ 47,869,506</u>		

December 31, 2023

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

Investment	Carrying Value	Rating	Rating Organization
<b>Fiduciary Funds</b>			
Municipal bonds	\$ 93,893	AAA	S&P
U.S. government agency bonds	94,944	AA+	S&P
Corporate bonds	97,654	A+	S&P
Corporate bonds	158,348	A	S&P
Corporate bonds	236,477	A-	S&P
Municipal bonds	296,930	AA1	Moody's
Not rated	6,055,324	N/A	N/A
Not subject to credit risk	9,848,633	N/A	N/A
Total	<u>\$ 16,882,203</u>		

Investment	Carrying Value	Rating	Rating Organization
<b>Component Units</b>			
MI CLASS	\$ 1,166,221	AAA <sub>m</sub>	S&P
Comerica investment pool	<u>1,237,925</u>	N/A	N/A
Total	<u>\$ 2,404,146</u>		

**Note 4 - Fair Value Measurements**

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

The following table presents information about the Township's assets measured at fair value on a recurring basis at December 31, 2023 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.

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

The Township has the following recurring fair value measurements as of December 31, 2023:

- U.S. agency bonds of \$22,761,671 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, 2023:

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2023			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2023
<b>Retiree Health Care Trust Fund</b>				
U.S. agency securities	\$ -	\$ 94,944	\$ -	\$ 94,944
Negotiable certificates of deposit	-	178,417	-	178,417
Corporate bonds	-	492,479	-	492,479
Municipal bonds - Federal taxable	-	390,823	-	390,823
Equities	6,241,540	-	-	6,241,540
Mutual funds	-	3,610,296	-	3,610,296
Total assets	<u>\$ 6,241,540</u>	<u>\$ 4,766,959</u>	<u>\$ -</u>	<u>\$ 11,008,499</u>

**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, 2023			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
MI CLASS	\$ 19,515,997	\$ -	None	None
Comerica investment pool	25,404,072	-	None	None
Total	<u>\$ 44,920,069</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.

**December 31, 2023**

**Note 5 - Restricted Assets**

Segregated assets at December 31, 2023 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	\$ 11,573,848	\$ -
Unspent bond proceeds	-	1,461,564
Total	<u>\$ 11,573,848</u>	<u>\$ 1,461,564</u>

**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, 2023, the various components of deferred inflows of resources were as follows:

	Governmental Funds			Component Units
	Unavailable	Levied for the Next Year	Total	Levied for the Next Year
Property taxes	\$ -	\$ 21,764,388	\$ 21,764,388	\$ 1,273,773
Special assessments	53,411	-	53,411	-
Miscellaneous revenue	373,972	-	373,972	-
Grant revenue	42,871	-	42,871	-
Leases	1,042,421	-	1,042,421	-
Total	<u>\$ 1,512,675</u>	<u>\$ 21,764,388</u>	<u>\$ 23,277,063</u>	<u>\$ 1,273,773</u>

December 31, 2023

**Note 7 - Capital Assets**

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

**Governmental Activities**

	Balance January 1, 2023, as restated (Note 22)	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2023
Capital assets not being depreciated:					
Land	\$ 49,154,814	\$ -	\$ 23,735	\$ (397,523)	\$ 48,781,026
Construction in progress	6,310,779	(239,299)	7,604,886	-	13,676,366
Subtotal	55,465,593	(239,299)	7,628,621	(397,523)	62,457,392
Capital assets being depreciated:					
Park improvements	216,148	-	41,313	-	257,461
Parks building improvements	2,107,455	-	55,483	-	2,162,938
Intangible assets	12,000	-	-	-	12,000
Bike paths	2,352,619	-	-	-	2,352,619
Buildings and improvements	19,438,349	96,574	416,017	-	19,950,940
Vehicles	4,185,194	-	460,512	(159,995)	4,485,711
Furniture and equipment	3,915,980	142,725	449,526	(57,187)	4,451,044
Computer equipment	300,562	-	107,589	-	408,151
Parks office equipment and furniture	38,985	-	4,521	-	43,506
Parks maintenance and equipment	427,069	-	44,448	-	471,517
Leased facilities	489,554	-	-	-	489,554
Subscription assets	17,382	-	-	-	17,382
Subtotal	33,501,297	239,299	1,579,409	(217,182)	35,102,823
Accumulated depreciation:					
Park improvements	145,423	3,333	22,604	-	171,360
Parks building improvements	947,407	-	88,138	-	1,035,545
Intangible assets	3,600	-	2,400	-	6,000
Bike paths	1,662,247	-	112,298	-	1,774,545
Buildings and improvements	10,749,642	-	675,605	-	11,425,247
Vehicles	3,495,269	-	404,860	(152,208)	3,747,921
Furniture and equipment	2,752,716	(3,333)	430,058	(50,047)	3,129,394
Computer equipment	230,261	-	41,415	-	271,676
Parks office equipment and furniture	26,781	-	3,443	-	30,224
Parks maintenance and equipment	302,710	-	44,720	-	347,430
Leased facilities	33,379	-	33,379	-	66,758
Subscription assets	-	-	10,978	-	10,978
Subtotal	20,349,435	-	1,869,898	(202,255)	22,017,078
Net capital assets being depreciated	13,151,862	239,299	(290,489)	(14,927)	13,085,745
Net governmental activities capital assets	\$ 68,617,455	\$ -	\$ 7,338,132	\$ (412,450)	\$ 75,543,137

**December 31, 2023**

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

***Business-type Activities***

	Balance January 1, 2023	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2023
Capital assets not being depreciated - Construction in progress	\$ 1,837,782	\$ (5,200)	\$ 8,415,779	\$ -	\$ 10,248,361
Capital assets being depreciated:					
Water and sewer systems	86,045,829	-	965,511	-	87,011,340
Buildings and improvements	1,549,787	5,200	7,880	-	1,562,867
Equipment	1,538,117	-	365,067	(79,163)	1,824,021
Subtotal	89,133,733	5,200	1,338,458	(79,163)	90,398,228
Accumulated depreciation:					
Water and sewer systems	40,246,017	-	1,787,585	-	42,033,602
Buildings and improvements	1,549,787	-	654	-	1,550,441
Equipment	1,223,853	-	150,016	(79,163)	1,294,706
Subtotal	43,019,657	-	1,938,255	(79,163)	44,878,749
Net capital assets being depreciated	46,114,076	5,200	(599,797)	-	45,519,479
Net business-type activity capital assets	<u>\$ 47,951,858</u>	<u>\$ -</u>	<u>\$ 7,815,982</u>	<u>\$ -</u>	<u>\$ 55,767,840</u>

Capital asset activity for the Charter Township of Northville Brownfield Redevelopment Authority for the year ended December 31, 2023 was as follows:

***Component Unit***

	Balance January 1, 2023	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2023
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	\$ 459,323
Public safety	1,089,698
Recreation and culture	200,836
Economic development	120,041
Total governmental activities	<u>\$ 1,869,898</u>
Business-type activities - Water and sewer	\$ 1,938,255



**December 31, 2023**

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

**Construction Commitments**

The Township has active construction projects at year end. As of December 31, 2023, 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)	\$ 9,589,548	\$ 231,258	\$ 9,820,806
Essential Services building	3,339,839	4,351,563	7,691,402
Water tower	6,367,480	1,844,980	8,212,460
Legacy Park trails	4,872	428,095	432,967
Pathways	67,502	584,558	652,060
SAD - Quail Ridge	20,400	20,100	40,500
Water main extension	3,036,499	191,428	3,227,927
Total	<u>\$ 22,426,140</u>	<u>\$ 7,651,982</u>	<u>\$ 30,078,122</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	\$ 1,330,000
	Nonmajor governmental funds	797,620
Public Safety Operating Fund	Nonmajor governmental funds	<u>6,500,000</u>
	Total	<u>\$ 8,627,620</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.

The transfers from the Public Safety Operating Fund into nonmajor governmental funds represent the use of restricted resources to finance capital improvements.

December 31, 2023

**Note 9 - Long-term Debt**

Long-term debt activity for the year ended December 31, 2023 can be summarized as follows:

**Governmental Activities**

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable - Other debt:					
General obligations	\$ 11,145,000	\$ -	\$ (2,265,000)	\$ 8,880,000	\$ 1,300,000
Special assessment bonds	90,000	-	(45,000)	45,000	45,000
Total bonds payable	11,235,000	-	(2,310,000)	8,925,000	1,345,000
Estimated self-insurance claims	118,211	81,519	(103,608)	96,122	96,122
Accumulated compensated					
absences	2,481,687	1,791,765	(1,543,593)	2,729,859	1,550,091
Leased facilities	464,606	-	(26,713)	437,893	27,719
Subscription liabilities	17,382	-	(10,615)	6,767	6,767
Total governmental					
activities long-term					
debt	<u>\$ 14,316,886</u>	<u>\$ 1,873,284</u>	<u>\$ (3,994,529)</u>	<u>\$ 12,195,641</u>	<u>\$ 3,025,699</u>

**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	\$ 851,805	\$ -	\$ (75,000)	\$ 776,805	\$ 75,000
Other debt:					
General obligation	2,080,000	-	(420,000)	1,660,000	515,000
Issuance premium	79,312	-	(15,863)	63,449	-
Total bonds payable	3,011,117	-	(510,863)	2,500,254	590,000
Accumulated compensated					
absences	228,718	182,381	(146,482)	264,617	146,482
Total business-type					
activities long-term					
debt	<u>\$ 3,239,835</u>	<u>\$ 182,381</u>	<u>\$ (657,345)</u>	<u>\$ 2,764,871</u>	<u>\$ 736,482</u>

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

**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, 2023 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	11,860,000	-	(155,000)	11,705,000	165,000
Issuance premium	129,668	-	(6,175)	123,493	-
Total component unit long-term debt	<u>\$ 12,395,229</u>	<u>\$ -</u>	<u>\$ (161,175)</u>	<u>\$ 12,234,054</u>	<u>\$ 165,000</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, 2023

**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%	\$ 8,880,000
Special assessment bonds - 2009 Special Assessment Limited Tax Bonds: Amount of issue - \$625,000 Maturing through 2024 Interest rate 3.10% - 5.00%	45,000
Total governmental activities	<u>\$ 8,925,000</u>
<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%	\$ 776,805
2009 General Obligation Bonds: Amount of issue - \$1,125,000 Maturing through 2024 Interest rate 3.25% - 4.50%	125,000
2015 Refunding Limited Tax General Obligation Bonds: Amount of issue - \$3,565,000 Maturing through 2027 Interest rate 2.00% - 3.50%	1,535,000
Total business-type activities	<u>\$ 2,436,805</u>
<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%)	\$ 11,705,000

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

**Debt Service Requirements to Maturity**

Total interest expense for the year was approximately \$787,000. Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Governmental Activities					
Years Ending December 31	Other Debt				
	Principal*	Interest (Net of Interest Subsidy)			
2024	\$ 1,345,000	\$ 347,609	\$ 1,692,609		
2025	1,370,000	290,328	1,660,328		
2026	1,470,000	230,536	1,700,536		
2027	1,545,000	167,060	1,712,060		
2028	1,565,000	101,583	1,666,583		
2029-2033	1,630,000	34,317	1,664,317		
2034-2038	-	-	-		
2039-2043	-	-	-		
Total	<u>\$ 8,925,000</u>	<u>\$ 1,171,433</u>	<u>\$ 10,096,433</u>		

Business-type Activities					
Years Ending December 31	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal*	Interest	
2024	\$ 75,000	\$ 19,420	\$ 515,000	\$ 48,675	\$ 658,095
2025	80,000	17,545	385,000	31,425	513,970
2026	80,000	15,545	380,000	19,475	495,020
2027	85,000	13,545	380,000	6,650	485,195
2028	85,000	11,420	-	-	96,420
2029-2033	371,805	23,556	-	-	395,361
2034-2038	-	-	-	-	-
2039-2043	-	-	-	-	-
Total	<u>\$ 776,805</u>	<u>\$ 101,031</u>	<u>\$ 1,660,000</u>	<u>\$ 106,225</u>	<u>\$ 2,644,061</u>

Component Unit Activities					
Years Ending December 31	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal*	Interest	
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	-	-	225,000	253,268	478,268
2029-2033	-	-	3,860,000	1,081,450	4,941,450
2034-2038	-	-	3,715,000	606,028	4,321,028
2039-2043	-	-	3,155,000	220,226	3,375,226
Total	<u>\$ 405,561</u>	<u>\$ -</u>	<u>\$ 11,705,000</u>	<u>\$ 3,252,344</u>	<u>\$ 15,362,905</u>

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

***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 remainder of the principal and interest to be paid by the Water and Sewer Fund was paid during the year ended December 31, 2023.

***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, 2023, \$1,600,000 of bonds outstanding is considered to be defeased.

***Special Assessment Bonds***

The Township has pledged substantially all revenue from the Edenderry Hills Special Assessment District to repay the above special assessment bonds. Proceeds from the bonds provided financing for the Edenderry Hills Special Assessment District (SAD). The bonds are payable solely from the revenue of the SAD. The remaining principal and interest to be paid on the bonds total \$46,069. During the current year, net revenue of the SAD was \$27,150. In 2023, the Township paid \$45,000 and \$3,206 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, 2023, the interest subsidy was \$202,173.

**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 risk pool program 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:

	2023	2022
Estimated liability - Beginning of year	\$ 118,211	\$ 60
Estimated incurred claims, including changes in estimates	81,519	188,567
Claim payments	(103,608)	(70,416)
Estimated liability - End of year	\$ 96,122	\$ 118,211

**Note 11 - Pension Plans**

***Plan Descriptions***

**Township**

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.

**Parks and Recreation Commission**

The Northville Parks and Recreation Commission provides a monthly retirement benefit (with alternative lump-sum payment options) to employees who meet the eligibility requirements, including age and years of service. The benefits are provided through the Municipal Employees' Retirement System of Michigan (MERS); the Commission participates as a part of the City of Northville, Michigan's account. From the Commission's perspective, this operates as a cost-sharing multiple-employer plan, administered by the MERS plan board. The plan is closed to new hires effective December 1, 2015.

The pension system issues a publicly available financial report that can be obtained at [www.mersofmich.com](http://www.mersofmich.com) or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

***Benefits Provided***

**Township**

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

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

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

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

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

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

**Parks and Recreation Commission**

The Northville Parks and Recreation Commission plan provides retirement, disability, and death benefits to members and beneficiaries. Retirement benefits are calculated as 2.5 percent of the employee's final 4-year or 5-year average compensation times the employee's years of service. To be eligible, employees must have a minimum number of years of service (ranging from 12 to 25) and meet the minimum retirement age (ranging from 50 to 60). The benefits also include nonduty disability benefits and disability retirement benefits, in limited situations. An employee who leaves commission service may withdraw his or her contributions, plus any accumulated interest.

***Employees Covered by Benefit Terms***

At the December 31, 2022 measurement date, the following members were covered by the benefit terms:

	Charter Township of Northville	Parks and Recreation Commission
Inactive plan members or beneficiaries currently receiving benefits	57	5
Inactive plan members entitled to but not yet receiving benefits	11	-
Active plan members	116	-
	<hr/>	<hr/>
Total employees covered by the plan	184	5



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

**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.

**Township**

For the year ended December 31, 2023, the average active employee contribution rate at the Township was 3.0 percent of annual pay for all eligible full-time union and nonunion employees, and the Township's annual required contribution was \$1,883,867. Actual contributions made during the year ended December 31, 2023 were \$3,598,867.

**Parks and Recreation Commission**

For the year ended December 31, 2023, the average active employee contribution rate was 2.65 percent of annual pay for all eligible full-time union and nonunion employees, and the Commission's annual required contribution was \$0. Actual contributions made during the year ended December 31, 2023 were \$0.

**Net Pension Liability**

**Township**

The net pension liability reported at December 31, 2023 for the Township was determined using a measure of the total pension liability and the pension net position as of December 31, 2022. The December 31, 2022 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, 2021</b>	\$ 64,938,382	\$ 64,171,281	\$ 767,101
Changes for the year:			
Service cost	1,569,189	-	1,569,189
Interest	4,666,383	-	4,666,383
Differences between expected and actual experience	921,735	-	921,735
Contributions - Employer	-	2,509,142	(2,509,142)
Contributions - Employee	-	437,973	(437,973)
Net investment loss	-	(7,081,949)	7,081,949
Benefit payments, including refunds	(2,718,150)	(2,718,150)	-
Administrative expenses	-	(118,663)	118,663
Net changes	4,439,157	(6,971,647)	11,410,804
<b>Balance at December 31, 2022</b>	<b>\$ 69,377,539</b>	<b>\$ 57,199,634</b>	<b>\$ 12,177,905</b>

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

Included in the net pension liability is \$11,396,043 related to governmental activities and \$781,862 related to business-type activities. The General Fund, Public Safety Operating 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.

**Parks and Recreation Commission**

At December 31, 2023, the Northville Parks and Recreation Commission reported a liability of \$183,830 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on the Commission's actuarially required contribution for the year ended December 31, 2022 relative to all other contributing employers. At December 31, 2023, the Commission's proportion was 5.23 percent, which was a decrease from 5.29 percent for its proportion measured as of December 31, 2022.

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

**Township**

For the year ended December 31, 2023, the Township recognized pension expense of \$4,948,096, of which \$4,630,412 is related to governmental activities and \$317,684 is related to business-type activities.

At December 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2,989,165	\$ (49,272)
Changes in assumptions	3,543,382	-
Net difference between projected and actual earnings on pension plan investments	5,612,976	-
Employer contributions to the plan subsequent to the measurement date	<u>3,598,867</u>	<u>-</u>
Total	<u>\$ 15,744,390</u>	<u>\$ (49,272)</u>

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

<u>Years Ending December 31</u>	<u>Amount</u>
2024	\$ 2,640,180
2025	3,139,136
2026	3,025,803
2027	3,137,510
2028	<u>153,622</u>
Total	<u>\$ 12,096,251</u>

These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date of \$3,598,867, which will impact the net pension liability in fiscal year 2024, rather than pension expense.

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

**Parks and Recreation Commission**

For the year ended December 31, 2023, the Commission recognized pension expense of \$29,958.

At December 31, 2023, the Commission 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
Net difference between projected and actual earnings on pension plan investments	\$ 93,315	\$ -

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	Amount
2024	\$ 5,073
2025	16,813
2026	29,268
2027	42,161
Total	\$ 93,315

***Actuarial Assumptions***

The total pension liabilities in the pension plans' December 31, 2022 actuarial valuations were 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 liabilities 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.

***Projected Cash Flows***

Based on those assumptions, both the Township and Park and Recreation Commission pension plans' fiduciary net positions were 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 liabilities.

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

***Investment Rate of Return***

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

**Township**

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 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 of the Township	\$ 21,823,357	\$ 12,177,905	\$ 4,267,130

**Parks and Recreation Commission**

The following presents the net pension liability of the Commission, calculated using the discount rate of 7.25 percent, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Parks and Recreation Commission's proportionate share of net pension liability	\$ 292,647	\$ 183,830	\$ 91,444

***Pension Plan Fiduciary Net Position***

Detailed information about the plans' fiduciary net positions are available in the separately issued financial reports. 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 plans' fiduciary net positions and additions to/deductions from fiduciary net positions have been determined on the same basis as they are reported by the plans. The plans use the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

**Note 12 - Pension Allocations**

The below schedule provides a summary of all amounts allocated to various funds within the Township's financial statements for both pension plans:

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Net pension liability	\$ 11,579,873	\$ 781,862	\$ 12,361,735
Pension expense	4,660,370	317,684	4,978,054
Deferred outflows of resources representing contributions subsequent to the measurement date	3,367,808	231,059	3,598,867
Deferred outflows of resources representing the net difference between projected and actual earnings on pension plan investments	5,345,921	360,370	5,706,291
Deferred outflows of resources representing the differences between expected and actual experience	2,797,251	191,914	2,989,165
Deferred outflows of resources representing assumption changes	3,315,885	227,497	3,543,382
Deferred inflows of resources representing the differences between expected and actual experience	46,109	3,163	49,272
Amortization of deferred amounts:			
2024	\$ 2,475,745	\$ 169,508	\$ 2,645,253
2025	2,954,406	201,543	3,155,949
2026	2,860,804	194,267	3,055,071
2027	2,978,232	201,439	3,179,671
2028	143,761	9,861	153,622
<b>Total</b>	<b>\$ 11,412,948</b>	<b>\$ 776,618</b>	<b>\$ 12,189,566</b>
Sensitivity analysis:			
Net pension liability at 6.25 percent discount rate	\$ 20,714,872	\$ 1,401,132	\$ 22,116,004
Net pension liability at 8.25 percent discount rate	4,084,610	273,964	4,358,574

**Note 13 - Retirement Plans**

The Township provides pension benefits to all 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. Voluntary employee contributions are also allowed. In accordance with these requirements, the Township contributed \$81,783 during the current year.

**Note 14 - Other Postemployment Benefit Plan**

***Plan Descriptions***

**Township**

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 each OPEB plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund). There are no separately issued financial statements of the OPEB plan.

**Note 14 - Other Postemployment Benefit Plan (Continued)**

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.

**Parks and Recreation Commission**

The Commission provides retiree health care benefits to eligible employees and their spouses through the City of Northville - Parks and Recreation Retiree Healthcare Plan, a single-employer defined benefit plan administered by the City of Northville, Michigan. The benefits are provided under collective bargaining agreements (or other legal authority for providing benefits). Benefit provisions are established by negotiated labor contracts and the nonunion benefits policy established by the City Council. The plan does not issue a separate stand-alone financial statement. The plan is closed to new hires effective June 30, 2008.

Eligible employees hired after July 1, 2008 are provided a defined contribution plan that is administered by the City of Northville, Michigan. As established by City Council action, the City contributes 2 to 6 percent of gross earnings, based upon years of service, into a health care savings plan. The City's contribution vests after five years of service. In addition, employees must contribute 1 percent of earnings into the plan. In accordance with these requirements, the Commission contributed \$9,826 during the year ended December 31, 2023.

***Benefits Provided***

**Township**

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).

**Parks and Recreation Commission**

The plan provides medical and prescription drug coverage for employees hired prior to July 1, 2008 who retire under normal or disability retirement. Retirees may receive payment in lieu of medical and prescription drug coverage in an amount that corresponds to an underlying city-sponsored medical plan. Certain grandfathered retirees receive dental coverage and a reimbursement of their Medicare Part B premiums.

***Employees Covered by Benefit Terms***

At December 31, 2023, the date of the most recent actuarial valuation, the following members were covered by the benefit terms:

	Charter Township of Northville	Parks and Recreation Commission
Active employees	115	-
Retirees and covered spouses	99	12
Total plan members	<u>214</u>	<u>12</u>

**Note 14 - Other Postemployment Benefit Plan (Continued)**

**Contributions**

**Township**

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, 2023, contributions for postemployment health care benefits totaled \$529,146.

**Parks and Recreation Commission**

Retiree health care costs are paid by the Commission on a pay-as-you-go basis. The Commission has no obligation to make contributions in advance of when the insurance premiums are due for payment. However, the Commission has made certain discretionary contributions to advance-fund these benefits. For the fiscal year ended December 31, 2023, the Commission contributed \$0 to the plan.

**Net OPEB Liability (Asset)**

**Township**

The Township has chosen to use the December 31 measurement date as its measurement date for the net OPEB liability. The December 31, 2023 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability as of that date.

Changes in the net OPEB liability 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, 2023</b>	\$ 12,787,967	\$ 10,060,323	\$ 2,727,644
Changes for the year:			
Service cost	406,077	-	406,077
Interest	885,485	-	885,485
Differences between expected and actual experience	1,027,671	-	1,027,671
Changes in assumptions	(963,047)	-	(963,047)
Contributions - Employer	-	529,146	(529,146)
Net investment income	-	1,513,749	(1,513,749)
Benefit payments, including refunds	(682,464)	(682,464)	-
Net changes	673,722	1,360,431	(686,709)
<b>Balance at December 31, 2023</b>	<b>\$ 13,461,689</b>	<b>\$ 11,420,754</b>	<b>\$ 2,040,935</b>

The plan's fiduciary net position represents 84.84 percent of the total OPEB liability.

Included in the net OPEB liability is \$1,909,629 related to governmental activities and \$131,306 related to business-type activities. The General Fund, Public Safety Operating 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.

December 31, 2023

**Note 14 - Other Postemployment Benefit Plan (Continued)**

**Parks and Recreation Commission**

The Commission has chosen to use December 31, 2023 measurement date for the net OPEB liability. The December 31, 2023 fiscal year end reported net OPEB asset was determined using a measure of the total OPEB liability and the OPEB net position as of the December 31, 2023 measurement date. The December 31, 2023 measurement date total OPEB liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net OPEB Asset	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Asset
<b>Balance at January 1, 2023</b>	\$ 575,872	\$ 931,012	\$ (355,140)
Changes for the year:			
Interest	39,093	-	39,093
Changes in benefits	(69,542)	-	(69,542)
Differences between expected and actual experience	(56,497)	-	(56,497)
Changes in assumptions	(1,529)	-	(1,529)
Net investment income	-	106,060	(106,060)
Benefit payments, including refunds	(34,795)	(34,795)	-
Administrative expenses	-	(1,911)	1,911
Net changes	(123,270)	69,354	(192,624)
<b>Balance at December 31, 2023</b>	<u>\$ 452,602</u>	<u>\$ 1,000,366</u>	<u>\$ (547,764)</u>

The plan's fiduciary net position represents 221.03 percent of the total OPEB asset.

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

**Township**

For the year ended December 31, 2023, the Township recognized OPEB expense of \$911,018, of which \$852,713 is related to governmental activities and \$58,305 is related to business-type activities.

At December 31, 2023, 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	\$ 2,029,306	\$ -
Changes in assumptions	1,262,254	(847,017)
Net difference between projected and actual earnings on OPEB plan investments	319,023	-
Total	<u>\$ 3,610,583</u>	<u>\$ (847,017)</u>



**Note 14 - 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
2024	\$ 509,533
2025	642,545
2026	770,182
2027	289,890
2028	332,477
Thereafter	218,939
Total	<u>\$ 2,763,566</u>

**Parks and Recreation Commission**

For the year ended December 31, 2023, the Commission recognized OPEB recovery of \$156,349.

At December 31, 2023, the Commission 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
Net difference between projected and actual earnings on OPEB plan investments	\$ 39,709	\$ -

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
2024	\$ 4,325
2025	14,947
2026	28,872
2027	(8,435)
Total	<u>\$ 39,709</u>

**Actuarial Assumptions**

**Township**

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using an inflation assumption of 2.50 percent; assumed salary increases (including inflation) of 3.00 percent; an investment rate of return (net of investment expenses) of 7.00 percent; and a health care cost trend rate of 7.25 percent for 2023, 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.

**Parks and Recreation Commission**

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using an inflation assumption of 2.50 percent; an investment rate of return (net of investment expenses) of 7.00 percent; a health care cost trend rate of 6.00 percent for 2023, decreasing by 0.25 percent per year to an ultimate rate of 4.50 percent for 2030 and later years; and the Pub-2010 General Employees Mortality Tables. These assumptions were applied to all periods included in the measurement.

**Note 14 - Other Postemployment Benefit Plan (Continued)**

Inactive plan members share in the cost of OPEB. The City pays a percentage of the medical, prescription drug, and dental premium for each covered person or a payment-in-lieu equal to a percentage of the medical, prescription drug, and dental premium for each covered person based on the following vesting schedule. The retiree is responsible for any remaining costs.

- Less than 10 years of full-time service: No coverage
- 10 years of full-time service: 40 percent
- Each additional year of service: +4 percent
- 25th year of full-time service: 100 percent

***Discount Rate***

**Township**

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.

**Parks and Recreation Commission**

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 commission 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, 2023

**Note 14 - Other Postemployment Benefit Plan (Continued)**

***Investment Rate of Return***

**Township**

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, 2023 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

**Parks and Recreation Commission**

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, 2023 measurement date for each major asset class included in the OPEB plan's target asset allocation are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	4.50 %
Global fixed income	20.00	2.00
Real assets	20.00	7.00

December 31, 2023

**Note 14 - Other Postemployment Benefit Plan (Continued)**

***Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate***

**Township**

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	\$ 3,463,252	\$ 2,040,935	\$ 789,188

**Parks and Recreation Commission**

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

	1 Percentage Point Decrease (6.00%)	Current Discount Rate (7.00%)	1 Percentage Point Increase (8.00%)
Net OPEB asset of the Commission	\$ (497,795)	\$ (547,764)	\$ (590,225)

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

**Township**

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	\$ 686,117	\$ 2,040,935	\$ 3,628,266

**Parks and Recreation Commission**

The following presents the net OPEB asset of the Commission, calculated using the health care cost trend rate of 6.00 percent, as well as what the Commission's net OPEB asset 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 (5.00%)	Current Health Care Cost Trend Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB asset of the Commission	\$ (589,412)	\$ (547,764)	\$ (499,618)

**Note 14 - Other Postemployment Benefit Plan (Continued)**

***OPEB Plan Fiduciary Net Position***

For the purpose of measuring the Township's 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.

The OPEB plan fiduciary net position for the Parks and Recreation plan is reported in the financial statements of the City of Northville.

***Rate of Return***

**Township**

For the year ended December 31, 2023, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 15.11 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Assumption Changes***

**Township**

Premium equivalent rates were updated to reflect current rates.

**Parks and Recreation Commission**

Per capita costs were updated to reflect experience since the previous valuation, in particular the move to Humana Medicare Advantage for post-65 retirees.

**December 31, 2023**

**Note 15 - Other Postemployment Benefit Allocations**

The below schedule provides a summary of all amounts allocated to various funds within the Township's financial statements for both pension plans:

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Net OPEB liability	\$ 1,909,629	\$ 131,306	\$ 2,040,935
Net OPEB asset	547,764	-	547,764
OPEB expense	696,364	58,305	754,669
Deferred outflows of resources representing the net difference between projected and actual earnings on OPEB plan investments	338,203	20,529	358,732
Deferred outflows of resources representing the differences between expected and actual experience	1,898,745	130,561	2,029,306
Deferred outflows of resources representing assumption changes	1,181,044	81,210	1,262,254
Deferred inflows of resources representing assumption changes	792,522	54,495	847,017
Amortization of deferred amounts:			
2024	\$ 481,076	\$ 32,782	\$ 513,858
2025	616,152	41,340	657,492
2026	749,502	49,552	799,054
2027	262,804	18,651	281,455
2028	311,086	21,391	332,477
Thereafter	204,850	14,089	218,939
Total	<u>\$ 2,625,470</u>	<u>\$ 177,805</u>	<u>\$ 2,803,275</u>

**Note 16 - 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 \$2,781,792 for operations, debt, and capital. The Township's equity interest in WTUA of \$28,016,941 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.

***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, 2023

### Note 16 - 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.

**Note 17 - 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, 2023, the Township abated \$10,286 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, 2023, the Township captured \$2,990,983 of tax increment revenue (approximately \$573,000 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 18 - 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, 2023, the Township has been paid \$4,188,629. 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, 2023

**Note 19 - Fund Balance Constraints**

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

	General Fund	Public Safety Operating Fund	Capital Projects Fund	Parks, Recreation and Senior Services Fund	Essential Services Construction Fund	Nonmajor Funds	Total
Nonspendable - Prepays	\$ 196,243	\$ 217,750	\$ -	\$ 24,564	\$ -	\$ 286	\$ 438,843
Restricted:							
Drug forfeiture	-	646,699	-	-	-	-	646,699
Police and fire operations	-	7,474,794	-	-	-	6,848,940	14,323,734
Debt service	-	-	-	-	-	3,042,752	3,042,752
Youth assistance	-	-	-	-	-	207,445	207,445
Parks, recreation, and senior services	-	-	-	-	-	1,943,571	1,943,571
Construction code fees	1,131,018	-	-	-	-	-	1,131,018
Metro Act funds	-	-	106,039	-	-	-	106,039
Opioid treatment, education, etc.	-	-	-	-	-	78,825	78,825
<b>Total restricted</b>	<b>1,131,018</b>	<b>8,121,493</b>	<b>106,039</b>	<b>-</b>	<b>-</b>	<b>12,121,533</b>	<b>21,480,083</b>
Committed - Parks, recreation, and senior services	-	-	-	2,780,633	-	-	2,780,633
Assigned:							
Debt service	-	-	-	-	-	489,182	489,182
Tree plantings and replacement	-	-	-	-	-	573,823	573,823
Pathway construction	-	-	1,432,500	-	-	-	1,432,500
Other capital projects	-	-	272,082	-	62,859	-	334,941
Facilities replacement reserve	-	-	1,000,000	-	-	-	1,000,000
Seven Mile demolition	-	-	100,000	-	-	-	100,000
Five Mile Corridor	-	-	500,000	-	-	-	500,000
Gun range	-	-	500,000	-	-	-	500,000
Essential Services building	6,000,000	-	2,635,000	-	-	-	8,635,000
<b>Total assigned</b>	<b>6,000,000</b>	<b>-</b>	<b>6,439,582</b>	<b>-</b>	<b>62,859</b>	<b>1,063,005</b>	<b>13,565,446</b>
Unassigned	13,569,184	-	-	-	-	-	13,569,184
<b>Total fund balance</b>	<b>\$ 20,896,445</b>	<b>\$ 8,339,243</b>	<b>\$ 6,545,621</b>	<b>\$ 2,805,197</b>	<b>\$ 62,859</b>	<b>\$ 13,184,824</b>	<b>\$ 51,834,189</b>

**Note 20 - Leases**

The Township leases a building from a third party and the related payments are fixed and due quarterly.

Lease asset activity of the Township is included in Note 7.

**Note 20 - Leases (Continued)**

Future principal and interest payment requirements related to the Township's lease liability at December 31, 2023 are as follows:

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 27,719	\$ 13,709	\$ 41,428
2025	28,760	12,793	41,553
2026	29,836	11,842	41,678
2027	30,948	10,855	41,803
2028	32,096	9,832	41,928
2029-2033	179,093	32,442	211,535
2034-2036	109,441	4,666	114,107
<b>Total</b>	<b>\$ 437,893</b>	<b>\$ 96,139</b>	<b>\$ 534,032</b>

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, 2023, the Township recognized the following related to its lessor agreements:

Lease revenue	\$ 28,949
Interest income related to its leases	35,933

**Note 21 - Subscriptions**

The Township obtains the right to use vendors' information technology software through a long-term contract. Payments are generally fixed monthly.

Subscription asset activity of the Township is included in Note 7.

Future principal and interest payment requirements related to the Township's subscription liability at December 31, 2023 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 6,767	\$ 170	\$ 6,937

**Note 22 - Prior Period Adjustment**

The Parks, Recreation, and Senior Services Fund fund balance and governmental activities net position as of December 31, 2022 have been restated to properly reflect the Parks, Recreation, and Senior Services Fund as a fund of the Township rather than a joint venture as previously reported. The adjustment resulted in an increase of fund balance from \$44,889,866 to \$47,894,473 and an increase to governmental activities net position from \$108,286,548 to \$108,508,363 at December 31, 2022. Balances as of December 31, 2022 in Note 7 and Note 9 have also been restated to reflect this change.

**Note 23 - Subsequent Events**

On March 14, 2024, the Township issued \$13,910,000 in Capital Improvement Bonds. The bonds will be repaid from the General Fund.

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## Required Supplementary Information

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# Charter Township of Northville

## Required Supplementary Information Budgetary Comparison Schedule General Fund

Year Ended December 31, 2023

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 1,902,000	\$ 1,902,000	\$ 1,907,506	\$ 5,506
Intergovernmental	3,106,000	3,106,000	3,589,650	483,650
Building department	845,000	1,095,000	1,212,952	117,952
Net investment income:				
Investment earnings	-	625,000	944,082	319,082
Lease revenue	-	-	28,949	28,949
Other revenue	1,375,500	1,983,500	1,925,838	(57,662)
<b>Total revenue</b>	<b>7,228,500</b>	<b>8,711,500</b>	<b>9,608,977</b>	<b>897,477</b>
<b>Expenditures</b>				
Current services:				
General government:				
Executive	1,149,080	1,581,080	1,568,845	12,235
Finance and budget	742,259	791,873	745,103	46,770
Facility operations	643,697	668,697	667,310	1,387
Information technology and communications	738,963	765,979	723,561	42,418
Treasurer	55,511	55,511	52,606	2,905
Assessing	413,130	413,130	386,083	27,047
Clerk	328,001	356,001	344,938	11,063
Elections	297,145	297,145	241,511	55,634
Human resources	319,298	319,298	316,885	2,413
Public safety	439,412	489,412	485,095	4,317
Community and economic development	329,226	425,023	331,549	93,474
Transfers out	2,422,970	2,422,970	2,127,620	295,350
<b>Total expenditures</b>	<b>7,878,692</b>	<b>8,586,119</b>	<b>7,991,106</b>	<b>595,013</b>
<b>Excess of Revenue (Under) Over Expenditures</b>	<b>(650,192)</b>	<b>125,381</b>	<b>1,617,871</b>	<b>1,492,490</b>
<b>Other Financing Sources - Proceeds from sale of capital assets</b>	<b>-</b>	<b>2,327,000</b>	<b>2,327,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(650,192)</b>	<b>2,452,381</b>	<b>3,944,871</b>	<b>1,492,490</b>
<b>Fund Balance - Beginning of year</b>	<b>16,951,574</b>	<b>16,951,574</b>	<b>16,951,574</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 16,301,382</b>	<b>\$ 19,403,955</b>	<b>\$ 20,896,445</b>	<b>\$ 1,492,490</b>

## Charter Township of Northville

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

**Year Ended December 31, 2023**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Property taxes	\$ 15,768,000	\$ 15,768,000	\$ 15,853,749	\$ 85,749
Intergovernmental:				
Federal sources	82,000	82,000	95,186	13,186
State sources	25,000	25,000	89,125	64,125
Licensing and enforcement	970,970	970,970	1,166,776	195,806
Fines and forfeitures	3,600	3,600	1,650	(1,950)
Net investment income	-	775,000	889,404	114,404
Other revenue	245,373	253,773	288,155	34,382
Total revenue	17,094,943	17,878,343	18,384,045	505,702
<b>Expenditures - Public safety</b>	16,924,306	17,004,306	16,602,855	401,451
<b>Excess of Revenue Over Expenditures</b>	170,637	874,037	1,781,190	907,153
<b>Other Financing (Uses) Sources</b>				
Transfers out	(6,533,785)	(6,533,785)	(6,500,000)	33,785
Proceeds from sale of capital assets	-	-	2,165	2,165
Total other financing uses	(6,533,785)	(6,533,785)	(6,497,835)	35,950
<b>Net Change in Fund Balance</b>	(6,363,148)	(5,659,748)	(4,716,645)	943,103
<b>Fund Balance - Beginning of year</b>	13,055,888	13,055,888	13,055,888	-
<b>Fund Balance - End of year</b>	<u>\$ 6,692,740</u>	<u>\$ 7,396,140</u>	<u>\$ 8,339,243</u>	<u>\$ 943,103</u>

**Charter Township of Northville**

Required Supplementary Information  
 Budgetary Comparison Schedule - Parks, Recreation, and Senior Services  
 Fund

**Year Ended December 31, 2023**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Licensing and enforcement	\$ 752,390	\$ 752,390	\$ 669,107	\$ (83,283)
Fines and forfeitures	34,000	34,000	49,994	15,994
Net investment income	154,000	154,000	352,241	198,241
Other revenue	1,475,169	1,475,169	1,675,395	200,226
Total revenue	2,415,559	2,415,559	2,746,737	331,178
<b>Expenditures</b>				
Recreation and culture	2,880,273	2,956,763	2,904,842	51,921
Debt service	42,500	42,500	41,305	1,195
Total expenditures	2,922,773	2,999,263	2,946,147	53,116
<b>Net Change in Fund Balance</b>	(507,214)	(583,704)	(199,410)	384,294
<b>Fund Balance - Beginning of year</b>	3,004,607	3,004,607	3,004,607	-
<b>Fund Balance - End of year</b>	<b>\$ 2,497,393</b>	<b>\$ 2,420,903</b>	<b>\$ 2,805,197</b>	<b>\$ 384,294</b>

# Charter Township of Northville

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service cost	\$ 1,569,189	\$ 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	4,666,383	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	921,735	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	(2,718,150)	(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>	<b>4,439,157</b>	<b>6,951,614</b>	<b>6,009,240</b>	<b>7,329,010</b>	<b>(3,508,869)</b>	<b>3,209,374</b>	<b>3,416,416</b>	<b>5,884,317</b>	<b>2,602,449</b>
<b>Total Pension Liability - Beginning 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>33,044,831</b>
<b>Total Pension Liability - End of year</b>	<b>\$ 69,377,539</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	\$ 2,509,142	\$ 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	437,973	430,879	697,510	983,421	247,738	445,107	231,113	201,851	134,582
Net investment (loss) income	(7,081,949)	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	(118,663)	(89,652)	(97,571)	(99,323)	(72,426)	(65,096)	(60,333)	(56,750)	(52,913)
Benefit payments, including refunds	(2,718,150)	(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>	<b>(6,971,647)</b>	<b>8,272,671</b>	<b>7,956,790</b>	<b>5,562,925</b>	<b>6,507,703</b>	<b>5,233,244</b>	<b>4,324,097</b>	<b>1,032,506</b>	<b>3,313,666</b>
<b>Plan Fiduciary Net Position - Beginning 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>21,967,679</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 57,199,634</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>\$ 12,177,905</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>	<b>82.45 %</b>	<b>98.82 %</b>	<b>96.40 %</b>	<b>92.24 %</b>	<b>94.92 %</b>	<b>74.49 %</b>	<b>68.16 %</b>	<b>63.36 %</b>	<b>70.92 %</b>
<b>Covered Payroll</b>	<b>\$ 10,579,137</b>	<b>\$ 9,845,240</b>	<b>\$ 9,138,203</b>	<b>\$ 8,921,421</b>	<b>\$ 8,217,324</b>	<b>\$ 8,007,361</b>	<b>\$ 7,534,853</b>	<b>\$ 7,639,502</b>	<b>\$ 7,271,632</b>
<b>Township's Net Pension Liability as a Percentage of Covered Payroll</b>	<b>115.11 %</b>	<b>7.79 %</b>	<b>22.85 %</b>	<b>45.24 %</b>	<b>27.62 %</b>	<b>153.44 %</b>	<b>189.92 %</b>	<b>199.20 %</b>	<b>142.55 %</b>

\*Additional information will be displayed as it becomes available.

# Charter Township of Northville

## Required Supplementary Information Schedule of Pension Contributions

### Last Ten Fiscal Years Years Ended December 31

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,883,867	\$ 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
Contributions in relation to the actuarially determined contribution	3,598,867	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
<b>Contribution Excess</b>	<b>\$ 1,715,000</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>Covered Payroll</b>	\$ 11,490,149	\$ 10,579,137	\$ 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>Contributions as a Percentage of Covered Payroll</b>	31.32 %	24.40 %	28.75 %	28.77 %	10.97 %	114.73 %	30.59 %	34.92 %	32.95 %	40.70 %

#### 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	10 years
Asset valuation method	5-year smoothed
Inflation	2.50 percent
Salary increase	3.00 percent
Investment rate of return	7.25 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 Supplementary Information  
 Schedule of the Parks and Recreation Commission's Proportionate Share of the Net Pension Liability  
 (Asset)  
 City of Northville Defined Benefit Pension Plan

	<b>Last Eight Plan Years</b>							
	<b>For the Plan Years Ended December 31</b>							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commission's proportion of the net pension liability (asset)	5.23000 %	5.29000 %	5.25000 %	5.27000 %	5.26000 %	5.42000 %	4.22000 %	4.00000 %
Commission's proportionate share of the net pension liability (asset)	\$ 183,830	\$ (25,233)	\$ 438	\$ 11,065	\$ 25,529	\$ 393,428	\$ 355,526	\$ 383,988
Commission's covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,820	\$ 59,757
Commission's proportionate share of the net pension liability as a percentage of its covered payroll	- %	- %	- %	- %	- %	- %	686.08 %	642.58 %
Plan fiduciary net position as a percentage of total pension liability	83.76 %	102.00 %	95.00 %	99.00 %	97.68 %	63.98 %	57.70 %	52.30 %

\*Note: The Commission's last remaining active employee in the defined benefit pension plan retired prior to 2017. Therefore, covered payroll subsequent to the period ended in 2016 is \$0.

## Charter Township of Northville

### Required Supplementary Information Schedule of Pension Contributions - Parks and Recreation Commission

	<b>Last Nine Fiscal Years</b>								
	12 Months Ended December 31, 2023	12 Months Ended December 31, 2022	12 Months Ended December 31, 2021	12 Months Ended December 31, 2020	12 Months Ended December 31, 2019	12 Months Ended December 31, 2018	6 Months Ended December 31, 2019	12 Months Ended June 30, 2017	12 Months Ended June 30, 2016
Statutorily required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,458	\$ 30,234	\$ 51,840	\$ -
Contributions in relation to the statutorily required contribution	-	-	-	-	-	505,417	42,291	83,290	68,635
<b>Contribution Excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (444,959)</b>	<b>\$ (12,057)</b>	<b>\$ (31,450)</b>	<b>\$ (68,635)</b>
<b>Commission's Covered Payroll</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 51,820</b>	<b>\$ 59,757</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>160.73 %</b>	<b>114.86 %</b>

\*Note: The Commission's last remaining active employee in the defined benefit pension plan retired prior to 2017. Therefore, covered payroll subsequent to the period ended in 2016 is \$0.

# Charter Township of Northville

## Required Supplementary Information

### Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios

	<b>Last Six Fiscal Years (Built Prospectively from 2018)*</b>					
	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service cost	\$ 406,077	\$ 356,890	\$ 209,756	\$ 199,655	\$ 173,441	\$ 167,172
Interest	885,485	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	1,027,671	131,693	846,710	-	1,099,302	-
Changes in assumptions	(963,047)	29,833	1,712,799	98,827	162,757	-
Benefit payments, including refunds	(682,464)	(674,316)	(582,697)	(538,308)	(553,134)	(484,554)
<b>Net Change in Total OPEB Liability</b>	<b>673,722</b>	<b>742,344</b>	<b>2,777,306</b>	<b>371,125</b>	<b>1,517,505</b>	<b>175,783</b>
<b>Total OPEB Liability - Beginning 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>7,203,904</b>
<b>Total OPEB Liability - End of year</b>	<b>\$ 13,461,689</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	\$ 529,146	\$ 1,041,983	\$ 450,190	\$ 457,060	\$ 1,228,740	\$ 428,130
Net investment income (loss)	1,513,749	(1,471,043)	1,331,103	1,276,131	1,445,209	(211,938)
Benefit payments, including refunds	(682,464)	(674,316)	(582,697)	(538,308)	(553,134)	(484,554)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,360,431</b>	<b>(1,103,376)</b>	<b>1,198,596</b>	<b>1,194,883</b>	<b>2,120,815</b>	<b>(268,362)</b>
<b>Plan Fiduciary Net Position - Beginning 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>6,917,767</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 11,420,754</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>\$ 2,040,935</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>	<b>84.84 %</b>	<b>78.67 %</b>	<b>92.68 %</b>	<b>107.52 %</b>	<b>98.57 %</b>	<b>90.10 %</b>
<b>Covered-employee Payroll</b>	<b>\$ 10,068,832</b>	<b>\$ 9,443,240</b>	<b>\$ 8,513,890</b>	<b>\$ 8,473,900</b>	<b>\$ 8,969,831</b>	<b>\$ 8,645,620</b>
<b>Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll</b>	<b>20.27 %</b>	<b>28.88 %</b>	<b>10.36 %</b>	<b>(8.22)%</b>	<b>1.42 %</b>	<b>8.45 %</b>

\*Additional information will be displayed as it becomes available.

# Charter Township of Northville

## Required Supplementary Information Schedule of OPEB Contributions

### Last Ten Fiscal Years Years Ended December 31

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 468,139	\$ 457,057	\$ 226,377	\$ 218,628	\$ 205,380	\$ 198,891	\$ 231,376	\$ 221,412	\$ 446,989	\$ 437,318
Contributions in relation to the actuarially determined contribution	529,146	1,041,983	450,190	457,060	1,228,740	428,130	432,750	432,590	446,989	437,318
<b>Contribution Excess</b>	<b>\$ 61,007</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>Covered-employee Payroll</b>	<b>\$ 10,068,832</b>	<b>\$ 9,443,240</b>	<b>\$ 8,513,890</b>	<b>\$ 8,473,900</b>	<b>\$ 8,969,831</b>	<b>\$ 8,645,620</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Contributions as a Percentage of Covered-employee Payroll</b>	<b>5.26 %</b>	<b>11.03 %</b>	<b>5.29 %</b>	<b>5.39 %</b>	<b>13.70 %</b>	<b>4.95 %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>

Note: Beginning in 2018, the annual required contribution is based on a percentage of covered-employee payroll. Prior to 2018, the annual required contribution was not based on a percentage of covered-employee payroll, but rather was a flat rate. Therefore, covered-employee payroll amounts for periods prior to 2018 are not shown. See the contributions paragraphs in Note 14 to the financial statements for further description.

#### 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	16 years
Asset valuation method	Market value
Inflation	2.50 percent
Health care cost trend rates	7.25 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 Supplementary Information  
Schedule of OPEB Investment Returns**

**Last Seven Fiscal Years  
Years Ended December 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	15.11 %	(13.46)%	13.72 %	14.84 %	21.94 %	(3.13)%	16.93 %

## Charter Township of Northville

### Required Supplementary Information Schedule of Changes in Net OPEB Asset and Related Ratios - Parks and Recreation Commission

	<b>Last Six Fiscal Years</b>					
	<b>(Built prospectively from 2018, as additional information will be displayed as it comes available)</b>					
	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Interest	\$ 39,093	\$ 51,881	\$ 52,464	\$ 50,262	\$ 50,172	\$ 58,635
Net benefits paid by employer	(34,795)	(36,262)	(50,979)	(50,526)	(47,260)	(55,200)
Differences between expected and actual experience	(56,497)	(39,077)	7,539	53,745	-	(122,088)
Changes in assumptions	(1,529)	(159,961)	(24,711)	(21,782)	-	(70,657)
Changes in benefits	(69,542)	-	-	-	-	-
<b>Net Change in Total OPEB Liability</b>	(123,270)	(183,419)	(15,687)	31,699	2,912	(189,310)
<b>Total OPEB Liability - Beginning of year</b>	575,872	759,291	774,978	743,279	740,367	929,677
<b>Total OPEB Liability - End of year</b>	<b>\$ 452,602</b>	<b>\$ 575,872</b>	<b>\$ 759,291</b>	<b>\$ 774,978</b>	<b>\$ 743,279</b>	<b>\$ 740,367</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ -	\$ -	\$ -	\$ -	\$ 64,013	\$ 64,013
Net investment income (loss)	106,060	(112,183)	137,537	116,534	108,259	(30,989)
Administrative expenses	(1,911)	(1,746)	(1,896)	(1,624)	(1,532)	-
Benefit payments, including refunds	(34,795)	(36,262)	(50,979)	(50,526)	(47,260)	(55,200)
Other	-	-	-	-	-	(2,054)
<b>Net Change in Plan Fiduciary Net Position</b>	69,354	(150,191)	84,662	64,384	123,480	(24,230)
<b>Plan Fiduciary Net Position - Beginning of year</b>	931,012	1,081,203	996,541	932,157	808,677	832,907
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 1,000,366</b>	<b>\$ 931,012</b>	<b>\$ 1,081,203</b>	<b>\$ 996,541</b>	<b>\$ 932,157</b>	<b>\$ 808,677</b>
<b>Net OPEB Asset</b>	<b>\$ (547,764)</b>	<b>\$ (355,140)</b>	<b>\$ (321,912)</b>	<b>\$ (221,563)</b>	<b>\$ (188,878)</b>	<b>\$ (68,310)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	221.03 %	161.67 %	142.40 %	128.59 %	125.41 %	109.23 %
<b>Covered-employee Payroll</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*The plan is composed of inactive members (retirees) and is closed to new hires. The Commission's only active employee in the defined benefit OPEB plan terminated employment in January 2018. Covered payroll for the year ended December 31, 2018 and after is \$0.

## Charter Township of Northville

### Required Supplementary Information Schedule of OPEB Contributions - Parks and Recreation Commission

	<b>Last Ten Fiscal Years</b>									
	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17**	6/30/17	6/30/16*	6/30/15*
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,013	\$ 38,181	\$ 74,666	\$ 993,116	\$ 840,692
Contributions in relation to the actuarially determined contribution	-	-	-	-	64,013	64,013	78,030	180,962	1,109,503	961,787
<b>Contribution Excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 64,013</b>	<b>\$ -</b>	<b>\$ 39,849</b>	<b>\$ 106,296</b>	<b>\$ 116,387</b>	<b>\$ 121,095</b>
<b>Covered-employee Payroll</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 118,363</b>	<b>\$ 169,460</b>	<b>\$ 2,689,840</b>	<b>\$ 2,618,278</b>
<b>Contributions as a Percentage of Covered-employee Payroll</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>- %</b>	<b>65.92 %</b>	<b>106.79 %</b>	<b>41.25 %</b>	<b>36.73 %</b>

\*Disclosures through fiscal year ended June 30, 2016 include both the City and Parks and Recreation participants.

\*\*Reflects half-year amounts from July 1, 2017 - December 31, 2017 due to change in fiscal year

#### 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	Individual entry age normal as level percentage of payroll
Amortization method	Level dollar
Remaining amortization period	0 years
Asset valuation method	Market value
Inflation	2.5 percent
Healthcare cost trend rates	6.00 percent, decreasing 0.25 percent per year to an ultimate rate of 4.5 percent
Salary increase	Not applicable
Investment rate of return	7.00 percent
Retirement age	Not applicable
Mortality	Pub-2010 General Employees Mortality Table
Other information	None

# Charter Township of Northville

## Notes to Required Supplementary Information

December 31, 2023

### **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 supplementary information of the basic financial statements.

Reconciliations of the budgetary comparison schedules to the fund-based statements of changes in fund balance are as follows:

Charter Township of Northville - General Fund	Total Revenue	Total Expenditures
Amounts per operating statement	\$ 9,608,977	\$ 5,863,486
Interfund transfers budgeted as expenditures	-	2,127,620
Amounts per budget statement	<u>\$ 9,608,977</u>	<u>\$ 7,991,106</u>

### **Pension Information**

#### **Township**

##### *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***

**Township**

*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.

In the December 31, 2023 valuation, the per capita costs were updated to reflect experience since the previous valuation and the medical trend rate was shifted to maintain a 7.25 percent immediate rate.

**Parks and Recreation Commission**

*Changes in Assumptions*

Per capita costs were updated to reflect experience since the previous valuation, in particular the move to Humana Medicare Advantage for post-65 retirees.

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## Other Supplementary Information

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# Charter Township of Northville

	Special Revenue Funds		
	Youth Assistance Fund	Shared Services Fund	Opioid Settlement Fund
<b>Assets</b>			
Cash and investments	\$ 199,463	\$ 2,445,871	\$ 78,536
Receivables:			
Property taxes	-	1,537,552	-
Special assessments	-	-	-
Accrued interest receivable	735	9,544	289
Other	19,388	458	259,527
Due from other governmental units	-	9,109	-
Prepaid items	286	-	-
<b>Total assets</b>	<b>\$ 219,872</b>	<b>\$ 4,002,534</b>	<b>\$ 338,352</b>
<b>Liabilities</b>			
Accounts payable	\$ 1,222	\$ 38,437	\$ -
Due to other governmental units	-	8,123	-
Accrued liabilities and other	3,717	-	-
Unearned revenue	-	35,000	-
<b>Total liabilities</b>	<b>4,939</b>	<b>81,560</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	7,202	-	259,527
Property taxes levied for the following year	-	1,977,403	-
<b>Total deferred inflows of resources</b>	<b>7,202</b>	<b>1,977,403</b>	<b>259,527</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>12,141</b>	<b>2,058,963</b>	<b>259,527</b>
<b>Fund Balances</b>			
Nonspendable	286	-	-
Restricted:			
Police and fire operations	-	-	-
Debt service	-	-	-
Youth assistance	207,445	-	-
Parks, recreation, and senior services	-	1,943,571	-
Opioid treatment and education	-	-	78,825
Assigned:			
Debt service	-	-	-
Tree plantings and replacement	-	-	-
<b>Total fund balances</b>	<b>207,731</b>	<b>1,943,571</b>	<b>78,825</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 219,872</b>	<b>\$ 4,002,534</b>	<b>\$ 338,352</b>

Other Supplementary Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

**December 31, 2023**

Debt Service Funds			Capital Project Funds			
Edenderry Paving SAD Fund	2012 Refunding Debt Fund	Seven Mile Road Property Purchase Fund	Tree Fund	Public Safety Capital Projects Fund	Total	
\$ 6,807	\$ 489,182	\$ 3,223,173	\$ 571,717	\$ 6,882,247	\$ 13,896,996	
-	-	739,862	-	-	2,277,414	
13,256	-	-	-	-	13,256	
-	-	12,171	2,106	5,921	30,766	
-	-	107,868	-	-	387,241	
-	-	4,217	-	-	13,326	
-	-	-	-	-	286	
<b>\$ 20,063</b>	<b>\$ 489,182</b>	<b>\$ 4,087,291</b>	<b>\$ 573,823</b>	<b>\$ 6,888,168</b>	<b>\$ 16,619,285</b>	
\$ -	\$ -	\$ 640	\$ -	\$ 39,228	\$ 79,527	
-	-	-	-	-	8,123	
-	-	-	-	-	3,717	
-	-	-	-	-	35,000	
-	-	640	-	39,228	126,367	
13,256	-	107,243	-	-	387,228	
-	-	943,463	-	-	2,920,866	
13,256	-	1,050,706	-	-	3,308,094	
13,256	-	1,051,346	-	39,228	3,434,461	
-	-	-	-	-	286	
-	-	-	-	6,848,940	6,848,940	
6,807	-	3,035,945	-	-	3,042,752	
-	-	-	-	-	207,445	
-	-	-	-	-	1,943,571	
-	-	-	-	-	78,825	
-	489,182	-	-	-	489,182	
-	-	-	573,823	-	573,823	
6,807	489,182	3,035,945	573,823	6,848,940	13,184,824	
<b>\$ 20,063</b>	<b>\$ 489,182</b>	<b>\$ 4,087,291</b>	<b>\$ 573,823</b>	<b>\$ 6,888,168</b>	<b>\$ 16,619,285</b>	

# Charter Township of Northville

	Special Revenue Funds			Debt Service Funds		
	Youth Assistance Fund	Shared Services Fund	Opioid Settlement Fund	Edenderry Paving SAD Fund	2012 Refunding Debt Fund	Seven Mile Road Property Purchase Fund
<b>Revenue</b>						
Property taxes	\$ -	\$ 1,862,284	\$ -	\$ -	\$ -	\$ 888,197
Intergovernmental	-	-	-	-	-	12,135
Net investment income	6,029	141,791	2,261	1,721	-	157,568
Other revenue	149,107	18,341	76,564	19,779	263,980	-
<b>Total revenue</b>	<b>155,136</b>	<b>2,022,416</b>	<b>78,825</b>	<b>21,500</b>	<b>263,980</b>	<b>1,057,900</b>
<b>Expenditures</b>						
Current services:						
Public safety	-	-	-	-	-	-
Recreation and culture	157,196	1,824,618	-	-	-	-
Debt service	-	-	-	48,956	1,055,700	1,641,477
<b>Total expenditures</b>	<b>157,196</b>	<b>1,824,618</b>	<b>-</b>	<b>48,956</b>	<b>1,055,700</b>	<b>1,641,477</b>
<b>Excess of Revenue (Under) Over Expenditures</b>	<b>(2,060)</b>	<b>197,798</b>	<b>78,825</b>	<b>(27,456)</b>	<b>(791,720)</b>	<b>(583,577)</b>
<b>Other Financing Sources</b>						
Transfers in	-	-	-	5,650	791,970	-
Proceeds from sale of capital assets	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,650</b>	<b>791,970</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(2,060)</b>	<b>197,798</b>	<b>78,825</b>	<b>(21,806)</b>	<b>250</b>	<b>(583,577)</b>
<b>Fund Balances - Beginning of year</b>	<b>209,791</b>	<b>1,745,773</b>	<b>-</b>	<b>28,613</b>	<b>488,932</b>	<b>3,619,522</b>
<b>Fund Balances - End of year</b>	<b>\$ 207,731</b>	<b>\$ 1,943,571</b>	<b>\$ 78,825</b>	<b>\$ 6,807</b>	<b>\$ 489,182</b>	<b>\$ 3,035,945</b>

Other Supplementary Information

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

Nonmajor Governmental Funds

**Year Ended December 31, 2023**

Capital Project Funds		
Tree Fund	Public Safety Capital Projects Fund	Total
\$ -	\$ -	\$ 2,750,481
-	-	12,135
25,821	319,839	655,030
54,450	709,070	1,291,291
80,271	1,028,909	4,708,937
-	693,419	693,419
-	-	1,981,814
-	-	2,746,133
-	693,419	5,421,366
80,271	335,490	(712,429)
-	6,500,000	7,297,620
-	13,450	13,450
-	6,513,450	7,311,070
80,271	6,848,940	6,598,641
493,552	-	6,586,183
<b>\$ 573,823</b>	<b>\$ 6,848,940</b>	<b>\$ 13,184,824</b>

**Charter Township of Northville**

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

**Year Ended December 31, 2023**

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
<b>Revenue</b>			
Net investment income	\$ -	\$ 6,029	\$ 6,029
Other revenue	130,635	149,107	18,472
Total revenue	130,635	155,136	24,501
<b>Expenditures - Recreation and culture</b>	190,314	157,196	33,118
<b>Net Change in Fund Balance</b>	(59,679)	(2,060)	57,619
<b>Fund Balance - Beginning of year</b>	209,791	209,791	-
<b>Fund Balance - End of year</b>	<u>\$ 150,112</u>	<u>\$ 207,731</u>	<u>\$ 57,619</u>

**Charter Township of Northville**

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

**Year Ended December 31, 2023**

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
<b>Revenue</b>			
Property taxes	\$ 1,852,000	\$ 1,862,284	\$ 10,284
Intergovernmental	285,827	-	(285,827)
Net investment income	125,000	141,791	16,791
Other revenue	360,673	18,341	(342,332)
Total revenue	2,623,500	2,022,416	(601,084)
<b>Expenditures</b> - Recreation and culture	2,750,930	1,824,618	926,312
<b>Net Change in Fund Balance</b>	(127,430)	197,798	325,228
<b>Fund Balance</b> - Beginning of year	1,745,773	1,745,773	-
<b>Fund Balance</b> - End of year	<u>\$ 1,618,343</u>	<u>\$ 1,943,571</u>	<u>\$ 325,228</u>



**Charter Township of Northville**

**Other Supplementary Information**  
**Budgetary Comparison Schedule - Nonmajor Governmental Funds**  
**Opioid Settlement Fund**

**Year Ended December 31, 2023**

	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
<b>Revenue</b>			
Net investment income	\$ -	\$ 2,261	\$ 2,261
Other revenue	75,000	76,564	1,564
Total revenue	75,000	78,825	3,825
<b>Expenditures</b>	-	-	-
<b>Net Change in Fund Balance</b>	75,000	78,825	3,825
<b>Fund Balance - Beginning of year</b>	-	-	-
<b>Fund Balance - End of year</b>	<u>\$ 75,000</u>	<u>\$ 78,825</u>	<u>\$ 3,825</u>

**Charter Township of Northville**

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Other Supplementary Information  
Balance Sheet  
Economic Development Corporation

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**December 31, 2023**

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

**Charter Township of Northville**

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

**Year Ended December 31, 2023**

<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 Supplementary Information Statement of Net Position/Governmental Fund Balance Sheet Brownfield Redevelopment Authority

**December 31, 2023**

	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and investments	\$ 1,802,098	\$ -	\$ 1,802,098
Receivables - Taxes	1,279,420	-	1,279,420
Restricted cash	1,461,564	-	1,461,564
Capital assets - Net	-	869,587	869,587
	<b>\$ 4,543,082</b>	869,587	5,412,669
<b>Liabilities</b>			
Accounts payable	\$ 189,514	-	189,514
Due to other governmental units	150,672	-	150,672
Accrued liabilities and other	3,560	71,492	75,052
Noncurrent liabilities:			
Due within one year - Current portion of long-term debt	-	165,000	165,000
Due in more than one year - Long-term debt	-	12,069,054	12,069,054
	343,746	12,305,546	12,649,292
<b>Deferred Inflows of Resources</b> - Property taxes levied for the following year	1,273,773	-	1,273,773
	1,617,519	12,305,546	13,923,065
<b>Equity</b>			
Fund balance:			
Restricted	2,515,622	(2,515,622)	-
Unassigned	409,941	(409,941)	-
	2,925,563	(2,925,563)	-
Total liabilities, deferred inflows of resources, and fund balance	<b>\$ 4,543,082</b>		
Net position (deficit):			
Net investment in capital assets		464,026	464,026
Unrestricted		(8,974,422)	(8,974,422)
		<b>\$ (8,510,396)</b>	<b>\$ (8,510,396)</b>

## Charter Township of Northville

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

**Year Ended December 31, 2023**

	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
<b>Revenue</b>			
Property taxes	\$ 2,990,983	\$ -	\$ 2,990,983
Net investment income	199,119	-	199,119
Total revenue	3,190,102	-	3,190,102
<b>Expenditures</b>			
Current services	2,510,713	-	2,510,713
Capital outlay	3,998,223	-	3,998,223
Debt service:			
Principal	155,000	(155,000)	-
Interest and fiscal charges	288,293	(7,337)	280,956
Total expenditures	6,952,229	(162,337)	6,789,892
<b>Net Change in Fund Balance/Net Position</b>	(3,762,127)	162,337	(3,599,790)
<b>Fund Balance/Net Position (Deficit) - Beginning of year</b>	6,687,690	(11,598,296)	(4,910,606)
<b>Fund Balance/Net Position (Deficit) - End of year</b>	<b><u>\$ 2,925,563</u></b>	<b><u>\$ (11,435,959)</u></b>	<b><u>\$ (8,510,396)</u></b>

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## Statistical Section

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# Statistical Section

This part of the annual comprehensive 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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental Activities:</b>				
Net investment in capital assets	\$ 25,741,191	\$ 27,791,289	\$ 29,110,146	\$ 31,414,490
Restricted	5,641,118	6,891,613	8,653,806	10,377,739
Unrestricted	14,770,526	8,041,009	15,362,234	18,638,232
Total net position	<b><u>\$ 46,152,835</u></b>	<b><u>\$ 42,723,911</u></b>	<b><u>\$ 53,126,186</u></b>	<b><u>\$ 60,430,461</u></b>
<b>Business Type Activities:</b>				
Net investment in capital assets	\$ 46,582,470	\$ 46,295,825	\$ 45,593,094	\$ 45,915,955
Restricted	-	-	-	-
Unrestricted	33,951,924	34,966,807	36,897,950	40,634,504
Total net position	<b><u>\$ 80,534,394</u></b>	<b><u>\$ 81,262,632</u></b>	<b><u>\$ 82,491,044</u></b>	<b><u>\$ 86,550,459</u></b>
<b>Primary government in total:</b>				
Net investment in capital assets	\$ 72,323,661	\$ 74,087,114	\$ 74,703,240	\$ 77,330,445
Restricted	5,641,118	6,891,613	8,653,806	10,377,739
Unrestricted	48,722,450	43,007,816	52,260,184	59,272,736
Total net position	<b><u>\$ 126,687,229</u></b>	<b><u>\$ 123,986,543</u></b>	<b><u>\$ 135,617,230</u></b>	<b><u>\$ 146,980,920</u></b>

Source: Township's annual financial statements



## Net Position by Component

Last Ten Fiscal Years

December 31, 2023

(Unaudited)

As of December 31,					
2018	2019	2020	2021	2022	2023
\$ 42,377,681	\$ 45,059,020	\$ 46,851,756	\$ 48,240,367	\$ 55,591,562	\$ 66,173,477
8,895,456	10,810,720	13,224,232	16,548,604	19,899,248	22,113,682
12,991,218	21,092,298	25,451,269	30,523,019	32,795,738	31,738,260
<b><u>\$ 64,264,355</u></b>	<b><u>\$ 76,962,038</u></b>	<b><u>\$ 85,527,257</u></b>	<b><u>\$ 95,311,990</u></b>	<b><u>\$ 108,286,548</u></b>	<b><u>\$ 120,025,419</u></b>
\$ 45,321,290	\$ 44,738,092	\$ 44,290,283	\$ 44,174,684	\$ 45,033,722	\$ 53,341,971
-	-	-	-	-	-
45,824,024	51,972,564	57,530,085	61,748,742	63,386,320	56,652,566
<b><u>\$ 91,145,314</u></b>	<b><u>\$ 96,710,656</u></b>	<b><u>\$ 101,820,368</u></b>	<b><u>\$ 105,923,426</u></b>	<b><u>\$ 108,420,042</u></b>	<b><u>\$ 109,994,537</u></b>
\$ 87,698,971	\$ 89,797,112	\$ 91,142,039	\$ 92,415,051	\$ 100,625,284	\$ 119,515,448
8,895,456	10,810,720	13,224,232	16,548,604	19,899,248	22,113,682
58,815,242	73,064,862	82,981,354	92,271,761	96,182,058	88,390,826
<b><u>\$ 155,409,669</u></b>	<b><u>\$ 173,672,694</u></b>	<b><u>\$ 187,347,625</u></b>	<b><u>\$ 201,235,416</u></b>	<b><u>\$ 216,706,590</u></b>	<b><u>\$ 230,019,956</u></b>

## Charter Township of Northville

	As of December 31,			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Expenses:</b>				
General government	\$ 2,854,999	\$ 3,433,997	\$ 3,709,606	\$ 3,421,527
Public safety:				
Police and fire	11,157,575	11,073,853	11,957,837	12,199,157
Building department	574,795	642,982	558,062	554,962
Community & economic development	186,394	217,583	3,654,250	311,904
Recreation and culture	1,436,843	1,587,317	1,499,753	1,663,267
Interest on long-term debt	1,118,780	1,061,054	999,369	1,042,526
Total governmental activities	<u>17,329,386</u>	<u>18,016,786</u>	<u>22,378,877</u>	<u>19,193,343</u>
<b>Program revenues:</b>				
Charges for services				
General government	836,203	867,597	957,220	1,114,059
Public safety:				
Police and fire	1,191,650	1,234,197	1,304,376	1,261,022
Building department	1,051,596	1,135,386	999,861	1,414,821
Community & economic development	148,868	114,522	138,014	278,375
Recreation and culture	135,413	63,298	442,547	407,794
Total charges for services	<u>3,363,730</u>	<u>3,415,000</u>	<u>3,842,018</u>	<u>4,476,071</u>
Operating grants and contributions	696,401	569,297	421,855	716,885
Capital grants and contributions	244,931	245,651	155,762	105,687
Total program revenue	<u>4,305,062</u>	<u>4,229,948</u>	<u>4,419,635</u>	<u>5,298,643</u>
Net (expense) revenue	<u>(13,024,324)</u>	<u>(13,786,838)</u>	<u>(17,959,242)</u>	<u>(13,894,700)</u>
General revenues:				
Property taxes	12,941,502	16,222,225	16,713,080	17,027,702
State-shared revenues	2,214,975	2,219,929	2,281,802	2,470,135
Unrestricted investment earnings/(loss)	124,336	79,256	87,050	189,036
Gain or loss on sales of assets	64,617	7,197	8,514,323	1,018,264
Miscellaneous	893,758	532,555	765,262	493,838
Total general revenues	<u>16,239,188</u>	<u>19,061,162</u>	<u>28,361,517</u>	<u>21,198,975</u>
Transfers	-	-	-	-
Change in net position	<u>\$ 3,214,864</u>	<u>\$ 5,274,324</u>	<u>\$ 10,402,275</u>	<u>\$ 7,304,275</u>
	<u>\$ 115,500</u>	<u>\$ 1,582,824</u>	<u>\$ 1,228,412</u>	<u>\$ 4,059,415</u>

Source: Township's annual financial statements

## Changes in Governmental Net Position

Last Ten Fiscal Years

December 31, 2023

(Unaudited)

As of December 31,					
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 3,051,711	\$ 2,279,440	\$ 3,636,956	\$ 3,626,493	\$ 4,388,943	\$ 2,746,146
13,369,529	9,601,064	15,169,219	13,867,355	16,293,745	18,964,356
599,594	631,644	505,532	450,454	419,078	485,095
702,317	608,377	228,294	228,459	514,214	705,978
1,164,707	1,577,654	1,099,097	1,229,765	1,303,032	5,631,097
838,687	727,041	639,431	543,725	571,527	428,293
<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>	<u>28,960,965</u>
585,042	583,131	619,893	591,430	569,069	597,672
1,157,736	1,132,800	1,086,007	1,021,044	1,249,398	1,341,180
1,654,299	1,440,917	1,133,441	1,621,548	1,328,007	1,212,952
266,761	116,405	63,068	104,278	120,919	82,644
287,226	1,104,090	758,571	632,776	-	1,125,013
3,951,064	4,377,343	3,660,980	3,971,076	3,267,393	4,359,461
297,130	572,470	1,890,453	508,520	502,075	503,101
304,249	120,906	227,102	-	5,645,236	4,250,044
<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>9,112,606</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>	<u>(19,848,359)</u>
18,305,872	19,199,346	20,370,481	20,377,918	20,416,290	20,511,736
2,527,787	2,633,619	2,626,793	3,047,338	4,031,570	3,573,749
702,837	82,630	-	21,326	619,216	3,196,102
250,977	747,423	161,328	-	-	9,450
877,815	389,166	906,611	1,804,806	1,983,317	4,074,378
22,665,288	23,052,184	24,065,213	25,251,388	27,050,393	31,365,415
-	-	-	-	-	-
<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>\$ 11,517,056</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>	<u>\$ 1,574,495</u>

## Charter Township of Northville

	As of December 31,			
	2014	2015	2016	2017
Operating Revenue				
Water and sewer	\$ 10,371,892	\$ 13,289,726	\$ 14,986,362	\$ 15,858,043
Solid waste	1,231,692	1,240,316	205,373	-
Total operating revenue	11,603,584	14,530,042	15,191,735	15,858,043
Operating Expenses				
Water and sewer	13,909,882	14,780,896	15,949,475	15,623,629
Solid waste	1,133,997	1,145,022	269,639	93,448
Total operating expenses	15,043,879	15,925,918	16,219,114	15,717,077
Operating Income (Loss)	(3,440,295)	(1,395,876)	(1,027,379)	140,966
Nonoperating Revenue (Expenses)				
Investment income	985,622	406,748	288,425	120,968
Interest expense	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Income (Loss) - Before contributions and other items	(2,454,673)	(989,128)	(738,954)	261,934
Operating grants and contributions	-	-	-	-
Capital grants and contributions	2,570,173	2,571,952	1,967,366	3,797,481
Total capital contributions	2,570,173	2,571,952	1,967,366	3,797,481
Transfers to other funds	-	-	-	-
Change in Net Position, business type	115,500	1,582,824	1,228,412	4,059,415
<b>Primary government in total:</b>				
Primary government revenue	\$ 35,703,629	\$ 40,799,852	\$ 50,228,678	\$ 46,274,110
Primary government expense	32,373,265	33,942,704	38,597,991	34,910,420
Total Primary government Change in Net Position	<b>\$ 3,330,364</b>	<b>\$ 6,857,148</b>	<b>\$ 11,630,687</b>	<b>\$ 11,363,690</b>

Source: Township's annual financial statements

## Changes in Business Type Net Position

Last Ten Fiscal Years

December 31, 2023

(Unaudited)

As of December 31,					
2018	2019	2020	2021	2022	2023
\$ 15,354,365	\$ 14,802,478	\$ 16,698,964	\$ 15,259,102	\$ 15,165,072	\$ 14,900,846
-	-	-	-	-	-
15,354,365	14,802,478	16,698,964	15,259,102	15,165,072	14,900,846
14,098,164	12,783,088	13,510,540	13,619,074	13,951,798	15,773,776
523,999	-	-	-	-	-
14,622,163	12,783,088	13,510,540	13,619,074	13,951,798	15,773,776
732,202	2,019,390	3,188,424	1,640,028	1,213,274	(872,930)
264,425	550,181	274,267	(16,483)	(31,365)	1,474,524
-	-	-	-	-	-
-	-	-	2,500	45,186	19,755
996,627	2,569,571	3,462,691	1,626,045	1,227,095	621,349
-	-	-	-	-	-
4,093,237	2,995,771	1,647,021	2,477,013	1,269,521	953,146
4,093,237	2,995,771	1,647,021	2,477,013	1,269,521	953,146
-	-	-	-	-	-
5,089,864	5,565,342	5,109,712	4,103,058	2,496,616	1,574,495
\$ 46,929,758	\$ 46,471,333	\$ 48,464,000	\$ 47,453,116	\$ 52,913,511	\$ 57,826,292
34,348,708	28,208,308	34,789,069	33,565,325	37,442,337	44,734,741
<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>	<b>\$ 13,091,551</b>

## Charter Township of Northville

	As of December 31,			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Fund:</b>				
Nonspendable:				
Prepays	\$ 24,955	\$ 28,931	\$ 24,980	\$ 5,373
Long-term receivable	816,853	673,595	530,338	387,080
Restricted - Contributions and donations	6,225	6,225	-	-
Assigned	-	-	-	-
Unassigned	7,036,145	8,458,234	10,080,957	7,487,236
Total general fund	<u>7,884,178</u>	<u>9,166,985</u>	<u>10,636,275</u>	<u>7,879,689</u>
<b>All other governmental funds:</b>				
Nonspendable:				
Prepays	81,243	108,660	95,178	18,616
Restricted:				
Parks, recreation, and cultural services	811,017	841,876	925,335	945,533
Debt service	431,690	390,854	486,429	679,406
Youth assistance	104,265	105,420	115,634	115,461
Drug forfeiture	1,339,507	1,249,549	1,312,353	1,423,510
Police and fire operations	2,356,783	3,758,701	5,502,085	6,762,381
Special operations	26,833	20,864	15,806	-
Conrad charitable trust	41,601	23,177	2,678	-
Metro act funds	-	-	-	137,317
Opioid treatment, education, etc.	-	-	-	-
Road improvements	-	-	-	295,515
Committed				
Tree plantings & replacement	-	-	321,574	363,807
Parks, recreation, & senior services	-	-	-	-
Assigned	1,508,423	1,650,392	7,271,314	13,146,674
Unassigned	-	-	-	-
Total all other governmental funds	<u>6,701,362</u>	<u>8,149,493</u>	<u>16,048,386</u>	<u>23,888,220</u>
Total of all governmental funds	<u>\$ 14,585,540</u>	<u>\$ 17,316,478</u>	<u>\$ 26,684,661</u>	<u>\$ 31,767,909</u>

Source: Township's annual financial statements

## Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2023

(Unaudited)

As of December 31,						
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
\$ 95,944	\$ 90,917	\$ 104,648	\$ 75,146	\$ 59,245	\$ 196,243	
243,822	128,822	13,822	-	-	-	
-	-	-	461,670	1,058,131	1,131,018	
-	-	2,551,401	6,000,000	7,000,000	6,000,000	
6,297,996	10,307,506	10,155,445	9,068,287	8,834,198	13,569,184	
<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>	<u>20,896,445</u>	
327,873	327,573	348,874	259,594	600,034	242,600	
1,059,775	776,166	846,467	1,232,264	1,504,323	1,943,571	
1,090,585	1,725,103	2,680,923	3,778,315	3,648,135	3,042,752	
163,938	185,365	207,301	219,902	209,791	207,445	
1,075,318	820,682	603,139	645,842	616,848	646,699	
4,894,777	6,794,805	8,369,329	9,774,790	12,080,456	14,323,734	
-	-	-	-	-	-	
-	-	-	-	-	-	
149,108	77,403	92,586	119,965	148,495	106,039	
-	-	-	-	-	78,825	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	2,780,633	
6,389,221	5,852,532	6,759,292	7,911,202	9,130,210	7,565,446	
-	-	-	-	-	-	
<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>	<u>30,937,744</u>	
<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>	<b>\$ 51,834,189</b>	

## Charter Township of Northville

	As of December 31,			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenue</b>				
Property taxes	\$ 12,941,502	\$ 16,222,255	\$ 16,713,080	\$ 17,027,702
Licenses, permits, and charges for services	1,282,307	2,007,797	1,953,377	2,405,813
Federal grants	462,664	463,088	202,086	182,654
State sources	2,261,359	2,427,018	2,507,912	2,978,795
Fines and forfeitures	-	153,631	198,438	103,452
Interest income	124,336	79,256	87,050	189,036
Other revenue	<u>3,179,280</u>	<u>1,982,262</u>	<u>2,678,437</u>	<u>2,609,987</u>
Total revenue	<u>20,251,448</u>	<u>23,335,307</u>	<u>24,340,380</u>	<u>25,497,439</u>
<b>Expenditures</b>				
Current:				
Legislative	2,314,508	1,954,709	1,694,273	1,876,128
Finance and budget	-	-	-	-
Facility operations	-	-	280,128	358,201
Information technology and communications	-	-	-	-
Clerk	386,344	333,552	391,470	303,449
Treasurer	952,924	976,064	881,256	918,012
Assessing	-	-	-	-
Police department	6,563,346	6,764,212	7,054,934	6,935,315
Fire department	4,750,283	4,747,836	4,621,109	5,073,888
Building department	526,861	640,655	530,185	554,962
Planning and zoning	186,394	217,583	235,544	311,904
Shared services	1,292,417	1,570,054	1,267,373	1,298,691
Community development programs	-	-	-	-
Other	-	-	3,434,905	-
Capital outlay	184,218	315,106	74,517	698,601
Debt service principal	-	1,980,000	1,980,000	2,120,000
Debt service interest	<u>3,067,108</u>	<u>1,120,881</u>	<u>1,056,128</u>	<u>983,304</u>
Total expenditures	<u>20,224,403</u>	<u>20,620,652</u>	<u>23,501,822</u>	<u>21,432,455</u>
<b>Excess of Revenue Over Expenditures</b>	27,045	2,714,655	838,558	4,064,984
Other Financing Sources (Uses)				
Payment to refunded bond escrow agent	-	-	-	-
Debt premium	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Proceeds from sale of assets	416,354	16,283	8,529,625	1,018,264
Transfers in	1,642,100	1,386,120	1,228,190	6,261,990
Transfers out	<u>(1,642,100)</u>	<u>(1,386,120)</u>	<u>(1,228,190)</u>	<u>(6,261,990)</u>
Total other financing sources (uses)	<u>416,354</u>	<u>16,283</u>	<u>8,529,625</u>	<u>1,018,264</u>
<b>Net change in fund balances</b>	443,399	2,730,938	9,368,183	5,083,248
Fund Balances - Beginning of year	14,142,141	14,585,540	17,316,478	26,684,661
Fund Balances - End of year	<b><u>\$ 14,585,540</u></b>	<b><u>\$ 17,316,478</u></b>	<b><u>\$ 26,684,661</u></b>	<b><u>\$ 31,767,909</u></b>
Debt service as a percentage of noncapital expenditures	15.66%	15.88%	13.14%	15.35%



## Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2023

(Unaudited)

As of December 31,					
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 18,305,872	\$ 19,199,346	\$ 20,370,481	\$ 20,377,918	\$ 20,416,290	\$ 20,511,736
2,641,913	2,397,131	2,087,771	2,507,213	2,325,306	3,048,835
189,345	3,663	1,544,952	385,309	175,174	240,001
2,721,729	3,190,442	2,817,330	3,285,100	4,187,485	3,691,818
5,319	6,072	7,202	4,550	1,709	51,644
702,837	747,423	161,328	21,326	646,641	3,438,074
<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>5,245,079</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>	<u>36,227,187</u>
6,243,930	1,224,962	1,313,370	1,341,330	1,368,399	1,568,845
-	-	-	-	-	745,103
390,477	366,433	489,264	490,798	741,523	667,310
-	-	-	407,624	390,918	723,561
385,141	409,459	538,524	413,145	679,496	477,812
938,565	945,327	986,506	894,429	1,108,757	52,606
-	-	-	-	-	386,083
9,390,100	7,856,763	9,246,599	8,857,081	8,730,812	9,953,835
6,373,614	5,041,169	6,021,364	5,731,178	6,625,605	7,330,874
599,594	631,644	505,532	450,454	419,078	485,095
630,261	179,223	168,788	174,170	316,048	331,549
1,308,482	1,831,460	1,421,227	1,554,391	1,633,147	4,886,656
-	-	-	-	-	-
-	-	-	-	-	558,396
8,156,799	1,302,011	190,122	155,902	767,821	3,663,358
2,185,000	2,275,000	2,385,000	2,085,000	2,150,000	2,347,328
896,389	804,809	708,091	612,444	633,931	451,675
<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>	<u>34,630,086</u>
(10,444,061)	5,215,887	5,620,403	6,460,730	5,310,798	1,597,101
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
464,509	82,630	25,950	353,020	32,091	2,342,615
1,039,260	2,260,510	1,410,890	1,120,150	2,609,150	8,627,620
<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>(8,627,620)</u>
<u>464,509</u>	<u>82,630</u>	<u>25,950</u>	<u>353,020</u>	<u>32,091</u>	<u>2,342,615</u>
(9,979,552)	5,298,517	5,646,353	6,813,750	5,342,889	3,939,716
<u>31,767,909</u>	<u>21,788,357</u>	<u>27,086,874</u>	<u>32,733,227</u>	<u>39,546,977</u>	<u>47,894,473</u>
<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>	<b><u>\$ 51,834,189</u></b>

11.41%

15.06%

13.58%

12.22%

11.49%

9.43%

**Charter Township of Northville**

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		Taxable Value by Property Type			
		Real Property			
Tax Year	Fiscal year	Residential	Commercial	Industrial	Developmental
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	-
2022	2023	2,157,545,300	235,520,265	51,377,709	-

Source: Assessor's records

## Taxable Value and Estimated Actual Value of Taxable Property

**December 31, 2023**

**(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
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%
81,775,900	2,526,219,174	8.3113	2,893,222,200	87.32%

## 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
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
2022	2023	0.6513	0.1173	6.4366	0.7561	0.3500	8.3113

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, 2023  
(Unaudited)**

### Overlapping Government

#### Northville Schools

		Overlapping Government							Total All		
		Northville Schools							Jurisdictions		
		Northville	Wayne	Wayne	Schoolcraft	Zoo	DIA	Huron	State	Total All	Total All
Homestead	Non-	District	County	County	College	Authority	Authority	Clinton	Education	Jurisdictions	Jurisdictions
Homestead	Homestead	Library	County	RESA	College	Authority	Authority	Metro	Education	Homestead	Non-
								Authority		Homestead	Homestead
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
4.3396	22.3396	1.0975	7.7728	5.4275	2.2700	0.0992	0.1986	0.2070	6.0000	35.7235	53.7235

Principal Property Tax Payers

Current and Nine Years Ago  
 December 31, 2023  
 (Unaudited)

	2022	Percentage	2013	Percentage	
Taxpayer	Taxable Value	of Total	Taxable Value	of Total	2013 Rank
1 Consumers Energy	28,200,262	1.12%	15,246,359	0.85%	2
2 Park Place Apts Property Owner LLC	26,303,004	1.04%	20,599,467	1.15%	1
3 DTE Electric Company	20,163,424	0.80%	14,099,401	0.79%	3
4 BMSH I Cedarbrook Northville MI LLC	16,117,246	0.64%			
5 REIS-MOB 1 LLC	13,123,300	0.52%			
6 Northville Woods Acquisition LLC	10,670,800	0.42%			
7 ZF North America	8,116,000	0.32%			
8 IPTS	7,786,100	0.31%			
9 CA Senior Heartland Portfolio LLC	6,662,540	0.26%			
10 Michigan-Maybury State Park	11,706,468	0.46%			
ZF Technologies LLC	-	-	11,697,400	0.65%	4
Kings Mill Cooperative	-	-	9,086,503	0.51%	5
Meijer Inc	-	-	6,522,100	0.36%	6
Hayes-Lemmerz International LLC	-	-	6,476,200	0.36%	7
Innsbrook LLC	-	-	6,461,800	0.36%	8
Huntington Management	-	-	5,871,221	0.33%	9
American House/Norah LLC	-	-	4,814,385	0.27%	10
<b>Total</b>	<b>\$ 148,849,144</b>	<b>5.89%</b>	<b>\$ 100,874,836</b>	<b>5.63%</b>	
Source: Assessor's records					
Total taxable value for each year	<b>\$ 2,526,219,174</b>		<b>\$ 1,789,766,930</b>		

**Property Tax Levies and Collections**

**Last Ten Fiscal Years  
December 31, 2023  
(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
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%
2022	2023	21,093,598	20,703,445	98.15%	381,216.20	21,084,661	99.96%

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

Source: Township Treasury Department records

## Charter Township of Northville

	As of December 31,			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental Activities:</b>				
General obligation bonds (1)	\$ 28,624,603	\$ 26,600,278	\$ 24,580,952	\$ 22,421,627
Installment purchase agreements	-	-	-	-
Special assessment bonds	445,000	405,000	360,000	315,000
Total	29,069,603	27,005,278	24,940,952	22,736,627
<b>Business Type Activities:</b>				
General obligation bonds	1,000,000	925,000	850,000	750,000
General obligation capital improvement bonds (1)	4,000,000	3,955,348	3,739,486	3,508,624
State Revolving Loan Fund	1,391,805	1,331,805	1,266,805	1,201,805
Total	6,391,805	6,212,153	5,856,291	5,460,429
Total debt of the government	<b>\$ 35,461,408</b>	<b>\$ 33,217,431</b>	<b>\$ 30,797,243</b>	<b>\$ 28,197,056</b>
<b>Total taxable value</b>	\$ 1,789,766,930	\$ 1,851,705,894	\$ 1,920,733,524	\$ 1,960,233,966
Ratio of total debt to taxable value	1.98%	1.79%	1.60%	1.44%
<b>Total Population</b>	30,490	30,010	30,202	30,750
Total debt per capita	\$ 1,163	\$ 1,107	\$ 1,020	\$ 917

\* 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, 2023

(Unaudited)

As of December 31,					
2018	2019	2020	2021	2022	2023
\$ 20,197,302	\$ 17,882,977	\$ 15,458,651	\$ 13,334,326	\$ 11,145,000	\$ 8,880,000
-	-	-	-	-	-
<u>270,000</u>	<u>225,000</u>	<u>180,000</u>	<u>135,000</u>	<u>90,000</u>	<u>45,000</u>
20,467,302	18,107,977	15,638,651	13,469,326	11,235,000	8,925,000
650,000	550,000	450,000	350,000	250,000	125,000
3,182,762	2,856,900	2,536,037	2,220,174	1,909,312	1,598,449
<u>1,136,805</u>	<u>1,066,805</u>	<u>996,805</u>	<u>926,805</u>	<u>851,805</u>	<u>776,805</u>
4,969,567	4,473,705	3,982,842	3,496,979	3,011,117	2,500,254
<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>	<b><u>\$ 11,425,254</u></b>
\$ 2,027,694,082	\$ 2,119,808,105	\$ 2,250,230,027	\$ 2,341,269,879	\$ 2,406,447,471	\$ 2,526,219,174
1.25%	1.07%	0.87%	0.72%	0.59%	0.45%
31,453	32,164	31,758	31,845	32,067	31,891
\$ 809	\$ 702	\$ 618	\$ 533	\$ 444	\$ 358

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years  
December 31, 2023  
(Unaudited)

Fiscal Year	Tax - Limited		Less Amounts		Total	Taxable Value	Debt as a		Debt per Capita
	General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Available in Debt Service Fund (1)	Percentage of Taxable Value			Population (2)		
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	2,406,447,741	0.40%	32,067	301	
2023	1,723,449	8,880,000	3,042,752	7,560,697	2,526,219,174	0.30%	31,891	237	

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

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

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

Source: Township's Treasury records

**Charter Township of Northville**

**Direct and Overlapping Governmental Activities Debt**

**December 31, 2023  
(Unaudited)**

Governmental unit	Debt outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
Northville School District	\$ 143,075,000	64.80	\$ 92,712,600
Plymouth-Canton District	301,330,000	2.93	8,828,969
Wayne County	39,755,579	5.19	2,063,315
Schoolcraft Community College	49,360,000	15.14	<u>\$ 7,473,104</u>
Total overlapping debt			\$ 111,077,988
Direct Township debt (not including debt related to business-type activities)			<u>8,925,000</u>
Total direct and overlapping debt			<u><u>\$ 120,002,988</u></u>

(1) Percent obtained from Municipal Advisory Council of Michigan

Source: Various taxing authorities

## Charter Township of Northville

	As of December 31,			
	2014	2015	2016	2017
Calculation of debt limit:				
State equalized valuation (2)	\$ 1,867,281,729	\$ 2,014,863,081	\$ 2,200,717,244	\$ 2,320,473,362
Assessed value equivalent of Act 198 exemptions (1)	<u>13,549,646</u>	<u>12,924,500</u>	<u>13,526,985</u>	<u>12,896,200</u>
Debt limit (10% of SEV)	188,083,138	202,778,758	221,424,423	233,336,956
Calculation of debt subject to limit:				
Total debt	35,461,408	33,217,431	30,797,243	28,197,056
Less special assessment bonds	<u>445,000</u>	<u>405,000</u>	<u>360,000</u>	<u>315,000</u>
Net debt subject to limit	35,016,408	32,812,431	30,437,243	27,882,056
Legal debt margin	153,066,730	169,966,327	190,987,180	205,454,900
Net debt subject to limit as % of debt limit	18.62%	16.18%	13.75%	11.95%

(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, 2023**

**(Unaudited)**

As of December 31,					
2018	2019	2020	2021	2022	2023
\$ 2,452,109,475	\$ 2,515,166,900	\$ 2,660,103,904	\$ 2,751,543,350	\$ 2,801,170,700	\$ 2,893,222,200
12,133,700	11,346,800	12,734,400	7,927,045	2,475,123	1,231,440
246,424,318	252,651,370	267,283,830	275,947,040	280,364,582	289,445,364
25,436,869	22,581,682	19,621,493	16,966,305	14,246,117	11,425,254
270,000	225,000	180,000	135,000	90,000	45,000
25,166,869	22,356,682	19,441,493	16,831,305	14,156,117	11,380,254
221,257,449	230,294,688	247,842,337	259,115,734	266,208,465	278,065,110
10.21%	8.85%	7.27%	6.10%	5.05%	3.93%

## Charter Township of Northville

## Pledged-Revenue Coverage

December 31, 2023

(Unaudited)

Fiscal year	Special assessment collections	Special assessment bonds		Coverage
		Principal	Interest	
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%
2023	35,318	45,000	3,206	0.07%

Source: Township's annual financial statements

## Charter Township of Northville

# Demographic and Economic Statistics

December 31, 2023

(Unaudited)

Fiscal year	Population	Personal income (in thousands)	Per Capita Personal Income	Unemployment rate
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
2023	31,891	*	*	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, 2023

(Unaudited)

Employer	2023 Employees	2014 Employees
1 DRiV Inc	800	-
2 ZF Group North American	450	450
3 Aisin World Corporation of America	350	-
4 Cooper-Standard Holdings Inc	300	-
5 Home Depot	300	300
6 Northville Health Center	300	-
7 Meijer	176	750 *
8 Belanger Inc	150	150
9 Hawthorn Center	150	150
10 Jack Doheny Co	150	150
11 Kroger	150	-
12 Meadowbrook Country Club	150	-
13 Mitsubishi Electric Automotive	150	-
14 HELLA Corporate Ctr USA Inc	130	-
15 NTH Consultants LTD	125	-
16 Northville High School	120	-
17 Corporate Travel Service	117	-
18 Granite City Food & Brewery	115	-
19 Kohl's	115	-
20 Pomeroy Living	100	-
21 Hayes Lemmerz International	-	175

\* Includes part-time and seasonal

Source: Reference Solutions



Full-Time Equivalent Government Employees

Last Ten Fiscal Years  
December 31, 2023  
(Unaudited)

Function/ program:	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Manager's Office	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance & Budget	5.0	5.0	5.0	5.0	5.0	3.5	4.0	3.0	3.0	3.0
Human Resources	1.0	1.0	-	-	-	1.0	2.0	2.0	2.0	2.0
Information Technology and Communications	1.0	1.0	1.0	2.5	2.5	2.0	2.0	2.0	5.0	5.0
Community Relations	-	-	-	-	-	1.0	-	-	-	-
Clerk's Office	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	4.0	4.0
Facility Management	-	-	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police	43.0	43.0	43.0	43.0	43.0	49.0	48.0	47.0	51.0	52.0
Fire	32.0	32.0	32.0	32.0	32.0	31.0	31.0	31.0	37.0	38.0
Building	5.5	5.5	5.5	4.5	4.5	4.5	2.5	2.0	2.0	2.0
Public Services	16.0	16.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0	14.0
Planning	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0
Youth Assistance	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5
<b>Total</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>	<b>126.5</b>

Police includes dispatch

Source: Township's Human Resources records

## Charter Township of Northville

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Function/ Program	As of December 31,			
	2014	2015	2016	2017
<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>5-5-15 Sch.</b>		<b>11-7-17 Sch.</b>
Registered voters		20,857		20,402
Voters at polls		3,506		2,502
Absentee ballots		3,806		3,057
Percent voting		35.06%		27.25%
<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, 2023

(Unaudited)

As of December 31,						
2018	2019	2020	2021	2022	2023	
	(no elections were held in 2019)					
		<b>3-10-20 PP</b>				
			24,118			
			5,184			
			5,051			
			42.44%			
				<b>5-4-21 Sch.</b>		<b>5-2-23 Sch.</b>
				25,231		23,373
				840		1,155
				3,736		4,235
				20.05%		23.06%
		<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	2014	2015	2016	2017
<b>General Government</b>				
Building Permits Issued	2,317	2,400	2,442	2,908
Number of Building Inspections	5,725	6,440	5,636	6,413
New Residential Building Permits	57	44	61	90
<b>Public Services</b>				
<b>Solid Waste</b>				
Solid Waste Collected and Disposed (Tons)	7,019	7,043	7,709	7,623
Single Stream Recycling (Tons)	1,959	1,955	1,702	1,860
Yard Waste (Tons)	3,179	3,334	3,296	3,120
<b>Wastewater</b>				
Sewer Line Cleaned (miles)	30	27	33	18
Sewer Structures Inspected	357	769	1,402	395
Sewer Structures Repaired	14	33	5	46
<b>Water</b>				
Number of Meter Readings	50,097	50,582	51,128	51,217
Water Meters Installed	594	36	40	72
Fire Hydrants Inspected and Tested	351	1,762	1,781	823
<b>Police</b>				
Crime data				
Part A crimes	852	930	935	883
Part B crimes	249	249	313	610
Traffic crashes involving fatalities	-	-	-	-
Traffic crashes involving injuries	83	74	120	106
Property damage crashes	486	389	459	500
Parking violations	94	831	187	125
Moving traffic violations	3,843	5,969	4,035	3,377
Adult arrests	672	645	840	889
Juvenile arrests	48	48	37	54
OUIL arrests	65	67	77	49
False alarms	1,427	1,346	1,710	1,390
<b>Fire</b>				
Total fire calls	2,779	3,081	3,200	3,414
Fire incidents	50	44	46	40
Service incidents	594	656	607	661
Fire inspections conducted	121	246	213	450

## Operating Indicators

**Last Ten Fiscal Years**  
**December 31, 2023**  
**(Unaudited)(Continued)**

2018	2019	2020	2021	2022	2023
3,384	2,987	2,899	3,704	3,051	2,838
8,448	7,865	6,198	6,963	6,631	6,169
162	78	77	94	76	46
7,745	7,641	8,770	9,251	8,751	7,764
1,988	1,985	1,817	1,458	1,774	1,731
2,247	2,352	2,450	1,749	1,874	1,522
33	20	7	26	26	26
957	301	122	544	384	392
-	16	8	21	36	49
51,088	51,254	50,537	51,163	53,633	51,119
98	107	69	93	86	166
1,857	154	1,983	1,998	1,998	2,101
822	712	607	671	654	691
494	356	212	162	178	216
-	-	2	-	2	1
96	116	78	98	112	96
443	453	274	291	391	417
62	55	20	15	12	8
3,261	2,937	612	709	1,285	1,538
684	661	340	317	482	610
19	6	32	25	20	17
62	50	27	34	43	58
1,341	1,211	777	1,023	935	875
3,311	3,301	3,138	3,121	3,523	3,638
49	34	55	49	46	46
702	708	663	760	888	941
393	331	199	200	155	390

## Charter Township of Northville

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Function/ program	As of December 31,			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Water and Sewer</b>				
Customers:				
Residential	7,483	7,512	7,550	7,620
Commercial	1,069	1,076	1,078	1,080
Water (in thousand gallons):				
Purchased from Detroit	931,731	996,543	1,099,909	1,113,338
Sold to residents	868,217	936,387	1,050,340	1,042,223
<b>Rates</b>				
Fixed rate monthly water charge (*)	\$ 7.36	\$ 15.62	\$ 17.97	\$ 17.97
Fixed rate monthly sewer charge (*)	2.78	12.45	12.45	12.45
Water rate per 1,000 gallons	5.19	5.19	5.55	6.53
Sewer rate per 1,000 gallons	4.82	4.82	5.09	4.75
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, 2023**

**(Unaudited)**

As of December 31,						
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
7,708	7,805	7,872	7,952	8,085	8,148	
1,090	1,100	1,102	1,102	1,111	1,116	
1,047,049	971,294	1,143,555	1,008,597	1,009,810	1,034,345	
972,772	922,057	1,073,131	942,866	971,111	951,653	
\$ 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	6.33	6.33	
5.09	5.09	5.09	5.09	4.94	4.94	
\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49	\$ 120.49	



**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**For the year ended December 31, 2023**  
**Charter Township of Northville, Michigan**

