



GRAND BLANC TOWNSHIP

A Community in Motion

Charter Township of Grand Blanc
Genesee County, Michigan

Annual Comprehensive Financial Report
with Supplemental Information
For the Period Ended December 31, 2021

Charter Township of Grand Blanc Genesee County, Michigan

Annual Comprehensive Financial Report with Supplemental Information For the Period Ended December 31, 2021

The Finance Department is responsible for the preparation
of this Annual Comprehensive Financial Report

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CHARTER TOWNSHIP OF GRAND BLANC

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June 3, 2022

To the Citizens and the Board of Trustees
of the Charter Township of Grand Blanc, Michigan

The Annual Comprehensive Financial Report (ACFR) is hereby submitted to the citizens and the Board of Trustees of the Charter Township of Grand Blanc, Michigan. State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants within six months of the close of each fiscal year. Pursuant to this requirement, the annual comprehensive financial report has been prepared in accordance with all regulations and standards by the State of Michigan and the Governmental Accounting Standards Board to fulfill the requirement for the fiscal year ended December 31, 2021.

The accuracy, completeness, and fairness of the financial data reported, including all disclosures, rests with the Township's management, who assumes full responsibility for the information presented in this report. To provide a reasonable basis for making these representations, management of the Charter Township of Grand Blanc has established a comprehensive internal control framework to ensure the accuracy and reliability of the accounting system, which is dependent on adequate internal controls. Since the cost of internal controls should not outweigh their benefit, the Township's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Charter Township.



GRAND BLANC TOWNSHIP
A Community in Motion

Scott Bennett, *Supervisor*

Dave Robertson, *Clerk* Dennis Liimatta, *Township Superintendent* Mark Kilmer, *Treasurer*

Trustees:

Joel Feick Sarah Hugo Jude Rariden Paul White

The financial statements of the Charter Township of Grand Blanc have been audited by Plante Moran, PLLC, a firm of licensed certified accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. Plante Moran has issued an unmodified opinion on the Charter Township of Grand Blanc's financial statements for the year ended December 31, 2021. The independent auditor's report is located at the front of the financial section of this report.

Generally accepted accounting principles 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. The Charter Township of Grand Blanc's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF CHARTER TOWNSHIP OF GRAND BLANC

Grand Blanc was originally settled by Chippewa Indians. The Township took its name, French for "Great White", from French traders who arrived before 1800. By 1823, pioneer families were settling on the abundant farmland. The Charter Township of Grand Blanc was incorporated on April 1, 1833 as Genesee County's first unit of government. It is located in the southeastern part of Genesee County, which is situated in the mid-state section of Michigan. The Charter Township is about 60 miles north of the City of Detroit, 10 miles south of Flint and three miles north of Automation Alley in Oakland County. It currently has a land area of 32.1 square miles and a population of 39,846 people, based upon the 2020 census.

The Charter Township has a futuristic, innovative approach to development, while maintaining its rich history and heritage. The result has been structured commercial development, aesthetically pleasing neighborhoods, excellent public services and top-rated schools. The Charter Township still maintains a rural atmosphere with many distinctive housing options which include unique and historic home sites and subdivisions, as well as quality apartments, townhouses and condominiums. The Township is known for both its close access to recreational activities and proximity to the Detroit area, offering all the amenities of a larger metropolitan area. It is enhanced by an exemplary educational system in both public and private schools, as well as a premier library system. Quality health care is also provided by

Ascension Genesys Health System, one of the first medical centers of its kind built both clinically and architecturally around a patient-focused care philosophy

The Charter Township's Board is comprised of the Supervisor, Clerk, Treasurer, and four Trustees. All Board members are elected to four-year terms, which coincide with the presidential election. Policy-making and legislative authority are vested with the Board of Trustees. They oversee a full range of services provided to the citizens of the Charter Township of Grand Blanc. Among these are police and fire protection, community development, planning & zoning, building code enforcement, property assessment, general administrative services, voter registration, garbage collection, mosquito control, water and sewer distribution operations, and minor road improvements. The Charter Township also provides recreational activities through the Grand Blanc Parks and Recreation/Senior Citizen Activity Center, and the Grand Blanc McFarlen Library.

The Charter Township of Grand Blanc Board of Trustees adopts an annual budget in accordance with the State of Michigan Uniform Budgeting Act. The annual budget serves as the foundation for financial planning and control. The Charter Township's fiscal year is January through December. The annual budget is adopted no later than December 31st for the subsequent year. As part of its budgetary controls, the Board of Trustees must approve all budget amendments made throughout the fiscal year to reflect the current needs and financial position of the Township. A separate capital budget is prepared for the upcoming fiscal year and the succeeding five years.

The Charter Township of Grand Blanc has adopted financial policies that guide the Township in its financial management practices. The Charter Township follows these policies in the preparation of the annual budget and in reviewing the budget status throughout the year. The fund balance policy adopted by the Board of Trustees requires that the General Fund maintain a fund balance between 12 percent and 15 percent of General Fund revenue. In addition, the Charter Township has also adopted various other financial management policies regarding debt management, investment of assets, purchase and maintenance of assets and transfer of funds.

Management of the Charter Township is responsible for establishing and maintaining internal control designed to ensure that the assets of the Township are protected from loss, theft or misuse and to provide that adequate accounting data can be compiled to allow for the

preparation of financial statements in conformity with generally accepted accounting principles. The internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. It is the belief of management that the Charter Township's internal control adequately safeguards and provides reasonable assurance of proper recording of financial transactions. As a recipient of federal and state financial assistance, the Charter Township is also responsible for ensuring that there is adequate internal control structure in place to affirm and document compliance with applicable laws and regulations related to these programs. The internal control structure is subject to periodic evaluation by management of the Charter Township.

As demonstrated by the statements and schedules included in the financial section of this report, the Charter Township continues to meet its responsibility for sound financial management. As a result, the Charter Township continues to meet the needs of its citizens and provide exemplary services and quality of life to all residents who reside in the community.

ECONOMIC CONDITION AND OUTLOOK

The Charter Township of Grand Blanc has a diverse regional economy, anchored by major employers in the healthcare industry (Ascension Genesys Regional Medical Center), automotive sales industry (the Serra Automotive Group), and manufacturing (Magna Electronics). The Township's workforce is also very diverse, including those skilled in manufacturing, retail, business, and healthcare services. While the coronavirus pandemic substantially affected the unemployment rates throughout the nation, Grand Blanc Township's unemployment rate for 2021 is 4.4%, which is below the State unemployment rate of 5.1% and the near the national average of 4.0%.

The Charter Township's largest employer, Ascension Genesys Regional Medical Center which provides healthcare services, employs over 3000 people. The Charter Township's largest taxpayer, Consumers Energy Company, a public utility that provides natural gas and electricity, has a taxable value over \$47 million which is about 3.2% of the tax base. With the growth of several commercial businesses in various industries, the Charter Township has a tax base covering a wide-range of sectors and no longer relies on a single major taxpayer or industry, as in the past, when it historically relied on the automotive industry.

Even though some parts of the State of Michigan and Genesee County continue to experience economic tensions, Grand Blanc Township has experienced modest annual growth in taxable

value over the last several years. The Township's close proximity to Oakland County, one of the wealthiest counties in the nation, and I-75/Automation Alley is beneficial to its growth. Construction of the long-awaited extension of Dort Highway from Interstate 75 to Baldwin Road was recently completed and is expected to be a significant catalyst for development in the area. The construction elements of this project focused on two primary objectives, which included (1) improvement to traffic flow at the Dort Highway interchange at I-75 and (2) improve the conditions for economic development in the Genesee County region which will connect people and communities with centers of employment, education, healthcare and commerce to stimulate long-term job growth. This project also includes a non-motorized trail connection along the new road that will establish connections to an existing trail system to link residential, civic, commercial and recreational centers. The pathway is expected to be completed in 2022.

With the development of the Dort Highway Connector Project, the Charter Township is also hoping to attract high tech companies and direct future development in a way that maximizes economic development for the Charter Township. The Township's Community Development department has implemented a "Technology Village" area in the southern portion of the Charter Township and is vigorously marketing properties to emerging businesses with plans of expanding in the Charter Township. The area known as Technology Village consists of approximately 4,100 acres and is located in the south-central portion of the Township. It includes the Genesys Health Park, industrial property, and undeveloped sites with unique natural features. A development plan, prepared for this site, outlines a vibrant center that would incorporate knowledge-based employment with housing, recreation, culture, diversity and entertainment.

The Tech Village area of the Township has substantial assets including interstate access, major arterials, a major employer and health care provider and a number of local property owners, residents and elected officials that believe in its future. The character and location between denser population centers to its north and south make the site an attractive place to live and to operate potential employment generating activity. The challenge for Grand Blanc Township and for property ownership with Tech Village moving forward is to recognize how the population and economy are changing and to set policies that expand its vibrancy.

The development of the Dort Highway Connector Project has also served as a catalyst for the expansion of Ascension Genesys Health Systems to develop a total medical campus in the

southern end of the Charter Township. A proposal to bring a new \$106 million retirement community that would create over 250 jobs is the first in a series of planned projects that could potentially expand Genesys Health Park into a retail and wellness hub in Genesee County. In 2021, Genesys Health Systems added an additional \$1.3 million dollar investment to its facilities. With the continued economic development in the Township, the need for additional housing continues to grow. As a result, a \$19 million apartment complex, Banbury Commons, was recently constructed which includes single story units similar to condominiums. During the year, Grand Blanc Township also saw the construction of professional/medical offices, a storage unit facility, and additional office space totaling over \$6 million in construction value combined. With the influx of new businesses and housing, many other industries are expanding their businesses to meet the increased demands. Another major business development during the year was the completion of a 4,400 square-foot office building with a construction value of \$12,400,000 to house Elga Credit, which will include administrative offices and a full-service branch that features four state-of-the-art ATM machines offering extended hours for teller service. In addition, a global leader in decorative wheel trim supplying to the automotive industry intends to establish a new manufacturing facility in Grand Blanc Township in the near future. The project is expected to generate a total capital investment of \$10 million and create up to 50 jobs. Other projects include an addition to an auto plaza valued at over \$1 million and additional office space valued at \$1.3 million are currently under construction with expected completion in 2022.

Local leaders are eager to see the development of the new Grand Blanc Enterprise Park on 150 acres formerly known as the Trim Pines Tree Farm. To date, Flushing-based concrete company Fessler & Bowman has committed to investing millions of dollars in an 80,000-square-foot headquarters on 28 of those acres. With the expansion of Baldwin Road from the Dort Highway extension to Ruby Street to accommodate the new enterprise park slated for the former tree farm, another multi-purpose path will be constructed down Baldwin Road to eventually link the trail system to paths in the City of Grand Blanc as part of the statewide Iron Belle Trail network. The Township also will take part in the multi-jurisdictional Kearsley Creek interceptor project which will help alleviate some drainage issues and position the community for future expansion from the southern part of the township all the way up the east side of the Township.

Grand Blanc Township is a growing community and an employment generator for many residents of Genesee County. It is experiencing growth in construction and increased property values, far exceeding that of other communities in Genesee County. During 2021, the Township issued 59 residential building permits for new construction with a construction value

of \$15,330,000 and 313 permits for additions or improvement to existing structures with a construction value of \$5,716,000. During the same period of time, the Township also issued 3 permits for new commercial construction with a construction value of \$4,773,540 and an additional 25 permits for improvements on existing commercial structures with a construction value of \$3,507,700.

Employees of research and development firms typically seek out job opportunities in communities that offer a high quality of life. In choosing where to locate, firms look closely at the make-up of the community, seeking communities with an enticing and appealing atmosphere that will draw professional workers. The Charter Township of Grand Blanc is well positioned to attract research and development companies with its enticing amenities such as, the Grand Blanc Community Schools which are among the best in the State of Michigan and the Charter Township's per capita income and educational levels that are among the highest in Genesee County. In addition, the Charter Township has an increasing number of retail and entertainment offerings within high quality new developments. The Charter Township envisions building upon an unparalleled quality of life in the years to come and is committed to the long-term well-being of the community and enhancing the quality of life for its citizens.

LONG-TERM FINANCIAL PLANNING

Fund balance in the General Fund is currently \$4,641,292, or 26.25 percent of total General Fund revenue, which exceeds the policy guidelines set by the Charter Township's fund balance policy for budgetary and planning purposes. The Board of Trustees amended the budget within the general fund to include a contribution of \$1,100,000, using unassigned fund balance, to the retiree healthcare trust to reduce its unfunded liability. This was in addition to the \$563,000 included in the original budget using operating revenues for a total of \$1,663,000 additional contribution to the retiree healthcare trust to reduce its unfunded liability. Even with this additional contribution to its retiree healthcare trust, the general fund experienced an increase to the fund balance of \$371,691 in 2021. The positive variance was a result of efforts to contain costs within various departments within the Charter Township and vacancies left unfilled within the public safety department. By maintaining an appropriate level of fund balance, the Charter Township is able to reduce or eliminate the need to borrow in order to finance future capital projects or expenditures. The Charter Township has taken the

necessary steps to preserve its general fund balance, even during times of slowdown in economic activity, and will continue to do so in the future.

MAJOR INITIATIVES

Throughout the year, the Charter Township's government has been involved in a variety of projects that reflect the government's commitment to ensuring that its citizens are able to live and work in an enviable environment. The Mission Statement of the Charter Township of Grand Blanc is, "A planned and progressive community which provides a safe, caring, and quality environment in which to live, work, and play." This requires planning, collaboration among community and business leaders, and citizen participation. The Board of Trustees and management of the Charter Township are always working to create a thriving environment with a strong quality of life where talent wants to live, businesses want to locate and entrepreneurs want to invest.

Our Police Department is a progressive, full-service, law enforcement agency. The department provides 24/7 police service including dispatching, senior citizens call-in, vacation checks, operation identification, K-9 unit, motorcycle unit, motor carrier unit, child safety seat inspections, patrol, traffic enforcement and an accident reconstruction team. The Grand Blanc Township Police Department received their Accreditation Award from the Michigan Association of Chiefs of Police. This professional accomplishment affirms the departments voluntary compliance with the standards set forth by the Michigan Law Enforcement Accreditation Commission. The award makes the department one of the first 20 police departments in the state to receive this honor.

A few years ago, Grand Blanc Township saw the return of a professional golf tournament, after the Buick Open ended in 2009. The Ally Challenge, a PGA Tour Champions event held at Warwick Hills Golf and Country Club in Grand Blanc Township, continues to be a popular community event. The tournament is sponsored by Grand Blanc-based McLaren Health Care. The event is designed to showcase the best golf on the PGA TOUR Champions for the enjoyment of spectators and to benefit local charities in the greater Flint area. All three official rounds are internationally televised on the Golf Channel.

For the betterment of the parks system, voters of Grand Blanc Township approved a parks and recreation millage in the amount of .25 mills, which will generate over \$300,000 annually. The major focus of the funding will be on large-scale improvements and repairs to the facilities

within Creasey Bicentennial Park. Creasey Bicentennial Park receives more than 175,000 visitors each year, not including the people using the walking/jogging/biking trail, dog park visitors, and general picnickers. The park has been open to the public for nearly 40 years and has received a tremendous amount of use. In 2021, approximately \$253,000 was spent on the improvement of the park facilities and purchase of equipment for the operation and care of the park.

Grand Blanc Township is also part of the Lost Lake Nature Preserve, 538 acres located in both Holly Township and Grand Blanc Township, which has been acquired by Southeast Michigan Land Conservancy for natural areas preservation and public recreation. The reserve has the potential to become a key nature destination in southeast Michigan.

The continued growth of the Charter Township is directly related to the infrastructure capabilities in our township. We currently have 177 miles of water mains and 217 miles of sanitary sewer mains and are continuously improving our infrastructure system. Capital improvements to the water and sewer systems in 2021 included the completion of the \$3.6 million dollar Dort Highway sewer lines extension project; \$274,000 for the Knollwood and Stockbridge substation generators; \$255,000 in vehicle purchases; \$30,000 in communication equipment for the Baldwin Road Water Tower, and \$67,000 for water meters. These projects were funded in part by the revenue generated from the water and sewer tap in fees. In 2021, the Township also recorded \$365,000 in capital charges and line inspection fees.

The Charter Township Governmental Funds invested \$112,000 in 2021 for the replacement of police patrol vehicles. The Township also completed some building improvements totaling \$115,000, purchased computer equipment and software in the amount of \$65,000, completed ballpark improvements at Bicentennial Park in the amount of \$185,000, and purchased other miscellaneous equipment in the amount of \$28,000. The Dort Highway Pathway project began in 2021 with an initial investment of \$168,000 and is expected to be completed next year with a total project cost exceeding \$600,000, including the portion funded with state grants. The capital projects fund balance of \$1,896,000 will be carried forward to the 2022 fiscal year to be used for road improvements, police and fire vehicles, building improvements and other projects and equipment purchases as warranted. All capital projects within the Charter Township are assessed with sound planning and good financial management to allow the Charter Township to continue providing quality services and to become more progressive and responsive to the needs of its citizens.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Grand Blanc for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This was the twenty-sixth consecutive year that the Charter Township has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current Annual Comprehensive Financial Report 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 the Annual Comprehensive Financial Report was made possible by the efficient and dedicated services of the staff of the Finance Department. I would like to express my appreciation to the members of the Charter Township's Finance Department for their assistance and contribution throughout the year. Lastly, I wish to acknowledge the Charter Township of Grand Blanc Board of Trustees for their interest and commitment to responsible, prudent, and progressive financial leadership.

Respectfully submitted,

A handwritten signature in cursive script, reading "Cathleen Szostak".

Cathleen Szostak
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for
Excellence in
Financial
Reporting

Presented to

**Charter Township of Grand Blanc
Michigan**

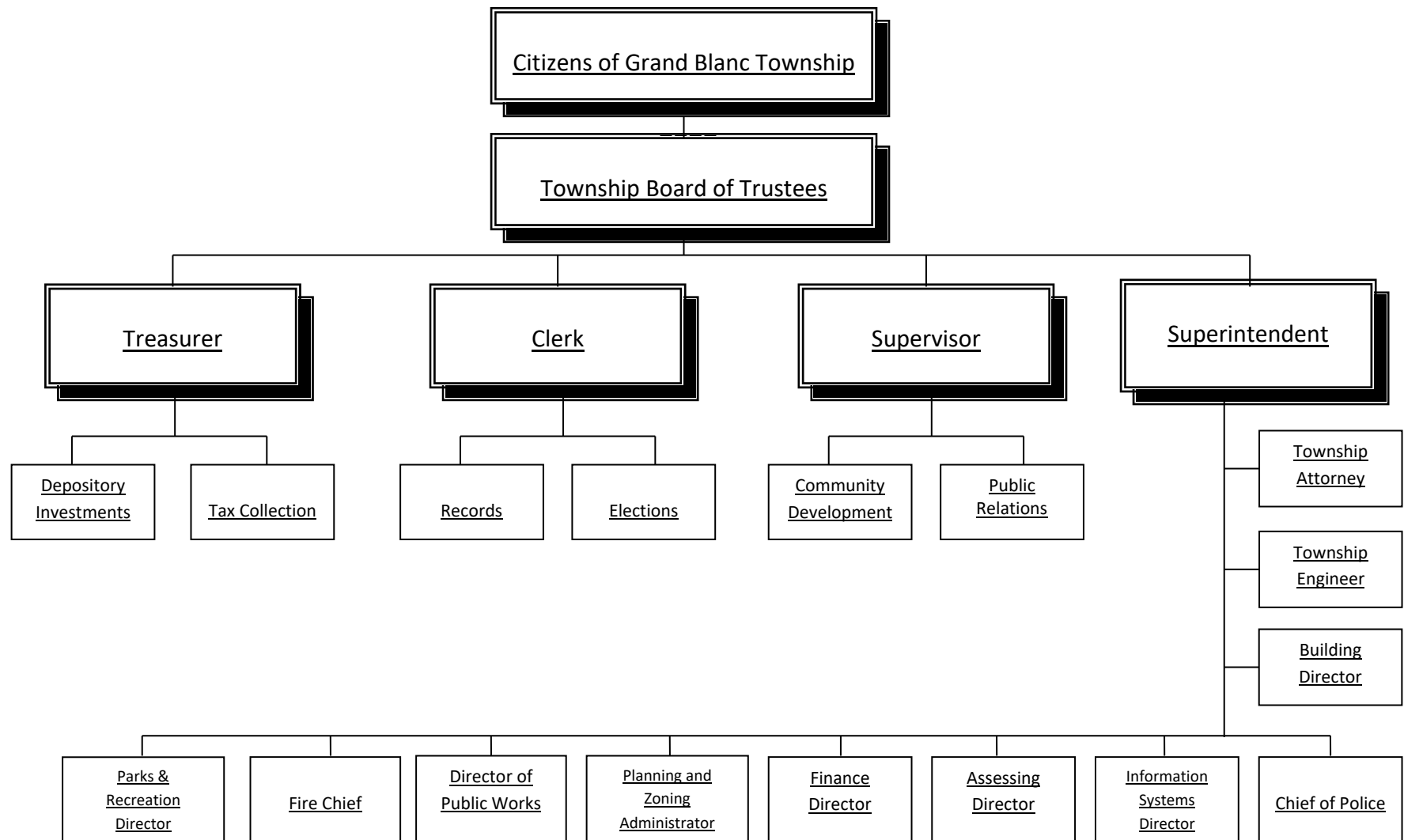
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrell

Executive Director/CEO

<u>Title</u>	<u>Name</u>
Supervisor	Scott Bennett
Clerk	Dave Robertson
Treasurer	Mark Kilmer
Board of Trustees	Joel Feick Sarah Hugo Jude Rariden Paul White
Township Superintendent	Dennis Liimatta
Finance Director	Cathleen Szostak
Police Chief	Ronald Wiles
Fire Chief	Robert Burdette
Director of Public Works	Jeff Sears
Assessing Director	Dulcee Ranta
Parks and Recreation Director	Patrick Linihan
Planning and Zoning Administrator	Jeremy Smith
Information Systems Director	Nathan Loosevelt



Independent Auditor's Report

To the Board of Trustees
Charter Township of Grand Blanc

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Grand Blanc (the "Charter Township") as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Charter Township'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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township as of December 31, 2021 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Charter 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.

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 Charter Township's ability to continue as a going concern for 12 months beyond the financial statements 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.

To the Board of Trustees
Charter Township of Grand Blanc

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 Charter 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 Charter Township's ability to continue as a going concern for a reasonable period of time.

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township's basic financial statements. The other supplemental information, as identified in the table of contents, and introductory section and statistical section schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

To the Board of Trustees
Charter Township of Grand Blanc

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.

Report on Summarized Comparative Information

We have previously audited the Charter Township's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 3, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Plante & Moran, PLLC

June 3, 2022

This section of the Charter Township of Grand Blanc's (the "Charter Township") annual financial report presents our discussion and analysis of the Charter Township's financial performance during the fiscal year ended December 31, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the Charter Township's financial statements, which follow this section.

Overview of the Financial Statements

This annual report consists of five parts: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplemental information, (4) other supplemental information (which presents combining statements for non-major governmental funds and the component unit), and (5) a statistical section. The basic financial statements include two kinds of statements that present different views of the Charter Township. The first two statements are government-wide financial statements that provide both short-term and long-term information about the Charter Township's financial status. The remaining statements are fund financial statements that focus on individual operations of the Charter Township's government, reporting in more detail than the government-wide statements.

Government-wide Financial Statements

The government-wide financial statements report information about the Charter Township as a whole, using accounting methods similar to those used by private sector companies. The statement of net position includes all of the Charter Township's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities, regardless of when cash is received or paid (full accrual).

The two government-wide statements report the Charter Township's net position and how it has changed. Net position, the difference between assets and liabilities, is one means to measure the Charter Township's financial health or position. This long-term view also helps to measure whether the taxpayers have funded the full cost of providing government services.

The government-wide financial statements of the Charter Township are divided into two categories:

- **Governmental Activities** – Most of the Charter Township's basic services are included here, such as police, general administration, public works, fire protection, recreation, and culture. Property taxes, state-shared revenue, charges for services, and investment earnings provide most of the funding for these services.
- **Business-type Activities** – The business-type activities of the Charter Township include the water and sewer systems. These activities are supported by user fees

and charges, which are intended to recover all, or a significant portion, of the costs to provide the service.

Fund Financial Statements

The fund financial statements provide more detailed information about the Charter Township's most significant funds - not the Charter Township as a whole. Funds are accounting devices that the Charter Township uses to segregate financial resources (along with all related liabilities) for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Some of the Charter Township's funds are required by state law. The Charter Township's board of trustees establishes additional funds to control and manage monies for particular purposes (such as the Capital Projects Fund) or to demonstrate that it is properly utilizing specific taxes or grants (such as the Drug Forfeiture Fund).

The Charter Township has three kinds of funds:

- **Governmental Funds** – The majority of the basic services of the Charter Township are accounted for in governmental funds, which measure financial resources available to the entity in the near future as a result of transactions and events of the fiscal period reported. Therefore, long-term assets and liabilities will not be reflected on the balance sheet of governmental funds. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are sufficient financial resources that can be spent in the near future to finance the Charter Township's General Fund operations, as well as various other activities with revenue sources restricted for specific purposes.
- **Proprietary Funds** – Services for which the Charter Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide financial statements, provide both long- and short-term financial information. The Charter Township's only proprietary fund is the Department of Public Works (DPW), which accounts for the operations of water and sewer services.
- **Fiduciary Funds** – The Charter Township is the trustee, or fiduciary, for ensuring that the assets reported in these funds are used for their intended purpose. The fiduciary fund statements provide information about activities for which the Charter Township acts solely as a trustee or agent for the benefit of those outside of the government. All of the Charter Township's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the Charter Township's government-wide financial statements because the Charter Township cannot use these assets to finance its operations.

Notes to the Financial Statements – Provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and fund financial statements.

Required Supplemental Information – Includes the budgetary comparison schedules for the General Fund and major special revenue funds as well as budgetary notes. Also included are schedules of changes in the net pension liability and the net OPEB liability and related ratios, schedules of pension contributions and OPEB contributions, and additional notes to provide essential information regarding the pension and OPEB schedules. This required supplemental information is in addition to the basic financial statements and accompanying notes.

Other Supplemental Information – Includes the combining balance sheet and combining statement of revenue, expenditures, and changes in fund balance for the non-major governmental funds along with a description of each fund. It also includes budgetary comparison statements for the non-major special revenue funds, debt service fund, capital projects fund, and statements for the Township's component unit.

Financial Analysis of the Charter Township as a Whole

The Charter Township has a combined net position of approximately \$89.8 million for the fiscal year ended December 31, 2021. This was a total increase of approximately \$5.4 million or 6.3 percent from 2020. There were several contributing factors to the increase in net position including (1) an increase in cash and investments, (2) an increase in property tax receivables because of increased revenues, (3) a reduction in the net pension liability, and (4) the largest contributing factor was a reduction of the Other Post-Employment Benefits (OPEB) liability. As a result of a change in assumptions and an additional contribution, the net OPEB liability declined approximately \$14.3 million at December 31, 2021 to \$2.7 million in the governmental activities and the net OPEB asset increased approximately \$3.1 million to \$4.3 million in the business-type activities. As required with the implementation of Governmental Accounting Standards Board (GASB) Statement no. 75 in 2018, the net OPEB liability was added to the statement of net position for the first time. The primary objective of GASB Statement No. 75 was to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The Township's government-wide statements now report the cost of retiree healthcare, as it is being earned by its employees. This is an improved method of measuring the cost of providing government services, and whether the current taxpayers have fully funded the full cost of services.

While the Township's total net position is still positive, it is all attributable to its business type activities, related to providing water and sewer services. With the addition of the net pension liability and the net OPEB liability added to the statement of net position in recent years, it has caused the net position of the governmental activities to be negative. This

Charter Township of Grand Blanc

Management's Discussion and Analysis

new measurement indicates that the Township's residents have paid less than the estimated cost of providing governmental services.

The largest portion of the Charter Township's net position (103 percent) reflects its investment in capital assets (i.e., land, buildings, vehicles, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Charter Township uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Charter Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

In a condensed format, the table below shows a comparison of the net position as of December 31, 2021 and the prior year. All numbers are in thousands.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
	(in thousands)		(in thousands)		(in thousands)	
Assets						
Current and other assets	\$ 29,096	\$ 24,717	\$ 22,332	\$ 21,367	\$ 51,428	\$ 46,084
Capital assets	18,004	18,735	80,658	79,644	98,662	98,379
Total assets	47,100	43,452	102,990	101,011	150,090	144,463
Deferred Outflows of Resources	4,623	3,704	290	108	4,913	3,812
Liabilities						
Long-term liabilities outstanding	18,984	34,424	-	-	18,984	34,424
Other liabilities	3,379	1,441	3,031	2,965	6,410	4,406
Total liabilities	22,363	35,865	3,031	2,965	25,394	38,830
Deferred Inflows of Resources	35,066	22,810	4,746	2,200	39,812	25,010
Net Position						
Net investment in capital assets	12,007	12,252	80,659	79,644	92,666	91,896
Restricted	1,948	1,874	-	-	1,948	1,874
Unrestricted	(19,661)	(25,645)	14,844	16,310	(4,817)	(9,335)
Total net position	<u>\$ (5,706)</u>	<u>\$ (11,519)</u>	<u>\$ 95,503</u>	<u>\$ 95,954</u>	<u>\$ 89,797</u>	<u>\$ 84,435</u>

The total net position of the Township is \$89.8 million. This is comprised of \$95.5 million within the business-type activities and negative \$5.7 million within the governmental activities. The negative net position within the governmental activities is caused by the net pension and OPEB liabilities of \$7,784,278 and \$2,698,217, respectively. Both were recently added to the government-wide statements as a result of new Governmental Accounting Standards Board requirements. During the 2021 fiscal year, the governmental activities experienced an increase in net position of \$5,812,365, which is primarily the result of the reduction to the net OPEB liability because of additional contributions and a change in actuarial assumptions. In addition, cash and investments as well as receivables increased as a result of increased revenues in the form of property taxes and special

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Management's Discussion and Analysis

assessments; the Township received an increase in state-shared revenues; and experienced favorable results associated with the post-retirement healthcare benefits actuarial report resulting in reduced liabilities. The Township has taken measures to pay down the existing long-term obligation for other postemployment liabilities, modified its investment strategy for these long-term investments and switched its post-retirement healthcare provider to save money.

The business-type activities experienced a decrease in net position of \$451,312, which is attributable to a decrease in the sale of water along with an increase in the cost of water, reduced capital contributions through tap-in fees and no lines were donated by developers this year. The business-type activities also experienced an increase to its other postemployment benefits asset. It now has a net OPEB asset of \$4,265,788, which is an increase of \$3,192,096 from last year, for the same reasons as the governmental activities.

The following table shows the change in the net position for the governmental activities and the business-type activities during the current year:

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
	(in thousands)		(in thousands)		(in thousands)	
Revenue						
Program revenue:						
Charges for service	\$ 3,056	\$ 2,869	\$ 17,014	\$ 17,382	\$ 20,070	\$ 20,251
Operating grants and contributions	641	1,185	-	388	641	1,573
Capital grants and contributions	890	4,011	365	1,354	1,255	5,365
General revenue:						
Property taxes	10,301	9,752	-	-	10,301	9,752
State-shared revenue	4,228	3,431	-	-	4,228	3,431
Unrestricted investment earnings	(22)	237	(56)	213	(78)	450
Miscellaneous	1,509	1,587	-	-	1,509	1,587
Total revenue	20,603	23,072	17,323	19,337	37,926	42,409
Expenses						
General government	3,066	2,791	-	-	3,066	2,791
Public safety	7,207	9,926	-	-	7,207	9,926
Public works	2,962	3,523	-	-	2,962	3,523
Community and economic development	10	165	-	-	10	165
Recreation and culture	1,341	1,090	-	-	1,341	1,090
Interest on long-term debt	204	209	-	-	204	209
Water and sewer	-	-	17,774	17,569	17,774	17,569
Total expenses	14,790	17,704	17,774	17,569	32,564	35,273
(Decrease) Increase in Net Position	5,813	5,368	(451)	1,768	5,362	7,136
Net Position - Beginning of year	(11,519)	(16,887)	95,954	94,186	84,435	77,299
Net Position - End of year	\$ (5,706)	\$ (11,519)	\$ 95,503	\$ 95,954	\$ 89,797	\$ 84,435

Governmental Activities

Revenue for the governmental activities totaled \$20.6 million, of which \$10.3 million, or approximately 50 percent, was in the form of property tax collections. The Charter

Township levied a total of 6.8738 mills for fiscal year 2021 (levied in December 2020), distributed as follows - 3.7844 mills for the Charter Township's operation, 0.7 mil for the municipal campus plan, 0.9960 mil for the Charter Township's police, 0.9934 mil for the fire operations, 0.1546 mil for the Charter Township's mosquito control program, and 0.2454 mil for the Parks and Recreation program.

Revenue from State sources contributed 20.5 percent, or \$4.2 million, of the total revenue which was an increase of about \$797,000. For many years, the State has decreased state shared revenues to local municipalities. Only recently has revenue sharing stabilized either remaining relatively consistent from year to year or experiencing minor increases. The increase in 2021 was a result of a one-time population adjustment from the 2020 census. As a result, state-shared revenues continue to be an area of concern given the recent economic conditions. As the State of Michigan works on its economic recovery plan and balancing its budget, revenue sharing continues to be a target with possible funding reductions to all governmental entities.

Charges for governmental services represent just over 14.8 percent of total revenue in the amount of \$3 million. The largest portion (50 percent) of charges for services is attributable to the special assessment in the Solid Waste Fund. The Charter Township's housing construction activities provide a large portion of revenue in this category as well, in the form of building permits and inspection fees, which represent 22 percent of the charges for service revenue. Capital grants and contributions saw a significant decrease from 2020, in 2020 there was a one-time capital contribution of approximately \$3 million related to the dissolution of the fire commission joint venture with the City.

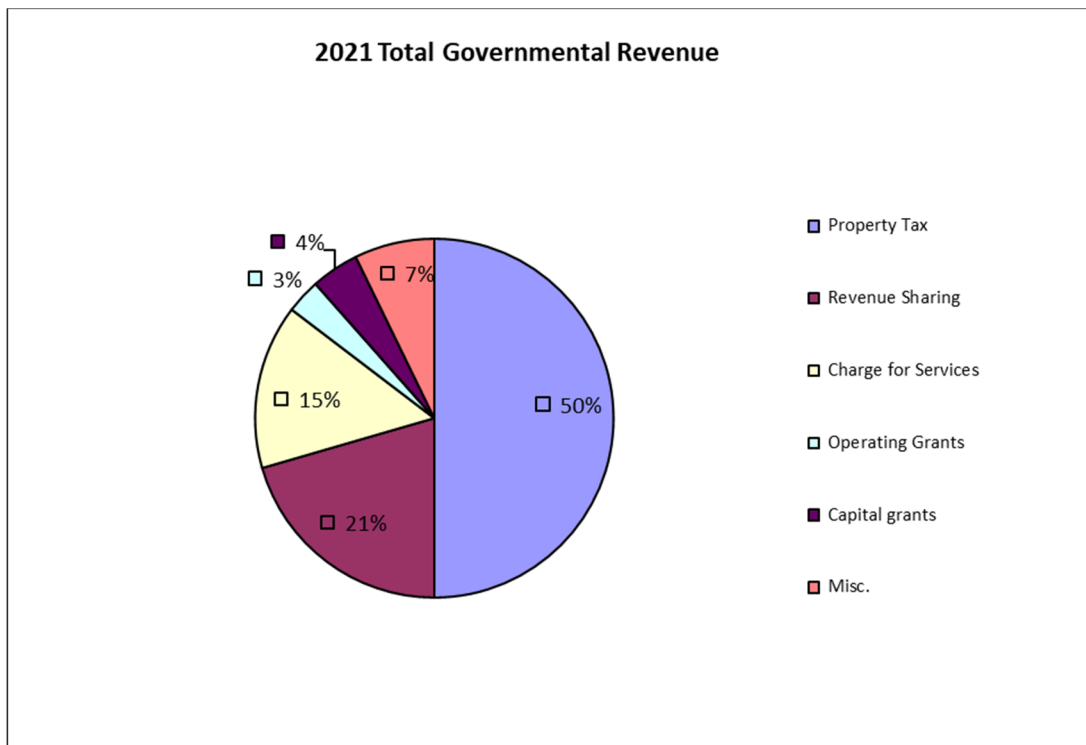
The governmental activities expenses totaled \$14.8 million in 2021 which is approximately a 16.5 percent decrease compared to 2020. Public safety experienced the largest decrease of just over \$2.7 million, which was the result of a reduction in the post-employment liability expenses. In addition, fewer special assessment road projects were completed this year causing public works expenditures to decrease as well. Overall, the net position of the governmental activities increased \$5,812,365 in 2021 to \$(5,706,187) from \$(11,518,552) in 2020, primarily due to the reduction in the net OPEB liability, as well as the increased revenues from property taxes and state-shared revenue.

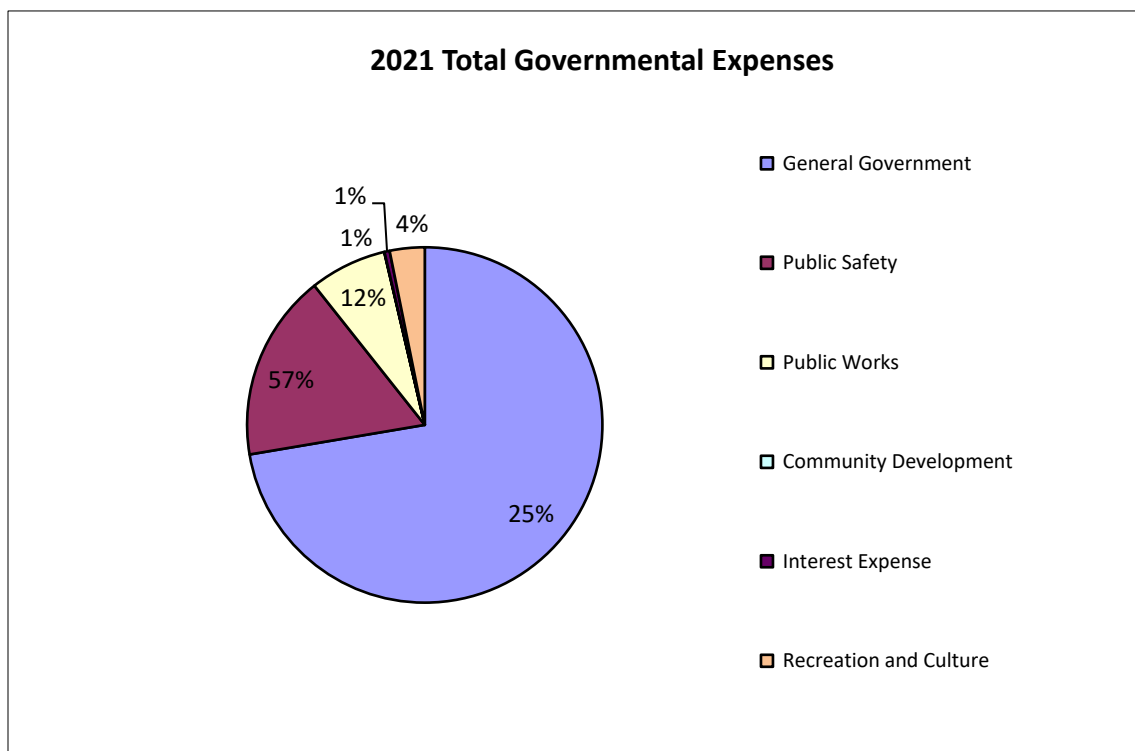
Business-type Activities

The Charter Township has one business-type activity, the Department of Public Works, which maintains the water and sewer systems. The Charter Township purchases water from Genesee County and the Charter Township's sewage is pumped to Genesee County treatment facilities. The water and sewer operations are primarily funded by user fees and charges for services. The revenue generated from charges for services of \$17 million covered nearly all of the \$17.8 million of water and sewer expenses. The remaining \$0.8 million of expenses were covered by the capital contributions and fund balance accumulated from previous year's earnings. The Charter Township's goal is to have the water and sewer operations be self-supporting. Any revenue in excess of expenses will

be used to fund the projects in the five-year capital improvement plan. The net position for business-type activities at the end of 2021 reflects a decrease of \$451,312 to \$95,502,449, which also includes a reduction to the net OPEB liability creating a net OPEB asset of \$4,265,788, positively affecting the net position.

The following pie charts offer a quick view of the revenue and expenditures of governmental activities as a percentage of the whole:





Capital Assets

The Charter Township has combined net capital assets of \$98,662,771. The following schedule provides a summary of the capital assets, net of accumulated depreciation, for 2021 and 2020. Numbers are in thousands.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 1,948	\$ 1,948	\$ 1,176	\$ 1,176	\$ 3,124	\$ 3,124
Construction in progress	185	-	77	1,249	262	1,249
Buildings and improvements	11,154	11,375	1,228	1,258	12,382	12,633
Furniture and equipment	705	914	528	244	1,233	1,158
Infrastructure	1,420	1,599	-	-	1,420	1,599
Water and sewer distribution systems	-	-	77,070	75,083	77,070	75,083
Vehicles	2,592	2,899	580	634	3,172	3,533
Total	\$ 18,004	\$ 18,735	\$ 80,659	\$ 79,644	\$ 98,663	\$ 98,379

The Charter Township's governmental activities invested approximately \$640,000 in 2021 for capital projects/purchases. The governmental funds capital improvements included the addition of police vehicles and equipment, building improvements, software and website redesign, the initial phase of the Dort Highway pathway, improvements to the multi-purpose fields at Bicentennial Park, as well as various equipment purchases and upgrades. The fund balance in the Capital Projects Fund of \$1,896,347 will be carried

forward to the 2022 fiscal year to be used for road improvements, police and fire vehicles, and other projects as warranted. Prior to replacement, each capital asset is closely inspected to evaluate its remaining life and its need for replacement or improvement.

In the Department of Public Works proprietary fund, the Charter Township collected \$365,000 in capital contributions through tap-in fees, which will be used to fund the infrastructure projects currently under construction or planned in the near future, such as replacement of meters and lining of the sewer pipes as preventive maintenance and new lines being added to support new development. In addition, an expansion of both the water and sewer lines into the southern end of the Township is underway to further development in that portion of the Township. Some of the capital improvements/purchases during 2021 within the Department of Public Works Fund included nearly \$2.5 million of sewer lines to expand into the southern end of the Township; \$275,000 purchase of generators for the Knollwood and Stockbridge substations; vehicle purchases of \$255,000; several meter, generator, and pump replacements throughout the system totaling over \$125,000; and other miscellaneous water and sewer system improvements. Additional information on the Charter Township's capital asset activity can be found in Note 5 to the financial statements.

Long-Term Debt

The Charter Township has a total of \$8,502,220 in long-term governmental debt and \$10,482,495 of long-term pension and OPEB liabilities, within its governmental activities, as of December 31, 2021. Of this total debt, \$5,996,970 of the governmental debt is related to the issuance of a 25-year general obligation limited tax capital improvement bond for construction of a new police station, which was refunded in 2015. The refunding of this bond is anticipated to save the Township \$1.5 million over the life of the bond. In addition, \$223,250 of all long-term debt is related to employee compensated absences, and \$2,282,000 of the debt is related to road improvement projects. The Charter Township has a policy of assisting subdivisions in financing road improvements within the Charter Township that are completed by the Genesee County Road Commission. Typically, the Charter Township issues a special assessment bond and these obligations are then paid over a 10-year period by the homeowners that benefit from the road improvement.

The long-term business-type activity debt includes \$14,445 for compensated absences and no long-term OPEB or pension liabilities. The Charter Township's long-term debt, including its pension and OPEB liabilities, represents 21 percent of total net position of the governmental activities and business-type activities together, even though the debt is primarily attributable to the governmental activities. Additional information on the Charter Township's long-term debt activity can be found in Note 7 to the financial statements.

The Charter Township's Nonmajor Governmental Funds

In the Other Supplemental Information section of this report, there is a summary of four types of nonmajor governmental funds:

- **Special Revenue Funds** – These funds were established to meet specific requirements or needs that would allow the Charter Township to track specific revenue and expenditures. The Drug Forfeiture Fund, Law Enforcement Fund, Federal Equitable Sharing Fund, PEG (public, educational, and government) Channel Grant Fund, CDBG (Community Development Block Grant) Fund, Building Fund, and Parks and Recreation Fund are special revenue funds due to their source of revenue being derived from specific revenue sources. The Parks and Recreation Fund was established as a special revenue fund in 2020 to track revenue received from a dedicated millage to be used for capital improvements within Bicentennial Park and lease proceeds from a cell tower located on property. In addition to the capital improvements, the expenditures within this fund include park maintenance, programming activities and some of the funds are used for the maintenance and improvements of the Perry Homestead, a historical site with walking trails within the township. In 2021, the Solid Waste Fund was included in the non-major governmental funds as it no longer met the requirements to be a major fund.
- **Debt Service Fund** – This fund, the Master Campus Project Fund, receives a specific tax revenue determined by the board (currently 0.7 mills) to be used for debt service payments on the Master Campus Bond.
- **Capital Projects Fund** – The Capital Projects Fund identifies specific capital projects and tracks the related expenditures. For this fund, the Charter Township board has identified specific tax revenue to be used for capital projects and improvements within the Charter Township.
- **Permanent Funds** – The Charter Township is responsible for three cemeteries - Oakwood Cemetery, Perry-McFarland Cemetery, and Maple Cemetery. These funds account for the investment revenue that is received on the principal balances, which is expendable for maintenance of the cemeteries.

Financial Analysis of Charter Township's Funds and Budgets

The following budget analysis comes from the data provided in the budgetary comparison schedules including the General Fund on page 55 of the Required Supplemental Information section of this report. The total amount of revenue budgeted in the General Fund, including amendments for 2021, was \$17,181,108 with actual revenue recorded at \$17,678,424. This was a positive variance of \$497,316. The most significant area with a positive variance was State sources which exceeded the budgeted revenue by \$394,565 primarily as a result of an increase in state-shared revenues and higher than anticipated

reimbursement for personal property taxes. Other areas with positive variances included property taxes, special assessments, intergovernmental revenues including federal, state, and local sources, and local donations.

State-shared revenue, originally budgeted at \$3,378,931 and amended to \$3,778,931 after the state revised its projections, was received in the amount of \$3,991,244 and as a result, exceeded the budget by \$212,313. The Charter Township has been very conservative in its estimates for state-shared revenue since it has decreased or remained stagnant nearly every year for the last several years. The state-shared revenues received in 2021 increased approximately \$560,000 over the amount received last year as a result of the population adjustment from the 2020 census. The Township's population increased by 2,338 people which subsequently caused state-shared revenues to increase.

The Charter Township's General Fund had budgeted expenditures of \$17,097,853 and actual expenditures amounting to \$15,645,048 with a positive variance of \$1,452,805. Public safety experienced the largest positive variance with the budgeted expenditures, of \$523,993, as a result of vacancies that remained unfilled. Public works also experienced a relatively large positive variance of \$413,146 as a result of the delay in the completion of a special assessment road project. All other departments experienced minor variances between their actual and budgeted expenditures except for Recreation and Culture, which experienced a negative variance of \$2,400 due to the completion of a building improvement at the library which exceeded the budget.

The net effect for 2021 shows an excess of revenue over expenditures (prior to other financing sources and uses) of \$2,033,376. After factoring in the net other financing uses of \$1,661,795, revenue exceeded expenditures and other financing uses by \$371,581 increasing the Charter Township's General Fund balance from \$4,261,361 to \$4,632,942. The actual result was better than anticipated, as the Board of Trustees included in the budget the use of \$1,667,400 of fund balance to be contributed to the trust fund for the unfunded OPEB liability. There was also a transfer to the Capital Projects Fund of \$1.3 million to fund future capital projects. The December 31, 2021 unassigned General Fund balance is \$2,181,308 or 12.3 percent of 2021 General Fund revenue, which is within the recommended amount of 12-15 percent in the Charter Township's fund balance policy for the General Fund. The Township Board of Trustees has also chosen to assign \$1 million for future capital projects, as well as, an additional \$1 million of fund balance for postemployment benefits with the intention of making an additional contribution to the OPEB and pension trust funds in 2022 to further reduce the unfunded liabilities.

Current Economic Conditions

Property taxes, the primary funding source of the General Fund, increased approximately 5.6% in 2021 as compared to 2020 as a result of increased property values. Property values are projected to increase slightly in 2022, but just recently exceeded (in 2019) the assessed property values from 2007, which is the year in which the Township experienced a historical high in property tax values.

Because of the State of Michigan's economic conditions, state-shared revenue, the second largest source of revenue which represents about 19 percent of the revenue in the General Fund, continues to be a concern in the preparation of the Charter Township's budget. Since 2002, the Charter Township and other Michigan communities have experienced a significant reduction in state-shared revenue. After modest increases the last three years, the Township once again experienced a decrease to state revenue sharing in 2020 due to the economic conditions experienced throughout the country resulting from the coronavirus pandemic. In 2021, the Township received an adjustment for the increase in population based upon the results of the 2020 census, but state-shared revenues otherwise have remained relatively stagnant. After many years of either decline or stagnancy, state-shared revenue remains low relative to historic norms experienced prior to 2002. Given the recent economic forecast for the State of Michigan, it is likely that state-shared revenue will decrease in the future.

Another issue of concern to the Charter Township is the unfunded liabilities of its defined benefit retirement plan of approximately \$7.8 million as of December 31, 2020, the date of its most recent actuarial report. The funded ratio of the plan is 68 percent. In addition, the retiree healthcare plan has an unfunded liability of approximately \$2.7 million as of December 31, 2021 in its governmental activities. The plan as a whole is 106% funded as a result of the OPEB asset in the business-type activities. Just three years earlier, the retiree healthcare plan had an unfunded liability of \$33.3 million and a funding level of 24 percent. The Township was able to substantially reduce its unfunded liability by making additional contributions, changing its investment strategy and engaging the services of a different healthcare provider for post-65 retirees. However, the Township is cautiously optimistic that the funding level will remain near or fully funded given the anticipated increase in healthcare rates and lower than anticipated returns on its investments. In 2021, the Charter Township contributed the required annual contribution of \$1,289,175 towards its pension liability. The Charter Township also made payments for postemployment health benefit premiums of \$495,550, plus prefunded contributions of \$1,662,872. The Township has also addressed its unfunded liability within its retiree healthcare plan by requiring new retirees to contribute towards the premium of their individual healthcare plans. In addition, retiree healthcare is no longer afforded to new employees of the Township upon retirement.

Even though the demand for new housing had slowed down during the recession, the housing market has been on the rise in Grand Blanc Township for the last several years.

During 2021, the Township issued 59 new residential housing permits with construction values totaling \$15,330,000. In addition, 313 permits were issued for housing improvements with a total construction value of \$5,716,000. During that same timeframe, there were 3 new commercial development permits with a construction value of \$4,774,000 and 25 commercial improvement permits issued with a construction value of \$3,508,000. The demand for commercial property and improvement permits has allowed the Charter Township of Grand Blanc to remain one of the most active governmental entities for permits issued in Genesee County.

In light of the decline in property tax value that occurred throughout the nation, a slowdown in residential building permits during the recession, healthcare cost increases, the demand for additional services, and difficult economic conditions for the state of Michigan and the recent effects of the coronavirus pandemic throughout the country, the Charter Township was able to maintain its fund balance as specified in its policy. In 2021, the Township was able to make an additional contribution of \$1.6 million towards the unfunded liability for postemployment benefits and another \$1.3 million to its capital projects fund and still experienced an increase to the fund balance in the General Fund of approximately \$372,000. The fund balance remains at \$4,641,292. This is indicative of the strong financial management that has been exercised by the Charter Township over the last several years. As a result, the Charter Township has continued to maintain its strong financial base which will allow for continued investment in the community to improve the quality of life for all residents and businesses of the Charter Township.

Contacting the Charter Township's Financial Management

This financial report is designed to provide our residents, taxpayers, customers, investors, and creditors with a general overview of the Charter Township's finances and to show the Charter Township's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Director at the Charter Township of Grand Blanc, 5371 South Saginaw Street, P.O. Box 1833, Grand Blanc, Michigan 48480-0057, or visit our website at www.twp.grand-blanc.mi.us.

Charter Township of Grand Blanc

Statement of Net Position

December 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Assets				
Cash and cash equivalents (Note 2)	\$ 7,631,727	\$ 622,776	\$ 8,254,503	\$ 345,702
Investments (Note 2)	12,547,889	12,699,603	25,247,492	-
Receivables:				
Property taxes	4,971,141	-	4,971,141	155,775
Special assessments	2,410,867	19,559	2,430,426	-
Customers	-	4,175,728	4,175,728	-
Accrued interest and other	23,566	29,368	52,934	-
Other receivables	194,335	282,529	476,864	-
Due from other governments	1,139,362	-	1,139,362	2,146
Internal balances	(202,938)	202,938	-	-
Prepays	379,989	32,899	412,888	-
Net OPEB asset (Note 12)	-	4,265,788	4,265,788	-
Capital assets: (Note 5)				
Assets not subject to depreciation	2,133,059	1,254,239	3,387,298	-
Assets subject to depreciation	15,871,161	79,404,312	95,275,473	-
Total assets	47,100,158	102,989,739	150,089,897	503,623
Deferred Outflows of Resources (Note 4)				
Deferred pension costs (Note 10)	3,198,131	-	3,198,131	-
Deferred OPEB costs (Note 12)	1,424,495	289,778	1,714,273	-
Total deferred outflows of resources	4,622,626	289,778	4,912,404	-
Liabilities				
Accounts payable	838,878	2,983,628	3,822,506	89,892
Refundable deposits, bonds, etc.	288,856	-	288,856	-
Accrued liabilities and other	335,549	33,181	368,730	-
Unearned revenue	1,915,068	-	1,915,068	-
Noncurrent liabilities:				
Due within one year: (Note 7)				
Compensated absences	223,250	14,445	237,695	-
Current portion of long-term debt	888,000	-	888,000	-
Due in more than one year:				
Net pension liability (Note 10)	7,784,278	-	7,784,278	-
Net OPEB liability (Note 12)	2,698,217	-	2,698,217	-
Long-term debt (Note 7)	7,390,970	-	7,390,970	-
Total liabilities	22,363,066	3,031,254	25,394,320	89,892
Deferred Inflows of Resources (Note 4)				
Property taxes levied for the following year	10,699,051	-	10,699,051	195,356
Other resources received before the period resources may be used	1,552,123	-	1,552,123	-
Deferred inflows related to pensions (Note 10)	1,190,828	-	1,190,828	-
Deferred OPEB cost reductions (Note 12)	21,623,903	4,745,814	26,369,717	-
Total deferred inflows of resources	35,065,905	4,745,814	39,811,719	195,356
Net Position (Deficit)				
Net investment in capital assets	12,007,250	80,658,551	92,665,801	-
Restricted:				
Mosquito spraying	36,166	-	36,166	-
Solid waste	28,905	-	28,905	-
Drug forfeiture and federal equitable sharing	80,998	-	80,998	-
Law enforcement	13,020	-	13,020	-
PEG Channel Grant	150,514	-	150,514	-
Building	640,691	-	640,691	-
Unexpendable cemetery fund	201,168	-	201,168	-
Expendable cemetery fund	253,460	-	253,460	-
Tree replacement	47,399	-	47,399	-
Parks and recreation	495,681	-	495,681	-
Unrestricted	(19,661,439)	14,843,898	(4,817,541)	218,375
Total net position (deficit)	<u>\$ (5,706,187)</u>	<u>\$ 95,502,449</u>	<u>\$ 89,796,262</u>	<u>\$ 218,375</u>

Charter Township of Grand Blanc

		Program Revenue		
		Charges for	Operating	Capital Grants
Expenses		Services	Grants and	and
			Contributions	Contributions
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 3,066,139	\$ 26,454	\$ 328,377	\$ -
Public safety	7,207,390	836,450	138,602	7,800
Public works	2,961,540	1,802,962	-	871,392
Community and economic development	10,510	55,439	-	10,510
Recreation and culture	1,341,159	334,683	174,198	-
Interest on long-term debt	203,975	-	-	-
Total governmental activities	14,790,713	3,055,988	641,177	889,702
Business-type activities - Department of Public Works	17,773,806	17,014,333	-	364,611
Total primary government	<u><u>\$ 32,564,519</u></u>	<u><u>\$ 20,070,321</u></u>	<u><u>\$ 641,177</u></u>	<u><u>\$ 1,254,313</u></u>
Component units - Downtown Development Authority	<u><u>\$ 274,677</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
General revenue:				
Property taxes				
Unrestricted state-shared revenue				
Unrestricted investment income				
Cable franchise fees				
Gain on sale of capital assets				
Other miscellaneous income				
Total general revenue				
Change in Net Position				
Net Position (Deficit) - Beginning of year				
Net Position (Deficit) - End of year				

Statement of Activities

Year Ended December 31, 2021

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Downtown Development Authority
\$ (2,711,308)	\$ -	\$ (2,711,308)	\$ -
(6,224,538)	-	(6,224,538)	-
(287,186)	-	(287,186)	-
55,439	-	55,439	-
(832,278)	-	(832,278)	-
(203,975)	-	(203,975)	-
(10,203,846)	-	(10,203,846)	-
-	(394,862)	(394,862)	-
(10,203,846)	(394,862)	(10,598,708)	-
-	-	-	(274,677)
10,300,568	-	10,300,568	250,469
4,227,977	-	4,227,977	-
(22,185)	(56,450)	(78,635)	-
587,119	-	587,119	-
40,880	-	40,880	-
881,852	-	881,852	-
16,016,211	(56,450)	15,959,761	250,469
5,812,365	(451,312)	5,361,053	(24,208)
(11,518,552)	95,953,761	84,435,209	242,583
\$ (5,706,187)	\$ 95,502,449	\$ 89,796,262	\$ 218,375

Charter Township of Grand Blanc

Governmental Funds Balance Sheet

December 31, 2021

	General Fund	Nonmajor Funds	Total
Assets			
Cash and cash equivalents (Note 2)	\$ 6,436,235	\$ 1,195,492	\$ 7,631,727
Investments (Note 2)	5,081,242	7,466,647	12,547,889
Receivables:			
Property taxes	4,804,599	166,542	4,971,141
Special assessments	1,907,163	503,704	2,410,867
Accrued interest and other	10,604	12,962	23,566
Other receivables	165,494	28,841	194,335
Due from other governments	1,100,498	38,864	1,139,362
Due from other funds (Note 6)	10,183	100,859	111,042
Prepays	375,472	4,517	379,989
Total assets	\$ 19,891,490	\$ 9,518,428	\$ 29,409,918
Liabilities			
Accounts payable	\$ 345,708	\$ 493,170	\$ 838,878
Due to other funds (Note 6)	302,499	11,481	313,980
Refundable deposits, bonds, etc.	-	288,856	288,856
Accrued liabilities and other	266,608	10,777	277,385
Unearned revenue	1,915,068	-	1,915,068
Total liabilities	2,829,883	804,284	3,634,167
Deferred Inflows of Resources (Note 4)			
Unavailable revenue	2,077,963	-	2,077,963
Property taxes levied for the following year	10,342,352	356,699	10,699,051
Other resources received before the period resources may be used	-	1,552,123	1,552,123
Total deferred inflows of resources	12,420,315	1,908,822	14,329,137
Fund Balances			
Nonspendable:			
Prepays	375,472	4,517	379,989
Cemetery endowment	-	201,168	201,168
Restricted:			
Public safety	-	93,071	93,071
Solid waste	-	28,905	28,905
Mosquito spraying	36,166	-	36,166
PEG Channel	-	149,737	149,737
Cemetery	-	253,460	253,460
Tree replacement	47,399	-	47,399
Police LESO	947	-	947
Parks and recreation	-	495,681	495,681
Construction code	-	640,466	640,466
Committed - Bicentennial Park improvements	-	89,667	89,667
Assigned:			
Capital projects	1,000,000	1,896,347	2,896,347
Debt service	-	2,952,303	2,952,303
Postemployment benefits	1,000,000	-	1,000,000
Unassigned	2,181,308	-	2,181,308
Total fund balances	4,641,292	6,805,322	11,446,614
Total liabilities, deferred inflows of resources, and fund balances	\$ 19,891,490	\$ 9,518,428	\$ 29,409,918

Charter Township of Grand Blanc

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

December 31, 2021

Fund Balances Reported in Governmental Funds	\$ 11,446,614
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	18,004,220
Special assessment receivables are expected to be collected in future years and are not available to pay for current year expenditures	1,819,966
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	257,997
Deferred outflows of resources related to pension and OPEB are reported in the government-wide statements but not in the governmental funds	4,622,626
Deferred inflows of resources related to pension and OPEB are reported in the government-wide statements but not in the governmental funds	(22,814,731)
Bonds payable and capital lease obligations are not due and payable in the current period and are not reported in the funds	(8,278,970)
Accrued interest is not due and payable in the current period and is not reported in the funds	(58,164)
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:	(223,250)
Pension benefits	(7,784,278)
Retiree health care benefits	(2,698,217)
Net Position (Deficit) of Governmental Activities	\$ (5,706,187)

Charter Township of Grand Blanc

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended December 31, 2021

	General Fund	Nonmajor Funds	Total Governmental Funds
Revenue			
Property taxes (Note 1)	\$ 9,948,300	\$ 344,279	\$ 10,292,579
Special assessments	692,167	-	692,167
Intergovernmental:			
Federal sources	65,651	10,510	76,161
State sources	4,303,996	45,298	4,349,294
Local grants and contributions	105,580	-	105,580
Charges for services	-	2,224,553	2,224,553
Fines and forfeitures	159,382	1,961	161,343
Licenses and permits	81,893	307,269	389,162
Investment	(31,703)	9,518	(22,185)
Other revenue:			
Local donations	8,360	202,029	210,389
Other miscellaneous income	1,757,789	93,389	1,851,178
Cable franchise fees	587,119	-	587,119
Total revenue	17,678,534	3,238,806	20,917,340
Expenditures			
Current services:			
General government	4,711,257	128,128	4,839,385
Public safety	9,133,421	668,783	9,802,204
Public works	1,383,154	1,578,386	2,961,540
Community and economic development	-	10,510	10,510
Recreation and culture	79,392	1,093,500	1,172,892
Capital outlay	-	669,446	669,446
Debt service	337,824	656,176	994,000
Total expenditures	15,645,048	4,804,929	20,449,977
Excess of Revenue Over (Under) Expenditures	2,033,486	(1,566,123)	467,363
Other Financing Sources (Uses)			
Transfers in	-	2,419,675	2,419,675
Transfers out	(2,419,675)	-	(2,419,675)
New debt issued	717,000	-	717,000
Proceeds from sale of capital assets	40,880	-	40,880
Total other financing (uses) sources	(1,661,795)	2,419,675	757,880
Net Change in Fund Balances	371,691	853,552	1,225,243
Fund Balances - Beginning of year	4,269,601	5,951,770	10,221,371
Fund Balances - End of year	<u>\$ 4,641,292</u>	<u>\$ 6,805,322</u>	<u>\$ 11,446,614</u>

Charter Township of Grand Blanc

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

Year Ended December 31, 2021

Net Change in Fund Balances Reported in Governmental Funds	\$ 1,225,243
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:	
Capital outlay	640,698
Depreciation expense	(1,371,636)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	614,634
Issuing debt provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(717,000)
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	788,754
Accrued interest expense is recorded as an expense in the statement of activities but not in the governmental funds	1,271
Change in accumulated employee sick and vacation pay and other similar expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported in the fund statements until they come due for payment	80,735
Change in the net OPEB liability and deferred items related to OPEB are recorded when incurred in the statement of activities	4,335,589
Change in the net pension liability and deferred items related to pension are recorded when incurred in the statement of activities	214,077
Change in Net Position of Governmental Activities	<u>\$ 5,812,365</u>

Charter Township of Grand Blanc

Proprietary Fund Department of Public Works Statement of Net Position

December 31, 2021

Assets

Current assets:

Cash and cash equivalents (Note 2)	\$ 622,776
Investments (Note 2)	12,699,603
Receivables:	
Customers	4,175,728
Accrued interest and other	29,368
Other receivables	282,529
Due from other funds (Note 6)	202,938
Prepays	32,899

Total current assets 18,045,841

Noncurrent assets:

Tap-in assessments receivable	19,559
Net OPEB asset (Note 12)	4,265,788
Capital assets: (Note 5)	
Assets not subject to depreciation	1,254,239
Assets subject to depreciation	79,404,312

Total noncurrent assets 84,943,898

Total assets 102,989,739

Deferred Outflows of Resources - Deferred OPEB cost reductions (Note 12) 289,778

Liabilities

Current liabilities:

Accounts payable	2,983,628
Accrued liabilities and other	33,181
Compensated absences (Note 7)	14,445

Total liabilities 3,031,254

Deferred Inflows of Resources - Deferred OPEB cost reductions (Note 12) 4,745,814

Net Position

Net investment in capital assets	80,658,551
Unrestricted	14,843,898

Total net position **\$ 95,502,449**

Charter Township of Grand Blanc

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

Years Ended December 31, 2021 and 2020

	2021	2020
Operating Revenue		
Sale of water	\$ 9,276,796	\$ 9,711,903
Sewage disposal charges	7,588,802	7,509,776
Water meters	60,588	65,541
Penalties and other charges for services	88,147	95,564
Total operating revenue	17,014,333	17,382,784
Operating Expenses		
Cost of water	8,337,568	8,135,998
Cost of sewage treatment	5,342,068	5,048,756
Billing and administrative costs	1,969,915	2,322,124
Depreciation	2,124,255	2,062,308
Total operating expenses	17,773,806	17,569,186
Operating Loss	(759,473)	(186,402)
Nonoperating (Expense) Revenue		
Investment (expense) income	(56,450)	212,857
State grants - Noncapital	-	387,784
Total nonoperating (expense) revenue	(56,450)	600,641
(Loss) Income - Before capital contributions	(815,923)	414,239
Capital Contributions		
Water and sewer tap-in fees	364,611	853,822
Lines donated by developers	-	499,869
Total capital contributions	364,611	1,353,691
Change in Net Position	(451,312)	1,767,930
Net Position - Beginning of year	95,953,761	94,185,831
Net Position - End of year	\$ 95,502,449	\$ 95,953,761

Charter Township of Grand Blanc

Proprietary Fund Department of Public Works Statement of Cash Flows

Year Ended December 31, 2021

Cash Flows from Operating Activities

Receipts from customers	\$ 16,976,892
Payments for interfund services and reimbursements	(160,949)
Payments to suppliers	(14,443,183)
Payments to employees	<u>(1,889,139)</u>

Net cash and cash equivalents provided by operating activities 483,621

Cash Flows from Capital and Related Financing Activities

Capital charge collections	364,611
Special assessment collections	32,949
Purchase of capital assets	<u>(3,138,530)</u>

Net cash and cash equivalents used in capital and related financing activities (2,740,970)

Cash Flows from Investing Activities

Interest received on investments	(45,091)
Proceeds from sale of investment securities	<u>2,675,697</u>

Net cash and cash equivalents provided by investing activities 2,630,606

Net Increase in Cash and Cash Equivalents

373,257

Cash and Cash Equivalents - Beginning of year

249,519

Cash and Cash Equivalents - End of year

\$ 622,776

Reconciliation of Operating Loss to Net Cash from Operating Activities

Operating loss	\$ (759,473)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation	2,124,255
Changes in assets and liabilities:	
Receivables	(37,441)
Due to and from other funds	(160,949)
Prepaid and other assets	79,134
Accrued and other liabilities	(57,283)
Accounts payable	124,000
Net change in OPEB activity	<u>(828,622)</u>

Total adjustments 1,243,094

Net cash provided by operating activities \$ 483,621

Charter Township of Grand Blanc

Fiduciary Funds Statement of Fiduciary Net Position

December 31, 2021

	Other Postemployment Benefits Trust Fund	<u>Custodial Fund</u> Tax Collection Fund
Assets		
Cash and cash equivalents	\$ -	\$ 6,046,397
Interest in pooled investments	25,086,236	-
Receivables - Property taxes	-	7,294,228
Total assets	25,086,236	13,340,625
Liabilities - Undistributed tax collections and other	-	6,046,397
Deferred Inflows of Resources - Property taxes levied for the following year	-	7,294,228
Net Position - Restricted - Postemployment benefits other than pension	<u><u>\$ 25,086,236</u></u>	<u><u>\$ -</u></u>

Charter Township of Grand Blanc

Fiduciary Funds Statement of Changes in Fiduciary Net Position

Year Ended December 31, 2021

	Other Postemployment Benefits Trust Fund	<u>Custodial Fund</u> Tax Collection Fund
Additions		
Investment income (loss):		
Net increase in fair value of investments	\$ 2,754,252	\$ -
Investment costs	(40,284)	-
Net investment income	2,713,968	-
Contributions - Employer contributions	2,158,422	-
Property tax collections	-	55,712,375
Total additions	4,872,390	55,712,375
Deductions		
Benefit payments	495,550	-
Tax distributions to other governments	-	55,712,375
Total deductions	495,550	55,712,375
Net Increase in Fiduciary Net Position	4,376,840	-
Net Position - Beginning of year	20,709,396	-
Net Position - End of year	<u><u>\$ 25,086,236</u></u>	<u><u>\$ -</u></u>

December 31, 2021

Note 1 - Significant Accounting Policies

Accounting and Reporting Principles

The Charter Township of Grand Blanc (the "Charter 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).

Reporting Entity

The Charter Township is governed by an elected seven-member board of trustees. The accompanying financial statements present the Charter Township of Grand Blanc. 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 Charter Township.

Discretely Presented Component Units

Downtown Development Authority

The Downtown Development Authority (the "Authority") was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and promote economic growth within the downtown district. The Authority's governing body, which consists of nine individuals, is selected by the Charter Township's board. In addition, the Authority's budget is subject to approval by the Charter Township's board. The Authority does not separately issue financial statements.

Fiduciary Component Units

The retiree health care plan is governed by the township board. Although the retiree health care plan is legally separate from the Charter Township, it is reported as a fiduciary component unit because the township board serves as the board for the plan, and the plan imposes a financial burden on the Charter Township.

Fund Accounting

The Charter Township accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources; separate funds allow us to show the particular expenditures for which specific revenue was 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. This includes the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Charter Township reports the following funds as major governmental funds:

- The General Fund is the Charter 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.

Proprietary Funds

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

- Department of Public Works Fund - The Department of Public Works Fund is used to account for the results of operations that provide water and sewer services to residents and businesses, financed primarily by a user charge for the provision of those services.

December 31, 2021**Note 1 - Significant Accounting Policies (Continued)****Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government's programs. Activities that are reported as fiduciary include the following:

- The Other Postemployment Benefits Trust Fund accumulates resources in a trust for future retiree health care payments to retirees.
- The Tax Collection Fund collects taxes on behalf of all the taxing authorities (state, county, school district, and the various smaller authorities).

Interfund Activity

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not expended until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Charter Township considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue and interest associated with the current fiscal period. Conversely, special assessments and federal grant reimbursements will be collected after the period of availability; receivables have been recorded for these, along with a deferred inflow.

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

December 31, 2021**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. 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 and other items not properly included among program revenue are reported instead as general revenue.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Charter Township's water and sewer functions and various other functions of the Charter Township. 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 are reported as separate columns in the fund financial statements.

Specific Balances and Transactions**Cash and Cash Equivalents**

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.

Investments

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates.

Receivables and Payables

In general, outstanding balances between funds are reported as due to/from other funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as advances to/from other funds. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

December 31, 2021

Note 1 - Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and intangible assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Charter Township as assets with an initial individual cost of more than \$10,000 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 acquisition value.

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

Capital Asset Class	Depreciable Life - Years
Buildings and improvements	10-50
Water and sewer distribution systems	20-99
Vehicles	3-10
Furniture and equipment	3-20

Long-term Obligations

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

Unearned Revenue

The Charter Township reports unearned revenue in connection with resources that have been received through nonexchange transactions but for which the Charter Township has not yet met all eligibility requirements.

Deferred Outflows/Inflows of Resources

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

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

December 31, 2021

Note 1 - Significant Accounting Policies (Continued)

The Charter Township reports the following deferred outflows of resources and deferred inflows of resources:

Description	Inflows	Outflows
Unavailable revenue (those not collected within the period of availability) - Reported only at the modified accrual level	✓	
Deferred pension costs (or cost reductions)	✓	✓
Deferred OPEB costs (or cost reductions)	✓	✓
Property taxes levied for the following year	✓	

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

Fund Balance Policies

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

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

December 31, 2021

Note 1 - Significant Accounting Policies (Continued)

Property Tax Revenue

Property taxes that are levied become a lien on each December 1 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 following is a breakdown of tax levies reported in the General Fund:

Purpose	Millage Rate	Approximate Revenue
Operating millage	3.7844 \$	5,345,000
Master campus project	0.7000	986,000
Police millage	0.9960	1,407,000
Fire millage	0.9934	1,403,000
Mosquito millage	0.1546	218,000
Parks and recreation	0.2454	347,000
Act 198/255 taxes and administration fees		649,000

A mill equals \$1 of tax per thousand dollars of property valuation (taxable valuation). The Charter Township's total taxable valuation for 2020 was approximately \$1,402,450,000, a portion of which is captured and remitted to the Authority.

To date, the mosquito and parks and recreation millages raised \$36,166 and \$495,681 more revenue than expenditures, respectively. As a result, \$36,166 and \$495,681 of the fund balance was restricted in the General Fund and Parks and Recreation Fund, respectively, as of December 31, 2021.

Pension

The Charter Township offers a defined benefit pension plan to its public safety employees through the Municipal Employees' Retirement System of Michigan (MERS). The Charter 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 Charter Township's 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. The General Fund will be used to liquidate the net pension liability.

Other Postemployment Benefit Costs

The Charter Township offers retiree health care benefits to retirees. The Charter Township records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position 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. The fund to which the employee is assigned (generally, the General Fund or Department of Public Works Fund) will be used to liquidate the liability.

December 31, 2021**Note 1 - Significant Accounting Policies (Continued)****Compensated Absences (Vacation and Sick Leave)**

It is the Charter Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Charter Township does not have a policy to pay any amounts when employees separate from service with the Charter Township. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. All other accrued compensated absences are reported in the government-wide financial statements; generally, the funds that report each employee's compensation are used to liquidate the obligations. The liability is considered current due to the fact that the entire balance at year end is less than the amount that will be used within one year.

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include 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.

Comparative Data

Comparative total data for the prior year has been presented only for the individual enterprise fund in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of this fund.

Upcoming Accounting Pronouncements

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

December 31, 2021

Note 1 - Significant Accounting Policies (Continued)

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

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including June 3, 2022, which is the date the financial statements were available to be issued.

Note 2 - Deposits and Investments

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 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 OPEB trust fund is also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Charter Township has designated four banks for the deposit of its funds. The investment policy adopted by the board 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 Charter Township's deposits and investments comply with all required laws and regulations.

December 31, 2021

Note 2 - Deposits and Investments (Continued)

The Charter 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 Charter Township's deposits may not be returned to it. The Charter Township does not have a deposit policy for custodial credit risk. At year end, the Charter Township had \$11,683,782 of bank deposits (certificates of deposit and checking and savings accounts). Of that amount, \$547,051 was covered by federal depository insurance, and the remainder was uninsured and uncollateralized. The Charter Township believes that, due to the dollar amounts of cash deposits and the limits of Federal Deposit Insurance Corporation (FDIC) insurance, it is impractical to insure all deposits. As a result, the Charter Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. To the extent that cash from various funds has been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that custodial fund investment earnings are allocated to the General Fund, as provided by Michigan law.

The component unit, the Downtown Development Authority, had no deposits that were uninsured and uncollateralized.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Charter Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Charter Township does not have a policy for custodial credit risk. At year end, the Charter Township had no investment securities that were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Charter Township's name.

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 Charter Township's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity. The Charter Township prohibits investment of operating funds in securities maturing more than two years from the date of purchase. Reserves and capital improvements may be invested in securities exceeding two years but less than five years. There are no investments subject to investment risk.

At year end, the Charter Township had the following investments:

Investment	Carrying Value	Weighted- average Maturity (Years)
Primary Government		
U.S. Treasury notes	\$ 17,761,266	1.69
U.S. agency bonds	5,265,646	1.31

December 31, 2021

Note 2 - Deposits and Investments (Continued)

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Charter Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities are as follows:

Investment	Market Value	Rating	Rating Organization
U.S. Treasury notes	\$ 17,761,266	Aaa	Moody's
U.S. agency bonds	5,265,646	Aaa	Moody's
GovMic money market	2,056,324	NR	Moody's

Concentration of Credit Risk

The Charter Township places no limit on the amount it may invest in any one issuer.

Note 3 - Fair Value Measurements

The Charter Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

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 Charter Township's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Charter Township has the following recurring fair value measurements as of December 31, 2021:

- Publicly traded stocks of \$164,254 are valued using quoted market prices (Level 1 inputs).
- U.S. Treasury and U.S. agency bonds of \$23,026,911 are valued using other inputs, such as interest rates and yield curves, that observed at commonly quoted intervals (Level 2 inputs).

Investments in Entities that Calculate Net Asset Value per Share

The Charter Township holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

As of December 31, 2021, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
MERS pooled investment funds	\$ 25,086,236	\$ -	None	None

The MERS pooled investment funds is a fully diversified portfolio combining traditional stocks and bonds with alternative asset classes, including real estate, private equity, and commodities. The objective is to provide current income and capital appreciation while minimizing the volatility of the capital markets. MERS manages the asset allocation and monitors the underlying investment managers of the MERS portfolio.

December 31, 2021

Note 4 - Deferred Inflows/Outflows of Resources

At the end of the current fiscal year, the various components of deferred inflows of resources are as follows:

	Governmental Funds	Governmental Activities	Business-type Activities
Property taxes levied for 2022 operations	\$ 10,699,051	\$ 10,699,051	\$ -
Solid waste charges billed for 2022 operations	1,552,123	1,552,123	-
Special assessments - Unavailable	1,819,966	-	-
State sources - Unavailable	236,733	-	-
Delinquent property taxes - Unavailable	21,264	-	-
Deferred inflows related to pensions	-	1,190,828	-
Deferred OPEB cost reductions	-	21,623,903	4,745,814
Total	<u>\$ 14,329,137</u>	<u>\$ 35,065,905</u>	<u>\$ 4,745,814</u>

At the end of the current fiscal year, the various components of deferred outflows of resources are as follows:

	Governmental Funds	Governmental Activities	Business-type Activities
Deferred outflows related to pensions	\$ -	\$ 3,198,131	\$ -
Deferred OPEB costs	-	1,424,495	289,778
Total	<u>\$ -</u>	<u>\$ 4,622,626</u>	<u>\$ 289,778</u>

December 31, 2021

Note 5 - Capital Assets

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

Governmental Activities

	Balance January 1, 2020	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2021
Capital assets not being depreciated:					
Land and land improvements	\$ 1,948,097	\$ -	\$ -	\$ -	\$ 1,948,097
Construction in progress	-	-	184,962	-	184,962
Subtotal	1,948,097	-	184,962	-	2,133,059
Capital assets being depreciated:					
Buildings and improvements	19,118,114	-	299,269	-	19,417,383
Vehicles	3,837,676	-	112,404	-	3,950,080
Furniture and equipment	3,129,374	-	44,063	(115,473)	3,057,964
Infrastructure	5,677,933	-	-	-	5,677,933
Subtotal	31,763,097	-	455,736	(115,473)	32,103,360
Accumulated depreciation:					
Buildings and improvements	7,742,767	(8,213)	528,102	-	8,262,656
Vehicles	939,463	-	419,044	-	1,358,507
Furniture and equipment	2,214,654	-	253,701	(115,473)	2,352,882
Infrastructure	4,079,152	8,213	170,789	-	4,258,154
Subtotal	14,976,036	-	1,371,636	(115,473)	16,232,199
Net capital assets being depreciated	16,787,061	-	(915,900)	-	15,871,161
Net governmental activities capital assets	\$ 18,735,158	\$ -	\$ (730,938)	\$ -	\$ 18,004,220

December 31, 2021

Note 5 - Capital Assets (Continued)

Business-type Activities

	Balance January 1, 2020	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2021
Capital assets not being depreciated:					
Land	\$ 1,176,381	\$ -	\$ -	\$ -	\$ 1,176,381
Construction in progress	1,248,595	(1,179,158)	8,421	-	77,858
Subtotal	2,424,976	(1,179,158)	8,421	-	1,254,239
Capital assets being depreciated:					
Water and sewer distribution systems	111,770,272	1,179,158	2,552,009	-	115,501,439
Buildings and improvements	1,845,858	-	14,152	-	1,860,010
Furniture and equipment	1,782,777	-	308,914	-	2,091,691
Vehicles	2,202,790	-	255,034	-	2,457,824
Subtotal	117,601,697	1,179,158	3,130,109	-	121,910,964
Accumulated depreciation:					
Water and sewer distribution systems	36,685,745	(8,880)	1,754,150	-	38,431,015
Buildings and improvements	588,353	-	43,861	-	632,214
Furniture and equipment	1,538,923	(81,710)	107,041	-	1,564,254
Vehicles	1,569,376	90,590	219,203	-	1,879,169
Subtotal	40,382,397	-	2,124,255	-	42,506,652
Net capital assets being depreciated	77,219,300	1,179,158	1,005,854	-	79,404,312
Net business-type activities capital assets	<u>\$ 79,644,276</u>	<u>\$ -</u>	<u>\$ 1,014,275</u>	<u>\$ -</u>	<u>\$ 80,658,551</u>

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

Governmental activities:	
General government	\$ 361,490
Public safety	837,387
Recreation and culture	172,759
Total governmental activities	<u>\$ 1,371,636</u>
Business-type activities - Water and sewer	<u>\$ 2,124,255</u>

Construction Commitments

The Charter Township has active construction projects at year end. At year end, the Charter Township's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Dort Highway Pathway	\$ 195,953	\$ 109,990
Park Multipurpose Field	6,988	21,420
Water Main Seeding Project	-	88,518
Information Technology Projects	3,545	84,860
Total	<u>\$ 206,486</u>	<u>\$ 304,788</u>

December 31, 2021

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Department of Public Works Fund	General Fund	\$ 202,938
Nonmajor governmental funds	General Fund	99,561
	Nonmajor governmental funds	1,298
	Total nonmajor governmental funds	100,859
General Fund	Nonmajor governmental funds	10,183
	Total	<u>\$ 313,980</u>

The balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Master Campus Project Fund	\$ 654,675
	Capital Projects Fund	1,300,000
	Parks and Recreation Fund	465,000
	Total	<u>\$ 2,419,675</u>

The transfer from the General Fund to the Master Campus Project Fund represents the transfer of unrestricted resources for debt service. The remaining transfers represent transfer of resources for projects.

Note 7 - Long-term Debt

The Charter Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Charter Township. County contractual agreements and installment purchase agreements are also general obligations of the government.

The proceeds from the 2006 Capital Improvement Bonds (subsequently refunded in 2015) were used to finance the construction of the Grand Blanc Township Police Department building. The proceeds of all special assessment obligations represent the financing of road improvements done by the Genesee County Road Commission (the "Road Commission") that benefit certain districts within the Charter Township; these districts are assessed, at least in part, for the cost of the improvements. The remaining cost is split between the Road Commission and the Charter Township. The Charter Township funds its portion of the cost annually from General Fund revenue. No additional funds have been set aside for the future payment of this debt. Other long-term obligations include compensated absences. The General Fund and the enterprise fund pay obligations related to compensated absences.

December 31, 2021

Note 7 - Long-term Debt (Continued)

Long-term debt activity can be summarized as follows:

Governmental Activities

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable -							
Direct borrowings and direct placements:							
Special assessment bonds -							
2012 Water Edge Bond:							
Amount of issue: \$350,000							
Maturing through 2022	2.00%	\$35,000	\$ 70,000	\$ -	\$ (35,000)	\$ 35,000	\$ 35,000
Special assessment bonds -							
2013 Braemoor Road Bond:							
Amount of issue: \$742,000	2.70%-						
Maturing through 2023	3.25%	\$77,000	231,000	-	(77,000)	154,000	77,000
Special assessment bonds -							
2015 Sandalwood Road Bond:							
Amount of issue: \$149,000							
Maturing through 2025	1.75%	\$15,000	75,000	-	(15,000)	60,000	15,000
Special assessment bonds -							
2018 Concord Green Bond:							
Amount of issue: \$404,000	2.70%-	\$43,000-					
Maturing through 2027	3.45%	\$46,000	311,000	-	(46,000)	265,000	45,000
Special assessment bonds -							
2019 Green Valley Bond:							
Amount of issue: \$311,000							
Maturing through 2024	2.30%	\$63,000-	255,000	-	(65,000)	190,000	64,000
Special assessment bonds -							
2020 Grand Waliea Bond:							
Amount of issue: \$475,000							
Maturing through 2030	1.38%	\$44,000-	475,000	-	(44,000)	431,000	48,000
Special assessment bonds -							
2020 Grand Blanc Estates							
Bond:							
Amount of issue: \$451,000							
Maturing through 2035	1.74%	\$21,000-	451,000	-	(21,000)	430,000	31,000
Special assessment bonds -							
2021 Grandville Estates bond:							
Amount of issue: \$717,000	0.65%-	\$38,000-					
Maturing through 2036	1.95%	\$45,000	-	717,000	-	717,000	38,000
Total direct borrowings and direct placements principal outstanding			1,868,000	717,000	(303,000)	2,282,000	353,000
Other debt:							
General obligation limited tax refunding bonds, Series 2015:							
Amount of issue: \$7,710,000	3.00%-	\$445,000-					
Maturing through 2031	4.00%	\$605,000	6,065,000	-	(445,000)	5,620,000	535,000
Premium on bonds payable			417,724	-	(40,754)	376,970	-
Total other debt principal outstanding			6,482,724	-	(485,754)	5,996,970	535,000
Total bonds and contracts payable			8,350,724	717,000	(788,754)	8,278,970	888,000
Accumulated compensated absences			303,985	959,142	(1,039,877)	223,250	223,250
Total governmental activities			\$ 8,654,709	\$ 1,676,142	\$ (1,828,631)	\$ 8,502,220	\$ 1,111,250

December 31, 2021

Note 7 - Long-term Debt (Continued)

Business-type Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Accumulated compensated absences	\$ 31,262	\$ 143,359	\$ (160,176)	\$ 14,445	\$ 14,445

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending December 31	Governmental Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2022	\$ 353,000	\$ 39,379	\$ 535,000	\$ 194,975	\$ 1,122,354
2023	329,000	31,854	525,000	179,075	1,064,929
2024	255,000	25,936	515,000	163,475	959,411
2025	190,000	21,876	605,000	146,675	963,551
2026	172,000	18,594	595,000	125,700	911,294
2027-2031	601,000	54,538	2,295,000	280,900	3,231,438
2032-2035	337,000	14,687	550,000	-	901,687
Thereafter	45,000	439	-	-	45,439
Total	\$ 2,282,000	\$ 207,303	\$ 5,620,000	\$ 1,090,800	\$ 9,200,103

For the year ended December 31, 2021, interest expense was \$244,499.

Note 8 - Risk Management

The Charter 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 Charter Township has purchased commercial insurance for workers' compensation and medical benefits and participates in the Michigan Townships Participating Plan (the "Plan") risk pool for claims relating to general liability. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

Note 9 - Defined Contribution Pension Plan

The Charter Township provides pension benefits to all of its full-time employees (except police personnel, who are covered by a defined benefit plan effective January 1, 1993) through a defined contribution plan administered through MERS. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate one year after the date of employment. As established by the Charter Township's board of trustees, the Charter Township contributes 15 percent of employees' gross earnings, and employees are not permitted to make contributions other than participant rollover contributions. In accordance with these requirements, the Charter Township contributed \$358,839 during the current year, and there was no employee contribution.

Note 10 - Pension Plan

Plan Description

The Charter Township participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan, which covers all public safety employees of the Charter 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, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmich.com or by writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

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

Retirement benefits for command and patrol employees are calculated as 2.50 percent of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60 with early retirement at 50 with 25 years of service or a reduced payout at age 55 and 15 years of service. 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. An employee who leaves service may withdraw his or her contributions plus any accumulated interest.

Retirement benefits for closed bargaining unit (BU) employees are calculated as 2.00 percent of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60 with early retirement at 50 with 25 years of service or a reduced payout at age 55 and 15 years of service. 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. An employee who leaves service may withdraw his or her contributions plus any accumulated interest.

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are 2.5 percent noncompounded.

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

Employees Covered by Benefit Terms

At the December 31, 2020 measurement date, the following employees were covered by the benefit terms:

	MERS Plan
Inactive plan members or beneficiaries currently receiving benefits	23
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	46
Total employees covered by the plan	72

December 31, 2021

Note 10 - Pension Plan (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 established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For command and patrol, the plan provides that the employer and employees contribute amounts necessary to fund the actuarially determined benefits. Employees are required to contribute 15.46 percent of compensation. The Charter Township makes employer contributions in accordance with funding requirements determined by the system's actuary. The Charter Township's current rate is 25.06 percent of annual covered payroll.

For closed BU employees, the plan provides that the employer contribute amounts necessary to fund the actuarially determined benefits. The Charter Township makes employer contributions in accordance with funding requirements determined by the system's actuary. The Charter Township's current flat rate is \$30,222 per month.

Net Pension Liability

The net pension liability reported at December 31, 2021 was determined using a measure of the total pension liability and the pension net position as of December 31, 2020. The December 31, 2020 total pension liability was determined by an actuarial valuation performed as of that date.

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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2019	\$ 26,472,343	\$ 17,648,794	\$ 8,823,549
Changes for the year:			
Service cost	550,932	-	550,932
Interest	1,995,185	-	1,995,185
Changes in benefits	(37,305)	-	(37,305)
Differences between expected and actual experience	(114,637)	-	(114,637)
Changes in assumptions	1,128,485	-	1,128,485
Contributions - Employer	-	1,604,852	(1,604,852)
Contributions - Employee	-	359,585	(359,585)
Net investment income	-	2,633,790	(2,633,790)
Benefit payments, including refunds	(963,714)	(963,714)	-
Administrative expenses	-	(36,296)	36,296
Miscellaneous other charges	(27,037)	(27,037)	-
Net changes	2,531,909	3,571,180	(1,039,271)
Balance at December 31, 2020	<u>\$ 29,004,252</u>	<u>\$ 21,219,974</u>	<u>\$ 7,784,278</u>

The plan's fiduciary net position represents 73.2 percent of the total pension liability.

December 31, 2021

Note 10 - Pension Plan (Continued)

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

For the year ended December 31, 2021, the Charter Township recognized pension expense of \$1,075,097. At December 31, 2021, the Charter Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 278,520	\$ (285,863)
Changes in assumptions	1,630,436	-
Net difference between projected and actual earnings on pension plan investments	-	(904,965)
Employer contributions to the plan subsequent to the measurement date	1,289,175	-
Total	<u>\$ 3,198,131</u>	<u>\$ (1,190,828)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Years Ending December 31	Amount
2022	\$ 340,603
2023	354,142
2024	71,986
2025	(48,603)
Total	<u>\$ 718,128</u>

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using an inflation assumption of 2.5 percent, assumed salary increases (including inflation) of 3.00 percent, an investment rate of return (net of investment expenses) of 7.60 percent, and the Pub-2010 mortality tables.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period from January 1, 2014 through December 31, 2018.

Discount Rate

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

Projected Cash Flows

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

December 31, 2021

Note 10 - Pension Plan (Continued)

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, 2020, 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 %	5.25 %
Global fixed income	20.00	1.25
Private investments	20.00	7.25

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

The following presents the net pension liability of the Charter Township, calculated using the discount rate of 7.60 percent, as well as what the Charter Township's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60 percent) or 1 percentage point higher (8.60 percent) than the current rate:

	1 Percentage Point Decrease (6.6%)	Current Discount Rate (7.6%)	1 Percentage Point Increase (8.6%)
Net pension liability of the Charter Township	\$ 12,021,554	\$ 7,784,278	\$ 4,320,847

Pension Plan Fiduciary Net Position

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

Assumption Changes

Significant assumption changes for the MERS plan are as follows: mortality tables used in determining the total pension liability were changed from the RP-2014 tables to the Pub-2010 tables.

Note 11 - Joint Ventures

The Charter Township is a member of the Grand Blanc District Library Commission, which provides library services to the residents of the Charter Township and the City of Grand Blanc, Michigan. The participating communities provide annual funding for its operations. During the current year, the Charter Township contributed \$115,897 for its operations. The Charter Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. Complete financial statements for the Grand Blanc District Library Commission can be obtained from the administrative offices at 4195 West Pasadena, Flint, MI 48504.

December 31, 2021

Note 12 - Other Postemployment Benefit Plan

Plan Description

The Charter Township provides OPEB for all employees who meet eligibility requirements. The benefits are provided through the plan, a single-employer defined benefit plan administered by the Charter Township.

The financial statements of the 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.

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

Benefits Provided

The plan provides retiree health care benefits for retirees and their dependents. Benefits are provided through a third-party insurer in accordance with labor contracts.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	Grand Blanc Township Retiree Health Care Plan
	December 31, 2021
Date of member count	
Inactive plan members or beneficiaries currently receiving benefits	41
Active plan members	58
Total plan members	99

Contributions

Retiree health care costs are paid by the Charter Township on a pay-as-you-go basis. Additionally, the Charter Township contributes additional contributions, as determined by the township board. For the fiscal year ended December 31, 2021, the Charter Township made payments for postemployment health benefit premiums of \$495,550, plus prefunded contributions of \$1,662,872. Employees retiring after various dates in 2017 contribute monthly amounts, as specified in their labor contracts.

Net OPEB Asset

The Charter Township has chosen to use the December 31 measurement date as its measurement date for the net OPEB asset. The December 31, 2021 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, 2021 measurement date. The December 31, 2021 total OPEB liability was determined by an actuarial valuation performed as of December 31, 2021.

December 31, 2021

Note 12 - Other Postemployment Benefit Plan (Continued)

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

Changes in Net OPEB Liability (Asset)	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability (Asset)
Balance at December 31, 2020	\$ 36,580,992	\$ 20,709,397	\$ 15,871,595
Changes for the year:			
Service cost	1,320,901	-	1,320,901
Interest	2,259,463	-	2,259,463
Differences between expected and actual experience	1,371,493	-	1,371,493
Changes in assumptions	(17,518,634)	-	(17,518,634)
Contributions - Employer	-	2,158,422	(2,158,422)
Net investment income	-	2,754,253	(2,754,253)
Benefit payments, including refunds	(495,550)	(495,550)	-
Administrative expenses	-	(40,286)	40,286
Net changes	(13,062,327)	4,376,839	(17,439,166)
Balance at December 31, 2021	<u>\$ 23,518,665</u>	<u>\$ 25,086,236</u>	<u>\$ (1,567,571)</u>

The plan's fiduciary net position represents 106.7 percent of the total OPEB liability.

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

For the year ended December 31, 2021, the Charter Township recognized OPEB expense of \$(3,005,786).

At December 31, 2021, the Charter Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,142,911	\$ (8,919,335)
Changes in assumptions	571,362	(15,530,164)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,920,218)
Total	<u>\$ 1,714,273</u>	<u>\$ (26,369,717)</u>

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
2022	\$ (5,335,198)
2023	(5,528,261)
2024	(5,327,260)
2025	(5,146,970)
2026	(3,317,755)
Total	<u>\$ (24,655,444)</u>

December 31, 2021

Note 12 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using assumed salary increases (including inflation) of 4 percent; an investment rate of return (net of investment expenses) of 7.35 percent; a health care cost trend rate of 7.5 percent, decreasing to an ultimate rate of 4.50 percent; and the Pub-2010 mortality tables for general and public safety employees with the MP-2021 improvement scale. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.35 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 the Charter Township's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2021 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment policy section below, are summarized in the following tables:

Asset Class	Long-term Expected Real Rate of Return
Global equity	4.95 %
Global fixed income	2.40
Private investments	7.00

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

The following presents the net OPEB asset of the Charter Township, calculated using the discount rate of 7.35 percent, as well as what the Charter Township's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.35%)	Current Discount Rate (7.35%)	1 Percentage Point Increase (8.35%)
Net OPEB liability (asset) of the plan	\$ 1,758,098	\$ (1,567,571)	\$ (4,313,977)

December 31, 2021

Note 12 - Other Postemployment Benefit Plan (Continued)

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

The following presents the net OPEB asset of the Charter Township, calculated using the health care cost trend rate of 7.50 percent, as well as what the Charter Township's net OPEB (asset) liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (3.50% - 6.50%)	Current Health Care Cost Trend Rate (4.50% - 7.50%)	1 Percentage Point Increase (5.50% - 8.50%)
Net OPEB (asset) liability of the plan	\$ (4,676,410)	\$ (1,567,571)	\$ 2,262,986

Assumption Changes

In the current year, the aging factors for pre-Medicare health care costs have been updated from a flat rate of 4 percent per year of age to an age-and-gender-based aging table developed in a recent study performed by Dale Yamamoto for the Society of Actuaries; the mortality tables were updated from the Pub-2010 mortality tables with the MP-2018 improvement scale to the Pub-2010 mortality tables with the MP-2021 improvement scale; the initial non-Medicare health care trend rate was decreased from 8.25 percent to 7.50 percent; the initial Medicare health care trend rate was decreased from 6.50 percent to 5.75 percent; and the investment rate of return, and corresponding discount, was raised from 6.0 percent to 7.35 percent in order to align with the expected return based on the Charter Township's target asset allocation.

Investment Policy

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the board by a majority vote of its members. It is the policy of the OPEB board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the board's adopted asset allocation policy as of December 31, 2021:

Asset Class	Target Allocation
Global equity	60.00 %
Global fixed income	20.00
Private investments	20.00

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 13.29 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Required Supplemental Information

General Fund

The General Fund contains the records of the ordinary activities of the Charter Township that are not accounted for in another fund. General Fund activities are funded by revenue from state-shared revenue, general property taxes, and other sources. The schedule comparing revenue and expenditures - budgetary comparison schedule - compares the activity in the final amended budget (the level on which expenditures may not legally exceed appropriations) to actual revenue and expenditures.

Charter Township of Grand Blanc

Required Supplemental Information Budgetary Comparison Schedule General Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 9,793,130	\$ 9,793,130	\$ 9,948,300	\$ 155,170
Special assessments	622,561	622,561	692,167	69,606
Intergovernmental:				
Federal sources	-	-	65,651	65,651
State sources	3,509,431	3,909,431	4,303,996	394,565
Local grants and contributions	82,000	82,000	105,580	23,580
Fines and forfeitures	90,000	177,600	159,382	(18,218)
Licenses and permits	65,400	80,400	81,893	1,493
Investment	131,000	131,000	(31,703)	(162,703)
Other revenue:				
Local donations	-	-	8,250	8,250
Other miscellaneous income	1,764,986	1,764,986	1,757,789	(7,197)
Cable franchise fees	620,000	620,000	587,119	(32,881)
Total revenue	16,678,508	17,181,108	17,678,424	497,316
Expenditures				
Current services:				
General government:				
Legislative	241,184	276,884	236,797	40,087
Superintendent's office	454,873	482,623	456,471	26,152
General office	530,841	530,841	463,121	67,720
GIS/IT	497,476	497,476	410,610	86,866
Treasurer's office	406,296	406,296	365,900	40,396
Assessor's office	560,164	496,714	432,860	63,854
Clerk's office	237,898	237,898	181,215	56,683
Buildings and grounds	163,000	177,000	169,001	7,999
Legal and attorney	136,200	136,200	77,892	58,308
Elections	60,216	60,216	41,101	19,115
Planning and zoning	186,966	221,966	213,417	8,549
Insurance and other functions	562,872	1,662,872	1,662,872	-
Public safety	9,677,414	9,657,414	9,133,421	523,993
Public works	1,115,200	1,796,300	1,383,154	413,146
Recreation and culture - Library	67,392	76,992	79,392	(2,400)
Debt service	380,161	380,161	337,824	42,337
Total expenditures	15,278,153	17,097,853	15,645,048	1,452,805
Excess of Revenue Over Expenditures	1,400,355	83,255	2,033,376	1,950,121
Other Financing (Uses) Sources				
Transfers out	(1,670,655)	(2,470,655)	(2,419,675)	50,980
New debt issued	267,300	717,000	717,000	-
Proceeds from sale of capital assets	3,000	3,000	40,880	37,880
Total other financing uses	(1,400,355)	(1,750,655)	(1,661,795)	88,860
Net Change in Fund Balance	-	(1,667,400)	371,581	2,038,981
Fund Balance - Beginning of year	4,261,361	4,261,361	4,261,361	-
Fund Balance - End of year	<u>\$ 4,261,361</u>	<u>\$ 2,593,961</u>	<u>\$ 4,632,942</u>	<u>\$ 2,038,981</u>

Charter Township of Grand Blanc

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

Last Seven Plan Years, Prospectively Built from 2014

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	\$ 550,932	\$ 526,471	\$ 492,883	\$ 451,817	\$ 448,933	\$ 444,281	\$ 417,196
Interest	1,995,185	1,900,475	1,759,755	1,661,589	1,619,956	1,515,063	1,428,077
Changes in benefit terms	(37,305)	(67,680)	(36,179)	(21,961)	8,686	(40,553)	-
Differences between expected and actual experience	(114,637)	76,551	455,894	13,927	(668,282)	(22,513)	-
Changes in assumptions	1,128,485	1,011,117	-	-	-	846,845	-
Benefit payments, including refunds	(963,714)	(934,579)	(925,740)	(871,925)	(908,681)	(812,129)	(796,761)
Miscellaneous other	(27,037)	-	-	-	-	-	-
Net Change in Total Pension Liability	2,531,909	2,512,355	1,746,613	1,233,447	500,612	1,930,994	1,048,512
Total Pension Liability - Beginning of year	26,472,343	23,959,988	22,213,375	20,979,928	20,479,316	18,548,322	17,499,810
Total Pension Liability - End of year	\$ 29,004,252	\$ 26,472,343	\$ 23,959,988	\$ 22,213,375	\$ 20,979,928	\$ 20,479,316	\$ 18,548,322
Plan Fiduciary Net Position							
Contributions - Employer	\$ 1,604,852	\$ 1,059,876	\$ 986,910	\$ 1,678,190	\$ 1,239,870	\$ 791,064	\$ 790,503
Contributions - Member	359,585	329,178	293,525	281,622	249,860	240,707	220,671
Net investment income (loss)	2,633,790	2,092,412	(628,194)	1,712,426	1,260,874	(168,003)	635,862
Administrative expenses	(36,296)	(36,091)	(30,423)	(27,018)	(24,852)	(24,029)	(23,476)
Benefit payments, including refunds	(963,714)	(934,579)	(925,740)	(871,925)	(908,681)	(812,129)	(796,762)
Other	(27,037)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,571,180	2,510,796	(303,922)	2,773,295	1,817,071	27,610	826,798
Plan Fiduciary Net Position - Beginning of year	17,648,794	15,137,998	15,441,920	12,668,625	10,851,554	10,823,944	9,997,146
Plan Fiduciary Net Position - End of year	\$ 21,219,974	\$ 17,648,794	\$ 15,137,998	\$ 15,441,920	\$ 12,668,625	\$ 10,851,554	\$ 10,823,944
Charter Township's Net Pension Liability - Ending	\$ 7,784,278	\$ 8,823,549	\$ 8,821,990	\$ 6,771,455	\$ 8,311,303	\$ 9,627,762	\$ 7,724,378
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	73.16 %	66.67 %	63.18 %	69.52 %	60.38 %	52.99 %	58.36 %
Covered Payroll	\$ 3,355,252	\$ 3,409,788	\$ 3,270,622	\$ 3,030,298	\$ 3,000,886	\$ 3,032,637	\$ 2,847,756
Charter Township's Net Pension Liability as a Percentage of Covered Payroll	232.00 %	258.77 %	269.73 %	223.46 %	276.96 %	317.47 %	271.24 %

Charter Township of Grand Blanc

Required Supplemental Information Schedule of Pension Contributions

	Last Ten Fiscal Years									
	Years Ended December 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 1,289,175	\$ 1,104,480	\$ 1,059,876	\$ 986,910	\$ 978,987	\$ 893,011	\$ 791,064	\$ 738,228	\$ 708,629	\$ 663,925
Contributions in relation to the actuarially determined contribution	1,289,175	1,604,853	1,059,876	986,910	1,678,191	1,239,870	791,064	738,228	708,629	663,925
Contribution Excess	\$ -	\$ 500,373	\$ -	\$ -	\$ 699,204	\$ 346,859	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 3,773,411	\$ 3,465,669	\$ 3,452,013	\$ 3,262,533	\$ 3,030,298	\$ 3,000,886	\$ 3,032,637	\$ 2,847,756	\$ 2,690,920	\$ 2,801,771
Contributions as a Percentage of Covered Payroll	34.16 %	46.31 %	30.70 %	30.25 %	55.38 %	41.32 %	26.09 %	25.92 %	26.33 %	23.70 %

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. Contributions for the Charter Township's fiscal year ended December 31, 2021 were determined based on the actuarial valuation as of December 31, 2019. The most recent valuation is as of December 31, 2020.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	19 years
Asset valuation method	5-year smoothed market
Inflation	2.50 percent
Salary increase	3.00 percent base wage inflation
Investment rate of return	7.35 percent - Net of expenses
Retirement age	Experience-based table of rates is specific to the type of eligibility condition
Mortality	50 percent male - 50 percent female blend of the following tables: 1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent 2. The RP-2014 Employee Mortality Tables 3. The RP-2014 Juvenile Mortality Tables
Other information	None

Charter Township of Grand Blanc

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

	Last Four Fiscal Years			
	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 1,320,901	\$ 1,225,366	\$ 1,612,672	\$ 1,626,903
Interest	2,259,463	2,038,920	2,656,728	2,583,284
Differences between expected and actual experience	1,371,493	-	(12,941,878)	(2,448,070)
Changes in assumptions	(17,518,634)	799,908	(1,581,051)	-
Benefit payments, including refunds	(495,550)	(472,811)	(458,642)	(603,223)
Net Change in Total OPEB Liability	(13,062,327)	3,591,383	(10,712,171)	1,158,894
Total OPEB Liability - Beginning of year	36,580,992	32,989,609	43,701,780	42,542,886
Total OPEB Liability - End of year	\$ 23,518,665	\$ 36,580,992	\$ 32,989,609	\$ 43,701,780
Plan Fiduciary Net Position				
Contributions - Employer	\$ 2,158,422	\$ 2,967,811	\$ 4,640,793	\$ 2,357,084
Net investment income (loss)	2,713,967	1,952,864	1,752,458	(394,439)
Administrative expenses	-	(29,213)	(20,708)	-
Benefit payments, including refunds	(495,550)	(472,811)	(458,642)	(603,223)
Net Change in Plan Fiduciary Net Position	4,376,839	4,418,651	5,913,901	1,359,422
Plan Fiduciary Net Position - Beginning of year	20,709,397	16,290,746	10,376,845	9,017,423
Plan Fiduciary Net Position - End of year	\$ 25,086,236	\$ 20,709,397	\$ 16,290,746	\$ 10,376,845
Net OPEB (Asset) Liability - Ending	\$ (1,567,571)	\$ 15,871,595	\$ 16,698,863	\$ 33,324,935
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	106.67 %	56.61 %	49.38 %	23.74 %
Covered Payroll	\$ 3,778,528	\$ 4,562,759	\$ 4,387,268	\$ 4,272,945
Net OPEB (Asset) Liability as a Percentage of Covered Payroll	(41.49)%	347.85 %	380.62 %	779.91 %

Schedule is being built prospectively from adoption of GASB 75.

Charter Township of Grand Blanc

Required Supplemental Information Schedule of OPEB Contributions

	Last Ten Fiscal Years Years Ended December 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 390,636	\$ 2,268,863	\$ 2,018,032	\$ 3,198,638	\$ 3,138,563	\$ 3,029,510	\$ 2,924,453	\$ 1,137,910	\$ 1,198,161	\$ 1,225,429
Contributions in relation to the actuarially determined contribution	2,158,422	2,967,811	4,640,793	2,357,084	2,159,068	1,520,222	1,282,884	973,880	919,620	916,148
Contribution Excess (Deficiency)	\$ 1,767,786	\$ 698,948	\$ 2,622,761	\$ (841,554)	\$ (979,495)	\$ (1,509,288)	\$ (1,641,569)	\$ (164,030)	\$ (278,541)	\$ (309,281)
Covered Payroll	\$ 3,778,528	\$ 4,562,759	\$ 4,387,268	\$ 4,272,945	\$ 4,195,319	\$ 4,195,319	\$ 4,195,319	\$ 4,104,126	\$ 4,104,126	\$ 4,104,126
Contributions as a Percentage of Covered Payroll	57.12 %	65.04 %	105.78 %	55.16 %	51.46 %	36.24 %	30.58 %	23.73 %	22.41 %	22.32 %

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, for the plan/fiscal year in which the contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age (level percentage of pay)
Amortization method	Closed
Remaining amortization period	23 years
Asset valuation method	Market value
Inflation	2.50 percent
Health care cost trend rates	8.25 percent (6.50 percent for Medicare) decreasing to 4.50 percent in 0.25 percent increments
Salary increase	4.0 percent
Investment rate of return	7.35 percent
Mortality	Pub-2010 Mortality Tables for general and public safety employees, as applicable, with fully generational mortality improvements using Scale MP-2021

Charter Township of Grand Blanc

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

**Last Three Fiscal Years, Prospectively Built from the Implementation of GASB 74
Years Ended December 31**

	2021	2020	2019
Annual money-weighted rate of return - Net of investment expense	13.29 %	11.95 %	16.65 %

Note: The Charter Township implemented GASB 74 and GASB 84 in 2019; therefore, this table is built prospectively from that date.

Charter Township of Grand Blanc

Notes to Required Supplemental Information

December 31, 2021

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level (i.e., the level at which expenditures may not legally exceed appropriations).

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and 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 not significant. Unexpended appropriations lapse at year end.

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

	<u>Total Revenue</u>	<u>Total Expenditures</u>	<u>Fund Balance</u>
Amounts per operating statement	\$ 17,678,534	\$ 15,645,048	\$ 4,641,292
Evatt Ecology Fund	-	-	(7,755)
Historical Preservation Fund	(110)	-	(595)
	<u>\$ 17,678,424</u>	<u>\$ 15,645,048</u>	<u>\$ 4,632,942</u>

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the Charter Township of Grand Blanc incurred expenditures that were in excess of the amounts budgeted, as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund - Recreation and Culture - Library	\$ 76,992	\$ 79,392	\$ (2,400)

Pension Information

Changes in Assumptions

For the MERS plan, during the year ended December 21, 2021 (MERS plan year ended December 31, 2020), the mortality tables used in determining the total pension liability were changed from the RP-2014 tables to the Pub-2010 tables.

For the MERS plan, during the Charter Township's year ended December 31, 2020 (MERS plan year ended December 31, 2019), the investment rate of return was reduced from 7.75 to 7.35 percent. Additionally, the salary inflation assumption was changed from 3.75 to 3.0 percent.

In 2015, mortality tables were updated.

December 31, 2021

OPEB Information

Changes in Assumptions

In 2021, the Charter Township updated the following assumptions: aging factors for pre-Medicare health care costs have been updated from a flat rate of 4 percent per year of age to an age-and-gender-based aging table developed in a recent study performed by Dale Yamamoto for the Society of Actuaries; the mortality tables were updated from the Pub-2010 mortality tables with the MP-2018 improvement scale to the Pub-2010 mortality tables with the MP-2021 improvement scale; the initial non-Medicare health care trend rate was decreased from 8.25 percent to 7.50 percent; the initial Medicare health care trend rate was decreased from 6.50 percent to 5.75 percent; the investment rate of return, and corresponding discount, was raised from 6.0 percent to 7.35 percent in order to align with the expected return on assets for the Municipal Employees' Retirement System Retiree Health Funding Vehicle for 2021

In 2020, the Charter Township updated mortality tables from the RP-2014 mortality tables with the MP-2017 improvement scale to the Pub-2010 Mortality Tables using scale MP-2018.

In 2019, the Charter Township changed the assumption for preretirement medical inflation and updated the mortality scales.

Other Supplemental Information

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. A description of the special revenue funds included as nonmajor governmental funds is as follows:

Drug Forfeiture Fund

This fund accounts for moneys received from the federal drug enforcement agency for law enforcement purposes and for state funds related to drug enforcement purposes. These moneys are to be used to supplement existing law and drug enforcement funds in the law enforcement field.

Law Enforcement Fund

This fund accounts for moneys received as a result of gambling raids. These funds are to be used for law enforcement enhancement.

Federal Equitable Sharing Fund

This fund accounts for federal moneys related to drug enforcement purposes. These moneys are to be used to supplement existing law and drug enforcement funds in the law enforcement field.

PEG Channel Grant Fund

This fund accounts for moneys collected by the Charter Township for the operation of public, educational, and government channels (PEG).

CDBG Fund

This fund accounts for moneys reimbursed by the federal government related to the Community Development Block Grant.

Building Fund

This fund accounts for moneys collected by the Charter Township related to building permits, licenses, and inspections.

Parks and Recreation Fund

This fund is used to account for revenue received from the parks and recreation millage and income associated with the lease of land within Bicentennial Park for a cellular tower, in addition to appropriations from the General Fund. The funds are expended on park facilities/improvements and the maintenance and improvement of the Perry Homestead.

Solid Waste Fund

This fund is used to account for the operations of a residential and commercial rubbish collection and disposal system, primarily transportation to a privately owned and operated landfill.

Debt Service Fund

Debt service funds account for resources accumulated for the payment of principal and interest on debt.

Master Campus Project Fund

This fund is used to account for property taxes set aside for all costs associated with the development and construction of a charter township master campus.

Capital Project Fund

Capital projects funds are used to account for the acquisition of capital facilities other than those financed by the operations of an enterprise fund.

Capital Projects Fund

This fund is used to account for earmarked revenue set aside for public improvements of a major nature. Revenue sources to date have come solely from General Fund operating transfers.

Permanent Funds

Permanent funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the Charter Township's programs. A description of the permanent funds included as nonmajor governmental funds is as follows:

Oakwood Cemetery Fund

This fund is used to account for Oakwood Cemetery deposits.

Perry-McFarland Cemetery Fund

This fund is used to account for Perry-McFarland Cemetery deposits.

Maple Cemetery Fund

This fund is used to account for Maple Cemetery deposits.

Charter Township of Grand Blanc

	Special Revenue Funds					
	Drug Forfeiture Fund	Law Enforcement Fund	Federal Equitable Sharing Fund	PEG Channel Grant Fund	CDBG Fund	Building Fund
Assets						
Cash and cash equivalents	\$ 2,242	\$ 3,067	\$ 1,302	\$ 26,859	\$ -	\$ -
Investments	36,146	8,990	41,158	118,595	-	914,574
Receivables	76	16	74	7,178	-	16,219
Due from other funds	-	-	-	-	-	4,881
Prepays	-	-	-	777	-	225
Total assets	<u>\$ 38,464</u>	<u>\$ 12,073</u>	<u>\$ 42,534</u>	<u>\$ 153,409</u>	<u>\$ -</u>	<u>\$ 935,899</u>
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 2,895	\$ -	\$ 18,095
Due to other funds	-	-	-	-	-	1,298
Refundable deposits, bonds, etc.	-	-	-	-	-	272,650
Accrued liabilities and other	-	-	-	-	-	3,165
Total liabilities	-	-	-	2,895	-	295,208
Deferred Inflows of Resources -						
Property taxes levied for the following year	-	-	-	-	-	-
Fund Balances						
Nonspendable:						
Prepays	-	-	-	777	-	225
Cemetery endowment	-	-	-	-	-	-
Restricted:						
Public safety	38,464	12,073	42,534	-	-	-
Solid waste	-	-	-	-	-	-
PEG Channel	-	-	-	149,737	-	-
Cemetery	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Construction code	-	-	-	-	-	640,466
Committed - Bicentennial Park	-	-	-	-	-	-
Assigned:						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total fund balances	<u>38,464</u>	<u>12,073</u>	<u>42,534</u>	<u>150,514</u>	<u>-</u>	<u>640,691</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 38,464</u>	<u>\$ 12,073</u>	<u>\$ 42,534</u>	<u>\$ 153,409</u>	<u>\$ -</u>	<u>\$ 935,899</u>

Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds

December 31, 2021

Special Revenue Funds		Debt Service Fund	Permanent Funds				Total
Parks and Recreation Fund	Solid Waste Fund	Master Campus Project Fund	Capital Projects Fund	Oakwood Cemetery Fund	Perry-McFarland Cemetery Fund	Maple Cemetery Fund	
\$ 164,667	\$ 979,615	\$ 396	\$ -	\$ 1,335	\$ 12,650	\$ 3,359	\$ 1,195,492
580,246	33,241	2,946,201	2,351,478	73,468	217,113	145,437	7,466,647
213,238	505,161	5,706	1,979	205	493	568	750,913
32,967	63,011	-	-	-	-	-	100,859
3,515	-	-	-	-	-	-	4,517
\$ 994,633	\$ 1,581,028	\$ 2,952,303	\$ 2,353,457	\$ 75,008	\$ 230,256	\$ 149,364	\$ 9,518,428
\$ 15,070	\$ -	\$ -	\$ 457,110	\$ -	\$ -	\$ -	\$ 493,170
10,183	-	-	-	-	-	-	11,481
16,206	-	-	-	-	-	-	288,856
7,612	-	-	-	-	-	-	10,777
49,071	-	-	457,110	-	-	-	804,284
356,699	1,552,123	-	-	-	-	-	1,908,822
3,515	-	-	-	-	-	-	4,517
-	-	-	-	18,175	154,828	28,165	201,168
-	-	-	-	-	-	-	93,071
-	28,905	-	-	-	-	-	28,905
-	-	-	-	-	-	-	149,737
-	-	-	-	56,833	75,428	121,199	253,460
495,681	-	-	-	-	-	-	495,681
-	-	-	-	-	-	-	640,466
89,667	-	-	-	-	-	-	89,667
-	-	-	1,896,347	-	-	-	1,896,347
-	-	2,952,303	-	-	-	-	2,952,303
588,863	28,905	2,952,303	1,896,347	75,008	230,256	149,364	6,805,322
\$ 994,633	\$ 1,581,028	\$ 2,952,303	\$ 2,353,457	\$ 75,008	\$ 230,256	\$ 149,364	\$ 9,518,428

Charter Township of Grand Blanc

	Special Revenue Funds					
	Drug Forfeiture Fund	Law Enforcement Fund	Federal Equitable Sharing Fund	PEG Channel Grant Fund	CDBG Fund	Building Fund
Revenue						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:						
Federal sources	-	-	-	-	10,510	-
State sources	-	-	-	-	-	-
Charges for services	-	-	-	-	-	367,838
Fines and forfeitures	1,909	-	52	-	-	-
Licenses and permits	-	-	-	-	-	307,269
Investment (loss) income	(117)	(32)	(142)	(407)	-	(3,800)
Other revenue	-	1,332	-	27,941	-	15,486
Total revenue	1,792	1,300	(90)	27,534	10,510	686,793
Expenditures						
Current services:						
General government	-	-	-	52,056	-	-
Public safety	5,540	-	-	-	-	663,243
Public works	-	-	-	-	-	-
Community and economic development	-	-	-	-	10,510	-
Recreation and culture	-	-	-	-	-	-
Capital outlay	-	-	-	22,288	-	-
Debt service	-	-	-	-	-	-
Total expenditures	5,540	-	-	74,344	10,510	663,243
Excess of Revenue (Under) Over Expenditures	(3,748)	1,300	(90)	(46,810)	-	23,550
Other Financing Sources - Transfers in	-	-	-	-	-	-
Net Change in Fund Balances	(3,748)	1,300	(90)	(46,810)	-	23,550
Fund Balances - Beginning of year	42,212	10,773	42,624	197,324	-	617,141
Fund Balances - End of year	\$ 38,464	\$ 12,073	\$ 42,534	\$ 150,514	\$ -	\$ 640,691

Other Supplemental Information

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

Nonmajor Governmental Funds

Year Ended December 31, 2021

Special Revenue Funds		Debt Service Fund	Permanent Funds					
Parks and Recreation Fund	Solid Waste Fund	Master Campus Project Fund	Capital Projects Fund	Oakwood Cemetery Fund	Perry-McFarland Cemetery Fund	Maple Cemetery Fund	Total	
\$ 344,279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,279	
-	-	-	-	-	-	-	10,510	
18,816	-	-	26,482	-	-	-	45,298	
334,683	1,522,032	-	-	-	-	-	2,224,553	
-	-	-	-	-	-	-	1,961	
-	-	-	-	-	-	-	307,269	
(356)	(210)	(7,193)	(269)	3,826	15,506	2,712	9,518	
249,459	-	-	-	-	-	1,200	295,418	
946,881	1,521,822	(7,193)	26,213	3,826	15,506	3,912	3,238,806	
-	-	-	76,072	-	-	-	128,128	
-	-	-	-	-	-	-	668,783	
-	1,578,386	-	-	-	-	-	1,578,386	
-	-	-	-	-	-	-	10,510	
1,056,995	-	-	36,505	-	-	-	1,093,500	
206,748	-	-	440,410	-	-	-	669,446	
-	-	656,176	-	-	-	-	656,176	
1,263,743	1,578,386	656,176	552,987	-	-	-	4,804,929	
(316,862)	(56,564)	(663,369)	(526,774)	3,826	15,506	3,912	(1,566,123)	
465,000	-	654,675	1,300,000	-	-	-	2,419,675	
148,138	(56,564)	(8,694)	773,226	3,826	15,506	3,912	853,552	
440,725	85,469	2,960,997	1,123,121	71,182	214,750	145,452	5,951,770	
\$ 588,863	\$ 28,905	\$ 2,952,303	\$ 1,896,347	\$ 75,008	\$ 230,256	\$ 149,364	\$ 6,805,322	

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds Drug Forfeiture Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Fines and forfeitures	\$ -	\$ 5,000	\$ 1,909	\$ (3,091)
Investment income (loss)	398	600	(117)	(717)
Total revenue	398	5,600	1,792	(3,808)
Expenditures - Public safety	7,784	8,000	5,540	2,460
Net Change in Fund Balance	(7,386)	(2,400)	(3,748)	(1,348)
Fund Balance - Beginning of year	49,598	42,212	42,212	-
Fund Balance - End of year	<u>\$ 42,212</u>	<u>\$ 39,812</u>	<u>\$ 38,464</u>	<u>\$ (1,348)</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Law Enforcement Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Investment income (loss)	\$ 55	\$ -	\$ (32)	\$ (32)
Other revenue	-	-	1,332	1,332
Total revenue	55	-	1,300	1,300
Expenditures	-	-	-	-
Net Change in Fund Balance	55	-	1,300	1,300
Fund Balance - Beginning of year	10,718	10,773	10,773	-
Fund Balance - End of year	<u>\$ 10,773</u>	<u>\$ 10,773</u>	<u>\$ 12,073</u>	<u>\$ 1,300</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Federal Equitable Sharing Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Fines and forfeitures	\$ -	\$ 2,500	\$ 52	\$ (2,448)
Investment income (loss)	421	500	(142)	(642)
Total revenue	421	3,000	(90)	(3,090)
Expenditures	-	3,000	-	3,000
Net Change in Fund Balance	421	-	(90)	(90)
Fund Balance - Beginning of year	42,203	42,624	42,624	-
Fund Balance - End of year	<u>\$ 42,624</u>	<u>\$ 42,624</u>	<u>\$ 42,534</u>	<u>\$ (90)</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) PEG Channel Grant Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Investment income (loss)	\$ 1,992	\$ 3,000	\$ (407)	\$ (3,407)
PEG contributions	29,280	32,000	27,941	(4,059)
Total revenue	31,272	35,000	27,534	(7,466)
Expenditures				
Current services - General government	63	56,000	52,056	3,944
Capital outlay	981	25,000	22,288	2,712
Total expenditures	1,044	81,000	74,344	6,656
Net Change in Fund Balance	30,228	(46,000)	(46,810)	(810)
Fund Balance - Beginning of year	167,096	197,324	197,324	-
Fund Balance - End of year	<u>\$ 197,324</u>	<u>\$ 151,324</u>	<u>\$ 150,514</u>	<u>\$ (810)</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) CDBG Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue - Federal sources	\$ 164,765	\$ 100,000	\$ 10,510	\$ (89,490)
Expenditures - Current - Community and economic development	164,765	100,000	10,510	89,490
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Building Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Charges for services	\$ 428,951	\$ 431,750	\$ 367,838	\$ (63,912)
Licenses and permits	458,699	504,000	307,269	(196,731)
Investment income (loss)	7,042	7,000	(3,800)	(10,800)
Other revenue	5,635	7,550	15,486	7,936
Total revenue	900,327	950,300	686,793	(263,507)
Expenditures - Current services - Public safety	836,716	950,300	663,243	287,057
Net Change in Fund Balance	63,611	-	23,550	23,550
Fund Balance - Beginning of year	553,530	617,141	617,141	-
Fund Balance - End of year	<u>\$ 617,141</u>	<u>\$ 617,141</u>	<u>\$ 640,691</u>	<u>\$ 23,550</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Parks and Recreation Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Property taxes	\$ 327,932	\$ 338,635	\$ 344,279	\$ 5,644
Intergovernmental	17,618	-	18,816	18,816
Charges for services	202,864	445,905	334,683	(111,222)
Investment income (loss)	5,744	7,000	(356)	(7,356)
Other revenue:				
Local contributions	118,444	181,460	174,088	(7,372)
Other miscellaneous income	7,772	36,225	75,371	39,146
Total revenue	680,374	1,009,225	946,881	(62,344)
Expenditures				
Parks and recreation	699,759	1,270,205	1,056,995	213,210
Capital outlay	54,209	305,000	206,748	98,252
Total expenditures	753,968	1,575,205	1,263,743	311,462
Excess of Expenditures Over Revenue	(73,594)	(565,980)	(316,862)	249,118
Other Financing Sources				
Transfers in	283,265	515,980	465,000	(50,980)
Proceeds from sale of capital assets	4,119	-	-	-
Total other financing sources	287,384	515,980	465,000	(50,980)
Net Change in Fund Balance	213,790	(50,000)	148,138	198,138
Fund Balance - Beginning of year	226,935	440,725	440,725	-
Fund Balance - End of year	<u>\$ 440,725</u>	<u>\$ 390,725</u>	<u>\$ 588,863</u>	<u>\$ 198,138</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Solid Waste Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue				
Charges for services	\$ 1,377,798	\$ 1,547,680	\$ 1,522,032	\$ (25,648)
Investment income (loss)	11,701	(2,000)	(210)	1,790
Total revenue	1,389,499	1,545,680	1,521,822	(23,858)
Expenditures - Public works	1,529,446	1,619,680	1,578,386	41,294
Net Change in Fund Balance	(139,947)	(74,000)	(56,564)	17,436
Fund Balance - Beginning of year	225,416	85,469	85,469	-
Fund Balance - End of year	<u><u>\$ 85,469</u></u>	<u><u>\$ 11,469</u></u>	<u><u>\$ 28,905</u></u>	<u><u>\$ 17,436</u></u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Master Campus Project Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget - Unaudited	Actual	Variance with Amended Budget - Unaudited
Revenue - Investment income (loss)	\$ 37,651	\$ 31,000	\$ (7,193)	\$ (38,193)
Expenditures - Debt service:				
Principal	450,000	445,000	445,000	-
Interest on long-term debt	224,599	211,775	211,176	599
Total expenditures	674,599	656,775	656,176	599
Excess of Expenditures Over Revenue	(636,948)	(625,775)	(663,369)	(37,594)
Other Financing Sources - Transfers in	643,200	654,675	654,675	-
Net Change in Fund Balance	6,252	28,900	(8,694)	(37,594)
Fund Balance - Beginning of year	2,954,745	2,960,997	2,960,997	-
Fund Balance - End of year	<u>\$ 2,960,997</u>	<u>\$ 2,989,897</u>	<u>\$ 2,952,303</u>	<u>\$ (37,594)</u>

Charter Township of Grand Blanc

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Capital Projects Fund

Year Ended December 31, 2021

	Prior Year Actual	Amended Budget	Actual	Variance with Amended Budget
Revenue				
State grants	\$ 20,396	\$ 20,000	\$ 26,482	\$ 6,482
Investment income (loss)	13,399	15,000	(269)	(15,269)
Total revenue	33,795	35,000	26,213	(8,787)
Expenditures				
Current services:				
General government	150,140	245,000	76,072	168,928
Recreation and culture	45,406	-	36,505	(36,505)
Capital outlay	1,454,604	823,480	440,410	383,070
Total expenditures	1,650,150	1,068,480	552,987	515,493
Excess of Expenditures Over Revenue	(1,616,355)	(1,033,480)	(526,774)	506,706
Other Financing Sources - Transfers in	1,087,449	1,300,000	1,300,000	-
Net Change in Fund Balance	(528,906)	266,520	773,226	506,706
Fund Balance - Beginning of year	1,652,027	1,123,121	1,123,121	-
Fund Balance - End of year	<u>\$ 1,123,121</u>	<u>\$ 1,389,641</u>	<u>\$ 1,896,347</u>	<u>\$ 506,706</u>

Charter Township of Grand Blanc

Other Supplemental Information Governmental Fund Balance Sheet Component Unit - Downtown Development Authority

December 31, 2021

Assets

Cash and cash equivalents	\$ 345,702
Receivables:	
Property taxes	155,775
Due from other governments	2,146
	<u> </u>
Total assets	<u>\$ 503,623</u>

Liabilities - Accounts payable

\$ 89,892

Deferred Inflows of Resources - Property taxes levied for the following year

195,356

Total liabilities and deferred inflows of resources

285,248

Fund Balance - Unassigned

218,375

Total liabilities, deferred inflows of resources, and fund balance

\$ 503,623

Charter Township of Grand Blanc

Other Supplemental Information Statement of Revenue, Expenditures, and Changes in Fund Balance Component Unit - Downtown Development Authority

	Year Ended December 31, 2021
Revenue - Property taxes	\$ 250,469
Expenditures - General government	<u>274,677</u>
Net Change in Fund Balance	(24,208)
Fund Balance - Beginning of year	<u>242,583</u>
Fund Balance - End of year	<u><u>\$ 218,375</u></u>

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. Many of the schedules present data for the past fiscal years that will allow the reader to discern trends that cannot be seen in a single year's financial statements.

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, property taxes.

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.

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The Charter Township implemented GASB Statement No. 34 in 2003; schedules representing government-wide information include information beginning in that year. The reported numbers begin with the year for

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:				
Net investment in capital assets	\$ 8,566,682	\$ 8,680,561	\$ 8,203,104	\$ 9,492,098
Restricted	592,117	679,079	760,671	909,409
Unrestricted	<u>3,258,537</u>	<u>2,978,935</u>	<u>3,530,534</u>	<u>(5,636,916)</u>
Total net position	<u>\$ 14,201,021</u>	<u>\$ 12,417,336</u>	<u>\$ 12,338,575</u>	<u>\$ 12,494,309</u>
Business Type Activities:				
Net investment in capital assets	\$ 81,289,213	\$ 80,358,963	\$ 79,866,542	\$ 79,903,350
Unrestricted	<u>6,318,313</u>	<u>8,161,044</u>	<u>10,584,824</u>	<u>12,556,998</u>
Total net position	<u>\$ 87,655,501</u>	<u>\$ 87,607,526</u>	<u>\$ 88,520,007</u>	<u>\$ 90,451,366</u>
Primary government in total:				
Net investment in capital assets	\$ 89,855,895	\$ 89,039,524	\$ 88,069,646	\$ 89,395,448
Restricted	592,117	679,079	760,671	909,409
Unrestricted	<u>9,576,850</u>	<u>11,139,979</u>	<u>14,115,358</u>	<u>6,920,082</u>
Total net position	<u>\$ 101,856,522</u>	<u>\$ 100,024,862</u>	<u>\$ 100,858,582</u>	<u>\$ 102,945,675</u>

Note: In fiscal year 2018, the Charter Township adopted GASB Statement No. 75. Ending net position for 2017 was adjusted to properly state the fiscal year 2018 beginning net position.

Net Position by Component

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 8,747,363	\$ 8,884,553	\$ 9,024,759	\$ 9,131,696	\$ 12,252,434	\$ 12,007,250
854,593	887,864	1,132,461	1,745,976	1,874,438	1,948,002
<u>(5,741,800)</u>	<u>(6,226,196)</u>	<u>(29,023,554)</u>	<u>(27,764,312)</u>	<u>(25,645,424)</u>	<u>(19,661,439)</u>
<u>\$ 4,764,591</u>	<u>\$ 3,860,156</u>	<u>\$ 3,546,221</u>	<u>\$ (18,866,334)</u>	<u>\$ (11,518,552)</u>	<u>\$ (5,706,187)</u>
\$ 79,556,016	\$ 80,027,424	\$ 80,443,221	\$ 79,776,545	\$ 79,644,276	\$ 80,658,551
14,477,139	14,621,372	12,711,350	14,409,286	16,309,485	14,843,898
<u>\$ 92,460,348</u>	<u>\$ 94,033,155</u>	<u>\$ 94,648,796</u>	<u>\$ 93,154,571</u>	<u>\$ 95,953,761</u>	<u>\$ 95,502,449</u>
\$ 88,303,379	\$ 88,911,977	\$ 89,467,980	\$ 88,908,241	\$ 91,896,710	\$ 92,665,801
854,593	887,864	1,132,461	1,745,976	1,874,438	1,948,002
<u>8,735,339</u>	<u>8,395,176</u>	<u>(16,312,204)</u>	<u>(13,355,026)</u>	<u>(9,335,939)</u>	<u>(4,817,541)</u>
<u>\$ 97,224,939</u>	<u>\$ 97,893,311</u>	<u>\$ 98,195,017</u>	<u>\$ 77,299,191</u>	<u>\$ 84,435,209</u>	<u>\$ 89,796,262</u>

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses:				
General government	\$ 2,790,711	\$ 2,460,297	\$ 2,745,106	\$ 3,502,152
Public safety	8,194,852	8,622,129	8,236,466	9,487,970
Public services	2,418,588	2,327,558	2,110,008	2,247,743
Community & economic development	148,055	91,969	102,656	108,031
Recreation and culture	376,043	593,346	412,919	405,378
Interest on long-term deb	<u>520,386</u>	<u>539,785</u>	<u>627,123</u>	<u>597,971</u>
Total governmental activities	<u>14,448,635</u>	<u>14,635,084</u>	<u>14,234,278</u>	<u>16,349,245</u>
Program revenues:				
Charges for services				
General government	227,186	205,498	229,012	21,292
Public safety	572,524	832,500	999,165	1,172,981
Public services	1,648,615	1,691,529	1,679,494	1,701,853
Community & economic development	20,157	20,408	37,335	71,876
Recreation and culture	<u>23,587</u>	<u>24,000</u>	<u>24,000</u>	<u>-</u>
Total charges for services	2,492,069	2,773,935	2,969,006	2,968,002
Operating grants and contributions	264,468	304,043	234,262	177,716
Capital grants and contributions	<u>522,242</u>	<u>798,954</u>	<u>85,190</u>	<u>343,531</u>
Total program revenue	<u>3,278,779</u>	<u>3,876,932</u>	<u>3,288,458</u>	<u>3,489,249</u>
Net (expense) revenue	<u>(11,169,856)</u>	<u>(10,758,152)</u>	<u>(10,945,820)</u>	<u>(12,859,996)</u>
General revenues:				
Property taxes	7,416,001	7,228,532	7,380,963	7,429,486
State-shared revenues	2,734,929	2,788,329	2,915,367	2,917,622
Unrestricted investment earnings	75,323	54,804	34,627	41,785
Unrestricted fees and other	<u>617,895</u>	<u>607,726</u>	<u>770,597</u>	<u>1,453,547</u>
Total general revenues	10,844,148	10,679,391	11,101,554	11,842,440
Change in net position	<u>\$ (325,708)</u>	<u>\$ (78,761)</u>	<u>\$ 155,734</u>	<u>\$ (1,017,556)</u>

Note: In fiscal year 2015, the Charter Township adopted GASB Statement No. 68, and recorded a net pension liability, which required beginning net position to be restated.

In fiscal year 2018, the Charter Township adopted GASB Statement No. 75, and recorded a net OPEB liability, which required beginning net position to be restated.

Changes in Governmental Net Position

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 3,943,043	\$ 4,097,830	\$ 4,350,692	\$ 4,849,414	\$ 2,790,720	\$ 3,066,139
9,778,628	9,413,996	9,991,900	8,408,615	9,926,342	7,207,390
2,001,597	2,576,857	2,133,691	2,457,974	3,523,293	2,961,540
11,742	106,730	87,369	19,241	164,765	10,510
400,615	462,441	781,012	793,795	1,090,373	1,341,159
<u>275,219</u>	<u>218,938</u>	<u>236,741</u>	<u>255,297</u>	<u>209,154</u>	<u>203,975</u>
<u>16,410,844</u>	<u>16,876,792</u>	<u>17,581,405</u>	<u>16,784,336</u>	<u>17,704,647</u>	<u>14,790,713</u>
17,820	18,180	41,953	41,693	23,453	26,454
1,229,558	932,776	1,047,360	1,141,635	967,026	836,450
1,468,084	1,598,184	1,599,419	1,609,304	1,652,482	1,802,962
37,964	114,626	36,837	38,889	23,524	55,439
-	-	-	-	<u>202,864</u>	<u>334,683</u>
2,753,426	2,663,766	2,725,569	2,831,521	2,869,349	3,055,988
505,373	265,079	377,626	445,308	1,184,934	641,177
<u>62,013</u>	<u>655,718</u>	<u>107,476</u>	<u>378,155</u>	<u>4,010,808</u>	<u>889,702</u>
<u>3,320,812</u>	<u>3,584,563</u>	<u>3,210,671</u>	<u>3,654,984</u>	<u>8,065,091</u>	<u>4,586,867</u>
<u>(13,090,032)</u>	<u>(13,292,229)</u>	<u>(14,370,734)</u>	<u>(13,129,352)</u>	<u>(9,639,556)</u>	<u>(10,203,846)</u>
7,666,286	8,046,464	8,385,016	9,425,751	9,751,632	10,300,568
2,990,718	3,224,062	3,313,639	3,446,405	3,430,667	4,227,977
65,841	117,778	216,598	328,375	237,172	(22,185)
<u>1,462,752</u>	<u>1,589,990</u>	<u>1,643,085</u>	<u>1,908,515</u>	<u>1,588,173</u>	<u>1,509,851</u>
12,185,597	12,978,294	13,558,338	15,109,046	15,007,644	16,016,211
<u>\$ (904,435)</u>	<u>\$ (313,935)</u>	<u>\$ (812,396)</u>	<u>\$ 1,979,694</u>	<u>\$ 5,368,088</u>	<u>\$ 5,812,365</u>

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Program Revenue				
Charges for services	\$ 12,547,628	\$ 12,894,664	\$ 13,938,463	\$ 15,198,010
Operating grants and contributions	-	-	-	-
Capital grants and contributions	<u>468,569</u>	<u>653,953</u>	<u>1,232,285</u>	<u>1,630,205</u>
Total program revenue	<u>13,016,197</u>	<u>13,548,617</u>	<u>15,170,748</u>	<u>16,828,215</u>
Expenses	13,107,584	12,676,397	13,264,855	14,874,331
Net Revenue (Expense)	(91,387)	872,220	1,905,893	1,953,884
General Revenue				
Property taxes	-	-	-	-
Unrestricted investment earnings	43,412	40,261	25,466	32,198
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,900</u>
Total general revenue	<u>43,412</u>	<u>40,261</u>	<u>25,466</u>	<u>55,098</u>
Change in Net Position	<u><u>\$ (47,975)</u></u>	<u><u>\$ 912,481</u></u>	<u><u>\$ 1,931,359</u></u>	<u><u>\$ 2,008,982</u></u>

Changes in Business Type Net Position

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 17,043,556	\$ 16,933,895	\$ 17,519,333	\$ 17,029,865	\$ 17,382,784	\$ 17,014,333
-	-	297,409	-	387,784	-
<u>1,116,224</u>	<u>1,115,067</u>	<u>2,182,934</u>	<u>1,207,272</u>	<u>1,353,691</u>	<u>364,611</u>
<u>18,159,780</u>	<u>18,048,962</u>	<u>19,999,676</u>	<u>18,237,137</u>	<u>19,124,259</u>	<u>17,378,944</u>
16,669,821	17,562,415	18,101,223	17,588,462	17,569,186	17,773,806
1,489,959	486,547	1,898,453	648,675	1,555,073	(394,862)
-	-	-	-	-	-
55,692	103,303	240,288	348,016	212,857	(56,450)
<u>27,156</u>	<u>25,791</u>	<u>567</u>	<u>34,569</u>	<u>-</u>	<u>-</u>
<u>82,848</u>	<u>129,094</u>	<u>240,855</u>	<u>382,585</u>	<u>212,857</u>	<u>(56,450)</u>
<u>\$ 1,572,807</u>	<u>\$ 615,641</u>	<u>\$ 2,139,308</u>	<u>\$ 1,031,260</u>	<u>\$ 1,767,930</u>	<u>\$ (451,312)</u>

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Fund Balances				
General Fund - Unreserved/Unassigned**	\$ 1,729,046	\$ (711,079)	\$ 1,751,582	\$ 1,811,598
All governmental funds:				
Nonspendable**:				
Prepays	-	117,390	127,367	145,996
Nonexpendable cemetery endowment	139,701	139,161	153,266	161,000
Reserved/Restricted**:				
Mosquito spraying	11,793	13,129	22,996	19,607
Solid waste	223,935	240,176	243,440	325,611
Public safety	48,411	88,937	110,810	83,374
Drug forfeiture	-	-	-	-
Cable TV activities - PEG Fund	3,088	3,088	37,995	74,603
Police LESO	-	-	-	-
Cemetery	165,189	194,588	192,164	198,511
Tree Replacement	-	-	-	46,703
Parks and Recreation	-	-	-	-
Construction Code	-	-	-	-
Committed** -				
Bicentennial Park improvements	55,077	38,241	20,687	4,687
Assigned**:				
Compensated absences	-	200,000	200,000	225,000
Postemployment benefits	-	100,000	200,000	500,000
Pension	-	-	-	275,000
Capital projects	2,354,421	2,457,823	2,825,187	2,702,281
Debt service	2,846,150	2,984,304	3,107,687	2,185,596
Unreserved, reported in:				
Capital Projects Funds	N/A	N/A	N/A	N/A
Master Campus Project	N/A	N/A	N/A	N/A
Civic Campus Fund	N/A	N/A	N/A	N/A
Debt Service Funds - Water and sewer	N/A	N/A	N/A	N/A
Permanent funds - Cemetery:				
Unexpendable	N/A	N/A	N/A	N/A
Expendable	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total all other governmental fund	<u>\$ 7,178,473</u>	<u>\$ 7,576,811</u>	<u>\$ 8,023,581</u>	<u>\$ 8,993,181</u>

** In fiscal year 2011, the Charter Township adopted GASB No. 54 which changed fund balance classifications from unreserved and reserved to five new categories: nonspendable, restricted, committed, assigned, and unassigned.

Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,933,826	\$ 1,719,122	\$ 2,115,465	\$ 2,238,715	\$ 2,264,121	\$ 2,181,308
209,677	199,969	198,093	1,199,192	470,190	379,989
174,629	177,416	167,958	204,822	183,863	201,168
23,736	26,760	39,968	47,184	13,550	36,166
190,732	194,225	204,116	225,416	85,469	28,905
99,613	94,067	99,090	102,519	95,609	93,071
-	-	-	-	-	-
110,928	103,831	132,920	167,096	197,324	149,737
-	1,231	1,231	667	947	947
208,252	218,031	226,352	240,149	247,521	253,460
46,703	72,303	62,599	58,799	47,399	47,399
-	-	18,760	145,794	385,615	495,681
-	-	179,467	547,149	607,340	640,466
5,528	21,931	60,115	81,141	43,175	89,667
-	-	-	-	-	-
1,700,000	1,000,000	1,600,000	1,500,000	1,500,000	1,000,000
-	-	-	-	-	-
2,186,727	2,468,107	1,621,033	763,796	1,118,251	2,896,347
2,449,752	2,669,305	2,949,596	2,954,745	2,960,997	2,952,303
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
<u>\$ 8,759,567</u>	<u>\$ 9,340,103</u>	<u>\$ 9,676,763</u>	<u>\$ 10,477,184</u>	<u>\$ 10,221,371</u>	<u>\$ 11,446,614</u>

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenue				
Property taxes	\$ 7,495,152	\$ 7,265,408	\$ 7,391,754	\$ 7,429,086
Licenses and permits	473,652	748,623	890,713	1,186,910
Federal grants	273,021	109,663	91,857	188,908
State-shared revenues and grants	2,855,715	2,907,675	3,034,615	2,974,323
Charges for services	1,352,743	1,395,277	1,405,009	1,430,470
Fines and forfeitures	140,212	178,828	135,769	79,239
Investment income	75,323	54,804	34,627	41,785
Other	<u>1,524,254</u>	<u>1,711,993</u>	<u>1,912,724</u>	<u>2,068,735</u>
Total revenue	14,190,072	14,372,271	14,897,068	15,399,456
Expenditures				
Current:				
General government	2,617,706	2,435,650	2,609,881	2,729,053
Public safety	7,583,892	7,559,961	7,625,735	8,044,554
Public services	2,406,016	2,795,736	2,226,438	2,247,743
Community & economic development	-	-	-	108,031
Recreation and culture	241,838	251,726	246,939	238,197
Capital outlay	320,237	671,025	200,841	336,042
Debt service principal	515,943	484,284	654,083	641,076
Debt service interest	<u>463,471</u>	<u>491,552</u>	<u>375,928</u>	<u>465,195</u>
Total expenditures	<u>14,149,103</u>	<u>14,689,934</u>	<u>13,939,845</u>	<u>14,809,891</u>
Excess of Revenue Over Expenditure	40,969	(317,663)	957,223	589,565
Other Financing Sources (Uses)				
Debt issuance	350,000	742,000	-	(1,474,395)
Debt premium or discount	-	-	-	628,283
Proceeds from sale of capital assets	7,369	22,433	12,377	22,933
Transfers in	1,197,273	1,470,800	750,000	844,635
Transfers out	<u>(1,197,273)</u>	<u>(1,470,800)</u>	<u>(750,000)</u>	<u>(844,635)</u>
Total other financing sources (uses)	<u>357,369</u>	<u>764,433</u>	<u>12,377</u>	<u>(823,179)</u>
Net change in fund balance	398,338	446,770	969,600	(233,614)
Fund Balances - Beginning of year	<u>7,178,473</u>	<u>7,576,811</u>	<u>8,023,581</u>	<u>8,993,181</u>
Fund Balances - End of year	<u>\$ 7,576,811</u>	<u>\$ 8,023,581</u>	<u>\$ 8,993,181</u>	<u>\$ 8,759,567</u>
Debt service as a percentage of noncapital expenditures	7%	7%	7%	7%

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,668,863	\$ 8,062,902	\$ 8,388,107	\$ 9,434,112	\$ 9,752,239	\$ 10,292,579
1,154,306	971,583	992,356	640,163	505,676	389,162
138,560	219,240	196,322	63,373	732,388	76,161
3,351,963	3,360,472	3,568,331	3,811,311	3,780,079	4,349,294
1,195,513	1,346,200	1,355,646	1,857,787	2,009,613	2,224,553
131,036	93,999	133,794	95,671	79,376	161,343
65,841	117,778	216,598	328,375	237,172	(22,185)
<u>2,233,015</u>	<u>2,554,481</u>	<u>2,642,599</u>	<u>2,927,600</u>	<u>3,991,690</u>	<u>3,446,433</u>
15,939,097	16,726,655	17,493,753	19,158,392	21,088,233	20,917,340
3,294,346	3,868,904	4,356,217	5,233,483	5,360,269	4,839,385
8,526,763	8,882,019	8,814,814	9,165,895	9,907,762	9,802,204
2,001,597	2,576,857	2,133,691	2,457,974	3,523,293	2,961,540
11,742	106,730	87,369	19,241	164,765	10,510
241,517	253,975	370,857	298,934	848,740	1,172,892
348,352	449,334	533,224	537,889	1,509,794	669,446
686,037	749,881	661,354	689,000	733,000	748,000
<u>257,420</u>	<u>222,376</u>	<u>238,659</u>	<u>299,461</u>	<u>252,758</u>	<u>246,000</u>
<u>15,367,774</u>	<u>17,110,076</u>	<u>17,196,185</u>	<u>18,701,877</u>	<u>22,300,381</u>	<u>20,449,977</u>
571,323	(383,421)	297,568	456,515	(1,212,148)	467,363
-	-	404,000	311,000	926,000	717,000
-	-	-	-	-	-
9,213	9,616	8,897	32,906	30,335	40,880
1,102,199	1,021,763	856,258	1,463,347	2,013,914	2,419,675
<u>(1,102,199)</u>	<u>(1,021,763)</u>	<u>(856,258)</u>	<u>(1,463,347)</u>	<u>(2,013,914)</u>	<u>(2,419,675)</u>
<u>9,213</u>	<u>9,616</u>	<u>412,897</u>	<u>343,906</u>	<u>956,335</u>	<u>757,880</u>
580,536	(373,805)	710,465	800,421	(255,813)	1,225,243
<u>8,759,567</u>	<u>9,340,103</u>	<u>8,966,298</u>	<u>9,676,763</u>	<u>10,477,184</u>	<u>10,221,371</u>
<u>\$ 9,340,103</u>	<u>\$ 8,966,298</u>	<u>\$ 9,676,763</u>	<u>\$ 10,477,184</u>	<u>\$ 10,221,371</u>	<u>\$ 11,446,614</u>

8%

6%

6%

5%

5%

5%

Charter Township of Grand Blanc

Taxable Value by Property Type

Real Property

Tax Year	Residential	Commercial	Industrial	Agricultural & Other	IFT Real	Personal Property
2012	760,498,487	216,143,944	44,702,823	-	1,291,300	79,797,600
2013	762,354,145	218,595,083	43,302,567	-	80,000	80,337,400
2014	782,853,699	223,406,759	42,664,041	-	1,499,200	82,107,600
2015	810,533,329	225,587,055	43,366,103	-	1,801,500	80,048,000
2016	835,732,904	226,146,706	42,722,273	-	3,640,964	67,801,600
2017	868,419,226	229,607,900	42,157,581	-	4,302,803	74,437,500
2018	903,867,162	259,061,111	43,205,242	-	5,937,675	70,345,800
2019	952,443,025	274,074,983	44,301,673	-	12,363,357	73,163,100
2020	986,855,541	287,194,761	45,438,342	-	17,175,561	82,961,300
2021	1,025,618,590	297,941,608	46,733,336	-	16,629,068	97,218,300

Note: Under Michigan law, the revenue base is referred to as "Taxable Value". This amount represents Assessed value (50% of true cash value), limited for each property by the lower of 5% or inflation.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year

Millage Rates - Direct Township Taxes

Tax Year	General Operating	Mosquito	Police	Fire	Parks & Recreation	Total Direct Taxes
2012	4.5650	0.1650	0.9128	0.5000	-	6.1428
2013	4.5650	0.1725	0.9128	0.5000	-	6.1503
2014	4.5531	0.1700	0.9104	0.4987	-	6.1322
2015	4.5531	0.1700	0.9104	0.4987	-	6.1322
2016	4.5650	0.1700	0.9128	0.5000	0.2500	6.3978
2017	4.5586	0.1698	0.9115	0.4993	0.2497	6.3889
2018	4.5143	0.1610	0.9026	1.0000	0.2471	6.8250
2019	4.5025	0.1210	1.0000	0.9974	0.2464	6.8673
2020	4.4844	0.1546	0.9960	0.9934	0.2454	6.8738
2021	4.4565	0.2317	0.9898	0.9872	0.2438	6.9090

Taxable Value and Estimated Actual Value of Taxable Property

December 31, 2021

Taxable Value by Property Type

IFT Pers.	Total Ad-Val	Total Abated	Total Value	GBT Tax Rate (Mills)	Estimated Actual Value	Taxable Value as a % of Actual
9,415,700	1,101,142,854	10,707,000	1,111,849,854	6.1428	2,250,552,100	49.40%
12,174,700	1,104,589,195	12,254,700	1,116,843,895	6.1503	2,273,000,695	49.14%
13,435,600	1,131,032,099	14,934,800	1,145,966,899	6.1322	2,299,517,216	49.84%
14,225,600	1,159,534,487	16,027,100	1,175,561,587	6.1322	2,383,177,374	49.33%
5,650,100	1,172,403,483	9,291,064	1,181,694,547	6.3978	2,381,971,222	49.61%
5,174,800	1,214,622,207	9,477,603	1,224,099,810	6.3889	2,467,154,826	49.62%
4,645,300	1,276,479,315	10,582,975	1,287,062,290	6.8250	2,595,290,530	49.59%
3,914,500	1,343,982,781	16,277,857	1,360,260,638	6.8673	2,753,076,990	49.41%
3,565,600	1,402,449,944	20,741,161	1,423,191,105	6.8738	2,887,864,532	49.28%
2,738,400	1,467,511,834	19,367,468	1,486,879,302	6.9090	3,012,493,540	49.36%

Direct and Overlapping Property Tax Rates

Overlapping Taxes					Total Tax Rate:	
County	Community College	Intermediate School District	School - Homestead	School - Non homestead	Homestead	Non- homestead
10.5594	2.8596	3.5341	12.5200	30.5200	35.6159	53.6159
10.5594	2.8596	3.5341	12.1000	30.1000	35.2034	53.2034
11.0647	2.8596	3.5341	12.1000	30.1000	35.6906	53.6906
11.4897	2.8596	3.5341	12.1000	30.1000	36.1156	54.1156
11.4893	2.8096	3.7826	13.3000	31.3000	37.7793	55.7793
11.4896	2.8096	3.7826	13.2985	31.2985	37.7692	55.7692
12.4244	2.8047	3.7732	13.2915	31.2915	39.1188	57.1188
12.4109	2.8017	3.7676	13.2882	30.9660	39.1357	56.8135
12.3502	2.7605	3.7457	13.2859	30.9159	39.0161	56.6461
13.2131	2.7472	3.7207	13.2789	31.2789	39.8689	57.8689

Principal Property Tax Payers

Current and Nine Years Ago
December 31, 2021

Principal Taxpayer	Type of Business	2021			2012		
		2021 Taxable Value	Total Taxable Value	Rank	2012 Taxable Value	Percent of Total	Rank
Consumers Energy Co	Utilities (Electric/Gas)	\$ 47,094,240	3.17%	1	\$ 19,033,104	1.73%	1
General Motors	Auto Manufacturing	19,638,322	1.32%	2	17,984,859	1.63%	2
Magna Electronics Inc	Manufacturing	14,187,300	0.95%	3	7,745,600	0.70%	9
Genesys Health Systems	Healthcare	12,888,262	0.87%	4			
Edward Rose Association Inc	Housing (Thornridge Apartments)	10,212,495	0.69%	5	8,967,900	0.81%	5
Edward Rose Development	Housing (Heatherwood Apartments)	9,192,829	0.62%	6	8,126,500	0.74%	8
MIMG CXXI Fountain Pointe LLC	Housing (Apartments)	8,736,499	0.59%	7			
MIMG CXXI Fox Hill Glens LLC	Housing (Apartments)	8,617,336	0.58%	8			
McLaren Health Care Corp	Healthcare	8,547,826	0.57%	9			
Knollwood	Housing (Apartments)	8,464,050	0.57%	10	8,223,000	0.75%	7
Ring Screw Works	Manufacturing				11,406,528	1.04%	3
Auker	Real Estate				9,504,231	0.86%	4
Walmart/Sam's Club	Retail Sales				8,720,800	0.79%	6
Serra Properties	Automotive Dealership				6,549,248	0.59%	10

Source: Charter Township Assessing Department Records

Property Tax Levies and Collections

Last Ten Fiscal Years
December 31, 2021

Fiscal Year Ended December 31,	Total Levy	Current Collections (1)	Percent of Levy Collected	Delinquent Collections (2)	Total Tax Collections	Percent of Total Collections to Tax Levy	Delinquent Taxes	Percent of Levy	Total Levy all Taxing Authorities	Ad Val Taxable Value
2012	7,545,270	7,444,920	98.67%	7,070	7,451,990	98.76%	61,285	0.81%	49,524,233	1,101,187,890
2013	7,280,705	6,895,937	94.72%	18,408	6,914,345	94.97%	27,795	0.38%	48,873,206	1,115,428,242
2014	6,880,276	6,835,590	99.35%	19,015	6,854,605	99.63%	25,671	0.37%	47,166,060	1,131,032,099
2015	6,966,031	6,899,852	99.05%	17,636	6,917,488	99.30%	48,543	0.70%	51,015,184	1,159,534,487
2016	7,129,248	7,050,626	98.90%	15,916	7,066,542	99.12%	62,706	0.88%	52,116,857	1,172,403,483
2017	7,528,702	7,461,594	99.11%	22,336	7,483,930	99.41%	44,772	0.59%	54,508,576	1,214,622,207
2018	7,818,711	7,796,027	99.71%	7,995	7,804,022	99.81%	38,352	0.49%	56,121,201	1,276,479,315
2019	9,257,092	9,190,785	99.28%	18,395	9,209,180	99.48%	47,912	0.52%	57,844,319	1,343,982,781
2020	9,708,423	9,649,202	99.39%	17,208	9,666,410	99.57%	42,013	0.43%	58,267,249	1,402,449,944
2021	10,213,882	10,157,726	99.45%	10,287	10,168,013	99.55%	45,869	0.45%	67,174,020	1,467,511,834

(1) Represents collections through the final distribution of taxes, including delinquent real taxes purchased by the county

(2) Represents all collections after the final distribution date, through the current date

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities				
General obligation bonds	\$ 10,000,000	\$ 9,800,000	\$ 9,600,000	\$ 8,010,000
Premium on bonds payable	-	-	-	621,492
Installment purchase agreements	-	-	-	-
Special assessment bond	<u>1,744,861</u>	<u>2,202,577</u>	<u>1,864,294</u>	<u>1,679,010</u>
Total governmental activities	11,744,861	12,002,577	11,464,294	10,310,502
Business Type Activities				
SWQIF bonds	201,379	246,288	236,288	226,288
Installment purchase agreements	-	-	-	-
Total debt of the government	<u>\$ 11,946,240</u>	<u>\$ 12,248,865</u>	<u>\$ 11,700,582</u>	<u>\$ 10,536,790</u>
Median Household Income per Census	\$ 60,542	\$ 60,542	\$ 60,542	\$ 60,542
Total Population (Per Federal Census 10 Year)	37,508	37,508	37,508	37,508
Total Debt per Capita	\$ 318	\$ 327	\$ 312	\$ 281

Ratios of Outstanding Debt

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,710,000	\$ 7,340,000	\$ 6,975,000	\$ 6,515,000	\$ 6,065,000	\$ 5,620,000
580,738	539,984	499,231	458,477	417,724	376,970
-	-	-	-	-	-
<u>1,333,727</u>	<u>994,600</u>	<u>1,143,000</u>	<u>1,225,000</u>	<u>1,868,000</u>	<u>2,282,000</u>
9,624,465	8,874,584	8,617,231	8,198,477	8,350,724	8,278,970
216,288	206,288	-	-	-	-
-	-	-	-	-	-
<u>\$ 9,840,753</u>	<u>\$ 9,080,872</u>	<u>\$ 8,617,231</u>	<u>\$ 8,198,477</u>	<u>\$ 8,350,724</u>	<u>\$ 8,278,970</u>
\$ 60,542	\$ 60,542	\$ 60,542	\$ 60,542	\$ 60,542	\$ 69,743
37,508	37,508	37,508	37,508	37,508	39,846
\$ 262	\$ 242	\$ 230	\$ 219	\$ 223	\$ 208

Charter Township of Grand Blanc

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

December 31, 2021

Fiscal Year	General Obligation Bonds	Less Pledged Debt Service Funds	Net General Bonded Debt	Total Taxable Value Ad Valorem and IFT	Debt as a Percentage of Taxable Value	Estimated Population	General Obligation Debt per Capita
2012	10,000,000	-	10,000,000	1,111,849,854	0.90%	37,508	267
2013	9,800,000	-	9,800,000	1,115,428,242	0.88%	37,508	261
2014	9,600,000	-	9,600,000	1,131,032,099	0.85%	37,508	256
2015	8,331,492	-	8,331,492	1,159,534,487	0.72%	37,508	222
2016	8,290,738	-	8,290,738	1,172,403,483	0.71%	37,508	221
2017	7,879,984	-	7,879,984	1,224,099,810	0.64%	37,508	210
2018	7,474,231	-	7,474,231	1,287,062,290	0.58%	37,508	199
2019	8,198,477	-	8,198,477	1,360,260,638	0.60%	37,508	219
2020	8,350,724	-	8,350,724	1,423,191,105	0.59%	37,508	223
2021	8,278,970	-	8,278,970	1,486,879,302	0.56%	39,846	208

Charter Township of Grand Blanc

Direct and Overlapping Governmental Activities Debt

December 31, 2021

Jurisdiction	Debt outstanding	Percent	Amount Applicable to Charter Township
		Applicable to Charter Township	
Direct debt - Charter Township of Grand Blanc	\$ 8,278,970	100.00%	\$ 8,278,970
Overlapping debt:			
Genesee County	273,595,938	13.89%	38,002,476
Grand Blanc School District	91,805,000	74.16%	68,082,588
Goodrich School District	52,098,041	18.60%	9,690,236
Lake Fenton School District	15,575,000	2.27%	353,553
Genesee ISD	8,275,000	13.03%	1,078,233
Mott Community College	65,920,000	13.04%	8,595,968
Bishop Airport Authority	3,320,000	13.89%	461,148
Subtotal - Overlapping debt	510,588,979		126,264,201
Total	<u>\$ 518,867,949</u>		<u>\$ 134,543,171</u>

Source: Municipal Advisory Council of Michigan

Charter Township of Grand Blanc

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit (Fiscal Year Ended) (1):				
State equalized valuation (previous year)	\$ 1,135,442,000	\$ 1,154,558,600	\$ 1,131,032,099	\$ 1,159,534,487
Debt Limit (10 percent of state equalized valuation)	113,544,200	115,455,860	113,103,210	115,953,449
Debt Applicable to Debt Limit:				
Total debt	11,744,861	12,002,577	11,464,294	10,310,502
Less deduction allowed by law:				
Special assessment bonds	(1,744,861)	(2,202,577)	(1,864,294)	(1,679,010)
General obligation limited tax bonds	<u>(10,000,000)</u>	<u>(9,800,000)</u>	<u>(9,600,000)</u>	<u>(8,631,492)</u>
Total amount of debt applicable to debt limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	\$ 116,616,150	\$ 115,455,860	\$ 113,103,210	\$ 115,953,449
Net Debt Subject to Limit as Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%

(1) The legal debt limit continues to be derived from state equalized value (SEV), not taxable value (TV)

Legal Debt Margin

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,172,403,483	\$ 1,224,099,810	\$ 1,287,062,290	\$ 1,360,260,638	\$ 1,423,191,105	\$ 1,486,879,302
117,240,348	122,409,981	128,706,229	136,026,064	142,319,111	148,687,930
9,624,465	8,874,584	8,617,231	8,198,477	8,350,724	8,278,970
(1,333,727)	(994,600)	(1,143,000)	(1,225,000)	(1,868,000)	(2,282,000)
<u>(8,290,738)</u>	<u>(7,879,984)</u>	<u>(7,474,231)</u>	<u>(6,973,477)</u>	<u>(6,482,724)</u>	<u>(5,996,970)</u>
-	-	-	-	-	-
\$ 117,240,348	\$ 122,409,981	\$ 128,706,229	\$ 136,026,064	\$ 142,319,111	\$ 148,687,930
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Charter Township of Grand Blanc

Demographic and Economic Statistics

December 31, 2021

Fiscal year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2012	37,061	\$13,700,197	\$32,737	6.4
2013	37,060	14,075,225	33,876	6.3
2014	37,019	14,542,513	35,240	5.0
2015	36,870	15,252,089	37,178	3.8
2016	36,746	15,716,548	38,464	3.4
2017	36,610	16,147,159	39,636	3.6
2018	36,626	16,710,172	41,068	3.1
2019	36,593	17,015,416	41,929	3.0
2020	39,846	18,681,879	46,152	7.2
2021	(A)	(A)	(A)	4.8

(A) Information not available.

Sources:

- (1) U.S. Census Bureau (Estimate)
- (2) Bureau of Economic Analysis, U.S. Department of Commerce - Information for Genesee County, Michigan
- (3) Michigan Bureau of Labor Market Information and Strategic Initiatives

Principal Employers

December 31, 2021

Employer	2021 Employees	Percentage of Total	2012 Employees	Percentage of total	2012 rank
1 Ascension Genesys Hospital	3,072	17.30%	3771	31.43%	1
2 Grand Blanc Community Schools	781	4.40%	893	7.44%	3
3 Mass Transportation Authority	576	3.24%	(A)	(A)	
4 MAGNA (three facilities)	426	2.40%	425	3.54%	5
5 Serra Automotive Group	425	2.39%	400	3.33%	6
6 Walmart	400	2.25%	290	2.42%	8
7 McLaren Health Systems	272	1.53%	(A)	(A)	
8 Elga Credit Union	260	1.46%	(A)	(A)	
9 Dee Cramer Construction	223	1.26%	(A)	(A)	
10 Ascension Genesys Health Club	204	1.15%	195	1.63%	9
General Motors Service Parts Operation			1903	15.86%	2
Acument Industries			427	3.56%	4
General Motors Stamping Plant			351	2.93%	7
TMI Custom Air Systems, Inc.			158	1.32%	10

(A) Information not available.

Charter Township of Grand Blanc

Full-Time Equivalent Government Employees

Last Ten Fiscal Years

December 31, 2021

Function/ Program	As of December 31,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Supervisor	1	1	1	1	3	3	3	3	3	3
Treasurer	2	2	2	2	2	2	2	2	2	2
Clerk	2	2	2	2	2	2	2	2	2	3
Finance	5	4	4	4	3	3	3	3	3	3
General office	3	3	3	3	3	3	3	2	2	2
Assessing	4	4	5	5	5	5	5	5	4	4
GIS-IT	3	3	3	3	3	3	3	3	2	2
Public Safety										
Police	44	42	45	50	46	49	47	49	47	47
Fire and EMS	5	5	5	5	3	4	5	5	6	7
Part-time volunteer	40	41	41	38	34	34	34	34	33	30
Public Services										
DPW	16	15	14	14	12	15	16	16	15	15
Building	2	2	2	3	2	2	2	2	2	2
Planning/Zoning	1	1	1	1	1	2	2	2	2	2
Parks and recreation	6	7	7	7	7	7	7	5	6	6
Total	<u>134</u>	<u>132</u>	<u>135</u>	<u>138</u>	<u>126</u>	<u>134</u>	<u>134</u>	<u>133</u>	<u>129</u>	<u>128</u>

Charter Township of Grand Blanc

Function/ Program	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Police:				
Physical arrests	2,193	2,054	1,797	1,985
Traffic violations	3,099	2,505	1,815	1,608
Traffic stops	8,763	7,303	6,029	7,142
Calls for service	21,093	20,669	18,842	19,491
Fire:				
Emergency responses	706	857	767	707
Fires extinguished	128	54	87	100
Inspections	118	236	142	65
Parks and recreation - Recreation programs	737	741	743	743
Library (B):				
Circulation (books borrowed)	3,640,128	4,004,141	267,964	1,784,498
Collection volume	841,631	637,196	95,713	731,993
Water:				
New connections	45	83	104	183
Water main breaks	7	5	5	3
Miles of water mains	193	193	193	193
Number of water meters	7,267	7,351	7,455	7,641
Number of water units	15,884	15,746	15,909	16,078
Total Consumption (in CCFs)	123,554,920	106,497,100	105,107,660	107,976,160
Average consumption per user	17,002	14,487	14,099	14,131
Sewer:				
Miles of sanitary sewer mains	241	241	241	241
Number of sewer customers	11,305	11,377	11,480	11,652

Note: Information provided for 2014 is for the McFarlen Library in Grand Blanc Township only. Information provided for the remaining years is for the Genesee District Library System.

Operating Indicators

Last Ten Fiscal Years

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1,896	2,159	1,890	1,907	1,262	1,413
1,757	1,739	1,664	1,368	852	592
7,510	8,002	7,782	8,275	3,123	3,487
18,836	19,737	16,663	19,250	16,199	16,878
693	783	761	724	663	695
101	122	76	80	55	77
184	95	190	92	185	97
762	259	262	182	174	267
1,806,647	1,701,696	1,783,619	1,754,995	1,312,346	1,423,802
743,369	762,819	765,730	742,875	601,228	626,213
143	118	112	79	70	84
3	7	7	5	3	3
173	174	176	177	177	177
7,786	7,910	7,976	8,057	8,132	8,253
16,270	16,202	16,348	16,648	16,841	16,983
122,781,290	116,398,160	114,082,768	107,243,086	119,538,724	99,630,150
15,769	14,715	14,210	14,795	14,700	12,072
226	224	226	220	220	217
11,785	11,900	12,018	12,021	12,089	12,171

Charter Township of Grand Blanc

Capital Asset Statistics

Last Ten Fiscal Years

December 31, 2021

Function/ program	As of December 31,				As of December 31,					
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	16	17	17	17	17	17	17	17	17	17
Fire:										
Stations	3	3	3	3	3	3	3	2	2	2
Trucks	7	7	11	11	11	10	10	10	10	9
Parks and recreation:										
Acreage	202	202	202	202	202	202	202	202	202	202
Playgrounds	1	1	1	2	2	2	2	2	2	2
Soccer fields	4	4	4	4	4	4	4	4	4	5
Baseball/Softball diamonds	10	10	10	10	10	10	10	10	10	10
Pools/Splash pad	1	1	1	1	1	1	1	1	1	1
Sand volleyball court	5	5	5	5	5	5	5	5	5	5
Libraries - Branches	1	1	1	1	1	1	1	1	1	1
Water:										
Mains (miles)	173	173	173	173	173	174	176	177	177	177
Fire hydrants	2,216	2,216	2,049	2,058	2,058	2,087	2,094	2,117	2,115	2119
Sewer - Miles of sanitary sewers	226	226	226	226	226	226	226	226	226	217

Sources: Various township departments.