

**CHARTER TOWNSHIP OF YPSILANTI
Washtenaw County, Michigan**

AUDITED FINANCIAL REPORT

**For the Fiscal Year Ended
December 31, 2023**

CHARTER TOWNSHIP OF YPSILANTI
For the Year Ended December 31, 2023

Table of Contents

<u>FINANCIAL SECTION</u>	<u>Page</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-11
Basic Financial Statements:	
Government Wide Financial Statements:	
Statement of Net Position.....	12
Statement of Activities.....	13-14
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	15-16
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	17-18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Net Position – Proprietary Funds	20
Statement of Revenues, Expenses, and Changes In Net Position – Proprietary Funds.....	21
Statement of Cash Flows – Proprietary Funds	22
Statement of Fiduciary Net Position	23
Statement of Changes in Net Position - Fiduciary Funds.....	24
Combining Statement of Net Position – Component Units	25
Combining Statement of Activities – Component Units	25
Notes to Financial Statements.....	26-62
Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability and Related Ratios.....	63
Schedule of Changes in the Net Pension Liability and Related Ratios - Fire.....	64

CHARTER TOWNSHIP OF YPSILANTI
For the Year Ended December 31, 2023

Table of Contents

	<u>Page</u>
Schedule of Changes in the Net OPEB Liability and Related Ratios.....	65
Schedule of Changes in the Net OPEB Liability and Related Ratios - Fire.....	66
Schedule of Township Pension Contributions	67
Schedule of Township Pension Contributions – Firefighters Retirement	68
Schedule of Township OPEB Contributions	69
Schedule of Township OPEB Contributions – Firefighters Retirement	70
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	71-72
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Fire Department Special Revenue Fund.....	73
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Environmental Services Special Revenue Fund	74
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Law Enforcement Special Revenue Fund.....	75
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – American Rescue Plan Act Special Revenue Fund.....	76
Other Supplementary Information:	
Combining Fund Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds.....	78
Combining Balance Sheet – Nonmajor Special Revenue Funds	79-80
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Funds.....	81-82
Combining Balance Sheet – Pension and Employee Benefit Trust Funds.....	83
Combining Statement of Changes in Fiduciary Net Position – Pension and Employee Benefit Trust Funds	84

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Independent Auditor's Report

To the Board of Trustees
Charter Township of Ypsilanti, Michigan

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate of all remaining fund information of the Charter Township of Ypsilanti, Michigan, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the 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 aggregate discretely presented component units, each major fund, and the aggregate of all remaining fund information of the Charter Township of Ypsilanti, Michigan, as of December 31, 2023, and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township and to meet our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplemental Information

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

Respectfully,



PSLZ PLLC
Certified Public Accountants

June 17, 2024

Management's Discussion and Analysis

As management of the Charter Township of Ypsilanti, we offer readers of the Charter Township of Ypsilanti's financial statements this narrative overview and analysis of the financial activities of the Charter Township of Ypsilanti for the fiscal year ended December 31, 2023.

Financial Highlights

- The assets of the Charter Township of Ypsilanti exceeded its liabilities at the close of the most recent fiscal year by \$43,595,970 (*net position*).
- As of the close of the current fiscal year, the Charter Township of Ypsilanti's governmental funds reported combined ending fund balances of \$25,695,079, an increase of \$2,256,067 in comparison with the prior year. Approximately 24 percent of this amount, \$6,139,303 is *available for spending* at the government's discretion (*unrestricted fund balance*).
- The Charter Township of Ypsilanti's total long-term bonded debt decreased by \$200,000 during the current fiscal year, which reflects annual debt service payments made.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Charter Township of Ypsilanti's basic financial statements. The Charter Township of Ypsilanti's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Charter Township of Ypsilanti's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Charter Township of Ypsilanti's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Charter Township of Ypsilanti is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Charter Township of Ypsilanti that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Charter Township of Ypsilanti include general government, public safety, public works, community and economic development, and recreation and culture. The business-type activities of the Charter Township of Ypsilanti include the golf course and the compost center.

The government-wide financial statements include not only the Charter Township of Ypsilanti (the primary government), but also the Local Development Finance Authority and the Ypsilanti Township Economic Development Corporation which are separate legal entities for which the Charter Township of Ypsilanti is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 12-14 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter Township of Ypsilanti, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Charter Township of Ypsilanti can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Charter Township of Ypsilanti maintains 16 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Department Fund, Environmental Services Fund, and Law Enforcement Fund all of which are considered to be major funds. Data from the other governmental funds are combined into aggregated presentations by fund type. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

A budgetary comparison statement has been provided for the major budgetary funds to demonstrate compliance with the annual appropriated budget.

Proprietary funds. The Charter Township of Ypsilanti maintains three proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Charter Township of Ypsilanti uses enterprise funds to account for its Golf Course and its Compost Center. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the Charter Township of Ypsilanti's various functions. The Township uses an internal service fund to account for its fleet of vehicles. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Golf Course and Compost Center both of which are considered to be nonmajor funds of the Charter Township of Ypsilanti.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The combining statements referred to earlier in connection with the nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 71-84 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Charter Township of Ypsilanti, assets exceeded liabilities by \$43,595,970 at the close of the most recent fiscal year.

A significant portion of the Charter Township of Ypsilanti's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Charter Township of Ypsilanti used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Charter Township of Ypsilanti'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.

Charter Township of Ypsilanti's Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 64,525,059	\$ 61,545,704	\$ 1,265,623	\$ 1,163,706	\$ 65,790,682	\$ 62,709,410
Capital Assets	39,022,067	37,256,476	2,250,716	2,521,861	41,272,783	39,778,337
Total Assets	<u>103,547,126</u>	<u>98,802,180</u>	<u>3,516,339</u>	<u>3,685,567</u>	<u>107,063,465</u>	<u>102,487,747</u>
Deferred Outflows	<u>7,971,495</u>	<u>5,804,806</u>	<u>-</u>	<u>-</u>	<u>7,971,495</u>	<u>5,804,806</u>
Long-term Liabilities						
Outstanding	29,260,204	15,523,915	108,598	139,936	29,368,802	15,663,851
Other Liabilities	13,399,919	13,390,834	28,156	22,854	13,428,075	13,413,688
Total Liabilities	<u>42,660,123</u>	<u>28,914,749</u>	<u>136,754</u>	<u>162,790</u>	<u>42,796,877</u>	<u>29,077,539</u>
Deferred Inflows	<u>28,642,113</u>	<u>31,892,465</u>	<u>-</u>	<u>-</u>	<u>28,642,113</u>	<u>31,892,465</u>
Net Position:						
Net Investment						
in Capital Assets	37,722,067	35,756,476	2,167,916	2,397,661	39,889,983	38,154,137
Restricted	19,218,386	14,833,415	-	-	19,218,386	14,833,415
Unrestricted(Deficit)	<u>(16,724,068)</u>	<u>(6,790,119)</u>	<u>1,211,669</u>	<u>1,125,116</u>	<u>(15,512,399)</u>	<u>(5,665,003)</u>
Total Net Position	<u>\$ 40,216,385</u>	<u>\$ 43,799,772</u>	<u>\$ 3,379,585</u>	<u>\$ 3,522,777</u>	<u>\$ 43,595,970</u>	<u>\$ 47,322,549</u>

An additional portion of the Charter Township of Ypsilanti's net position (44 percent) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the Charter Township of Ypsilanti governmental net position decreased by \$3,583,387 during the current fiscal year and the business-type net position decreased by \$143,192, as presented:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenues:						
Charges for Services	\$ 3,269,330	\$ 3,483,056	\$ 1,265,054	\$ 1,144,829	\$ 4,534,384	\$ 4,627,885
Operating Grants & Contrib.	858,253	547,118	-	-	858,253	547,118
Capital Grants & Contrib.	377,210	829,224	-	-	377,210	829,224
General Revenues:						
Property Taxes	23,622,206	23,051,501	-	-	23,622,206	23,051,501
State Shared Revenues	6,615,053	6,796,721	-	-	6,615,053	6,796,721
Franchise Fees	594,909	636,473	-	-	594,909	636,473
Investment Earnings	2,339,535	561,951	44,424	14,705	2,383,959	576,656
Loss on Disposal of Assets	-	(68,590)	-	-	-	(68,590)
Total Revenues	<u>37,676,496</u>	<u>35,837,454</u>	<u>1,309,478</u>	<u>1,159,534</u>	<u>38,985,974</u>	<u>36,996,988</u>
Program Expenses:						
General Government	14,331,828	2,556,505	-	-	14,331,828	2,556,505
Judicial	2,183,652	2,181,951	-	-	2,183,652	2,181,951
Public Safety	12,920,271	14,220,680	-	-	12,920,271	14,220,680
Public Works	6,325,661	5,135,872	-	-	6,325,661	5,135,872
Health and Welfare	164,904	237,634	-	-	164,904	237,634
Comm. and Econ. Dev.	2,534,411	1,479,460	-	-	2,534,411	1,479,460
Recreation and Cultural	2,678,056	2,344,152	-	-	2,678,056	2,344,152
Interest on Long-Term Debt	34,100	54,090	-	-	34,100	54,090
Golf Course	-	-	843,372	790,322	843,372	790,322
Compost	-	-	696,298	724,116	696,298	724,116
Total Expenses	<u>41,172,883</u>	<u>28,210,344</u>	<u>1,539,670</u>	<u>1,514,438</u>	<u>42,712,553</u>	<u>29,724,782</u>
Excess(Deficiency) before transfers	(3,496,387)	7,627,110	(230,192)	(354,904)	(3,726,579)	7,272,206
Transfers in (out)	<u>(87,000)</u>	<u>(84,576)</u>	<u>87,000</u>	<u>84,576</u>	<u>-</u>	<u>-</u>
Change in Net Position	(3,583,387)	7,542,534	(143,192)	(270,328)	(3,726,579)	7,272,206
Net Position, Beg. of year	<u>43,799,772</u>	<u>36,257,238</u>	<u>3,522,777</u>	<u>3,793,105</u>	<u>47,322,549</u>	<u>40,050,343</u>
Net Position, End of year	<u>\$ 40,216,385</u>	<u>\$ 43,799,772</u>	<u>\$ 3,379,585</u>	<u>\$ 3,522,777</u>	<u>\$ 43,595,970</u>	<u>\$ 47,322,549</u>

Governmental activities. Property tax revenues increased from \$23,051,501 to \$23,622,206, an increase of \$570,705. This was due to the overall taxable value increase from the 2021 tax roll to the 2022 tax roll of 5.72%. The taxes levied in 2022 are the revenues for 2023. State shared revenue is \$6,615,053 for the current period, a decrease of \$181,668 from the prior year. The prior year state shared revenue included a population adjustment payment by the State for 2020 and 2021.

Operating Grants and Contributions were \$858,253 in the current year, as compared to \$547,118 in the prior year. The current year includes \$417,301 of American Rescue Plan Act funds spent.

Capital Grants and Contributions were \$377,210 in the current year, as compared to \$829,224 in the prior year. The prior year included \$430,560 of Washtenaw County grants for Connect Huron and for recycling.

Business-type activities. This represents the municipal-owned Green Oaks Golf Course and the Township Compost Center. The Bike Path/Recreation Millage Fund transferred \$87,000 to Green Oaks Golf Course during the current year for operations. This was an increase from the prior year's transfer of \$80,000. Fee revenues increased from \$637,693 in the prior year to \$676,322 in the current year.

The Compost Fund had a decrease in net position from \$1,508,500 in 2022 to \$1,418,277 in 2023. Revenue for compost services increased by \$83,698 and the expenses decreased by \$27,818 over the prior year.

Financial Analysis of the Government's Funds

Governmental funds. The focus of the Charter Township of Ypsilanti's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing The Charter Township of Ypsilanti's financing requirements and may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Charter Township of Ypsilanti's governmental funds reported combined ending fund balances of \$25,695,079, an increase of \$2,256,067 in comparison with the prior year. The *unrestricted fund balance*, which is the amount available for spending at the government's discretion, represents 24% of the total fund balance. The remainder of fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed to uphold contracts or bond agreements.

The General Fund is the chief operating fund of the Charter Township of Ypsilanti. The unassigned fund balance at the end of the current fiscal year was \$1,568,194. The General Fund's fund balance decreased by \$2,127,869 in the current fiscal year as compared to an increase of \$477,871 in the prior year. The General Fund operating transfers out in 2023 included: \$1,717,272 to the BSRll Fund, \$936,960 to 14B District Court, \$163,067 to the General Obligation Debt Fund for bond payments, and \$81,000 to the Hydro Station Fund. Total expenditures (not including the transferred amounts) increased from \$9,000,601 in the prior year to \$11,278,714 in the current year.

Proprietary funds. The Township's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds comprised of the Enterprise Funds (the Golf Course and the Compost Site) was \$1,211,669 and the Internal Service Fund (Motor Pool) was \$289,957 at the end of the year. Other factors concerning the finances of this fund have already been addressed in the discussion of the Charter Township of Ypsilanti's business-type activities.

General Fund Budgetary Highlights

There is a difference between the beginning and final budgets which represent an increase in budgeted expenditures of \$15,325,204 in anticipation of capital improvements funded by the American Rescue Plan Act grant funds and a public safety grant from the State. The total amended budgeted expenditures totaled \$29,094,785, but actual expenditures totaled \$14,019,669. Significant Board approved budget amendments to the General Fund included an increase of \$253,723 for County Drains, \$465,456 for road improvements, \$1,155,080 for Community Stabilization, and an increase of \$12,577,521 for various capital improvement projects.

Capital Asset and Debt Administration

Capital assets. The Charter Township of Ypsilanti's investment in capital assets for its governmental and business type activities as of December 31, 2023, amounts to \$41,272,783 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and system improvements, machinery and equipment, infrastructure, park facilities, and roads and streets. Current year asset additions totaled \$4,654,507 with depreciation expense of \$2,888,916, resulting in a net increase of \$1,765,591. Major capital assets constructed or acquired during the year were:

Road improvements, Paths & Streetlights	\$2,738,769
Building Improvements	\$ 479,488
Computer & Communication Equipment	\$ 30,689
Land Improvements	\$ 414,039
Park Improvements	\$ 286,121
Equipment	\$ 368,147
Vehicles – Motor Pool	\$ 337,252

Long-term debt. At the end of the current fiscal year, the Charter Township of Ypsilanti had long term indebtedness outstanding of \$2,460,268. This represents \$1,300,000 of a general obligation bond and \$1,160,268 of compensated absences. All of the Charter Township of Ypsilanti's debt represents general obligation debt backed by the full faith and credit of the Charter Township of Ypsilanti. The Township reduced the amount of notes and bonded debt in 2023 by \$200,000 as a result of annual debt service payments made. Additional information on the Charter Township of Ypsilanti's long-term debt can be found in note III. E. on page 43 of this report.

Economic Factors and Next Year's Budgets and Rates

According to the United States Department of Labor, Bureau of Labor Statistics, the annual average unemployment rate for the State of Michigan from April 2023 to April 2024 increased from 3.6 percent to 3.9 percent, respectively. The unemployment rate for the Ann Arbor, Michigan Metropolitan area for the most recent reported date of April 2024 is 3.0 percent. The April 2024 Consumer Price Index (CPI-U) for Detroit- Warren-Dearborn area reports on 12-month percentage changes based on "all items index, not seasonally adjusted" show a decrease from April 2023 at 6.6 percent to April 2024 at 3.5 percent.

The Constitutional and City, Village, and Township Revenue Sharing (CVTRS) shared revenue received in 2023 was \$6,615,053, while the State actual amount for 2023 was \$6,558,723. The difference in the actual and projected amounts are due to different fiscal year dates. The State's fiscal year is October to September and the Township's is January to December. The State's projected budget for 2024 is \$6,645,183 and their budget recommendation for 2025 is \$6,591,957 for a percentage change of -.8% as of May 17, 2024.

The Township's 2023 taxable value (TV) minus Renaissance Zone TV equals \$1,680,028,821 for the fiscal year of 2024. This is a percentage increase of 7.23% from 2022's TV minus Renaissance Zone TV of \$1,566,798,097. The Township's 2024 taxable value (TV) minus Renaissance Zone TV equals \$1,801,680,627 for the fiscal year of 2025. This is a percentage change increase of 7.24% over 2024. This information is provided by the Township Assessing Department.

There will not be a Headlee Millage Reduction Fraction for fiscal year 2024 on the 2023 tax roll. There will be a Headlee Millage Reduction Fraction for fiscal year 2025 of .9928 for the 2024 tax roll. This will lower the Township millage rates for: General Operations from .9797 to .9726; Fire Protection from 3.0850 to 3.0627; Solid Waste from 2.3742 to 2.3571; Police Services from 5.5570 to 5.5169; Recreation, Bike Path, Roads, and General Operations from .9930 to .9858. The Fire Pension PA345 millage rate will remain at .8800 mills and will adjust per pension required contributions.

The General Fund budget for 2024 has revenues of \$26,895,179, which includes \$8,145,517 of ARPA funds, a \$5,000,000 State Grant for 14B District Court Security, and \$2,697,139 from appropriation of prior year fund balance. The General Fund budget for expenditures is \$2,013,219 for general operations, \$13,545,753 for capital projects, and \$1,816,892 in transfers out to other funds.

The transfers include \$159,977 to the General Debt Obligation Fund for bond payments, \$470,000 to Bike, Sidewalk, Recreation, Roads, and General Fund for road improvements, \$104,453 to Recreation Fund, \$81,000 to Hydro Dam Fund for capital projects, and \$1,001,462 to 14B District Court Fund to supplement operations. The amount transferred to 14B District Court Fund for operations in 2023 was \$936,960.

The Township has adopted a balanced budget in the General Fund for Fiscal Year 2024. The complete budget report is available on ypsitownship.org under the Supervisor's Department.

Requests for Information

This financial report is designed to provide a general overview of the Charter Township of Ypsilanti's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Supervisor, 7200 South Huron River Drive, Ypsilanti, MI 48197.

BASIC FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF YPSILANTI
Statement of Net Position
December 31, 2023

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities		
<u>ASSETS</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 36,685,758	\$ 1,237,266	\$ 37,923,024	\$ 96,356
Receivables, net	27,493,517	-	27,493,517	74,313
Inventories	8,383	12,679	21,062	-
Prepaid Expenditures	337,401	15,678	353,079	-
Total Current Assets	64,525,059	1,265,623	65,790,682	170,669
Noncurrent Assets:				
Capital Assets Not Being Depreciated	9,623,049	1,277,618	10,900,667	-
Capital Assets Being Depreciated, Net	29,399,018	973,098	30,372,116	-
Total Noncurrent Assets	39,022,067	2,250,716	41,272,783	-
TOTAL ASSETS	103,547,126	3,516,339	107,063,465	170,669
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred Outflows related to Pensions & OPEB	7,971,495	-	7,971,495	-
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts Payable	1,718,610	16,955	1,735,565	-
Accrued Liabilities	505,475	11,201	516,676	18,680
Due to Other Governmental Units	419,738	-	419,738	-
Deposits and Escrows	2,001,812	-	2,001,812	-
Unearned Revenue	8,754,284	-	8,754,284	-
Current Portion of Compensated Absences	193,378	-	193,378	-
Current Portion of Long-term Debt	205,000	41,400	246,400	-
Total Current Liabilities	13,798,297	69,556	13,867,853	18,680
Noncurrent Liabilities:				
Net Pension Liability	21,733,048	-	21,733,048	-
Net OPEB Liability	5,066,888	-	5,066,888	-
Noncurrent Portion of Compensated Absences	966,890	25,798	992,688	-
Noncurrent Portion of Long-term Debt	1,095,000	41,400	1,136,400	-
Total Noncurrent Liabilities	28,861,826	67,198	28,929,024	-
TOTAL LIABILITIES	42,660,123	136,754	42,796,877	18,680
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Inflows related to Pensions & OPEB	3,571,174	-	3,571,174	-
Property Taxes Levied for the following year	25,070,939	-	25,070,939	74,313
TOTAL DEFERRED INFLOWS	28,642,113	-	28,642,113	74,313
<u>NET POSITION</u>				
Net Investment in Capital Assets	37,722,067	2,167,916	39,889,983	-
Restricted	19,218,386	-	19,218,386	-
Unrestricted	(16,724,068)	1,211,669	(15,512,399)	77,676
TOTAL NET POSITION	\$ 40,216,385	\$ 3,379,585	\$ 43,595,970	\$ 77,676

CHARTER TOWNSHIP OF YPSILANTI
Statement of Activities
For the Year Ended December 31, 2023

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 14,331,828	\$ 707,583	\$ 279,508	\$ 180,593
Judicial	2,183,652	672,852	128,371	-
Public Safety	12,920,271	896,469	109,970	-
Public Works	6,325,661	586,452	76,005	196,617
Health and Welfare	164,904	-	164,904	-
Community and Economic Development	2,534,411	19,050	71,083	-
Recreation and Cultural	2,678,056	386,924	28,412	-
Interest Expense	34,100	-	-	-
Total Governmental Activities	<u>41,172,883</u>	<u>3,269,330</u>	<u>858,253</u>	<u>377,210</u>
Business-type Activities:				
Golf Course	843,372	696,731	-	-
Compost	696,298	568,323	-	-
Total Business-type Activities	<u>1,539,670</u>	<u>1,265,054</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 42,712,553</u>	<u>\$ 4,534,384</u>	<u>\$ 858,253</u>	<u>\$ 377,210</u>
Component Units:				
Local Development Finance Authority	71,083	-	-	-
Economic Development Corp	-	-	-	-
Total Component Units	<u>\$ 71,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:
Property Taxes
State Shared Revenue
Franchise Fees
Investment Earnings
Transfers
Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (13,164,144)	\$ -	\$ (13,164,144)	\$ -
(1,382,429)	-	(1,382,429)	-
(11,913,832)	-	(11,913,832)	-
(5,466,587)	-	(5,466,587)	-
-	-	-	-
(2,444,278)	-	(2,444,278)	-
(2,262,720)	-	(2,262,720)	-
(34,100)	-	(34,100)	-
<u>(36,668,090)</u>	<u>-</u>	<u>(36,668,090)</u>	<u>-</u>
-	(146,641)	(146,641)	-
-	(127,975)	(127,975)	-
-	(274,616)	(274,616)	-
<u>(36,668,090)</u>	<u>(274,616)</u>	<u>(36,942,706)</u>	<u>-</u>
-	-	-	(71,083)
-	-	-	-
-	-	-	(71,083)
23,622,206	-	23,622,206	71,083
6,615,053	-	6,615,053	-
594,909	-	594,909	-
2,339,535	44,424	2,383,959	4,516
(87,000)	87,000	-	-
<u>33,084,703</u>	<u>131,424</u>	<u>33,216,127</u>	<u>75,599</u>
(3,583,387)	(143,192)	(3,726,579)	4,516
<u>43,799,772</u>	<u>3,522,777</u>	<u>47,322,549</u>	<u>73,160</u>
\$ <u>40,216,385</u>	\$ <u>3,379,585</u>	\$ <u>43,595,970</u>	\$ <u>77,676</u>

CHARTER TOWNSHIP OF YPSILANTI**Balance Sheet****Governmental Funds****December 31, 2023**

	General Fund	Fire Department Fund	Environmental Services Fund	Law Enforcement Fund
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 14,675,013	\$ 2,333,848	\$ 1,349,516	\$ 9,284,963
Receivables:				
Accounts	836,168	702,588	24,056	-
Taxes	2,540,222	5,175,308	3,982,890	9,322,265
Special Assessments	1,677,700	-	-	-
Prepaid Expenditures	186,958	113,506	5,594	11,770
Total Assets	<u>\$ 19,916,061</u>	<u>\$ 8,325,250</u>	<u>\$ 5,362,056</u>	<u>\$ 18,618,998</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 789,106	\$ 41,831	\$ 226,926	\$ 6,350
Accrued Liabilities	216,368	71,287	7,636	24,961
Due to Other Governmental Units	340,788	-	-	-
Deposits and Escrows	-	108,092	-	-
Unearned Revenue	8,795,153	-	-	-
Total Liabilities	<u>10,141,415</u>	<u>221,210</u>	<u>234,562</u>	<u>31,311</u>
Deferred Inflows of Resources:				
Property Taxes Levied for the following year	<u>3,448,385</u>	<u>5,175,308</u>	<u>3,982,890</u>	<u>9,322,265</u>
Fund Balances:				
Nonspendable	186,958	113,506	5,594	11,770
Restricted	-	2,815,226	1,139,010	9,253,652
Assigned	4,571,109	-	-	-
Unassigned	1,568,194	-	-	-
Total Fund Balances	<u>6,326,261</u>	<u>2,928,732</u>	<u>1,144,604</u>	<u>9,265,422</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,916,061</u>	<u>\$ 8,325,250</u>	<u>\$ 5,362,056</u>	<u>\$ 18,618,998</u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Internal Service Funds are used by management to charge the costs of motor pool to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Long-term receivables (unearned revenue) are not available to pay for current period expenditures and therefore deferred in the funds.

Net Deferred Outflows and Inflows related to Pensions and OPEB

Net Pension Liabilities are not reported in the funds

Net OPEB Liabilities are not reported in the funds

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net Position of Governmental Activities

Nonmajor Governmental Funds	Total Governmental Funds
\$ 8,758,783	\$ 36,402,123
83,736	1,646,548
3,142,091	24,162,776
6,493	1,684,193
19,562	337,390
<u>\$ 12,010,665</u>	<u>\$ 64,233,030</u>

\$ 652,325	\$ 1,716,538
185,223	505,475
78,950	419,738
1,893,720	2,001,812
28,296	8,823,449
<u>2,838,514</u>	<u>13,467,012</u>

<u>3,142,091</u>	<u>25,070,939</u>
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19,562	337,390
6,010,498	19,218,386
-	4,571,109
-	1,568,194
<u>6,030,060</u>	<u>25,695,079</u>

\$ 12,010,665

38,376,757

935,267

69,165
4,400,321
(21,733,048)
(5,066,888)

(2,460,268)

\$ 40,216,385

CHARTER TOWNSHIP OF YPSILANTI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Fire Department Fund	Environmental Services Fund	Law Enforcement Fund
<u>Revenues</u>				
Property Taxes	\$ 2,717,410	\$ 4,826,946	\$ 3,708,518	\$ 8,800,608
Licenses and Permits	8,993	-	-	-
Intergovernmental	6,826,805	23,876	29,501	64,410
Charges for Services	447,151	1,495	-	174,420
Franchise Fees	594,909	-	-	-
Interest and Rent	1,308,248	152,120	89,674	504,174
Other	145,628	3,492	640	5,185
Total Revenues	<u>12,049,144</u>	<u>5,007,929</u>	<u>3,828,333</u>	<u>9,548,797</u>
<u>Expenditures</u>				
Current:				
General Government	5,095,736	-	-	-
Judicial	485,560	-	-	-
Public Safety	-	4,184,142	-	7,288,993
Public Works	1,432,333	-	3,579,928	-
Health and Welfare	164,904	-	-	-
Community and Economic Development	2,534,411	-	-	-
Recreation and Cultural	998,520	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fees	-	-	-	-
Capital Outlay	567,250	-	-	-
Total Expenditures	<u>11,278,714</u>	<u>4,184,142</u>	<u>3,579,928</u>	<u>7,288,993</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>770,430</u>	<u>823,787</u>	<u>248,405</u>	<u>2,259,804</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	-	-
Transfers Out	(2,898,299)	-	-	-
Total Other Financing Sources (Uses)	<u>(2,898,299)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(2,127,869)	823,787	248,405	2,259,804
Fund Balances - Beginning	<u>8,454,130</u>	<u>2,104,945</u>	<u>896,199</u>	<u>7,005,618</u>
Fund Balances - Ending	\$ <u><u>6,326,261</u></u>	\$ <u><u>2,928,732</u></u>	\$ <u><u>1,144,604</u></u>	\$ <u><u>9,265,422</u></u>

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,568,724	\$ 23,622,206
694,916	703,909
714,645	7,659,237
1,587,804	2,210,870
-	594,909
488,444	2,542,660
170,885	325,830
<u>7,225,418</u>	<u>37,659,621</u>
-	5,095,736
1,693,955	2,179,515
2,159,619	13,632,754
453,598	5,465,859
-	164,904
-	2,534,411
1,064,484	2,063,004
200,000	200,000
34,100	34,100
<u>3,379,021</u>	<u>3,946,271</u>
<u>8,984,777</u>	<u>35,316,554</u>
<u>(1,759,359)</u>	<u>2,343,067</u>
3,248,299	3,248,299
<u>(437,000)</u>	<u>(3,335,299)</u>
<u>2,811,299</u>	<u>(87,000)</u>
1,051,940	2,256,067
<u>4,978,120</u>	<u>23,439,012</u>
\$ <u><u>6,030,060</u></u>	\$ <u><u>25,695,079</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

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

Net change in fund balances - total governmental funds	\$	2,256,067
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital Outlay	4,317,255
Depreciation	(2,780,219)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Repayments	200,000
Increase in Compensated Absences	(43,434)

Change in Net Pension Liability	(8,113,228)
Change in Net OPEB Liability	535,869

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(12,030)
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Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

56,333

Change in net position in governmental activities	\$	<u><u>(3,583,387)</u></u>
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CHARTER TOWNSHIP OF YPSILANTI**Statement of Net Position****Proprietary Funds****December 31, 2023**

	Business-type Activity Enterprise Funds			Governmental Activities - Internal Service Fund Motor Pool
	Golf Course	Compost	Total	
<u>ASSETS</u>				
Current Assets				
Cash and Cash Equivalents	\$ 292,361	\$ 944,905	\$ 1,237,266	\$ 283,635
Inventory	12,679	-	12,679	8,383
Prepaid Expense	9,225	6,453	15,678	11
Total Current Assets	<u>314,265</u>	<u>951,358</u>	<u>1,265,623</u>	<u>292,029</u>
Noncurrent Assets				
Capital Assets not Being Depreciated	1,277,618	-	1,277,618	-
Capital Assets, net of Accumulated Depreciation	470,061	503,037	973,098	645,310
Total Noncurrent Assets	<u>1,747,679</u>	<u>503,037</u>	<u>2,250,716</u>	<u>645,310</u>
Total Assets	\$ <u>2,061,944</u>	\$ <u>1,454,395</u>	\$ <u>3,516,339</u>	\$ <u>937,339</u>
<u>LIABILITIES AND NET POSITION</u>				
Current Liabilities:				
Accounts Payable	\$ 4,624	\$ 12,331	\$ 16,955	\$ 2,072
Accrued Liabilities	7,579	3,622	11,201	-
Current Portion of Lease Payable	41,400	-	41,400	-
Total Current Liabilities	<u>53,603</u>	<u>15,953</u>	<u>69,556</u>	<u>2,072</u>
Noncurrent Liabilities:				
Lease Payable	41,400	-	41,400	-
Compensated Absences	5,633	20,165	25,798	-
Total Noncurrent Liabilities	<u>47,033</u>	<u>20,165</u>	<u>67,198</u>	<u>-</u>
Total Liabilities	<u>100,636</u>	<u>36,118</u>	<u>136,754</u>	<u>2,072</u>
Net Position:				
Net Investment in Capital Assets	1,664,879	503,037	2,167,916	645,310
Unrestricted	296,429	915,240	1,211,669	289,957
Total Net Position	<u>1,961,308</u>	<u>1,418,277</u>	<u>3,379,585</u>	<u>935,267</u>
Total Liabilities and Net Position	\$ <u>2,061,944</u>	\$ <u>1,454,395</u>	\$ <u>3,516,339</u>	\$ <u>937,339</u>

CHARTER TOWNSHIP OF YPSILANTI
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activity Enterprise Funds			Governmental Activities - Internal Service Fund Motor Pool
	Golf Course	Compost	Total	
<u>Operating Revenues:</u>				
Charges for Services	\$ 676,322	\$ 568,104	\$ 1,244,426	\$ 246,661
Other Income	20,409	219	20,628	25,402
Total Operating Revenues	696,731	568,323	1,265,054	272,063
<u>Operating Expenses:</u>				
Operations	732,090	507,166	1,239,256	123,908
Depreciation	111,282	189,132	300,414	108,697
Total Operating Expenses	843,372	696,298	1,539,670	232,605
Operating Income (Loss)	(146,641)	(127,975)	(274,616)	39,458
<u>Non-Operating Revenues (Expenses):</u>				
Interest Earned	6,672	37,752	44,424	16,875
Net Income (Loss) before Transfers	(139,969)	(90,223)	(230,192)	56,333
<u>Transfers:</u>				
Transfers In	87,000	-	87,000	-
Change in Net Position	(52,969)	(90,223)	(143,192)	56,333
Net Position, Beginning	2,014,277	1,508,500	3,522,777	878,934
Net Position, Ending	\$ 1,961,308	\$ 1,418,277	\$ 3,379,585	\$ 935,267

CHARTER TOWNSHIP OF YPSILANTI**Statement of Cash Flows****Proprietary Funds****For the Year December 31, 2023**

	Business-type Activity Enterprise Funds			Governmental Activities - Internal Service Fund Motor Pool
	Golf Course	Compost	Total	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from customers and users	\$ 696,731	\$ 568,323	\$ 1,265,054	\$ 272,063
Payments to suppliers	(253,458)	(117,869)	(371,327)	(101,809)
Payments to employees	(475,234)	(374,877)	(850,111)	(17,611)
Net Cash Provided (Used) by Operating Activities	(31,961)	75,577	43,616	152,643
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Purchases of Capital Assets	(29,269)	-	(29,269)	(337,252)
Transfer In	87,000	-	87,000	-
Lease Principal Payments	(41,400)	-	(41,400)	-
Long Term Advance-General Fund	-	-	-	(35,215)
Net Cash Provided (Used) by Capital and Related Financing Activities	16,331	-	16,331	(372,467)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest Earned	6,672	37,752	44,424	16,875
Net Cash Provided (Used) by Investing Activities	6,672	37,752	44,424	16,875
Net Increase (Decrease) in Cash and Cash Equivalents	(8,958)	113,329	104,371	(202,949)
Cash and Cash Equivalents, Beginning	301,319	831,576	1,132,895	486,584
Cash and Cash Equivalents, Ending	\$ 292,361	\$ 944,905	\$ 1,237,266	\$ 283,635
<u>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$ (146,641)	\$ (127,975)	(274,616)	39,458
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization Expense	111,282	189,132	300,414	108,697
(Increase) Decrease in Inventory	2,654	-	2,654	3,520
(Increase) Decrease in Prepaid Expenses	(450)	250	(200)	182
Increase (Decrease) in Accounts Payable	704	6,931	7,635	1,044
Increase (Decrease) in Accrued Liabilities	(2,474)	141	(2,333)	(258)
Increase (Decrease) in Compensated Absences	2,964	7,098	10,062	-
Net Cash Provided (Used) by Operating Activities	\$ (31,961)	\$ 75,577	\$ 43,616	\$ 152,643

CHARTER TOWNSHIP OF YPSILANTI
Statement of Net Position
Fiduciary Funds
December 31, 2023

	Pension and Employee Benefit Trusts	Custodial Funds
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,356,086	\$ 18,921,727
Investments	47,339,009	-
Accrued Interest	91,664	-
Due from Fire Healthcare Trust fund	4,635	-
Total Assets	<u>48,791,394</u>	<u>18,921,727</u>
<u>LIABILITIES</u>		
Accounts Payable	1,241,939	-
Due to Other Governmental Units	-	18,903,075
Due to Individuals and Agencies	-	18,652
Total Liabilities	<u>1,241,939</u>	<u>18,921,727</u>
<u>NET POSITION</u>		
Held in Trust For Pension and Employee Benefits	\$ <u>47,549,455</u>	\$ <u>-</u>

CHARTER TOWNSHIP OF YPSILANTI
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Pension and Employee Benefit Trusts	Custodial Funds
<u>ADDITIONS</u>		
Investment Income		
Interest and Dividends	\$ 1,016,180	\$ -
Net Appreciation (Depreciation) in Fair Value of Investments	5,046,394	-
Contributions:		
Employer	1,443,044	-
Employee	160,699	-
Other	4,911	-
Taxes Collected for Other Governments	-	63,164,777
	<u>7,671,228</u>	<u>63,164,777</u>
Total Additions		
	<u>7,671,228</u>	<u>63,164,777</u>
 <u>DEDUCTIONS</u>		
Benefits Paid	2,553,972	-
Retirees Insurance	1,158,913	-
Administrative Costs	164,615	-
Payment of Taxes to Other Governments	-	63,164,777
	<u>3,877,500</u>	<u>63,164,777</u>
Total Deductions		
	<u>3,877,500</u>	<u>63,164,777</u>
 Change in Net Position	3,793,728	-
 Net Position, Beginning of the Year	<u>43,755,727</u>	<u>-</u>
 Net Position, End of the Year	<u>\$ 47,549,455</u>	<u>\$ -</u>

CHARTER TOWNSHIP OF YPSILANTI
Combining Statement of Net Position
Component Units
For the Year Ended December 31, 2023

	Local Development Finance Authority Fund	Economic Development Corporation	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 21,313	75,043	\$ 96,356
Taxes Receivable	74,313	-	74,313
Total Assets	<u>95,626</u>	<u>75,043</u>	<u>170,669</u>
<u>LIABILITIES</u>			
Accrued Liabilities	<u>18,680</u>	-	<u>18,680</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Property Taxes Levied for the following year	<u>74,313</u>	-	<u>74,313</u>
<u>NET POSITION</u>			
Unrestricted	\$ <u>2,633</u>	\$ <u>75,043</u>	\$ <u>77,676</u>

CHARTER TOWNSHIP OF YPSILANTI
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2023

	Local Development Finance Authority Fund	Economic Development Corporation	Total
<u>Program Expenses:</u>			
Local Development Finance Authority	\$ 71,083	\$ -	\$ 71,083
Economic Development Corporation	-	-	-
Total Program Expenses	<u>71,083</u>	<u>-</u>	<u>71,083</u>
<u>General Revenues:</u>			
Property Taxes	71,083	-	71,083
Investment Earnings	1,011	3,505	4,516
Total General Revenues	<u>72,094</u>	<u>3,505</u>	<u>75,599</u>
Change in Net Position	1,011	3,505	4,516
Net Position, Beginning of the Year	<u>1,622</u>	<u>71,538</u>	<u>73,160</u>
Net Position, End of the Year	\$ <u>2,633</u>	\$ <u>75,043</u>	\$ <u>77,676</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Charter Township of Ypsilanti, Michigan was organized as a Township under provisions of the constitution and general law of the State of Michigan. Ypsilanti Township became a Charter Township on May 15, 1979 by Board resolution. The Township operates under an elected Township Board which consists of the Supervisor, Clerk, Treasurer and four Trustees, and provides the following services as permitted by law: public safety (police and fire), community development, recreation and culture, public improvements, planning and zoning, and general administrative services.

As required by generally accepted accounting principles, these financial statements present the Charter Township of Ypsilanti and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Township's operations and so data from these units is combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. Each blended and discretely presented component unit has a December 31 year end.

Discretely Presented Component Units

The component units are reported in a separate column to emphasize that, while legally separate, the Charter Township of Ypsilanti remains financially accountable for these entities.

The governing body of the Local Development Finance Authority (LDFA) is appointed by the Township Board. The Authority was established for the collection of tax increment revenues, the issuance and repayment of debt, the construction of public facilities, and the promotion and facilitation of economic growth in the development district. The Authority's budget and debt issuance is subject to the approval of the Township Board.

The Charter Township of Ypsilanti Economic Development Corporation (EDC) was established pursuant to the provisions of Public Act 338 of 1974, as amended. The EDC is governed by a nine (9) member board appointed by the Township Board. The EDC may not issue debt without approval from the Township Board. Additionally, the annual operating budget and any amendments must be approved by the Township Board. The Township Board must approve all developmental and financing plans of the EDC.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

A. Reporting Entity – Continued

Joint Venture

The Township is a participant in the Ypsilanti Community Utilities Authority (Y.C.U.A.) which was created under Act 233, P.A. of 1955 by the City of Ypsilanti and the Charter Township of Ypsilanti, in 1974. All activities necessary to provide water and sewer services to residents of the City, Township, and other communities serviced by Y.C.U.A., are accounted for by the Authority. The Township has financial responsibility as follows:

- Township Board has the ability to reject or approve water rates for customers in its service district.
- Some obligations of the Authority are supported by pledges of the Township's full faith and credit, subject to constitutional limitations. These obligations are described in more detail further in these notes.
- Financial statements may be obtained by contacting Y.C.U.A. at 2777 State Street, Ypsilanti, MI 48198.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) present information on all of the nonfiduciary activities of the primary government and its component units as a whole. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-Wide and Fund Financial Statements – Continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not required to be presented as program revenues are general revenues. This includes taxes, interest, unrestricted State shared revenue payments, franchise fees, and other general revenues.

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.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation – Continued

Governmental Funds

The Township reports the following major governmental funds:

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

The Fire Department Fund is a special revenue fund used to account for the voter approved property taxes used to support fire protection, and related services.

The Environmental Services Fund is a special revenue fund used to account for the voter approved property tax revenues used to support solid waste, recycling and yard waste collection activities.

The Law Enforcement Fund is a special revenue fund used to account for the voter approved property taxes for law enforcement activities.

The Township also reports on the following fund types:

The special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects).

The debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds include the Golf Course Fund and the Compost Fund, which are reported as nonmajor funds.

Additionally, the Township reports on the following fund type:

Internal Service Funds

Internal Service Funds account for operations that provide services to other departments or agencies of the Township on a cost reimbursement basis. As these services predominantly benefit governmental rather than business-type functions, they have been included within the *governmental* activities in the government-wide financial statements. The Township uses an internal service fund to account for the management of a motor pool.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation – Continued

Fiduciary Funds

Fiduciary Funds account for assets held by the Township in a trustee capacity or as an agent on behalf of others. Fiduciary funds include the following fund types:

Pension Trust Funds – The pension trust funds accounts for the activities of the employee benefit plan that accumulates resources for pension and other post employment benefit payments to qualified employees.

The Custodial Funds are used to account for assets that the Township holds for others in a custodial capacity.

Estimates

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

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Township to invest in obligations of the U.S. Treasury, commercial paper of certain investment grades, and deposits of Michigan commercial banks.

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 nation or international exchange are valued at the last reported sales price at current exchange rates.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Inventory and Prepaids

Inventories are valued at cost using the first-in/first out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures as used. Prepaid items represent payments made to vendors for goods and services applicable to future years. Inventories and prepaids are offset by nonspendable fund balance which indicates they do not constitute "available spendable resources" even though they are a component of current net position.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity – Continued

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of capitalized value of the assets constructed. Capital assets of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	7-40
Machinery & Equipment	5-25
Vehicles	3-15
Infrastructure	20-50

5. Compensated Absences

In accordance with contracts negotiated with the various employee groups of the Township, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in the contracts. All sick and 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 if they have matured. The long-term portion of compensated absences related to the governmental funds is a liability recorded in the Statement of Net Position.

6. Long-term Obligations

In the government-wide financial statements, and 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 or business-type activities statement of net position. The portion of those liabilities expected to be paid within the next year is a current liability with the remaining amounts shown as noncurrent.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity – Continued

6. Long-term Obligations – Continued

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Statement of Net Position. Long-term liabilities expected to be financed from proprietary funds are reported as liabilities in those funds.

7. 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 a specific purpose. Commitments are made and can be rescinded only via resolution of the Township Board.

Assigned – Intent to spend resources on specific purposes expressed by the Township Board.

Unassigned – This is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Township is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 (Uniform Budgeting Act). The Township follows these requirements in establishing the budgetary data reflected in these financial statements:

1. In accordance with State law, prior to September 1, the Supervisor submits a proposed operating budget for the fiscal year commencing the following January 1 to the Township Board. The operating budget includes proposed expenditures and means of financing them for the upcoming year. Detail line item budgets are included for administrative control. The level of control for the detail budgets is at the departmental basis.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to December 15, the budget is legally enacted through passage of a budget resolution (general appropriation act).
4. Formal budgetary integration is employed as a management control device for the General, Special Revenue and Debt Service Funds. Budgets for these funds are prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Proprietary Fund budgets are prepared on a non-GAAP method.
6. Budget appropriations lapse at year end.
7. The Township does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.
8. Budgeted amounts are reported as originally adopted, and as amended by the Township Board.

B. Compliance with P.A. 621 of 1978

1. Deficit Fund Balance

None of the funds have a deficit fund balance as of December 31, 2023.

2. Excess of Expenditures Over Appropriations in Budgetary Funds

The budgets for the General and Special Revenue Funds are adopted at the activity level. None of the funds have expenditures in excess of budget appropriations at year end.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS

A. 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 Township 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, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan; and investment pools of financial institutions.

The pension trust fund and retiree health care fund are also authorized by Michigan Public Act 55 of 1982, 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, debt or equity of certain small businesses, certain state and local government obligations and certain other specified investment vehicles.

The Township has designated several banks for the deposit of funds. The investment policy adopted by the Township Board in accordance with Public Act 196 of 1997 authorized all investments permitted by PA 20. The Charter Township of Ypsilanti, Michigan's deposit and investment policies are in accordance with statutory authorities.

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. Deposits of the Township are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Township. At year end, the Township had \$45,236,160 of bank deposits (checking and savings accounts) of which \$1,449,949 was insured. The component units had book and bank balances totaling \$96,356, all of which was FDIC insured.

The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

Interest Rate Risk

Interest rate risk is the risk that the value of investments or deposits will decrease as a result of a rise in interest rates. The Township's investment policy minimizes interest rate risk by structuring the portfolio to meet requirements and by investing funds in shorter-term securities, money market mutual funds or similar investment pools. The Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270 day maturity. The weighted average maturity is based on maturity date or contracted modified maturity date as applicable. At year end, the average maturities of investments are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Maturity</u>
Pension Fixed Income:		
US Govt Obligations	\$ -	Less than 1 year
	1,290,618	1-5 years
	1,020,562	6-10 years
	7,878	11-15 years
	2,489,926	16 or more years
Corporate Bonds	\$ 137,870	Less than 1 year
	2,207,526	1-5 years
	928,452	6-10 years
	-	11-15 years
	973,931	16 or more years

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations at the time of purchase. The Township's investment policy limits investments to the safest types of securities. Financial institutions, broker/dealers, intermediaries and advisers need to be pre-qualified to do business with the Township. The policy also states that the investment portfolio will be diversified to minimize potential losses on individual securities. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Pension:			
U.S. Agency Obligations	\$ 2,725,400	n/a	
U.S. Treasury Notes	\$ 2,083,584	Aaa	Moody's
Corporate Bonds	\$ 1,079,230	Aaa	Moody's
	24,655	Aa2	Moody's
	313,455	A1	Moody's
	213,521	A2	Moody's
	460,728	A3	Moody's
	738,898	Baa1	Moody's
	591,207	Baa2	Moody's
	227,634	Baa3	Moody's
	116,607	Ba1	Moody's
	84,828	Ba2	Moody's
	62,636	Ba3	Moody's
	30,564	B1	Moody's
	82,110	B2	Moody's
	221,706	n/a	

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Township places no limit on the amount that may be invested in any one issuer. As of year end, the Township did not have investments that exceeded 5 percent of the total portfolio.

Fair Value Measurements

The 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

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

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

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

Assets Measured at Fair Value on a Recurring Basis

	Balance at Dec. 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities:				
U.S. Government Bonds	\$ 5,344,257	\$ 5,344,257	\$ -	\$ -
Corporate Bonds	4,247,779	4,247,779	-	-
Total Debt Securities	<u>9,592,036</u>	<u>9,592,036</u>	<u>-</u>	<u>-</u>
Equity Securities:				
Mutual Funds	34,198,363	34,198,363	-	-
Common Stock	2,029,234	2,029,234	-	-
Real Estate	2,233,607	-	-	2,233,607
Total Equity Securities	<u>38,461,204</u>	<u>36,227,597</u>	<u>-</u>	<u>2,233,607</u>
Total Investments by Fair Value Level	<u>\$ 48,053,240</u>	<u>\$ 45,819,633</u>	<u>\$ -</u>	<u>\$ 2,233,607</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Receivables and Deferred Inflows, and Unearned Revenue

Receivables consist of amounts due related to charges for services, interest receivable, special assessments receivable, taxes levied that have not been collected, and other amounts owed to the Township at year end. An allowance for doubtful accounts has been accrued for delinquent personal property taxes receivable.

Governmental funds report unearned revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. The deferred inflows in the governmental activities represents property taxes levied on December 1, 2022, but recognized revenue in the year ending December 31, 2023, when the proceeds of the levy are budgeted and available for financing operations. At the end of the current fiscal year, the various components of deferred inflows and unearned revenue are as follows:

Governmental Funds:

Property Taxes Levied for the following year – Deferred Inflows	<u>\$25,070,939</u>
---	---------------------

Unearned Revenue:

Unspent American Rescue Plan Act Grant funds	\$ 8,145,517
Other	<u>677,932</u>
Total	<u>\$ 8,823,449</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, not depreciated:				
Land	<u>\$ 9,623,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,623,049</u>
Capital Assets, being depreciated:				
Buildings	16,653,365	479,488	-	17,132,853
Machinery and Equipment	10,952,722	431,542	-	11,384,264
Infrastructure	47,958,773	3,406,225	-	51,364,998
Internal Service Fund - Motor Pool	<u>1,833,892</u>	<u>337,252</u>	<u>-</u>	<u>2,171,144</u>
	<u>77,398,752</u>	<u>4,654,507</u>	<u>-</u>	<u>82,053,259</u>
Less: Accumulated Depreciation:				
Buildings	(11,684,199)	(468,012)	-	(12,152,211)
Machinery and Equipment	(7,472,744)	(636,235)	-	(8,108,979)
Infrastructure	(29,191,245)	(1,675,972)	-	(30,867,217)
Internal Service Fund - Motor Pool	<u>(1,417,137)</u>	<u>(108,697)</u>	<u>-</u>	<u>(1,525,834)</u>
	<u>(49,765,325)</u>	<u>(2,888,916)</u>	<u>-</u>	<u>(52,654,241)</u>
Governmental Activities				
Capital Assets, net	<u>\$ 37,256,476</u>	<u>\$ 1,765,591</u>	<u>\$ -</u>	<u>\$ 39,022,067</u>

Depreciation expense was charged to the following governmental activities:

General Government	\$ 578,981
Public Safety	327,972
Public Works	1,258,214
Recreation and Cultural	615,052
Charged through Internal Service Fund	<u>108,697</u>
	<u>\$ 2,888,916</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets – Continued

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, not depreciated:				
Land	\$ 1,277,618	\$ -	\$ -	\$ 1,277,618
Capital Assets, being depreciated:				
Land and Building Improvements	2,186,658	5,550	-	2,192,208
Machinery and Equipment	2,634,538	23,719	-	2,658,257
	<u>4,821,196</u>	<u>29,269</u>	<u>-</u>	<u>4,850,465</u>
Less: Accumulated Depreciation:				
Land and Building Improvements	(1,419,650)	(77,392)	-	(1,497,042)
Machinery and Equipment	<u>(2,157,303)</u>	<u>(223,022)</u>	<u>-</u>	<u>(2,380,325)</u>
	<u>(3,576,953)</u>	<u>(300,414)</u>	<u>-</u>	<u>(3,877,367)</u>
Business-type Activities				
Capital Assets, net	<u>\$ 2,521,861</u>	<u>\$ (271,145)</u>	<u>\$ -</u>	<u>\$ 2,250,716</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

D. Interfund Transfers

<u>Transfers In</u>	<u>Transfers Out</u>	
Bike Path, Sidewalk, Rec., Roads	General Fund	\$ 1,717,272
District Court Fund	General Fund	936,960
2013 GO Refunding Bond Debt Fund	General Fund	163,067
Hydro Station Fund	General Fund	81,000
Recreation Fund	Bike Path, Sidewalk, Rec., Roads	350,000
Golf Course Fund	Bike Path, Sidewalk, Rec., Roads	87,000
		<u>\$ 3,335,299</u>

Transfers include operating transfers for debt service payments.

The General Fund and the Bike Path, Sidewalk, Rec., Roads Fund made operating transfers to augment specific projects.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

E. Long-Term Debt

The following is a summary of long-term debt transactions of the Township for the year ended December 31, 2023:

	Balance Jan 1, 2023	Additions	Reductions	Balance Dec 31, 2023	Due Within One Year
Governmental Activities:					
2013 G.O. Refunding Bonds	\$ 1,500,000	\$ -	\$ 200,000	\$ 1,300,000	\$ 205,000
Compensated Absences	1,116,834	43,434	-	1,160,268	193,378
	<u>\$ 2,616,834</u>	<u>\$ 43,434</u>	<u>\$ 200,000</u>	<u>\$ 2,460,268</u>	<u>\$ 398,378</u>
Business-type Activities:					
Lease Payable	\$ 124,200	\$ -	\$ 41,400	\$ 82,800	\$ 41,400
Compensated Absences	15,737	10,061	-	25,798	-
	<u>\$ 139,937</u>	<u>\$ 10,061</u>	<u>\$ 41,400</u>	<u>\$ 108,598</u>	<u>\$ 41,400</u>

The following is a summary of general obligation debt outstanding of the Township as of December 31, 2023:

	Number of Issues	Interest Rate	Maturing Through	Principal Outstanding
Governmental Activities:				
General Obligation Bonds	1	3.75%-4.50%	2029	<u>\$ 1,300,000</u>

The annual debt service requirements to maturity for debt outstanding as of December 31, 2023 is as follows:

Year Ended	Governmental Activities	
	Principal	Interest
2024	\$ 205,000	\$ 28,740
2025	210,000	23,760
2026	210,000	18,720
2027	220,000	13,560
2028	225,000	8,220
2029	230,000	2,760
	<u>\$ 1,300,000</u>	<u>\$ 95,760</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

F. Fund Balance Classifications

A detailed description of fund balance assignments in the General Fund at December 31, 2023, is presented below:

	<u>General Fund</u>
Nonspendable:	
Prepays & Inventory	\$ <u>186,958</u>
Assigned:	
Subsequent Year's Expenditures	1,899,105
Capital Improvements	2,282,717
Community Stabilization	300,000
Settlements & Contracts	59,287
Employee PTO	<u>30,000</u>
Total Assigned	<u>4,571,109</u>
Unassigned	<u>1,568,194</u>
Total Fund Balance	\$ <u><u>6,326,261</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

III. DETAILED NOTES ON ALL FUNDS – Continued

G. Property Taxes

Property taxes are assessed as of each December 31. The Township tax levy is billed on December 1 of the following year, and payable through February. Taxes are considered delinquent on March 1, at which time the applicable property is subject to lien and penalty and interest is assessed. The maximum authorized operating levy for the Township are detailed below for the 2022 tax roll:

Purpose	Authorization	Pre- Rollback Auth. Rate	Post Rollback Auth. Rate	Rate Levied
Operating	State Law	1.1160	0.9797	0.9797
Fire Protection	Voter Approved	3.1250	3.0850	3.0850
Fire Capital	Voter Approved	0.5000	0.4818	0.4818
Solid Waste	Voter Approved	2.4050	2.3742	2.3742
Police	Voter Approved	5.7000	5.6270	5.6270
Recreation	Voter Approved	1.0059	0.9930	0.9930
Fire Pension	State Law	-	0.8100	0.8100
				<u>14.3507</u>

IV. OTHER INFORMATION

A. Firefighters Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Method used to value investments. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

The Charter Township of Ypsilanti Police and Firefighters Retirement System Pension Board administers the Charter Township of Ypsilanti Police and Firefighters Pension Plan, which is a single employer defined benefit pension plan that provides retirement, disability, and death benefits for all eligible firefighters and their beneficiaries. Benefit terms have been established by Township policy and contractual agreements authorized by the Township Board and may be amended by Township Board action.

Management of the Plan is vested in a pension board, which consist of five members – two elected, two appointed by the Township Board and the Township Treasurer.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

A. Firefighters Defined Benefit Pension Plan – Continued

Benefits Provided

The Pension Plan provides retirement, disability, and death benefits to eligible plan members. Retirement benefits are computed using credited service at the time of termination of membership multiplied by a certain percentage based on the benefit program in effect as of the date of termination of membership times the final average compensation (FAC).

Plan Membership

As of December 31, 2022, pension plan membership consisted of the following:

Inactive Plan members currently receiving benefits	65
Inactive Plan members entitled to but not receiving benefits	-
Active Members	<u>20</u>
Total Plan Members	<u>85</u>

Contributions

The authority to amend contribution requirements rests with the Pension Board, which establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimate 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. Covered employees are required to contribute 6% of their pay. The Township is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended December 31, 2023 the Township contributed \$876,661.

Pension Reserves

In accordance with Public Act 345 as amended, the following reserves are required to be set aside within the pension plan:

The retiree reserve is to be computed annually by the actuary as the present value of estimated benefit payments for all current retirees. The amounts reserved may be used solely to pay monthly retiree benefit payments.

The employee reserve is credited as employee contributions are received throughout the year; the Plan maintains a record of the amount contributed by each employee, and credits interest annually at a rate of 2.0 percent. For any employee who terminates before vesting in the plan, their balance is returned to them; for those who stay until retirement, the balance is transferred into the retiree reserve.

The employer reserve is used to account for the residual net position balance in the pension plan after funding the retiree reserve and the employee reserve.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

A. Firefighters Defined Benefit Pension Plan – Continued

The balances of the reserve accounts at December 31, 2023 are as follows:

Employees' Contributions	\$ 1,027,302
Employer Contributions	(84,857)
Retired Benefit Payments	30,015,288
	<u>\$ 30,957,733</u>

Investment Policy

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension 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 pension 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, 2022.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	51%	5.25%
Fixed Income	37%	1.68%
Real Estate	9%	4.43%
Cash	3%	0.09%

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. 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 weighing 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 is 6.50%.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

A. Firefighters Defined Benefit Pension Plan – Continued

Net Pension Liability

The net pension liability reported at December 31, 2023 was determined using a measure of the total pension liability and the plan net position as of December 31, 2022. The December 31, 2022 total pension liability was determined by an actuarial valuation performed as of that date.

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

<u>Changes in Net Pension Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>
Balance at January 1, 2022	\$ <u>37,495,148</u>	\$ <u>33,636,216</u>	\$ <u>3,858,932</u>
Service Cost	425,000	-	425,000
Interest	2,372,852	-	2,372,852
Contributions-Employer	-	984,011	(984,011)
Contributions-Employee	-	119,485	(119,485)
Net Investment Income(Loss)	-	(4,018,646)	4,018,646
Differences between Expected and Actual Experience	1,486,910	-	1,486,910
Change in Assumptions	180,601	-	180,601
Benefit Payments, including refunds	(2,829,480)	(2,829,480)	-
Administrative Expenses	-	(139,111)	139,111
Net Changes	<u>1,635,883</u>	<u>(5,883,741)</u>	<u>7,519,624</u>
Balance at December 31, 2022	\$ <u><u>39,131,031</u></u>	\$ <u><u>27,752,475</u></u>	\$ <u><u>11,378,556</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

A. Firefighters Defined Benefit Pension Plan – Continued

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

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

<u>Source</u>	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 3,205,257
Differences between expected and actual experience	836,224
Changes in assumptions	134,599
Employer contributions to the plan subsequent to the measurement date	<u>876,661</u>
Total	<u>\$ 5,052,741</u>

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

<u>Years Ending Dec. 31</u>	<u>Amount</u>
2024	\$ 647,480
2025	1,300,327
2026	977,040
2027	1,251,233
2028	-

Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.50%
Salary increases	3.50% to 6.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010 Mortality with generational improvements projected beginning in 2010 based on the SOA Scale MP-19.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

A. Firefighters Defined Benefit Pension Plan – Continued

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

The following presents the net pension liability of the Township, calculated using the discount rate of 6.50 percent, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	\$ <u>15,578,298</u>	\$ <u>11,378,556</u>	\$ <u>7,852,409</u>

B. Municipal Employee Retirement System Defined Benefit Plan

Plan Description

The Township contributes to the Municipal Employees' Retirement System of Michigan (MERS), which is an agent multiple-employer defined benefit pension plan that covers all full time employees of the Township except elected officials and firefighters. MERS was established by the Michigan Legislature in 1945 and is administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained at mersofmich.com.

Benefits Provided

The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries, as established by Public Act 427 of 1984, as amended. The Plan covers all full-time employees at the Township except elected officials and firefighters. Benefits are calculated as 2.5 percent of the employee's five-year final average compensation times the employee's years of service with a maximum of 80 percent of final average compensation. Normal retirement age is 60. Deferred retirement benefits vest after 10 years of credited service but are not paid until the date retirement would have occurred if the member had remained an employee. Benefit terms, within the guidelines established by MERS, are generally established and amended by authority of the Township Board.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

B. Municipal Employee Retirement System Defined Benefit Plan – Continued

Employees Covered by Benefit Terms

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

Inactive plan members or beneficiaries currently receiving benefits	84
Inactive plan members entitled to but not yet receiving benefits	32
Active Plan Members	<u>75</u>
Total Employees covered by MERS	<u>191</u>

Contributions

The State of Michigan Constitution, Article 9, Section 24, requires that financial benefits arising on account of employee services rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution.

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For the year ended December 31, 2022 the average active employee contribution rate was 8.0% percent of gross wages for all employees.

Net Pension Liability

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

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

B. Municipal Employee Retirement System Defined Benefit Plan – Continued

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

<u>Changes in Net Pension Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>
Balance at January 1, 2022	\$ <u>28,050,575</u>	\$ <u>21,330,345</u>	\$ <u>6,720,230</u>
Service Cost	573,337	-	573,337
Interest	1,991,822	-	1,991,822
Contributions-Employer	-	906,756	(906,756)
Contributions-Employee	-	358,232	(358,232)
Net Investment Income(loss)	-	(2,205,139)	2,205,139
Change in Assumptions	-	-	-
Differences between Actual and Expected Experience	89,830	-	89,830
Benefit Payments, including refunds	(1,727,670)	(1,727,670)	-
Administrative Expenses	-	(39,122)	39,122
Net Changes	<u>927,319</u>	<u>(2,706,943)</u>	<u>3,634,262</u>
Balance at December 31, 2022	\$ <u><u>28,977,894</u></u>	\$ <u><u>18,623,402</u></u>	\$ <u><u>10,354,492</u></u>

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

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

<u>Source</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,570,086
Changes in assumptions related to economic and demographic factors	324,087	-
Net difference between projected and actual experience	74,874	-
Employer contributions to the plan subsequent to the measurement date	<u>871,485</u>	<u>-</u>
Total	\$ <u><u>1,270,446</u></u>	\$ <u><u>1,570,086</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

B. Municipal Employee Retirement System Defined Benefit Plan – Continued

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$871,485), which will impact the net pension liability in fiscal year 2024, rather than pension expense.

Years Ending Dec. 31	Amount
2024	\$ 287,290
2025	(246,614)
2026	(468,759)
2027	(743,042)
2028	-

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00%
Investment rate of return	7.35%

Mortality rates were based on the RP=2014 Healthy Annuitant Mortality Tables of a 50 percent male and 50 percent female blend with rates multiplied by 105%. For disabled retirees, the 50% Male and 50% Female blend of the RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study in 2015.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate 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.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

B. Municipal Employee Retirement System Defined Benefit Plan – Continued

Projected Cash Flows

Based on those assumptions, the pension plan's fiduciary net position was not 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.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	60%	4.50%
Global Fixed Income	20%	2.00%
Private Investments	20%	7.00%

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

The following presents the net pension liability of the Township, calculated using the discount rate of 7.25 percent, as well as what the Township's net pension liability 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:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net Pension Liability	\$ <u>13,566,092</u>	\$ <u>10,354,492</u>	\$ <u>7,647,953</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

B. Municipal Employee Retirement System Defined Benefit Plan – Continued

Pension Plan Fiduciary Net Position

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

C. Post-Employment Health Care Benefits

1. General Township Employee Plan

Plan Description

In addition to providing pension benefits, the Township provides certain health care benefits to all full time employees of the Township. The Township Board established by resolution the general Township employees' Health Care Plan, a single-employer defined benefit post-employment health care plan. The plan is designed to accumulate resources to pay for post-employment health, dental, and vision insurance for retired general township employees and is administered through the Michigan Municipal Employees Retirement System (MERS). The plan is included in the Township's financial statements as a fiduciary fund. The plan was established under the Authority of Public Act 169 of 1999. The plan does not issue separate stand-alone statements.

Employees Covered by Benefit Terms

At the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	49
Inactive plan members entitled to but not yet receiving benefits	7
Active Plan Members	<u>29</u>
Total	<u>85</u>

Contributions

The Plan's funding policy provides for periodic contributions by the Township at actuarially determined rates expressed as a percentage of annual covered payroll. The actuarially determined contribution (ADC) represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

1. General Township Employee Plan - Continued

Summary of Significant Accounting Policies

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB (if applicable), and OPEB expenses, have been determined on the same basis as they are reported for the Township. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2021. The following actuarial assumptions were applied:

Actuarial Cost Method	Entry-age normal
Amortization Method	Level Dollar, closed
Remaining Amortization	24 years
Investment Rate of Return	7.00%
Salary increases	3.0%-16.0%, including inflation
Mortality	RP-2014 Healthy Annuitant Tables for males and female; Projected to 2020 with MP-2017
Health care trend rates	Trend rates starting at 8.25% and gradually decreasing to an ultimate trend rate of 3.50% over 15 years.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00% based on the average effective rate consisting of long term return on assets and 20 year Aa Municipal Bond Rate.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

1. General Township Employee Plan - Continued

Changes in Net OPEB Liability

The components of the change in the net OPEB liability are summarized as follows:

<u>Changes in Net OPEB Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB Liability</u>
Balance at January 1, 2022	\$ <u>10,711,851</u>	\$ <u>10,033,296</u>	\$ <u>678,555</u>
Service Cost	150,028	-	150,028
Interest Cost	364,978	-	364,978
Employer Contributions	-	506,334	(506,334)
Net Investment Income	-	(1,060,886)	1,060,886
Benefit Payments	(522,845)	(522,845)	-
Administrative Expenses	-	(16,985)	16,985
Net Changes	<u>(7,839)</u>	<u>(1,094,382)</u>	<u>1,086,543</u>
Balance at December 31, 2022	\$ <u><u>10,704,012</u></u>	\$ <u><u>8,938,914</u></u>	\$ <u><u>1,765,098</u></u>

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

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

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net OPEB Liability	\$ <u><u>3,298,023</u></u>	\$ <u><u>1,765,098</u></u>	\$ <u><u>475,315</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

1. General Township Employee Plan - Continued

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Township, as well as what the Township's net OPEB liability would be if it were calculated using healthcare trends rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>777,099</u>	\$ <u>1,765,098</u>	\$ <u>3,071,021</u>

2. FireFighter's Health Care Plan

Plan Description

The Township Board established by resolution the Firefighter's Health Care Plan, a single-employer defined benefit post-employment health care plan. The plan is designed to accumulate resources to pay for post-employment health, dental, vision, and life insurance for retired firefighters and is administered through The Vanguard Group. The plan was established under the authority of P.A. 169 of 1999 and is included in the Township's financial statements as a fiduciary fund. The plan does not issue stand-alone financial statements.

Employees Covered by Benefit Terms

At the December 31, 2022 valuation date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	39
Inactive plan members entitled to but not yet receiving benefits	-
Active Plan Members	<u>26</u>
Total	<u>65</u>

Contributions

The Plan's funding policy provides for periodic contributions by the Township at actuarially determined rates expressed as a percentage of annual covered payroll. Plan members were required to contribute 1% through September 2012, and thereafter are required to contribute 4% of their annual covered salary. Administrative costs of the plan are financed through investment earnings. The actuarially determined contribution (ADC) represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

2. FireFighter's Health Care Plan - Continued

Summary of Significant Accounting Policies

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB (if applicable), and OPEB expenses, have been determined on the same basis as they are reported for the Township. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2022. The following actuarial assumptions were applied:

Actuarial Cost Method	Entry-age normal
Amortization Method	Level Percentage of Payroll, closed
Remaining Amortization	26 years
Investment Rate of Return	6.50%
Salary increases	3.50%-6.50%, including inflation of 3.0%
Mortality	RPH-2019 Total Dataset Fully Generational Mortality Table using Scale MP-2019.
Health care trend rates	Trend rates starting at 8.0% and gradually decreasing by .5% annually to an ultimate rate of 4.50%.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50% based on the average effective rate consisting of long term return on assets and 20 year Aa Municipal Bond Rate.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

2. FireFighter's Health Care Plan - Continued

Changes in Net OPEB Liability

The components of the change in the net OPEB liability are summarized as follows:

<u>Changes in Net OPEB Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB Liability</u>
Balance at January 1, 2022	\$ <u>11,061,385</u>	\$ <u>9,412,021</u>	\$ <u>1,649,364</u>
Service Cost	97,135	-	97,135
Interest Cost	703,896	-	703,896
Differences between Actual and Expected Experience	(790,005)	-	(790,005)
Employer Contributions	-	642,476	(642,476)
Employee Contributions	-	53,115	(53,115)
Net Investment Income	-	(2,307,307)	2,307,307
Benefit Payments	(669,242)	(669,242)	-
Administrative Expenses	-	(29,684)	29,684
Net Changes	<u>(658,216)</u>	<u>(2,310,642)</u>	<u>1,652,426</u>
Balance at December 31, 2022	\$ <u>10,403,169</u>	\$ <u>7,101,379</u>	\$ <u>3,301,790</u>

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

The following presents the net OPEB liability of the Township, calculated using the discount rate of 6.50 percent, as well as what the Township's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Net OPEB Liability	\$ <u>4,413,701</u>	\$ <u>3,301,790</u>	\$ <u>2,373,693</u>

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

C. Post-Employment Health Care Benefits - Continued

2. Firefighter's Health Care Plan

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Township, as well as what the Township's net OPEB liability would be if it were calculated using healthcare trends rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>2,285,890</u>	\$ <u>3,301,790</u>	\$ <u>4,515,212</u>

D. Risk Management

The Township participates in a pool, the Michigan Municipal League Liability and Property Pool purchases insurance coverage through traditional means. The Township's property and liability and workers compensation coverages are on file in the Risk Manager's office.

E. Contingencies

1. Consent Judgment

The Township entered into a settlement agreement with the City of Ypsilanti relative to dissolution of the Joint Ypsilanti Recreation Organization (JYRO). Under the settlement, all properties previously owned and managed by JYRO were conveyed to the Township in exchange for the following contingent payments from the Township to the City:

- a. 10% of gross revenues, for fifty years, from the operation of the Ford Lake Dam. Gross revenues are defined as revenues from dam operations less 20% reserve for capital improvements, until \$300,000 is accumulated.
- b. 50% of residual funds available after Dam, Park Operations, royalties and reserve requirements are paid from Dam revenues.

For 2023, the Township paid the City of Ypsilanti \$48,265 under this agreement.

CHARTER TOWNSHIP OF YPSILANTI
Notes to Financial Statements
December 31, 2023

IV. OTHER INFORMATION – Continued

E. Contingencies - Continued

2. Ypsilanti Community Utility Debt

The Township participates in a joint venture with the City of Ypsilanti, known as the Ypsilanti Community Utilities Authority. The Authority issues bonds that are backed by the full faith and credit (subject to constitutional limitations) of the City or Township. The proceeds of these bonds are used to construct the various infrastructure projects, and the recipient of these obligations have been made by the revenues of the Authority. As of August 31, 2023, (the latest audited information of the Authority) the total amount of these obligations was \$56,246,208 of which \$33,386,300 is the Township's portion or shared with the City.

F. Tax Abatements

The Charter Township of Ypsilanti granted Industrial Facilities Tax exemptions (P.A. 198 of 1974) to properties within the Township. Industrial Facility Exemptions are intended to promote construction of new industrial facilities or to rehabilitate facilities. Under the industrial facility exemption program, the Township's millage is reduced by 50 percent on that parcel. As of December 31, 2023, the Township's property tax revenue was reduced by \$6,039 under this tax abatement program.

G. Upcoming Accounting Pronouncements

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences as well as the disclosure requirements. This statement requires that the compensated absence liability be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. This statement is effective for the Township's financial statements beginning with the fiscal year ending December 31, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Changes in the Net Pension Liability and Related Ratios
MERS Defined Benefit Plan
Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:									
Service Cost	\$ 573,337	\$ 507,004	\$ 507,004	\$ 517,130	\$ 495,236	\$ 462,844	\$ 438,417	\$ 447,997	\$ 399,446
Interest	1,991,822	1,945,472	1,804,702	1,782,512	1,744,866	1,685,571	1,659,008	1,552,248	1,490,791
Change in assumptions	-	972,261	921,992	680,063	-	-	-	879,408	-
Change in benefits	-	-	-	-	8,181	-	(19,037)	-	-
Differences between actual and expected experience	89,830	44,962	136,175	(190,412)	(527,543)	(229,595)	(613,520)	184,979	-
Benefit payments, including refunds	(1,727,670)	(1,611,363)	(1,340,418)	(1,298,712)	(1,223,508)	(1,164,141)	(1,125,954)	(1,148,769)	(1,190,376)
Net Change in Total Pension Liability	927,319	1,858,336	2,029,455	1,490,581	497,232	754,679	338,914	1,915,863	699,861
Total Pension Liability, Beginning of year	28,050,575	26,192,239	24,162,784	22,672,203	22,174,971	21,420,292	21,081,378	19,165,515	18,465,654
Total Pension Liability, End of year	\$ 28,977,894	\$ 28,050,575	\$ 26,192,239	\$ 24,162,784	\$ 22,672,203	\$ 22,174,971	\$ 21,420,292	\$ 21,081,378	\$ 19,165,515
Plan Fiduciary Net Position:									
Contributions - Employer	\$ 906,756	\$ 865,429	\$ 635,498	\$ 717,321	\$ 601,417	\$ 609,995	\$ 468,622	\$ 469,553	\$ 476,460
Contributions - Employee	358,232	335,739	361,880	340,540	319,472	309,739	270,090	336,587	240,477
Net Investment Income (Loss)	(2,205,139)	2,677,141	2,202,537	2,089,847	(638,945)	1,946,071	1,540,006	(212,813)	868,126
Administrative Expenses	(39,122)	(30,720)	(34,690)	(36,013)	(31,721)	(30,808)	(30,402)	(30,969)	(31,810)
Benefit payments, including refunds	(1,727,670)	(1,611,363)	(1,340,418)	(1,298,712)	(1,223,508)	(1,164,141)	(1,125,954)	(1,148,769)	(1,190,376)
Net Change in Plan Fiduciary Net Position	(2,706,943)	2,236,226	1,824,807	1,812,983	(973,285)	1,670,856	1,122,362	(586,411)	362,877
Plan Fiduciary Net Position, Beg. of year	21,330,345	19,094,119	17,269,312	15,456,329	16,429,614	14,758,758	13,636,396	14,222,807	13,859,930
Plan Fiduciary Net Position, End of year	\$ 18,623,402	\$ 21,330,345	\$ 19,094,119	\$ 17,269,312	\$ 15,456,329	\$ 16,429,614	\$ 14,758,758	\$ 13,636,396	\$ 14,222,807
Township's Net Pension Liability - Ending	\$ 10,354,492	\$ 6,720,230	\$ 7,098,120	\$ 6,893,472	\$ 7,215,874	\$ 5,745,357	\$ 6,661,534	\$ 7,444,982	\$ 4,942,708
Plan Fiduciary Net Position as a Percent of Total Pension Liability	64.3%	76.0%	72.9%	71.5%	68.2%	74.1%	68.9%	64.7%	74.2%
Covered Employee Payroll	\$ 4,451,917	\$ 4,111,947	\$ 4,164,660	\$ 4,215,276	\$ 3,980,690	\$ 3,619,620	\$ 3,482,631	\$ 3,612,939	\$ 3,182,195
Township's Net Pension Liability as a Percent of Covered Employee Payroll	232.6%	163.4%	170.4%	163.5%	181.3%	158.7%	191.3%	206.1%	155.3%

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Firefighters Defined Benefit Plan

Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:									
Service Cost	\$ 425,000	\$ 432,245	\$ 410,952	\$ 491,476	\$ 439,577	\$ 436,506	\$ 428,537	\$ 420,489	\$ 456,943
Interest	2,372,852	2,384,284	2,406,243	2,342,024	2,314,312	2,275,323	2,396,058	2,271,936	2,248,934
Difference between Expected and Actual Experience	1,486,910	(465,149)	(807,975)	60,466	(54,733)	511,876	-	(713,882)	153,446
Assumption Changes	180,601	42,596	(123,314)	365,397	(78,337)	2,787,409	-	-	(96,959)
Other	-	-	-	-	165,080	-	-	-	-
Benefit payments, including refunds	(2,829,480)	(2,295,758)	(2,194,302)	(2,187,399)	(2,305,353)	(2,542,308)	(2,134,526)	(2,222,807)	(2,630,932)
Net Change in Total Pension Liability	1,635,883	98,218	(308,396)	1,071,964	480,546	3,468,806	690,069	(244,264)	131,432
Total Pension Liability, Beginning of year	37,495,148	37,396,930	37,705,326	36,633,362	36,152,816	32,684,010	31,993,941	32,238,205	32,106,773
Total Pension Liability, End of year	\$ 39,131,031	\$ 37,495,148	\$ 37,396,930	\$ 37,705,326	\$ 36,633,362	\$ 36,152,816	\$ 32,684,010	\$ 31,993,941	\$ 32,238,205
Plan Fiduciary Net Position:									
Contributions - Employer	\$ 984,011	\$ 1,191,035	\$ 1,508,393	\$ 998,711	\$ 786,578	\$ 763,874	\$ 789,018	\$ 737,867	\$ 759,462
Contributions - Employee	119,485	94,021	101,202	97,837	102,184	106,038	101,436	99,333	102,044
Net Investment Income(Loss)	(4,126,916)	3,371,726	3,020,510	4,200,535	(800,839)	2,583,283	1,661,187	927,627	1,542,487
Administrative Expenses	(30,841)	(21,650)	(24,778)	(17,448)	(18,731)	(129,525)	(146,940)	(138,612)	(94,626)
Benefit payments, including refunds	(2,829,480)	(2,295,758)	(2,194,302)	(2,187,399)	(2,305,353)	(2,542,308)	(2,134,526)	(2,222,807)	(2,630,932)
Net Change in Plan Fiduciary Net Position	(5,883,741)	2,339,374	2,411,025	3,092,236	(2,236,161)	781,362	270,175	(596,592)	(321,565)
Plan Fiduciary Net Position, Beg. of year	33,636,216	31,296,842	28,885,817	25,793,581	28,029,742	27,248,380	26,978,205	27,574,797	27,896,362
Plan Fiduciary Net Position, End of year	\$ 27,752,475	\$ 33,636,216	\$ 31,296,842	\$ 28,885,817	\$ 25,793,581	\$ 28,029,742	\$ 27,248,380	\$ 26,978,205	\$ 27,574,797
Township's Net Pension Liability - Ending	\$ 11,378,556	\$ 3,858,932	\$ 6,100,088	\$ 8,819,509	\$ 10,839,781	\$ 8,123,074	\$ 5,435,630	\$ 5,015,736	\$ 4,663,408
Plan Fiduciary Net Position as a Percent of Total Pension Liability	70.9%	89.7%	83.7%	76.6%	70.4%	77.5%	83.4%	84.3%	85.5%
Covered Employee Payroll	\$ 1,861,390	\$ 1,671,273	\$ 1,676,175	\$ 1,594,043	\$ 1,793,006	\$ 1,968,592	\$ 1,758,735	\$ 1,709,517	\$ 1,706,096
Township's Net Pension Liability as a Percent of Covered Employee Payroll	611.3%	230.9%	363.9%	553.3%	604.6%	412.6%	309.1%	293.4%	273.3%

CHARTER TOWNSHIP OF YPSILANTI

Required Supplemental Information

Schedule of Changes in the Net OPEB Liability and Related Ratios

Township OPEB Benefit Plan

Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service Cost	\$ 150,028	\$ 150,028	\$ 153,849	\$ 157,670	\$ 162,626	\$ 175,863
Interest	364,978	364,978	357,960	344,941	501,914	797,509
Change in assumptions	-	(465,742)	(897,237)	(888,039)	-	630,904
Differences between actual and expected experience	-	-	-	-	-	93,424
Benefit payments, including refunds	(522,845)	(556,171)	(479,234)	(479,234)	(483,932)	(470,566)
Net Change in Total OPEB Liability	(7,839)	(506,907)	(864,662)	(864,662)	180,608	1,227,134
Total OPEB Liability, Beginning of year	10,711,851	11,218,758	12,083,420	12,948,082	12,767,474	11,540,340
Total OPEB Liability, End of year	<u>\$ 10,704,012</u>	<u>\$ 10,711,851</u>	<u>\$ 11,218,758</u>	<u>\$ 12,083,420</u>	<u>\$ 12,948,082</u>	<u>\$ 12,767,474</u>
Plan Fiduciary Net Position:						
Contributions - Employer	\$ 506,334	\$ 519,956	\$ 644,897	\$ 664,540	\$ 633,569	\$ 646,163
Net Investment Income (Loss)	(1,060,886)	1,278,318	1,080,979	941,452	(260,070)	794,526
Administrative Expenses	(16,985)	(17,789)	(14,317)	(13,086)	(17,032)	(15,238)
Benefit payments, including refunds	(522,845)	(556,171)	(482,687)	(479,234)	(483,932)	(470,566)
Net Change in Plan Fiduciary Net Position	(1,094,382)	1,224,314	1,228,872	1,113,672	(127,465)	954,885
Plan Fiduciary Net Position, Beg. of year	10,033,296	8,808,982	7,580,110	6,466,438	6,593,903	5,639,018
Plan Fiduciary Net Position, End of year	<u>\$ 8,938,914</u>	<u>\$ 10,033,296</u>	<u>\$ 8,808,982</u>	<u>\$ 7,580,110</u>	<u>\$ 6,466,438</u>	<u>\$ 6,593,903</u>
Township's Net OPEB Liability - Ending	<u>\$ 1,765,098</u>	<u>\$ 678,555</u>	<u>\$ 2,409,776</u>	<u>\$ 4,503,310</u>	<u>\$ 6,481,644</u>	<u>\$ 6,173,571</u>
Plan Fiduciary Net Position as a Percent of Total OPEB Liability	83.5%	93.7%	78.5%	62.7%	49.9%	51.6%
Covered Employee Payroll	\$ 1,891,165	\$ 1,891,165	\$ 2,655,895	\$ 2,768,409	\$ 2,659,708	\$ 2,665,488
Township's Net OPEB Liability as a Percent of Covered Employee Payroll	93.3%	35.9%	90.7%	162.7%	243.7%	231.6%

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
Firefighters OPEB Plan

Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service Cost	\$ 97,135	\$ 141,708	\$ 150,240	\$ 142,749	\$ 137,922	\$ 138,294
Interest	703,896	809,050	892,682	959,584	931,661	842,858
Difference between Expected and Actual Experience	(790,005)	(1,993,411)	(1,647,513)	(2,152,449)	58,494	169,008
Assumption Changes	-	127,970	-	720,691	-	1,730,520
Benefit payments, including refunds	(669,242)	(648,118)	(698,127)	(716,223)	(690,818)	(634,137)
Net Change in Total Pension Liability	(658,216)	(1,562,801)	(1,302,718)	(1,045,648)	437,259	2,246,543
Total OPEB Liability, Beginning of year	11,061,385	12,624,186	13,926,904	14,972,552	14,535,293	12,288,750
Total OPEB Liability, End of year	\$ 10,403,169	\$ 11,061,385	\$ 12,624,186	\$ 13,926,904	\$ 14,972,552	\$ 14,535,293
Plan Fiduciary Net Position:						
Contributions - Employer	\$ 642,476	\$ 700,000	\$ 753,617	\$ 767,327	\$ 625,958	\$ 629,226
Contributions - Employee	53,115	49,275	43,841	48,742	50,783	52,989
Net Investment Income	(2,307,307)	786,722	1,520,190	1,300,333	(363,105)	715,512
Administrative Expenses	(29,684)	(19,986)	(24,000)	(21,120)	(18,942)	-
Benefit payments, including refunds	(669,242)	(648,118)	(698,127)	(716,223)	(719,979)	(634,137)
Net Change in Plan Fiduciary Net Position	(2,310,642)	867,893	1,595,521	1,379,059	(425,285)	763,590
Plan Fiduciary Net Position, Beg. of year	9,412,021	8,544,128	6,948,607	5,569,548	5,994,833	5,231,243
Plan Fiduciary Net Position, End of year	\$ 7,101,379	\$ 9,412,021	\$ 8,544,128	\$ 6,948,607	\$ 5,569,548	\$ 5,994,833
Township's Net OPEB Liability - Ending	\$ 3,301,790	\$ 1,649,364	\$ 4,080,058	\$ 6,978,297	\$ 9,403,004	\$ 8,540,460
Plan Fiduciary Net Position as a Percent of Total OPEB Liability	68.3%	85.1%	67.7%	49.9%	37.2%	41.2%
Covered Employee Payroll	\$ 2,047,093	\$ 2,084,653	\$ 2,255,552	\$ 2,163,061	\$ 1,476,413	\$ 1,433,411
Township's Net OPEB Liability as a Percent of Covered Employee Payroll	161.3%	79.1%	180.9%	322.6%	636.9%	595.8%

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Township Pension Contributions-MERS
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 871,485	\$ 906,756	\$ 777,832	\$ 634,649	\$ 577,321	\$ 551,417	\$ 543,730	\$ 468,622	\$ 469,556	\$ 476,460
Contributions in relation to the actuarially determined contribution	871,485	906,756	865,429	635,497	717,321	601,417	609,995	468,622	469,556	476,460
Contribution Excess (Deficiency)	\$ -	\$ -	\$ 87,597	\$ 848	\$ 140,000	\$ 50,000	\$ 66,265	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 3,815,349	\$ 4,066,947	\$ 4,164,660	\$ 3,980,690	\$ 3,619,620	\$ 3,482,631	\$ 3,612,939	\$ 3,584,143	\$ 3,182,195	\$ 3,281,486
Contributions as a Percentage of Covered Employee Payroll	22.8%	22.3%	20.8%	16.0%	19.8%	17.3%	16.9%	13.1%	14.8%	14.5%

Actuarial valuation information relative to the determination of contributions:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal cost
Amortization Method	Level percent
Remaining Amortization Period	19 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	3.00% including inflation
Investment Rate of Return	7.35%
Cost of living adjustments	None
Mortality	50% Male - 50% Female blend of the RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%; RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Township Pension Contributions-Fire Pension
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 876,661	\$ 975,040	\$ 1,074,669	\$ 1,067,076	\$ 998,711	\$ 786,578	\$ 763,874	\$ 789,018	\$ 737,867	\$ 750,163
Contributions in relation to the										
actuarially determined contribution	876,661	984,011	1,191,035	1,508,393	998,711	786,578	763,874	789,018	737,867	750,163
Contribution Excess (Deficiency)	\$ -	\$ 8,971	\$ 116,366	\$ 441,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	1,829,984	1,861,390	1,672,273	1,676,175	1,968,592	1,826,564	1,934,576	2,016,307	1,768,793	1,967,312
Contributions as a Percentage of										
Covered Employee Payroll	47.9%	52.4%	64.3%	63.7%	50.7%	43.1%	39.5%	39.1%	41.7%	38.1%

Actuarial valuation information relative to the determination of contributions:

Valuation Date Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal cost
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	18 year
Asset Valuation Method	5 Year smoothed market
Investment Rate of Return	6.50%
Projected Salary Increases	3.0%
Mortality Table	Pubs-2010 Mortality with generational improvements projected beginning in 2010 based on the SOA Scale MP-19.

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Township OPEB Contributions-MERS
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 506,093	\$ 506,334	\$ 519,956	\$ 644,897	\$ 664,540	\$ 633,568	\$ 646,163	\$ 654,245	\$ 667,540	\$ 607,523
Contributions in relation to the actuarially determined contribution	506,093	506,334	519,956	644,897	664,540	633,568	646,163	654,245	667,540	607,523
Contribution Excess (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Contributions as a Percentage of Covered Employee Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Actuarial valuation information relative to the determination of contributions:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal cost
Amortization Method	Level dollar, closed
Remaining Amortization Period	24 years
Asset Valuation Method	Market Value
Salary Increases	3.00%-16.00% including inflation
Investment Rate of Return	7.00%
Mortality Table	RP-2014 Mortality Tables for males and females projected five years to 2019 with MP-2014.
Health Care Trend Rates	Trend starting at 8.25% and gradually decreasing to an ultimate trend rate of 3.5% over 15 years.

CHARTER TOWNSHIP OF YPSILANTI
Required Supplemental Information
Schedule of Township OPEB Contributions-Fire
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 366,182	\$ 642,476	\$ 648,118	\$ 698,127	\$ 767,327	\$ 625,958	\$ 629,226	\$ 587,148	\$ 590,744	\$ 487,768
Contributions in relation to the										
actuarially determined contribution	366,182	642,476	700,000	753,617	767,327	625,958	629,226	587,148	590,744	487,768
Contribution Excess (Deficiency)	\$ -	\$ -	\$ 51,882	\$ 55,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 2,145,567	\$ 2,047,093	\$ 2,084,653	\$ 2,255,552	\$ 2,163,061	n/a	n/a	n/a	n/a	n/a
Contributions as a Percentage of										
Covered Employee Payroll	17.1%	31.4%	33.6%	33.4%	35.5%	n/a	n/a	n/a	n/a	n/a

Actuarial valuation information relative to the determination of contributions:

Valuation Date Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal cost
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	25 years
Asset Valuation Method	Market value
Investment Rate of Return	6.50%
Projected Salary Increases	3.5%-6.50% including inflation of 3.0%
Mortality Table	RP-2014 Mortality Tables for males and females projected five years to 2019 with MP-2014.
Health Care Trend Rates	Trend starting at 8.0% and gradually decreasing to an ultimate trend rate of 4.5%

CHARTER TOWNSHIP OF YPSILANTI
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Property Taxes	\$ 2,639,100	\$ 2,639,100	\$ 2,717,410	\$ 78,310
Licenses and Permits	6,150	6,150	8,993	2,843
Intergovernmental - Federal	-	8,784,091	180,593	(8,603,498)
Intergovernmental - State	6,357,404	11,357,404	6,646,212	(4,711,192)
Charges for Services	410,074	420,065	447,151	27,086
Franchise Fees	650,000	650,000	594,909	(55,091)
Interest	18,000	18,000	1,088,248	1,070,248
Rents	220,000	220,000	220,000	-
Other	10,350	41,750	145,628	103,878
Total Revenues	<u>10,311,078</u>	<u>24,136,560</u>	<u>12,049,144</u>	<u>(12,087,416)</u>
Expenditures:				
General Government:				
Legislative	150,235	157,941	131,890	26,051
Supervisor	316,881	316,881	313,175	3,706
Accounting	438,470	443,633	440,471	3,162
Clerk	460,850	462,850	445,824	17,026
Computer Support	832,585	832,585	758,193	74,392
Treasurer	453,111	453,111	415,829	37,282
Assessing	524,855	567,988	540,310	27,678
Elections	117,394	179,289	136,376	42,913
Building Operations	649,391	679,724	646,840	32,884
Legal Services	330,000	356,200	356,162	38
General Services	161,800	161,800	141,880	19,920
Human Resources	483,025	489,157	400,413	88,744
Other	548,546	565,246	368,373	196,873
Total General Government	<u>5,467,143</u>	<u>5,666,405</u>	<u>5,095,736</u>	<u>570,669</u>
Judicial - District Court	<u>467,755</u>	<u>486,945</u>	<u>485,560</u>	<u>1,385</u>
Public Works:				
Stormwater & Drains	567,000	820,723	728,610	92,113
Highways and Streets	115,000	580,456	393,630	186,826
Street Lighting & Cameras	217,932	295,432	310,093	(14,661)
Total Public Works	<u>899,932</u>	<u>1,696,611</u>	<u>1,432,333</u>	<u>264,278</u>
Public Health	<u>-</u>	<u>557,970</u>	<u>164,904</u>	<u>393,066</u>
Community and Economic Development:				
Planning Commission	10,136	10,136	5,059	5,077
Zoning Board of Appeals	4,875	4,875	1,632	3,243
Community Development	417,568	417,568	253,736	163,832
Community Stabilization	1,140,000	2,295,080	2,273,984	21,096
Total Community and Economic Dev.	<u>1,572,579</u>	<u>2,727,659</u>	<u>2,534,411</u>	<u>193,248</u>
Recreation and Cultural:				
Municipal Services	73,865	73,865	49,761	24,104
Parks and Grounds	967,902	987,404	948,759	38,645
Total Recreation and Cultural	<u>1,041,767</u>	<u>1,061,269</u>	<u>998,520</u>	<u>62,749</u>

(continued)

CHARTER TOWNSHIP OF YPSILANTI
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Capital Outlay	\$ <u>1,371,126</u>	\$ <u>13,948,647</u>	\$ <u>567,250</u>	\$ <u>13,381,397</u>
Total Expenditures	<u>10,820,302</u>	<u>26,145,506</u>	<u>11,278,714</u>	<u>14,866,792</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(509,224)</u>	<u>(2,008,946)</u>	<u>770,430</u>	<u>2,779,376</u>
Other Financing Uses: Transfers Out	<u>(1,567,007)</u>	<u>(2,949,279)</u>	<u>(2,898,299)</u>	<u>50,980</u>
Change in Fund Balance	(2,076,231)	(4,958,225)	(2,127,869)	2,830,356
Fund Balance - January 1	<u>8,454,130</u>	<u>8,454,130</u>	<u>8,454,130</u>	<u>-</u>
Fund Balance - December 31	\$ <u><u>6,377,899</u></u>	\$ <u><u>3,495,905</u></u>	\$ <u><u>6,326,261</u></u>	\$ <u><u>2,830,356</u></u>

CHARTER TOWNSHIP OF YPSILANTI
Fire Department Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Property Taxes	\$ 4,784,932	\$ 4,784,932	\$ 4,826,946	\$ 42,014
Intergovernmental-State	14,000	14,000	23,876	9,876
Charges for Services	2,950	2,950	1,495	(1,455)
Interest Income	7,000	7,000	152,120	145,120
Other	-	-	3,492	3,492
Total Revenues	<u>4,808,882</u>	<u>4,808,882</u>	<u>5,007,929</u>	<u>199,047</u>
Expenditures:				
Public Safety	<u>4,733,910</u>	<u>4,753,910</u>	<u>4,184,142</u>	<u>569,768</u>
Excess (Deficiency) of Revenues Over Expenditures	74,972	54,972	823,787	768,815
Fund Balance - January 1	<u>2,104,945</u>	<u>2,104,945</u>	<u>2,104,945</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 2,179,917</u>	<u>\$ 2,159,917</u>	<u>\$ 2,928,732</u>	<u>\$ 768,815</u>

CHARTER TOWNSHIP OF YPSILANTI
Environmental Services Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Property Taxes	\$ 3,676,533	\$ 3,676,533	\$ 3,708,518	\$ 31,985
Intergovernmental-State	9,600	9,600	29,501	19,901
Interest	1,000	1,000	89,674	88,674
Other	7,500	7,500	640	(6,860)
Total Revenues	<u>3,694,633</u>	<u>3,694,633</u>	<u>3,828,333</u>	<u>133,700</u>
Expenditures:				
Public Works	<u>3,480,680</u>	<u>3,760,680</u>	<u>3,579,928</u>	<u>180,752</u>
Excess (Deficiency) of Revenues Over Expenditures	213,953	(66,047)	248,405	314,452
Fund Balance - January 1	<u>896,199</u>	<u>896,199</u>	<u>896,199</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,110,152</u>	<u>\$ 830,152</u>	<u>\$ 1,144,604</u>	<u>\$ 314,452</u>

CHARTER TOWNSHIP OF YPSILANTI
Law Enforcement Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Property Taxes	\$ 8,740,310	\$ 8,740,310	\$ 8,800,608	\$ 60,298
Intergovernmental-State	41,530	41,530	64,410	22,880
Charges for Services	125,350	125,350	174,420	49,070
Interest	7,500	7,500	504,174	496,674
Other	-	-	5,185	5,185
Total Revenues	<u>8,914,690</u>	<u>8,914,690</u>	<u>9,548,797</u>	<u>634,107</u>
Expenditures:				
Public Safety	<u>8,403,590</u>	<u>8,437,514</u>	<u>7,288,993</u>	<u>1,148,521</u>
Excess (Deficiency) of Revenues Over Expenditures	511,100	477,176	2,259,804	1,782,628
Fund Balance - January 1	<u>7,005,618</u>	<u>7,005,618</u>	<u>7,005,618</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 7,516,718</u>	<u>\$ 7,482,794</u>	<u>\$ 9,265,422</u>	<u>\$ 1,782,628</u>

OTHER SUPPLEMENTARY INFORMATION

CHARTER TOWNSHIP OF YPSILANTI
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	<u>Special Revenue</u>	<u>2013 GO Refunding Bond Debt</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 8,756,097	\$ 2,686	\$ 8,758,783
Receivables:			
Accounts	83,736	-	83,736
Taxes	3,142,091	-	3,142,091
Special Assessments	6,493	-	6,493
Prepaid Expenditures	<u>19,562</u>	<u>-</u>	<u>19,562</u>
Total Assets	\$ <u>12,007,979</u>	\$ <u>2,686</u>	\$ <u>12,010,665</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 652,325	\$ -	\$ 652,325
Accrued Liabilities	185,223	-	185,223
Due to Other Governmental Funds	78,950	-	78,950
Deposits and Escrow	1,893,720	-	1,893,720
Unearned Revenue	<u>28,296</u>	<u>-</u>	<u>28,296</u>
Total Liabilities	<u>2,838,514</u>	<u>-</u>	<u>2,838,514</u>
Deferred Inflows of Resources:			
Property Taxes Levied for the following year	<u>3,142,091</u>	<u>-</u>	<u>3,142,091</u>
Fund Balance:			
Nonspendable	19,562	-	19,562
Restricted	<u>6,007,812</u>	<u>2,686</u>	<u>6,010,498</u>
Total Fund Balance	<u>6,027,374</u>	<u>2,686</u>	<u>6,030,060</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ <u>12,007,979</u>	\$ <u>2,686</u>	\$ <u>12,010,665</u>

CHARTER TOWNSHIP OF YPSILANTI
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	<u>Special Revenue</u>	<u>2013 GO Refunding Bond Debt</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Revenues:</u>			
Property Taxes	\$ 3,568,724	\$ -	\$ 3,568,724
Licenses and Permits	694,916	-	694,916
Intergovernmental	643,562	71,083	714,645
Charges for Services	1,587,804	-	1,587,804
Interest	487,997	447	488,444
Other	170,885	-	170,885
Total Revenues	<u>7,153,888</u>	<u>71,530</u>	<u>7,225,418</u>
<u>Expenditures:</u>			
Judicial	1,693,955	-	1,693,955
Public Safety	2,159,619	-	2,159,619
Public Works	453,598	-	453,598
Recreation and Cultural	1,064,484	-	1,064,484
Debt Service:			
Principal	-	200,000	200,000
Interest and Fees	-	34,100	34,100
Capital Outlay	3,379,021	-	3,379,021
Total Expenditures	<u>8,750,677</u>	<u>234,100</u>	<u>8,984,777</u>
Over Expenditures	<u>(1,596,789)</u>	<u>(162,570)</u>	<u>(1,759,359)</u>
<u>Other Financing Sources (Uses):</u>			
Transfers In	3,085,232	163,067	3,248,299
Transfers Out	<u>(437,000)</u>	-	<u>(437,000)</u>
Total Other Financing Sources (Uses)	<u>2,648,232</u>	<u>163,067</u>	<u>2,811,299</u>
Net Change in Fund Balance	1,051,443	497	1,051,940
Fund Balance, January 1	<u>4,975,931</u>	<u>2,189</u>	<u>4,978,120</u>
Fund Balance, December 31	<u>\$ 6,027,374</u>	<u>\$ 2,686</u>	<u>\$ 6,030,060</u>

CHARTER TOWNSHIP OF YPSILANTI
Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2023

	Fire Pension Millage	Fire Capital Millage	Parks	Bike Path, Sidewalk, Recreation, Roads & General Operations
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 75,490	\$ 1,740,434	\$ 30,340	\$ 2,063,261
Receivables:				
Accounts	-	-	-	-
Taxes	1,476,263	-	-	1,665,828
Special Assessments	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	<u>\$ 1,551,753</u>	<u>\$ 1,740,434</u>	<u>\$ 30,340</u>	<u>\$ 3,729,089</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 606,346
Accrued Liabilities	1,848	1,099	-	2,265
Due to Other Governmental Units	-	-	-	-
Deposits and Escrow	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>1,848</u>	<u>1,099</u>	<u>-</u>	<u>608,611</u>
Deferred Inflows of Resources:				
Property Taxes Levied for the following year	<u>1,476,263</u>	<u>-</u>	<u>-</u>	<u>1,665,828</u>
Fund Balance:				
Nonspendable	-	-	-	-
Restricted	73,642	1,739,335	30,340	1,454,650
Total Fund Balance	<u>73,642</u>	<u>1,739,335</u>	<u>30,340</u>	<u>1,454,650</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,551,753</u>	<u>\$ 1,740,434</u>	<u>\$ 30,340</u>	<u>\$ 3,729,089</u>

<u>Recreation</u>	<u>14B District Court</u>	<u>Building Department</u>	<u>Hydro Station</u>	<u>American Rescue Plan Act</u>	<u>Opioid Settlement</u>	<u>Nuisance Abatement</u>	<u>Total</u>
\$ 78,676	\$ 154,318	\$ 3,442,801	\$ 1,095,497	\$ -	\$ 25,926	\$ 49,354	\$ 8,756,097
4,000	26,910	-	52,826	-	-	-	83,736
-	-	-	-	-	-	-	3,142,091
-	-	-	-	-	-	6,493	6,493
6,978	-	10,358	2,226	-	-	-	19,562
<u>\$ 89,654</u>	<u>\$ 181,228</u>	<u>\$ 3,453,159</u>	<u>\$ 1,150,549</u>	<u>\$ -</u>	<u>\$ 25,926</u>	<u>\$ 55,847</u>	<u>\$ 12,007,979</u>
\$ 13,436	\$ 16,975	\$ 5,793	\$ 8,541	\$ -	\$ -	\$ 1,234	\$ 652,325
3,302	16,629	11,075	149,005	-	-	-	185,223
-	29,230	-	49,720	-	-	-	78,950
-	51,494	1,842,226	-	-	-	-	1,893,720
21,803	-	-	-	-	-	6,493	28,296
38,541	114,328	1,859,094	207,266	-	-	7,727	2,838,514
-	-	-	-	-	-	-	3,142,091
6,978	-	10,358	2,226	-	-	-	19,562
44,135	66,900	1,583,707	941,057	-	25,926	48,120	6,007,812
51,113	66,900	1,594,065	943,283	-	25,926	48,120	6,027,374
<u>\$ 89,654</u>	<u>\$ 181,228</u>	<u>\$ 3,453,159</u>	<u>\$ 1,150,549</u>	<u>\$ -</u>	<u>\$ 25,926</u>	<u>\$ 55,847</u>	<u>\$ 12,007,979</u>

CHARTER TOWNSHIP OF YPSILANTI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2023

	Fire Pension Millage	Fire Capital Millage	Parks	Bike Path, Sidewalk, Recreation, Roads & General Operations
<u>Revenues:</u>				
Property Taxes	\$ 1,265,109	\$ 751,800	\$ -	\$ 1,551,815
Licenses and Permits	-	-	-	-
Intergovernmental	9,277	3,730	-	57,587
Charges for Services	-	-	5,210	6,234
Interest	17,743	85,716	946	78,631
Other	-	-	-	110,220
Total Revenues	<u>1,292,129</u>	<u>841,246</u>	<u>6,156</u>	<u>1,804,487</u>
<u>Expenditures:</u>				
Judicial	-	-	-	-
Public Safety	1,242,843	-	-	-
Public Works	-	-	-	-
Recreation and Cultural	-	-	5,182	311,105
Capital Outlay	-	637,048	-	2,024,035
Total Expenditures	<u>1,242,843</u>	<u>637,048</u>	<u>5,182</u>	<u>2,335,140</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>49,286</u>	<u>204,198</u>	<u>974</u>	<u>(530,653)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	-	-	-	1,717,272
Transfers Out	-	-	-	(437,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,280,272</u>
Net Change in Fund Balance	49,286	204,198	974	749,619
Fund Balance, January 1	<u>24,356</u>	<u>1,535,137</u>	<u>29,366</u>	<u>705,031</u>
Fund Balance, December 31	<u>\$ 73,642</u>	<u>\$ 1,739,335</u>	<u>\$ 30,340</u>	<u>\$ 1,454,650</u>

<u>Recreation</u>	<u>14B District Court</u>	<u>Building Department</u>	<u>Hydro Station</u>	<u>American Rescue Plan Act</u>	<u>Opioid Settlement</u>	<u>Nuisance Abatement</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,568,724
-	-	694,916	-	-	-	-	694,916
7,924	128,371	-	19,372	417,301	-	-	643,562
381,714	671,993	3,396	497,198	-	-	22,059	1,587,804
4,695	5,051	79,995	45,216	165,924	943	3,137	487,997
20,488	859	183	14,152	-	24,983	-	170,885
<u>414,821</u>	<u>806,274</u>	<u>778,490</u>	<u>575,938</u>	<u>583,225</u>	<u>25,926</u>	<u>25,196</u>	<u>7,153,888</u>
-	1,693,955	-	-	-	-	-	1,693,955
-	-	876,612	-	-	-	40,164	2,159,619
-	-	-	453,598	-	-	-	453,598
748,197	-	-	-	-	-	-	1,064,484
-	-	-	-	717,938	-	-	3,379,021
<u>748,197</u>	<u>1,693,955</u>	<u>876,612</u>	<u>453,598</u>	<u>717,938</u>	<u>-</u>	<u>40,164</u>	<u>8,750,677</u>
<u>(333,376)</u>	<u>(887,681)</u>	<u>(98,122)</u>	<u>122,340</u>	<u>(134,713)</u>	<u>25,926</u>	<u>(14,968)</u>	<u>(1,596,789)</u>
350,000	936,960	-	81,000	-	-	-	3,085,232
-	-	-	-	-	-	-	(437,000)
<u>350,000</u>	<u>936,960</u>	<u>-</u>	<u>81,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,648,232</u>
16,624	49,279	(98,122)	203,340	(134,713)	25,926	(14,968)	1,051,443
<u>34,489</u>	<u>17,621</u>	<u>1,692,187</u>	<u>739,943</u>	<u>134,713</u>	<u>-</u>	<u>63,088</u>	<u>4,975,931</u>
\$ <u>51,113</u>	\$ <u>66,900</u>	\$ <u>1,594,065</u>	\$ <u>943,283</u>	\$ <u>-</u>	\$ <u>25,926</u>	\$ <u>48,120</u>	\$ <u>6,027,374</u>

CHARTER TOWNSHIP OF YPSILANTI
Pension and Employee Benefit Trust Funds
Combining Balance Sheet
December 31, 2023

	General Township Employees' Healthcare Trust Fund	Firefighters' Healthcare Trust Fund	Police and Firefighters' Pension Trust Fund	Total
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ -	\$ 535,273	\$ 820,813	\$ 1,356,086
Investments	10,177,679	8,755,747	28,405,583	47,339,009
Accrued Interest	-	16,500	75,164	91,664
Due from Fire Healthcare Trust Fund	-	-	4,635	4,635
Total Assets	\$ <u>10,177,679</u>	\$ <u>9,307,520</u>	\$ <u>29,306,195</u>	\$ <u>48,791,394</u>
<u>LIABILITIES AND NET POSITION</u>				
Liabilities:				
Accounts Payable	\$ <u>506,093</u>	\$ <u>713,657</u>	\$ <u>22,189</u>	\$ <u>1,241,939</u>
Net Position:				
Held in Trust for Pension and Employee Benefits	<u>9,671,586</u>	<u>8,593,863</u>	<u>29,284,006</u>	<u>47,549,455</u>
Total Liabilities and Net Position	\$ <u>10,177,679</u>	\$ <u>9,307,520</u>	\$ <u>29,306,195</u>	\$ <u>48,791,394</u>

CHARTER TOWNSHIP OF YPSILANTI
Pension and Employee Benefit Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2023

	General Township Employees' Healthcare Trust Fund	Firefighters' Healthcare Trust Fund	Police and Firefighters' Pension Trust Fund	Total
<u>Additions</u>				
Investment Income:				
Interest and Dividends	\$ -	\$ 253,863	\$ 762,317	\$ 1,016,180
Net Increase (Decrease) in Fair Value of Investments	1,057,645	1,541,213	2,447,536	5,046,394
Total Investment Income	<u>1,057,645</u>	<u>1,795,076</u>	<u>3,209,853</u>	<u>6,062,574</u>
Contributions:				
Employer	200,201	366,182	876,661	1,443,044
Employee	-	48,733	111,966	160,699
Total Contributions	<u>200,201</u>	<u>414,915</u>	<u>988,627</u>	<u>1,603,743</u>
Other	-	-	4,911	4,911
Total Additions	<u>1,257,846</u>	<u>2,209,991</u>	<u>4,203,391</u>	<u>7,671,228</u>
<u>Deductions</u>				
Benefit Payments	-	-	2,553,972	2,553,972
Retirees Insurance	469,052	689,861	-	1,158,913
Administrative Expenses	19,081	27,646	117,888	164,615
Total Deductions	<u>488,133</u>	<u>717,507</u>	<u>2,671,860</u>	<u>3,877,500</u>
Total Change in Net Position	769,713	1,492,484	1,531,531	3,793,728
Net Position, January 1	<u>8,901,873</u>	<u>7,101,379</u>	<u>27,752,475</u>	<u>43,755,727</u>
Net Position, December 31	\$ <u><u>9,671,586</u></u>	\$ <u><u>8,593,863</u></u>	\$ <u><u>29,284,006</u></u>	\$ <u><u>47,549,455</u></u>