



**AGENDA**  
CHARTER TOWNSHIP OF MERIDIAN  
TOWNSHIP BOARD – REGULAR MEETING  
June 6, 2023 6:00 PM

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1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE/INTRODUCTIONS
3. ROLL CALL
4. PRESENTATION
  - A. 2022 Township Audit-Ali Barnes, Yeo & Yeo
  - B. 2022 MERS Annual Pension Valuation Report
  
5. CITIZENS ADDRESS AGENDA ITEMS AND NON-AGENDA ITEMS
6. TOWNSHIP MANAGER REPORT
7. BOARD MEMBER REPORTS OF ACTIVITIES AND ANNOUNCEMENTS
8. APPROVAL OF AGENDA
9. CONSENT AGENDA
  - A. Communications
  - B. Minutes-May 16, 2023 Regular Township Board Meeting
  - C. Bills
  
10. QUESTIONS FOR THE ATTORNEY
11. HEARINGS
12. ACTION ITEMS
  - A. Acceptance of 2022 Audit Findings
  - B. Resolution in Support of Flag Day
  - C. Pension Board Appointment
  - D. Financial Advisor Consideration
  
13. BOARD DISCUSSION ITEMS
  - A. Residents Listening Tour
  - B. Marihuana Ordinance Updates
  
14. COMMENTS FROM THE PUBLIC
15. OTHER MATTERS AND BOARD MEMBER COMMENTS
16. ADJOURNMENT

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All comments limited to 3 minutes, unless prior approval for additional time for good cause is obtained from the Supervisor.  
Appointment of Supervisor Pro Tem and/ or Temporary Clerk if necessary. Individuals with disabilities requiring auxiliary aids or services should contact the Meridian Township Board by contacting: Township Manager Frank L. Walsh, 5151 Marsh Road, Okemos, MI 48864 or 517.853.4258 - Ten Day Notice is Required.

Meeting Location: 5151 Marsh Road, Okemos, MI 48864 Township Hall  
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# Charter Township of Meridian Audit Results

PRESENTED BY

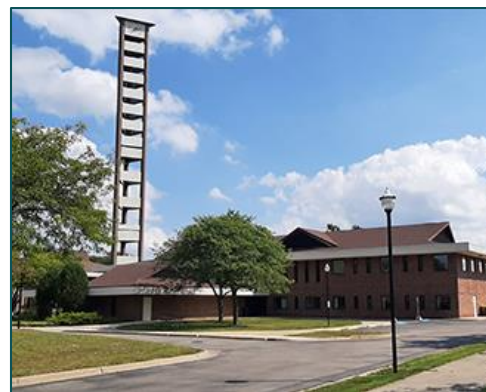
Ali N. Barnes  
CPA, CGFM

Fiscal Year Ended  
December 31, 2022



**YEO & YEO**

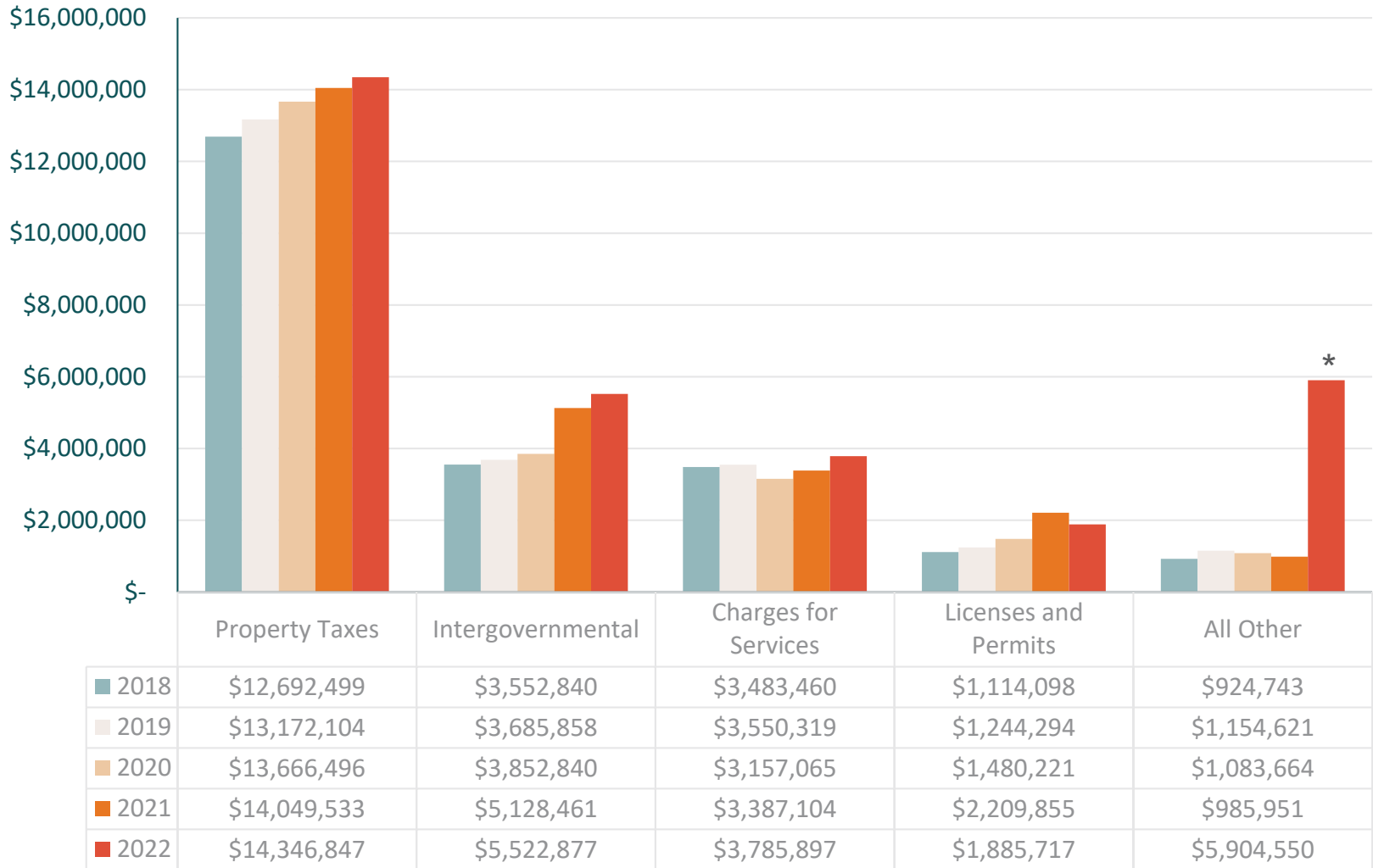
CPAS & ADVISORS



# Audit Opinion

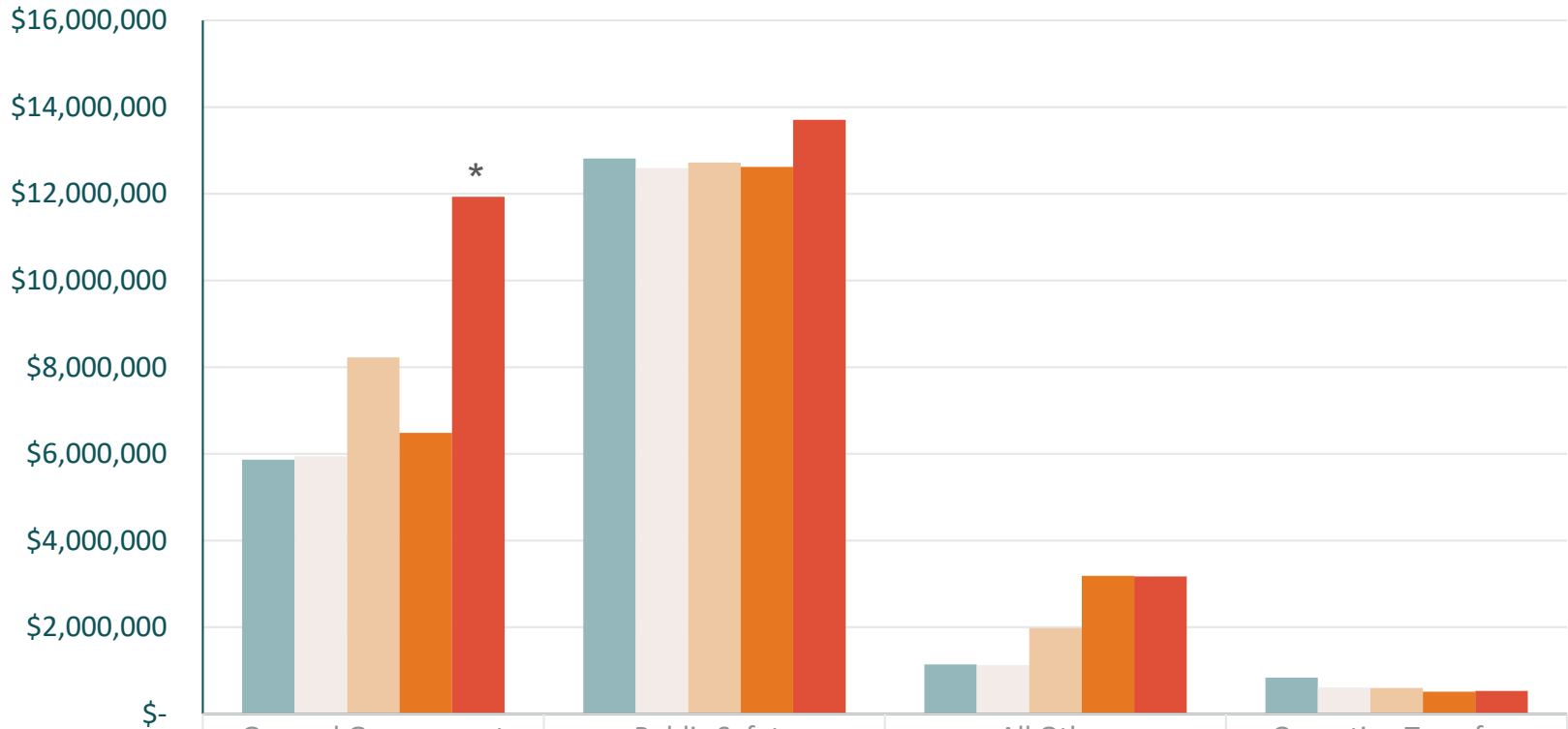
- The purpose of an audit
- Unmodified opinion
  - Highest level of assurance
- Management's responsibility
  - Preparation and fair presentation in accordance with GAAP
  - Design, implementation and maintenance of internal controls
- Auditors' responsibility
  - Express opinions on the financial statements based on our audit

# General Fund Revenues



\* Includes bond issuance sources of \$5,295,434 related to drain assessments.

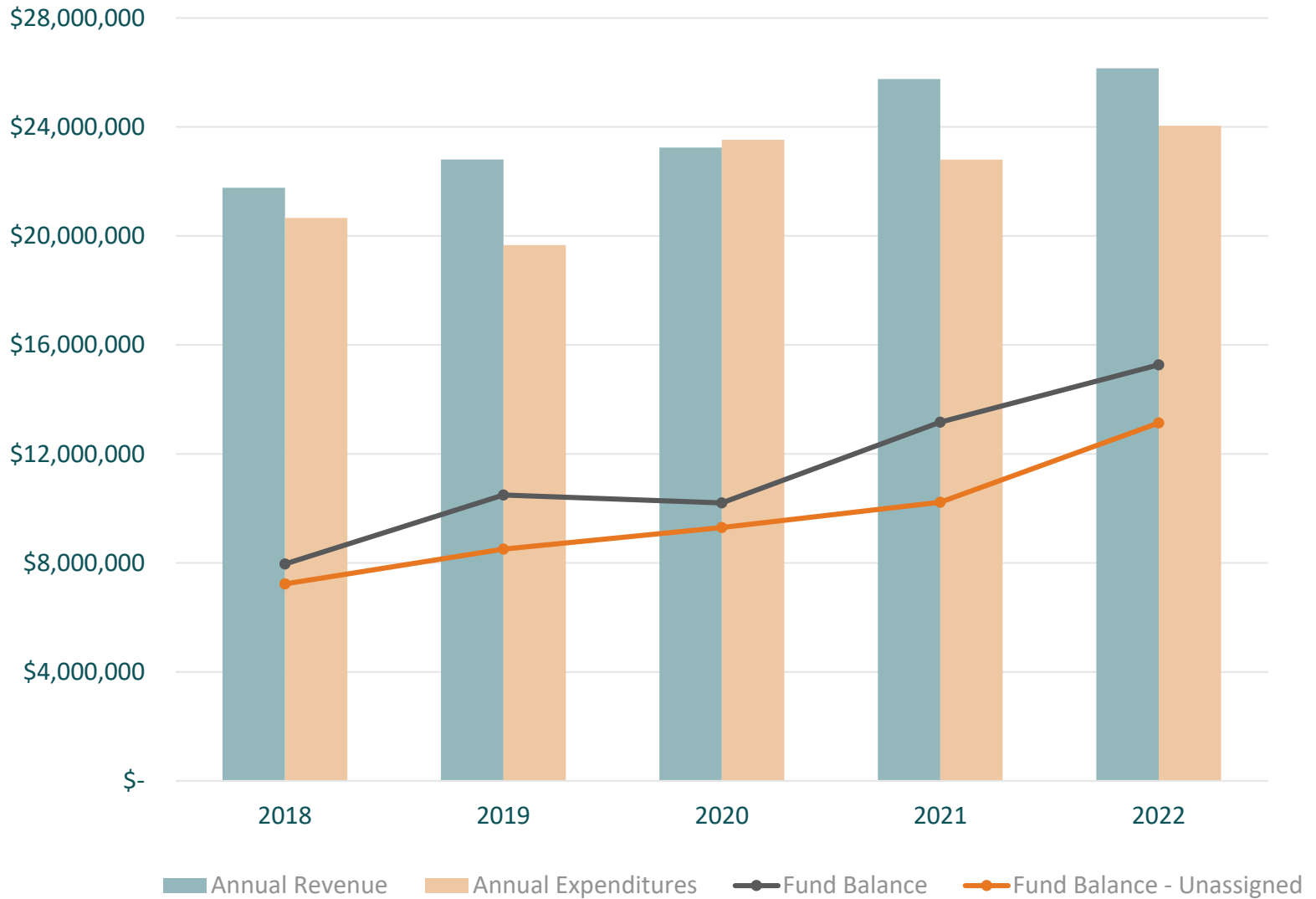
# General Fund Expenditures



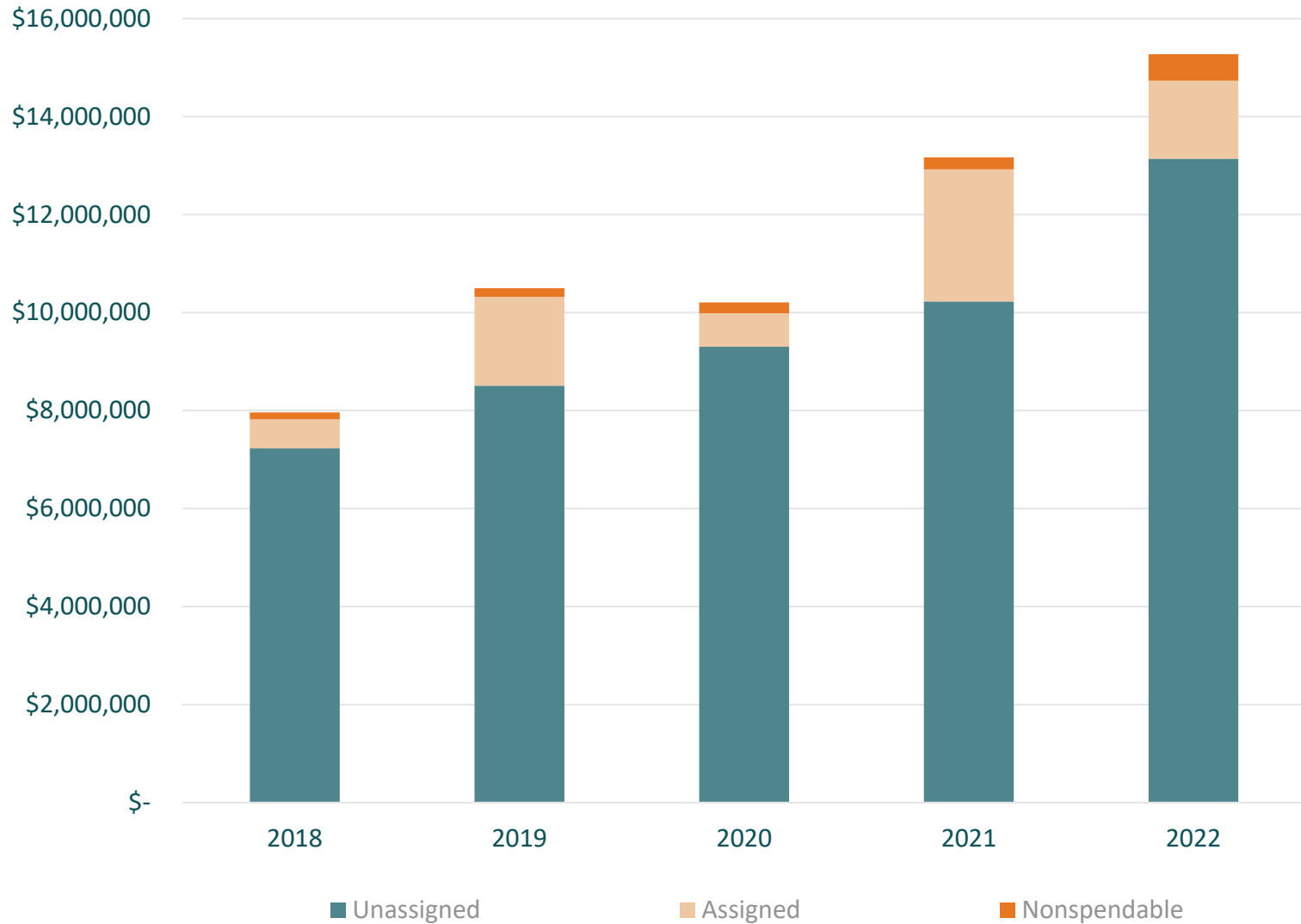
	General Government	Public Safety	All Other	Operating Transfers
2018	\$5,866,535	\$12,815,152	\$1,141,889	\$840,000
2019	\$5,947,144	\$12,594,516	\$1,122,414	\$610,000
2020	\$8,226,364	\$12,722,146	\$1,980,434	\$600,000
2021	\$6,483,253	\$12,620,686	\$3,185,910	\$511,300
2022	\$11,932,822	\$13,706,480	\$3,172,195	\$530,000

\* Includes capital outlay expenditures of \$5,295,434 related to drain assessments.

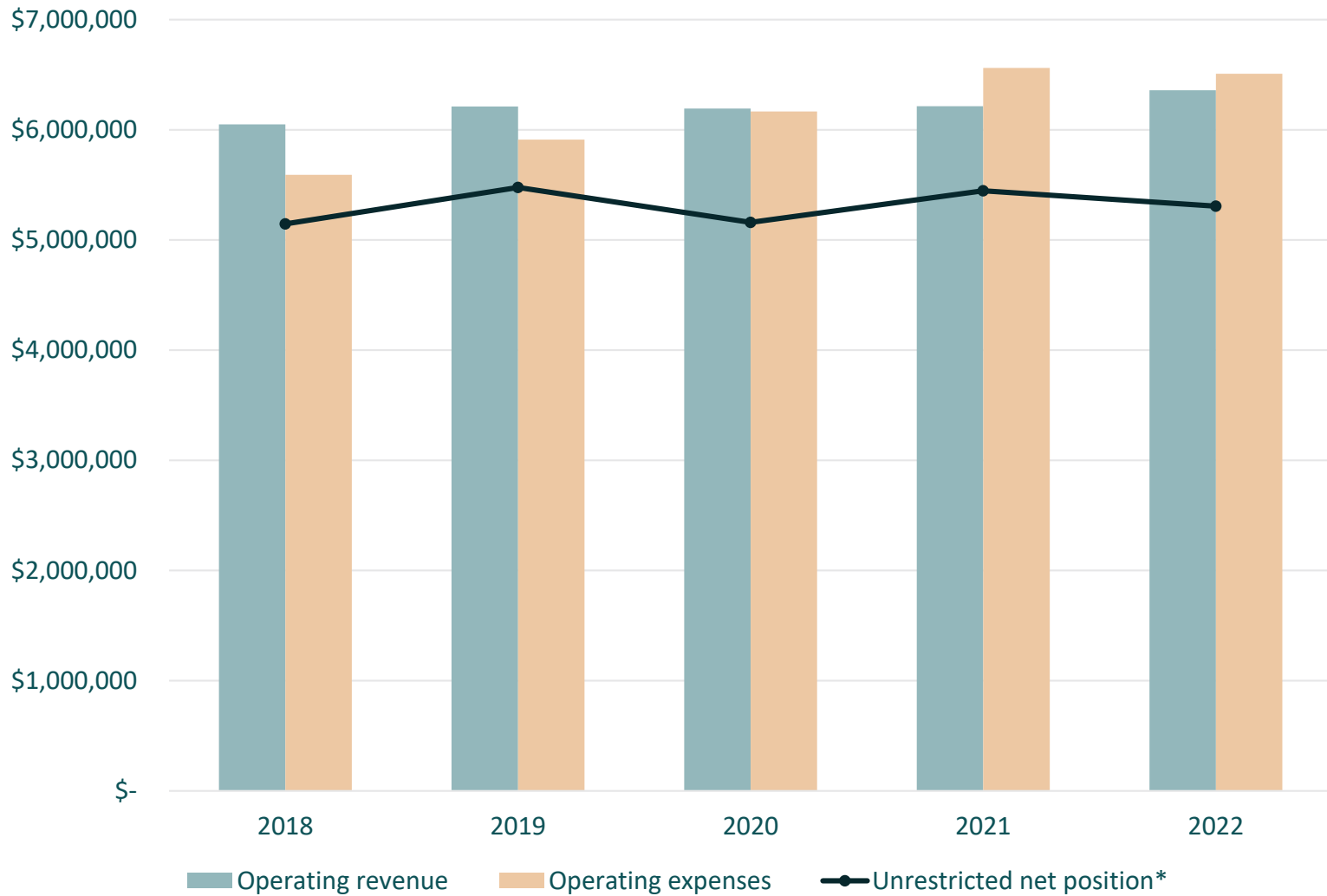
# General Fund – Fund Balance



# General Fund – Components of Fund Balance



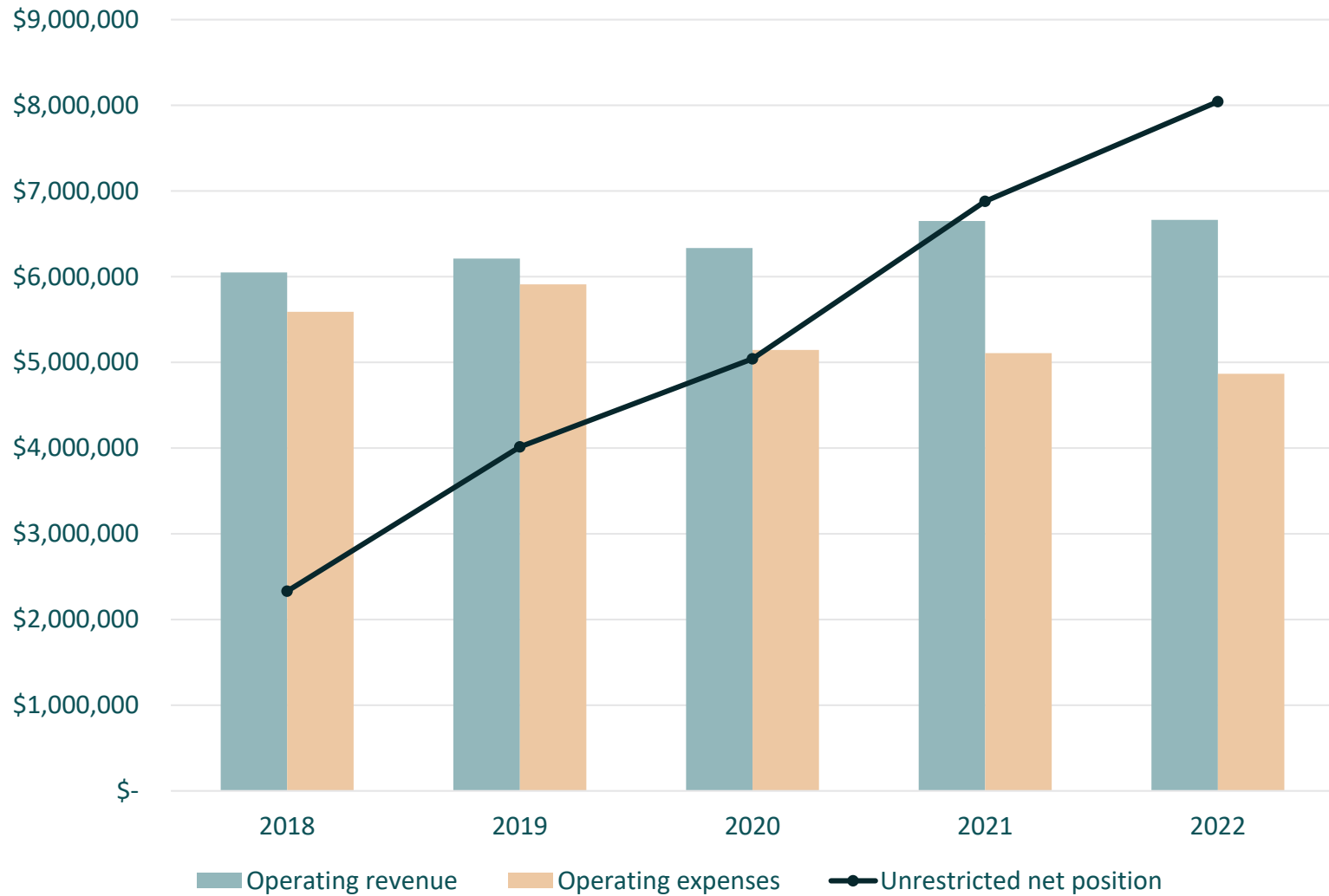
# Water Fund Activity



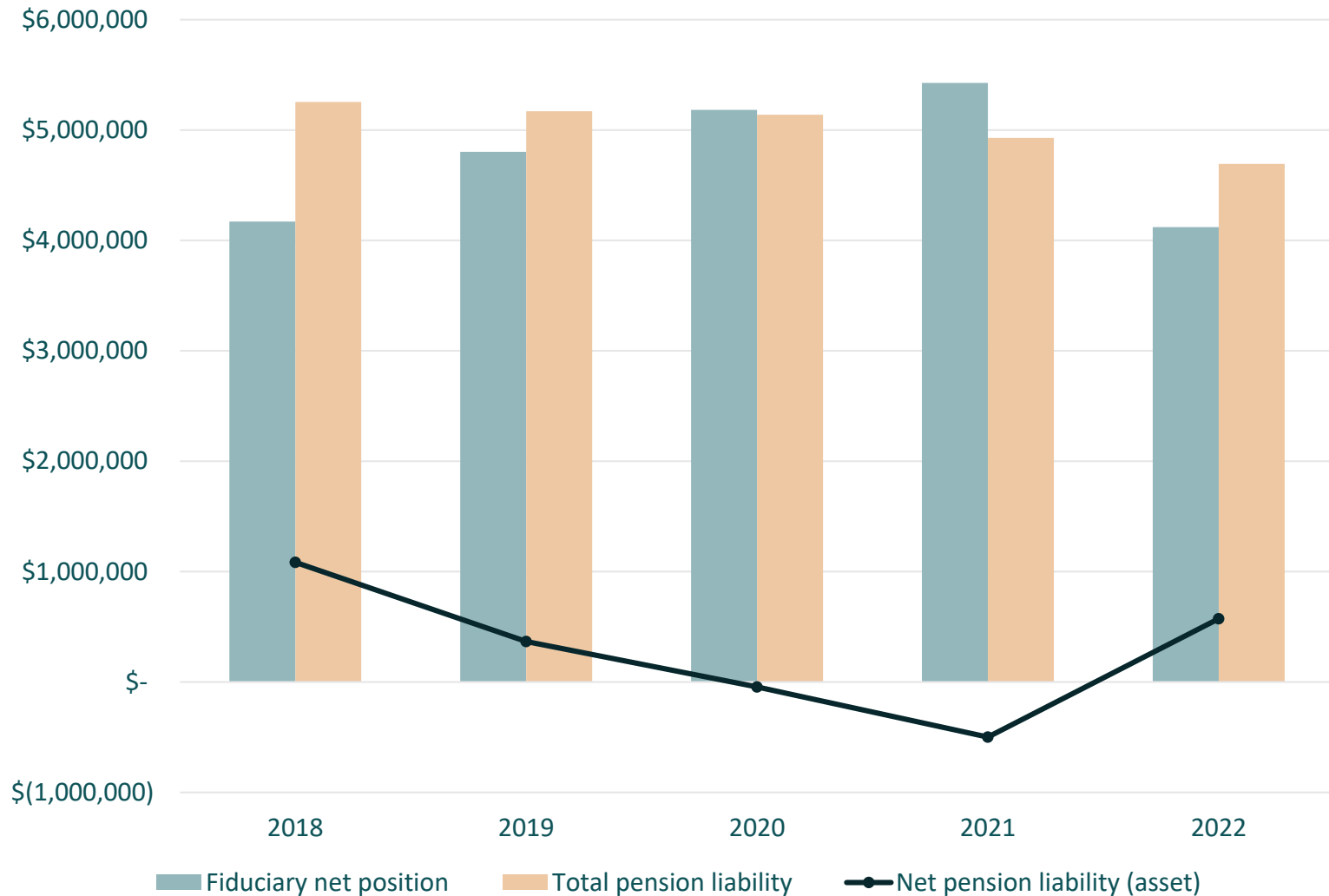
\* Net of investment in East Lansing-Meridian Water and Sewer Authority.



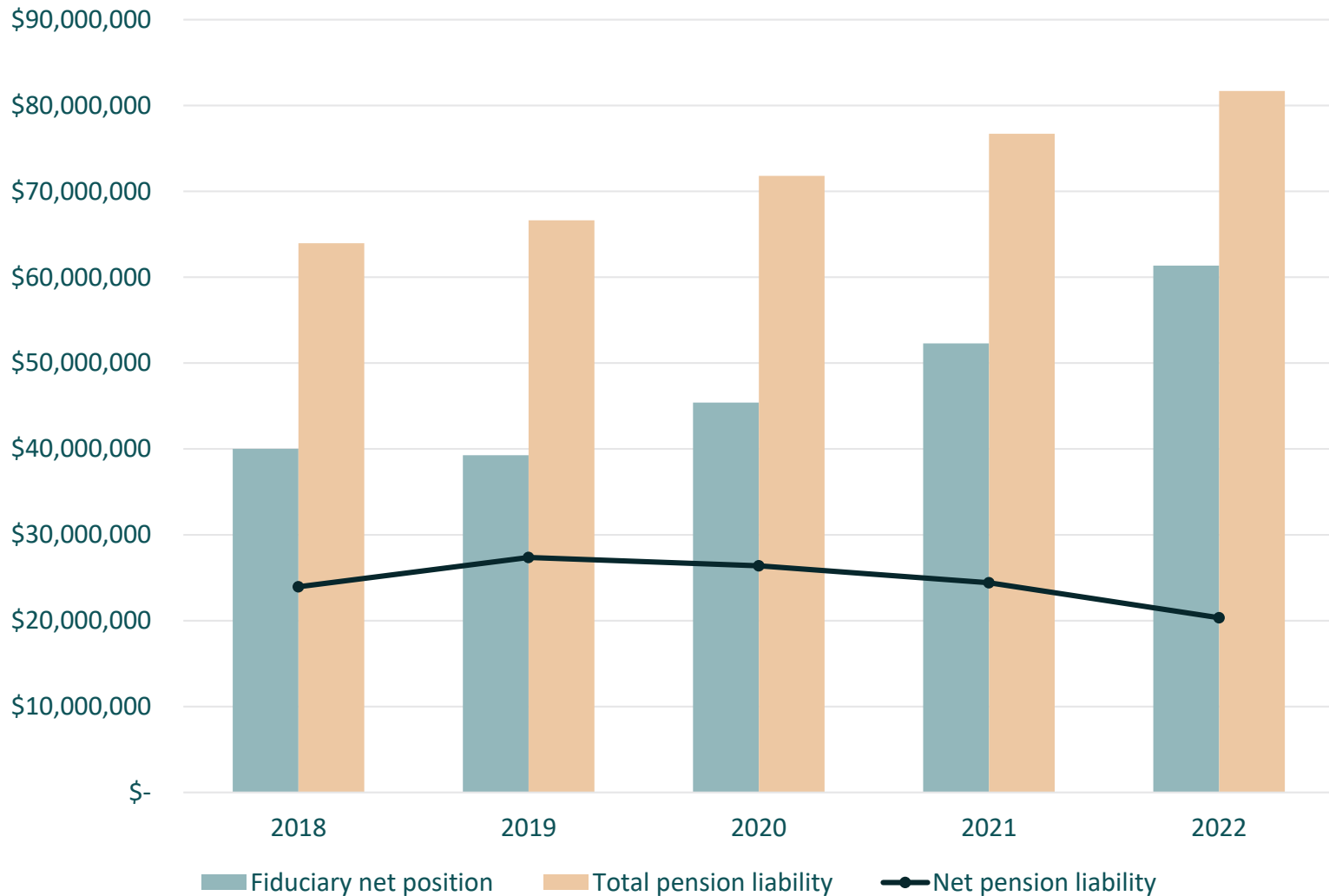
# Sewer Fund Activity



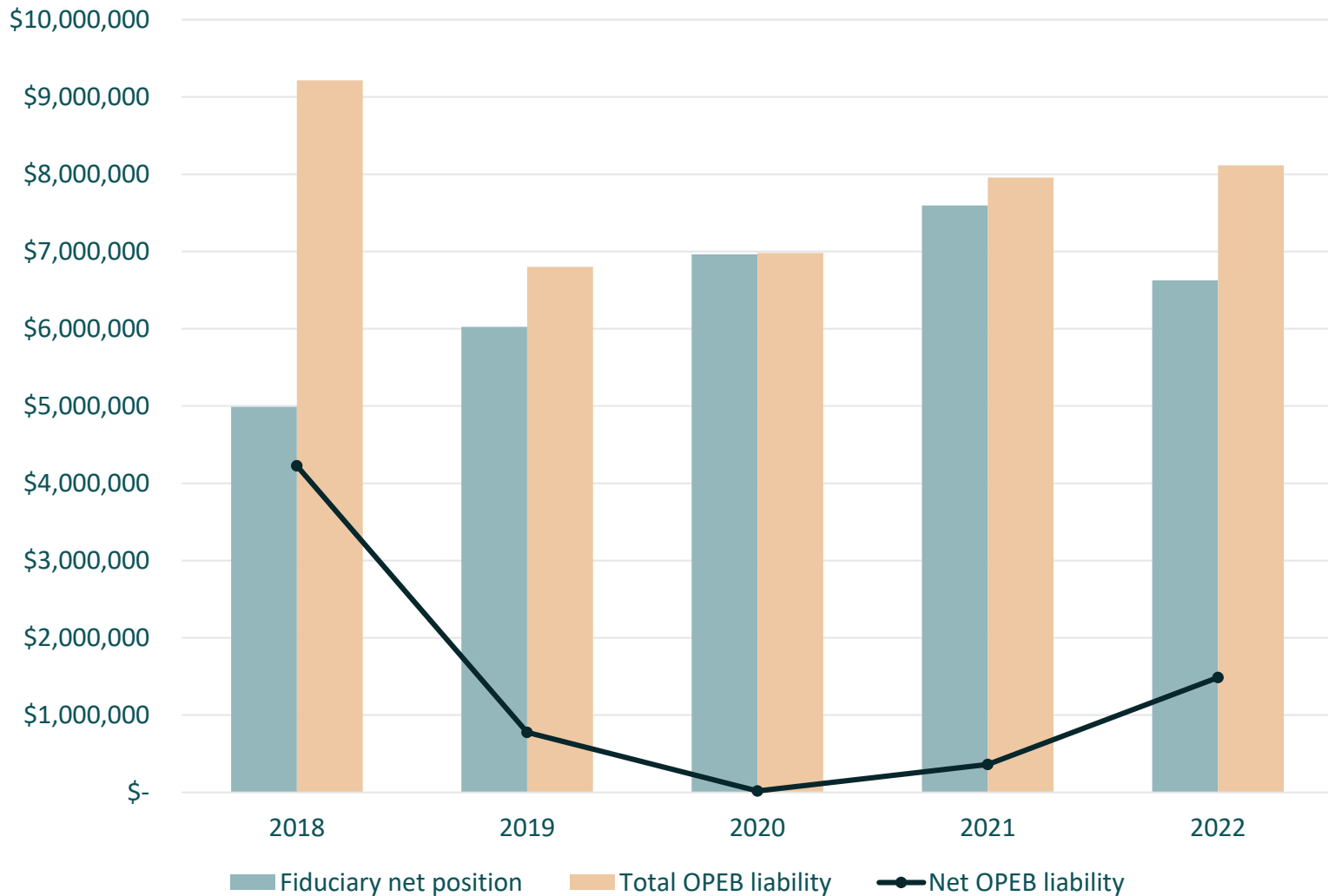
# Employee's Retirement Pension Plan



# Municipal Employees' Retirement System of Michigan



# Postemployment Health Benefits Plan



# Internal Controls and Compliance

- Material Weakness
  - Incorrect recording of debt transactions
- No Significant Deficiencies
- No Federal Award Findings
- Management Comment
  - ARPA fund – deficit unassigned fund balance

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## VISIT

[yeoandyeo.com](http://yeoandyeo.com)

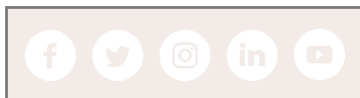
## CALL

800.968.0010

## EMAIL

[ali.barnes@yeoandyeo.com](mailto:ali.barnes@yeoandyeo.com)

## CONNECT





# Municipal Employees' Retirement System of Michigan

Annual Actuarial Valuation Report  
December 31, 2022 - Meridian Chtr Twp (3315)





Spring 2023

Meridian Chtr Twp

In care of:  
Municipal Employees' Retirement System of Michigan  
1134 Municipal Way  
Lansing, Michigan 48917

This report presents the results of the Annual Actuarial Valuation, prepared for Meridian Chtr Twp (3315) as of December 31, 2022. The report includes the determination of liabilities and contribution rates resulting from the participation in the Municipal Employees' Retirement System of Michigan ("MERS"). This report contains the minimum actuarially determined contribution requirement, in alignment with the MERS Plan Document, Actuarial Policy, the Michigan Constitution, and governing statutes. Meridian Chtr Twp is responsible for the employer contributions needed to provide MERS benefits for its employees and former employees.

The purposes of this valuation are to:

- Measure funding progress as of December 31, 2022,
- Establish contribution requirements for the fiscal year beginning January 1, 2024,
- Provide information regarding the identification and assessment of risk,
- Provide actuarial information in connection with applicable Governmental Accounting Standards Board (GASB) statements, and
- Provide information to assist the local unit of government with state reporting requirements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through December 31, 2022. The valuation was based upon information furnished by MERS concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by MERS.



The Municipal Employees' Retirement Act, PA 427 of 1984 and the MERS' Plan Document Article VI Sec. 71 (1)(d), provides the MERS Board with the authority to set actuarial assumptions and methods after consultation with the actuary. As the fiduciary of the plan, the MERS Retirement Board sets certain assumptions for funding and GASB purposes. These assumptions are reviewed regularly through a comprehensive study, most recently in the Fall of 2021. The MERS Retirement Board adopted a Dedicated Gains Policy at the February 17, 2022 Board meeting. The Dedicated Gains Policy automatically reduces the assumed rate of investment return in conjunction with recognizing excess investment gains to mitigate the impact on employer contributions the first year. The policy was effective with the December 31, 2021 annual actuarial valuation.

The Michigan Department of Treasury provides required assumptions to be used for purposes of Public Act 202 reporting. These assumptions are for reporting purposes only and do not impact required contributions. Please refer to the State Reporting page found at the end of this report for information for this filing.

For a full list of all the assumptions used, please refer to the division-specific assumptions described in table(s) in this report, and to the Appendix on the MERS website at:

<https://www.mersofmich.com/Portals/0/Assets/Resources/AAV-Appendix/MERS-2022AnnualActuarialValuation-Appendix.pdf>

**The actuarial assumptions used for this valuation, including the assumed rate of investment return, are reasonable for purposes of the measurement.**

This report reflects the impact of COVID-19 experience through December 31, 2022. At this time, no future assumptions have been adjusted as a result of COVID-19. Actual future experience will be reflected in each subsequent annual valuation, as experience emerges.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of Meridian Chtr Twp as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

Rebecca L. Stouffer, Mark Buis, Kurt Dosson, and Shana M. Neeson are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor. GRS maintains independent consulting agreements with certain local units of government for services unrelated to the actuarial consulting services provided in this report.



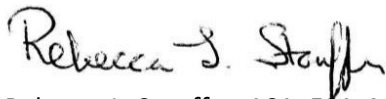
The Retirement Board of the Municipal Employees' Retirement System of Michigan confirms that the System provides for payment of the required employer contribution as described in Section 20m of Act No. 314 of 1965 (MCL 38.1140m).

This information is purely actuarial in nature. It is not intended to serve as a substitute for legal, accounting, or investment advice.

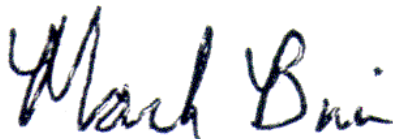
This report was prepared at the request of the MERS Retirement Board and may be provided only in its entirety by the municipality to other interested parties (MERS customarily provides the full report on request to associated third parties such as the auditor for the municipality). GRS is not responsible for the consequences of any unauthorized use. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

If you have reason to believe that the plan provisions are incorrectly described, that important plan provisions relevant to this valuation are not described, that conditions have changed since the calculations were made, that the information provided in this report is inaccurate or is in anyway incomplete, or if you need further information in order to make an informed decision on the subject matter in this report, please contact your Regional Manager at 1.800.767.MERS (6377).

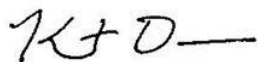
Sincerely,  
Gabriel, Roeder, Smith & Company



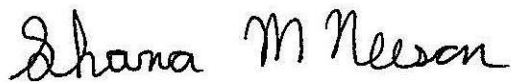
Rebecca L. Stouffer, ASA, FCA, MAAA



Mark Buis, FSA, FCA, EA, MAAA



Kurt Dosson, ASA, FCA, MAAA



Shana M. Neeson, ASA, FCA, MAAA



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# Executive Summary

## Funded Ratio

The funded ratio of a plan is the percentage of the dollar value of the actuarial accrued liability that is covered by the actuarial value of assets. While the funded ratio may be a useful plan measurement, understanding a plan's funding trend may be more important than a particular point in time. Refer to Table 7 to find a history of this information.

	12/31/2022	12/31/2021
Funded Ratio*	74%	72%

\* Reflects assets from Surplus divisions, if any.

Throughout this report are references to valuation results generated prior to the 2018 valuation date. Results prior to 2018 were received directly from the prior actuary or extracted from the previous valuation system by MERS's technology service provider.

## Required Employer Contributions

Your required employer contributions are shown in the following table. Employee contributions, if any, are in addition to the employer contributions.

Effective with the December 31, 2021 valuation, the MERS Retirement Board adopted a Dedicated Gains Policy which allows for recognition of asset gains in excess of a set threshold in combination with lowering the assumed rate of investment return. Effective with the 2020 and 2019 valuations respectively, the MERS Retirement Board adopted updated demographic and economic assumptions. The combined impact of the prior 2020 and 2019 demographic and economic assumption changes may be phased in. This valuation reflects the last year of phase-in. The combined impact of the past economic and demographic changes will be fully reflected in the 2023 annual actuarial valuation.

By default, MERS will invoice you based on the amount in the “No Phase-in” columns. This amount will be considered the minimum required contribution unless you request to be billed the “Phase-in” rates. If you wish to be billed using the phased-in rates, please contact MERS, at which point the alternate minimum required contribution will be the amount in the “Phase-in” columns.

	Percentage of Payroll				Monthly \$ Based on Projected Payroll			
	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in
	Valuation Date: 12/31/2022	12/31/2022	12/31/2021	12/31/2021	12/31/2022	12/31/2022	12/31/2021	12/31/2021
Fiscal Year Beginning:	January 1, 2024	January 1, 2024	January 1, 2023	January 1, 2023	January 1, 2024	January 1, 2024	January 1, 2023	January 1, 2023
<b>Division</b>								
01 - DPW	-	-	-	-	\$ 14,055	\$ 14,491	\$ 11,546	\$ 12,418
02 - Police Patrol	-	-	-	-	40,254	42,197	34,264	38,150
05 - Firefighters	-	-	-	-	139,923	143,951	125,654	133,710
10 - Admin Professional	-	-	-	-	9,066	9,728	6,747	8,071
11 - Teamsters	-	-	-	-	1,994	2,116	1,202	1,446
12 - Admin Prof on/aft 1/1/17	3.26%	3.29%	2.93%	2.99%	1,163	1,172	884	902
13 - DPW on/aft 01/1/17	4.49%	4.52%	3.98%	4.05%	2,031	2,043	1,468	1,492
20 - Police Command	-	-	-	-	65,670	67,535	58,499	62,229
21 - Command/Patrol on/aft 1/1/20	2.32%	2.32%	1.89%	1.89%	1,285	1,285	631	631
50 - Fire on/aft 1/1/17	3.71%	3.79%	3.68%	3.90%	2,854	2,917	2,121	2,247
<b>Total Municipality - Estimated Monthly Contribution</b>					<b>\$ 278,295</b>	<b>\$ 287,435</b>	<b>\$ 243,016</b>	<b>\$ 261,296</b>
<b>Total Municipality - Estimated Annual Contribution</b>					<b>\$ 3,339,540</b>	<b>\$ 3,449,220</b>	<b>\$ 2,916,192</b>	<b>\$ 3,135,552</b>

Employee contribution rates:

Valuation Date:	Employee Contribution Rate	
	12/31/2022	12/31/2021
<b>Division</b>		
01 - DPW	5.00%	5.00%
02 - Police Patrol	8.29%	8.29%
05 - Firefighters	7.76%	7.76%
10 - Admin Professional	5.00%	5.00%
11 - Teamsters	5.00%	5.00%
12 - Admin Prof on/aft 1/1/17	5.00%	5.00%
13 - DPW on/aft 01/1/17	5.00%	5.00%
20 - Police Command	11.24%	11.24%
21 - Command/Patrol on/aft 1/1/20	8.29%	8.29%
50 - Fire on/aft 1/1/17	7.76%	7.76%

The employer may contribute more than the minimum required contributions, as these additional contributions will earn investment income and may result in lower future contribution requirements. Employers making contributions in excess of the minimum requirements may elect to apply the excess contribution immediately to a particular division, or segregate the excess into one or more “Surplus” divisions. An election in the first case would immediately reduce any unfunded accrued liability and lower the



amortization payments throughout the remaining amortization period. An election to set up one or more Surplus divisions would not immediately lower future contributions, however the assets from the Surplus division(s) could be transferred to an unfunded division in the future to reduce the unfunded liability in future years, or to be used to pay all or a portion of the minimum required contribution in a future year. For purposes of this report, the assets in any Surplus division have been included in the municipality's total assets, unfunded accrued liability, and funded status; however, these assets are not used in calculating the minimum required contribution.

**MERS strongly encourages employers to contribute more than the minimum contribution shown above. With the implemented Dedicated Gains policy, market gains and losses will continue to be smoothed over five years; however, since excess returns are used to lower the investment assumption, there will be fewer gains to smooth in down markets. Having additional funds in Surplus divisions will assist plans with navigating any market volatility.**

Assuming that experience of the plan meets actuarial assumptions:

- To accelerate to a 100% funding ratio in 10 years, estimated monthly employer contributions for the fiscal year beginning in 2024 for the entire employer would be \$391,964, instead of \$287,435.

### **How and Why Do These Numbers Change?**

In a defined benefit plan, contributions vary from one annual actuarial valuation to the next as a result of the following:

- Changes in benefit provisions (see Table 2),
- Changes in actuarial assumptions and methods (see the Appendix), and
- Experience of the plan (investment experience and demographic experience); this is the difference between actual experience of the plan and the actuarial assumptions.

These impacts are reflected in various tables in the report. For more information, please contact your Regional Manager.

## **Comments on Investment Rate of Return Assumption**

A defined benefit plan is funded by employer contributions, participant contributions, and investment earnings. Investment earnings have historically provided a significant portion of the funding. The larger the share of benefits being provided from investment returns, the smaller the required contributions, and vice versa. Determining the contributions required to prefund the promised retirement benefits requires an assumption of what investment earnings are expected to add to the fund over a long period of time. This is called the **Investment Return Assumption**.

The MERS Investment Return Assumption is **7.00%** per year. This, along with all of our other actuarial assumptions, is reviewed at least every five years in an Experience Study that compares the assumptions used against actual experience and recommends adjustments if necessary. If your municipality would like to explore contributions at lower assumed investment return assumptions, please review the "What If" projection scenarios later in this report.

## **Assumption and Method Change in 2022**

Effective February 17, 2022, the MERS Retirement Board adopted a dedicated gains policy that automatically lowers the assumed rate of investment return by using excess asset gains to mitigate large increases in



required contributions to the Plan. Full details of this dedicated gains policy are available in the Actuarial Policy found on the MERS [website](#). Some goals of the dedicated gains policy are to:

- Provide a systematic approach to lower the assumed rate of investment return between experience studies, and
- Use excess gains to cover both the increase in normal cost and any increase in UAL payment the first contribution year after application (i.e., minimize the first-year impact (i.e., increase) in employer contributions).

The dedicated gains policy was implemented with the December 31, 2021 annual actuarial valuation and was reflected in the computed employer contribution amounts beginning in fiscal year 2023.

Investment performance measured for the one-year period ending December 31, 2022 did not result in excess gains for use in lowering the assumed rate of investment return. As a result, this assumption remains at 7.00%.

Furthermore, there were no other assumption or method changes in 2022.

## Protecting MI Pension Grant Program

On July 1, 2022, Michigan lawmakers passed the state budget for the 2022-23 fiscal year. As a part of the budget, \$750 million was earmarked for underfunded municipal pension plans in counties, cities, townships, villages and road commissions across the state. Known as the **Protecting MI Pension Grant Program**, the legislation is designed to support municipal plans that are under 60% funded.

As of the valuation date the amount of funds and list of grant recipients is not yet known. Any funds received by municipalities will be considered in a future valuation.

## Comments on Asset Smoothing

To avoid dramatic spikes and dips in annual contribution requirements due to short-term fluctuations in asset markets, MERS applies a technique called **asset smoothing**. This spreads out each year's investment gains or losses over the prior year and the following four years. After initial application of asset smoothing, remaining excess market gains are used to buy down the assumed rate of investment return and increase the level of valuation assets, to the extent allowed by the dedicated gains policy. This smoothing method is used to determine your actuarial value of assets (valuation assets), which is then used to determine both your funded ratio and your required contributions. **The (smoothed) actuarial rate of return for 2022 was 3.51%, while the actual market rate of return was (10.61%)**. To see historical details of the market rate of return compared to the smoothed actuarial rate of return, refer to this report's Appendix or view the "[How Smoothing Works](#)" [video](#) on the [Defined Benefit resource page](#) of the MERS website.

As of December 31, 2022, the actuarial value of assets is 116% of market value due to asset smoothing. This means that there are deferred investment losses, which will put upward pressure on contributions in the short term.

If the December 31, 2022 valuation results were based on market value instead of actuarial value:

- The funded percent of your entire municipality would be 64% (instead of 74%); and
- Your total employer contribution requirement for the fiscal year starting January 1, 2024 would be \$4,112,904 (instead of \$3,449,220).



## Alternate Scenarios to Estimate the Potential Volatility of Results ("What If Scenarios")

The calculations in this report are based on assumptions about long-term economic and demographic behavior. These assumptions will never materialize in a given year, except by coincidence. Therefore, the results will vary from one year to the next. The volatility of the results depends upon the characteristics of the plan. For example:

- Open divisions that have substantial assets compared to their active employee payroll will have more volatile employer contribution rates due to investment return fluctuations.
- Open divisions that have substantial accrued liability compared to their active employee payroll will have more volatile employer contribution rates due to demographic experience fluctuations.
- Small divisions will have more volatile contribution patterns than larger divisions because statistical fluctuations are relatively larger among small populations.
- Shorter amortization periods result in more volatile contribution patterns.

Many assumptions are important in determining the required employer contributions. In the following table, we show the impact of varying the Investment Return assumption. Lower investment returns would generally result in higher required employer contributions, and vice versa. The three economic scenarios below provide a quantitative risk assessment for the impact of investment returns on the plan's projected financial condition for funding purposes.

The relative impact of the economic scenarios below will vary from year to year, as the participant demographics change. The impact of each scenario should be analyzed for a given year, not from year to year. The results in the table are based on the December 31, 2022 valuation and are for the municipality in total, not by division. These results do not reflect a phase-in of the impact of the actuarial assumptions updated in the 2020 and 2019 valuations. There is no phase-in of dedicated gains.

It is important to note that calculations in this report are mathematical estimates based upon assumptions regarding future events, which may or may not materialize. Actuarial calculations can and do vary from one valuation to the next, sometimes significantly depending on the group's size. Projections are not predictions. Future valuations will be based on actual future experience.

12/31/2022 Valuation Results	Lower Future Annual Returns	Lower Future Annual Returns	Valuation Assumptions
Investment Return Assumption	5.00%	6.00%	7.00%
Accrued Liability	\$ 113,376,880	\$ 99,165,972	\$ 87,580,156
Valuation Assets <sup>1</sup>	\$ 64,528,517	\$ 64,528,517	\$ 64,528,517
Unfunded Accrued Liability	\$ 48,848,363	\$ 34,637,455	\$ 23,051,639
<b>Funded Ratio</b>	57%	65%	74%
Monthly Normal Cost	\$ 114,511	\$ 77,391	\$ 50,197
Monthly Amortization Payment	\$ 368,808	\$ 300,416	\$ 237,238
<b>Total Employer Contribution<sup>2</sup></b>	\$ 483,319	\$ 377,807	\$ 287,435

<sup>1</sup> The Valuation Assets include assets from Surplus divisions, if any.

<sup>2</sup> If assets exceed accrued liabilities for a division, the division may have an overfunding credit to reduce the division's employer contribution requirement. If the overfunding credit is larger than the normal cost, the division's full credit is included in the municipality's amortization payment above but the division's total contribution requirement is zero. This can cause the displayed normal cost and amortization payment to not add up to the displayed total employer contribution.





## Projection Scenarios

The next two pages show projections of the plan's funded ratio and computed employer contributions under the actuarial assumptions used in the valuation and alternate economic assumption scenarios. All three projections account for the past investment experience that will continue to affect the actuarial rate of return in the short term.

The 7.00% scenario provides an estimate of computed employer contributions based on current actuarial assumptions, and a projected 7.00% market return. The other two scenarios may be useful if the municipality chooses to budget more conservatively and make contributions in addition to the minimum requirements. The 6.00% and 5.00% projection scenarios provide an indication of the potential required employer contribution if these assumptions were met over the long term.

Your municipality includes one or more Surplus divisions. Extra contributions in a Surplus division may be used to reduce future employer contributions or to accelerate the date by which the municipality becomes 100% funded. The timing and use of these Surplus assets within the plan is discretionary. Certain employers have special funding arrangements that may differ from the Actuarial Policy.

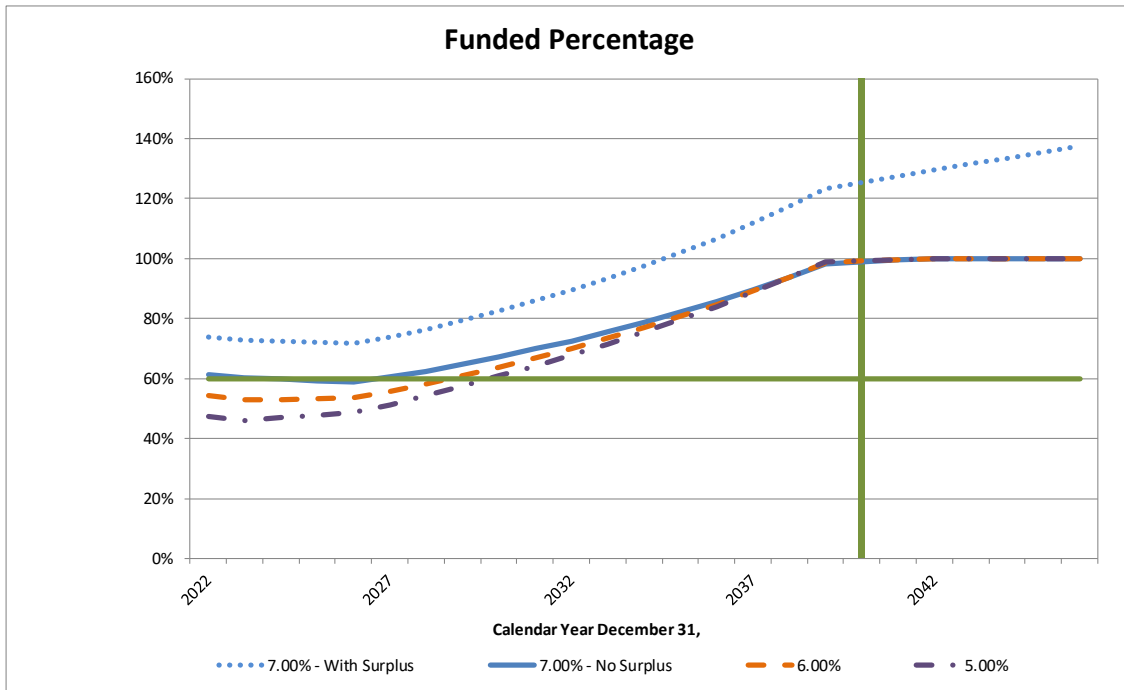
The Funded Percentage graph shows projections of funded status under the 7.00% investment return assumption, both including the Surplus assets (contributed as of the valuation date), and without the Surplus assets. The graph including the Surplus assets assumes these Surplus assets grow with interest and are not used to lower future employer contributions. We modeled the projections including the Surplus assets in this fashion because the use of these assets within the plan is discretionary by the employer and we do not know when and how the employer will use them. Once the employer uses these Surplus assets, any future employer contributions are expected to be lower than those shown in the projections.

Valuation Year Ending 12/31	Fiscal Year Beginning 1/1	Actuarial Accrued Liability	Valuation Assets <sup>2</sup>	Funded Percentage	Estimated Annual Employer Contribution <sup>3</sup>
<b>7.00%<sup>1</sup> - NO PHASE-IN</b>					
2022	2024	\$ 87,580,156	\$ 53,723,261	61%	\$ 3,449,220
2023	2025	\$ 89,800,000	\$ 54,300,000	60%	\$ 3,710,000
2024	2026	\$ 92,300,000	\$ 55,100,000	60%	\$ 3,990,000
2025	2027	\$ 94,600,000	\$ 56,100,000	59%	\$ 4,290,000
2026	2028	\$ 96,900,000	\$ 57,100,000	59%	\$ 4,590,000
2027	2029	\$ 99,200,000	\$ 60,100,000	61%	\$ 4,730,000
<b>6.00%<sup>1</sup> - NO PHASE-IN</b>					
2022	2024	\$ 99,165,972	\$ 53,723,261	54%	\$ 4,533,684
2023	2025	\$ 101,600,000	\$ 53,700,000	53%	\$ 4,840,000
2024	2026	\$ 104,200,000	\$ 55,300,000	53%	\$ 5,120,000
2025	2027	\$ 106,700,000	\$ 56,900,000	53%	\$ 5,420,000
2026	2028	\$ 109,200,000	\$ 58,600,000	54%	\$ 5,740,000
2027	2029	\$ 111,600,000	\$ 62,000,000	56%	\$ 5,920,000
<b>5.00%<sup>1</sup> - NO PHASE-IN</b>					
2022	2024	\$ 113,376,880	\$ 53,723,261	47%	\$ 5,799,828
2023	2025	\$ 116,000,000	\$ 53,200,000	46%	\$ 6,150,000
2024	2026	\$ 118,800,000	\$ 55,700,000	47%	\$ 6,430,000
2025	2027	\$ 121,500,000	\$ 58,100,000	48%	\$ 6,750,000
2026	2028	\$ 124,100,000	\$ 60,600,000	49%	\$ 7,080,000
2027	2029	\$ 126,600,000	\$ 65,000,000	51%	\$ 7,280,000

<sup>1</sup> Represents both the interest rate for discounting liabilities and the future investment return assumption on the Market Value of assets.

<sup>2</sup> Valuation Assets do not include assets from Surplus divisions, if any.

<sup>3</sup> All projected contributions are shown with no phase-in.

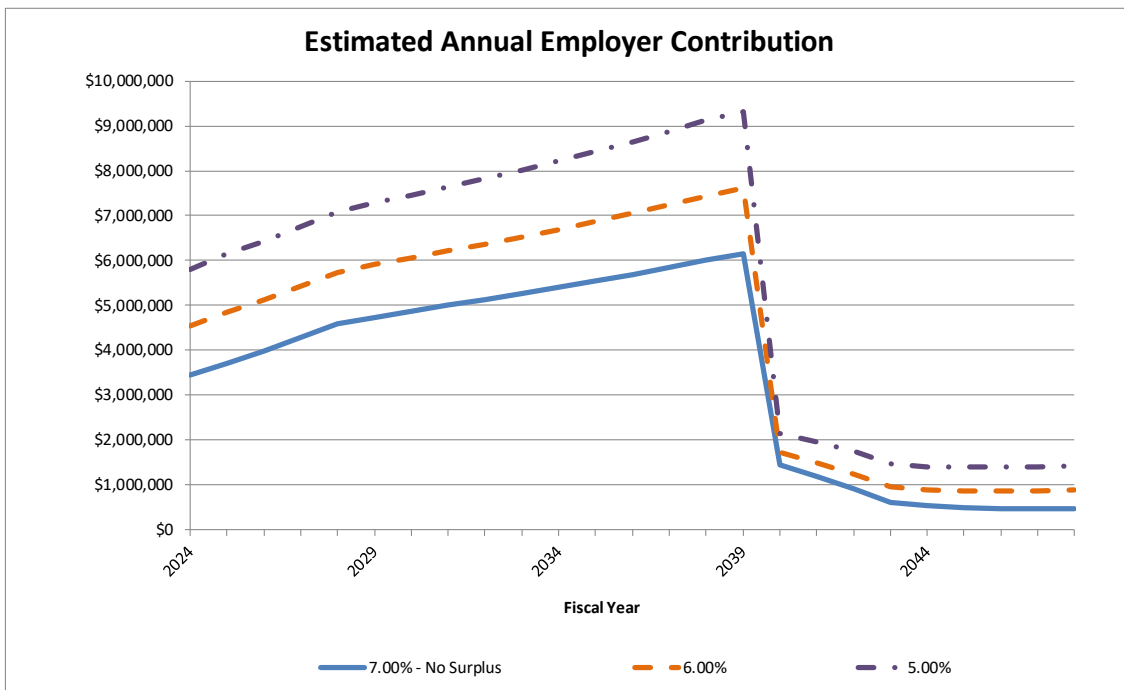


**Notes:**

All projected funded percentages are shown with no phase-in.

Assumes assets from the Surplus division(s) will not be used to lower employer contributions during the projection period.

The green indicator lines have been added at 60% funded and 18 years following the valuation date for PA 202 purposes.



**Notes:**

All projected contributions are shown with no phase-in.

Projected employer contributions do not reflect the use of any assets from the Surplus division(s).

## Table 1: Employer Contribution Details for the Fiscal Year Beginning January 1, 2024

Division	Total Normal Cost	Employee Contribution Rate	Employer Contributions <sup>1</sup>			Computed Employer Contribution With Phase-In	Blended ER Rate No Phase-In <sup>5</sup>	Blended ER Rate With Phase-In <sup>5</sup>	Employee Contribution Conversion Factor <sup>2</sup>
			Employer Normal Cost <sup>6</sup>	Payment of the Unfunded Accrued Liability <sup>4</sup>	Computed Employer Contribution No Phase-In				
<b>Percentage of Payroll</b>									
01 - DPW	12.01%	5.00%	-	-	-	-	16.39%	15.95%	
02 - Police Patrol	22.23%	8.29%	-	-	-	-	47.80%	46.16%	
05 - Firefighters	19.28%	7.76%	-	-	-	-	69.99%	68.04%	
10 - Admin Professional	11.26%	5.00%	-	-	-	-	16.97%	15.93%	
11 - Teamsters	0.00%	5.00%	-	-	-	-			
12 - Admin Prof on/aft 1/1/17	8.65%	5.00%	3.65%	-0.36%	3.29%	3.26%	16.97%	15.93%	0.82%
13 - DPW on/aft 01/1/17	9.07%	5.00%	4.07%	0.45%	4.52%	4.49%	16.39%	15.95%	0.89%
20 - Police Command	21.50%	11.24%	-	-	-	-	47.80%	46.16%	
21 - Command/Patrol on/aft 1/1/20	10.59%	8.29%	2.30%	0.02%	2.32%	2.32%	47.80%	46.16%	0.81%
50 - Fire on/aft 1/1/17	11.33%	7.76%	3.57%	0.22%	3.79%	3.71%	69.99%	68.04%	0.87%
<b>Estimated Monthly Contribution<sup>3</sup></b>									
01 - DPW			\$ 3,904	\$ 10,587	\$ 14,491	\$ 14,055			
02 - Police Patrol			14,775	27,422	42,197	40,254			
05 - Firefighters			15,304	128,647	143,951	139,923			
10 - Admin Professional			1,787	7,941	9,728	9,066			
11 - Teamsters			0	2,116	2,116	1,994			
12 - Admin Prof on/aft 1/1/17			1,302	(130)	1,172	1,163			
13 - DPW on/aft 01/1/17			1,838	205	2,043	2,031			
20 - Police Command			7,262	60,273	67,535	65,670			
21 - Command/Patrol on/aft 1/1/20			1,276	9	1,285	1,285			
50 - Fire on/aft 1/1/17			2,749	168	2,917	2,854			
<b>Total Municipality</b>			<b>\$ 50,197</b>	<b>\$ 237,238</b>	<b>\$ 287,435</b>	<b>\$ 278,295</b>			
<b>Estimated Annual Contribution<sup>3</sup></b>			<b>\$ 602,364</b>	<b>\$ 2,846,856</b>	<b>\$ 3,449,220</b>	<b>\$ 3,339,540</b>			

- <sup>1</sup> The above employer contribution requirements are in addition to the employee contributions, if any.
- <sup>2</sup> If employee contributions are increased/decreased by 1.00% of pay, the employer contribution requirement will decrease/increase by the Employee Contribution Conversion Factor. The conversion factor is usually under 1% because employee contributions may be refunded at termination of employment and not used to fund retirement pensions. Employer contributions will all be used to fund pensions.
- <sup>3</sup> For divisions that are open to new hires, estimated contributions are based on projected fiscal year payroll. Actual contributions will be based on actual reported monthly pays, and will be different from the above amounts. For divisions that will have no new hires (i.e., closed divisions), invoices will be based on the above dollar amounts which are based on projected fiscal year payroll. See description of Open Divisions and Closed Divisions in the Appendix.
- <sup>4</sup> Note that if the overfunding credit is larger than the normal cost, the full credit is shown above but the total contribution requirement is zero. This will cause the



displayed normal cost and unfunded accrued liability contributions not to add across.

- <sup>5</sup> For linked divisions, the employer will be invoiced the Computed Employer Contribution No Phase-in rate shown above for each linked division (a contribution rate for the open division; a contribution dollar for the closed-but-linked division), unless the employer elects to contribute the Blended Employer Contribution rate shown above, by contacting MERS at 800-767-MERS (6377).
- <sup>6</sup> For divisions with a negative employer normal cost, employee contributions cover the normal cost and a portion of the payment of any unfunded accrued liability.

**Please see the Comments on Asset Smoothing in the Executive Summary of this report.**

## Table 2: Benefit Provisions

### 01 - DPW: Closed to new hires, linked to Division 13

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	2.25% Multiplier (80% max)	2.25% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	6 years	6 years
<b>Early Retirement (Unreduced):</b>	55/20	55/20
<b>Early Retirement (Reduced):</b>	50/25	50/25
	55/15	55/15
<b>Final Average Compensation:</b>	5 years	5 years
<b>Employee Contributions:</b>	5.00%	5.00%
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

### 02 - Police Patrol: Closed to new hires, linked to Division 21

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	2.75% Multiplier (80% max)	2.75% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	50/25	50/25
<b>Early Retirement (Reduced):</b>	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	8.29%	8.29%
<b>D-2:</b>	D2 (25%)	D2 (25%)
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

### 05 - Firefighters: Closed to new hires, linked to Division 50

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	Bridged Benefit: 2.75% Multiplier (80% max)-Termination FAC; 2.50% Multiplier (80% max)	Bridged Benefit: 2.75% Multiplier (80% max)-Termination FAC; 2.50% Multiplier (80% max)
<b>Bridged Benefit Date:</b>	12/31/2016	12/31/2016
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	50/25	50/25
<b>Early Retirement (Reduced):</b>	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	7.76%	7.76%
<b>D-2:</b>	D2 (25%)	D2 (25%)
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)



**10 - Admin Professional: Closed to new hires, linked to Division 12**

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	Bridged Benefit: 2.50% Multiplier (80% max)-Termination FAC; 2.25% Multiplier (80% max)	Bridged Benefit: 2.50% Multiplier (80% max)-Termination FAC; 2.25% Multiplier (80% max)
<b>Bridged Benefit Date:</b>	12/31/2016	12/31/2016
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/25	55/25
<b>Early Retirement (Reduced):</b>	50/25 55/15	50/25 55/15
<b>Final Average Compensation:</b>	5 years	5 years
<b>Employee Contributions:</b>	5.00%	5.00%
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

**11 - Teamsters: Open Division**

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	2.00% Multiplier (no max)	2.00% Multiplier (no max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	6 years	6 years
<b>Early Retirement (Unreduced):</b>	55/20	55/20
<b>Early Retirement (Reduced):</b>	50/25 55/15	50/25 55/15
<b>Final Average Compensation:</b>	5 years	5 years
<b>Employee Contributions:</b>	5.00%	5.00%
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

**12 - Admin Prof on/aft 1/1/17: Open Division, linked to Division 10**

	2022 Valuation	2021 Valuation
<b>Benefit Multiplier:</b>	1.50% Multiplier (no max)	1.50% Multiplier (no max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/25	55/25
<b>Early Retirement (Reduced):</b>	50/25 55/15	50/25 55/15
<b>Final Average Compensation:</b>	5 years	5 years
<b>Employee Contributions:</b>	5.00%	5.00%
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)



**13 - DPW on/aft 01/1/17: Open Division, linked to Division 01**

	<b>2022 Valuation</b>	<b>2021 Valuation</b>
<b>Benefit Multiplier:</b>	1.50% Multiplier (80% max)	1.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	6 years	6 years
<b>Early Retirement (Unreduced):</b>	55/20	55/20
<b>Early Retirement (Reduced):</b>	50/25 55/15	50/25 55/15
<b>Final Average Compensation:</b>	5 years	5 years
<b>Employee Contributions:</b>	5.00%	5.00%
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

**20 - Police Command: Closed to new hires, linked to Division 21**

	<b>2022 Valuation</b>	<b>2021 Valuation</b>
<b>Benefit Multiplier:</b>	2.75% Multiplier (80% max)	2.75% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	50/25	50/25
<b>Early Retirement (Reduced):</b>	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	11.24%	11.24%
<b>D-2:</b>	D2 (25%)	D2 (25%)
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

**21 - Command/Patrol on/aft 1/1/20: Open Division, linked to Division 02, 20**

	<b>2022 Valuation</b>	<b>2021 Valuation</b>
<b>Benefit Multiplier:</b>	1.75% Multiplier (no max)	1.75% Multiplier (no max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/25	55/25
<b>Early Retirement (Reduced):</b>	50/25 55/15	50/25 55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>Employee Contributions:</b>	8.29%	8.29%
<b>D-2:</b>	D2 (25%)	D2 (25%)
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)





**50 - Fire on/aft 1/1/17: Open Division, linked to Division 05**

	<b>2022 Valuation</b>	<b>2021 Valuation</b>
<b>Benefit Multiplier:</b>	1.75% Multiplier (no max)	1.75% Multiplier (no max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/25	55/25
<b>Early Retirement (Reduced):</b>	50/25	50/25
	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>Employee Contributions:</b>	7.76%	7.76%
<b>D-2:</b>	D2 (25%)	D2 (25%)
<b>Act 88:</b>	Yes (Adopted 7/10/2001)	Yes (Adopted 7/10/2001)

### Table 3: Participant Summary

Division	2022 Valuation		2021 Valuation		2022 Valuation		
	Number	Annual Payroll <sup>1</sup>	Number	Annual Payroll <sup>1</sup>	Average Age	Average Benefit Service <sup>2</sup>	Average Eligibility Service <sup>2</sup>
<b>01 - DPW</b>							
Active Employees	12	\$ 693,513	13	\$ 689,495	46.8	13.1	13.1
Vested Former Employees	6	70,897	5	63,196	45.3	9.4	10.2
Retirees and Beneficiaries	22	405,107	23	409,247	69.5		
Pending Refunds	5		5				
<b>02 - Police Patrol</b>							
Active Employees	16	\$ 1,248,417	19	\$ 1,279,034	34.1	8.2	9.4
Vested Former Employees	14	288,178	13	244,983	49.0	11.4	15.7
Retirees and Beneficiaries	17	776,958	17	761,338	61.1		
Pending Refunds	14		15				
<b>05 - Firefighters</b>							
Active Employees	21	\$ 1,657,497	25	\$ 1,868,267	45.4	16.4	16.5
Vested Former Employees	6	182,687	6	182,687	51.6	16.2	17.1
Retirees and Beneficiaries	37	1,924,094	33	1,710,901	63.5		
Pending Refunds	4		4				
<b>10 - Admin Professional</b>							
Active Employees	8	\$ 392,258	8	\$ 360,191	54.8	18.3	18.3
Vested Former Employees	8	71,462	12	115,348	52.4	9.9	16.2
Retirees and Beneficiaries	19	344,063	14	305,660	68.4		
Pending Refunds	9		10				
<b>11 - Teamsters</b>							
Active Employees	0	\$ 0	0	\$ 0	0.0	0.0	0.0
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	6	163,830	6	163,830	73.8		
Pending Refunds	0		0				
<b>12 - Admin Prof on/aft 1/1/17</b>							
Active Employees	8	\$ 334,157	7	\$ 275,297	40.3	1.8	2.7
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	1	1,682	1	1,682	69.2		
Pending Refunds	9		9				
<b>13 - DPW on/aft 01/1/17</b>							
Active Employees	9	\$ 447,245	8	\$ 362,436	42.5	3.5	3.5
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	0	0	0	0	0.0		
Pending Refunds	4		4				



**Table 3 (continued)**

Division	2022 Valuation		2021 Valuation		2022 Valuation		
	Number	Annual Payroll <sup>1</sup>	Number	Annual Payroll <sup>1</sup>	Average Age	Average Benefit Service <sup>2</sup>	Average Eligibility Service <sup>2</sup>
<b>20 - Police Command</b>							
Active Employees	10	\$ 907,833	10	\$ 854,662	45.6	20.3	20.5
Vested Former Employees	1	16,012	1	16,012	37.7	8.0	14.2
Retirees and Beneficiaries	16	895,547	16	878,349	62.3		
Pending Refunds	0		0				
<b>21 - Command/Patrol on/aft 1/1/20</b>							
Active Employees	12	\$ 470,805	6	\$ 262,449	25.6	0.7	2.1
Vested Former Employees	1	353	0	0	30.5	1.0	1.0
Retirees and Beneficiaries	0	0	0	0	0.0		
Pending Refunds	4		1				
<b>50 - Fire on/aft 1/1/17</b>							
Active Employees	14	\$ 716,198	9	\$ 418,360	32.4	2.0	4.5
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	0	0	0	0	0.0		
Pending Refunds	2		2				
<b>Total Municipality</b>							
<b>Active Employees</b>	<b>110</b>	<b>\$ 6,867,923</b>	<b>105</b>	<b>\$ 6,370,191</b>	<b>40.2</b>	<b>9.7</b>	<b>10.4</b>
<b>Vested Former Employees</b>	<b>36</b>	<b>629,589</b>	<b>37</b>	<b>622,226</b>	<b>48.7</b>	<b>11.2</b>	<b>14.7</b>
<b>Retirees and Beneficiaries</b>	<b>118</b>	<b>4,511,281</b>	<b>110</b>	<b>4,231,007</b>	<b>65.5</b>		
<b>Pending Refunds</b>	<b>51</b>		<b>50</b>				
<b>Total Participants</b>	<b>315</b>		<b>302</b>				

<sup>1</sup> Annual payroll for active employees; annual deferred benefits payable for vested former employees; annual benefits being paid for retirees and beneficiaries.

<sup>2</sup> Descriptions can be found under Miscellaneous and Technical Assumptions in the Appendix.

## Table 4: Reported Assets (Market Value)

Division	2022 Valuation		2021 Valuation	
	Employer and Retiree <sup>1</sup>	Employee <sup>2</sup>	Employer and Retiree <sup>1</sup>	Employee <sup>2</sup>
01 - DPW	\$ 4,000,033	\$ 365,093	\$ 4,787,404	\$ 313,396
02 - Police Patrol	9,758,493	1,566,462	11,420,008	1,544,766
05 - Firefighters	14,141,055	2,171,028	15,900,456	2,376,406
10 - Admin Professional	3,277,848	324,198	3,900,523	334,296
11 - Teamsters	1,053,504	0	1,334,511	0
12 - Admin Prof on/aft 1/1/17	55,895	45,544	54,965	27,823
13 - DPW on/aft 01/1/17	55,118	79,541	53,659	54,596
20 - Police Command	7,841,917	1,461,916	9,138,822	1,187,015
21 - Command/Patrol on/aft 1/1/20	8,587	48,558	7,818	19,532
50 - Fire on/aft 1/1/17	38,577	113,204	29,353	59,430
S1 - Surplus Assoc Fire	4,666,832	0	4,191,786	0
S2 - Surplus Assoc Police	4,666,832	0	4,191,786	0
<b>Municipality Total<sup>3</sup></b>	<b>\$ 49,564,691</b>	<b>\$ 6,175,544</b>	<b>\$ 55,011,090</b>	<b>\$ 5,917,261</b>
<b>Combined Assets<sup>3</sup></b>	<b>\$55,740,235</b>		<b>\$60,928,351</b>	

<sup>1</sup> Reserve for Employer Contributions and Benefit Payments.

<sup>2</sup> Reserve for Employee Contributions.

<sup>3</sup> Totals may not add due to rounding.

The December 31, 2022 valuation assets (actuarial value of assets) are equal to 1.157665 times the reported market value of assets (compared to 0.998523 as of December 31, 2021). Refer to the Appendix for a description of the valuation asset derivation and a detailed calculation of valuation assets.

Assets in the Surplus division(s) are employer assets that have been reserved separately and may be used within the plan at the employer's discretion at some point in the future. These assets are not used in calculating the employer contribution for the fiscal year beginning January 1, 2024.

### Table 5: Flow of Valuation Assets

Year Ended 12/31	Employer Contributions		Employee Contributions	Investment Income (Valuation Assets)	Benefit Payments	Employee Contribution Refunds	Net Transfers	Valuation Asset Balance
	Required	Additional						
2012	\$ 1,502,982	\$ 0	\$ 440,059	\$ 1,394,558	\$ (2,073,753)	\$ 0	\$ 0	\$ 29,899,316
2013	1,727,389	0	446,814	1,873,685	(2,184,485)	(7,344)	0	31,755,375
2014	1,863,475	0	445,419	1,878,815	(2,457,430)	(3,012)	106,873	33,589,515
2015	2,065,675	0	434,297	1,678,089	(2,837,027)	0	0	34,930,549
2016	1,835,443	999,999	442,227	2,065,803	(3,002,485)	(62,383)	12,712	37,221,865
2017	2,318,478	1,141,890	473,016	2,351,814	(3,092,898)	0	46,837	40,461,002
2018	2,302,708	1,500,041	500,743	1,572,989	(3,319,579)	(7,832)	0	43,010,072
2019	2,264,527	1,590,180	503,378	2,210,081	(3,573,024)	(2,615)	0	46,002,599
2020	2,472,037	1,704,767	507,807	4,027,028	(3,852,948)	(11,786)	0	50,849,504
2021	3,009,366	1,750,000	495,714	8,830,566	(4,077,886)	(58,196)	39,292	60,838,360
2022	3,265,892	1,934,108	525,343	2,347,415	(4,314,322)	(68,279)	0	64,528,517

**Notes:**

Transfers in and out are usually related to the transfer of participants between municipalities, and to employer and employee payments for service credit purchases (if any) that the governing body has approved.

The investment income column reflects the recognized investment income based on Valuation Assets. It does not reflect the market value investment return in any given year.

The Valuation Asset balance includes assets from Surplus divisions, if any.

Years where historical information is not available will be displayed with zero values.



**Table 6: Actuarial Accrued Liabilities and Valuation Assets  
as of December 31, 2022**

Division	Actuarial Accrued Liability					Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total			
01 - DPW	\$ 1,857,382	\$ 303,855	\$ 4,384,854	\$ 6,208	\$ 6,552,299	\$ 5,053,354	77.1%	\$ 1,498,945
02 - Police Patrol	3,224,023	2,073,124	11,589,364	120,451	17,006,962	13,110,504	77.1%	3,896,458
05 - Firefighters	9,309,615	1,682,216	26,267,814	11,606	37,271,251	18,883,927	50.7%	18,387,324
10 - Admin Professional	1,342,749	461,701	3,464,903	26,557	5,295,910	4,169,962	78.7%	1,125,948
11 - Teamsters	0	0	1,516,540	0	1,516,540	1,219,604	80.4%	296,936
12 - Admin Prof on/aft 1/1/17	66,674	0	20,088	15,004	101,766	117,431	115.4%	(15,665)
13 - DPW on/aft 01/1/17	173,363	0	0	7,513	180,876	155,889	86.2%	24,987
20 - Police Command	6,834,877	50,946	12,504,448	0	19,390,271	10,770,722	55.5%	8,619,549
21 - Command/Patrol on/aft 1/1/20	54,166	3,640	0	9,519	67,325	66,155	98.3%	1,170
50 - Fire on/aft 1/1/17	193,221	0	0	3,735	196,956	175,713	89.2%	21,243
S1 - Surplus Assoc Fire	0	0	0	0	0	5,402,628		(5,402,628)
S2 - Surplus Assoc Police	0	0	0	0	0	5,402,628		(5,402,628)
<b>Total</b>	<b>\$ 23,056,070</b>	<b>\$ 4,575,482</b>	<b>\$ 59,748,011</b>	<b>\$ 200,593</b>	<b>\$ 87,580,156</b>	<b>\$ 64,528,517</b>	<b>73.7%</b>	<b>\$ 23,051,639</b>

The following results show the combined accrued liabilities and assets for each set of linked divisions. These results are already shown in the table on the prior page(s).

**Table 6 (continued)**

Division	Actuarial Accrued Liability					Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total			
Linked Divisions 12, 10	\$ 1,409,423	\$ 461,701	\$ 3,484,991	\$ 41,561	\$ 5,397,676	\$ 4,287,393	79.4%	\$ 1,110,283
Linked Divisions 13, 01	2,030,745	303,855	4,384,854	13,721	6,733,175	5,209,243	77.4%	1,523,932
Linked Divisions 21, 02, 20	10,113,066	2,127,710	24,093,812	129,970	36,464,558	23,947,381	65.7%	12,517,177
Linked Divisions 50, 05	9,502,836	1,682,216	26,267,814	15,341	37,468,207	19,059,640	50.9%	18,408,567

**Please see the Comments on Asset Smoothing in the Executive Summary of this report.**

The December 31, 2022 valuation assets (actuarial value of assets) are equal to 1.157665 times the reported market value of assets. Refer to the Appendix for a description of the valuation asset derivation and a detailed calculation of valuation assets.

## Table 7: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2008	\$ 42,180,888	\$ 23,244,719	55%	\$ 18,936,169
2009	43,641,255	25,330,637	58%	18,310,618
2010	45,576,292	27,192,819	60%	18,383,473
2011	48,645,859	28,635,470	59%	20,010,389
2012	50,274,592	29,899,316	60%	20,375,276
2013	53,345,909	31,755,375	60%	21,590,534
2014	56,783,968	33,589,515	59%	23,194,453
2015	61,743,003	34,930,549	57%	26,812,454
2016	64,160,503	37,221,865	58%	26,938,638
2017	65,850,156	40,461,002	61%	25,389,154
2018	68,549,666	43,010,072	63%	25,539,594
2019	74,014,966	46,002,599	62%	28,012,367
2020	79,103,874	50,849,504	64%	28,254,370
2021	84,252,364	60,838,360	72%	23,414,004
2022	87,580,156	64,528,517	74%	23,051,639

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The Valuation Assets include assets from Surplus divisions, if any.

Years where historical information is not available will be displayed with zero values.

Throughout this report are references to valuation results generated prior to the 2018 valuation date. Results prior to 2018 were received directly from the prior actuary or extracted from the previous valuation system by MERS's technology service provider.



# Tables 8 and 9: Division-Based Comparative Schedules

## Division 01 - DPW

**Table 8-01: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 4,028,810	\$ 3,732,886	93%	\$ 295,924
2013	4,289,392	3,964,718	92%	324,674
2014	4,594,329	4,144,956	90%	449,373
2015	5,065,997	4,235,234	84%	830,763
2016	5,135,243	4,351,046	85%	784,197
2017	5,244,386	4,462,325	85%	782,061
2018	5,384,787	4,459,467	83%	925,320
2019	5,810,793	4,457,476	77%	1,353,317
2020	6,073,139	4,545,318	75%	1,527,821
2021	6,372,288	5,093,267	80%	1,279,021
2022	6,552,299	5,053,354	77%	1,498,945

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-01: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	19	\$ 856,300	10.97%	2.30%
2013	20	946,020	11.06%	2.30%
2014	20	929,958	12.08%	2.30%
2015	20	901,017	15.07%	2.30%
2016	19	833,791	15.08%	2.30%
2017	18	851,342	\$ 9,180	5.00%
2018	18	840,383	\$ 10,172	5.00%
2019	15	717,406	\$ 13,093	5.00%
2020	14	741,003	\$ 14,140	5.00%
2021	13	689,495	\$ 12,418	5.00%
2022	12	693,513	\$ 14,491	5.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 02 - Police Patrol

**Table 8-02: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 9,936,249	\$ 7,733,715	78%	\$ 2,202,534
2013	10,905,480	8,360,322	77%	2,545,158
2014	11,449,292	8,871,931	78%	2,577,361
2015	12,319,976	9,279,287	75%	3,040,689
2016	12,838,642	10,013,827	78%	2,824,815
2017	13,859,271	10,769,157	78%	3,090,114
2018	14,165,177	10,641,630	75%	3,523,547
2019	14,919,602	10,840,396	73%	4,079,206
2020	15,993,574	11,608,591	73%	4,384,983
2021	16,451,486	12,945,624	79%	3,505,862
2022	17,006,962	13,110,504	77%	3,896,458

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-02: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	27	\$ 1,723,624	17.93%	8.29%
2013	28	1,773,779	19.10%	8.29%
2014	25	1,587,254	20.72%	8.29%
2015	27	1,649,619	22.66%	8.29%
2016	27	1,699,331	21.59%	8.29%
2017	28	1,777,631	22.53%	8.29%
2018	29	1,734,688	25.07%	8.29%
2019	29	1,692,903	28.95%	8.29%
2020	23	1,487,021	\$ 44,380	8.29%
2021	19	1,279,034	\$ 38,150	8.29%
2022	16	1,248,417	\$ 42,197	8.29%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 05 - Firefighters

**Table 8-05: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 21,924,381	\$ 10,296,036	47%	\$ 11,628,345
2013	23,137,298	10,871,647	47%	12,265,651
2014	24,841,557	11,507,153	46%	13,334,404
2015	26,584,583	11,924,919	45%	14,659,664
2016	27,867,803	12,930,519	46%	14,937,284
2017	28,177,223	13,516,293	48%	14,660,930
2018	28,979,635	13,874,155	48%	15,105,480
2019	31,435,292	14,460,949	46%	16,974,343
2020	33,615,834	15,569,380	46%	18,046,454
2021	35,787,828	18,249,867	51%	17,537,961
2022	37,271,251	18,883,927	51%	18,387,324

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-05: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	32	\$ 2,070,575	43.48%	7.76%
2013	32	2,123,299	44.85%	7.76%
2014	32	2,061,494	49.38%	7.76%
2015	32	2,037,634	55.69%	7.76%
2016	32	2,086,805	56.20%	7.76%
2017	32	2,033,490	\$ 101,798	7.76%
2018	31	2,019,738	\$ 107,672	7.76%
2019	30	2,128,554	\$ 125,690	7.76%
2020	26	1,972,595	\$ 136,133	7.76%
2021	25	1,868,267	\$ 133,710	7.76%
2022	21	1,657,497	\$ 143,951	7.76%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 10 - Admin Professional

**Table 8-10: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 3,642,837	\$ 2,618,706	72%	\$ 1,024,131
2013	3,803,228	2,748,191	72%	1,055,037
2014	3,943,903	2,895,820	73%	1,048,083
2015	4,328,690	3,022,706	70%	1,305,984
2016	4,429,119	3,185,399	72%	1,243,720
2017	4,353,843	3,534,108	81%	819,735
2018	4,447,557	3,564,955	80%	882,602
2019	4,655,786	3,604,626	77%	1,051,160
2020	4,955,243	3,755,909	76%	1,199,334
2021	5,211,031	4,228,564	81%	982,467
2022	5,295,910	4,169,962	79%	1,125,948

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-10: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	18	\$ 696,170	17.13%	3.90%
2013	19	770,061	16.56%	3.90%
2014	17	699,196	17.51%	3.90%
2015	19	756,724	19.68%	3.90%
2016	19	783,370	18.67%	3.90%
2017	17	673,625	\$ 7,925	5.00%
2018	15	617,920	\$ 8,416	5.00%
2019	13	556,959	\$ 9,370	5.00%
2020	10	477,667	\$ 9,893	5.00%
2021	8	360,191	\$ 8,071	5.00%
2022	8	392,258	\$ 9,728	5.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 11 - Teamsters

**Table 8-11: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 1,584,636	\$ 439,610	28%	\$ 1,145,026
2013	1,593,999	436,926	27%	1,157,073
2014	1,605,233	442,491	28%	1,162,742
2015	1,737,395	355,421	21%	1,381,974
2016	1,724,994	270,628	16%	1,454,366
2017	1,549,888	1,381,962	89%	167,926
2018	1,488,750	1,396,438	94%	92,312
2019	1,553,728	1,327,599	85%	226,129
2020	1,550,922	1,270,219	82%	280,703
2021	1,554,399	1,332,540	86%	221,859
2022	1,516,540	1,219,604	80%	296,936

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-11: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	2	\$ 132,347	58.92%	2.00%
2013	2	135,314	58.76%	2.00%
2014	2	136,484	58.89%	2.00%
2015	1	66,496	352.21%	2.00%
2016	1	74,010	121.95%	2.00%
2017	1	78,313	13.62%	5.00%
2018	1	81,544	14.04%	5.00%
2019	0	0	\$ 1,516	5.00%
2020	0	0	\$ 1,882	5.00%
2021	0	0	\$ 1,446	5.00%
2022	0	0	\$ 2,116	5.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 12 - Admin Prof on/aft 1/1/17

**Table 8-12: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0	0%	\$ 0
2013	0	0	0%	0
2014	0	0	0%	0
2015	0	0	0%	0
2016	0	0	0%	0
2017	222	3,915	1764%	(3,693)
2018	12,734	18,490	145%	(5,756)
2019	31,654	38,054	120%	(6,400)
2020	51,880	58,563	113%	(6,683)
2021	65,990	82,666	125%	(16,676)
2022	101,766	117,431	115%	(15,665)

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-12: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	0	\$ 0	\$ 0	0.00%
2013	0	0	\$ 0	0.00%
2014	0	0	\$ 0	0.00%
2015	0	0	\$ 0	0.00%
2016	0	0	\$ 0	0.00%
2017	2	77,819	5.59%	5.00%
2018	4	147,733	4.15%	5.00%
2019	4	141,313	2.43%	5.00%
2020	5	223,836	3.88%	5.00%
2021	7	275,297	2.99%	5.00%
2022	8	334,157	3.29%	5.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

**Table 8-13: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0	0%	\$ 0
2013	0	0	0%	0
2014	0	0	0%	0
2015	0	0	0%	0
2016	0	0	0%	0
2017	5,967	5,217	87%	750
2018	20,539	17,555	85%	2,984
2019	40,155	34,950	87%	5,205
2020	74,930	65,589	88%	9,341
2021	114,912	108,096	94%	6,816
2022	180,876	155,889	86%	24,987

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-13: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	0	\$ 0	\$ 0	0.00%
2013	0	0	\$ 0	0.00%
2014	0	0	\$ 0	0.00%
2015	0	0	\$ 0	0.00%
2016	0	0	\$ 0	0.00%
2017	3	83,530	2.87%	5.00%
2018	4	152,299	2.97%	5.00%
2019	7	247,142	3.19%	5.00%
2020	8	362,277	3.50%	5.00%
2021	8	362,436	4.05%	5.00%
2022	9	447,245	4.52%	5.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 20 - Police Command

**Table 8-20: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 9,157,679	\$ 5,078,363	56%	\$ 4,079,316
2013	9,616,512	5,373,571	56%	4,242,941
2014	10,349,654	5,727,164	55%	4,622,490
2015	11,706,362	6,112,982	52%	5,593,380
2016	12,164,702	6,470,446	53%	5,694,256
2017	12,659,356	6,788,025	54%	5,871,331
2018	14,043,572	7,460,719	53%	6,582,853
2019	15,548,130	7,938,996	51%	7,609,134
2020	16,737,169	8,423,476	50%	8,313,693
2021	18,575,128	10,310,586	56%	8,264,542
2022	19,390,271	10,770,722	56%	8,619,549

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-20: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	9	\$ 687,414	43.46%	11.24%
2013	9	695,724	45.30%	11.24%
2014	9	685,804	49.49%	11.24%
2015	9	710,674	58.51%	11.24%
2016	9	720,662	59.49%	11.24%
2017	9	748,325	60.62%	11.24%
2018	10	822,149	63.21%	11.24%
2019	10	811,353	77.29%	11.24%
2020	10	867,021	\$ 61,220	11.24%
2021	10	854,662	\$ 62,229	11.24%
2022	10	907,833	\$ 67,535	11.24%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.



## Division 21 - Command/Patrol on/aft 1/1/20

**Table 8-21: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0	0%	\$ 0
2013	0	0	0%	0
2014	0	0	0%	0
2015	0	0	0%	0
2016	0	0	0%	0
2017	0	0	0%	0
2018	0	0	0%	0
2019	0	0	0%	0
2020	2,727	2,537	93%	190
2021	25,230	27,309	108%	(2,079)
2022	67,325	66,155	98%	1,170

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-21: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	0	\$ 0	\$ 0	0.00%
2013	0	0	\$ 0	0.00%
2014	0	0	\$ 0	0.00%
2015	0	0	\$ 0	0.00%
2016	0	0	\$ 0	0.00%
2017	0	0	\$ 0	0.00%
2018	0	0	\$ 0	0.00%
2019	0	0	\$ 0	0.00%
2020	3	102,595	1.35%	8.29%
2021	6	262,449	1.89%	8.29%
2022	12	470,805	2.32%	8.29%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division 50 - Fire on/aft 1/1/17

**Table 8-50: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0	0%	\$ 0
2013	0	0	0%	0
2014	0	0	0%	0
2015	0	0	0%	0
2016	0	0	0%	0
2017	0	0	0%	0
2018	6,915	7,943	115%	(1,028)
2019	19,826	19,985	101%	(159)
2020	48,456	44,146	91%	4,310
2021	94,072	88,651	94%	5,421
2022	196,956	175,713	89%	21,243

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

The percent funded does not reflect valuation assets from Surplus divisions, if any.

**Table 9-50: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2012	0	\$ 0	\$ 0	0.00%
2013	0	0	\$ 0	0.00%
2014	0	0	\$ 0	0.00%
2015	0	0	\$ 0	0.00%
2016	0	0	\$ 0	0.00%
2017	0	0	\$ 0	0.00%
2018	2	57,481	1.63%	7.76%
2019	4	149,751	2.18%	7.76%
2020	6	291,070	3.24%	7.76%
2021	9	418,360	3.90%	7.76%
2022	14	716,198	3.79%	7.76%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 reflect the employer contribution requirement without phase-in. If applicable, the current phase-in contribution is shown in Table 1.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

## Division S1 - Surplus Assoc Fire

**Table 8-S1: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0		\$ 0
2013	0	0		0
2014	0	0		0
2015	0	0		0
2016	0	0		0
2017	0	0		0
2018	0	784,360		(784,360)
2019	0	1,639,784		(1,639,784)
2020	0	2,752,888		(2,752,888)
2021	0	4,185,595		(4,185,595)
2022	0	5,402,628		(5,402,628)

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

Years where historical information is not available will be displayed with zero values.

## Division S2 - Surplus Assoc Police

**Table 8-S2: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2012	\$ 0	\$ 0		\$ 0
2013	0	0		0
2014	0	0		0
2015	0	0		0
2016	0	0		0
2017	0	0		0
2018	0	784,360		(784,360)
2019	0	1,639,784		(1,639,784)
2020	0	2,752,888		(2,752,888)
2021	0	4,185,595		(4,185,595)
2022	0	5,402,628		(5,402,628)

Notes: Actuarial assumptions were revised for the 2012, 2015, 2019, 2020 and 2021 actuarial valuations.

Years where historical information is not available will be displayed with zero values.

## Table 10: Division-Based Layered Amortization Schedule

### Division 01 - DPW

**Table 10-01: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 830,763	23	\$ 859,940	16	\$ 72,840
(Gain)/Loss	12/31/2016	(82,526)	22	(87,465)	16	(7,404)
(Gain)/Loss	12/31/2017	5,781	21	6,070	16	516
Amendment	12/31/2017	(9,047)	21	(9,533)	16	(804)
(Gain)/Loss	12/31/2018	138,266	20	144,911	16	12,276
(Gain)/Loss	12/31/2019	222,251	19	231,582	16	19,620
Assumption	12/31/2019	192,311	19	195,993	16	16,608
Experience	12/31/2020	145,727	18	152,828	16	12,948
Experience	12/31/2021	(255,436)	17	(269,517)	16	(22,836)
Experience	12/31/2022	256,898	16	274,881	16	23,280
<b>Total</b>				<b>\$ 1,499,690</b>		<b>\$ 127,044</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 02 - Police Patrol

**Table 10-02: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 3,040,689	23	\$ 3,080,443	16	\$ 260,928
(Gain)/Loss	12/31/2016	(280,062)	22	(296,837)	16	(25,140)
(Gain)/Loss	12/31/2017	260,150	21	273,893	16	23,196
(Gain)/Loss	12/31/2018	394,380	20	413,318	16	35,016
(Gain)/Loss	12/31/2019	(70,906)	19	(73,885)	16	(6,264)
Assumption	12/31/2019	581,584	19	592,887	16	50,220
Experience	12/31/2020	274,390	18	287,753	16	24,372
Experience	12/31/2021	(886,657)	17	(935,539)	16	(79,248)
Experience	12/31/2022	507,346	16	542,860	16	45,984
<b>Total</b>				<b>\$ 3,884,893</b>		<b>\$ 329,064</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 05 - Firefighters

**Table 10-05: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 14,659,664	23	\$ 14,825,094	16	\$ 1,255,764
(Gain)/Loss	12/31/2016	(5,596)	22	(5,932)	16	(504)
(Gain)/Loss	12/31/2017	(236,519)	21	(249,001)	16	(21,096)
Amendment	12/31/2017	(168,365)	21	(177,243)	16	(15,012)
(Gain)/Loss	12/31/2018	375,305	20	393,341	16	33,324
(Gain)/Loss	12/31/2019	654,589	19	682,056	16	57,780
Assumption	12/31/2019	1,120,922	19	1,108,463	16	93,888
Experience	12/31/2020	968,055	18	1,015,188	16	85,992
Experience	12/31/2021	(526,655)	17	(555,690)	16	(47,076)
Experience	12/31/2022	1,111,138	16	1,188,918	16	100,704
<b>Total</b>				<b>\$ 18,225,194</b>		<b>\$ 1,543,764</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 10 - Admin Professional

**Table 10-10: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 1,305,984	23	\$ 1,325,654	16	\$ 112,296
(Gain)/Loss	12/31/2016	(92,486)	22	(98,018)	16	(8,304)
(Gain)/Loss	12/31/2017	(403,688)	21	(425,002)	16	(36,000)
Amendment	12/31/2017	(24,631)	21	(25,933)	16	(2,196)
(Gain)/Loss	12/31/2018	87,723	20	91,933	16	7,788
(Gain)/Loss	12/31/2019	16,887	19	17,582	16	1,488
Assumption	12/31/2019	141,332	19	143,854	16	12,180
Experience	12/31/2020	138,093	18	144,816	16	12,264
Experience	12/31/2021	(223,987)	17	(236,330)	16	(20,016)
Experience	12/31/2022	174,188	16	186,381	16	15,792
<b>Total</b>				<b>\$ 1,124,937</b>		<b>\$ 95,292</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.



## Division 11 - Teamsters

**Table 10-11: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 1,381,974	23	\$ 1,288,736	16	\$ 109,164
(Gain)/Loss	12/31/2016	982	22	1,039	16	84
(Gain)/Loss	12/31/2017	(1,143,013)	21	(1,203,367)	16	(101,928)
Amendment	12/31/2017	(907)	21	(941)	16	(84)
(Gain)/Loss	12/31/2018	4,855	20	5,073	16	432
(Gain)/Loss	12/31/2019	89,079	19	92,810	16	7,860
Assumption	12/31/2019	44,293	19	45,451	16	3,852
Experience	12/31/2020	44,969	18	47,155	16	3,996
Experience	12/31/2021	(61,510)	17	(64,898)	16	(5,496)
Experience	12/31/2022	82,910	16	88,714	16	7,512
<b>Total</b>				<b>\$ 299,772</b>		<b>\$ 25,392</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 12 - Admin Prof on/aft 1/1/17

**Table 10-12: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
(Gain)/Loss	12/31/2017	\$ (3,693)	15	\$ (3,406)	10	\$ (420)
(Gain)/Loss	12/31/2018	(1,776)	15	(1,702)	11	(192)
(Gain)/Loss	12/31/2019	(1,355)	15	(1,342)	12	(144)
Assumption	12/31/2019	778	15	784	12	84
Experience	12/31/2020	(372)	15	(381)	13	(36)
Experience	12/31/2021	(10,116)	15	(10,588)	14	(996)
Experience	12/31/2022	1,482	15	1,586	15	144
<b>Total</b>				<b>\$ (15,049)</b>		<b>\$ (1,560)</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 13 - DPW on/aft 01/1/17

**Table 10-13: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
(Gain)/Loss	12/31/2017	\$ 750	15	\$ 685	10	\$ 84
(Gain)/Loss	12/31/2018	2,176	15	2,108	11	240
(Gain)/Loss	12/31/2019	1,609	15	1,583	12	168
Assumption	12/31/2019	461	15	428	12	48
Experience	12/31/2020	4,040	15	4,132	13	408
Experience	12/31/2021	(2,718)	15	(2,838)	14	(264)
Experience	12/31/2022	18,650	15	19,955	15	1,776
<b>Total</b>				<b>\$ 26,053</b>		<b>\$ 2,460</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 20 - Police Command

**Table 10-20: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Initial	12/31/2015	\$ 5,593,380	23	\$ 5,671,697	16	\$ 480,420
(Gain)/Loss	12/31/2016	(22,439)	22	(23,789)	16	(2,016)
(Gain)/Loss	12/31/2017	129,426	21	136,270	16	11,544
(Gain)/Loss	12/31/2018	663,143	20	695,016	16	58,872
(Gain)/Loss	12/31/2019	374,994	19	390,717	16	33,096
Assumption	12/31/2019	574,489	19	572,195	16	48,468
Experience	12/31/2020	646,378	18	677,846	16	57,420
Experience	12/31/2021	(73,580)	17	(77,637)	16	(6,576)
Experience	12/31/2022	463,987	16	496,466	16	42,048
<b>Total</b>				<b>\$ 8,538,781</b>		<b>\$ 723,276</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 21 - Command/Patrol on/aft 1/1/20

**Table 10-21: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Experience	12/31/2022	\$ 1,170	15	\$ 1,252	15	\$ 108
<b>Total</b>				<b>\$ 1,252</b>		<b>\$ 108</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## Division 50 - Fire on/aft 1/1/17

**Table 10-50: Layered Amortization Schedule**

Type of UAL	Date Established	Original Balance <sup>1</sup>	Original Amortization Period <sup>2</sup>	Amounts for Fiscal Year Beginning 1/1/2024		
				Outstanding UAL Balance <sup>3</sup>	Remaining Amortization Period <sup>2</sup>	Annual Amortization Payment
Experience	12/31/2020	\$ 4,310	15	\$ 4,415	13	\$ 432
Experience	12/31/2021	779	15	818	14	72
Experience	12/31/2022	15,877	15	16,988	15	1,512
<b>Total</b>				<b>\$ 22,221</b>		<b>\$ 2,016</b>

<sup>1</sup> For each type of UAL (layer), this is the original balance as of the date the layer was established.

<sup>2</sup> According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

<sup>3</sup> This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2022 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2022 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

## GASB Statement No. 68 Information

The following information has been prepared to provide some of the information necessary to complete GASB Statement No. 68 disclosures. GASB Statement No. 68 is effective for fiscal years beginning after June 15, 2014. Additional resources, including an Implementation Guide, are available at <http://www.mersofmich.com/>.

Actuarial Valuation Date:		12/31/2022
Measurement Date of the Total Pension Liability (TPL):		12/31/2022
At 12/31/2022, the following employees were covered by the benefit terms:		
Inactive employees or beneficiaries currently receiving benefits:		118
Inactive employees entitled to but not yet receiving benefits (including refunds):		87
Active employees:		<u>110</u>
		315
Total Pension Liability as of 12/31/2021 measurement date:	\$	81,695,314
Total Pension Liability as of 12/31/2022 measurement date:	\$	84,955,274
Service Cost for the year ending on the 12/31/2022 measurement date:	\$	1,073,413
Change in the Total Pension Liability due to:		
- Benefit changes <sup>1</sup> :	\$	0
- Differences between expected and actual experience <sup>2</sup> :	\$	766,196
- Changes in assumptions <sup>2</sup> :	\$	0
Average expected remaining service lives of all employees (active and inactive):		4

<sup>1</sup> A change in liability due to benefit changes is immediately recognized when calculating pension expense for the year.

<sup>2</sup> Changes in liability due to differences between actual and expected experience, and changes in assumptions, are recognized in pension expense over the average remaining service lives of all employees.

Covered employee payroll (Needed for Required Supplementary Information):	\$	6,867,923
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Note: Covered employee payroll may differ from the GASB Statement No. 68 definition.

Sensitivity of the Net Pension Liability to changes in the discount rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Change in Net Pension Liability as of 12/31/2022:	\$ 10,993,501	\$ 0	\$ (9,039,762)

Note: The current discount rate shown for GASB Statement No. 68 purposes is higher than the MERS assumed rate of return. This is because for GASB Statement No. 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses.



## GASB Statement No. 68 Information

This page is for those municipalities who need to “roll forward” their total pension liability due to the timing of completion of the actuarial valuation in relation to their fiscal year-end.

The following information has been prepared to provide some of the information necessary to complete GASB Statement No. 68 disclosures. GASB Statement No. 68 is effective for fiscal years beginning after June 15, 2014. Additional resources, including an Implementation Guide, are available at [www.mersofmich.com](http://www.mersofmich.com).

Actuarial Valuation Date:	12/31/2022
Measurement Date of the Total Pension Liability (TPL):	12/31/2023

At 12/31/2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits:	118
Inactive employees entitled to but not yet receiving benefits (including refunds):	87
Active employees:	<u>110</u>
	315

Total Pension Liability as of 12/31/2022 measurement date:	\$ 83,970,638
Total Pension Liability as of 12/31/2023 measurement date:	\$ 87,184,024
Service Cost for the year ending on the 12/31/2023 measurement date:	\$ 1,092,692
Change in the Total Pension Liability due to:	
- Benefit changes <sup>1</sup> :	\$ 0
- Differences between expected and actual experience <sup>2</sup> :	\$ 1,056,026
- Changes in assumptions <sup>2</sup> :	\$ 0

Average expected remaining service lives of all employees (active and inactive):	4
--	---

<sup>1</sup> A change in liability due to benefit changes is immediately recognized when calculating pension expense for the year.

<sup>2</sup> Changes in liability due to differences between actual and expected experience, and changes in assumptions, are recognized in pension expense over the average remaining service lives of all employees.

Covered employee payroll (Needed for Required Supplementary Information):	\$ 6,867,923
---	--------------

Note: Covered employee payroll may differ from the GASB Statement No. 68 definition.

Sensitivity of the Net Pension Liability to changes in the discount rate:

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Change in Net Pension Liability as of 12/31/2023:	\$ 11,164,889	\$ 0	\$ (9,188,800)

Note: The current discount rate shown for GASB Statement No. 68 purposes is higher than the MERS assumed rate of return. This is because for GASB Statement No. 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses.



# Benefit Provision History

The following benefit provision history is provided by MERS. Any corrections to this history or discrepancies between this information and information displayed elsewhere in the valuation report should be reported to MERS. All provisions are listed by date of adoption.

## 01 - DPW

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2017	Day of Work defined as 10 8 hour days
1/1/2017	Non Standard Compensation Definition
1/1/2017	Participant Contribution Rate 5%
12/1/2016	Service Credit Purchase Estimates - Yes
7/1/2005	Benefit B-3 (80% max)
7/1/2005	Member Contribution Rate 2.30%
7/10/2001	Covered by Act 88
7/1/1997	Benefit B-2 (No Max)
7/1/1997	Benefit F55 (With 20 Years of Service)
7/1/1995	Benefit FAC-5 (5 Year Final Average Compensation)
7/1/1995	6 Year Vesting
7/1/1995	Benefit C-1 (New) (No Max)
7/1/1995	Member Contribution Rate 0.00%
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 02 - Police Patrol

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2019	Day of work defined as 80 Hours a Month for All employees.
12/1/2016	Service Credit Purchase Estimates - Yes
1/1/2007	Member Contribution Rate 8.29%
12/1/2005	Benefit D2 Plan
12/1/2005	Benefit FAC-3 (3 Year Final Average Compensation)
12/1/2005	2.75% Multiplier (80% max)
12/1/2005	Member Contribution Rate 8.79%
1/1/2002	Member Contribution Rate 4.50%
7/10/2001	Covered by Act 88
1/1/2000	Benefit B-4 (80% max)
1/1/2000	Member Contribution Rate 6.50%
1/1/2000	E2 2.5% COLA for future retirees (01/01/2000)
1/1/1999	Member Contribution Rate 2.50%
7/1/1996	Benefit FAC-5 (5 Year Final Average Compensation)



## 02 - Police Patrol

7/1/1996	10 Year Vesting
7/1/1996	Benefit B-3 (80% max)
7/1/1996	Benefit F50 (With 25 Years of Service)
7/1/1996	Member Contribution Rate 3.50%
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 05 - Firefighters

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 100 hours
1/1/2021	Custom Wages
1/1/2017	Day of work defined as 100.8 hours in a month
1/1/2017	Non Standard Compensation Definition
1/1/2017	Benefit B-4 (80% max)
12/31/2016	Current FAC
12/1/2016	Service Credit Purchase Estimates - Yes
1/1/2005	Member Contribution Rate 7.76%
1/1/2004	2.75% Multiplier (80% max)
1/1/2004	Member Contribution Rate 8.07%
7/10/2001	Covered by Act 88
7/1/1999	Benefit D2 Plan
7/1/1999	Benefit FAC-3 (3 Year Final Average Compensation)
7/1/1999	10 Year Vesting
7/1/1999	Benefit B-4 (80% max)
7/1/1999	Benefit F50 (With 25 Years of Service)
7/1/1999	Member Contribution Rate 4.19%
7/1/1999	E2 2.5% COLA for future retirees (07/01/1999)
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 10 - Admin Professional

1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
4/1/2017	Participant Contribution Rate 5%
1/1/2017	Day of Work defined as 10 8 hour days
1/1/2017	Non Standard Compensation Definition
1/1/2017	Benefit B-3 (80% max)
12/31/2016	Current FAC
12/1/2016	Service Credit Purchase Estimates - Yes
1/1/2007	Benefit B-4 (80% max)
1/1/2007	Member Contribution Rate 3.90%
1/1/2004	Benefit B-3 (80% max)
1/1/2004	Member Contribution Rate 1.50%



## 10 - Admin Professional

7/10/2001	Covered by Act 88
7/1/2000	Benefit B-2 (No Max)
7/1/2000	Member Contribution Rate 0.60%
1/1/1998	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1998	10 Year Vesting
1/1/1998	Benefit C-1 (New) (No Max)
1/1/1998	Benefit F55 (With 25 Years of Service)
1/1/1998	Member Contribution Rate 0.00%
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 11 - Teamsters

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2018	Participant Contribution Rate 5%
12/1/2016	Service Credit Purchase Estimates - Yes
1/1/2004	6 Year Vesting
1/1/2002	Member Contribution Rate 2.00%
7/10/2001	Covered by Act 88
7/1/2000	Benefit FAC-5 (5 Year Final Average Compensation)
7/1/2000	10 Year Vesting
7/1/2000	Benefit B-2 (No Max)
7/1/2000	Benefit F55 (With 20 Years of Service)
7/1/2000	Member Contribution Rate 0.00%
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 12 - Admin Prof on/aft 1/1/17

1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2017	Day of Work defined as 10 8 hour days
1/1/2017	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/2017	Non Standard Compensation Definition
1/1/2017	10 Year Vesting
1/1/2017	Defined Benefit Normal Retirement Age - 60
1/1/2017	Service Credit Purchase Estimates - Yes
1/1/2017	Benefit C-1 (New) (No Max)
1/1/2017	Benefit F55 (With 25 Years of Service)
1/1/2017	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2017	Participant Contribution Rate 5%
7/10/2001	Covered by Act 88
7/1/1995	Fiscal Month - January



### 13 - DPW on/aft 01/1/17

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2017	Day of Work defined as 10 8 hour days
1/1/2017	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/2017	Non Standard Compensation Definition
1/1/2017	6 Year Vesting
1/1/2017	Defined Benefit Normal Retirement Age - 60
1/1/2017	Service Credit Purchase Estimates - Yes
1/1/2017	1.5% multiplier (80% max)
1/1/2017	Benefit F55 (With 20 Years of Service)
1/1/2017	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2017	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2017	Participant Contribution Rate 5%
7/10/2001	Covered by Act 88
7/1/1995	Fiscal Month - January

### 20 - Police Command

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2020	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2019	Day of work defined as 80 Hours a Month for All employees.
7/1/2018	Non Standard Compensation Definition
12/1/2016	Service Credit Purchase Estimates - Yes
8/1/2005	2.75% Multiplier (80% max)
8/1/2005	Member Contribution Rate 11.24%
1/1/2005	Member Contribution Rate 5.50%
1/1/2003	Member Contribution Rate 8.00%
1/1/2002	Member Contribution Rate 7.00%
1/1/2002	E2 2.5% COLA for future retirees (07/01/2001)
7/10/2001	Covered by Act 88
7/1/2001	Benefit D2 Plan
7/1/2001	Benefit B-4 (80% max)
7/1/2001	Benefit F50 (With 25 Years of Service)
7/1/2001	Member Contribution Rate 6.00%
1/1/2001	Member Contribution Rate 4.50%
1/1/1998	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/1998	10 Year Vesting
1/1/1998	Benefit B-3 (80% max)
1/1/1998	Benefit F55 (With 15 Years of Service)
1/1/1998	Eligible at Age 52 (With 25 Years of Service)
1/1/1998	Member Contribution Rate 5.50%
7/1/1995	Fiscal Month - January
	Defined Benefit Normal Retirement Age - 60



## 20 - Police Command

Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

## 21 - Command/Patrol on/aft 1/1/20

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 80 hours
1/1/2021	Custom Wages
1/1/2020	Day of work defined as 80 Hours a Month for All employees.
1/1/2020	Benefit D2 Plan
1/1/2020	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/2020	Non Standard Compensation Definition
1/1/2020	10 Year Vesting
1/1/2020	Defined Benefit Normal Retirement Age - 60
1/1/2020	Service Credit Purchase Estimates - Yes
1/1/2020	1.75% multiplier (No Max)
1/1/2020	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2020	Benefit F55 (With 25 Years of Service)
1/1/2020	Participant Contribution Rate 8.29%
7/10/2001	Covered by Act 88
7/1/1995	Fiscal Month - January

## 50 - Fire on/aft 1/1/17

1/1/2021	Public Safety Employees - Yes
1/1/2021	Other Leave - Service Granted
1/1/2021	Workers Compensation - Service Granted
1/1/2021	Service Credit Qualification - 100 hours
1/1/2021	Custom Wages
1/1/2017	Day of work defined as 100.8 hours in a month
1/1/2017	Benefit D2 Plan
1/1/2017	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/2017	Non Standard Compensation Definition
1/1/2017	10 Year Vesting
1/1/2017	Defined Benefit Normal Retirement Age - 60
1/1/2017	Service Credit Purchase Estimates - Yes
1/1/2017	1.75% multiplier (No Max)
1/1/2017	Benefit F55 (With 25 Years of Service)
1/1/2017	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years
1/1/2017	Participant Contribution Rate 7.76%
7/10/2001	Covered by Act 88
7/1/1995	Fiscal Month - January

## S1 - Surplus Assoc Fire

7/1/1995 Fiscal Month - January

## S2 - Surplus Assoc Police

7/1/1995 Fiscal Month - January



# Plan Provisions, Actuarial Assumptions, and Actuarial Funding Method

Details on MERS plan provisions, actuarial assumptions, and actuarial methodology can be found in the Appendix. Some actuarial assumptions are specific to this municipality and its divisions. These are listed below.

## Increase in Final Average Compensation

Division	FAC Increase Assumption
All Divisions	1.00%

## Miscellaneous and Technical Assumptions

Loads – None.

**Amortization Policy for Closed Not Linked Divisions:** The default funding policy for closed not linked divisions, including open divisions with zero active members, is to follow a non-accelerated amortization, where each closed period decreases by one year each year until the period is exhausted. In select instances, closed not linked division(s) may follow an accelerated amortization policy.

## Risk Commentary

Determination of the accrued liability, the employer contribution, and the funded ratio requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability, the actuarially determined contribution and the funded ratio that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- **Investment Risk** – actual investment returns may differ from the expected returns;
- **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
- **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
- **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
- **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

## PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>
1. Ratio of the market value of assets to total payroll	8.1	9.6	8.0	7.0	6.1
2. Ratio of actuarial accrued liability to payroll	12.8	13.2	12.1	11.5	10.6
3. Ratio of actives to retirees and beneficiaries	0.9	1.0	1.0	1.1	1.2
4. Ratio of market value of assets to benefit payments	12.7	14.7	13.5	12.7	11.8
5. Ratio of net cash flow to market value of assets (boy)	2.2%	2.2%	1.8%	2.0%	2.4%

### RATIO OF MARKET VALUE OF ASSETS TO TOTAL PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

### RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

### RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of actives to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

### RATIO OF MARKET VALUE OF ASSETS TO BENEFIT PAYMENTS

The MERS' Actuarial Policy requires a total minimum contribution equal to the excess (if any) of three times the expected annual benefit payments over the projected market value of assets as of the participating municipality or court's Fiscal Year for which the contribution applies. The ratio of market value of assets to benefit payments as of the valuation date provides an indication of whether the division is at risk for triggering the minimum contribution rule in the near term. If the division triggers this minimum contribution rule, the required employer contributions could increase dramatically relative to previous valuations.

### RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.



## State Reporting

The following information has been prepared to provide some of the information necessary to complete the Public Act 202 pension reporting requirements for the State of Michigan’s Local Government Retirement System Annual Report (Form No. 5572). Additional resources are available at [www.mersofmich.com](http://www.mersofmich.com) and on the State [website](#).

Form 5572		
Line Reference	Description	Result
<b>10</b>	<b>Membership as of December 31, 2022</b>	
11	Indicate number of active members	110
12	Indicate number of inactive members (excluding pending refunds)	36
13	Indicate number of retirees and beneficiaries	118
<b>14</b>	<b>Investment Performance for Calendar Year Ending December 31, 2022<sup>1</sup></b>	
15	Enter actual rate of return - prior 1-year period	(10.37)%
16	Enter actual rate of return - prior 5-year period	4.95%
17	Enter actual rate of return - prior 10-year period	6.79%
<b>18</b>	<b>Actuarial Assumptions</b>	
19	Actuarial assumed rate of investment return <sup>2</sup>	7.00%
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Level Percent
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any <sup>3</sup>	16
22	Is each division within the system closed to new employees? <sup>4</sup>	No
<b>23</b>	<b>Uniform Assumptions</b>	
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	\$60,212,330
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions <sup>5</sup>	\$89,173,748
27	Actuarially Determined Contribution (ADC) using uniform assumptions, Fiscal Year Ending December 31, 2023	\$3,931,716

1. The Municipal Employees’ Retirement System’s investment performance has been provided to GRS from MERS Investment Staff and is included here for reporting purposes. The investment performance figures reported are net of investment expenses on a rolling calendar year basis for the previous 1-, 5-, and 10-year periods as required under PA 530.
2. Net of administrative and investment expenses.
3. Populated with the longest amortization period remaining in the amortization schedule, across all divisions in the plan. This is when each division and the plan in total is expected to reach 100% funded if all assumptions are met.
4. If all divisions within the employer are closed, “yes.” If at least one division is open (including shadow divisions), “no.”
5. Line 25 actuarial accrued liability is determined under PA 202 uniform assumptions which differ from the valuation assumptions. In particular, the assumed rate of return for PA 202 purposes is 6.85%.



9.A

**CONSENT AGENDA  
BOARD  
COMMUNICATIONS  
June 6, 2023**

**From:** [Charles Kotz](#)  
**To:** [Board](#)  
**Subject:** No Mow May 2023: What to know about annual effort to save the bees  
**Date:** Thursday, May 4, 2023 10:25:22 PM

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Dear Board:

So, why is Meridian Township a non-participant? Do we love our sterile green lawns, gas powered leaf blowers, lawn services, chemical applications, too much?

Charles Kotz

<https://www.freep.com/story/news/local/michigan/2023/05/01/no-mow-may-2023-save-bees-lawn/70169370007/>

Sent from my iPhone

**EAST LANSING – MERIDIAN WATER AND SEWER AUTHORITY**  
2470 BURCHAM DRIVE – EAST LANSING, MICHIGAN 48823  
PHONE: (517) 337-7535 FAX: (517) 337-7240

## **Agenda**

East Lansing-Meridian Water and Sewer Authority

May 18, 2023

11:00 A.M.

### **BOARD OF TRUSTEES**

**DAN OPSOMMER**  
Chair

**RON LACASSE**  
Vice-Chair

**CHUCK PETERSON**  
Secretary

**BRADLEY BROGREN**  
Trustee

**JAMES CLELAND**  
Trustee

**JAMES ECKLUND**  
Trustee

•

**JUSTIN GUIGAR**  
Treasurer

•

**JOEL MARTINEZ**  
Operator/Manager

1. Roll call.
2. Approval of minutes of the April 20, 2023 meeting.  
A. Motion to approve.
3. Communications.
4. Public Comments.
5. Treasurer's Report.
6. Preliminary Budget for fiscal 2023/24 Draft 3.
7. Long Term Planning update.
8. Manager's Report.  
A. Expenditure list (Motion to acknowledge).
9. Other Business.
10. Adjournment.

**From:** [marc.santucci](#)  
**To:** [Board](#)  
**Subject:** Prospective Recreational Grow Ordinance  
**Date:** Monday, May 15, 2023 4:48:00 PM

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Dear Board Members,

As you move forward on the recreational marijuana ordinance I would like you to consider retaining one grow from the medical ordinance. Given the current economic conditions with large grows it is highly unlikely that anyone will want a grow, large or small in Meridian Township where both property values and mitigation costs are high. However, what does make sense is having the ability to undertake a much smaller, indoor grow for marketing purposes.

If you limit the grow to 500 plants indoors (Class A - the smallest grow ) the odor coming from the grow can be easily eliminated from the area outside of the grow facility. Further, we are not in a residential neighborhood, or anywhere near one.

Having the grow in the provisioning center will provide for a demonstration of the process used to grow the plants in addition to furnishing local product. Having a small grow operation will also limit the sales to the facility as the quantity would not be large enough to support outside sales thus allowing for a closed loop operation and provide for a secure grow from seed to sale.

The Township is limiting the number of recreational sales facilities to four. At this time we are not aware that any of the prospective provisioning centers or anyone else wanting to have a micro grow attached to their sales facility.

I am respectfully requesting that the proposed ordinance retain the ability to obtain a class A grow in Zone 6, in addition to the available dispensary permit.

I would very much appreciate the Board's timely approval of this request.

Respectfully,

Marc Santucci



FOR IMMEDIATE RELEASE  
May 15, 2023

CONTACT: Deborah Guthrie, Township Clerk  
517.853.4324 | [guthrie@meridian.mi.us](mailto:guthrie@meridian.mi.us)

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**Meridian Township Celebrates Memorial Day**  
*Special Service to Honor Those Who Served*

**Meridian Township, MI** – Meridian Township carries on the tradition of honoring and paying respect to those who have served in the military. A Memorial Day Service will be held on Monday, May 29 at 11:00 am at Glendale Cemetery.

During the ceremony, the Meridian Community Band will be providing musical tribute selections, Scouts BSA Troop 164G and 125 will lead the Color Guard, and a special presentation will be provided by Pastor Trevor Sutton and Retired Army Veteran Dennis Carpenter.

- WHAT:** Meridian Township Memorial Day Service
- WHEN:** Memorial Day – Monday, May 29, 2023, at 11:00 am
- WHERE:** Glendale Cemetery, 2500 Mt. Hope Road, Okemos
- WHO:** Open to the public

“I come from a long line of veterans who served, my son served in the Marines for 10 years and now serves in Army,” stated Meridian Township Clerk Deborah Guthrie. “The important oath our family members, friends, and neighbors commit to putting their lives on the line to protect our freedoms is not only an oath we should recognize and respect every day, but especially on Memorial Day.”

For additional information about the event, visit the Meridian Township website at [www.meridian.mi.us](http://www.meridian.mi.us) or contact the Meridian Township Clerk’s Office at 517.853.4300. For a full listing of other Township events, visit [www.meridian.mi.us/Calendar](http://www.meridian.mi.us/Calendar).

###

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FOR IMMEDIATE RELEASE  
May 17, 2023

CONTACT: Rick Grillo, Captain  
517.853.4800 | [grillo@meridian.mi.us](mailto:grillo@meridian.mi.us)

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## Meridian Township Police Department Offers Anonymous Gun Drop-Off Program

*Citizens can relinquish unwanted firearms to the police department*

**MERIDIAN TOWNSHIP, MI** — The Anonymous Gun Drop-Off program is a proactive initiative of the Meridian Township Board of Trustees, Township Manager Frank Walsh, and the Meridian Township Police Department. The program offers citizens a safe and anonymous method to turn in unwanted handguns, long guns, and ammunition to the police department for destruction.

If any citizen is in possession of a firearm, whether it is legally registered or not, and they would like to dispose of it, they can contact the police department. The police will take the firearm and, as long as it has not been used in the commission of a crime, the firearm will be disposed of properly and there will be no penalty.

The goal of the program is to reduce the number of unwanted firearms in the homes of community members and to reduce the availability of firearms available for unlawful purposes on the street. It also offers citizens a safe and anonymous method to dispose of weapons without fear of charges for unlawful possession when the guidelines of the program are followed.

Citizens interested in participating in the Anonymous Gun Drop Off program should contact the Meridian Township Police Department by calling 517.853.4800 for more information. Instructions for the program can be found on the police department's website by visiting [meridian.mi.us/about-us/departments/police](http://meridian.mi.us/about-us/departments/police)

###

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**STATE OF MICHIGAN  
OFFICE OF THE INGHAM COUNTY DRAIN COMMISSIONER  
NOTICE OF DRAINAGE BOARD MEETING TO HEAR OBJECTIONS TO  
APPORTIONMENTS OF COST OF PROCTOR DRAIN**

NOTICE IS HEREBY GIVEN, pursuant to the provisions of Chapter 20 of 1956, PA 40, as amended, that a meeting of the Drainage Board for the Proctor Drain (a Chapter 20 Drain) will be held at the following date, time, and location:

**Wednesday, June 7, 2023, at 5:30 p.m.**  
Ingham County Human Services Building - Conference Room A  
5303 South Cedar Steet, Lansing, MI 48911

The purpose of this meeting is to hear objections to the proposed apportionments for the Proctor Drain Emergency Maintenance and Repair Project only, and to discuss any other business that may come before the Board. The proposed apportionments for the Proctor Drain Emergency Maintenance and Repair Project are as follows:

Meridian Charter Township	50.00%
City of East Lansing	50.00%
County of Ingham	0.00%
<u>Michigan Dept. of Transportation</u>	<u>0.00%</u>
Total	100.00%

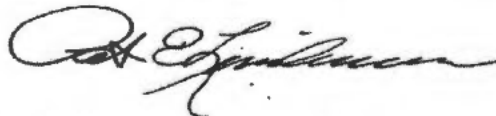
For ordinary maintenance separate from this Project, the historical apportionments will remain in place. The historical apportionments among the public corporations for the Proctor Drain are:

Meridian Charter Township	67.51%
City of East Lansing	22.60%
County of Ingham	9.60%
<u>Michigan Dept. of Transportation</u>	<u>0.29%</u>
Total	100.00%

NOTICE IS FURTHER GIVEN that any public corporation to be assessed, or any taxpayer thereof, will be entitled to be heard at the time and place of the hearing; and that after consideration of all objections to the apportionments, the Drainage Board shall determine whether the apportionments fairly reflect the benefits to accrue to each public corporation and the extent to which each public corporation contributes to the conditions making the drain expenses necessary. If the Drainage Board determines that the apportionments are equitable, then it will enter a Final Order of Apportionment confirming the apportionments.

For purposes of providing input or asking questions on any business that will come before the public body at the meeting, you may contact Paul Pratt, Ingham County Deputy Drain Commissioner via email ([pprat@ingham.org](mailto:pprat@ingham.org)). Persons with disabilities needing accommodations for effective participation in meeting should contact the Michigan Relay Center at 711 (TTY) at least 24 hours in advance of the meeting to request visual, hearing or other assistance. Minutes of the meeting will be on file at the office of the Ingham County Drain Commissioner.

PROCTOR DRAIN DRAINAGE BOARD



Dated: May 4, 2023

By:

Patrick E. Lindemann, Chairperson  
Ingham County Drain Commissioner



# **PROCTOR DRAIN DRAINAGE BOARD MEETING**

**Ingham County Human Services Building – Conference Room A  
5303 South Cedar Street, Lansing, MI 48911  
Wednesday, June 7, 2023 – 5:30 p.m.**

## **AGENDA**

- I. Welcome & Introductions
  
- II. Call to Order by the Chair of the Proctor Drain Drainage Board
  
- III. Approval of Agenda
  
- IV. Approval of Minutes from meeting of May 3, 2023
  
- V. Public Remarks / Objections to Tentative Apportionments
  
- VI. Board Deliberation and Determination regarding Tentative Apportionments
  
- VII. Scheduling of Next Drainage Board Meeting (if necessary)
  
- VIII. Other Business
  
- IX. Public Remarks
  
- X. Adjourn

**From:** [Frank Walsh](#)  
**To:** [Township Board](#)  
**Subject:** FW: Village of Okemos construction proposal-please include in Board and Planning Commission packet  
**Date:** Friday, May 19, 2023 9:47:44 AM

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**From:** Dan Opsommer <[opsommer@meridian.mi.us](mailto:opsommer@meridian.mi.us)>

**Sent:** Friday, May 19, 2023 9:45 AM

**To:**

**Subject:** RE: Village of Okemos construction proposal-please include in Board and Planning Commission packet

Hi Charles,

Thank you for your email. As part of the planning and review process for this project, the Township worked with the developer to greatly improve this intersection.

As you noted, westbound Hamilton traffic backs up to the traffic circle at Marsh Rd during peak traffic today. As part of this project, there will also be two left turn lanes from westbound Hamilton Rd onto southbound Okemos Rd. Having two left turn lanes from WB Hamilton Rd onto SB Okemos Rd will also greatly improve traffic at the intersection.

As the request of the Township, the developer also agreed to give up private property on the west side of Okemos Rd to make it possible to add left turn lanes on Okemos Rd at the Hamilton Rd intersection. There is not sufficient right-of-way to widen Okemos Rd at the intersection, which is why there are no left turn lanes today.

Without a land owner who is willing to give up the private property, adding these left turn lanes would not be possible. Very few property owners are willing to give up their private land for public purposes, so there is no guarantee that future owners would agree to these terms. Today, motorists attempt to turn left onto Methodist and Clinton, which reduces Okemos Rd to one lane of northbound traffic until those motorists can make the left turn. Adding these left turn lanes on Okemos Rd at a signalized intersection will address this issue.

Please let me know if you have any questions.

Take care,

**Dan Opsommer**

Deputy Township Manager

Director of Public Works & Engineering

[opsommer@meridian.mi.us](mailto:opsommer@meridian.mi.us)

Work: 517.853.4440 | Fax: 517.853.4099

5151 Marsh Road | Okemos, MI 48864

**From:** Charles Kotz

**Sent:** Thursday, May 18, 2023 1:56 PM

**To:** Board <[Board@meridian.mi.us](mailto:Board@meridian.mi.us)>

**Subject:** Village of Okemos construction proposal-please include in Board and Planning Commission packet

Dear Board:

After reviewing the update slides provided by the developer, for a “re-imagined” downtown Okemos, I couldn’t help but wonder if they have actually spent any time at this location. Okemos Road is one of the busiest highways in the Township, with thousands of vehicles, of all description traveling at high speed. (45 mph speed limit on Okemos Road). I found it more than amusing, that in the building schematics, that there were NO vehicles depicted, and only a rather forlorn individual holding a bicycle appears, (probably wondering how in the world he can safely ride home)!

This intersection is already subject to long traffic backups —stretching from Okemos Road, back through the round about extending back to Marsh Road. I can only imagine the gridlock this project will produce, (**remember the hell the Township just went through with the bridge construction**)?

This is a pipe dream, that is going to turn into a nightmare. “Downtown Okemos” is the Mall—it’s not at something that may have existed *50 years ago*, when the population of Okemos was half of what it is now, and yes, this use to be a pleasant “downtown”...no more. That Okemos is long gone. If the Board can devise a way of making the thousands of speeding vehicles disappear, than I’m all in.

Tell the developer to pack his bags, and turn this land into a park. It is not at all suitable for housing or restaurants—the exponential growth in automobiles, semi-trucks, lawn service trucks, etc., that has been generated by Meridian Township overdevelopment is the “deal killer”.

Sincerely,

Charles Kotz





FOR IMMEDIATE RELEASE  
June 1, 2023

CONTACT: Rick Grillo, Captain  
517.853.4800 | grillo@meridian.mi.us

## Meridian Township Police Requests Assistance in Locating a Missing Juvenile

*The 16-year-old was last seen on 5/31/23*

**MERIDIAN TOWNSHIP, MI** —The Meridian Township Police Department responded to a report of a missing juvenile on Wednesday, May 31, 2023. The missing juvenile's parents reported their 16-year-old daughter, Santaura Harmon, had gone for a walk and did not return home. Santaura was last seen walking toward the Ted Black Woods Park near Grand River and Van Atta at approximately 6:15 pm.

Santaura is a 16-year-old female with black hair and brown eyes. She is approximately 5'3" and 140 lbs. She was last seen wearing a grey zip up hoodie, a white t-shirt and black pants.



This investigation is ongoing. Anyone who has information regarding this incident are encouraged to contact Investigator Megan Klein at 517-853-4800, by email at klein@meridian.mi.us, or submit an anonymous tip through the Department's social media sites.

###

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FOR IMMEDIATE RELEASE  
June 1, 2023

CONTACT: Rick Grillo, Captain  
517.853.4800 | grillo@meridian.mi.us

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## Meridian Township Police Requests Assistance in Locating a Missing Juvenile - UPDATE

*The 16-year-old was located.*

**MERIDIAN TOWNSHIP, MI** — Santaura Harmon has been located and is safe.

The Meridian Township Police Department responded to a report of a missing juvenile on Wednesday, May 31, 2023. The missing juvenile's parents reported their 16-year-old daughter, Santaura Harmon, had gone for a walk and did not return home. Santaura was last seen walking toward the Ted Black Woods Park near Grand River and Van Atta at approximately 6:15 pm.

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**From:** [Charles Kotz](#)  
**To:** [Board](#)  
**Subject:** Village of Okemos construction proposal-please include in Board and Planning Commission packet  
**Date:** Thursday, May 18, 2023 1:56:30 PM

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Dear Board:

After reviewing the update slides provided by the developer, for a “re-imagined” downtown Okemos, I couldn’t help but wonder if they have actually spent any time at this location. Okemos Road is one of the busiest highways in the Township, with thousands of vehicles, of all description traveling at high speed. (45 mph speed limit on Okemos Road). I found it more than amusing, that in the building schematics, that there were NO vehicles depicted, and only a rather forlorn individual holding a bicycle appears, (probably wondering how in the world he can safely ride home)!

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Tell the developer to pack his bags, and turn this land into a park. It is not at all suitable for housing or restaurants—the exponential growth in automobiles, semi-trucks, lawn service trucks, etc., that has been generated by Meridian Township overdevelopment is the “deal killer”.

Sincerely,

Charles Kotz  
1282 Silverwood Rd.

CHARTER TOWNSHIP OF MERIDIAN  
REGULAR MEETING TOWNSHIP BOARD 2023 **-DRAFT-**  
5151 Marsh Road, Okemos MI 48864-1198  
517.853.4000, Township Hall Room  
TUESDAY, May 16, 2023 **6:00 pm**

PRESENT: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

ABSENT: None

STAFF: Township Manager Walsh, Deputy Manager Opsommer, Community Planning and Development Director Schmitt, IT Director Gebes, Communications Manager Diehl, Finance Director Garber, Chief of Police Plaga, Fire Chief Hamel, Economic Developer Director Clark, Assessor Winstead, Parks and Recreation Director Maisner, Director of Operations Massie

1. CALL MEETING TO ORDER

Supervisor Jackson called the meeting to order at 6:01 pm.

2. PLEDGE OF ALLEGIANCE/INTRODUCTIONS

Supervisor Jackson led the Pledge of Allegiance.

3. ROLLCALL

Clerk Guthrie called the roll of the Board. All board members are present.

4. PRESENTATION

A. Introduction of New Marketing & Public Relations Specialist

Communications Manager Diehl introduced Marketing and Public Relations Specialist Rachel Stohlin and Intern Stella Govitz to the board.

Both Rachel Stolen and Stella Govits thanked the board for the opportunity to serve the township.

Treasurer Deschaine asked if HOMtv had been given any recent awards.

Manager Diehl replied that HOMtv has received an award for overall excellence in government access from the Alliance for Community Media's Home Town Media Awards.

B. Introduction of New Police Officers

Chief Plaga introduced new officers Steven Sloan and Alex Stachura to the board.

Both Officers Steven Sloan and Alex Stachura thanked the board for the opportunity to serve the township.

C. Mid-Michigan Autism Alliance

Firefighter Samantha Weber introduced Kathy Blatnik to the board,

Ms. Blatnik spoke about the Mid-Michigan Autism Alliance and what services they provide.

D. New Electric Cots-Fire Department

Chief Hamel gave a presentation on the Electric Cots that have been purchased so the fire department may provide a better service.

5. CITIZENS ADDRESS AGENDA ITEMS AND NON-AGENDA ITEMS

Supervisor Jackson opened public comment at 6:17 PM.

Mark Santucci, 5909 Blythefield Dr., spoke in support of Recreational Marijuana and in support of allowing professional growing operations in the township.

Supervisor Jackson closed public comment at 6:21 PM.

6. TOWNSHIP MANAGER REPORT

Manager Walsh reported the building renovation is going well. The community signs have received positive feedback.

7. BOARD MEMBER REPORTS OF ACTIVITIES AND ANNOUNCEMENTS

Trustee Hendrickson

- Spoke about the success of the Meridian Cares About You: Health and Safety Expo

Treasurer Deschaine

- Spoke about attending the EDC meeting and the Ron Styka Memorial Luncheon
- Attended the Village of Okemos Community Conversation

Trustee Wilson

- Thanked the community for attending the Meridian Cares About You: Health and Safety Expo

Trustee Wisinski

- Announced progress on the LGBTQ+ celebration coming on August 26th from 4:00 pm to 11:00pm

Clerk Guthrie

- Announced the Memorial Day event coming up at 11:00 am at Glendale Cemetery.
- Announced medicine collection at the Market on May 20th.



Supervisor Jackson

- Thanked Trustee Wilson for organizing the Meridian Cares about You Expo.
- The Village of Okemos developers are planning for vertical construction in 2024.

8. APPROVAL OF THE AGENDA

**Treasurer Deschaine moved to approve the agenda as presented. Seconded by Trustee Wilson.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

9. CONSENT AGENDA

Supervisor Jackson reviewed the Consent Agenda.

**Trustee Hendrickson moved to approve the Consent Agenda as presented. Seconded by Trustee Wilson.**

Treasurer Deschaine gave a brief description of the First Quarter 2023 Investment Report.

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

A. Communications

**Trustee Hendrickson moved that the communications not already assigned for disposition be referred to the Township Manager or Supervisor for follow-up. Seconded by Trustee Wilson.**

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

B. Minutes- May 2, 2023 Regular Township Board Meeting Minutes

**Trustee Hendrickson moved to approve and ratify the minutes of the Regular Meeting of May 2<sup>nd</sup>, 2023 as presented. Seconded by Trustee Wilson.**

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

C. Bills

**Trustee Hendrickson moved to approve that the Township Board approve the Manager's Bills as follows: Seconded by Trustee Wilson.**

Common Cash	\$	288,676.14
Public Works	\$	186,067.26
Trust & Agency	\$	<u>1.47</u>
<b>Total Checks</b>	\$	<b>474,744.87</b>
Credit Card Transactions	\$	9,204.78
03/16/2023 to 03/29/2023		
<b>Total Purchases</b>	\$	<b><u>483,949.65</u></b>
<b>ACH Payments</b>	\$	<b><u>963,833.25</u></b>

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

D. Meridian Pride Outdoor Gathering Permit Approval

**Trustee Hendrickson moved to approve the outdoor assembly license for the Meridian Pride event to be held on August 26, 2023 in Marketplace on the Green. Seconded by Trustee Wilson.**

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

10. QUESTIONS FOR THE ATTORNEY-NONE

11. HEARINGS-NONE

12. ACTION ITEMS

A. Final Plat #03012 – Sierra Ridge Phase 4

**Treasurer Deschaine moved to approve the resolution for Final Plat #03012, G.S. Fedewa Builders, for Phase 4 of Sierra Ridge, a phase of a single family subdivision consisting of 14 lots on the east side of Newton Road, north of Lake Lansing Road. Seconded by Clerk Guthrie.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

B. Resolution to Support Anonymous Gun Drop Off

**Trustee Hendrickson moved to approve the resolution to support anonymous gun drop off program. Seconded by Trustee Wisinski.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

C. Federal Policies & Procedures Manual Update

**Treasurer Deschaine moved to approve the updated Meridian Township Federal Policies and Procedures Manual. Seconded by Trustee Wilson.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

D. Ingham County Parks & Trails Millage – Multi-Jurisdictional River Clearing Grant

**Trustee Wilson move to approve the attached resolution supporting the Red Cedar River Multijurisdictional Clearing Project Grant Application to the Ingham County Parks and Trails Millage Program in the amount of \$500,000 in conjunction with the City of Williamston, Williamstown Township and Meridian Township offering no local match. Seconded by Trustee Wisinski.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

E. School Resource Officer – Haslett Public Schools

Chief Plaga outline the School Resource Officer Proposal for action.

**Trustee Wisinski moved to authorize the agreement between the Haslett Public Schools and the Township for one School Resource Officer and increase authorized sworn officers to 42 annually. Seconded Treasurer Deschaine.**

ROLL CALL VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

13. BOARD DISCUSSION ITEMS

A. Resolution in Support of Ingham County Trail Grant – Eastern Third Regional Trail, Phase I

**Trustee Wilson moved to suspend the rules for immediate consideration of Agenda Item 13A. Seconded by Clerk Guthrie.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

**Trustee Wisinski moved to approve the resolution in support of Meridian Township's application to the Ingham County Trails and Parks Millage Program for Phase 1 of the Eastern Third Regional Trail. Seconded by Treasurer Deschaine.**

VOICE VOTE: YEAS: Supervisor Jackson, Clerk Guthrie, Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski

NAYS: None

Motion carried: 7-0

14. COMMENTS FROM THE PUBLIC

Supervisor Jackson opened public remarks at 7:40 pm.

NONE

Supervisor Jackson closed public remarks at 7:40 pm.

15. OTHER MATTERS AND BOARD MEMBER COMMENTS-NONE

16. CLOSED SESSION – Motion to go into closed session to discuss a written confidential legal opinion from the township attorney regarding recreational marihuana.

**Trustee Hendrickson moved to go into closed session to discuss a written confidential legal opinion from the township attorney regarding recreational marihuana. Seconded by Trustee Wisinski.**

ROLL CALL VOTE: YEAS: Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski, Supervisor Jackson, Clerk Guthrie

NAYS: None

Motion carried: 7-0

**The Board entered into closed session at 7:41 pm.**

17. ADJOURNMENT

**Trustee Hendrickson moved to adjourn. Seconded by Trustee Sundland.**

ROLL CALL VOTE: YEAS: Treasurer Deschaine, Trustees Hendrickson, Sundland, Wilson, Wisinski, Supervisor Jackson, Clerk Guthrie

NAYS: None

Motion carried: 7-0

**The meeting was adjourned at 9:03 pm.**

---

PATRICIA H. JACKSON,  
TOWNSHIP SUPERVISOR

---

DEBORAH GUTHRIE  
TOWNSHIP CLERK



9.C

To: Board Members  
From: Amanda Garber, Finance Director  
Date: June 6, 2023  
Re: Board Bills

Charter Township of Meridian  
Board Meeting  
6/6/2023

MOVED THAT THE TOWNSHIP BOARD APPROVE THE MANAGER'S  
BILLS AS FOLLOWS:

COMMON CASH	\$	238,080.91
PUBLIC WORKS	\$	221,028.71
TRUST & AGENCY	\$	-
	TOTAL CHECKS:	\$ 459,109.62
CREDIT CARD TRANSACTIONS		
05/11/2023 - 05/30/2023	\$	20,931.10
	TOTAL PURCHASES:	\$ <u>480,040.72</u>
ACH PAYMENTS	\$	<u>1,021,547.83</u>

05/31/2023 04:29 PM  
 User: GRAHAM  
 DB: Meridian

INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF MERIDIAN  
 EXP CHECK RUN DATES 06/06/2023 - 06/06/2023  
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
 BANK CODE: GF - CHECK TYPE: PAPER CHECK

Vendor Name	Description	Amount	Check #
1. ABBY REYES	REIMB - I. REYES SPRING SOCCER REGISTRATION	65.00	
2. ABONMARCHE	PROF SERV THRU 4/30/2023 CHIP & FOG HMA OVERLAY EN	5,030.00	
3. ALLGRAPHICS CORP	WILLIAMSTON YOUTH BASEBALL T SHIRTS	473.80	
4. AMANDA GARBER	6/1/23 - 5/31/24 - REIMB ANNUAL MEMBERSHIP GOVT FI	150.00	
	7/1/2023 - 6/30/2023 - REIMB MI ASSN CPA'S	350.00	
	TOTAL	500.00	
5. ASAP PRINTING	POLICE BROCHURE PRINTING AND FORMS	212.24	
	BUSINESS CARDS - D HUGHES	35.90	
	TOTAL	248.14	
6. AT & T	MAY 2023 - ASE NET - THB - FS91 - 831.000.8214 218	3,763.02	109549
	MAY 2023 - PRI TEL + 100 MB INT 831-001-1392 886 5	1,219.79	109549
	TOTAL	4,982.81	
7. AT & T MOBILITY	MAY 5 - JUN 4 2023 - DISPATCH NON-EMERGENCY - 2872	114.83	
	APR 7 - MAY 6 2023 - FIRSTNET CELL SERVICE 2873120	124.64	
	TOTAL	239.47	
8. BARYAMES CLEANERS	04/16/2023 - 05/16/2023 - POLICE UNIFORM CLEANING	582.00	
9. BLUE CROSS BLUE SHIELD OF MICHIGAN	6/01/23 THRU 6/30/23 PPO RETIREE HEALTH INSURANCE	1,861.14	109550
10. BOUNDTREE MEDICAL	ORDER #104487517 - MEDICAL SUPPLIES	44.50	
11. BSN SPORTS	YOUTH AND ADULT BASEBALL PANTS	2,410.30	
	MLB REPLICHA HATS YOUTH BASEBALL	4,224.45	
	TOTAL	6,634.75	
12. BULL ENTERPRISES	APRIL 2023 - JANITORIAL SERVICES TWP BLDGS	8,477.00	
13. CEI MICHIGAN LLC	INVESTIGATE & REPAIR LEAKS - SKYLIGHT WINDOWS ENTR	998.00	
14. CINTAS CORPORATION #725	T FRANK - MECHANICS UNIFORMS	30.00	
	5/27/2023 - MECHANICS UNIFORMS - T FRANK	30.00	
	05/24/2023 - MECHANICS UNIFORMS - T FRANK	30.00	
	TOTAL	90.00	
15. CLEVERBRIDGE INC	5/21/2023-5/20/2024 - LANSWEEPER 1000 NODES	1,000.00	
16. CMP DISTRIBUTORS INC.	ACCT #1281 - GUN PARTS - POLICE SGT MCCREADY	266.45	
17. COMCAST	MAY 14 2023 TO JUN 13 2023 - HOM TV	461.31	109556
	JUN 1 TO JUN 30 2023 - INT+TV @THB 8529 11 416 015	541.90	
	MAY 29 TO JUN 28 2023 - PSB 'FREE' DROP	38.74	109551
	MAY 16 2023 TO JUN 15 2023 TV + INE	161.85	109545
	MAY 20 2023 TO JUN 19 2023 - FD 'FREE' DROP	10.76	109551
	MAY 19 2023 TO JUN 18 2023 - SCADA INET	244.90	109551
	TOTAL	1,459.46	
18. CONSUMERS ENERGY	C.GIACIN - EMERGENCY UTILITY ASSISTANCE	178.00	109548
	D.VALERI - EMERGENCY UTILITIES ASSISTANCE	135.30	109547
	TOTAL	313.30	
19. DOROTHY E SHILLINGLAW	AMBULANCE OVRPMT - 02/11/2023	23.19	

05/31/2023 04:29 PM  
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INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF MERIDIAN  
 EXP CHECK RUN DATES 06/06/2023 - 06/06/2023  
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
 BANK CODE: GF - CHECK TYPE: PAPER CHECK

Vendor Name	Description	Amount	Check #
20. DOUGHNATION BAKERY	FARM MARKET VENDOR	27.00	
21. ELECTRICAL TERMINAL SERVICE	22-18 GA. SOLDER AND CRIMP HEAT SHRINK SPLICES	135.98	
22. FORESIGHT GROUP	5/15/2023 WATER BILLS & POSTAGE	553.65	
23. FORWARD OBJECTIVE LLC	FIRE BEHAVIOR AND FIRE DYNAMICS CLASS	800.00	
24. HALT FIRE INC	REPAIR PARTS FOR ENGINE 93	145.57	
25. HAMMOND FARMS	ATHLETIC FIELD MARKERS - TWP PARKS & LAND PRESERVA	329.00	
	FOREST BROWN MULCH - PARKS & PATHWAY MAINT SUPPLI	31.00	
	TOTAL	360.00	
26. HERBERT L CONFER JR	FARM MARKET VENDOR	64.00	
27. HIGHWATER FARMS	FARMERS MARKET	27.00	
28. INGHAM COUNTY ROAD DEPARTMENT	MSU TO LAKE LANSING TRAIL PHASE I CONSTRUCTION	92,311.41	
29. JACOB FARLEY	FARM MARKET VENDOR	82.00	
30. JOHN HECKAMAN	TRAVEL EXP REIMB - MILEAGE & MEAL	123.45	
31. LAFONTAINE AUTOMOTIVE GROUP	UNIT 670 REPAIRS - MOTOR POOL - POLICE	1,827.53	
32. LANSING UNIFORM COMPANY	NAME TAG A. CUMMINS - FIRE UNIFORMS	20.00	
	GONZALES - FIRE UNIFORM ITEMS	178.85	
	SCHOTT - FIRE UNIFORM ITEMS	64.95	
	TOTAL	263.80	
33. LARGE COMPANY INC	25%-60% COMPLETE - MUN BLDG PAINTING	33,803.00	109557
34. M & M MOVING OF LANSING	DISPOSAL, MOVING, STORAGE FOR MUNI BLDG RENO	4,000.00	109546
35. MADISON NATIONAL LIFE INS CO	JUNE 2023 LIFE/DISABILITY INSURANCE	3,430.14	109552
36. MEGAN KLEIN	2 LUNCHES - LAW ENFORCEMENT INTEL TRAINING 5/8/23	32.00	
37. MEI TOTAL ELEVATOR SERVICES	SERVICE CALL JOB #15539760001 - POLICE DEPT ELEV	1,358.32	
38. MI GREAT LAKES FISH COMPANY	FARMERS MARKET	13.00	
39. MICHAEL MORENO	2-22 LRP - PM WORK - 1558 PICADILLY DR - REIMB FOR	617.02	
40. MIKE KEREKES	FARMERS MARKET	18.00	
41. MILLENNIA TECHNOLOGIES	REMOTE PHONE SETUP 7 HRS X \$130/HR	910.00	
42. MORRIES OKEMOS FORD	DIAGNOSE HORN NOT WORKING	145.00	
43. OKEMOS MARATHON	UNIT #129 - TOWING CRUSIER	84.00	
44. OVERHEAD DOOR OF LANSING	OVERHAED DOOR REPAIRS 5/10/2023	311.41	
45. RAPID FLUSH	PUMP OUT PIT TOILETS HNC	375.00	
46. RICHARD JANKA PSY.D	PROFESSIONAL PSYCHOLOGICAL EVALUATION SERVICES	600.00	
47. ROJAS FARM	FARMERS MARKET	427.00	
48. RONALD RAU	TRAVEL EXP EIMB - MILEAGE & MEALS	181.56	
49. SIGNARAMA OF LANSING EAST	NAME BADGE-R. STOHLIN	43.00	



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INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF MERIDIAN  
EXP CHECK RUN DATES 06/06/2023 - 06/06/2023  
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
BANK CODE: GF - CHECK TYPE: PAPER CHECK

Vendor Name	Description	Amount	Check #
50. SOLDAN'S FEED & PET SUPPLIES			
	4/17/2023 - CANINE DOG FOOD SUPPLIES	83.77	
	04/05/2023 - CANINE DOG FOOD SUPPLIES	12.99	
	TOTAL	96.76	
51. SPARROW OCCUPATIONAL	ADMINISTRATIVE FEE FOR EAP SERVICES	3,750.00	
52. ST MARTHA CONFERENCE OF	EMERGENCY RENT - K.SEGAC	500.00	109555
53. ST THOMAS AQUINAS PARISH	A.LEPAGE - EMERGENCY UTILITY ASSISTANCE	500.00	109553
54. T MOBILE	4/21/23 - 5/20/23 - CELL DATA SERV - 517.980.0920	29.85	
55. THE CHEESE PEOPLE OF GRAND RAPIDS	FARM MARKET VENDOR	87.00	
56. THE HARKNESS LAW FIRM PLLC	PROSECUTION SERVICES, MAY 2023	6,875.85	
57. TITUS FARM LLC	FARM MARKET VENDOR	287.00	
58. TRIPP'S COLLISION EAST LANSING	UNIT 668 - REPAIRS FROM DEER COLLISION	6,781.87	
59. UDDERLY MAGIC LLC	FARMERS MARKET	127.00	
60. VERIZON WIRELESS	MAR 24 TO APR 23 2023 - WIRELESS MOBILE SERVICES	3,020.71	109554
	APR 24 - MAY 23 2023 - WIRELESS MOBILE SERV 686304	2,863.36	
	TOTAL	5,884.07	
61. WEST MICHIGAN INTERNATIONAL	ENGINE 93 - RAISE RPM LIMIT ON PUMP MODE	240.75	
62. WEST SHORE FIRE INC	FILL STATION REPAIR	246.87	
63. WILLOW CREEK BEES	FARMERS MARKET	73.00	
64. WILSON FARM FRESH MEATS	FARMERS MARKET	32.00	
65. WOLVERINE SEALCOATING LLC	2023 LOCAL ROAD CRACK FILLING	31,236.85	
66. YEO & YEO	PROF SERV THRU APRIL 30 2023 - ANNUAL AUDIT ENDING	4,000.00	
67. YOUNG ST JOHNS CHEVROLET	MEDIC 91 - REPAIRS TO AMBULANCE	912.47	
68. ZACHARIE SPURLOCK	MILEAGE REIMB 5/2/23 TO 5/26/23	60.72	
TOTAL - ALL VENDORS		238,080.91	

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INVOICE APPROVAL BY INVOICE REPORT FOR CHARTER TOWNSHIP OF MERIDIAN  
EXP CHECK RUN DATES 06/06/2023 - 06/06/2023  
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID  
BANK CODE: PWHZ - CHECK TYPE: PAPER CHECK

Vendor Name	Description	Amount	Check #
1. DAN THOMAS LAWN SPRINKLER CO	REFUND CANCELLED IRREGATION METER - 4584 SEQUOIA	370.00	
2. DELTA DENTAL PLAN of MICHIGAN	OVER PMT WATER MISSED METER READS	2,569.25	
3. FERGUSON WATERWORKS #3386	WATER - CUSTOMER INSTALLATION PARTS	462.00	
	CUSTOMER INSTALLATION PARTS	2,724.00	
	REPAIR PARTS FOR NON READS	1,847.35	
	REPAIR PART FOR CLOW VALVES	306.99	
	TOTAL	5,340.34	
4. GORDON, KREG	1188 STARBOARD WATER/SEWER OVERPAYMENT	1,359.00	
5. GRAINGER	OVERLOAD RELAYS COUNTY PARK LIFT STATION	43.52	
6. HAMMOND FARMS	TOPSOIL FOR SITE RESTORATIONS	300.00	
7. HASLETT HOLDING LLC	REIMB PERF GUAR - COPPER CREEK	191,025.00	
8. JACK DOHENY COMPANIES INC	DEBRIS HOSE WATER VACTOR - UNIT 30	505.75	
9. MADISON NATIONAL LIFE INS CO	JUNE 2023 LIFE/DISABILITY INSURANCE	494.71	29334
10. NYAL NUNN	REIMB FOR MSFA CONF 3/1/2023 TO 3/3/2023	133.68	
11. USA BLUE BOOK	WATER - REPLACEMENT FOR FAILED DEWATERING PUMP	1,099.96	
	WATER - CHAIN TYPE WATER MAIN DESCALER AND PROB RO	322.92	
	TOTAL	1,422.88	
12. VERIZON WIRELESS	MAR 24 TO APR 23 2023 - WIRELESS MOBILE SERVICES	609.24	29335
	APR 24 - MAY 23 2023 - WIRELESS MOBILE SERV 686304	609.34	
	TOTAL	1,218.58	
13. WOLVERINE SEALCOATING LLC	2023 LOCAL ROAD CRACK FILLING	246.00	
14. YEO & YEO	PROF SERV THRU APRIL 30 2023 - ANNUAL AUDIT ENDING	16,000.00	
TOTAL - ALL VENDORS		221,028.71	

**Credit Card Report 5/11/2023-5/30/2023**

<b>Posting Date</b>	<b>Merchant Name</b>	<b>Amount</b>	<b>Name</b>
2023/05/11	MICHIGAN TOWNSHIPS ASS	\$234.50	DEBORAH GUTHRIE
2023/05/11	THE HOME DEPOT 2723	\$211.86	THOMAS BAKER
2023/05/11	THE HOME DEPOT #2723	\$9.50	THOMAS BAKER
2023/05/11	WAL-MART #2866	\$73.92	RICHARD GRILLO
2023/05/11	EBAY O*23-10037-05694	\$35.00	ROBERT MACKENZIE
2023/05/11	MICHIGAN MUNICIPAL LEAGUE	\$300.00	MICHELLE PRINZ
2023/05/11	AC&E RENTALS INC	\$454.00	CATHERINE ADAMS
2023/05/11	CITY OF LANSING, MI	\$0.52	ED BESONEN
2023/05/11	TST* BRICK AND PORTER	\$15.90	ED BESONEN
2023/05/11	DRI*PRINTING SERVICES	(\$3.27)	DANIEL OPSOMMER
2023/05/12	COMPLETE BATTERY SOURCE	\$62.40	CHRISTOPHER JOHNSON
2023/05/12	THE H HOTEL	\$291.90	TIMOTHY SCHMITT
2023/05/12	THE H HOTEL	\$437.85	TIMOTHY SCHMITT
2023/05/12	THE H HOTEL	\$437.85	TIMOTHY SCHMITT
2023/05/12	MEIJER # 025	\$29.94	RICHARD GRILLO
2023/05/12	TG TECHNICAL SERVICES	\$465.70	ROBERT MACKENZIE
2023/05/12	OFFICEMAX/OFFICEDEPT#3379	\$39.36	LUANN MAISNER
2023/05/12	GFS STORE #1901	\$55.10	LUANN MAISNER
2023/05/12	GFS STORE #1901	\$51.98	LUANN MAISNER
2023/05/12	IN *CHIEF CART, INC.	\$580.00	LUANN MAISNER
2023/05/12	GFS STORE #1901	\$860.05	KEN PLAGA
2023/05/12	GFS STORE #1901	\$9.45	KEN PLAGA
2023/05/12	BAV INN LODGE-HOTEL	\$134.47	MICHELLE PRINZ
2023/05/12	HEARST NEWSPAPERSMIDWEST	\$9.20	MICHELLE PRINZ
2023/05/12	AMZN MKTP US*CS6606LT3	\$57.92	MICHELLE PRINZ
2023/05/12	CITY OF LANSING, MI	\$0.75	ED BESONEN
2023/05/12	STELLAS LOUNGE	\$23.32	ED BESONEN
2023/05/12	TUPELO HONEY GRAND RAP	\$18.55	ED BESONEN
2023/05/12	OFFICEMAX/OFFICEDEPT#3379	\$49.99	PHIL DESCHAINE
2023/05/12	HASLETT TRUE VALUE HARDW	\$1.99	DANIEL OPSOMMER
2023/05/12	SUPPLYHOUSE.COM	\$2,678.91	DANIEL OPSOMMER
2023/05/12	DISCOUNTSCH 8006272829	\$228.09	ALLISON GOODMAN
2023/05/15	THE HOME DEPOT #2723	\$19.84	TYLER KENNEL
2023/05/15	DAYS INN	\$499.80	ANDREW MCCREADY
2023/05/15	THE HOME DEPOT #2723	\$9.97	JACOB FLANNERY
2023/05/15	THE HOME DEPOT #2723	\$39.80	CHRISTOPHER JOHNSON
2023/05/15	TST* DIAMONDS STEAK AND	\$129.44	FRANK L WALSH
2023/05/15	PSI - MCOLES	\$68.00	RICHARD GRILLO
2023/05/15	GFS STORE #1901	(\$55.10)	LUANN MAISNER
2023/05/15	OFFICEMAX/OFFICEDEPT#3379	\$22.99	LUANN MAISNER
2023/05/15	QUALITY DAIRY 31280027	\$58.22	LUANN MAISNER
2023/05/15	THE HOME DEPOT 2723	\$349.00	DAN PALACIOS
2023/05/15	THE HOME DEPOT 2723	\$276.04	KEITH HEWITT
2023/05/15	AMZN MKTP US*JH1ZV9OL3 AM	\$29.99	MICHELLE PRINZ
2023/05/15	DETROITNEWS.COM	\$11.99	MICHELLE PRINZ
2023/05/15	THE HOME DEPOT #2723	\$31.68	CATHERINE ADAMS
2023/05/15	COURTYARD BY MARRIOTT	\$370.40	ED BESONEN
2023/05/15	THE HOME DEPOT #2723	\$62.88	DAVID LESTER
2023/05/15	OFFICEMAX/OFFICEDEPT#3379	(\$49.99)	PHIL DESCHAINE
2023/05/15	HOBBY LOBBY #360	\$46.53	ALLISON GOODMAN
2023/05/15	ALDI 67018	\$8.27	ALLISON GOODMAN
2023/05/15	WAL-MART #2866	\$114.47	ALLISON GOODMAN

2023/05/15	THE HOME DEPOT #2723	\$60.66	ALLISON GOODMAN
2023/05/16	CATHEY CO	\$121.20	ROBERT STACY
2023/05/16	USABLUBOOK	\$322.92	ROBERT STACY
2023/05/16	AMERICAN WATER WORKS ASSO	\$87.00	YOUNES ISHRAIDI
2023/05/16	HAMMOND FARMS E LANSING	\$248.00	KEITH HEWITT
2023/05/16	HAMMOND FARMS E LANSING	\$248.00	KEITH HEWITT
2023/05/16	TRAVERSE CITY RECORD EAGL	\$17.99	MICHELLE PRINZ
2023/05/17	HASLETT TRUE VALUE HARDW	\$50.42	TODD FRANK
2023/05/17	LEA DATA TECHNOLOGIES	\$105.00	STEPHEN GEBES
2023/05/17	HAMMOND FARMS E LANSING	\$187.50	ROBERT MACKENZIE
2023/05/17	CALEDONIA FARMERS ELEVATO	\$199.92	ROBERT MACKENZIE
2023/05/17	MIDWEST POWER EQUIPMENT	\$69.90	KEITH HEWITT
2023/05/17	THE MINING JOURNAL	\$20.00	MICHELLE PRINZ
2023/05/17	COURTYARD BY MARRIOTT	(\$17.76)	ED BESONEN
2023/05/17	CITY OF LANSING, MI	\$0.75	ED BESONEN
2023/05/17	FSP*REDWOOD LANDSCAPING	\$905.00	DANIEL OPSOMMER
2023/05/17	AMZN MKTP US*Z21PN8B53 AM	\$180.63	ALLISON GOODMAN
2023/05/18	THE HOME DEPOT #2723	\$33.30	LAWRENCE BOBB
2023/05/18	THE HOME DEPOT 2723	\$99.00	JACOB FLANNERY
2023/05/18	PAYPAL *EMPCO INC	\$75.00	RICHARD GRILLO
2023/05/18	AMAZON.COM*0K9RN2C53	\$34.61	MICHELLE PRINZ
2023/05/18	LANSINGSTATE JOURNAL	\$9.99	MICHELLE PRINZ
2023/05/18	FREEP.COM	\$14.99	MICHELLE PRINZ
2023/05/18	GANNETT NEWSRPR CN	\$9.99	MICHELLE PRINZ
2023/05/18	IN *MY GREEN MICHIGAN, LL	\$237.80	DANIEL OPSOMMER
2023/05/19	MEIJER # 025	\$14.97	RICHARD GRILLO
2023/05/19	GFS STORE #1901	\$48.95	KEN PLAGA
2023/05/19	COVERT SCOUTING	\$32.99	ED BESONEN
2023/05/19	MEIJER # 025	\$14.45	ED BESONEN
2023/05/19	ONLINE LABELS, INC.	\$175.79	BART CRANE
2023/05/19	PREUSS PETS	\$10.74	ALLISON GOODMAN
2023/05/22	THE HOME DEPOT #2723	\$26.14	LAWRENCE BOBB
2023/05/22	THE HOME DEPOT #2723	\$140.00	LAWRENCE BOBB
2023/05/22	THE HOME DEPOT #2723	\$115.00	ROBERT STACY
2023/05/22	JIMMY JOHNS - 90055	\$178.82	MICHAEL HAMEL
2023/05/22	HOTEL INDIGO TRAVERSE	\$314.25	ANDREW MCCREADY
2023/05/22	HOTEL INDIGO TRAVERSE	\$13.86	ANDREW MCCREADY
2023/05/22	244 AUTO VALUE EAST LANSI	\$5.38	JACOB FLANNERY
2023/05/22	MCDONALD'S F10729	\$140.77	FRANK L WALSH
2023/05/22	ZOOM.US 888-799-9666	\$449.85	STEPHEN GEBES
2023/05/22	HYDRO-CHEM SYSTEMS INC	\$664.05	ROBERT MACKENZIE
2023/05/22	GREATER LANSING CVB	\$250.00	SAMANTHA DIEHL
2023/05/23	NJ CRIMINAL	\$450.00	ANDREW MCCREADY
2023/05/23	244 AUTO VALUE EAST LANSI	\$196.24	JACOB FLANNERY
2023/05/23	CITY OF LANSING, MI	\$0.97	ED BESONEN
2023/05/23	THE H HOTEL	(\$14.28)	DANIEL OPSOMMER
2023/05/23	FACEBK 6Y9HJQFBR2	\$4.00	SAMANTHA DIEHL
2023/05/23	UPPBEAT PREMIUM	\$66.99	SAMANTHA DIEHL
2023/05/23	AMZN MKTP US*IM6575RD3 AM	\$25.98	ALLISON GOODMAN
2023/05/24	TRACTOR SUPPLY #1149	\$363.99	LAWRENCE BOBB
2023/05/24	HASLETT TRUE VALUE HARDW	\$34.97	LAWRENCE BOBB
2023/05/24	BUILDASIGN.COM	\$371.50	LUANN MAISNER
2023/05/24	BUILDASIGN.COM	\$203.05	LUANN MAISNER
2023/05/24	SOLDAN S PET SUPPLIES	\$10.74	CATHERINE ADAMS
2023/05/24	TOP HAT CRICKET FARM INC	\$59.28	CATHERINE ADAMS

2023/05/24	COMCAST	\$164.99	BART CRANE
2023/05/25	THE HOME DEPOT #2723	\$32.14	ROBERT STACY
2023/05/25	THE HOME DEPOT #2723	\$35.86	ROBERT STACY
2023/05/25	THE HOME DEPOT #2723	\$71.72	ROBERT STACY
2023/05/25	SP BANG FORCIBLE	\$80.53	MICHAEL HAMEL
2023/05/25	MICHIGAN ASSESSORS ASSOCI	\$42.00	ASHLEY WINSTEAD
2023/05/25	MIDWEST POWER EQUIPMENT	\$406.50	AL DIAZ
2023/05/25	MGFOA REGISTRATION FEE	\$75.00	MICHELLE PRINZ
2023/05/25	CITY OF LANSING, MI	\$0.75	ED BESONEN
2023/05/25	DAVIS & STANTON	\$76.50	BART CRANE
2023/05/25	AMZN MKTP US*L40ON0UZ3 AM	\$23.25	ALLISON GOODMAN
2023/05/26	THE HOME DEPOT #2723	\$41.55	KYLE FOGG
2023/05/26	THE HOME DEPOT #2723	\$8.68	AL DIAZ
2023/05/26	AMZN MKTP US*SY1CQ3TV3	\$148.72	CATHERINE ADAMS
2023/05/26	SQ *SHAFER REDI-MIX, INC	\$991.35	DANIEL OPSOMMER
2023/05/29	PATRIOTICBRANDS.COM	\$505.25	TYLER KENNEL
2023/05/29	TRACTOR SUPPLY #1149	\$4.99	TYLER KENNEL
2023/05/29	THE HOME DEPOT #2723	\$9.78	TYLER KENNEL
2023/05/29	FIRSTOUT RESCUE EQUIPMENT	\$87.75	MICHAEL HAMEL
2023/05/29	GFS STORE #1901	\$21.45	CHRISTOPHER JOHNSON
2023/05/29	THE HOME DEPOT #2723	\$6.47	THOMAS BAKER
2023/05/29	4ALLPROMOS	\$221.89	LUANN MAISNER
2023/05/29	MEIJER # 025	\$55.15	LUANN MAISNER
2023/05/29	HEARST NEWSPAPERSMIDWEST	(\$5.98)	MICHELLE PRINZ
2023/05/29	MORNING STAR PUBLISHING	\$14.00	MICHELLE PRINZ
2023/05/29	THE HOME DEPOT #2723	\$176.77	DAVID LESTER
2023/05/30	AMAZON.COM*0S7T77VF3	\$41.87	MICHELLE PRINZ

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Total	\$20,931.10
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ACH Transactions

Date	Payee	Amount	Purpose
5/12/2023	MCT Utilities	\$ 746.50	Water/Sewer
5/15/2023	Consumers Energy	\$ 58,266.51	Utilities
5/17/2023	Blue Care Network	\$ 24,624.07	Employee Health Insurance
5/17/2023	ELAN	\$ 24,449.27	Credit Card Payment
5/19/2023	ICMA	\$ 48,172.12	Payroll Deductions 05/19/2023
5/19/2023	Various Financial Institutions	\$ 326,848.76	Direct Deposit 05/19/2023
5/19/2023	IRS	\$ 122,490.42	Payroll Taxes 05/19/2023
5/19/2023	State of Michigan	\$ 34,253.23	MI Business Tax
5/19/2023	Nationwide	\$ 7,365.92	Payroll Deductions 05/19/2023
5/22/2023	Health Equity	\$ 24.60	Employee Health Savings
5/22/2023	MERS	\$ 307,395.13	Employee Retirement
5/22/2023	Alerus	\$ 7,277.29	Payroll Deductions 05/19/2023
5/24/2023	Blue Care Network	\$ 56,384.01	Employee Health Insurance
5/30/2023	Gallagher Benefit Services	\$ 3,250.00	Employee Health Insurance
<b>Total ACH Payments</b>		<b><u>\$ 1,021,547.83</u></b>	

**REIMBURSEMENT TO TOWNSHIP - 06/06/2023 Board Meeting:**

<b>Date</b>	<b>Employee Name</b>	<b>Amount</b>	<b>Summary of Reimbursement</b>	<b>Transaction Reimbursed</b>
4/10/2023	Lawrence Bobb	\$0.24	Sales tax on 50+ Fitness Snacks	Sales tax of .24 on purchase of 50+ Fitness Snacks
5/17/2023	Frank Walsh	\$49.44	Tour of Howell Senior Center lunch for five attendees exceeded allowed lunch amount.	Total \$129.44/w tip - \$80.00 allowed (\$16.00 x 50) = \$49.94 due to township
5/20/2023	Frank Walsh	\$7.97	Sales tax charged breakfast for public works staff working on Okemos Road water main break.	Total \$140.77 - \$7.97 sales tax reimb to twp = \$132.80
5/24/2023	Ken Plaga	\$0.90	Sales tax on lunch for MI Association Chiefs of Police	Sales tax .90 charged for lunch
5/25/2023	Deborah Guthrie	\$5.08	Overage on lunch at MTA Conference	Overage for lunch \$21.08-\$16.00 allowed = \$5.08 due township



**To: Board Members**  
**From: Amanda Garber, Finance Director**  
**Date: June 6, 2023**  
**Re: Acceptance of 2022 Audit Findings**

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On Tuesday evening, a presentation of the 2022 Audited Financial Statements will be given for the Board's approval. An annual audit, required by state statute, of accounts, financial records, and transactions has been completed by the independent certified public accounting firm of Yeo & Yeo. The firm was appointed by the Township through an open bid process in 2017.

The audit process is an important benchmark regarding the Township's management of our financial resources. We are more than pleased with the results of the 2022 Audit and take great pride in our stewardship of the public trust.

The following motion is prepared for Board consideration:

**MOVE TO APPROVE THE 2022 AUDITED FINANCIAL STATEMENTS AS PRESENTED BY YEO & YEO.**

**Attachment:**

1. Governance Letter from Yeo & Yeo
2. 2022 Audited Financial Statements
3. 2022 Single Audit





800.968.0010 | YEOANDYEO.COM

May 31, 2023

Township Board and Management  
Charter Township of Meridian  
Okemos, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian (the Township) as of and for the year ended December 31, 2022. We are required to communicate certain matters to you in accordance with generally accepted auditing standards that are related to internal control and the audit.

Our communication includes the following:

- I. Auditors' Communication of Significant Matters with Those Charged with Governance
- II. Matters for Management's Consideration

Matters for management's consideration are not required to be communicated but we believe are valuable for management.

We discussed these matters with various personnel in the Township during the audit and with management. We would also be pleased to meet with you to discuss these matters at your convenience.

This information is intended solely for the information and use of the Township Board and management of the Township and is not intended to be, and should not be, used by anyone other than these specified parties.

*Yeo & Yeo, P.C.*

Lansing, Michigan

## Appendix I Auditors' Communication of Significant Matters with Those Charged with Governance

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated January 19, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Township are described in the footnotes of the financial statements. The Township has adopted the following Governmental Accounting Standards Board Statements effective January 1, 2022:

- Statement No. 87, *Leases* increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use a lease asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.
- Statement No. 92, *Omnibus 2020* enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following: (1) The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports (2) Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan. (3) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits. (4) The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements. (5) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition. (6) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers. (7) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. (8) Terminology used to refer to derivative instruments.
- Statement No. 99, *2022 Omnibus* enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

We noted no transactions entered into by the Township during the year for which there is lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Township's financial statements were:

- The useful lives of its capital assets. Useful lives are estimated based on the expected length of time during which the asset is able to deliver a given level of service.
- Leases receivable, and related deferred inflows of resources. The estimate is based on management's assessment of the likelihood of exercising renewal options and utilizing interest and discount rates.
- Net pension liability, and related deferred outflows of resources and deferred inflows of resources. The estimate is based on an actuarial report.
- Net other postemployment benefits (OPEB) liability, and related deferred outflows of resources and deferred inflows of resources. The estimate is based on an actuarial report.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Disclosures in the financial statements are neutral, consistent and clear.

A significant risk is an identified and assessed risk of material misstatement that, in the auditors' professional judgment, requires special audit consideration. Within our audit, we focused on the following areas.

- Management override of controls
- Improper revenue recognition
- Implementation of new accounting standard
- Long-term debt improperly recorded

### **Accounting Standards**

The Governmental Accounting Standards Board has released additional Statements. Details regarding these Statements are described in the footnotes of the financial statements.

### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. Management has corrected all such misstatements except the uncorrected misstatements noted further below.

The following material misstatements were detected as a result of our audit procedures and corrected by management:

- An adjustment was required in the Sewer Fund to properly record a debt payment that was related to 2022 but had not been paid until 2023. Prior to the recording of this adjustment, accounts payable was overstated by \$1,458,327, prepaid expense was overstated by \$132,249, accrued interest payable was understated by \$243,123, interest expense was overstated by \$102,907, and long-term debt was understated by \$980,048.
- An adjustment was required in the General Fund to record debt proceeds and capital outlay of \$5,295,434 related to new drain assessment debt. This adjustment did not affect the change in fund balance.

Management has determined that the effects of the uncorrected misstatements summarized below are immaterial both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

The Township offers a pension benefit to employees through the Municipal Employees' Retirement System of Michigan (MERS). Annually, MERS reports information to the Township that is used to record the net pension liability. MERS provides a *Statement of Fiduciary Net Position* (SFNP) to participating governments shortly after MERS' fiscal year end. Subsequently, MERS issues an audited *Schedule of Changes in Fiduciary Net Position by Employer*. For the twelve months ended December 31, 2020, this schedule included an adjustment related to the value of alternative investments that was not reflected in the original SFNP. MERS did not adequately communicate this change to the Township, and therefore, the Township used the SFNP values to record the net pension liability in its December 31, 2021 financial statements. As a result, the Township's beginning net position and current expenses in the December 31, 2022 financial statements are understated by \$125,389.

### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated as of the date of the audit report.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Township's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Emphasis of Matters in Independent Auditors' Report**

Our report will include the following emphasis of matter paragraph:

#### **Adoption of New Accounting Standards**

As discussed in Note 1 to the financial statements, in 2022 the Charter Township of Meridian adopted new accounting guidance, GASBS No. 87, *Leases*. Our opinions are not modified with respect to this matter.

## **Other Reports**

Other information that is required to be reported to you is included in the: Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance For Each Major Federal Program; Independent Auditors' Report on Internal Control Over Compliance; Independent Auditors' Report on Schedule of Expenditures of Federal Awards Required by the Uniform Grant Guidance; and the Schedule of Findings and Questioned Costs. Please read all information included in those reports to ensure you are aware of relevant information.

## **Report on Required Supplementary Information**

We applied certain limited procedures to management's discussion and analysis and the remaining required supplementary information (RSI) as described in the table of contents of the financial statements that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

## **Report on Other Supplementary Information**

We were engaged to report on other supplementary information as described in the table of contents of the financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

## **Annual Comprehensive Financial Report**

The Township's audited financial statements are included in their annual comprehensive financial report. Our responsibility for the other information contained in the annual comprehensive financial report does not extend beyond the financial information identified in our audit report. We do not have an obligation to perform any procedures to corroborate the other information contained in the introductory section and statistical section. However, we read the other information and considered whether such information, or the manner of its presentation, was materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, was materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

## **Appendix II**

### **Matters for Management's Consideration**

In planning and performing our audit of the financial statements of the Charter Township of Meridian as of and for the year ended December 31, 2022, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

However, during our audit we became aware of the following matter for management's consideration that is an opportunity for correcting noncompliance. This letter does not affect our report dated May 31, 2023, on the financial statements of the Township.

#### **Deficit Fund Balance**

The Township has a deficit unassigned fund balance in the American Rescue Plan Act Fund in the amount of \$41,184 as of December 31, 2022. The deficit is the result of prepaid expenditures that require fund balance to be classified as non-spendable. The deficit will be eliminated once the prepaid expenditures are recorded as expenditures; however, the Township will be required to file a deficit elimination plan.

**Charter Township of Meridian, Michigan**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended December 31, 2022**

**Prepared by:  
Department of Finance  
Amanda Garber CPA, Finance Director**



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## Nonmajor Governmental Funds

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**Meridian Township**  
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**Township Board:**

**Patricia Herring Jackson**  
*Township Supervisor*

**Deborah Guthrie**  
*Township Clerk*

**Phil Deschaine**  
*Township Treasurer*

**Scott Hendrickson**  
*Township Trustee*

**Kathy Ann Sundland**  
*Township Trustee*

**Marna Wilson**  
*Township Trustee*

**Courtney Wisinski**  
*Township Trustee*

**Frank L. Walsh**  
*Township Manager*

May 31, 2023

To the Township Board and the Citizens of the Charter Township of Meridian:

The comprehensive annual financial report of the Charter Township of Meridian (the “Township”) for the year ended December 31, 2022, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Charter Township of Meridian issue annually a report on its financial position and activity, and that this report be audited by an independent certified public accounting firm. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Charter Township of Meridian. All disclosures necessary to enable the reader to gain an understanding of the Charter Township of Meridian’s activities have been included.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Charter Township of Meridian’s MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the Charter Township of Meridian) as legally defined, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a range of services, including police and fire protection, water and sanitary sewer services, recreational activities, and cultural events.

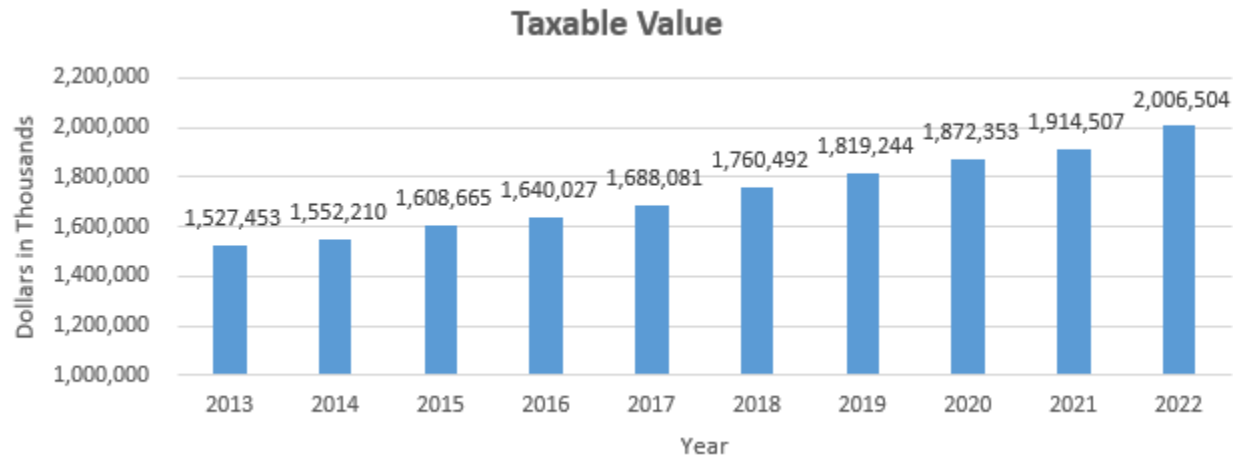
Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Economic Development Corporation and the Downtown Development Authority are reported as discretely presented component units.

## Governmental Structure, Local Economic Condition, and Outlook

The governmental unit, organized in 1842 and chartered in 1959, is approximately 32 square miles in the south-central area of Lower Michigan with a population of approximately 44,000. The municipality is a largely residential area located east of Lansing, the State Capital, and immediately adjacent to East Lansing, home of Michigan State University, and is part of the Lansing Metropolitan Area.

The Charter Township of Meridian was established pursuant to Act 359, Public Act of Michigan, 1947, as amended. The Township is governed by a Township Board, which is composed of a part-time Supervisor, full-time Clerk and full-time Treasurer, and four Trustees serving four-year terms. The Board is vested with all legislative powers, except those otherwise provided by law. The chief administrative officer is the Township Manager who is appointed by the Township Board and serves at its pleasure. The Manager is responsible for carrying out the policies and ordinances of the Township Board, for overseeing the day-to-day operations of the government, and for appointing the heads of the Township's departments, consistent with the duties of a Township superintendent.

The Charter Township of Meridian continues to be an attractive community for residential construction and commercial development. The following chart details the change in Taxable Value over the last ten years. The 2022 taxable value (2023 tax revenue) increased 4.8 percent over 2021 taxable value. This is the ninth consecutive year of growth in taxable value since 2009; the 2022 taxable value is 17.1 percent higher than the 2009 taxable value. The Township weathered the financial storm of the past several years by making changes to its organizational structure, increasing the usage of technology to maintain services to keep up with the demand of increased population and business activity, and monitoring and limiting discretionary spending where possible. The year ending December 31, 2022 was a very challenging year, but the Township continued to grow with new residents and businesses moving into the Township.



## Major Initiatives

The Township's staff, following specific directives from the Township Board and Manager, has been involved in a variety of projects throughout the year. These projects reflect the Township's commitment to promote the safety and welfare of its residents, as well as, investing in the infrastructure vital to sustaining quality service delivery.

The following accomplishments are indicative of our commitment to maintaining a quality community:

- The year 2022 was a banner year for road improvements in the Township. Honoring our commitment in 2019, 7.93 miles of neighborhood roads were reconstructed in 2022. The work affected many of our residents throughout the summer, and we appreciate their patience and understanding as we completed our third year of the new 10-year road program. In addition to resurfacing work, our preservation program included 16.17 miles of crack sealing and 7.8 miles of cape seal work. This preservation work will allow our roads with a Pavement Surface Evaluation and Rating (PASER) of "good" to "very good" to last longer and realize their full life expectancy. Funding for this preventative maintenance program is provided from the Township General Fund to allow all of the road bond revenue to go towards reconstruction and resurfacing work. The 2022 preservation program has been completed. Our 2027 goal is a PASER rating of 8.
- Township staff worked diligently to update residents, businesses and visitors regarding the Michigan Department of Transportation's (MDOT) Grand River Avenue Project. MDOT was very good at communicating with the Township. In total, the Township published 30 chronological updates throughout the year on our website. The 2022 work involved three different areas:
  1. Asphalt resurfacing east of the Marsh Road intersection to Oak Pointe Court.
  2. Raising Grand River Avenue over 2 feet and updating underground infrastructure at the Okemos Road intersection to alleviate flooding and road closures.
  3. Raising Grand River Avenue over 2 feet and updating underground infrastructure near Nakoma Drive/Playmakers to alleviate flooding and road closures.

The Township successfully completed our water main work in conjunction with the Grand River Avenue construction project at the end of March.

- Township staff worked diligently to update residents, businesses and visitors regarding the Ingham County Road Department's Okemos Road Bridge Project. In total, the Township published 28 chronological updates throughout the year on our website. After delays, construction began in March 2022 and the bridge was completed in April 2023.
- In November of 2022, the Township completed the installation of a solar array on the public safety building carports. This new system consists of 101 solar panels and is a 41 kilowatt (kW) system, producing approximately 47,000 kilowatts per hour (kWh) per year of renewable solar energy, which offsets about 17% of the electrical consumption. The panels have a 25-year power output warranty, but should continue to produce energy even after that time. The amount of energy produced for Meridian Township, over the course of its lifetime, depends on how many years past that 25-year warranty the panels continue to operate. Estimated electric bill savings over the 25-year period is approximately \$319,000 and the system will pay for itself in about 11 years. However, that does not factor in the potential utilization of solar tax incentives under the new Inflation Reduction Act. If the Township is able to utilize the incentive, the 11-year payback period will be reduced significantly. This is the Township's fourth consecutive year of completing a solar project. We also updated the solar project page on our Township's website in 2022 and continue the progress made towards reaching the goals outlined in the Township Sustainability Plan.

- Construction of Phase I of the MSU to Lake Lansing Regional Pathway began in December of 2022 and is anticipated to be completed in July to September of 2023. Construction of Phase II will be completed by year end 2023. After many years of hard work to acquire the land, secure the necessary funding, and design the MSU to Lake Lansing Trail, we are very excited that we will be constructing Phases I and II in 2023. Once Phases I and II are completed this year, users will have an easy, safe, and enjoyable option for non-motorized travel between the MSU Campus and Lake Lansing Park South, along approximately five miles of connected pathways and trails. Phase I is approximately one mile long and starts on the north side of the Hagadorn Road and Shaw Street intersection and concludes at the Grand River Ave. and Park Lake Road intersection. Phase I includes a pedestrian bridge that will take motorists and bicyclists over the Red Cedar River behind the MSU Community Music School. The trail will then take users along the banks of the Red Cedar River to the north side of the CN Railroad tracks. The estimated cost of construction for Phase I is \$3.37 million. Meridian Township successfully obtained a \$1.7 million federal TAP grant for Phase I. The remaining portion of the project will be funded by the Ingham County Trails and Parks Millage and the Township Pathway Millage.
- Meridian Cares functions to ensure that the human infrastructure within the community remains strong and vital. To that end, the program strives to help residents by developing, coordinating, and promoting local resources. Information, referrals, or emergency assistance was provided to Township residents for various services on an as-needed basis. In 2022, total expenditures were \$38,665. This includes funds used for the School Backpacks Program, bulk Redi-Ride pass purchases, and spending through the Emergency Needs Fund. In total, 63 households were assisted in 2022. 51% of these were for rent payments, 32% for utility bills, and 17% other. “Other” includes assistance with transportation, or other essential needs. The human services program received \$27,332 in donations, excluding the Knob Hill apartment fire relief donations. 282 discounted Redi-Ride passes were provided to the community. The Township receives a 40% discount on these passes from Capital Area Transportation Authority.
- The Meridian Township Deer Management Program was developed to address the overpopulation of deer in our community that continues to cause numerous car-deer collisions, as well as excessive environmental impacts in parks, preserves and neighborhoods. In total, 356 deer were culled by volunteer archery hunters and the Meridian Police Department Staff which lead to 7,964 lbs. of venison donated to local food banks. The program took place on 41 township properties and 22 private properties, as the result of collaboration between volunteer residential hunters, Meridian Police Department, Meridian Park and Recreation, and the nonprofit Sportsman Against Hunger.
- The Community Planning and Development Department activity remained high as the construction world finished emerging from the COVID-19 pandemic. On the Planning side, 10 special use permits for 10 different properties and one amendment to previously approved Mixed-Use Planned Unit Development project were processed and reviewed throughout the year. Only one rezoning request was reviewed, which was initiated by Staff to address a zoning text amendment change. There were 19 zoning ordinance amendments processed in 2022, not all of which were adopted, but including the massive overhaul of the sign ordinance, which hadn’t been fully reviewed for nearly 50 years. On the Building side, just short of 1,100 building permits were issued, which was just behind 2021 and the second highest number of permits issued in over 25 years. Trades permits were at roughly the same level of 2021, with just under 650 electrical permits, over 1,100 mechanical permits, and 500 plumbing permits issued in the last year. Each one of those permits represents a minimum of a half hour of inspection time and many require several follow ups, creating thousands of hours of inspection time. The rental inspection program continued to ramp back up the COVID-19 pandemic and didn’t fully get back to speed until early 2023. 1,163 total new code enforcements were logged throughout the year, a nearly 20% increase, including the continuation of multiple dozens of new and ongoing issues in the Winslow Mobile Home Park.

- Okemos PICA development focuses on the potential Village of Okemos redevelopment project at the intersection of Hamilton and Okemos Road. There are several hurdles when developing two urban commercial blocks outside of the typical development delays. The Village of Okemos submitted an application in May 2022 for \$5M in gap financing to support the workforce housing that this project will create. In August 2022, awards were announced and the Village of Okemos project was not included in the awarded projects. Closing out the year, the development presented an amendment to the approved MUPUD from July 2021 to add six ground floor residential units and two parking decks for each block. In addition, the Township Board reviewed and approved the Village of Okemos 19 year Brownfield Plan. A reimbursement for eligible activities up to \$6.9M was approved in the plan out of a total \$8.4M tax increment revenue created. 73% of the plan is supported by State tax capture, and an approval from the MSF Board is necessary to have all of the Brownfield dollars. The remaining approvals are for the burial of the HVD electrical lines, construction and design of the street improvements, construction and design of the storm water retention.
- 1673 Haslett Road is the development formally introduced to our community as the “Pine Village” mixed used development. It is a four story development with three stories of independent living for 55+ residents. The first floor is commercial space reserved for members of the public, local small businesses and space for the residents of the developments. As of November 2022, Redico, the owner, has approved foundations in the ground, elevator and stair towers, and full approval to commence with construction. The amended Brownfield Plan will take into consideration the addition of 3% or 5% interest back to the developer as an incentive for continuing with the project. Leasing has begun for both commercial and residential units, and we anticipate the project opening in spring of 2024.
- 1655 & 1621 Haslett Road are in process with SP Holding LLC of Holland MI, who began to redevelop the property in May 2021. The Planning and Economic Development Departments goals focused on creating a housing development that encourages mixed commercial establishments, updated interurban trail and access to parking. In order to complete this redevelopment, the developer requested the use of a Commercial Rehabilitation exemption, for 10 years layered with an 11 year Brownfield Plan. The 10 year exemption on the value of the buildings is a performance based incentive. As the developer builds, the exemption on the taxes will allow them the necessary cash flow to complete the seven phase development. The Brownfield Plan at 11 years will support the \$2.4M needed to remove the contaminated soils on the property. At a project valued at \$65M, a total of about \$8.4M in tax incentives is a small cost to the advanced redevelopment outcome. Ownership is a major element to gaining the approvals from the State Tax Commission and MEDC for the two incentives. The developer closed on the property in first quarter of 2023 and will be finalizing both incentives.
- The Township will be fulfilling the promise of enhanced pension payments to MERS by contributing over \$5,217,456 to MERS for the fiscal year 2022. The Township contributed an extra \$ 1,958,100 to the plan, and is using a 5.35% rate of return assumption and not the 7.35% rate of return assumption used by MERS.
- The leadership team submitted project proposals to the Township Board for the first half of the ARPA funds. The Board discussed the projects and took action to obligate \$1.3 million to local road projects, \$970,000 to overhaul the Township IT infrastructure, and about \$260,000 for power cots to be used in Township ambulances. In November 2022, the leadership team submitted additional project proposals for the remaining \$2 million of ARPA funds. At the December 13, 2022 Board meeting, the Board appropriated \$60,000 to digitize building and fire plan review, \$93,000 for wind screens at the Marketplace on the Green, \$135,000 to update the Police Department locker rooms, \$700,000 to local road projects, about \$518,000 to research the feasibility of a Senior & Community Center, \$350,000 towards an affordable housing initiative, and \$150,000 for Meridian Historical Village repairs. Any remaining ARPA funds not expended by June 30, 2025 will automatically rollover to fund Meridian Township local roads.



- During the calendar year 2022, the Meridian Township Treasurer's Office reported a total property taxes collected and processed of \$110,997,504. This is up \$1,866,233, or 1.7% from the \$109,131,271 collected in 2021. In 2020, we collected \$105,219,167, \$102,919,241 in 2019, and \$95,411,904 in 2018. These receipts were distributed to our four local school districts (Okemos, Haslett, East Lansing and Williamston), Ingham County Government, Lansing Community College (LCC), Capital Area Transit Authority (CATA), Capital Area District Library (CADL) and the Capital Region Airport Authority (CRAA). Meridian Township operations received approximately 18% of the tax collection in 2022.
- In 2022, Meridian Township Fire Department responded to 6,081 calls, which is 8% higher than 2021 – 795 fire-related calls and 5,286 emergency medical calls. Training classes were held throughout the year to allow employees to enhance their ice rescue and tech rescue skills and renew their ACLS credentials. In addition, The Department worked in conjunction with other METRO Departments to complete live drills on a vacant building in 2022. This allowed firefighters to practice search and rescue, ventilations, hose advancement, and forcible entry. This training provided simulated fire conditions for crews to make entry and complete fire control, search/rescue of victims, and command/control of the fire scene. Recruitment efforts continued to fill the remaining vacancies, resulting in the hire of two new EMT/firefighters and have sponsored them to a paramedic course concurrent with their first 18 months of employment. In 2022, we started the process of identifying buildings/occupancies and inspection schedules to develop a plan for completing inspections based on high, medium, and low risk occupancies according to national standards and best practices.
- In 2022, the Department received a FEMA Assistance to Firefighters Grant for \$132,327 that will pay for sponsoring new and part-time employees to paramedic training leading to state licensure.
- Purchased a new 2023 Pumper to replace Engine 93 built in 1999. We received our new ladder truck on November 1, 2022.
- The year 2022 marked our eleventh siren installed at Bennett Woods Elementary School. The goal is to finish installation of the remaining four sirens by 2026, providing full geographic coverage to the Township.
- The Meridian Township Police Department (MTPD) is committed to establishing and maintaining partnerships in our community; and with understanding, cooperation and equality we strive to enhance the quality of life and protect the rights of the community. The constant open communication between officers and citizens is the keystone to building a partnership based on understanding and trust. In 2022, there were 18,540 calls for service (excluding 3,340 traffic stops).
- Meridian Township Police Department views traffic safety as a key to keeping the community safe. Working with community members, Ingham County Road Department, and the Michigan Department of Transportation to address concerns related to roadway designs and maintenance is a priority. In 2022, 9 traffic studies and 16 directed patrols were completed.
- In 2022, the six officers were sponsored by the Township through the Mid-Michigan Police Academy. New committees have been formed including a social media committee, a uniform committee, and a health and wellness committee with the goal of incentivizing officers to stay at the Department. A retention committee was also formed that will meet regularly to discuss ideas on how to retain employees. The Department is currently staffed with 36 sworn officers.
- The Police Department had an on-site inspection for re-accreditation in December of 2022. Every three years accredited agencies are inspected by assessors to ensure compliance with the over 100 standards set by the Michigan Law Enforcement Accreditation Commission

(MLEAC). Our agency will be Re-Accredited in February of 2023 after a Michigan Law Enforcement Accreditation Commission review of our assessment.

- The Farmers' Market has grown dramatically since moving to Marketplace on the Green both in vendor participation and customer visits. The Market operated every Saturday May – October, every other Saturday November – April and on Wednesdays from June through August for a total of 64 Market Days. In total, there were 88 returning vendors and 63 new vendors and 94,000 customers served. The Market also hosted many special events in conjunction with the Green Team, solar demonstrations, recycling events, food composting and added a food gleaning program where vendors donate their leftover produce for donations to local food banks. Also, a total of \$42,364 in food assistance transactions occurred throughout the year.
- The Meridian Conservation Corps consists of 238 total members (53 new members in 2022) who volunteered 1,121.5 hours. While removing invasive species is a top stewardship priority, planting native species in their place is just as important. Quick Facts: 174 native trees planted • 59 native species collected • an estimated 534,128 seeds collected from 20 township properties. The Invasive Species Strike Team works hard throughout the season to bring stewardship to as many parks and preserves as possible, removing invasive species to open up habitat for native plants, wildlife, and insects. Quick Facts: • 48 stewardship work days performing litter cleanup, invasive species removal, native planting, native sowing, wetland butter restoration, and floating island installation • 900 native wildflower transplants were implemented at seven parks and preserves.
- In 2022, the Township worked with Brightline IT to complete a renovation plan for the township technology systems. While approximately \$520,000 of the improvements were completed in 2022, over \$250,000 worth of improvements will not be completed until early 2023. The outstanding items include \$75,000 of workstation replacements, \$79,000 for replacement of the servers related to our data continuity plan, including patch management, intrusion prevention, system backups, and significant investments in cloud services to enhance network security at the end-user and core systems. The technology department will continue to invest significant funds for the training of technology staff and end-users across the organization in 2023.
- After a successful effort to educate voters, the Community Service Millage passed with 73% voter approval and will be in effect through 2031. This millage supports Recreation, Meridian Senior Center, and Human Services programs. In 2002, Meridian Township voters approved a .1 mill Community Services millage. The original ballot proposal sought to provide funding for recreation, senior center and human services. The 10-year millage expired in 2012. In 2012, the Township Board chose to seek an increase from .1 to .15 mill, with the additional .05 mill levy dedicated to supporting programming for senior citizens. Again, the voters supported the ballot proposal. Twenty years have passed since the original millage was approved by voters. On December 31, 2021, the current levy expired and had to be reauthorized for this year, December 2022. Manager Walsh asked our team members most affected by the millage (Parks & Recreation Director LuAnn Maisner, Human Services Coordinator Darla Jackson & Senior Center Director Cherie Wisdom) to meet and determine the current funding vs. future needs. The three leaders agreed to recommend a renewal. During the February 15, 2022 meeting, the Board decided to put the Community Services millage up for renewal on the August 2, 2022 ballot.
- For the benefit of our residents and visitors to the Township, we have contracted with the Able Eyes organization to develop a virtual tour of Harris Nature Center. This tour is available on the Able Eyes and Meridian Township websites and provides visitors an opportunity to preview our location prior to visiting. The service is helpful for people with physical disabilities to make sure the site meets their accessibility needs, and also for those with emotional challenges, such as anxiety, to ease the feeling of visiting an area for the first time. Additional locations are planned in the near future.

- We enjoyed a spectacular Juneteenth celebration spanning multiple days, which included opportunities for residents to learn and connect with each other while learning about Juneteenth history while participating in local festivities. Staff were provided an all-employee luncheon with special guest speakers at Marketplace on the Green.
- To align with the Board’s approval to provide sanitary hygiene products in its public restrooms, the Township installed sanitary napkin and tampon dispensers in order to make these products accessible to those who happen to need them while visiting our Township parks and buildings. The DEI Task Force carries on its forward momentum and looks forward to further expansion in recognizing and celebrating our vibrant and diverse community.

## Financial Information

**Internal Controls:** Management of the Township is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary Controls:** The Township maintains extensive budgetary controls. Formal budgets are adopted for all funds on a functional level. However, budgetary controls are exercised at a line item level for internal control purposes. The government maintains an encumbrance accounting system. Encumbered amounts lapse at year end. However; outstanding encumbrances, depending on their nature, may be re-appropriated as part of the following year’s budget.

**Long-term Planning:** The Township prepares a one-year budget; however, longer range planning is also utilized to ensure that future needs and opportunities are addressed. These planning tools include the following:

Capital Improvements Plan (CIP) – A review of planned public improvements for the next five years, which is updated annually.

Technology Upgrade/Replacement Plan – A 10-year plan which is updated annually as part of the budget process.

Vehicle Replacement Plan – A 10-year plan for replacing township vehicles and heavy equipment that is reviewed annually as part of the budget process.

Tax Revenue Projections – A five-year estimate of future tax revenues based on economic reports, expected change in tax base, and anticipated tax rates that is updated annually.

Policy Governance Manual – Policy statements and priorities set forth by the Township Board, which is updated annually.

Parks and Recreation Master Plan – A five-year plan for maintaining the Township parks facilities and programs, which is updated annually.

Water & Sewer Rate Model – A 10-year projection of commodity, capital, and maintenance costs, which is updated annually.

Pension and Retiree Health Benefits Funding – The Township continues to monitor funding of both pension plans and the retiree health insurance plan and is continuing to budget contributions to these plans.

**2022 Financial Condition:** The financial condition and results of operations for 2022 are discussed in the Management’s Discussion & Analysis section of the CAFR. The Township continues to maintain a strong financial position and provides services from current revenues.

**Relevant Financial Policies:** There have been no situations that have affected the application of the Township’s standard financial policies.

### **Other Information**

**Independent Audit.** An annual audit, required by state statute, of accounts, financial records, and transactions has been completed by the independent certified public accounting firm of Yeo & Yeo. The firm was appointed by the Township through an open bid process in 2017. Bids are requested every five to seven years.

**Certificate of Achievement.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Meridian for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2021.

**Acknowledgments.** The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff and the Treasurer’s Department.

Respectfully submitted,



Frank L. Walsh  
Township Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

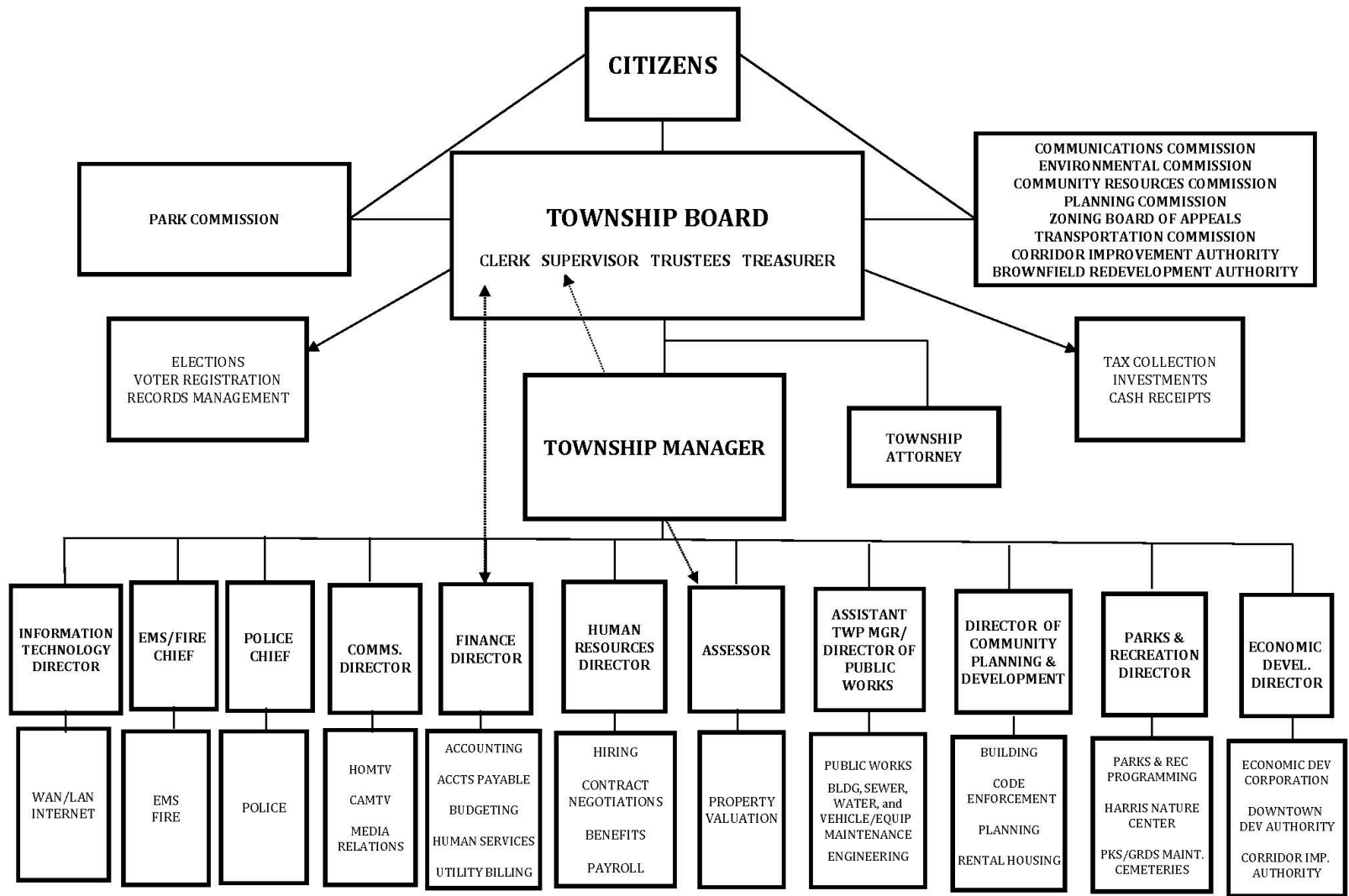
**Charter Township of Meridian  
Michigan**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO



Dotted Lines – Denotes Relationship defined by State Statute

**Charter Township of Meridian**  
**List of Elected and Appointed Officials**  
**December 31, 2022**

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**Elected Officials**

Township Board

Supervisor	Patricia Herring Jackson
Clerk	Deborah Guthrie
Treasurer	Philip Deschaine
Trustee	Scott Hendrickson
Trustee	Kathy Ann Sundland
Trustee	Marna Wilson
Trustee	Courtney Wisinski

Park Commission

Chair	Mary Nardo Farris
Vice Chair	Ami Van Antwerp
Commissioner	Mark Stephens
Commissioner	Michael McDonald
Commissioner	Amanda Lick

**Appointed Officials**

Manager	Frank Walsh
Human Resources Director	Abby Tithof
Finance Director	Amanda Garber
Parks & Recreation Director	LuAnn Maisner
Assessor	Ashley Winstead
Community Planning and Development Director	Tim Schmitt
Assistant Township Manager and Director of Public Works	Dan Opsommer
Fire Chief	Mike Hamel
Police Chief	Ken Plaga
Communications Manager	Samantha Diehl
Information Technology Director	Stephen Gebes
Economic Development Director	Amber Clark
Director of Project Management and Operations	Melissa Massie

## **Independent Auditors' Report**

Township Board  
Charter Township of Meridian  
Ingham County, Michigan

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian, as of and for the year ended December 31, 2022, 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, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian as of December 31, 2022, and the respective changes in 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.

We did not audit the financial statements of the East Lansing – Meridian Water and Sewer Authority, a joint venture, which represents 7.17 percent of the assets of the business-type activities as of December 31, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the East Lansing – Meridian Water and Sewer Authority, a joint venture, is based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Charter Township of Meridian, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Adoption of New Accounting Standards**

As discussed in Note 1 to the financial statements, in 2022 the Charter Township of Meridian adopted new accounting guidance, GASBS No. 87, *Leases*. Our opinions are not modified with respect to this matter.



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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Charter Township of Meridian'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.

## **Auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Charter Township of Meridian'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 Charter Township of Meridian's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who 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 and other auditors 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.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Charter Township of Meridian's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, by us and other auditors. In our opinion and the report of the other auditors, the other supplementary 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.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2023 on our consideration of Charter Township of Meridian's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Charter Township of Meridian's internal control over financial reporting or on compliance. That report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charter Township of Meridian's internal control over financial reporting and compliance.

*Yeo & Yeo, P.C.*

Lansing, Michigan  
May 31, 2023

# **Charter Township of Meridian**

## **Management's Discussion and Analysis**

### **December 31, 2022**

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The Township's Annual Comprehensive Financial Report is presented in the format required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The 2022 annual report consists of five parts: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, (4) other supplementary information that presents combining statements for nonmajor governmental funds, and (5) a statistical section. The basic financial statements include two kinds of statements that present different views of the Township. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Township's government, reporting the Township's operations in more detail than the government-wide statements.

#### **Government-wide Statements**

The government-wide statements report information about the Township as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Township's net position and how it has changed. Net position, the difference between the Township's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the Township's financial health or position.

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

- **Governmental Activities** – Most of the Township's basic services are included here, such as police, fire, streets and highways, recreation, parks, and general administration. Property taxes, state-shared revenue, and charges for services provide most of the funding.
- **Business-type Activities** – The Township charges fees to customers to cover the costs of certain services it provides. The Township's water and sewer system is treated as a business-type activity.
- **Component Units** – The Township includes three other entities in its report: the Downtown Development Authority, the Brownfield Redevelopment Authority, and the Economic Development Corporation. Although legally separate, these "component units" are important because the Township is financially accountable for them.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Township's most significant funds – not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of revenue and spending for particular purposes. Some funds are required by state law and bond covenants. The Township's Board establishes other funds to control and manage money for particular purposes.

**Charter Township of Meridian  
Management's Discussion and Analysis  
December 31, 2022**

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**Fund Financial Statements (continued)**

The Township has three kinds of funds:

- **Governmental Funds** – Most of the Township's basic services are included in governmental funds, which focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs.
- **Proprietary Funds** – Services for which the Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide statements, provide both long and short-term financial information.
- **Fiduciary Funds** – The Township is responsible for ensuring that the assets reported in these funds are used for their intended purpose (taxes collected on behalf of other agencies and retirement payments). All of the Township's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

**Charter Township of Meridian  
Management's Discussion and Analysis  
December 31, 2022**

**Financial Overview**

In a condensed format, the table below shows a comparison of the net position as of the current date to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current assets	\$ 76,078,119	\$ 59,769,890	\$ 16,430,464	\$ 13,996,763	\$ 92,508,583	\$ 73,766,653
Capital assets	71,999,944	63,411,533	70,133,594	64,805,905	142,133,538	128,217,438
Investment in joint venture	-	-	6,681,438	6,282,032	6,681,438	6,282,032
Total assets	148,078,063	123,181,423	93,245,496	85,084,700	241,323,559	208,266,123
<b>Deferred outflows of resources</b>						
Deferred OPEB	1,184,845	672,140	-	-	1,184,845	672,140
Deferred pension	9,685,652	7,634,647	306,081	228,266	9,991,733	7,862,913
Current liabilities	10,870,497	8,306,787	306,081	228,266	11,176,578	8,535,053
<b>Liabilities</b>						
Current liabilities	4,666,349	3,417,582	948,953	1,040,882	5,615,302	4,458,464
Long-term liabilities	47,213,028	36,275,734	31,048,821	26,460,333	78,261,849	62,736,067
Total liabilities	51,879,377	39,693,316	31,997,774	27,501,215	83,877,151	67,194,531
<b>Deferred inflows of resources</b>						
Property taxes levied for a subsequent period	21,380,298	21,015,517	-	-	21,380,298	21,015,517
Deferred leases receivable	-	-	1,517,379	-	1,517,379	-
Deferred OPEB	890,908	1,904,416	-	-	890,908	1,904,416
Deferred pension	5,171,493	2,641,310	172,133	61,825	5,343,626	2,703,135
Special assessments levied for a subsequent period	489,008	472,985	-	-	489,008	472,985
Total deferred inflows of resources	27,931,707	26,034,228	1,689,512	61,825	29,621,219	26,096,053
<b>Net Position</b>						
Net investment in capital assets	59,496,854	55,087,882	39,833,359	39,140,818	99,330,213	94,228,700
Restricted	15,836,041	13,626,604	-	-	15,836,041	13,626,604
Unrestricted	3,804,581	(2,953,820)	20,030,932	18,609,108	23,835,513	15,655,288
Total net position	\$ 79,137,476	\$ 65,760,666	\$ 59,864,291	\$ 57,749,926	\$ 139,001,767	\$ 123,510,592

**Charter Township of Meridian**  
**Management's Discussion and Analysis**  
**December 31, 2022**

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The Charter Township of Meridian had combined net position of \$139.0 Million. Business-type activities comprise \$59.9 million and governmental activities make up \$79.1 million of the total net position. The total net position increased in total by \$15.5 million, or 12.54%. This increase is due to the \$13.9 million increase in capital assets, a \$18.7 million increase in current assets, and an increase of \$15.5 million in Long-term liabilities.

There was a \$2.2 million increase in the restricted net position.

The current ratio (current assets divided by current liabilities) is at 16.47, a decrease from 16.55 in 2021. The decrease in this ratio is related to an increase in current liabilities. The addition is from accounts payable and accrued liabilities. This ratio shows that the Township has adequate current assets to meet its current obligations.

Long-term liabilities of \$78.3 million represent 56.3% of net position; however, \$22.4 million of this is the net pension and OPEB liability. This is an increase of \$15.5 million from 2021. The increase is due to an increase of \$10.9 million in Governmental liabilities and an increase of \$4.6 million in Business liabilities. The Township took on several new bond issuances during the year.

**Governmental Activities**

Revenues for governmental activities totaled approximately \$39.1 million in 2022. A total of \$21.0 million was in the form of property tax collections, \$6.1 million was charges for services, \$3.3 million was operating grants and contributions, and \$3.1 was capital grants and contributions. Revenue from other sources was fairly consistent with 2021.

Expenses for governmental activities totaled \$25.7 million. A little less than half (45.9 %) of this expense funded public safety in the Township.

**Business-type Activities**

Business-type activities in the Township include water and sewer services. Revenue for business-type activities totaled \$14.0 million; \$13.0 million was collected from customers and \$0.76 million is the value of assets contributed by developers. The Township purchases water from the East Lansing-Meridian Water Sewer Authority and the Board of Water and Light, and water is distributed by the Township through mains to customers. The Township contracts for sewage treatment from the City of East Lansing Wastewater Treatment Plant. Township residential customers are billed quarterly for water and sewer service based on water consumption. Commercial customers are billed monthly.

**Charter Township of Meridian  
Management's Discussion and Analysis  
December 31, 2022**

The following table shows the changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenue</b>						
Program revenue:						
Charges for services	\$6,107,293	\$5,923,102	\$13,020,765	\$12,864,283	\$19,128,058	\$18,787,385
Operating grants and contributions	3,305,718	855,790	-	-	3,305,718	855,790
Capital grants and contributions	3,090,591	1,535,977	755,345	93,913	3,845,936	1,629,890
General Revenue:						
Property taxes	21,046,529	20,619,681	-	-	21,046,529	20,619,681
State sources	5,657,643	4,332,799	-	-	5,657,643	4,332,799
Unrestricted investment income (loss)	(184,721)	213,544	(139,602)	45,699	(324,323)	259,243
Gain on Sale of capital assets	-	153,641	-	-	-	153,641
Other miscellaneous income	33,217	31,840	399,406	371,954	432,623	403,794
<b>Total revenue</b>	<b>39,056,270</b>	<b>33,666,374</b>	<b>14,035,914</b>	<b>13,375,849</b>	<b>53,092,184</b>	<b>47,042,223</b>
<b>Program Expenses</b>						
General government	6,178,614	5,037,348	-	-	6,178,614	5,037,348
Public safety	11,793,433	11,088,356	-	-	11,793,433	11,088,356
Public works	2,861,014	2,127,485	-	-	2,861,014	2,127,485
Health and welfare	348,573	232,885	-	-	348,573	232,885
Community and economic development	1,161,096	1,554,245	-	-	1,161,096	1,554,245
Recreation and culture	2,800,743	2,944,096	-	-	2,800,743	2,944,096
Interest on long-term debt	535,987	360,208	-	-	535,987	360,208
Water and sewer	-	-	11,921,549	12,241,722	11,921,549	12,241,722
<b>Total program expenses</b>	<b>25,679,460</b>	<b>23,344,623</b>	<b>11,921,549</b>	<b>12,241,722</b>	<b>37,601,009</b>	<b>35,586,345</b>
<b>Change in Net Position</b>	<b>13,376,810</b>	<b>10,321,751</b>	<b>2,114,365</b>	<b>1,134,127</b>	<b>15,491,175</b>	<b>11,455,878</b>
Net Position - beginning of year	65,760,666	55,438,915	57,749,926	56,615,799	123,510,592	112,054,714
<b>Net Position - end of year</b>	<b>\$79,137,476</b>	<b>\$65,760,666</b>	<b>\$59,864,291</b>	<b>\$57,749,926</b>	<b>\$139,001,767</b>	<b>\$123,510,592</b>



**Charter Township of Meridian  
Management's Discussion and Analysis  
December 31, 2022**

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**Current Economic Events**

The Township continues to experience a relatively healthy economy in the community. This is seen in a relatively stable housing market, as well as some new construction growth. The Township saw an increase in taxable value through 2008. The 2009 taxable value and tax revenues were flat, but in 2010 through 2012 both taxable value and tax revenue experienced decreases. The 2013 taxable value decreased, however the increase of 0.05 mills kept the tax revenue flat for 2013. The 2014 taxable value decreased, however revenue increased due to the addition of 0.2 mills. In 2015, the taxable value increased for the first time since 2008. Looking forward to 2023, we see that the taxable value will continue to increase for the eighth year in a row, bringing us 17.1% above 2009. This, coupled with rising costs, continues to create challenges to maintain existing services levels.

Personnel costs represent approximately 73.4% of the governmental operating expenses of the Township. The increasing cost of healthcare and legacy costs continue to be a concern. Changes in programs and employee cost-sharing agreements in the past couple of years have helped to contain healthcare costs; however, they continue to rise along with payroll taxes, pension, and other personnel costs. Operating efficiencies, organizational restructuring, and improved technology have helped to contain expenditures to available revenue.

**Financial Analysis of Township Funds and Budgets**

The General Fund ended 2022 with an unassigned fund balance of approximately \$13.1 million (compared with \$10.2 million in 2021). This represents approximately 5 months of annual expenditures, which is within the requirements of policy governance established by the Township's board. The total increase in fund balance is approximately \$2.1 million. The overall increase is a result of an increase of \$1.3 million of State-shared revenue, an increase of \$0.3 million of property taxes, and a reduction of expenses for Community and Economic Development of \$0.4 million. The Township has continued to operate with a balanced budget. This has been accomplished with the dedicated efforts of all employees to work more efficiently, manage expenditures, and enhance revenue whenever possible.

The Land Preservation Fund continues to maintain a healthy fund balance of \$7.2 million. The fund balance decreased \$.01 million from 2021 mainly attributable to investment loss.

The Local Roads fund has a fund balance of \$14.6 million. The fund balance increased \$9.9 million from 2021 attributed to bond proceeds.

**Budget Variances**

All funds of the Township operate with a board-approved budget. These budgets are monitored and amended as needed throughout the year. Such amendments are primarily related to projects carried over from the prior year and unanticipated projects or revenue. In addition, unexpected changes in projected revenues may result in changes to the expenditure budgets (e.g., reduction in state-shared revenue).

The actual vs. budget variances in the General Fund are the result of efforts to keep costs below budget. On the revenue side, the largest positive variances occurred in the State-shared revenue and fines and forfeitures related to the Police department. On the expenditure side, the departments

**Charter Township of Meridian  
Management's Discussion and Analysis  
December 31, 2022**

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with the largest variances (expenditures over budget) include Capital Outlay and (expenditures under budget) include Police Department, Fire Department, and Parks Department.

The General fund had significant budget amendments during the year related to an increase in State Shared Revenue and a decrease related to the Meridian Redevelopment Fund.

**Capital Assets Activity**

There were several small projects in 2022, including installation of solar panels at the public safety building, Okemos library roof, and LED conversion at the public safety building.

Additional information about capital assets is presented in Note 8 to the financial statements.

**Long-term Debt Activity**

The Township continued to pay off its debt and made principal payments on the outstanding governmental activities debt of approximately \$4,845,000 during 2022. Outstanding governmental activities debt at December 31, 2022 including compensated absences was approximately \$25.5 million. The Township added \$12.0 million in new debt for road construction, \$5.2 million for Daniels Drain Project, and \$0.06 million for Remy Chandler Drain Project.

For business-type activities, the Township recorded \$6.1 million of new debt for wastewater system improvements and paid down approximately \$1.5 million of existing debt. Ending business-type debt including compensated absences was approximately \$30.4 million.

More detailed information about long-term liabilities is presented in Note 10 to the financial statements.

**Contact Us**

This report is intended to aid our residents and other interested parties in understanding the Township's financial condition. Should you have further questions, please contact the Finance Department at the Township's Municipal Building.

**Charter Township of Meridian**  
**Statement of Net Position**  
**December 31, 2022**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 40,022,827	\$ 10,449,773	\$ 50,472,600	\$ 366,176
Investments	17,723,959	1,646,820	19,370,779	-
Receivables				
Taxes	13,230,320	-	13,230,320	260,988
Customers	-	2,294,833	2,294,833	-
Special assessments	3,060,185	-	3,060,185	-
Leases	-	1,517,379	1,517,379	-
Other, net of allowance	536,660	-	536,660	-
Due from other units of government	837,645	-	837,645	-
Internal balances	(2,424)	2,424	-	-
Inventories	-	463,275	463,275	-
Prepaid items	668,947	55,960	724,907	-
Investment in joint venture	-	6,681,438	6,681,438	-
Capital assets not being depreciated	37,502,667	636,060	38,138,727	-
Capital assets, net of accumulated depreciation	<u>34,497,277</u>	<u>69,497,534</u>	<u>103,994,811</u>	<u>-</u>
Total assets	<u>148,078,063</u>	<u>93,245,496</u>	<u>241,323,559</u>	<u>627,164</u>
<b>Deferred Outflows of Resources</b>				
Deferred amount related to net OPEB liability	1,184,845	-	1,184,845	-
Deferred amount related to net pension liability	<u>9,685,652</u>	<u>306,081</u>	<u>9,991,733</u>	<u>-</u>
Total deferred outflows of resources	<u>10,870,497</u>	<u>306,081</u>	<u>11,176,578</u>	<u>-</u>
<b>Liabilities</b>				
Accounts payable	1,213,179	105,579	1,318,758	47
Accrued and other liabilities	480,907	524,048	1,004,955	-
Performance bonds and other deposits payable	146,435	319,326	465,761	-
Unearned revenue	2,825,828	-	2,825,828	-
Long-term debt				
Due within one year	4,583,105	2,495,901	7,079,006	-
Due in more than one year	20,888,011	27,897,848	48,785,859	-
Net OPEB liability (due in more than one year)	1,487,756	-	1,487,756	-
Net pension liability (due in more than one year)	<u>20,254,156</u>	<u>655,072</u>	<u>20,909,228</u>	<u>-</u>
Total liabilities	<u>51,879,377</u>	<u>31,997,774</u>	<u>83,877,151</u>	<u>47</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Statement of Net Position**  
**December 31, 2022**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Deferred Inflows of Resources</b>				
Property taxes levied for a subsequent period	\$ 21,380,298	\$ -	\$ 21,380,298	\$ 260,429
Special assessments levied for a subsequent period	489,008	-	489,008	-
Deferred amount related to leases receivable	-	1,517,379	1,517,379	-
Deferred amount related to net OPEB liability	890,908	-	890,908	-
Deferred amount related to net pension liability	5,171,493	172,133	5,343,626	-
Total deferred inflows of resources	<u>27,931,707</u>	<u>1,689,512</u>	<u>29,621,219</u>	<u>260,429</u>
<b>Net Position</b>				
Net investment in capital assets	59,496,854	39,833,359	99,330,213	-
Restricted for				
Land preservation	7,154,202	-	7,154,202	-
Pedestrian/bike path millage	2,407,480	-	2,407,480	-
Fire	1,677	-	1,677	-
Police	65,303	-	65,303	-
Senior center millage	394,076	-	394,076	-
Cable TV	153,668	-	153,668	-
Community needs	95,862	-	95,862	-
Library	13,603	-	13,603	-
Grants	130,703	-	130,703	-
CATA millage	8,536	-	8,536	-
Local roads	2,413,795	-	2,413,795	-
Park millage	1,072,843	-	1,072,843	-
Road debt service	1,924,293	-	1,924,293	-
Unrestricted	<u>3,804,581</u>	<u>20,030,932</u>	<u>23,835,513</u>	<u>366,688</u>
Total net position	<u>\$ 79,137,476</u>	<u>\$ 59,864,291</u>	<u>\$ 139,001,767</u>	<u>\$ 366,688</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government</b>								
Governmental activities								
General government	\$ 6,178,614	\$ 1,440,503	\$ 2,558,813	\$ -	\$ (2,179,298)	\$ -	\$ (2,179,298)	\$ -
Public safety	11,793,433	3,224,465	91,902	-	(8,477,066)	-	(8,477,066)	-
Public works	2,861,014	1,050,000	345,000	2,659,341	1,193,327	-	1,193,327	-
Health and welfare	348,573	-	148,050	-	(200,523)	-	(200,523)	-
Community and economic development	1,161,096	-	-	-	(1,161,096)	-	(1,161,096)	-
Recreation and culture	2,800,743	392,325	161,953	431,250	(1,815,215)	-	(1,815,215)	-
Interest and fiscal charges on long-term debt	535,987	-	-	-	(535,987)	-	(535,987)	-
Total governmental activities	<u>25,679,460</u>	<u>6,107,293</u>	<u>3,305,718</u>	<u>3,090,591</u>	<u>(13,175,858)</u>	<u>-</u>	<u>(13,175,858)</u>	<u>-</u>
Business-type activities								
Sewer	5,412,492	6,662,222	-	58,886	-	1,308,616	1,308,616	-
Water	6,509,057	6,358,543	-	696,459	-	545,945	545,945	-
Total business-type activities	<u>11,921,549</u>	<u>13,020,765</u>	<u>-</u>	<u>755,345</u>	<u>-</u>	<u>1,854,561</u>	<u>1,854,561</u>	<u>-</u>
Total primary government	<u>\$ 37,601,009</u>	<u>\$ 19,128,058</u>	<u>\$ 3,305,718</u>	<u>\$ 3,845,936</u>	<u>(13,175,858)</u>	<u>1,854,561</u>	<u>(11,321,297)</u>	<u>-</u>
<b>Component units</b>								
Downtown Development Authority	\$ 5,881	\$ -	\$ -	\$ -				(5,881)
Brownfield Redevelopment Authority	301,355	-	-	-				(301,355)
Economic Development Corporation	10,151	10,000	6,875	-				6,724
Total component units	<u>\$ 317,387</u>	<u>\$ 10,000</u>	<u>\$ 6,875</u>	<u>\$ -</u>				<u>(300,512)</u>
General revenues								
Property taxes					21,046,529	-	21,046,529	504,814
State-shared revenue (unrestricted)					5,657,643	-	5,657,643	-
Investment income (loss)					(184,721)	(139,602)	(324,323)	76
Miscellaneous					33,217	399,406	432,623	-
Total general revenues					<u>26,552,668</u>	<u>259,804</u>	<u>26,812,472</u>	<u>504,890</u>
Change in net position					13,376,810	2,114,365	15,491,175	204,378
Net position - beginning of year					<u>65,760,666</u>	<u>57,749,926</u>	<u>123,510,592</u>	<u>162,310</u>
Net position - end of year					<u>\$ 79,137,476</u>	<u>\$ 59,864,291</u>	<u>\$ 139,001,767</u>	<u>\$ 366,688</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Governmental Funds**  
**Balance Sheet**  
**December 31, 2022**

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
<b>Assets</b>						
Cash and cash equivalents	\$ 5,514,870	\$ 15,080,032	\$ 4,644,283	\$ 3,591,330	\$ 10,228,778	\$ 39,059,293
Investments	15,131,651	-	2,592,308	-	-	17,723,959
Receivables						
Taxes	8,870,734	-	123,690	2,413,571	1,822,325	13,230,320
Special assessments	228,751	-	-	-	2,831,434	3,060,185
Other, net of allowance	536,133	-	527	-	-	536,660
Due from other units of government	830,604	-	-	-	7,041	837,645
Prepaid items	538,033	750	28	-	55,708	594,519
<b>Total assets</b>	<b>\$ 31,650,776</b>	<b>\$ 15,080,782</b>	<b>\$ 7,360,836</b>	<b>\$ 6,004,901</b>	<b>\$ 14,945,286</b>	<b>\$ 75,042,581</b>
<b>Liabilities</b>						
Accounts payable	\$ 470,764	\$ 505,670	\$ 4,329	\$ -	\$ 207,806	\$ 1,188,569
Accrued and other liabilities	54,370	-	224	-	8,224	62,818
Due to other funds	2,424	-	-	-	-	2,424
Performance deposits payable	146,435	-	-	-	-	146,435
Unearned revenue	81,550	-	-	-	2,744,278	2,825,828
<b>Total liabilities</b>	<b>755,543</b>	<b>505,670</b>	<b>4,553</b>	<b>-</b>	<b>2,960,308</b>	<b>4,226,074</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - state shared revenue	830,604	-	-	-	-	830,604
Unavailable revenue - special assessments	-	-	-	-	2,751,433	2,751,433
Unavailable revenue - ambulance charges	31,438	-	-	-	-	31,438
Unavailable revenue - federal grant revenue	-	-	-	-	4,958	4,958
Property taxes levied for a subsequent period	14,354,276	1,010	202,081	3,885,712	2,937,219	21,380,298
Special assessments levied for a subsequent period	409,008	-	-	-	80,000	489,008
<b>Total deferred inflows of resources</b>	<b>15,625,326</b>	<b>1,010</b>	<b>202,081</b>	<b>3,885,712</b>	<b>5,773,610</b>	<b>25,487,739</b>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian  
Governmental Funds  
Balance Sheet  
December 31, 2022**

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
<b>Fund Balances</b>						
Non-spendable						
Prepaid items	\$ 538,033	\$ 750	\$ 28	\$ -	\$ 55,708	\$ 594,519
Restricted for						
Land preservation	-	-	7,154,174	-	-	7,154,174
Pedestrian/bike path millage	-	-	-	-	2,407,462	2,407,462
Fire	-	-	-	-	1,677	1,677
Police	-	-	-	-	65,303	65,303
Senior center millage	-	-	-	-	394,076	394,076
Cable TV	-	-	-	-	153,668	153,668
Community needs	-	-	-	-	95,862	95,862
Library	-	-	-	-	13,603	13,603
Grants	-	-	-	-	130,703	130,703
Capital area transportation authority millage	-	-	-	-	8,536	8,536
Local roads	-	2,413,045	-	-	-	2,413,045
Local roads - capital projects	-	12,160,307	-	-	-	12,160,307
Park millage	-	-	-	-	1,072,124	1,072,124
Fire station debt service	-	-	-	-	1,851	1,851
Road debt service	-	-	-	2,119,189	-	2,119,189
Assigned						
Township improvement	-	-	-	-	1,851,979	1,851,979
Subsequent fiscal year budget	1,593,591	-	-	-	-	1,593,591
Unassigned (deficit)	13,138,283	-	-	-	(41,184)	13,097,099
<b>Total fund balances</b>	<u>15,269,907</u>	<u>14,574,102</u>	<u>7,154,202</u>	<u>2,119,189</u>	<u>6,211,368</u>	<u>45,328,768</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,650,776</u>	<u>\$ 15,080,782</u>	<u>\$ 7,360,836</u>	<u>\$ 6,004,901</u>	<u>\$ 14,945,286</u>	<u>\$ 75,042,581</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Governmental Funds**  
**Reconciliation of Fund Balances of Governmental Funds**  
**to Net Position of Governmental Activities**  
**December 31, 2022**

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<b>Total fund balances for governmental funds</b>	<b>\$ 45,328,768</b>
Total net position for governmental activities in the statement of net position is different because:	
Capital assets not being depreciated used in governmental activities are not financial resources and therefore are not reported in the funds.	37,502,667
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	31,235,918
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	3,618,433
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(417,491)
Compensated absences	(798,657)
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from net OPEB liability	1,184,845
Deferred inflows of resources resulting from net OPEB liability	(890,908)
Deferred outflows of resources resulting from net pension liability	9,640,309
Deferred inflows of resources resulting from net pension liability	(5,145,994)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Bonds payable and other long-term liabilities	(24,663,397)
Net OPEB liability	(1,487,756)
Net pension liability	(20,157,116)
Internal service funds are included as part of governmental activities.	<u>4,187,855</u>
<b>Net position of governmental activities</b>	<b><u>\$ 79,137,476</u></b>

See Accompanying Notes to the Financial Statements



**Charter Township of Meridian**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2022**

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
<b>Revenues</b>						
Taxes	\$ 14,346,847	\$ 1,010	\$ 192,703	\$ 3,707,805	\$ 2,798,164	\$ 21,046,529
Licenses and permits	1,885,717	-	-	-	-	1,885,717
Federal grants	551	-	-	-	1,846,786	1,847,337
State shared revenue	5,402,009	-	-	-	-	5,402,009
State grants	120,317	6,251	848	10,232	48,353	186,001
Local contributions	-	345,000	-	-	120,645	465,645
Charges for services	3,785,897	-	-	-	980,159	4,766,056
Fines and forfeitures	249,611	-	-	-	-	249,611
Investment income (loss)	(227,222)	142,698	(217,182)	11,781	99,786	(190,139)
Rental income	-	-	-	-	-	-
Other revenue	586,727	-	109	-	810,742	1,397,578
<b>Total revenues</b>	<b>26,150,454</b>	<b>494,959</b>	<b>(23,522)</b>	<b>3,729,818</b>	<b>6,704,635</b>	<b>37,056,344</b>
<b>Expenditures</b>						
<b>Current</b>						
General government	11,932,822	-	-	-	-	11,932,822
Public safety	13,706,480	-	-	-	64,526	13,771,006
Public works	-	2,765,242	-	-	860,191	3,625,433
Health and welfare	67,919	-	-	-	270,352	338,271
Community and economic development	1,152,571	-	-	-	-	1,152,571
Recreation and culture	1,113,371	-	140,919	-	1,403,751	2,658,041
Capital outlay	-	-	-	-	1,796,432	1,796,432
<b>Debt service</b>						
Principal retirement	666,386	-	-	3,360,000	820,000	4,846,386
Interest and fiscal charges	171,948	-	-	244,250	45,448	461,646
Bond issuance costs	-	105,600	-	19,982	-	125,582
<b>Total expenditures</b>	<b>28,811,497</b>	<b>2,870,842</b>	<b>140,919</b>	<b>3,624,232</b>	<b>5,260,700</b>	<b>40,708,190</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,661,043)</b>	<b>(2,375,883)</b>	<b>(164,441)</b>	<b>105,586</b>	<b>1,443,935</b>	<b>(3,651,846)</b>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2022**

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
<b>Other financing sources (uses)</b>						
Transfers in	\$ -	\$ 280,000	\$ -	\$ -	\$ -	\$ 280,000
Transfers out	(530,000)	-	-	-	-	(530,000)
Issuance of debt	<u>5,295,434</u>	<u>12,000,000</u>	<u>-</u>	<u>1,059,686</u>	<u>-</u>	<u>18,355,120</u>
Total other financing sources (uses)	<u>4,765,434</u>	<u>12,280,000</u>	<u>-</u>	<u>1,059,686</u>	<u>-</u>	<u>18,105,120</u>
Net change in fund balances	2,104,391	9,904,117	(164,441)	1,165,272	1,443,935	14,453,274
Fund balances - beginning of year	<u>13,165,516</u>	<u>4,669,985</u>	<u>7,318,643</u>	<u>953,917</u>	<u>4,767,433</u>	<u>30,875,494</u>
Fund balances - end of year	<u>\$ 15,269,907</u>	<u>\$ 14,574,102</u>	<u>\$ 7,154,202</u>	<u>\$ 2,119,189</u>	<u>\$ 6,211,368</u>	<u>\$ 45,328,768</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Governmental Funds**  
**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, 2022**

<b>Net change in fund balances - total governmental funds</b>	\$	14,453,274
Total change in net position reported for governmental activities in the statement of activities is different because:		
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.		
Depreciation expense		(3,229,082)
Capital outlay		10,758,466
Sale of capital assets (net book value)		(57,052)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		
State-shared revenue		106,125
Special assessments		1,679,182
Ambulance charges		(12,562)
Federal grant revenue		(3,237)
Expenses are recorded when incurred in the statement of activities.		
Accrued interest		(168,880)
Compensated absences		20,484
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.		
Net change in net pension liability		2,964,037
Net change in the deferred outflow of resources related to the net pension liability		2,034,653
Net change in the deferred inflow of resources related to the net pension liability		(2,512,535)
The statement of net position reports the net OPEB liability and deferred outflows of resources and deferred inflows related to the net OPEB liability and OPEB expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.		
Net change in net OPEB liability		(1,126,464)
Net change in the deferred outflow of resources related to the net OPEB liability		512,705
Net change in the deferred inflow of resources related to the net OPEB liability		1,013,508
Bond proceeds are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.		
Debt issued		(18,355,120)
Repayments of long-term debt		4,846,386
Amortization of premiums		220,121
Internal service funds are also included as governmental activities		232,801
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>13,376,810</u></b>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Net Position**  
**December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 2,723,737	\$ 7,726,036	\$ 10,449,773	\$ 963,534
Investments	1,646,820	-	1,646,820	-
Receivables				
Customers	1,041,777	1,253,056	2,294,833	-
Leases	12,942	-	12,942	-
Due from other funds	881	1,543	2,424	-
Inventories	463,275	-	463,275	-
Prepaid items	29,580	26,380	55,960	74,428
<b>Total current assets</b>	<b>5,919,012</b>	<b>9,007,015</b>	<b>14,926,027</b>	<b>1,037,962</b>
Noncurrent assets				
Leases receivable	1,504,437	-	1,504,437	-
Investment in joint venture	6,681,438	-	6,681,438	-
Capital assets, net of accumulated depreciation	18,517,705	50,979,829	69,497,534	3,261,359
Capital assets not being depreciated	454,530	181,530	636,060	-
<b>Total noncurrent assets</b>	<b>27,158,110</b>	<b>51,161,359</b>	<b>78,319,469</b>	<b>3,261,359</b>
<b>Total assets</b>	<b>33,077,122</b>	<b>60,168,374</b>	<b>93,245,496</b>	<b>4,299,321</b>
<b>Deferred Outflows of Resources</b>				
Deferred amount related to net pension liability	207,238	98,843	306,081	45,343

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Net Position**  
**December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 79,746	\$ 25,833	\$ 105,579	\$ 24,610
Accrued and other liabilities	115,487	408,561	524,048	598
Performance bonds and other deposits payable	-	319,326	319,326	-
Current portion of noncurrent liabilities	<u>9,262</u>	<u>2,486,639</u>	<u>2,495,901</u>	<u>1,631</u>
Total current liabilities	<u>204,495</u>	<u>3,240,359</u>	<u>3,444,854</u>	<u>26,839</u>
Noncurrent liabilities				
Net pension liability	443,537	211,535	655,072	97,040
Long-term debt net of current portion	<u>42,191</u>	<u>27,855,657</u>	<u>27,897,848</u>	<u>7,431</u>
Total noncurrent liabilities	<u>485,728</u>	<u>28,067,192</u>	<u>28,552,920</u>	<u>104,471</u>
Total liabilities	<u>690,223</u>	<u>31,307,551</u>	<u>31,997,774</u>	<u>131,310</u>
<b>Deferred Inflows of Resources</b>				
Deferred amount related to leases receivable	1,517,379	-	1,517,379	-
Deferred amount related to net pension liability	<u>116,542</u>	<u>55,591</u>	<u>172,133</u>	<u>25,499</u>
Total deferred inflows of resources	<u>1,633,921</u>	<u>55,591</u>	<u>1,689,512</u>	<u>25,499</u>
<b>Net Position</b>				
Net investment in capital assets	18,972,235	20,861,124	39,833,359	3,261,359
Unrestricted	<u>11,987,981</u>	<u>8,042,951</u>	<u>20,030,932</u>	<u>926,496</u>
Total net position	<u>\$ 30,960,216</u>	<u>\$ 28,904,075</u>	<u>\$ 59,864,291</u>	<u>\$ 4,187,855</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Operating revenue</b>				
Sale of water	\$ 5,563,247	\$ -	\$ 5,563,247	\$ -
Sewage disposal charges	-	6,028,076	6,028,076	-
Charges for services	734,482	633,836	1,368,318	1,151,330
Other revenue	60,814	310	61,124	-
	<u>6,358,543</u>	<u>6,662,222</u>	<u>13,020,765</u>	<u>1,151,330</u>
Total operating revenue				
<b>Operating expenses</b>				
Cost of water purchases	3,429,436	-	3,429,436	-
Cost of sewage treatment	-	1,802,586	1,802,586	-
Operation and maintenance	461,874	320,928	782,802	553,049
General administrative	595,412	625,154	1,220,566	224,660
Personnel services	1,260,654	791,328	2,051,982	-
Depreciation	761,681	1,327,825	2,089,506	621,238
	<u>6,509,057</u>	<u>4,867,821</u>	<u>11,376,878</u>	<u>1,398,947</u>
Total operating expenses				
Operating income (loss)	<u>(150,514)</u>	<u>1,794,401</u>	<u>1,643,887</u>	<u>(247,617)</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Nonoperating revenue (expenses)</b>				
State grant	\$ -	\$ -	\$ -	\$ 225,000
Investment income (loss)	(240,467)	100,865	(139,602)	5,418
Change in value of joint venture	399,406	-	399,406	-
Interest expense	-	(544,671)	(544,671)	-
	<u>158,939</u>	<u>(443,806)</u>	<u>(284,867)</u>	<u>230,418</u>
Income before contributions and transfers	8,425	1,350,595	1,359,020	(17,199)
Capital contributions - local	696,459	58,886	755,345	-
Transfers in	-	-	-	<u>250,000</u>
Change in net position	704,884	1,409,481	2,114,365	232,801
Net position - beginning of year	<u>30,255,332</u>	<u>27,494,594</u>	<u>57,749,926</u>	<u>3,955,054</u>
Net position - end of year	<u>\$ 30,960,216</u>	<u>\$ 28,904,075</u>	<u>\$ 59,864,291</u>	<u>\$ 4,187,855</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 6,365,979	\$ 6,731,220	\$ 13,097,199	\$ -
Receipts from interfund users	-	-	-	1,151,330
Payments to suppliers	(4,828,214)	(2,751,355)	(7,579,569)	(606,899)
Payments to employees	(1,125,510)	(801,221)	(1,926,731)	(217,191)
Other receipts	60,814	310	61,124	-
Net cash provided by operating activities	<u>473,069</u>	<u>3,178,954</u>	<u>3,652,023</u>	<u>327,240</u>
<b>Cash flows from noncapital financing activities</b>				
Transfer from other funds	-	-	-	250,000
State grant	-	-	-	225,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>475,000</u>
<b>Cash flows from capital and related financing activities</b>				
Purchases/construction of capital assets	(511,289)	(44,550)	(555,839)	(1,737,317)
Principal and interest paid on long-term debt	-	(2,064,847)	(2,064,847)	-
Net cash used by capital and related financing activities	<u>(511,289)</u>	<u>(2,109,397)</u>	<u>(2,620,686)</u>	<u>(1,737,317)</u>
<b>Cash flows from investing activities</b>				
Proceeds from sales and maturities of investments	291,740	-	291,740	-
Interest received	(240,467)	100,865	(139,602)	5,418
Net cash provided by investing activities	<u>51,273</u>	<u>100,865</u>	<u>152,138</u>	<u>5,418</u>
Change in cash and cash equivalents	13,053	1,170,422	1,183,475	(929,659)
Cash and cash equivalents - beginning of year	<u>2,710,684</u>	<u>6,555,614</u>	<u>9,266,298</u>	<u>1,893,193</u>
Cash and cash equivalents - end of year	<u>\$ 2,723,737</u>	<u>\$ 7,726,036</u>	<u>\$ 10,449,773</u>	<u>\$ 963,534</u>

See Accompanying Notes to the Financial Statements



**Charter Township of Meridian**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2022**

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ (150,514)	\$ 1,794,401	\$ 1,643,887	\$ (247,617)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization expense	761,681	1,327,825	2,089,506	621,238
Changes in assets and liabilities				
Receivables (net)	68,250	58,611	126,861	-
Due from other funds	13,454	1,970	15,424	-
Inventories	(147,177)	-	(147,177)	-
Prepaid items	1,256	(18,741)	(17,485)	(67,714)
Deferred outflows of resources	(65,819)	(11,996)	(77,815)	(16,352)
Accounts payable	(207,345)	14,614	(192,731)	15,120
Accrued and other liabilities	115,487	23,931	139,418	598
Due to other funds	(1,680)	(530)	(2,210)	(1,256)
Performance bonds and other deposits payable	-	10,697	10,697	-
Deferred inflows of resources	78,243	32,065	110,308	17,648
Net pension liability	4,347	(58,167)	(53,820)	7,010
Compensated absences	2,886	4,274	7,160	(1,435)
Net cash provided by operating activities	<u>\$ 473,069</u>	<u>\$ 3,178,954</u>	<u>\$ 3,652,023</u>	<u>\$ 327,240</u>
<b>Noncash Capital Financing Activities</b>				
Capital assets acquired through contributions from taxpayers	<u>\$ 696,459</u>	<u>\$ 58,886</u>	<u>\$ 755,345</u>	<u>\$ -</u>
Capital assets acquired with long-term debt	<u>\$ -</u>	<u>\$ 6,106,011</u>	<u>\$ 6,106,011</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian  
Fiduciary Funds  
Statement of Fiduciary Net Position  
December 31, 2022**

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
<b>Assets</b>		
Cash and cash equivalents	\$ 163,770	\$ 2,888,130
Investments		
Exchange traded funds	929,378	-
Mutual funds	9,650,774	-
Receivables		
Accrued interest	3,741	-
Total assets	10,747,663	2,888,130
<b>Liabilities</b>		
Accounts payable	-	3,616
Due to other units of government	-	2,884,514
Total liabilities	-	2,888,130
<b>Net Position</b>		
Restricted		
Pension benefits	4,120,408	-
Other postemployment benefits	6,627,255	-
Total net position	\$ 10,747,663	\$ -

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended December 31, 2022**

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
<b>Additions</b>		
Contributions		
Employer	\$ 181,341	\$ -
Investment earnings		
Interest and dividends	116,832	-
Change in fair value	(1,889,346)	-
Investment expenses	(25,338)	-
Net investment loss	(1,797,852)	-
Property tax collections for other governments	-	91,524,787
Total additions	(1,616,511)	91,524,787
<b>Deductions</b>		
Benefits	592,124	-
Other deductions	66,653	-
Payments of property tax to other governments	-	91,524,787
Total deductions	658,777	91,524,787
Change in net position	(2,275,288)	-
Net position - beginning of year	13,022,951	-
Net position - end of year	\$ 10,747,663	\$ -

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Component Units**  
**Statement of Net Position**  
**December 31, 2022**

	Downtown Development Authority	Brownfield Redevelopment Authority	Economic Development Corporation	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 102,684	\$ 208,213	\$ 55,279	\$ 366,176
Receivables				
Taxes	<u>40,275</u>	<u>220,713</u>	<u>-</u>	<u>260,988</u>
Total assets	<u>142,959</u>	<u>428,926</u>	<u>55,279</u>	<u>627,164</u>
<b>Liabilities</b>				
Accounts payable	<u>47</u>	<u>-</u>	<u>-</u>	<u>47</u>
<b>Deferred Inflows of Resources</b>				
Property taxes levied for subsequent period	<u>39,809</u>	<u>220,620</u>	<u>-</u>	<u>260,429</u>
<b>Net Position</b>				
Unrestricted	<u>\$ 103,103</u>	<u>\$ 208,306</u>	<u>\$ 55,279</u>	<u>\$ 366,688</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Component Units**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Downtown Development Authority	Brownfield Redevelopment Authority	Economic Development Corporation	Total
<b>Functions/Programs</b>							
Downtown Development Authority	\$ 5,881	\$ -	\$ -	\$ (5,881)	\$ -	\$ -	\$ (5,881)
Brownfield Redevelopment Authority	301,355	-	-	-	(301,355)	-	(301,355)
Economic Development Corporation	10,151	10,000	6,875	-	-	6,724	6,724
<b>Total component units</b>	<u>\$ 317,387</u>	<u>\$ 10,000</u>	<u>\$ 6,875</u>	<u>(5,881)</u>	<u>(301,355)</u>	<u>6,724</u>	<u>(300,512)</u>
General revenues							
Property taxes				42,119	462,695	-	504,814
Investment income				-	-	76	76
<b>Total general revenues</b>				<u>42,119</u>	<u>462,695</u>	<u>76</u>	<u>504,890</u>
Change in net position				36,238	161,340	6,800	204,378
Net position - beginning of year				<u>66,865</u>	<u>46,966</u>	<u>48,479</u>	<u>162,310</u>
Net position - end of year				<u>\$ 103,103</u>	<u>\$ 208,306</u>	<u>\$ 55,279</u>	<u>\$ 366,688</u>

See Accompanying Notes to the Financial Statements

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 1 - Summary of Significant Accounting Policies**

The accounting policies of the Charter Township of Meridian, Ingham County, Michigan (Township) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Charter Township of Meridian, Ingham County, Michigan:

**Reporting entity**

The Charter Township of Meridian, Ingham County, Michigan is governed by an elected seven-member board. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township (see discussion below for description).

Discretely Presented Component Units – The following component units are reported within the component unit column in the combined financial statements. They are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township.

*Downtown Development Authority* – The Downtown Development Authority (DDA) of Okemos was created to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of such deterioration, and to promote economic growth in and surrounding the DDA. The DDA's governing body includes the Township supervisor and members who are appointed by the Township supervisor and approved by the Township board. In addition, the DDA's budget is subject to approval by the Township board. The DDA does not issue separate financial statements.

*Brownfield Redevelopment Authority* – The Brownfield Redevelopment Authority (BRA) was created to finance environmental cleanup within the boundaries of the Township. The BRA's governing body includes the Township Manager, a member of each of the Planning Commission, Economic Development Corporation, and Environmental Commission, and 3 other members approved by the Township board, who has the ability to impose its will. It is reported within the component unit column in the government-wide financial statements to emphasize that it is legally separate from the Township. The BRA does not issue separate financial statements.

*Economic Development Corporation* – The Economic Development Corporation (EDC) was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving, or expanding within the Township, so as to provide needed services and facilities of such enterprises to the residents of the Township. The Township board approves the individuals appointed to the EDC's governing body by the Township supervisor and can impose its will. The EDC does not issue separate financial statements.

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Government 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 Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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The statement of activities demonstrates the degree to which the direct expenses of a given function or segments 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. Taxes and other items not properly included among program revenues are reported instead as 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.

**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 when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are

collected within 45 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: 2021 property taxes, portions of state-shared revenue, and interest associated with the current fiscal period. Conversely, 2022 property taxes, portions of state-shared revenue, certain grants and contracts, and special assessments do not meet the availability criterion because they were not received within the 45 day period of availability or they are levied to support the following year's operations. Receivables have been recorded for these, along with deferred inflows of resources.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Fund Accounting**

The Township accounts for its various activities in several different funds, in order to demonstrate accountability for how we have spent certain resources - separate funds allow us to show the particular expenditures for which specific revenues were used. The various funds are aggregated into three broad fund types:

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

General Fund – The General Fund contains the records of the ordinary activities of the Township that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state-shared revenue, and other sources.

Local Roads Fund – The Local Roads Fund is used to account for tax revenue that supports local road maintenance.

Land Preservation Funds – The Land Preservation funds are used to account for tax revenue which will be used to purchase land and/or an interest in land for the permanent preservation of open green spaces and natural features throughout the Township.

Road Debt Service Fund – This fund is used to account for tax revenue and debt service related to the 2019 and 2022 bond issuances for road improvements.

Proprietary funds include enterprise funds, (which provide goods or services to users in exchange for charges or fees) and the internal service fund (which provide goods or services to other funds of the Township).

The Township reports the following funds as “major” enterprise funds:

Water Fund – The Water Fund is used to account for the provision of water services to the residents of the Township. Activities of the fund include administration, operating, maintenance, and billing and collection activities.

Sewer Fund – The Sewer Fund is used to account for the provision of sewer services to the residents of the Township. Activities of the fund include administration, operating, maintenance, and billing and collection activities.

The Township reports the following fund as an internal service fund:

Motor Pool Fund – The Motor Pool Fund accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the Township, or to other governments, primarily on a cost-reimbursement basis.

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

Pension and Other Employee Benefit Trust Funds – The Pension Trust Fund accounts for the assets of the Township employees’ pension plan. The Employer Funded Retiree Health Insurance Fund accounts for the assets and expenses of the Township retirees’ other postemployment benefits (OPEB).

Custodial Fund – The Custodial Fund includes the Tax Collection Fund which accounts for property tax and other deposits collected on behalf of other units and individuals.



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

**Property Tax Revenue**

Property taxes are assessed as of December 31. The related property taxes are billed and become a lien on December 1 of the following year and are due on February 14 with the final collection date of February 28 before they are added to the county tax rolls.

Property taxes billed during the month of December will be used to finance the following year's operations. As such, these taxes are recorded as deferred inflows in each respective fund as of December 31. The 2021 taxable valuation of the Township totaled approximately \$1.91 billion, on which ad valorem taxes consisted of the following mills, and resulted in the following revenue, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Purpose	Mills Levied	Ad Valorem Taxes Levied Raised (in millions)
Township operating	4.1578	\$ 7.96
Streets debt	1.9429	3.72
Police protection	0.6016	1.15
Fire protection	0.6339	1.21
Police and fire protection	1.4771	2.83
Community services	0.1483	0.28
Bike path	0.3308	0.63
CATA Redi Ride	0.1978	0.38
Park & recreation	0.6597	1.26
Land preservation	0.1000	0.19
Fire station debt	0.2000	0.38

**Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or equity**

**Cash and cash equivalents** – Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

**Investments** – Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. Independent appraisals are obtained to determine the fair value of real estate assets. Pooled investment income is generally allocated to each fund using a weighted average balance for the principal.

**Receivables and payables** – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of a lending/borrowing arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” All trade and property tax receivables are shown net of an allowance for uncollectible amounts of \$20,959.

**Inventories and prepaid items** – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed. Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the Township follows the consumption method, and they therefore are capitalized as prepaid items in both government-wide and fund financial statements.

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Capital assets – Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g. bike paths and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation, unless received in a service concession arrangement which would require acquisition value to be used rather than fair value.

Capital assets are depreciated using the straight-line method over the following useful lives:

Water and sewer mains	15 to 50 years
Drainage flow rights	50 years
Buildings, additions and improvements	10 to 40 years
Vehicles	5 to 10 years
Furniture and equipment	5 to 10 years
Machinery and equipment	5 to 10 years
Other tools and equipment	5 to 20 years
Roads and improvements	5 to 20 years

Deferred outflows of resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has deferred outflows of resources related to the defined benefit pension and OPEB plans, made up of employer contributions made subsequent to the measurement date, the variance between the plan's actual investment earnings compared to the plan's assumed investment earnings, changes in assumptions, and experience differences.

Compensated absences (vacation and sick leave) – It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. The government-wide and proprietary fund statements accrue all vacation and personal pay as it is earned, and sick pay as it is used or vested (whichever is earlier). A liability for these amounts is reported in governmental funds as it comes due for payment (when the time is taken off or the employee is terminated).

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, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pension – The Township offers a defined benefit pension plan to its employees. The Township receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, pension costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the Township records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources

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related to pensions, and pension expense, information about the fiduciary net position of the Township's pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Sewer Fund, Water Fund and Motor Pool Fund are primarily responsible for liquidating the pension liability.

Other Postemployment Benefit (OPEB) Costs – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The General Fund is primarily responsible for liquidating the OPEB liability.

Deferred inflows of resources – In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has several types of items that qualify for reporting in this category. The governmental funds report unavailable revenues, which arise only under the modified accrual basis of accounting, from receivables related to special assessments, state-shared revenue, and certain other revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts

become available. Deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes and special assessments levied during the year that were intended to finance future periods. Deferred inflow for leases is related to leases receivable and is being amortized to recognize lease revenue in a systematic and rational manner over the term of the lease. The Township has deferred inflows of resources related to the defined benefit pension and OPEB plans, consisting of the variance between the plan's actual investment earnings compared to the plan's assumed investment earnings and differences between projected and actual experience, changes in assumptions and experience differences. The component units also report deferred inflows of resources for property taxes levied for a subsequent period.

Fund Balance – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – 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 Township board for use for specific purposes. 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 governing body or the Township Manager, who is authorized by resolution approved by the governing body to make assignments.

Unassigned – Amounts that do not fall into any other category above. This is the residual classification for amounts in the

**Charter Township of Meridian**  
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General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Township's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the Township's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

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

**Adoption of New Accounting Standards**

Statement No. 87, *Leases* increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use a lease asset, and a lessor will be required to recognize a

lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

Statement No. 92, *Omnibus 2020* enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following: (1) The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports (2) Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan. (3) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits. (4) The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements. (5) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition. (6) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers. (7) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. (8) Terminology used to refer to derivative instruments.

Statement No. 99, *2022 Omnibus* enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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**Upcoming Accounting and Reporting Changes**

Statement No. 96, *Subscription-Based Information Technology Arrangements*, is based on the standards established in Statement No. 87 *Leases*. This statement (1) defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction (2) requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, and (3) provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. This statement is effective for the year ending December 31, 2023.

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections. This statement is effective for the year ending December 31, 2024.

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the year ending December 31, 2025.

The Township is evaluating the impact that the above GASB statements will have on its financial reporting. The Township does not believe other GASB statements that have been issued, but not yet

implemented will have a significant impact on the Township's financial reporting.

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

**State Construction Code Act**

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

Current year permit revenue		\$	959,732
Related expenses:			
Direct costs	\$	637,957	
Estimated indirect costs		117,767	755,724
Current year surplus			204,008
Cumulative shortfall - beginning of year			(6,288,830)
Cumulative shortfall - end of year		\$	(6,084,822)

**Fund Deficits**

The Township has an accumulated unassigned fund balance deficit in the American Rescue Plan Act Fund in the amount of \$41,184 as of December 31, 2022. The deficit is expected to be eliminated when prepaid expenditures are recorded as expenditures and the related grant revenues are recognized.

**Charter Township of Meridian**  
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**Note 3 - Deposits and Investments**

At year end the Township's deposits and investments were reported in the financial statements in the following categories:

	Cash and Cash Equivalents	Investments	Total
Governmental activities	\$ 40,022,827	\$ 17,723,959	\$ 57,746,786
Business-type activities	<u>10,449,773</u>	<u>1,646,820</u>	<u>12,096,593</u>
Total	50,472,600	19,370,779	69,843,379
Fiduciary funds	3,051,900	10,580,152	13,632,052
Component units	<u>366,176</u>	<u>-</u>	<u>366,176</u>
Total	<u>\$ 53,890,676</u>	<u>\$ 29,950,931</u>	<u>\$ 83,841,607</u>

The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Component Units	Total
Bank deposits (checking and savings accounts, money markets and certificates of deposit)	\$ 40,562,971	\$ 2,888,130	\$ 366,176	\$ 43,817,277
Investments in securities, mutual funds and similar vehicles	29,280,008	10,743,922	-	40,023,930
Petty cash and cash on hand	<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>
	<u>\$ 69,843,379</u>	<u>\$ 13,632,052</u>	<u>\$ 366,176</u>	<u>\$ 83,841,607</u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. A local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; banker's acceptances of United States banks; commercial paper rated within the two highest classifications, which matures 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. To the extent that cash from various funds has been pooled in an investment, related investment income is allocated to each fund based on relative participation in the pool, except that the custodial fund's investment earnings are allocated to the General Fund.

The Township has designated several banks for the deposit of its funds. The investment policy adopted by the Township board in accordance with Public Act 196 of 1997 has authorized investments as allowed under state statutory authority as listed above.

The Township's investments include the Cooperative Liquid Assets Securities System – Michigan (CLASS), which is a Michigan public sector joint investment program that is subject to oversight by the program's board of trustees. The Township's investment in this pool is recorded at cost, which approximates fair value.

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

*Custodial credit risk – deposits* – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year-end, the Township's bank balance was

**Charter Township of Meridian**  
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\$52,427,385 and \$51,019,422 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. All bank deposits of the component units were insured and collateralized by federal depository insurance at year end. 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.

*Interest rate risk* – Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township’s investment policy does restrict certain investment maturities, other than commercial paper which can only be purchased with a maximum 270-day maturity.

At year end, the average maturities of investments are as follows:

Investment	Fair Value	Less than One Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Primary Government					
U.S. agency securities	\$ 16,781,880	\$ -	\$ 13,848,296	\$ 2,083,054	\$ 850,530
Money market mutual funds	163,770	163,770	-	-	-
Government investment pool	9,909,229	9,909,229	-	-	-
	<u>\$ 26,854,879</u>				

*Credit risk* – State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
U.S. agency securities	\$ 16,781,880	Aaa	Moody's
Money market mutual funds	163,770	AAAm	S&P
Government investment pool	9,909,229	AAAm	S&P
	<u>\$ 26,854,879</u>		

*Concentration of credit risk:*

Government-wide

It is the policy of the Township to invest its funds in a manner which will ensure the preservation of principal and provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Township and complying with all state statutes governing the investment of public funds.

More than 5% of the Township’s government-wide investments are in:

Federal National Mortgage Association (FNMA)	\$ 4,539,880
Treasury Securities	12,242,000

Pension and Similar Trust Funds

Pension and similar trust funds are authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

**Charter Township of Meridian**  
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More than 5% of the Township's pension and similar trust funds' investments are in:

**Pension Investments**

Western Asset Intermediate Bond Fund	\$ 458,983
Federated Hermes International Equity Fund	475,214
Fidelity 500 Index Fund	1,343,892

**OPEB Investments**

Mission Square II Model Portfolio Conservative Fund	6,627,255
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**Note 4 - 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; and 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.

Debt securities are valued by the Township's investment custodian using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider: (a) benchmark yields, (b) reported trades, (c) broker/dealer quotes, (d) benchmark securities, (e) bids or offers, and (f) reference data. The Township's level 2 investments as noted in the table below

are valued using significant other observable inputs of the underlying securities.

The Township has the following recurring fair value measurements as of year end:

Investment	Balance at December 31, 2022	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Primary Government</b>				
U.S. agency securities				
Residential mortgage backed securities	\$ 4,539,880	\$ -	\$ 4,539,880	\$ -
Treasury securities	12,242,000	-	12,242,000	-
Certificates of deposit	2,588,900	2,588,900	-	-
	<u>19,370,780</u>	<u>2,588,900</u>	<u>16,781,880</u>	<u>-</u>
<b>Fiduciary Funds</b>				
Exchange traded funds	929,378	929,378	-	-
Money market funds	163,770	163,770	-	-
Mutual funds	3,023,519	3,023,519	-	-
	<u>4,116,667</u>	<u>4,116,667</u>	<u>-</u>	<u>-</u>
	23,487,447	\$ 6,705,567	\$ 16,781,880	\$ -
<b>Investments carried at net asset value</b>				
Michigan CLASS government investment pool	9,909,228			
MissionSquare II Model Portfolio Conservative Fund	6,627,255			
	<u>\$ 40,023,930</u>			

**Investments in Entities that Calculate Net Asset Value per Share**

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

The net asset value of the Township's investment in Michigan CLASS was \$9,909,228. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank



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deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies. It has a rating of AAA from Standard and Poor's with a weighted average maturity of 54 days.

The net asset value of the Township's investment in the MissionSquare II Model Portfolio Conservative Fund (Fund) was \$6,627,255. There are no unfunded commitments, specific redemption frequencies or redemption notice periods required. The Fund invests in a combination of MissionSquare Funds Class M and third-party ETFs to seek to obtain exposure to approximately 62% fixed income investments, 34% equity investments, and 4% multi-strategy investments. These asset allocations are referred to as "neutral targets" because they do not reflect decisions that may be made by MissionSquare Investments (MSQI), the investment advisor to the Fund, to overweight or underweight a particular asset class based on market or operational factors. The neutral targets also do not reflect performance differences between the Fund's asset class allocations that will cause temporary deviations from the neutral targets. The actual asset class allocation of the Fund may vary by as much as +/-10 percentage points for the fixed income and equity investments as a result of MSQI's allocation decisions, performance differences between asset classes of the Fund, or some combination thereof, although the multi-strategy investments will generally not exceed 7 percentage points of the Fund's total assets.

**Note 5 - Receivables**

The only receivables not expected to be collected within one year are as follows:

	Due After One Year	Fund
<b>Primary government</b>		
Special assessments	\$ 80,000	Nonmajor governmental funds

**Note 6 - Leases Receivable**

The Township has an agreement leasing clock tower space. The lease commenced in December 2001 and will automatically renew in 5-year terms through December 2057, unless the lessee notifies the Township in writing of the lessee's intention not to extend the agreement prior to the commencement of any succeeding term. The Township intends to exercise all renewal periods available in the agreement. The Township recognized \$13,489 in lease revenue and \$18,153 in related interest income for the year ended December 31, 2022. Monthly payments increase 3% annually. Future monthly payments range from \$2,709 to \$7,401, with an imputed interest rate of 1.3%.

**Note 7 - Unearned Revenue**

Unearned revenue is reported in connection with resources that have been received but not yet earned. At the end of the current fiscal year, unearned revenue is as follows:

<b>Primary government</b>	
Grants	\$ 2,744,278
Charges for services	81,550
	\$ 2,825,828

**Charter Township of Meridian**  
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**For the Year Ended December 31, 2022**

**Note 8 - Capital Assets**

Capital assets activity of the primary government for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land and land improvements	\$ 36,186,083	\$ 653,429	\$ 47,800	\$ 36,791,712
Construction in progress	116,458	710,955	116,458	710,955
Total capital assets not being depreciated	<u>36,302,541</u>	<u>1,364,384</u>	<u>164,258</u>	<u>37,502,667</u>
Capital assets being depreciated				
Local roads	14,598,113	3,589,827	119,714	18,068,226
Buildings, additions and improvements	18,868,133	349,256	-	19,217,389
Furniture and equipment	1,633,080	276,023	128,220	1,780,883
Drainage flow rights	8,112,489	5,295,434	-	13,407,923
Total capital assets being depreciated	<u>43,211,815</u>	<u>9,510,540</u>	<u>247,934</u>	<u>52,474,421</u>
Less accumulated depreciation for				
Local roads	8,307,174	2,087,082	119,713	10,274,543
Buildings, additions and improvements	7,403,708	775,397	-	8,179,105
Furniture and equipment	1,087,157	150,791	118,969	1,118,979
Drainage flow rights	1,450,064	215,812	-	1,665,876
Total accumulated depreciation	<u>18,248,103</u>	<u>3,229,082</u>	<u>238,682</u>	<u>21,238,503</u>
Net capital assets being depreciated	<u>24,963,712</u>	<u>6,281,458</u>	<u>9,252</u>	<u>31,235,918</u>
Capital assets, net	<u>\$ 61,266,253</u>	<u>\$ 7,645,842</u>	<u>\$ 173,510</u>	<u>\$ 68,738,585</u>
Internal Service Fund:				
Capital assets being depreciated				
Machinery and equipment	\$ 320,150	\$ 12,486	\$ -	\$ 332,636
Vehicles	5,956,120	1,724,831	-	7,680,951
Total capital assets being depreciated	<u>6,276,270</u>	<u>1,737,317</u>	<u>-</u>	<u>8,013,587</u>
Less accumulated depreciation for				
Machinery and equipment	278,413	17,544	-	295,957
Vehicles	3,852,577	603,694	-	4,456,271
Total accumulated depreciation	<u>4,130,990</u>	<u>621,238</u>	<u>-</u>	<u>4,752,228</u>
Net capital assets being depreciated	<u>2,145,280</u>	<u>1,116,079</u>	<u>-</u>	<u>3,261,359</u>
Capital assets, net	<u>\$ 2,145,280</u>	<u>\$ 1,116,079</u>	<u>\$ -</u>	<u>\$ 3,261,359</u>
Governmental capital assets not being depreciated	\$ 36,302,541	\$ 1,364,384	\$ 164,258	\$ 37,502,667
Net governmental capital assets being depreciated	<u>27,108,992</u>	<u>7,397,537</u>	<u>9,252</u>	<u>34,497,277</u>
Net governmental activities capital assets	<u>\$ 63,411,533</u>	<u>\$ 8,761,921</u>	<u>\$ 173,510</u>	<u>\$ 71,999,944</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 363,060	-	-	\$ 363,060
Construction in progress	-	273,000	-	273,000
Total capital assets not being depreciated	<u>363,060</u>	<u>273,000</u>	<u>-</u>	<u>636,060</u>
Capital assets being depreciated				
Buildings and improvements	3,356,737	-	-	3,356,737
Other tools and equipment	3,997,182	211,515	71,609	4,137,088
Water and sewer mains	72,856,073	826,670	1,251,941	72,430,802
Participation in East Lansing Sewage System	29,355,181	6,106,010	-	35,461,191
Total capital assets being depreciated	<u>109,565,173</u>	<u>7,144,195</u>	<u>1,323,550</u>	<u>115,385,818</u>
Less accumulated depreciation for				
Buildings and improvements	3,275,474	8,992	-	3,284,466
Other tools and equipment	2,992,826	122,520	71,609	3,043,737
Water and sewer mains	36,444,579	1,309,830	1,251,941	36,502,468
Participation in East Lansing Sewage System	2,409,449	648,164	-	3,057,613
Total accumulated depreciation	<u>45,122,328</u>	<u>2,089,506</u>	<u>1,323,550</u>	<u>45,888,284</u>
Net capital assets being depreciated	<u>64,442,845</u>	<u>5,054,689</u>	<u>-</u>	<u>69,497,534</u>
Business-type capital assets, net	<u>\$ 64,805,905</u>	<u>\$ 5,327,689</u>	<u>\$ -</u>	<u>\$ 70,133,594</u>

Depreciation expense was charged to programs of the Township as follows:

<b>Governmental activities</b>		
General government		\$ 420,134
Public safety		293,269
Public works		2,302,895
Health and welfare		15,852
Recreation and culture		196,932
		<u>3,229,082</u>

Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>621,238</u>
Total governmental activities	<u>3,850,320</u>

<b>Business-type activities</b>	
Water	761,681
Sewer	1,327,825
Total business-type activities	<u>2,089,506</u>
Total primary government	<u>\$ 5,939,826</u>

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Construction Commitments**

The Township entered into a contract for roadway improvements of \$3,351,559. As of December 31, 2022, \$1,132,412 remained outstanding on the contract.

**Note 9 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<b>Due from/to other funds</b>		
Sewer fund	General fund	\$ 1,543
Water fund	General fund	<u>881</u>
		<u>\$ 2,424</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The details for interfund transfers are as follows:

<u>Funds Transferred From</u>	<u>Funds Transferred To</u>	<u>Amount</u>
General fund	Local roads fund	(1) \$ 280,000
General fund	Internal service fund	(2) <u>250,000</u>
		<u>\$ 530,000</u>

(1) To support local roads.

(2) To support purchase of public safety vehicles.

**Charter Township of Meridian**  
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**Note 10 - Long-Term Debt**

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. Compensated absences are typically satisfied by the general fund, internal service fund, water fund and sewer fund.

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>									
Bonds and notes payable									
General obligation bonds									
Fire Station Construction Bond	\$ 3,500,000	2028	2.00% - 2.60%	\$200,000 - \$250,000	\$ 1,755,000	\$ -	\$ 820,000	\$ 935,000	\$ 240,000
Road Construction Bond	11,100,000	2023	5.00%	\$1,525,000	4,885,000	-	3,360,000	1,525,000	1,525,000
Road Construction Bond	12,000,000	2026	5.00%	\$1,640,000 - \$3,625,000	-	12,000,000	-	12,000,000	1,640,000
Special assessment obligations									
Towar Gardens	1,873,200	2026	4.98%	\$187,320	936,600	-	187,320	749,280	187,320
Towar Snell	251,250	2026	5.40%	\$25,125	125,625	-	25,125	100,500	25,125
Briarwood	211,500	2026	5.33%	\$10,575	52,875	-	10,575	42,300	10,575
Kinawa	190,000	2032	4.19%	\$10,000	110,000	-	10,000	100,000	10,000
Ember Oaks	35,800	2033	5.25%	\$1,790	21,480	-	1,790	19,690	1,790
Smith Consolidated	111,953	2036	3.22%	\$5,598	83,964	-	5,598	78,366	5,598
Nemoka	3,120,000	2040	2.49%	\$156,000	2,964,000	-	156,000	2,808,000	156,000
Daniels	5,238,614	2041	2.00% - 2.125%	\$260,000 - \$265,000	-	5,238,614	258,614	4,980,000	260,000
Remy Chandler	56,820	2026	1.68%	\$11,364	-	56,820	11,364	45,456	11,364
Total					10,934,544	17,295,434	4,846,386	23,383,592	4,072,772
Less deferred amounts									
For issuance premiums					440,240	1,059,686	220,121	1,279,805	364,943
Total					11,374,784	18,355,120	5,066,507	24,663,397	4,437,715
Compensated absences									
Internal service fund obligations					819,141	684,674	705,158	798,657	143,759
Compensated absences					10,497	8,428	9,863	9,062	1,631
Total governmental activities					\$ 12,204,422	\$ 19,048,222	\$ 5,781,528	\$ 25,471,116	\$ 4,583,105
<b>Business-type activities</b>									
Bonds and notes payable									
Other governmental obligations									
2013 SRF Wastewater Optimization Bonds	\$ 681,738	2033	2.00%	\$32,994 - \$41,410	\$ 472,776	\$ -	\$ 64,766	\$ 408,010	\$ 32,994
2015 SRF Wastewater Optimization Bonds	4,999,500	2036	2.50%	\$226,644 - \$313,297	3,971,267	-	448,289	3,522,978	-
2017 SRF Wastewater Optimization Bonds	5,632,185	2038	2.50%	\$225,474 - \$590,036	8,502,329	35,303	395,537	8,142,095	820,494
2019 SRF Wastewater Optimization Bonds	4,837,994	2040	2.00%	\$382,503 - \$1,160,460	12,623,566	646,954	562,271	12,708,249	1,160,460
2021 SRF Wastewater Optimization Bonds	2,440,234	2023	1.88%	\$442,574 - \$551,612	95,149	5,423,754	-	5,518,903	465,120
Total					25,665,087	6,106,011	1,470,863	30,300,235	2,479,068
Compensated absences									
Water Fund					48,567	13,578	10,692	51,453	9,262
Sewer Fund					37,787	62,970	58,696	42,061	7,571
Total business-type activities					\$ 25,751,441	\$ 6,182,559	\$ 1,540,251	\$ 30,393,749	\$ 2,495,901

**Charter Township of Meridian**  
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Annual debt service requirements to maturity for the above obligations are as follows:

Year Ending December 31,	Governmental Activities	
	Bonds	
	Principal	Interest
2023	\$ 4,072,772	\$ 970,273
2024	4,327,772	737,453
2025	4,542,772	543,319
2026	4,187,772	338,085
2027	433,388	136,477
2028 - 2032	2,166,940	535,335
2033 - 2037	2,124,176	294,320
2038 - 2041	1,528,000	67,788
	<u>\$ 23,383,592</u>	<u>\$ 3,623,050</u>

Year Ending December 31,	Business-type Activities	
	Bonds	
	Principal	Interest
2023	\$ 2,479,068	\$ 1,186,210
2024	1,767,260	1,125,790
2025	1,805,689	1,063,874
2026	1,844,594	1,003,329
2027	1,883,022	941,429
2028 - 2032	10,051,493	3,711,883
2033 - 2037	8,227,433	1,975,844
2038 - 2040	2,241,676	314,598
	<u>\$ 30,300,235</u>	<u>\$ 11,322,957</u>

**Other Debt**

From time to time, the Economic Development Corporation issues limited Obligation Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed. The resulting debt of the

developers is serviced directly by the financial institution. Neither the Township nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2022, there were three series of Limited Obligation Revenue Bonds outstanding, with an aggregate principal amount payable of \$6,075,000.

**Note 11 - Net Investment in Capital Assets**

The composition of net investment in capital assets as of December 31, 2022, was as follows:

	Governmental Activities	Business-type Activities
Capital assets		
Capital assets not being depreciated	\$ 37,502,667	\$ 636,060
Capital assets, net of accumulated depreciation	<u>34,497,277</u>	<u>69,497,534</u>
Total capital assets	<u>71,999,944</u>	<u>70,133,594</u>
Unspent bond proceeds	<u>12,160,307</u>	<u>-</u>
Related debt		
General obligation bonds	23,383,592	30,300,235
Unamortized bond premiums	<u>1,279,805</u>	<u>-</u>
Total related debt	<u>24,663,397</u>	<u>30,300,235</u>
Net investment in capital assets	<u>\$ 59,496,854</u>	<u>\$ 39,833,359</u>

**Note 12 - Risk Management**

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for medical benefit claims and for claims relating to property loss, torts, and errors and omissions. The Township participates in the Michigan Municipal Workers' Compensation Fund (risk pool) for claims relating to

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
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employee injuries (workers' compensation). Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

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

**Note 13 - Employee Retirement Systems**

**Charter Township of Meridian Employees' Retirement System**

Plan Administration – The Charter Township of Meridian Pension Board is the administrator of the Meridian Township Employees' Pension Plan (Plan), a single-employer defined benefit pension plan that provides pensions to all full-time employees of the Township, excluding those included in the Municipal Employees' Retirement System of Michigan and defined contribution plan. This Plan is closed to new employees. Benefit terms have been established by contractual agreements between the Township and the various employee union representation; amendments are subject to the same process.

Management of the Plan is vested with the Pension Board, which consists of five members – the Township Treasurer, an employee representative, and three residents appointed by the Township Supervisor.

This is a single employer defined benefit plan administered by the Township. The plan does not issue a separate stand-alone financial statement.

Benefits Provided – The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Postretirement cost of living adjustments are not provided. Retirement

benefits for general plan members are calculated as a percent of the member's final average compensation based on the highest five consecutive years out of the last ten years of service. The percentages used for the various groups are as follows:

- 1) Basic Benefit – A participant eligible for a normal retirement benefit shall be entitled to a monthly ten year certain and life pension equal to the greater of the amount listed below or his or her accrued benefit as of December 31, 1988:
  - a. Non-Represented Employees – 1.0% of final average compensation not in excess of \$1,725, plus 1.4% of final average compensation in excess of \$1,725, multiplied by years of benefit credited service.
  - b. Professional Supervisory and Non-Supervisory Union Employees – Effective January 1, 1988, 1.11% of final average compensation multiplied by years of benefit credited service.
  - c. Firefighters Union Employees – Effective January 1, 1988, 1.5% of final average compensation multiplied by years of benefit credited service. Effective October 14, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective April 30, 1996, 1.8% of final average compensation multiplied by years of benefit credited service.
  - d. Police Supervisory Union Employees – Effective January 1, 1988, 1.6% of final average compensation multiplied by years of benefit credited service. Effective July 1, 1994, 2.16% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1996, 2.25% of final average compensation multiplied by years of benefit credited service.
  - e. Police Non-Supervisory Union Employees – Effective January 1, 1987, 1.48% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective January 1, 1995, 1.8% of

**Charter Township of Meridian**  
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final average compensation multiplied by years of benefit credited service.

- f. Public Works/Physical Plant Union Employees – 1.25% of final average compensation multiplied by years of benefit credited service.
- g. Clerical and Secretarial Union Employees – 1.05% of final average compensation multiplied by years of benefit credited service.
- h. For Any Active Participant Who is an Employee of the Township as of May 1, 2000 – 1.5% of final average compensation multiplied by years of benefit credited service. Effective January 1, 2009, the benefit multiplier of 1.5% shall be increased to 1.8% for a participant who is an active non-union employee hired prior to February 1, 1980.

- 2) Additional Normal Retirement Benefit – Any participant-fireman or participant-policeman who is entitled to a retirement benefit under the Plan shall receive an additional retirement benefit during each month for which retirement benefits are payable which is prior to the month in which such participant attains age 62. This benefit shall not apply to a police supervisory union employee who terminates service on or after July 1, 1994.

The additional normal retirement benefit shall equal the amount such participant would be entitled to commencing at age 62 under Title II of the Social Security Act then in effect, multiplied by a fraction (not greater than one), the numerator of which is equal to such participant's years of benefit credited service earned while a participant-fireman or participant-policeman as of the date of his or her retirement, and the denominator of which is 25. The additional normal retirement benefit shall be payable only during the life of the retired participant, with no continuing benefits payable to such participant's spouse, joint pensioner or other beneficiary following death. In addition, the additional normal retirement benefit shall not be considered in determining the amount of any pre-retirement death

benefit payable. Further, the additional normal retirement benefit described herein shall not be subject to any actuarial adjustment.

Benefit Options – In lieu of the benefit forms provided for above, a participant may elect pursuant to a qualified election made during the election period, an actuarially equivalent optional form of benefit. Such actuarially equivalent optional form of benefit may be:

- 1) A monthly benefit payable for the life of the participant with or without a period certain (five years or ten years), as specified by the participant. If a five- or ten-year period certain is specified, the participant shall name one or more designated beneficiaries to receive payments after the participant's death. The participant shall specify shares or priority among designated beneficiaries.
- 2) A monthly benefit payable for life of the participant with a percentage (50, 66 2/3, 75, or 100%) of such monthly benefit, as specified by the participant, continued to the participant's eligible spouse until his or her death and continued to the participant's designated beneficiary after the eligible spouse's death.

Normal Retirement Date – The date on which the participant attains age 65, except that the normal retirement date for participant-firemen and participant-policemen shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 55 and completes 25 years of benefit credited service. Effective April 1, 1996, in the case of a participant fireman who terminates service between April 1, 1996 and April 15, 1996, the age requirement in clause (2) of the preceding sentence shall not apply. Effective April 30, 1996, the normal retirement date for participant-fireman shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective as of April 1, 1997, in the case of a participant-fireman who terminates service between April 1, 1997 and May 31, 1997, who, as of April 1, 1997, has attained age 50 and completed 20 or more years of benefit

**Charter Township of Meridian**  
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credited service, and the sum of whose age and years of benefit credited service was not less than 75 as of April 1, 1997, such participant's normal retirement date shall be the earlier of (1) the date determined under the preceding three sentences, or (2) the date on which the participant terminates service. Effective January 1, 1991, the normal retirement date for police supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective December 31, 1991, the normal retirement date for police non-supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective August 19, 1997, the normal retirement date for the participant holding the position of public safety director of the employer on July 1, 1997, shall be October 31, 1997. For any active participant employed by the Township on or after May 1, 2000, the normal retirement date shall be the earlier of (1) the date on which participant attains age 65, or (2) the date on which the participant attains age 55 and completes 20 years of benefit credited service.

Effective June 1, 2003, the normal retirement date for the participant-police officer labor council – terminated vested participants, police department non-supervisory – terminated vested participants and fire department – terminated vested participants shall be the earlier of (1) the date on which the terminated vested participant attains age 65, or (2) the date on which the terminated vested participant attains age 52 and completes 25 years of benefit credited service, or (3) the date on which the terminated vested participant attains age 55 and completes 15 years of benefit credited service.

Early Retirement Benefit – The “Early Retirement Date” means the first day of the month following the month in which the participant attains age 55 and completes 15 or more years of benefit credited service. A participant eligible for an early retirement benefit hereunder shall be entitled to a monthly ten year certain and life pension equal to

his or her accrued benefit, reduced by 5/9ths of one % for each of the first 60 months and 5/18ths of one % for each additional month that the date on which the participant's early retirement benefit commences precedes his or her normal retirement date.

Death Benefit – Effective January 1, 1985, upon the death of a participant before commencement of benefits under this plan, an early survivor's pension shall be payable to his or her eligible spouse, if any. The amount of the early survivor's pension and the time at which it will commence shall be determined as follows:

- 1) If the participant had met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the survivor's pension that would have been payable if the participant had retired on the day before his or her death and not elected an optional form of retirement benefit.
- 2) If the participant had not met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the survivor's pension that would have been payable if the participant had:
  - a. separated from service on the date of his or her death;
  - b. survived until the earliest date on which he or she could elect to receive retirement benefits under the Plan and retired on said date without electing an optional form of retirement benefit; and
  - c. died on the day after his or her deemed early retirement date.
- 3) The death benefit payable shall commence not earlier than the earliest date on which the participant could have elected to receive retirement benefits under the Plan.



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Disability Benefits – A participant eligible for a disability retirement benefit under the plan document shall be entitled to a monthly pension commencing as of the first day of the month coincident with or next following the participant’s normal retirement date in an amount equal to what the participant’s normal retirement benefit would be if the participant had remained in service until his or her normal retirement date (accruing years of benefit credited service until such normal retirement date) and based on the participant’s final average compensation determined as of the date on which the disability is certified.

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

Inactive plan members or beneficiaries currently receiving benefits	41
Inactive plan members entitled to, but not yet receiving benefits	14
Active employees*	-
	55

\*The plan is closed to new members.

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year are to be funded during that year. Accordingly, the Township retains an independent actuary to determine the annual contribution, and the Township considers this during the budget process. 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 Plan does not call for any employee contributions to the Plan. The Township made no contributions for the year ended December 31, 2022.

Investment Policy – The Plan’s 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 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 Plan’s asset allocation policy is as follows:

Asset Class	Target Allocation
Domestic equity - large cap	40.00%
Domestic equity - small cap	13.00%
International equity	8.00%
Intermediate bonds - fixed income	32.00%
Real estate	4.00%
Cash or cash equivalents	3.00%
	100.00%

Rate of Return – For the year ended December 31, 2022, the annual money-weighted rate of return on Plan investments, net of investment expense, was (16.28)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Reserves – The Plan does not require reserves to be set aside.

Funding Policy – Historically, the Township has made periodic employer contributions at actuarially determined rates; however, this is a closed plan with no active employees that was over 100% funded in 2008. The Township suspended contributions, so as to not overfund the Plan. The subsequent economic downturn resulted in the Plan dropping to 76% funded at the time of the January 1, 2011 actuarial valuation. Township management made the decision to resume funding the Plan in 2012. The Township once again suspended contributions for 2013. The Plan was funded at 66.9% at the time of the January 1, 2014 actuarial valuation and 65.9% at the time of the January 1, 2013 actuarial valuation. The Township resumed contributions for the years ended December 31, 2014 through 2021.

**Charter Township of Meridian**  
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Administrative costs of the Plan are financed through investment earnings.

**Net Pension Liability** – The components of the net pension liability as of December 31, 2022 were as follows:

Total pension liability - ending	\$ 4,693,398
Plan fiduciary net position - ending	<u>4,120,408</u>
Net pension liability	<u>\$ 572,990</u>
 Plan fiduciary net position as a percentage of total pension liability	 87.79%

**Actuarial Assumptions** – The December 31, 2022 total pension liability was determined by an actuarial valuation as of December 31, 2022. The measurement date was December 31, 2022 and all census data provided to the actuary was as of December 31, 2022, therefore no update procedures to roll forward the estimated liability to December 31, 2022 were needed.

The valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return      6.00%

Mortality rates were based on the fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales. The actuarial assumptions are generally based on past experience, modified for projected changes in conditions.

The long-term expected rate of return on pension plan investments of 6.0% was determined using a building-block method 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 best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity - large cap	7.35%
Domestic equity - small cap	8.55%
International equity	8.80%
Intermediate bonds - fixed income	3.00%
Real estate	7.05%
Cash or cash equivalents	0.00%

**Discount Rate** – The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the 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.

**Charter Township of Meridian**  
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**For the Year Ended December 31, 2022**

Changes in Net Pension Liability – The components of the change in net pension liability are summarized as follows:

<b>Total Pension Liability</b>	
Interest on the total pension liability	\$ 281,388
Changes in assumptions	-
Benefit payments and refunds	<u>(477,437)</u>
Net change in total pension liability	(235,119)
Total pension liability - beginning	<u>4,928,517</u>
Total pension liability - ending (a)	<u>\$ 4,693,398</u>
<b>Plan Fiduciary Net Position</b>	
Net investment loss	\$ (829,509)
Benefit payments and refunds	<u>(477,437)</u>
Net change in plan fiduciary net position	(1,306,946)
Plan fiduciary net position - beginning	<u>5,427,354</u>
Plan fiduciary net position - ending (b)	<u>\$ 4,120,408</u>
<b>Net pension liability (a-b)</b>	<u>\$ 572,990</u>
Plan fiduciary net position as a percentage of total pension liability	87.79%
Covered payroll	N/A
Net pension liability as a percentage of covered payroll	N/A

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 6.0%, 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 (5.0%) or 1 percentage point higher (7.0%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 904,650	\$ 572,990	\$ 280,417

Pension Expense and Deferred Outflows of Resources Related to Pensions – For the year ended December 31, 2022, the Township recognized pension expense of \$8,505. As of December 31, 2022, the Township reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on plan investments	<u>\$ 489,750</u>

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

<u>Year Ending December 31,</u>	
2023	\$ (19,457)
2024	108,155
2025	172,885
2026	<u>228,167</u>
	<u>\$ 489,750</u>

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

**Municipal Employees' Retirement System of Michigan**

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

Benefits Provided – The Plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The MERS plan covers all public works (American Federation of State, County, and Municipal Employees (AFSCME)), police nonsupervisory, clerical unit, police supervisory employees, firefighters, and Teamsters employees of the Township.

<u>01 - DPW</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.25% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

<u>02 - Police Patrol</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>05 - Firefighters</u>	<u>Closed to new hires</u>
Benefit Multiplier	Bridged Benefit: 2.75% Multiplier (80% max) - Termination FAC; 2.50% Multiplier (80% max)
Bridged Benefit Date	12/31/2016
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	7.76%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>10 - Admin Professional</u>	<u>Closed to new hires</u>
Benefit Multiplier	Bridged Benefit: 2.50% Multiplier (80% max) - Termination FAC; 2.25% Multiplier (80% max)
Bridged Benefit Date	12/31/2016
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
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<u>11 - Teamsters</u>	<u>Open Division</u>
Benefit Multiplier	2.00% Multiplier (no max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

<u>12 - Admin Professional on/aft 1/1/17</u>	<u>Open Division</u>
Benefit Multiplier	1.50% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

<u>13 - DPW on/aft 1/1/17</u>	<u>Open Division</u>
Benefit Multiplier	1.50% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

<u>20 - Police Command</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	11.24%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>21 - Command/Patrol on/aft 1/1/20</u>	<u>Open Division</u>
Benefit Multiplier	1.75% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	3 years
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>50 - Firefighters IAFF on/aft 1/1/17</u>	<u>Open Division</u>
Benefit Multiplier	1.75% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	3 years
Employee Contributions	7.76%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Township Board.

Employees Covered by Benefit Terms – As of the December 31, 2021 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	110
Inactive plan members entitled to, but not yet receiving benefits	87
Active employees	<u>105</u>
	<u>302</u>

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
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Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ended December 31, 2022, the employee and employer contribution rates were as follows:

	Percentage of Payroll	
	Employer Contributions	Employee Contributions
01 - DPW	-	5.00%
02 - Police Patrol	-	8.29%
05 - Firefighters	-	7.76%
10 - Admin Professional	-	5.00%
11 - Teamsters	-	5.00%
12 - Admin Prof on/aft 1/1/17	3.88%	5.00%
13 - DPW on/aft 1/1/17	3.50%	5.00%
20 - Police Command	-	11.24%
21 - Command/Patrol on/aft 1/1/20	1.35%	8.29%
50 - Fire IAFF on/aft 1/1/17	3.24%	7.76%

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

Actuarial Assumptions – The total pension liability in the December 31, 2021 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	7.00% Net of pension plan investment expenses, including inflation

Mortality rates were based on the fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of the most recent actuarial experience study in 2016.

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

The target allocation and best estimates of arithmetic real rates of return as of December 31, 2021, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate of Return
Global equity	60.00%	7.75%	4.65%	2.50%	3.15%
Global fixed income	20.00%	3.75%	0.75%	2.50%	0.25%
Private investments	20.00%	9.75%	1.95%	2.50%	1.45%
	100.00%		7.35%		4.85%

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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Discount Rate – The discount rate used to measure the total pension liability was 7.25%. 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. 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.

Changes in Net Pension Liability – The components of the change in net pension liability are summarized as follows:

<b>Total Pension Liability</b>	
Service cost	\$ 964,989
Interest on the total pension liability	5,709,764
Differences between expected and actual experience	(817,059)
Changes in assumptions	3,259,691
Benefit payments and refunds	<u>(4,136,081)</u>
Net change in total pension liability	4,981,304
Total pension liability - beginning	<u>76,714,010</u>
Total pension liability - ending (a)	<u>\$ 81,695,314</u>
<b>Plan Fiduciary Net Position</b>	
Employer contributions	\$ 4,759,365
Employee contributions	535,007
Net investment income	7,992,331
Benefit payments and refunds	(4,136,081)
Administrative expense	<u>(86,644)</u>
Net change in plan fiduciary net position	9,063,978
Plan fiduciary net position - beginning	<u>52,295,098</u>
Plan fiduciary net position - ending (b)	<u>\$ 61,359,076</u>
<b>Net pension liability (a-b)</b>	<u>\$ 20,336,238</u>
Plan fiduciary net position as a percentage of total pension liability	75.11%
Covered payroll	\$ 6,370,191
Net pension liability as a percentage of covered payroll	319.24%

**Charter Township of Meridian**  
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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%, 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 (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 30,996,520	\$ 20,336,238	\$ 11,578,065

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2022, the Township recognized pension expense of \$2,692,318. As of December 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Amount to Amortize</u>
Difference between expected and actual experience	\$ 45,508	\$ (612,794)	\$ (567,286)
Changes in assumptions	4,256,476	-	4,256,476
Net difference between projected and actual earnings on plan investments	-	(4,730,832)	(4,730,832)
Contributions subsequent to the measurement date*	<u>5,199,999</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 9,501,983</u>	<u>\$ (5,343,626)</u>	<u>\$ (1,041,642)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2023.

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

<u>Year Ending December 31,</u>	
2023	\$ 1,043,124
2024	(567,312)
2025	(722,017)
2026	(795,437)
	<u>\$ (1,041,642)</u>

Financial Statement Reconciliation

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total Pension Expense</u>
Charter Township of Meridian				
Employees' Retirement System	\$ 572,990	\$ 489,750	\$ -	\$ 271,843
Municipal Employee's Retirement System of Michigan	<u>20,336,238</u>	<u>9,501,983</u>	<u>(5,343,626)</u>	<u>2,816,153</u>
	<u>\$ 20,909,228</u>	<u>\$ 9,991,733</u>	<u>\$ (5,343,626)</u>	<u>\$ 3,087,996</u>

**Note 14 - Defined Contribution Plan Description**

**Meridian Charter Township Money Purchase Plan**

The Township provides pension benefits to its nonunion, professional supervisory, and professional nonsupervisory employees through a defined contribution plan which is administered by MissionSquare. The Township also provides a defined contribution Retirement Health Savings Plan (RHS) for all employees, except the police and fire union personnel, through a plan administered by Vantage Care. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan provisions and contribution requirements were established through negotiation with the Township's competitive bargaining units. For the defined contribution plan, the Township contributes 10% of employees' gross earnings, while employees contribute 3.5%. For the healthcare plan, the Township contributes 2% of employees' gross earnings, while



**Charter Township of Meridian**  
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**For the Year Ended December 31, 2022**

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employees contribute 1%. Additionally, when an employee separates or retires from the Township, 0.25% of their unused sick time is contributed to their Retirement Health Savings Plan.

In accordance with these requirements, the Township contributed \$436,808 and \$171,908 during the current year and employees contributed \$117,555 and \$51,062 for the defined contribution and healthcare plans, respectively.

**Note 15 - Other Postemployment Benefits**

Plan description – The Township, in accordance with the labor contracts, administers the Charter Township of Meridian Other Postemployment Benefits Plan - a single employer defined benefits plan used to provide postemployment health care benefits. The committee designated with oversight within the Township consists of the Township Manager, Finance Director, and Township Treasurer.

This is a single employer defined benefit plan administered by the Township. The benefits are provided under collective bargaining agreements. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the plan through the employer contributions.

Benefits provided – Benefits are provided through a self-insurance plan, and half of the cost of benefits is covered by the plan. The Township, in accordance with labor contracts, has the authority to establish and amend the benefit terms. Benefits are provided for as follows:

Retiree Coverage and Eligibility

All police and fire uniformed employees (MTFFA/POAM/CCLP) receive two-person coverage after reaching age 50 with 25 years of service. The Township pays 50% of the monthly premium.

All AFSCME-DPW and Teamsters employees who are hired prior to 1981 and have at least twenty (20) years of service and are at least age 55. The Township will pay one-half (1/2) of the two (2) person rate (not to exceed \$4,000 annually) or one-half (1/2) the single subscriber rate (not to exceed \$2,000 annually).

AFSCME-Clerical, AFSCME-Non-Supervisory, Professional Supervisory and Non-Union employees do not receive retiree post-retirement health coverage.

Spouse Coverage

One-half of the cost of spouse coverage is included for retirees covered by the MTFFA, POAM and CCLP collective bargaining agreements. AFSCME-DPW and Teamsters employees' spouse are covered subject to the limits listed above.

Coverage for Beneficiary of Deceased Active Employee

MTFFA only – Coverage will be maintained for the firefighter and their family after their death or disability. The coverage will be maintained for the spouse until remarriage and for the children until they reach age 21 or until they marry, if marrying before age 21.

Coverage for Beneficiary of Deceased Retired Employee

One-half of the cost of the surviving spouse coverage is included for retirees covered by the MTFFA, POAM and CCLP collective bargaining agreements. AFSCME-DPW and Teamsters employees' surviving spouse are covered subject to the limits listed above.

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

Employees covered by benefit terms – At December 31, 2022, the plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	33
Inactive plan members entitled to, but not yet receiving benefits	36
Active plan members	59
	128

Contributions – The Township, in accordance with labor contracts, has the authority to establish and amend the contribution requirements of the Township and plan members. The Township establishes rates based on an actuarially determined rate. For the year ended December 31, 2022, the Township contributed \$181,341. Plan members are required to contribute 0 percent to the plan.

Investment policy – The Plan does not have a formal policy in regards to the allocation of invested assets. Establishing such a policy, and any subsequent amendments to the policy, would require a majority vote of the Township Board's members. It is the intention of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across the broad selection of distinct asset classes. The Plan informally 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 Plan invests in accordance with the authorizations noted in note 3 that are applicable to the Township.

The long-term expected rate of return on OPEB plan investments have not been formally determined by asset allocation class. The Plan as a whole expects the long-term expected rate to be 5%. The Plan currently has one investment which is considered a balanced fund that seeks to obtain exposure to approximately 62% fixed income/stable value investment and 34% equity investments and 4% multi-strategy investments.

Rate of return – For the year ended December 31, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (12.75)%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Net OPEB liability – The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. The components of the net OPEB liability as of December 31, 2022 were as follows:

Total OPEB liability	\$ 8,115,011
Plan fiduciary net position	(6,627,255)
Net OPEB liability	\$ 1,487,756

Plan fiduciary net position as a percentage of the total OPEB liability is 81.67%.

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50%
Salary increases	N/A
Investment rate of return	5.00%, including inflation, net of administrative and investment expenses
Healthcare cost trend rates	Non-medicare: 7.50% in 2021, grading to 3.50% in 2032. Medicare: 6.25% in 2021, grading to 3.50% in 2032.

Mortality rates were based on the following:

*Post Retirement:* Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future

**Charter Township of Meridian**  
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mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

*Disabled Retirement:* Sex distinct PubNS-2010 Disabled tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

*Pre Retirement:* Sex distinct Pub-2010 General Employees tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Discount rate – A single discount rate of 4.99% was used to measure the total OPEB liability. This single discount rate was based on a combination of the expected rate of return on OPEB plan investments of 5.00% and the municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the levels in the actuarial report. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members, which results in the use of a single discount rate.

**Changes in Net OPEB Liability**

<b>Total OPEB Liability</b>	
Service cost	\$ 126,654
Interest	394,891
Differences between expected and actual experience	(171,130)
Changes in assumptions	(10,952)
Benefit payments	<u>(181,341)</u>
Net change in total OPEB liability	158,122
Total OPEB liability - beginning	<u>7,956,889</u>
Total OPEB liability - ending (a)	<u>\$ 8,115,011</u>

**Plan Fiduciary Net Position**

Employer contributions	\$ 181,341
Net investment loss	(968,342)
Benefit payments and refunds	<u>(181,341)</u>
Net change in plan fiduciary net position	(968,342)
Plan fiduciary net position - beginning	<u>7,595,597</u>
Plan fiduciary net position - ending (b)	<u>\$ 6,627,255</u>

**Net OPEB liability (a-b)**

	<u>\$ 1,487,756</u>
Plan fiduciary net position as a percentage of total OPEB liability	81.67%
Covered payroll	N/A
Net OPEB liability as a percentage of covered payroll	N/A

Sensitivity of the net OPEB liability to changes in the discount 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 a discount rate that is 1% lower or 1% higher than the current discount rate.

	1% Decrease 3.99%	Current Discount Rate 4.99%	1% Increase 5.99%
Net OPEB liability	\$ 2,745,884	\$ 1,487,756	\$ 477,206

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – 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 cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Trend Rate Assumption	1% Increase
Net OPEB liability	\$ 434,966	\$ 1,487,756	\$ 2,807,901

**Charter Township of Meridian**  
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OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended December 31, 2022 the employer recognized an OPEB expense of \$218,408. The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount to Amortize
Difference between expected and actual experience	\$ 169,682	\$ (861,307)	\$ (691,625)
Changes in assumptions	323,687	(29,601)	294,086
Net difference between projected and actual earnings on plan investments	691,476	-	691,476
<b>Total</b>	<b>\$ 1,184,845</b>	<b>\$ (890,908)</b>	<b>\$ 293,937</b>

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

Year Ending December 31,	
2023	\$ (453,132)
2024	165,448
2025	317,322
2026	274,176
2027	(9,877)
	<u>\$ 293,937</u>

**Note 16 - Pension and Other Employee Benefit Trust Funds**  
**Financial Statements**

	Pension Trust Fund	Employer Funded Retiree Health Insurance Trust Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 163,770	\$ -	\$ 163,770
Investments			
Exchange traded funds	929,378	-	929,378
Mutual funds	3,023,519	6,627,255	9,650,774
Receivables			
Accrued interest	3,741	-	3,741
Total assets	<u>4,120,408</u>	<u>6,627,255</u>	<u>10,747,663</u>
<b>Net Position</b>			
Restricted - held in trust for pension benefits and other employee benefits	<u>\$ 4,120,408</u>	<u>\$ 6,627,255</u>	<u>\$ 10,747,663</u>
<b>Additions</b>			
Contributions			
Employer	\$ -	\$ 181,341	\$ 181,341
Investment earnings			
Interest and dividends	116,832	-	116,832
Change in fair value	(921,004)	(968,342)	(1,889,346)
Investment expenses	(25,338)	-	(25,338)
Net investment loss	(829,510)	(968,342)	(1,797,852)
Total additions	<u>(829,510)</u>	<u>(787,001)</u>	<u>(1,616,511)</u>
<b>Deductions</b>			
Benefits	410,783	181,341	592,124
Other deductions	66,653	-	66,653
Total deductions	<u>477,436</u>	<u>181,341</u>	<u>658,777</u>
Change in net position	(1,306,946)	(968,342)	(2,275,288)
Net position - beginning of year	<u>5,427,354</u>	<u>7,595,597</u>	<u>13,022,951</u>
Net position - end of year	<u>\$ 4,120,408</u>	<u>\$ 6,627,255</u>	<u>\$ 10,747,663</u>

**Charter Township of Meridian**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 17 - Joint Venture**

**East Lansing – Meridian Water and Sewer Authority**

The Township is a member of the East Lansing – Meridian Water and Sewer Authority, which provides water services to the residents of the City of East Lansing and the Charter Township of Meridian. The participating communities provide annual funding for its operations. During the current year, the Township contributed \$3,429,436 for its operations and debt. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. The Township appoints three members to the joint venture’s governing board, which then approves the annual budget.

The following financial information of the joint venture is obtained from audited financial statements as of June 30, 2022. Complete financial statements for the East Lansing – Meridian Water and Sewer Authority can be obtained from the administrative office at 410 Abbot Road, East Lansing, Michigan.

Total assets	\$ 15,991,575
Total deferred outflows of resources	186,678
Total liabilities	4,898,774
Total deferred inflows of resources	716,797
Total net position	10,562,682
Total operating revenue	5,218,578
Total operating expenses	4,122,203
Total nonoperating revenue (expense)	(448,070)
Change in net position	648,305

The Township’s equity in this joint venture as of December 31, 2022 is \$6,681,438, which is recorded in the Water Fund.

**Note 18 - Tax Abatements**

The Township receives reduced property tax revenue as a result of

payment in lieu of taxes agreements (PILT) under Section 15A of the State Housing Development Authority Act of 1966 and also under MCL 211.7d Public Act 8 of 2010. The Township has Brownfield reductions under Michigan Public Act 381 of 1996.

For the fiscal year ended December 31, 2022, the Township’s property tax revenues were reduced by \$124,042 under these programs. These long-term agreements expire in varying years with one agreement expiring only when the property ceases to be used for the purpose specified in the abatement agreement.

There are no significant abatements made by Ingham County that affect the Township.

**Note 19 - Property Tax Appeals**

The Township is defending various property tax appeal cases in the Michigan Tax Tribunal. In each case, the Township assessor is required to determine whether to litigate or settle. The property tax values relate to multiple tax years, and the outcome of these cases may affect property tax revenue.

**Note 20 - Change in Accounting Principle**

As indicated in Note 1, the Township implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. This statement enhances the relevance and consistency of information of the Township’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. The financial statements include a prior period adjustment for the lease receivable. This adjustment had no effect on the beginning fund balance of the General Fund or beginning net position of the governmental activities since the deferred inflows equal the amount of the lease receivable. Leases receivable and the related deferred inflows of resources of \$1,530,868 were recorded as of January 1, 2022.

## **Required Supplementary Information**

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**Charter Township of Meridian**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2022**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Taxes	\$ 14,425,000	\$ 14,402,218	\$ 14,346,847	\$ (55,371)
Licenses and permits	1,636,000	1,960,600	1,885,717	(74,883)
Federal grants	-	-	551	551
State-shared revenue	3,700,000	5,200,000	5,402,009	202,009
State grants	100,000	144,682	120,317	(24,365)
Charges for services	3,412,700	3,769,576	3,785,897	16,321
Fines and forfeitures	323,500	231,600	249,611	18,011
Investment income (loss)	100,000	292,950	(227,222)	(520,172)
Other revenue	554,410	583,420	586,727	3,307
Total revenues	<u>24,251,610</u>	<u>26,585,046</u>	<u>26,150,454</u>	<u>(434,592)</u>
<b>Expenditures</b>				
General government	7,890,580	7,800,518	11,932,822	4,132,304
Public safety	13,576,955	14,001,757	13,706,480	(295,277)
Health and welfare	66,385	70,119	67,919	(2,200)
Community and economic development	3,150,130	1,176,284	1,152,571	(23,713)
Recreation and culture	1,246,919	1,320,220	1,113,371	(206,849)
Debt service				
Principal retirement	400,000	666,387	666,386	(1)
Interest and fiscal charges	85,000	171,949	171,948	(1)
Total expenditures	<u>26,415,969</u>	<u>25,207,234</u>	<u>28,811,497</u>	<u>3,604,263</u>
Excess (deficiency) of revenues over expenditures	(2,164,359)	1,377,812	(2,661,043)	(4,038,855)
<b>Other financing sources (uses)</b>				
Transfers out	(530,000)	(530,000)	(530,000)	-
Issuance of debt	-	-	5,295,434	5,295,434
Total other financing sources (uses)	<u>(530,000)</u>	<u>(530,000)</u>	<u>4,765,434</u>	<u>5,295,434</u>
Net change in fund balance	(2,694,359)	847,812	2,104,391	1,256,579
Fund balance - beginning of year	13,165,516	13,165,516	13,165,516	-
Fund balance - end of year	<u>\$ 10,471,157</u>	<u>\$ 14,013,328</u>	<u>\$ 15,269,907</u>	<u>\$ 1,256,579</u>

**Charter Township of Meridian**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Local Roads Fund**  
**For the Year Ended December 31, 2022**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Taxes	\$ -	\$ 1,010	\$ 1,010	\$ -
Other state grants	-	6,250	6,251	1
Local contributions	172,500	345,000	345,000	-
Investment income	50,000	103,350	142,698	39,348
Total revenues	222,500	455,610	494,959	39,349
<b>Expenditures</b>				
Current				
Public works	3,950,000	3,962,700	2,765,242	(1,197,458)
Debt service				
Bond issuance costs	-	-	105,600	105,600
Total expenditures	3,950,000	3,962,700	2,870,842	(1,091,858)
Excess (deficiency) of revenues over expenditures	(3,727,500)	(3,507,090)	(2,375,883)	1,131,207
<b>Other financing sources</b>				
Transfers in	280,000	280,000	280,000	-
Issuance of debt	-	12,000,000	12,000,000	-
Total other financing sources	280,000	12,280,000	12,280,000	-
Net change in fund balance	(3,447,500)	8,772,910	9,904,117	1,131,207
Fund balance - beginning of year	4,669,985	4,669,985	4,669,985	-
Fund balance - end of year	\$ 1,222,485	\$ 13,442,895	\$ 14,574,102	\$ 1,131,207



**Charter Township of Meridian  
Required Supplementary Information  
Budgetary Comparison Schedule  
Land Preservation Fund  
For the Year Ended December 31, 2022**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
<b>Revenues</b>				
Taxes	\$ 190,400	\$ 192,690	\$ 192,703	\$ 13
Other state grants	-	845	848	3
Investment income (loss)	48,000	83,000	(217,182)	(300,182)
Other revenue	-	-	109	109
	<u>238,400</u>	<u>276,535</u>	<u>(23,522)</u>	<u>(300,057)</u>
<b>Expenditures</b>				
Current				
Recreation and culture	<u>171,375</u>	<u>175,881</u>	<u>140,919</u>	<u>(34,962)</u>
Net change in fund balance	67,025	100,654	(164,441)	(265,095)
Fund balance - beginning of year	<u>7,318,643</u>	<u>7,318,643</u>	<u>7,318,643</u>	<u>-</u>
Fund balance - end of year	<u>\$ 7,385,668</u>	<u>\$ 7,419,297</u>	<u>\$ 7,154,202</u>	<u>\$ (265,095)</u>

**Charter Township of Meridian**  
**Notes to the Required Supplementary Information**  
**For the Year Ended December 31, 2022**

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**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

The Township adopts a formal budget for the General Fund, special revenue fund types, and debt service fund types. By mid-June of each year, all department heads submit spending requests to the director of finance so that a budget may be prepared. Before September 1, the proposed budget is submitted by the Township manager to the Township board for review. Public hearings are held, and a final budget is adopted no later than November 1. Any budget amendments must be approved by the Township board. The legal level of budgetary control is effectively lowered to that level. During the year, the budget was amended in a legally permissible manner.

The budget is adopted on a functional basis. Although spending estimates are produced for each line item, budgetary control is exercised at the department level for internal control purposes. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. Encumbrances are not included as expenditures or liabilities; the amount of encumbrances outstanding at December 31, is not significant. Unexpended appropriations lapse at year end.

The budgetary comparison schedules for the General Fund and major special revenue funds are presented on the same basis of accounting used in preparing the adopted budgets.

A comparison of actual results of operations to all budgets shown in the other supplementary information section is for management analysis and is more detailed than the adopted budget on a functional basis.

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

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

	<u>Appropriations</u>	<u>Actual</u>	<u>Budget Variance</u>
General Fund			
General government	\$ 7,800,518	\$ 11,932,822	\$ 4,132,304
Community Needs Fund	58,700	158,773	100,073
Fire Station Debt Service Fund	275,115	865,448	590,333
Local Roads Fund	-	105,600	105,600
Road Debt Fund	3,604,250	3,624,232	19,982

The unfavorable variances were caused by unanticipated expenditures that became necessary during the year.

**Charter Township of Meridian**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Charter Township of Meridian Employee's Retirement Pension Plan**  
**Last Nine Fiscal Years**

Fiscal year ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service cost	\$ -	\$ 8,529	\$ 8,064	\$ 7,933	\$ 7,751	\$ 14,978	\$ 14,830	\$ 12,993	\$ 10,867
Interest on the total pension liability	281,388	294,717	297,676	302,038	307,616	318,040	324,025	307,223	302,325
Differences between expected and actual experience	(39,070)	-	120,898	54,195	25,530	(86,411)	(22,387)	(124,938)	131,492
Changes in assumptions	-	(51,802)	(33,084)	-	-	-	-	474,087	-
Benefit payments and refunds	(477,437)	(461,241)	(424,945)	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)	(365,991)
Net change in total pension liability	(235,119)	(209,797)	(31,391)	(84,745)	(78,100)	(167,827)	(101,743)	307,112	78,693
Total pension liability - beginning	4,928,517	5,138,314	5,169,705	5,254,450	5,332,550	5,500,377	5,602,120	5,295,008	5,216,315
Total pension liability - ending (a)	\$ 4,693,398	\$ 4,928,517	\$ 5,138,314	\$ 5,169,705	\$ 5,254,450	\$ 5,332,550	\$ 5,500,377	\$ 5,602,120	\$ 5,295,008
<b>Plan Fiduciary Net Position</b>									
Employer contributions	\$ -	\$ 128,800	\$ 200,000	\$ 200,000	\$ 300,000	\$ 400,000	\$ 400,000	\$ 250,000	\$ 260,000
Net investment income (loss)	(829,509)	577,376	605,038	880,823	(217,924)	593,541	162,002	86,536	296,201
Benefit payments and refunds	(477,437)	(461,241)	(424,945)	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)	(365,991)
Administrative expense	-	-	(50)	(74)	(25)	(46)	(25)	(69,808)	(72,944)
Net change in plan fiduciary net position	(1,306,946)	244,935	380,043	631,838	(336,946)	579,061	143,766	(95,525)	117,266
Plan fiduciary net position - beginning	5,427,354	5,182,419	4,802,376	4,170,538	4,507,484	3,928,423	3,784,657	3,880,182	3,762,916
Plan fiduciary net position - ending (b)	\$ 4,120,408	\$ 5,427,354	\$ 5,182,419	\$ 4,802,376	\$ 4,170,538	\$ 4,507,484	\$ 3,928,423	\$ 3,784,657	\$ 3,880,182
Net pension liability (asset) (a-b)	\$ 572,990	\$ (498,837)	\$ (44,105)	\$ 367,329	\$ 1,083,912	\$ 825,066	\$ 1,571,954	\$ 1,817,463	\$ 1,414,826
Plan fiduciary net position as a percentage of total pension liability	87.79%	110.12%	100.86%	92.89%	79.37%	84.53%	71.42%	67.56%	73.28%
Covered payroll	\$ -	\$ -	\$ 112,521	\$ 106,283	\$ 104,560	\$ 102,156	\$ 100,153	\$ 99,161	\$ 97,050
Net pension liability (asset) as a percentage of covered payroll	N/A	N/A	(39.20%)	345.61%	1,036.64%	807.65%	1,569.55%	1,832.84%	1,457.83%

**Note:** GASB Statement No. 67 was implemented for the fiscal year ended December 31, 2014 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian  
Required Supplementary Information  
Schedule of Employer Contributions  
Charter Township of Meridian Employee's Retirement Pension Plan  
Last Ten Fiscal Years**

Actuarial Valuation Date	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2013	\$ 457,795	\$ -	\$ 457,795	\$ 85,570	0.00%
12/31/2014	421,346	260,000	161,346	97,050	267.90%
12/31/2015	403,377	250,000	153,377	99,161	252.12%
12/31/2016	430,449	400,000	30,449	100,153	399.39%
12/31/2017	206,057	400,000	(193,943)	102,156	391.56%
12/31/2018	151,469	300,000	(148,531)	104,560	286.92%
12/31/2019	146,745	200,000	(53,255)	106,283	188.18%
12/31/2020	127,718	200,000	(72,282)	112,521	177.74%
12/31/2021	89,043	128,800	(39,757)	-	N/A
12/31/2022	13,085	-	13,085	-	N/A

**Notes to Schedule of Employer Contributions**

Actuarial valuation information relative to the determination of contributions:

Valuation date

December 31, 2021

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which is 1 day prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Individual entry-age normal

Amortization method

Level dollar, closed

Remaining amortization period

5 years

Asset valuation method

4-year smoothed market

Inflation

N/A

Salary increases

N/A

Investment rate of return

6.00%

Retirement age

N/A

Mortality

Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

**Charter Township of Meridian  
 Required Supplementary Information  
 Schedule of Investment Returns  
 Charter Township of Meridian Employee's Retirement Pension Plan  
 Last Nine Fiscal Years**

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Fiscal Year Ending December 31,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	8.01%
2015	2.23%
2016	4.35%
2017	15.46%
2018	-5.34%
2019	22.46%
2020	13.04%
2021	11.55%
2022	-16.28%

**Note:** GASB Statement No. 67 was implemented for the fiscal year ended December 31, 2014 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Municipal Employees' Retirement System of Michigan**  
**Last Eight Fiscal Years**

Fiscal year ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>								
Service cost	\$ 964,989	\$ 983,064	\$ 984,875	\$ 984,557	\$ 1,010,514	\$ 1,000,303	\$ 981,161	\$ 972,200
Interest on the total pension liability	5,709,764	5,347,638	5,226,527	5,023,418	4,901,121	4,711,548	4,473,927	4,260,390
Differences between expected and actual experience	(817,059)	83,960	14,112	(17,758)	(948,982)	(268,400)	(344,829)	-
Changes in assumptions	3,259,691	2,359,578	2,527,677	-	-	-	2,496,029	-
Changes in benefits	-	-	-	-	(201,785)	-	-	-
Other changes	-	-	-	-	(9,031)	-	-	-
Benefit payments and refunds	(4,136,081)	(3,864,734)	(3,575,639)	(3,327,410)	(3,092,898)	(3,064,869)	(2,837,026)	(2,460,442)
Net change in total pension liability	4,981,304	4,909,506	5,177,552	2,662,807	1,658,939	2,378,582	4,769,262	2,772,148
Total pension liability - beginning	76,714,010	71,804,504	66,626,952	63,964,145	62,305,206	59,926,624	55,157,362	52,385,214
Total pension liability - ending (a)	<u>\$ 81,695,314</u>	<u>\$ 76,714,010</u>	<u>\$ 71,804,504</u>	<u>\$ 66,626,952</u>	<u>\$ 63,964,145</u>	<u>\$ 62,305,206</u>	<u>\$ 59,926,624</u>	<u>\$ 55,157,362</u>
<b>Plan Fiduciary Net Position</b>								
Employer contributions	\$ 4,759,365	\$ 4,176,804	\$ 3,854,707	\$ 3,802,749	\$ 3,460,367	\$ 2,835,443	\$ 2,065,675	\$ 1,863,475
Employee contributions	535,007	507,808	503,377	500,743	519,853	454,938	434,297	552,292
Net investment income (loss)	7,992,331	6,164,510	5,449,737	(1,638,422)	4,636,217	3,637,926	(517,185)	1,898,696
Benefit payments and refunds	(4,136,081)	(3,864,734)	(3,575,639)	(3,327,410)	(3,092,898)	(3,064,869)	(2,837,026)	(2,460,442)
Administrative expense	(86,644)	(93,507)	(94,307)	(79,386)	(73,113)	(71,256)	(70,405)	(69,906)
Net change in plan fiduciary net position	9,063,978	6,890,881	6,137,875	(741,726)	5,450,426	3,792,182	(924,644)	1,784,115
Plan fiduciary net position - beginning	52,295,098	45,404,217	39,266,342	40,008,068	34,557,642	30,765,460	31,690,104	29,905,989
Plan fiduciary net position - ending (b)	<u>\$ 61,359,076</u>	<u>\$ 52,295,098</u>	<u>\$ 45,404,217</u>	<u>\$ 39,266,342</u>	<u>\$ 40,008,068</u>	<u>\$ 34,557,642</u>	<u>\$ 30,765,460</u>	<u>\$ 31,690,104</u>
Net pension liability (a-b)	<u>\$ 20,336,238</u>	<u>\$ 24,418,912</u>	<u>\$ 26,400,287</u>	<u>\$ 27,360,610</u>	<u>\$ 23,956,077</u>	<u>\$ 27,747,564</u>	<u>\$ 29,161,164</u>	<u>\$ 23,467,258</u>
Plan fiduciary net position as a percentage of total pension liability	75.11%	68.17%	63.23%	58.93%	62.55%	55.47%	51.34%	57.45%
Covered payroll	\$ 6,370,191	\$ 6,525,085	\$ 6,445,381	\$ 6,473,935	\$ 6,324,075	\$ 6,197,969	\$ 6,122,164	\$ 6,100,190
Net pension liability as a percentage of covered payroll	319.24%	374.23%	409.60%	422.63%	378.81%	447.69%	476.32%	384.70%

**Note:** GASB Statement No. 68 was implemented for the fiscal year ended December 31, 2015 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**  
**Municipal Employees' Retirement System of Michigan**  
**Last Ten Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2013	\$ 1,799,256	\$ 1,863,475	\$ (64,219)	\$ 6,444,197	28.92%
12/31/2014	1,917,900	1,852,078	65,822	6,100,190	30.36%
12/31/2015	2,001,384	3,049,113	(1,047,729)	6,122,164	49.80%
12/31/2016	1,835,443	2,835,443	(1,000,000)	6,197,969	45.75%
12/31/2017	2,318,478	3,460,368	(1,141,890)	6,324,075	54.72%
12/31/2018	2,302,708	3,802,749	(1,500,041)	6,453,286	58.93%
12/31/2019	2,264,527	3,854,707	(1,590,180)	6,586,586	58.52%
12/31/2020	2,472,037	4,176,804	(1,704,767)	6,434,228	64.92%
12/31/2021	3,009,366	4,759,366	(1,750,000)	6,460,360	73.67%
12/31/2022	3,265,891	5,199,999	(1,934,108)	7,432,637	69.96%

**Notes to Schedule of Employer Contributions**

Actuarial valuation information relative to the determination of contributions:

Valuation date

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

Other

The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry-age

Amortization method

Level percentage of pay, open

Remaining amortization period

19 years

Asset valuation method

5 year smoothed

Inflation

2.50%

Salary increases

3.00%

Investment rate of return

7.00%, gross of pension plan investment expenses, including inflation

Retirement age

60 years

Mortality

Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

**Charter Township of Meridian**  
**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**Charter Township of Meridian Postemployment Health Benefits**  
**Last Six Fiscal Years**

Fiscal year ended December 31,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>						
Service cost	\$ 126,654	\$ 77,036	\$ 109,467	\$ 101,169	\$ 190,743	\$ 184,032
Interest	394,891	346,126	336,017	451,588	433,155	422,016
Differences between expected and actual experience	(171,130)	272,930	(74,110)	(3,048,686)	(177,273)	(146,888)
Changes in assumptions	(10,952)	445,576	(29,617)	218,141	(38,069)	49,580
Benefit payments	<u>(181,341)</u>	<u>(165,327)</u>	<u>(162,018)</u>	<u>(136,274)</u>	<u>(126,136)</u>	<u>(123,649)</u>
Net change in total OPEB liability	158,122	976,341	179,739	(2,414,062)	282,420	385,091
Total OPEB liability - beginning	<u>7,956,889</u>	<u>6,980,548</u>	<u>6,800,809</u>	<u>9,214,871</u>	<u>8,932,451</u>	<u>8,547,360</u>
Total OPEB liability - ending (a)	<u>\$ 8,115,011</u>	<u>\$ 7,956,889</u>	<u>\$ 6,980,548</u>	<u>\$ 6,800,809</u>	<u>\$ 9,214,871</u>	<u>\$ 8,932,451</u>
<b>Plan Fiduciary Net Position</b>						
Employer contributions	\$ 181,341	\$ 190,327	\$ 447,018	\$ 447,774	\$ 450,136	\$ 295,649
Net investment income (loss)	(968,342)	608,510	652,811	724,043	(212,818)	395,193
Benefit payments and refunds	<u>(181,341)</u>	<u>(165,327)</u>	<u>(162,018)</u>	<u>(136,274)</u>	<u>(126,136)</u>	<u>(123,649)</u>
Net change in plan fiduciary net position	(968,342)	633,510	937,811	1,035,543	111,182	567,193
Plan fiduciary net position - beginning	<u>7,595,597</u>	<u>6,962,087</u>	<u>6,024,276</u>	<u>4,988,733</u>	<u>4,877,551</u>	<u>4,310,358</u>
Plan fiduciary net position - ending (b)	<u>\$ 6,627,255</u>	<u>\$ 7,595,597</u>	<u>\$ 6,962,087</u>	<u>\$ 6,024,276</u>	<u>\$ 4,988,733</u>	<u>\$ 4,877,551</u>
Net OPEB liability (a-b)	<u>\$ 1,487,756</u>	<u>\$ 361,292</u>	<u>\$ 18,461</u>	<u>\$ 776,533</u>	<u>\$ 4,226,138</u>	<u>\$ 4,054,900</u>
Plan fiduciary net position as a percentage of total OPEB liability	81.67%	95.46%	99.74%	88.58%	54.14%	54.60%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

**Note:** GASB Statement No. 74 was implemented for the fiscal year ended December 31, 2017 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.



**Charter Township of Meridian**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**  
**Charter Township of Meridian Postemployment Health Benefits**  
**Last Ten Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2013	\$ 461,822	\$ 470,037	\$ (8,215)	N/A	N/A
12/31/2014	283,991	501,000	(217,009)	N/A	N/A
12/31/2015	283,991	500,000	(216,009)	N/A	N/A
12/31/2016	283,991	306,674	(22,683)	N/A	N/A
12/31/2017	453,565	295,649	157,916	N/A	N/A
12/31/2018	449,295	450,136	(841)	N/A	N/A
12/31/2019	207,005	447,774	(240,769)	N/A	N/A
12/31/2020	205,355	447,018	(241,663)	N/A	N/A
12/31/2021	172,422	190,327	(17,905)	N/A	N/A
12/31/2022	167,659	181,341	(13,682)	N/A	N/A

**Notes to Schedule of Employer Contributions**

Actuarial valuation information relative to the determination of contributions:

Valuation date  
Notes

December 31, 2020  
Actuarially determined contribution rates are calculated as of December 31 of even numbered years, which is 1 day prior to the beginning of the fiscal year biennium in which contributions are reported. The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method  
Amortization method  
Remaining amortization period  
Asset valuation method  
Inflation  
Salary increases  
Investment rate of return  
Retirement age  
Mortality

Entry-age normal  
Level dollar, open  
30 years  
Market value  
2.50%  
N/A  
5.00%, including inflation, net of administrative and investment expenses  
Experience-based tables of rates that are specific to the type of eligibility condition.  
Post Retirement: Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.  
  
Disabled Retirement: Sex distinct PubNS-2010 Disabled tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.  
  
Pre Retirement: Sex distinct Pub-2010 General Employees table without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.  
  
Health care trend rates  
Aging factors  
Non-Medicare: 7.50% in 2021, grading to 3.50% in 2032. Medicare: 6.25% in 2021, grading to 3.50% in 2032.  
The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.

**Charter Township of Meridian  
 Required Supplementary Information  
 Schedule of Investment Returns  
 Charter Township of Meridian Postemployment Health Benefits  
 Last Six Fiscal Years**

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Fiscal Year Ending December 31,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2017	9.01%
2018	-5.34%
2019	22.46%
2020	10.68%
2021	8.74%
2022	-12.75%

**Note:** GASB Statement No. 74 was implemented for the fiscal year ended December 31, 2017 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

## **Other Supplementary Information**

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**Charter Township of Meridian**  
**Description of Funds**  
**Nonmajor Governmental Funds**

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**Pedestrian/Bike Path Millage Fund** – This fund is used to account for the design and construction of the Township’s millage-supported pedestrian/bicycle pathway system.

**Fire Restricted/Designated Fund** – This fund is used to account for donations that are restricted and designated for fire-related activities.

**Police Restricted/Designated Fund** – This fund is used to account for donations, forfeitures, and State of Michigan funds that are specifically used to aid law enforcement.

**Senior Center Millage Fund** – This fund is used to account for tax revenue and donations that are used to support the Meridian Senior Center.

**Cable TV Fund** – This fund is used to account for the operations of government access channels, which provide news and information about the Township’s government activities and the community it serves. Funds for operations are derived from cable franchise fees.

**Community Needs Fund** – This fund is used to account for donations that provide emergency funds to needy Township residents.

**Library Fund** – This fund is used to account for donations for improvements to the local libraries.

**Grants Fund** – This fund is used to account for various federal grant awards.

**CATA Millage Fund** – This fund is used to account for tax revenue that supports increased public transportation.

**Park Millage Fund** – This fund is used to account for tax revenue and donations that are used to beautify and maintain the various parks.

**American Rescue Plan Act Fund** – This fund is used to account for funding received for pandemic relief and the related expenditures.

**Fire Station Debt Service Fund** – This fund is used to account for tax revenue and debt service related to the 2013 bond issuance to construct a new central fire station.

**Township Improvement Revolving Fund** – This fund is used to account for advances from the General Fund and reimbursements from special assessments for specific public improvements.

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2022**

Special Revenue Funds

	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
<b>Assets</b>							
Cash and cash equivalents	\$ 2,715,101	\$ 2,975	\$ 70,366	\$ 511,622	\$ 169,546	\$ 100,332	\$ 13,603
Receivables							
Taxes	409,538	-	-	102,798	-	-	-
Special assessments	-	-	-	-	-	-	-
Due from other units of government	-	1,705	5,336	-	-	-	-
Prepaid items	18	-	-	-	-	-	-
Total assets	<u>\$ 3,124,657</u>	<u>\$ 4,680</u>	<u>\$ 75,702</u>	<u>\$ 614,420</u>	<u>\$ 169,546</u>	<u>\$ 100,332</u>	<u>\$ 13,603</u>
<b>Liabilities</b>							
Accounts payable	\$ 56,412	\$ -	\$ 4,322	\$ 54,626	\$ 15,878	\$ 4,470	\$ -
Accrued and other liabilities	318	-	2,824	-	-	-	-
Unearned revenue	-	1,298	-	-	-	-	-
Total liabilities	<u>56,730</u>	<u>1,298</u>	<u>7,146</u>	<u>54,626</u>	<u>15,878</u>	<u>4,470</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - special assessments	-	-	-	-	-	-	-
Unavailable revenue - federal grant revenue	-	1,705	3,253	-	-	-	-
Property taxes levied for a subsequent period	660,447	-	-	165,718	-	-	-
Special assessments levied for a subsequent period	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>660,447</u>	<u>1,705</u>	<u>3,253</u>	<u>165,718</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2022**

Special Revenue Funds

	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
<b>Fund Balances</b>							
Non-spendable							
Prepaid items	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for							
Pedestrian/bike path millage	2,407,462	-	-	-	-	-	-
Fire	-	1,677	-	-	-	-	-
Police	-	-	65,303	-	-	-	-
Senior center millage	-	-	-	394,076	-	-	-
Cable TV	-	-	-	-	153,668	-	-
Community needs	-	-	-	-	-	95,862	-
Library	-	-	-	-	-	-	13,603
Grants	-	-	-	-	-	-	-
Capital area transportation authority millage	-	-	-	-	-	-	-
Park millage	-	-	-	-	-	-	-
Fire station debt service	-	-	-	-	-	-	-
Assigned - township improvement	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
<b>Total fund balances</b>	<u>2,407,480</u>	<u>1,677</u>	<u>65,303</u>	<u>394,076</u>	<u>153,668</u>	<u>95,862</u>	<u>13,603</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 3,124,657</u>	<u>\$ 4,680</u>	<u>\$ 75,702</u>	<u>\$ 614,420</u>	<u>\$ 169,546</u>	<u>\$ 100,332</u>	<u>\$ 13,603</u>

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2022**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
<b>Assets</b>							
Cash and cash equivalents	\$ 130,703	\$ 158,635	\$ 1,591,790	\$ 2,739,676	\$ 153,368	\$ 1,871,061	\$ 10,228,778
Receivables							
Taxes	-	244,813	816,755	-	248,421	-	1,822,325
Special assessments	-	-	-	-	-	2,831,434	2,831,434
Due from other units of government	-	-	-	-	-	-	7,041
Prepaid items	-	-	719	54,971	-	-	55,708
<b>Total assets</b>	<u>\$ 130,703</u>	<u>\$ 403,448</u>	<u>\$ 2,409,264</u>	<u>\$ 2,794,647</u>	<u>\$ 401,789</u>	<u>\$ 4,702,495</u>	<u>\$ 14,945,286</u>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ 15,135	\$ 37,880	\$ -	\$ 19,083	\$ 207,806
Accrued and other liabilities	-	-	5,082	-	-	-	8,224
Unearned revenue	-	-	-	2,742,980	-	-	2,744,278
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>20,217</u>	<u>2,780,860</u>	<u>-</u>	<u>19,083</u>	<u>2,960,308</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - special assessments	-	-	-	-	-	2,751,433	2,751,433
Unavailable revenue - federal grant revenue	-	-	-	-	-	-	4,958
Property taxes levied for a subsequent period	-	394,912	1,316,204	-	399,938	-	2,937,219
Special assessments levied for a subsequent period	-	-	-	-	-	80,000	80,000
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>394,912</u>	<u>1,316,204</u>	<u>-</u>	<u>399,938</u>	<u>2,831,433</u>	<u>5,773,610</u>

**Charter Township of Meridian  
Other Supplementary Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2022**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
<b>Fund Balances</b>							
Non-spendable							
Prepaid items	\$ -	\$ -	\$ 719	\$ 54,971	\$ -	\$ -	\$ 55,708
Restricted for							
Pedestrian/bike path millage	-	-	-	-	-	-	2,407,462
Fire	-	-	-	-	-	-	1,677
Police	-	-	-	-	-	-	65,303
Senior center millage	-	-	-	-	-	-	394,076
Cable TV	-	-	-	-	-	-	153,668
Community needs	-	-	-	-	-	-	95,862
Library	-	-	-	-	-	-	13,603
Grants	130,703	-	-	-	-	-	130,703
Capital area transportation authority millage	-	8,536	-	-	-	-	8,536
Park millage	-	-	1,072,124	-	-	-	1,072,124
Fire station debt service	-	-	-	-	1,851	-	1,851
Assigned - township improvement	-	-	-	-	-	1,851,979	1,851,979
Unassigned (deficit)	-	-	-	(41,184)	-	-	(41,184)
Total fund balances	<u>130,703</u>	<u>8,536</u>	<u>1,072,843</u>	<u>13,787</u>	<u>1,851</u>	<u>1,851,979</u>	<u>6,211,368</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 130,703</u>	<u>\$ 403,448</u>	<u>\$ 2,409,264</u>	<u>\$ 2,794,647</u>	<u>\$ 401,789</u>	<u>\$ 4,702,495</u>	<u>\$ 14,945,286</u>



**Charter Township of Meridian**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2022**

	Special Revenue Funds						
	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
<b>Revenues</b>							
Taxes	\$ 628,920	\$ -	\$ -	\$ 157,811	\$ -	\$ -	\$ -
Federal grants	-	42,522	7,832	-	-	-	-
State grants	2,806	-	4,242	705	-	-	-
Local contributions	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Investment income	16,286	4	220	1,564	571	319	45
Other revenue	431,250	5	1,050	-	-	148,050	-
<b>Total revenues</b>	<u>1,079,262</u>	<u>42,531</u>	<u>13,344</u>	<u>160,080</u>	<u>571</u>	<u>148,369</u>	<u>45</u>
<b>Expenditures</b>							
Current							
Public safety	-	47,247	17,279	-	-	-	-
Public works	711,562	-	-	-	-	-	-
Health and welfare	-	-	-	108,713	-	158,773	-
Recreation and culture	-	-	-	-	63,179	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>711,562</u>	<u>47,247</u>	<u>17,279</u>	<u>108,713</u>	<u>63,179</u>	<u>158,773</u>	<u>-</u>
<b>Net change in fund balances</b>	367,700	(4,716)	(3,935)	51,367	(62,608)	(10,404)	45
Fund balances - beginning of year	<u>2,039,780</u>	<u>6,393</u>	<u>69,238</u>	<u>342,709</u>	<u>216,276</u>	<u>106,266</u>	<u>13,558</u>
Fund balances - end of year	<u>\$ 2,407,480</u>	<u>\$ 1,677</u>	<u>\$ 65,303</u>	<u>\$ 394,076</u>	<u>\$ 153,668</u>	<u>\$ 95,862</u>	<u>\$ 13,603</u>

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2022**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
<b>Revenues</b>							
Taxes	\$ -	\$ 376,135	\$ 1,253,675	\$ -	\$ 381,623	\$ -	\$ 2,798,164
Federal grants	-	-	-	1,796,432	-	-	1,846,786
State grants	-	1,678	37,847	-	1,075	-	48,353
Local contributions	-	-	120,645	-	-	-	120,645
Charges for services	-	-	-	-	-	980,159	980,159
Investment income	433	657	4,314	13,787	1,699	59,887	99,786
Other revenue	-	-	230,387	-	-	-	810,742
Total revenues	433	378,470	1,646,868	1,810,219	384,397	1,040,046	6,704,635
<b>Expenditures</b>							
Current							
Public safety	-	-	-	-	-	-	64,526
Public works	-	-	-	-	-	148,629	860,191
Health and welfare	2,866	-	-	-	-	-	270,352
Recreation and culture	-	380,000	960,572	-	-	-	1,403,751
Capital outlay	-	-	-	1,796,432	-	-	1,796,432
Debt service							
Principal retirement	-	-	-	-	820,000	-	820,000
Interest and fiscal charges	-	-	-	-	45,448	-	45,448
Total expenditures	2,866	380,000	960,572	1,796,432	865,448	148,629	5,260,700
Net change in fund balances	(2,433)	(1,530)	686,296	13,787	(481,051)	891,417	1,443,935
Fund balances - beginning of year	133,136	10,066	386,547	-	482,902	960,562	4,767,433
Fund balances - end of year	\$ 130,703	\$ 8,536	\$ 1,072,843	\$ 13,787	\$ 1,851	\$ 1,851,979	\$ 6,211,368

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Pedestrian/Bike Path Millage Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Taxes	\$ 628,100	\$ 628,920	\$ 628,920	\$ -
Other state grants	-	2,805	2,806	1
Investment income	2,000	11,600	16,286	4,686
Other revenue	<u>3,337,000</u>	<u>3,337,000</u>	<u>431,250</u>	<u>(2,905,750)</u>
Total revenues	3,967,100	3,980,325	1,079,262	(2,901,063)
<b>Expenditures</b>				
Current				
Public works	<u>4,196,250</u>	<u>4,503,124</u>	<u>711,562</u>	<u>(3,791,562)</u>
Net change in fund balance	(229,150)	(522,799)	367,700	890,499
Fund balance - beginning of year	<u>2,039,780</u>	<u>2,039,780</u>	<u>2,039,780</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,810,630</u>	<u>\$ 1,516,981</u>	<u>\$ 2,407,480</u>	<u>\$ 890,499</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Fire Restricted / Designated Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Federal grants	\$ -	\$ 43,820	\$ 42,522	\$ (1,298)
Investment income	-	-	4	4
Other revenue	-	-	5	5
	<u>-</u>	<u>43,820</u>	<u>42,531</u>	<u>(1,289)</u>
Total revenues	-	43,820	42,531	(1,289)
<b>Expenditures</b>				
Current				
Public safety	-	48,202	47,247	(955)
	<u>-</u>	<u>48,202</u>	<u>47,247</u>	<u>(955)</u>
Net change in fund balance	-	(4,382)	(4,716)	(334)
Fund balance - beginning of year	<u>6,393</u>	<u>6,393</u>	<u>6,393</u>	<u>-</u>
Fund balance - end of year	<u>\$ 6,393</u>	<u>\$ 2,011</u>	<u>\$ 1,677</u>	<u>\$ (334)</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Police Restricted/Designated Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Federal grants	\$ 5,000	\$ 10,800	\$ 7,832	\$ (2,968)
Other state grants	7,000	7,000	4,242	(2,758)
Investment income	100	100	220	120
Other revenue	-	-	1,050	1,050
	<u>12,100</u>	<u>17,900</u>	<u>13,344</u>	<u>(4,556)</u>
<b>Expenditures</b>				
Current				
Public safety	<u>12,000</u>	<u>18,900</u>	<u>17,279</u>	<u>(1,621)</u>
Net change in fund balance	100	(1,000)	(3,935)	(2,935)
Fund balance - beginning of year	<u>69,238</u>	<u>69,238</u>	<u>69,238</u>	<u>-</u>
Fund balance - end of year	<u>\$ 69,338</u>	<u>\$ 68,238</u>	<u>\$ 65,303</u>	<u>\$ (2,935)</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Senior Center Millage Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Taxes	\$ 158,050	\$ 158,050	\$ 157,811	\$ (239)
Other state grants	-	845	705	(140)
Investment income	500	1,000	1,564	564
	<u>158,550</u>	<u>159,895</u>	<u>160,080</u>	<u>185</u>
<b>Expenditures</b>				
Current				
Health and welfare	<u>118,000</u>	<u>118,000</u>	<u>108,713</u>	<u>(9,287)</u>
	<u>40,550</u>	<u>41,895</u>	<u>51,367</u>	<u>9,472</u>
Net change in fund balance	<u>40,550</u>	<u>41,895</u>	<u>51,367</u>	<u>9,472</u>
Fund balance - beginning of year	<u>342,709</u>	<u>342,709</u>	<u>342,709</u>	<u>-</u>
Fund balance - end of year	<u>\$ 383,259</u>	<u>\$ 384,604</u>	<u>\$ 394,076</u>	<u>\$ 9,472</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Cable TV Fund  
For the Year Ended December 31, 2022**

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	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Investment income	\$ 100	\$ 525	\$ 571	\$ 46
<b>Expenditures</b>				
Current				
Recreation and culture	-	63,400	63,179	(221)
Net change in fund balance	100	(62,875)	(62,608)	267
Fund balance - beginning of year	216,276	216,276	216,276	-
Fund balance - end of year	<u>\$ 216,376</u>	<u>\$ 153,401</u>	<u>\$ 153,668</u>	<u>\$ 267</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Community Needs Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Investment income	\$ 100	\$ 300	\$ 319	\$ 19
Other revenue	<u>10,900</u>	<u>20,550</u>	<u>148,050</u>	<u>127,500</u>
Total revenues	11,000	20,850	148,369	127,519
<b>Expenditures</b>				
Current				
Health and welfare	<u>50,900</u>	<u>58,700</u>	<u>158,773</u>	<u>100,073</u>
Net change in fund balance	(39,900)	(37,850)	(10,404)	27,446
Fund balance - beginning of year	<u>106,266</u>	<u>106,266</u>	<u>106,266</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 66,366</u></u>	<u><u>\$ 68,416</u></u>	<u><u>\$ 95,862</u></u>	<u><u>\$ 27,446</u></u>



**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Library Fund  
For the Year Ended December 31, 2022**

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	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Amended Budget</u>
<b>Revenues</b>				
Investment income	\$ 20	\$ 20	\$ 45	\$ 25
Fund balance - beginning of year	<u>13,558</u>	<u>13,558</u>	<u>13,558</u>	<u>-</u>
Fund balance - end of year	<u>\$ 13,578</u>	<u>\$ 13,578</u>	<u>\$ 13,603</u>	<u>\$ 25</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Grants Fund  
For the Year Ended December 31, 2022**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Amended Budget</u>
<b>Revenues</b>				
Investment income	\$ 50	\$ 225	\$ 433	\$ 208
<b>Expenditures</b>				
Current				
Health and welfare	-	2,870	2,866	(4)
Net change in fund balance	50	(2,645)	(2,433)	212
Fund balance - beginning of year	<u>133,136</u>	<u>133,136</u>	<u>133,136</u>	<u>-</u>
Fund balance - end of year	<u>\$ 133,186</u>	<u>\$ 130,491</u>	<u>\$ 130,703</u>	<u>\$ 212</u>

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Nonmajor Governmental Fund**  
**CATA Millage Fund**  
**For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Taxes	\$ 376,550	\$ 376,550	\$ 376,135	\$ (415)
Other state grants	-	-	1,678	1,678
Investment income	100	100	657	557
	<u>376,650</u>	<u>376,650</u>	<u>378,470</u>	<u>1,820</u>
<b>Expenditures</b>				
Current				
Recreation and culture	<u>380,000</u>	<u>380,000</u>	<u>380,000</u>	<u>-</u>
Net change in fund balance	(3,350)	(3,350)	(1,530)	1,820
Fund balance - beginning of year	<u>10,066</u>	<u>10,066</u>	<u>10,066</u>	<u>-</u>
Fund balance - end of year	<u>\$ 6,716</u>	<u>\$ 6,716</u>	<u>\$ 8,536</u>	<u>\$ 1,820</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Park Millage Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Taxes	\$ 1,256,250	\$ 1,256,250	\$ 1,253,675	\$ (2,575)
Other state grants	-	37,845	37,847	2
Local contributions	175,000	-	120,645	120,645
Investment income	1,800	4,150	4,314	164
Other revenue	130,000	228,800	230,387	1,587
 Total revenues	 1,563,050	 1,527,045	 1,646,868	 119,823
<b>Expenditures</b>				
Current				
Recreation and culture	1,576,144	1,365,875	960,572	(405,303)
 Net change in fund balance	 (13,094)	 161,170	 686,296	 525,126
 Fund balance - beginning of year	 386,547	 386,547	 386,547	 -
 Fund balance - end of year	 <u>\$ 373,453</u>	 <u>\$ 547,717</u>	 <u>\$ 1,072,843</u>	 <u>\$ 525,126</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
American Rescue Plan Act Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Federal grants	\$ -	\$ 2,297,103	\$ 1,796,432	\$ (500,671)
Investment income	-	-	13,787	13,787
Total revenues	-	2,297,103	1,810,219	(486,884)
<b>Expenditures</b>				
Capital outlay	-	2,297,103	1,796,432	(500,671)
Net change in fund balance	-	-	13,787	13,787
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ 13,787	\$ 13,787

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Fire Station Debt Service Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Taxes	\$ 380,600	\$ 380,600	\$ 381,623	\$ 1,023
Other state grants	-	1,075	1,075	-
Investment income	500	1,400	1,699	299
Total revenues	<u>381,100</u>	<u>383,075</u>	<u>384,397</u>	<u>1,322</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	235,000	235,000	820,000	585,000
Interest and fiscal charges	<u>40,115</u>	<u>40,115</u>	<u>45,448</u>	<u>5,333</u>
Total expenditures	<u>275,115</u>	<u>275,115</u>	<u>865,448</u>	<u>590,333</u>
Net change in fund balance	105,985	107,960	(481,051)	(589,011)
Fund balance - beginning of year	<u>482,902</u>	<u>482,902</u>	<u>482,902</u>	<u>-</u>
Fund balance - end of year	<u>\$ 588,887</u>	<u>\$ 590,862</u>	<u>\$ 1,851</u>	<u>\$ (589,011)</u>

**Charter Township of Meridian  
Other Supplementary Information  
Budgetary Comparison Schedule  
Nonmajor Governmental Fund  
Township Improvement Revolving Fund  
For the Year Ended December 31, 2022**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
<b>Revenues</b>				
Charges for services	\$ 210,000	\$ 967,216	\$ 980,159	\$ 12,943
Investment income	40,000	58,228	59,887	1,659
Total revenues	250,000	1,025,444	1,040,046	14,602
<b>Expenditures</b>				
Current				
Public works	100,000	172,685	148,629	(24,056)
Net change in fund balance	150,000	852,759	891,417	38,658
Fund balance - beginning of year	960,562	960,562	960,562	-
Fund balance - end of year	<u>\$ 1,110,562</u>	<u>\$ 1,813,321</u>	<u>\$ 1,851,979</u>	<u>\$ 38,658</u>

**Charter Township of Meridian**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Governmental Fund - Debt Service**  
**Road Debt Fund**  
**For the Year Ended December 31, 2022**

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 3,701,000	\$ 3,706,830	\$ 3,707,805	\$ 975
Other state grants	-	10,230	10,232	2
Investment income	3,000	11,000	11,781	781
Total revenues	<u>3,704,000</u>	<u>3,728,060</u>	<u>3,729,818</u>	<u>1,758</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	3,360,000	3,360,000	3,360,000	-
Interest and fiscal charges	244,250	244,250	244,250	-
Bond issuance costs	-	-	19,982	19,982
Total expenditures	<u>3,604,250</u>	<u>3,604,250</u>	<u>3,624,232</u>	<u>19,982</u>
Excess of revenues over expenditures	99,750	123,810	105,586	(18,224)
<b>Other financing sources</b>				
Issuance of debt	-	1,039,700	1,059,686	19,986
Net change in fund balance	99,750	1,163,510	1,165,272	1,762
Fund balance - beginning of year	<u>953,917</u>	<u>953,917</u>	<u>953,917</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,053,667</u>	<u>\$ 2,117,427</u>	<u>\$ 2,119,189</u>	<u>\$ 1,762</u>



## **Statistical Section**

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## Charter Township of Meridian Statistical Section

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This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

The statistical section is organized into the following main categories:

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

**Revenue capacity** – These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

**Debt capacity** – These schedules contain information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

**Demographic and economic information** – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

**Charter Township of Meridian**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	December 31									
	(in thousands of dollars)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 34,428	\$ 34,416	\$ 36,166	\$ 37,311	\$ 40,613	\$ 42,957	\$ 44,162	\$ 51,739	\$ 55,088	\$ 59,497
Restricted	6,553	7,345	8,400	9,757	9,150	10,204	23,050	12,130	13,627	15,836
Unrestricted	9,018	10,629	(10,661)	(11,611)	(11,910)	(15,183)	(22,274)	(8,430)	(2,954)	3,804
Total net position	<u>\$ 49,999</u>	<u>\$ 52,390</u>	<u>\$ 33,905</u>	<u>\$ 35,457</u>	<u>\$ 37,853</u>	<u>\$ 37,978</u>	<u>\$ 44,938</u>	<u>\$ 55,439</u>	<u>\$ 65,761</u>	<u>\$ 79,137</u>
<b>Business-type Activities:</b>										
Net investment in capital assets	\$ 40,589	\$ 40,452	\$ 39,764	\$ 39,273	\$ 39,865	\$ 39,887	\$ 39,914	\$ 40,505	\$ 39,141	\$ 39,833
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,839	8,972	7,433	9,077	10,972	12,615	14,977	16,111	18,609	20,031
Total net position	<u>\$ 48,428</u>	<u>\$ 49,424</u>	<u>\$ 47,197</u>	<u>\$ 48,350</u>	<u>\$ 50,837</u>	<u>\$ 52,502</u>	<u>\$ 54,891</u>	<u>\$ 56,616</u>	<u>\$ 57,750</u>	<u>\$ 59,864</u>
<b>Primary Government:</b>										
Net investment in capital assets	\$ 75,017	\$ 74,868	\$ 75,930	\$ 76,584	\$ 80,478	\$ 82,844	\$ 84,076	\$ 92,244	\$ 94,229	\$ 99,330
Restricted	6,553	7,345	8,400	9,757	9,150	10,204	23,050	12,130	13,627	15,836
Unrestricted	16,857	19,601	(3,228)	(2,534)	(938)	(2,568)	(7,297)	7,681	15,655	23,835
Total net position	<u>\$ 98,427</u>	<u>\$ 101,814</u>	<u>\$ 81,102</u>	<u>\$ 83,807</u>	<u>\$ 88,690</u>	<u>\$ 90,480</u>	<u>\$ 99,829</u>	<u>\$ 112,055</u>	<u>\$ 123,511</u>	<u>\$ 139,001</u>

**Charter Township of Meridian**  
**Changes in Governmental Net Position**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	Fiscal Year Ended December 31									
	(in thousands of dollars)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses:</b>										
General government	\$ 4,284	\$ 3,941	\$ 4,346	\$ 4,347	\$ 4,785	\$ 4,239	\$ 3,789	\$ 5,350	\$ 5,038	\$ 6,179
Public safety	10,922	9,799	10,937	12,247	11,454	12,450	13,146	12,450	11,089	11,793
Public works	1,072	1,277	946	1,230	1,132	1,414	1,070	1,851	2,127	2,861
Health and welfare	169	166	162	159	180	143	273	196	233	349
Community and economic development	-	-	-	-	-	-	-	129	1,554	1,161
Recreation and culture	1,684	2,118	2,258	2,484	3,078	2,514	2,700	1,221	2,944	2,801
Interest on long-term debt	367	221	168	148	138	128	334	400	360	536
<b>Total expenses</b>	<b>18,498</b>	<b>17,522</b>	<b>18,817</b>	<b>20,615</b>	<b>20,767</b>	<b>20,888</b>	<b>21,312</b>	<b>21,597</b>	<b>23,345</b>	<b>25,680</b>
<b>Program revenue:</b>										
Charges for services:										
General government	391	383	416	414	667	699	680	1,440	1,497	1,441
Public safety	3,064	2,658	2,574	2,724	2,895	2,685	2,897	2,421	3,078	3,224
Public works	113	89	121	82	120	204	417	1,231	1,050	1,050
Recreation and culture	307	321	338	346	1,181	1,181	1,203	118	298	392
<b>Total charges for services</b>	<b>3,875</b>	<b>3,451</b>	<b>3,449</b>	<b>3,566</b>	<b>4,863</b>	<b>4,769</b>	<b>5,197</b>	<b>5,210</b>	<b>5,923</b>	<b>6,107</b>
Operating grants and contributions	283	175	127	137	172	121	418	1,460	856	3,306
Capital grants and contributions	-	-	-	-	-	589	-	252	1,536	3,091
<b>Total program revenue</b>	<b>4,158</b>	<b>3,626</b>	<b>3,576</b>	<b>3,703</b>	<b>5,035</b>	<b>5,479</b>	<b>5,615</b>	<b>6,922</b>	<b>8,315</b>	<b>12,504</b>
<b>Excess of expenses over revenue</b>	<b>(14,340)</b>	<b>(13,896)</b>	<b>(15,241)</b>	<b>(16,912)</b>	<b>(15,732)</b>	<b>(15,409)</b>	<b>(15,697)</b>	<b>(14,675)</b>	<b>(15,030)</b>	<b>(13,176)</b>
<b>General revenue:</b>										
Property taxes	11,464	11,710	13,005	13,464	13,695	16,142	16,766	20,099	20,620	21,047
State-shared revenue	2,960	3,085	3,087	3,165	3,496	3,579	3,711	3,728	4,333	5,658
Investment income (loss)	(46)	212	152	128	238	486	748	720	214	(185)
Franchise fees*	822	856	1,021	1,058	-	-	-	-	-	-
Miscellaneous income	533	424	562	694	723	793	1,432	629	-	33
<b>Total general revenue</b>	<b>15,733</b>	<b>16,287</b>	<b>17,827</b>	<b>18,509</b>	<b>18,152</b>	<b>21,000</b>	<b>22,657</b>	<b>25,176</b>	<b>25,167</b>	<b>26,553</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(45)</b>	<b>(24)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>-</b>
<b>Change in net position</b>	<b>\$ 1,393</b>	<b>\$ 2,391</b>	<b>\$ 2,586</b>	<b>\$ 1,552</b>	<b>\$ 2,396</b>	<b>\$ 5,591</b>	<b>\$ 6,960</b>	<b>\$ 10,501</b>	<b>\$ 10,322</b>	<b>\$ 13,377</b>

\*Franchise fees were included in charges for services beginning in 2017 to comply with the State of Michigan's chart of accounts requirements.

**Charter Township of Meridian**  
**Changes in Business-type Net Position**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	Fiscal Year Ended December 31									
	(in thousands of dollars)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Operating revenue:</b>										
Sale of water	\$ 4,026	\$ 4,152	\$ 4,104	\$ 5,320	\$ 5,287	\$ 5,391	\$ 5,677	\$ 5,687	\$ 5,686	\$ 5,563
Sewage disposal charge	3,587	3,800	3,833	4,185	4,580	5,240	5,432	5,896	6,185	6,028
Charges for services	1,150	1,061	887	979	1,335	997	935	900	948	1,368
Other	433	35	42	26	46	48	63	45	45	62
Total operating revenue	9,196	9,048	8,866	10,510	11,248	11,676	12,107	12,528	12,864	13,021
<b>Operating expense:</b>										
Cost of water produced/purchased	2,518	2,458	2,556	2,505	2,852	3,091	3,186	3,281	3,479	3,429
Cost of sewage treatment	1,855	1,789	2,301	2,393	1,870	2,651	1,556	2,311	2,149	1,803
Other operation and maintenance costs	2,541	2,871	2,959	2,685	3,083	752	851	897	1,052	783
Billing and administrative costs	1,076	1,082	1,101	1,160	1,192	2,579	2,619	2,897	2,988	3,272
Depreciation	1,795	1,650	1,680	1,647	1,686	1,600	1,745	1,926	2,002	2,090
Total operating expenses	9,785	9,850	10,597	10,390	10,683	10,673	9,957	11,312	11,670	11,377
<b>Operating income (loss)</b>	(589)	(802)	(1,731)	120	565	1,003	2,150	1,216	1,194	1,644
<b>Nonoperating revenue (expense):</b>										
Investment income (loss)	3	4	3	1	1	1	55	23	46	(140)
Gain (loss) from joint venture	163	234	(31)	300	296	337	348	424	372	399
Grant revenue	-	569	932	402	514	7	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-	-	-	(271)	-	-
Interest expense	(37)	(12)	(39)	(98)	(126)	(210)	(317)	(509)	(572)	(544)
Total nonoperating revenue (expense)	129	795	865	605	685	135	86	(333)	(154)	(285)
<b>Income (loss) – Before capital contributions and transfer</b>	(460)	(7)	(866)	725	1,250	1,138	2,236	883	1,040	1,359
<b>Capital contributions</b>	418	1,003	195	383	1,213	526	154	1,300	94	755
<b>Transfers from other funds</b>	-	-	-	45	24	-	-	-	-	-
<b>Change in net position</b>	\$ (42)	\$ 996	\$ (671)	\$ 1,153	\$ 2,487	\$ 1,664	\$ 2,390	\$ 2,183	\$ 1,134	\$ 2,114
<b>Change in net position – primary government</b>	\$ 1,351	\$ 3,387	\$ 1,915	\$ 2,705	\$ 4,883	\$ 7,255	\$ 9,350	\$ 12,684	\$ 11,456	\$ 15,491

**Charter Township of Meridian  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years  
(Unaudited)**

	As of December 31									
	(in thousands of dollars)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable	\$ 564	\$ 217	\$ 297	\$ 289	\$ 119	\$ 140	\$ 174	\$ 222	\$ 245	\$ 538
Assigned	-	-	-	-	1,111	592	1,812	683	2,694	1,594
Unassigned	6,280	6,896	7,307	7,137	5,627	7,229	8,508	9,301	10,227	13,138
Total general fund	<u>\$ 6,844</u>	<u>\$ 7,113</u>	<u>\$ 7,604</u>	<u>\$ 7,426</u>	<u>\$ 6,857</u>	<u>\$ 7,961</u>	<u>\$ 10,494</u>	<u>\$ 10,206</u>	<u>\$ 13,166</u>	<u>\$ 15,270</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 8	\$ 7	\$ 31	\$ 13	\$ 11	\$ 8	\$ 8	\$ 2	\$ -	\$ 56
Restricted	9,840	10,501	8,368	9,744	9,139	10,197	23,055	18,437	16,749	28,192
Assigned	1,162	1,170	1,131	1,059	1,150	956	1,003	1,033	961	1,852
Unassigned	(349)	(1)	-	-	-	-	-	-	-	(41)
Total all other governmental funds	<u>\$ 10,661</u>	<u>\$ 11,677</u>	<u>\$ 9,530</u>	<u>\$ 10,816</u>	<u>\$ 10,300</u>	<u>\$ 11,161</u>	<u>\$ 24,066</u>	<u>\$ 19,472</u>	<u>\$ 17,710</u>	<u>\$ 30,059</u>

**Charter Township of Meridian**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	Year Ended December 31									
	(in thousands of dollars)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenue</b>										
Property taxes	\$ 11,464	\$ 11,710	\$ 13,005	\$ 13,464	\$ 13,695	\$ 16,142	\$ 16,766	\$ 20,099	\$ 20,620	\$ 21,047
Licenses and permits	1,153	841	737	796	2,280	1,946	2,008	1,480	2,210	1,886
Intergovernmental revenue	3,106	3,229	3,226	3,252	3,555	4,198	3,999	3,943	5,512	7,901
Charges for services	3,641	3,498	3,597	3,624	3,337	3,656	3,695	3,343	3,619	4,766
Investment income (loss)	(46)	212	152	128	236	476	730	713	211	(190)
Other	1,727	1,640	1,902	2,160	1,062	1,149	1,827	1,282	1,879	1,646
<b>Total revenue</b>	<b>21,045</b>	<b>21,130</b>	<b>22,619</b>	<b>23,424</b>	<b>24,165</b>	<b>27,567</b>	<b>29,025</b>	<b>30,860</b>	<b>34,051</b>	<b>37,056</b>
<b>Expenditures</b>										
Current:										
General government	5,030	4,925	5,010	5,208	5,832	5,257	5,595	6,339	5,841	11,431
Public safety	10,172	10,263	10,273	11,287	11,042	12,656	12,552	12,407	12,531	13,106
Public works	328	539	287	519	823	1,205	424	850	658	688
Health and welfare	168	166	161	168	163	123	240	180	214	338
Community and economic development	-	-	-	-	-	-	-	130	1,554	1,124
Recreation and culture	1,771	2,185	2,275	2,711	2,552	2,629	2,700	1,075	2,322	2,441
Capital outlay	1,574	1,019	5,852	1,732	4,003	2,816	3,114	10,404	5,182	6,146
Debt service:										
Principal	262	516	659	480	486	491	491	3,515	3,791	4,846
Interest	212	232	217	155	145	136	124	593	529	462
Debt issuance costs	62	-	-	-	-	-	117	-	-	126
<b>Total expenditures</b>	<b>19,579</b>	<b>19,845</b>	<b>24,734</b>	<b>22,260</b>	<b>25,046</b>	<b>25,313</b>	<b>25,357</b>	<b>35,493</b>	<b>32,622</b>	<b>40,708</b>
<b>Excess of revenues over (under) expenditures</b>	<b>1,466</b>	<b>1,285</b>	<b>(2,115)</b>	<b>1,164</b>	<b>(881)</b>	<b>2,254</b>	<b>3,668</b>	<b>(4,633)</b>	<b>1,429</b>	<b>(3,652)</b>
<b>Other financing sources (uses)</b>										
Proceeds from issuance of long-term debt	3,500	-	-	-	-	-	11,100	-	-	18,355
Premium on issuance of debt	-	-	-	-	-	-	880	-	-	-
Transfers in	137	467	462	190	451	550	400	350	330	280
Transfers out	(137)	(467)	(462)	(247)	(700)	(840)	(610)	(600)	(561)	(530)
Insurance recoveries	-	-	-	-	43	-	-	-	-	-
Sale of capital assets	-	-	459	-	3	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>3,500</b>	<b>-</b>	<b>459</b>	<b>(57)</b>	<b>(203)</b>	<b>(290)</b>	<b>11,770</b>	<b>(250)</b>	<b>(231)</b>	<b>18,105</b>
<b>Net change in fund balance</b>	<b>\$ 4,966</b>	<b>\$ 1,285</b>	<b>\$ (1,656)</b>	<b>\$ 1,107</b>	<b>\$ (1,084)</b>	<b>\$ 1,964</b>	<b>\$ 15,438</b>	<b>\$ (4,883)</b>	<b>\$ 1,198</b>	<b>\$ 14,453</b>
Debt service as a percentage of noncapital expenditures	2.64%	3.97%	4.64%	3.09%	3.00%	2.82%	2.73%	16.40%	15.59%	17.72%
Capital outlay as a percentage of total expenditures	8.04%	5.13%	23.66%	7.78%	15.98%	11.12%	12.28%	29.31%	15.88%	15.10%

**Charter Township of Meridian**  
**Taxable Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Taxable Value by Property Type (\$000s)</u>						
Tax Year	Residential	Commercial, Industrial, Agricultural, and Other	Total Value	Tax Rate (Mills)	Estimated Actual Value (\$000s)	Taxable Value as a Percent of Actual
2013	\$ 1,128,124	\$ 399,329	\$ 1,527,453	7.17%	\$ 3,124,917	48.88%
2014	1,151,524	400,686	1,552,210	7.84%	3,209,695	48.36%
2015	1,182,156	426,509	1,608,665	7.84%	3,447,893	46.66%
2016	1,206,787	433,240	1,640,027	7.82%	3,642,106	45.03%
2017	1,242,176	445,905	1,688,081	9.02%	3,784,714	44.60%
2018	1,290,897	469,595	1,760,492	9.00%	3,943,992	44.64%
2019	1,346,089	473,155	1,819,244	10.50%	4,141,308	43.93%
2020	1,391,098	481,255	1,872,353	10.45%	4,366,300	42.88%
2021	1,427,589	486,918	1,914,507	10.45%	4,494,352	42.60%
2022	1,498,553	507,951	2,006,504	10.42%	4,711,694	42.59%

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

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

Source: Charter Township of Meridian Assessor



**Charter Township of Meridian**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Millage Rates - Direct Township Taxes					Overlapping Taxes													
Tax Year	General Operating	Debt	Special Purpose	Total Direct Taxes	Ingham County	Lansing Community College	Ingham Intermediate School District	Okemos School - Homestead	Okemos School - Non-Homestead	Haslett School - Homestead	Haslett School - Non-Homestead	Williamston School - Homestead	Williamston School - Non-Homestead	East Lansing School - Homestead	East Lansing School - Non-Homestead	Capital Regional Airport Authority	Capital Area District Library	Capital Area Transit Authority
2013	4.20	0.20	2.77	7.17	14.76	3.81	5.99	13.99	31.99	16.36	34.36	15.05	33.05	15.41	33.41			
2014	4.20	0.20	3.44	7.84	15.26	3.81	5.99	13.99	31.99	16.36	34.36	15.73	33.73	15.38	33.38			
2015	4.20	0.20	3.44	7.84	15.09	3.81	5.99	13.99	31.99	16.36	34.36	15.59	33.59	12.74	30.74			
2016	4.18	0.20	3.44	7.82	15.33	3.81	5.99	13.99	31.99	16.35	34.35	15.58	33.58	12.49	30.49			
2017	4.17	0.20	4.64	9.02	15.34	3.81	5.99	13.99	31.99	16.33	34.33	15.57	33.57	14.28	32.28			
2018	4.17	0.20	4.63	9.00	11.34	3.81	6.00	13.99	31.99	16.33	34.33	15.57	33.57	14.28	32.26	0.70	1.56	3.01
2019	4.17	0.20	6.13	10.50	11.34	3.81	6.00	13.99	31.99	16.33	34.33	15.58	33.58	13.50	31.50	0.70	1.56	3.01
2020	4.16	2.14	4.15	10.45	11.91	3.78	6.24	13.99	31.99	16.32	34.32	15.57	33.41	14.00	32.00	0.70	1.56	3.00
2021	4.16	2.14	4.15	10.45	11.98	3.77	6.23	13.99	31.99	16.30	34.30	15.56	33.40	13.80	31.80	0.70	1.55	2.99
2022	4.14	2.14	4.14	10.42	11.31	3.77	6.23	13.99	31.99	16.29	34.29	15.55	33.32	13.63	31.63	0.70	1.56	2.99

Note: The Township has multiple overlapping tax districts due to 425 agreements, additional school districts, and TIF plans. The tax rates shown above relate to the Township's tax for the Ingham, Okemos, Haslett, Williamston, and East Lansing School Districts. Information relating to other overlapping tax districts can be obtained from the Finance Department at Township Hall.

Source: Charter Township of Meridian Treasurer

**Charter Township of Meridian  
Principal Property Taxpayers  
(Unaudited)**

Taxpayer	2022 Taxable Value	Percentage of Total	2013 Taxable Value	Percentage of Total	2013 Rank
1 Consumers Energy	\$ 33,384,021	1.66%	\$ 18,386,333	1.20%	3
2 C150 2929 Hannah Lofts, LLC	22,381,105	1.12%			
3 East Lansing I, LLC	15,399,404	0.77%	14,021,200	0.92%	5
4 Meridian Mall, LP	15,207,600	0.76%	28,513,300	1.87%	2
5 East Lansing Athletic Club, Inc.	10,810,181	0.54%			
6 TEG Central, LLC	10,634,281	0.53%			
7 Brandywine Creek II, LLC	9,318,878	0.46%	8,158,083	0.53%	7
8 TEG Club Meridian, LLC	8,867,655	0.44%			
9 ACC OP, LLC	8,707,289	0.43%			
10 Okemos Pointe, LLC	8,203,485	0.41%			

Source: Charter Township of Meridian Assessor

**Charter Township of Meridian  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)**

Tax Year	Fiscal Year Ended December 31	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Levy Collected
2012	2013	\$ 10,913,178	\$ 10,494,474	96.16%	\$ 9,397	\$ 10,503,871	96.25%
2013	2014	12,158,875	11,843,345	97.40%	10,490	11,853,835	97.49%
2014	2015	12,602,616	12,309,015	97.67%	14,730	12,323,745	97.79%
2015	2016	12,797,544	12,513,915	97.78%	11,080	12,524,995	97.87%
2016	2017	15,189,137	14,838,327	97.69%	7,355	14,845,682	97.74%
2017	2018	15,745,273	15,479,066	98.31%	21,849	15,500,915	98.45%
2018	2019	19,000,536	18,647,722	98.14%	7,166	18,654,888	98.18%
2019	2020	19,465,284	19,033,079	97.78%	8,130	19,041,209	97.82%
2020	2021	19,971,703	19,649,465	98.39%	3,834	19,653,299	98.41%
2021	2022	20,874,637	20,465,242	98.04%	10,611	20,475,853	98.09%

Source: Charter Township of Meridian Assessor and Treasurer

**Charter Township of Meridian**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities</b>										
General obligation bonds	\$ 3,500,000	\$ 3,290,000	\$ 3,080,000	\$ 2,865,000	\$ 2,650,000	\$ 2,430,000	\$ 2,210,000	\$ 1,985,000	\$ 1,755,000	\$ 935,000
Installment purchase agreements	225,000	184,000	-	-	-	-	-	-	-	-
Road construction bond	-	-	-	-	-	-	11,100,000	8,050,000	4,885,000	13,525,000
Drain assessments	3,308,821	3,043,384	2,777,947	2,624,463	2,353,428	2,082,394	1,811,360	1,570,952	4,294,544	8,923,592
Unamortized issuance premiums*	-	-	-	-	-	-	880,482	660,361	440,240	1,279,805
Total	7,033,821	6,517,384	5,857,947	5,489,463	5,003,428	4,512,394	16,001,842	12,266,313	11,374,784	24,663,397
<b>Business-type Activities</b>										
Other governmental obligations	427,350	349,450	1,773,094	5,024,672	5,370,166	10,771,821	17,333,107	26,784,161	25,665,087	30,300,235
Total debt of the government	\$ 7,461,171	\$ 6,866,834	\$ 7,631,041	\$ 10,514,135	\$ 10,373,594	\$ 15,284,215	\$ 33,334,949	\$ 39,050,474	\$ 37,039,871	\$ 54,963,632
<b>Total taxable value (\$000s)</b>	\$ 1,527,453	\$ 1,552,210	\$ 1,608,665	\$ 1,640,027	\$ 1,688,081	\$ 1,760,492	\$ 1,819,244	\$ 1,872,353	\$ 1,914,507	\$ 2,006,504
<b>Debt as a Percentage of Taxable Value</b>	0.49%	0.44%	0.47%	0.64%	0.61%	0.87%	1.83%	2.09%	1.93%	2.74%
<b>Total Population</b>	39,688	39,688	39,688	39,688	39,688	39,688	39,688	39,688	43,916	43,916
<b>Total Debt per Capita</b>	\$ 188	\$ 173	\$ 192	\$ 265	\$ 261	\$ 385	\$ 840	\$ 984	\$ 843	\$ 1,252

**Charter Township of Meridian**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year	Tax-limited General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Less Pledged Debt Service Funds	Special Assessment Obligations	Other General Obligation Debt	Net General Obligation Debt	Taxable Value (\$000s)	Debt as a Percentage of Actual Taxable Value	Population	Net General Obligation Debt per Capita
2013	\$ -	\$ 3,500,000	\$ -	\$ 3,308,821	\$ 652,350	\$ 7,461,171	\$ 1,527,453	48.85%	39,688	188
2014	-	3,290,000	-	3,043,384	1,215,188	7,548,572	1,552,210	48.63%	39,688	190
2015	-	3,080,000	-	2,777,947	1,773,094	7,631,041	1,608,665	47.44%	39,688	192
2016	-	2,865,000	-	2,624,463	5,024,672	10,514,135	1,640,027	64.11%	39,688	265
2017	-	2,650,000	-	2,353,428	5,370,166	10,373,594	1,688,081	61.45%	39,688	261
2018	-	2,430,000	-	2,082,394	10,771,820	15,284,214	1,760,492	86.82%	39,688	385
2019	11,980,482	2,210,000	-	1,811,360	17,333,107	33,334,949	1,819,244	183.24%	39,688	840
2020	8,710,361	1,985,000	-	1,570,952	26,784,161	39,050,474	1,872,353	208.56%	39,688	984
2021	5,325,240	1,755,000	-	4,294,544	25,665,087	37,039,871	1,914,507	193.47%	43,916	843
2022	14,804,805	935,000	-	8,923,592	30,300,235	54,963,632	2,006,504	273.93%	43,916	1,252

**Charter Township of Meridian**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2022**  
**(Unaudited)**

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Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Ingham County	\$ 97,783,271	21.57%	\$ 21,091,852
East Lansing School District	94,568,377	14.31%	13,532,735
Okemos School District	23,096,460	87.54%	20,218,641
Williamston School District	39,418,012	7.60%	2,995,769
Haslett School District	61,085,040	66.98%	40,914,760
Ingham Intermediate School District	13,323,000	18.26%	2,432,780
Lansing Community College	89,380,000	14.72%	13,156,736
Total overlapping debt			114,343,273
Direct Township debt			24,663,397
Total direct and overlapping debt			\$ 139,006,670

Source: The overlapping debt is calculated by the Municipal Advisory Council of Michigan (MAC). MAC's method is to take the outstanding debt for all municipalities in its geographic region except for the State of Michigan and the federal government and multiply that by the estimated percent applicable, which is based on the relative taxable value in each municipality.

**Charter Township of Meridian**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year	Water and Sewer Revenue Bonds						Special Assessment Bonds				
	Gross Revenue	Applicable Expenses	Net Revenue	Debt Service			Special Assessment Collections	Debt Service			
				Principal	Interest	Coverage		Principal	Interest	Coverage	
2013	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-

**Charter Township of Meridian**  
**Legal Debt Margin**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Calculation of Debt Limit</b>										
State equalized valuation	\$ 1,562,458,500	\$ 1,604,386,223	\$ 1,723,946,700	\$ 1,821,053,200	\$ 1,892,356,824	\$ 1,971,995,800	\$ 2,070,653,588	\$ 2,183,150,200	\$ 2,247,176,400	\$ 2,355,846,878
10% of taxable value	156,245,850	160,438,622	172,394,670	182,105,320	189,235,682	197,199,580	207,065,359	218,315,020	224,717,640	235,584,688
<b>Calculation of debt subject to limit</b>										
Total debt	8,273,557	7,637,481	8,330,658	11,298,335	11,196,846	16,130,928	33,303,774	39,336,765	37,955,863	55,864,865
Less debt not subject to limit:										
Special assessment bonds	3,308,821	3,043,384	2,777,947	2,624,463	2,353,428	2,082,395	1,811,360	1,570,952	4,294,544	8,923,592
Contractual adjustment	225,000	241,400	8,200	-	-	-	-	-	-	-
Employee compensated absences	812,386	770,647	699,617	784,200	823,252	846,714	849,305	946,652	915,992	901,233
Total	4,346,207	4,055,431	3,485,764	3,408,663	3,176,680	2,929,109	2,660,665	2,517,604	5,210,536	9,824,825
Net debt subject to limit	\$ 3,927,350	\$ 3,582,050	\$ 4,844,894	\$ 7,889,672	\$ 8,020,166	\$ 13,201,819	\$ 30,643,109	\$ 36,819,161	\$ 32,745,327	\$ 46,040,040
<b>Legal debt margin</b>	\$ 152,318,500	\$ 156,856,572	\$ 167,549,776	\$ 174,215,648	\$ 181,215,516	\$ 183,997,761	\$ 176,422,250	\$ 181,495,859	\$ 191,972,313	\$ 189,544,648
<b>Net debt subject to limit as a percentage debt limit</b>	2.51%	2.23%	2.81%	4.33%	4.24%	6.69%	14.80%	16.87%	14.57%	19.54%



**Charter Township of Meridian**  
**Demographic and Economic Statistics**  
**(Unaudited)**

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Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Township's Unemployment Rate
1970	23,827	\$ 103,933	\$ 4,362	5.70%
1980	28,735	308,815	10,747	6.20%
1990	35,644	594,506	16,679	3.10%
2000	39,125	1,259,434	32,190	1.80%
2010	39,688	1,483,180	37,371	6.00%
2020	43,916	2,034,409	46,325	3.30%

Sources: Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce and U.S. Census Bureau, Charter Township of Meridian Department of Planning and Community Development

**Charter Township of Meridian  
Principal Employers  
(Unaudited)**

Employer	Calendar Year 2021 Employees	Percentage of Total	Calendar Year 2012 Employees	Percentage of Total	Calendar Year 2012 Rank
1 State of Michigan	13,880	26.58%	N/A	N/A	N/A
2 Michigan State University	10,253	19.63%	N/A	N/A	N/A
3 Sparrow Health System	9,000	17.23%	N/A	N/A	N/A
4 General Motors	4,549	8.71%	N/A	N/A	N/A
5 McLaren Health	3,000	5.74%	N/A	N/A	N/A
6 Auto Owners	2,578	4.94%	N/A	N/A	N/A
7 Peckham	2,510	4.81%	N/A	N/A	N/A
8 Jackson National Life	2,500	4.79%	N/A	N/A	N/A
9 Dart Container	2,000	3.83%	N/A	N/A	N/A
10 Lansing Community College	1,957	3.75%	N/A	N/A	N/A

N/A = Information is not available  
 2018 switched source to LEAP  
 Source: LEAP Largest Employers Lansing Michigan  
 2022 information not yet available

**Charter Township of Meridian**  
**Full-time Equivalent Government Employees**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	39	37	37	39	32	33	33	35	31	35
Public safety:										
Police	45	45	45	45	45	46	46	46	46	46
Fire and EMS	35	34	34	34	35	36	36	36	36	36
Community planning and development	11	11	12	12	16	17	18	13	13	12
Public works	22	22	21	21	20	21	22	21	21	27
Parks and recreation	9	10	10	11	15	15	13	13	13	13
<b>Total</b>	<b>161</b>	<b>159</b>	<b>159</b>	<b>162</b>	<b>163</b>	<b>168</b>	<b>168</b>	<b>164</b>	<b>160</b>	<b>169</b>

Source: Charter Township of Meridian records

**Charter Township of Meridian**  
**Operating Indicators**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Election data:										
Registered voters	28,947	29,099	29,070	31,257	30,263	30,954	31,106	33,942	33,139	32,599
Voters (at polls or absentee)	5,816	16,513	8,791	22,934	5,625	21,344	7,116	25,798	4,496	22,047
Percent voting	20.1%	56.7%	30.2%	73.4%	18.6%	69.0%	22.9%	76.0%	13.6%	67.6%
Police:										
Physical arrests	864	855	765	700	559	577	563	402	554	503
Traffic violations	2,883	2,618	2,366	2,272	1,752	1,922	2,096	1,517	1,711	1,231
Investigations	256	208	234	366	398	263	222	351	279	171
Fire:										
Fire runs	737	714	623	925	1,181	991	1,217	875	963	795
Emergency medical runs	3,619	3,683	3,884	4,028	3,988	4,226	4,220	4,031	4,627	5,286
Inspections	312	275	205	158	173	285	412	86	203	160
Water										
Number of customers billed	13,000	13,000	13,000	12,310	12,300	12,250	12,300	12,320	12,564	12,344
Total gallons purchased (000s)	1,435,717	1,376,308	1,135,397	1,212,208	1,304,855	1,306,647	1,287,860	1,349,203	1,252,861	1,175,134
Average consumption per year	110	106	87	98	106	107	105	110	100	95
Sewer - Average daily sewage treatment	3,764,964	4,290,875	4,264,226	4,233,669	4,742,521	4,617,594	4,715,567	4,579,664	4,534,271	3,993,802

N/A = Information is not available

Source: Charter Township of Meridian records

**Charter Township of Meridian**  
**Capital Asset Statistics**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units (number of officers and sergeants)	36	36	37	35	34	34	38	36	38	40
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire response vehicles	4	4	4	4	4	4	4	4	4	5
Emergency response vehicles	4	4	4	4	5	5	5	5	5	5
Pedestrian/Bicycle pathways (miles)	73.55	73.63	74.50	74.50	76.00	76.00	76.00	77.00	77.51	77.69
Parks and recreation:										
Acreage	904	904	911	911	911	911	911	931	933	933
Mowing acres	213	215	219	215	215	215	215	215	215	215
Developed parks/playgrounds	17	17	17	17	17	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	10	13	14	14	14	15	15	16	16	16
Water										
Mains (miles)	166.18	167.74	168.08	168.08	171.66	225.66	226.00	227.60	227.74	228.30
Fire hydrants	1,900	1,900	1,900	1,900	1,900	2,279	2,284	2,299	2,305	2,314
Storage capacity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Sewer - Miles of sanitary sewers	146.34	147.18	147.18	147.35	148.87	192.54	192.54	193.97	194.03	194.03
Township vehicles/equipment	136	136	136	136	136	136	138	137	140	147

Source: Charter Township of Meridian records

Note: In 2018 an asset management study was done resulting in significant increases in fire hydrants, water main miles and sanitary sewer miles.

**Charter Township of Meridian**

**Single Audit**

**December 31, 2022**



**YEO & YEO**

**BUSINESS SUCCESS  
PARTNERS**

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**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

**Independent Auditors' Report**

Township Board  
Charter Township of Meridian  
Ingham County, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Charter Township of Meridian's basic financial statements, and have issued our report thereon dated May 31, 2023. Our report includes a reference to other auditors who audited the financial statements of the East Lansing – Meridian Water and Sewer Authority, as described in our report on Charter Township of Meridian's financial statements. The financial statements of the East Lansing – Meridian Water and Sewer Authority were not audited in accordance with *Government Auditing Standards*.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Charter Township of Meridian's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Charter Township of Meridian's internal control. Accordingly, we do not express an opinion on the effectiveness of Charter Township of Meridian's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as 2022-001 that we consider to be a material weakness.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Charter Township of Meridian's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2022-001.

## Charter Township of Meridian's Response to Findings and Corrective Action Plan

*Government Auditing Standards* requires the auditor to perform limited procedures on Charter Township of Meridian's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs and corrective action plan. Charter Township of Meridian's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Yeo & Yeo, P.C.*

Lansing, Michigan  
May 31, 2023

# **Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

## **Independent Auditors' Report**

Township Board  
Charter Township of Meridian  
Ingham County, Michigan

### **Report on Compliance for Each Major Federal Program**

#### **Opinion on Each Major Federal Program**

We have audited Charter Township of Meridian's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Charter Township of Meridian's major federal programs for the year ended December 31, 2022. Charter Township of Meridian's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Charter Township of Meridian complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

#### **Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Charter Township of Meridian and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Charter Township of Meridian's compliance with the compliance requirements referred to above.

#### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or agreements applicable to Charter Township of Meridian's federal programs.

## **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Charter Township of Meridian's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Charter Township of Meridian's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Charter Township of Meridian's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Charter Township of Meridian's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Charter Township of Meridian's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Charter Township of Meridian's basic financial statements. We issued our report thereon dated May 31, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Yeo & Yeo, P.C.*

Lansing, Michigan  
May 31, 2023

**Charter Township of Meridian**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2022**

Federal Grantor Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Grant/ Project Number	Approved Grant Amount	Current Year Expenditures
<b>U.S. Department of Justice</b>				
Passed through Michigan State Police Bulletproof Vest Partnership Program	16.607	202BUBX20023090	\$ 5,418	<u>\$ 5,418</u>
<b>U.S. Department of Treasury</b>				
Passed through Michigan Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	21.027	MI3311	4,539,412	<u>1,796,432</u>
<b>U.S. Department of Homeland Security</b>				
Direct Program				
Assistance to Firefighters Grant	97.044	EMW-2020-FG-10074	43,820	42,522
Assistance to Firefighters Grant	97.044	EMW-2021-FG-04646	132,327	<u>1,705</u>
				44,227
Passed through Michigan State Police Homeland Security Grant Program	97.067	FY22	551	<u>551</u>
Total U.S. Department of Homeland Security				<u>44,778</u>
Total Federal Awards				<u>\$ 1,846,628</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**Charter Township of Meridian**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**December 31, 2022**

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**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Charter Township of Meridian, Michigan (the "Township") under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Township, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Township.

**Note 2 - Summary of Significant Accounting Policies**

**Expenditures**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate**

Charter Township of Meridian has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3 - Subrecipients**

No amounts were provided to subrecipients.

**Note 4 - Reconciliation to the Financial Statements**

Federal revenue per financial statements	\$ 1,847,337
Add: current year deferred inflow of resources	4,958
Less: prior year deferred inflow of resources	<u>(5,667)</u>
Total expenditures of federal awards	<u>\$ 1,846,628</u>

**Charter Township of Meridian**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2022**

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**Section I – Summary of Auditors’ Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements were prepared in accordance with Generally Accepted Accounting Principles: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?                      X   yes           no
- Significant deficiency(ies) identified?                   yes      X   none reported

Noncompliance material to financial statements noted?                      X   yes           no

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?                           yes      X   no
- Significant deficiency(ies) identified?                   yes      X   none reported

Type of auditors’ report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?                           yes      X   no

Identification of major federal programs:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal Program or Cluster</i>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:                    \$ 750,000

Auditee qualified as low-risk auditee?                           yes      X   no

**Charter Township of Meridian**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2022**

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**Section II – Government Auditing Standards Findings**

**Finding 2022-001 – Material Weakness and Material Noncompliance – Improper Recording of Debt Transactions**

**Criteria:** Management is responsible for establishing, maintaining, and monitoring internal controls, and for the fair presentation in the financial statements of financial position, results of operations, and cash flows, including the recording of all appropriate journal entries, so that the trial balances from which the audited financial statements are prepared, reflect amounts that are in conformity with U.S. generally accepted accounting principles. Additionally, management is responsible for adhering to approved budget amounts.

**Condition:** An audit adjustment was required in the Sewer Fund to properly record a debt payment that was related to 2022 but had not been paid until 2023. Prior to the recording of this adjustment, accounts payable was overstated by \$1,458,327, prepaid expense was overstated by \$132,249, accrued interest payable was understated by \$243,123, interest expense was overstated by \$102,907, and long-term debt was understated by \$980,048.

An additional adjustment of \$5,295,434 was required in the General Fund to record debt proceeds and capital outlay related to new drain assessment debt. This adjustment was not budgeted for, causing expenditures and other financing sources in the General Fund to be over budget by \$3,604,263 and \$5,295,434, respectively. Recording this adjustment had no net effect on the change in fund balance.

**Cause and Effect:** The Sewer Fund has several Wastewater Optimization Bonds with semi-annual payments, and the bill for the second 2022 payment was not received until 2023. The Township improperly included this payment in accounts payable and reduced long-term debt for the 2022 fiscal year.

Township management was unaware of the need to record debt proceeds and capital outlay in the General Fund for the drain assessment debt. Therefore, the transactions were not recorded and not considered in the final budget amendments.

Audit adjustments were required to correct these issues.

**Recommendation:** To reduce the risk of material misstatement and budget noncompliance in the future, we recommend management review long-term debt transactions both throughout the year and at year end to ensure that it properly includes all debt still outstanding as of year-end, records current year activity and budgets for debt transactions when necessary.

**Views of Responsible Officials:** Management agrees with the finding.

**Corrective Action Plan:** See attached corrective action plan from management.



**Charter Township of Meridian**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2022**

---

**Section III – Federal Award Findings**

There were no findings or questioned costs for Federal Awards for the year ended December 31, 2022.

**Charter Township of Meridian**  
**Summary Schedule of Prior Audit Findings**  
**December 31, 2022**

---

**Section IV – Prior Audit Findings**

***Government Auditing Standards Findings***

There were no *Government Auditing Standards* findings identified for the year ended December 31, 2021, as the audit for the year ended December 31, 2021 was not performed under *Government Auditing Standards*.

**Federal Award Findings**

There were no findings or questioned costs for Federal Awards identified for the year ended December 31, 2021, as a single audit was not required for the year ended December 31, 2021.



Meridian Township  
5151 Marsh Road  
Okemos, MI 48864

P 517.853.4000  
F 517.853.4096

**Township Board:**

**Patricia Herring Jackson**  
*Township Supervisor*

**Deborah Guthrie**  
*Township Clerk*

**Phil Deschaine**  
*Township Treasurer*

**Scott Hendrickson**  
*Township Trustee*

**Kathy Ann Sundland**  
*Township Trustee*

**Marna Wilson**  
*Township Trustee*

**Courtney Wisinski**  
*Township Trustee*

**Frank L. Walsh**  
*Township Manager*

## CORRECTIVE ACTION PLAN

Certain matters were brought to our attention as a result of the audit process. These are described more fully in the Schedule of Findings and Questioned Costs. We evaluated the matters as noted below and have described our planned actions as a result.

### 2022-001 – Improper Recording of Debt Transactions

**Auditor Description of Condition:** An audit adjustment was required in the Sewer Fund to properly record a debt payment that was related to 2022 but had not been paid until 2023. An additional adjustment was required in the General Fund to record debt proceeds and capital outlay related to new drain assessment debt. This adjustment was not budgeted for, causing expenditures and other financing sources in the General Fund to be over budget. Recording this adjustment had no net effect on the change in fund balance.

**Management Assessment:** We concur with the audit assessment regarding this matter.

**Planned Corrective Action:** We will prepare, review, and reconcile all year-end balances prior to audit fieldwork.

**Responsible Party:** Amanda Garber, Finance Director

**Date of Planned Corrective Action:** December 31, 2023

**RESOLUTION SUPPORTING NATIONAL FLAG DAY**

At a regular meeting of the Township Board of the Charter Township of Meridian, Ingham County, Michigan, held on the 1st day of June, at 6:00 p.m. local time.

PRESENT: \_\_\_\_\_  
\_\_\_\_\_

ABSENT: \_\_\_\_\_

The following resolution was offered by \_\_\_\_\_ and supported by \_\_\_\_\_.

**WHEREAS**, National Flag Day celebrates the adoption of the Flag of the United States of America, a resolution made by the Continental Congress of the Stars and Stripes as the official flag of the United States on June 14, 1777, and;

**WHEREAS**, on June 14, 1777, the congress took a break from writing the Articles of Confederation to pass a resolution stating, "The Flag of the United States will be 13 stripes, alternate red and white and that the Union is 13 stars, white in a blue field, representing a new constellation.", and;

**WHEREAS**, in 1916 President Woodrow Wilson officially marked the anniversary by establishing Flag Day with an official Presidential Proclamation, and;

**WHEREAS**, 30 years later, the United States Congress issued an Act of Congress to establish National Flag Day in 1946, and;

**WHEREAS**, on August 21, 1959, President Eisenhower issued an Executive Order establishing the design of the 50 star flag which was first officially raised over Fort McHenry National Historic Site on July 4, 1960, and;

**WHEREAS**, National Flag Day has always had a strong connection to our nation, our schools, and the communities they serve, and;

**WHEREAS**, recognizing the National Flag and National Flag Day endeavors to increase respect, educate, and recognize the United States Flag, and;

**WHEREAS**, the Meridian Township Board is asking residents and Veteran's groups across our township to make a special effort this Flag Day to prominently display an American Flag, and;

**WHEREAS**, the Meridian Township Board recognizes and commits to participating in the Kiwanis-Haslett-Okemos Flags Over Meridian program, and;

**WHEREAS**, the Meridian Township Board is proud to support and recognize National Flag Day, June 14, 2023;

**NOW, THEREFORE, BE IT RESOLVED, BY THE TOWNSHIP BOARD OF THE CHARER TOWNSHIP OF MERIDIAN, INGHAM COUNTY, MICHIGAN**, that the Meridian Township Board commits to continue participating in the Flags Over Meridian program to increase respect, awareness, and honor for the United States Flag, and

**FURTHERMORE;** that the Meridian Township Board will join with the National Flag Foundation in proudly celebrating National Flag Day by displaying the United States Flag of America at its Township owned Municipal Buildings and encouraging businesses and residents across Meridian Township to do the same this National Flag Day, June 14, 2023.

ADOPTED: YEAS: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

STATE OF MICHIGAN            )  
  ) SS  
COUNTY OF INGHAM         )

I, the undersigned, the duly qualified and acting Clerk of the Township Board of the Charter Township of Meridian, Ingham County, Michigan, DO HEREBY CERTIFY that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Township Board on the 6th day of June 2023.

\_\_\_\_\_  
Deborah Guthrie  
Meridian Township Clerk



**To: Board Members**  
**From: Patricia Herring Jackson, Township Supervisor**  
**Date: June 6, 2023**  
**Re: Pension Board Appointment**

---

Currently, there is a vacancy on the Pension Board and the attached application has been received for review and recommendation.

Jim Houthoofd is a licensed CPA and is interested in filling the vacancy. For the last 33 years, he was a member of the management team at Neogen Corporation, serving as Controller, Corporate Controller and finally Treasurer. Mr. Houthoofd has bachelors degrees in Communications from MSU, Accounting from U of M and an Executive MBA from Northwood University. He has lived in Meridian Township for 35 years.

The following motions have been prepared for Board consideration:

**MOVE TO APPOINT JIM HOUTHOOFD TO THE PENSION BOARD FOR A TERM ENDING 12/31/25.**

**Attachment:**

1. Public Service Application

\* 1. I am interested in service on one or more of the following public bodies as checked below:  
Pension Trustees

**\* 2. Summarize your reasons for applying to do this type of service**

Having recently retired and having been a Meridian Township resident for the last 35 years, I would like to do more to help my local community. I have a unique set of financial management skills that should be very valuable to the Township.

**\* 3. Describe education, experience or training which will assist you if appointed.**

BA from MSU in Communications, and Accounting from U of M. Executive MBA from Northwood University. Worked for four years at Ernst & Young (CPA Firm) as a senior auditor. Worked at Neogen Corp. On the management team for 33 years. As Controller, Corporate Controller and then Treasurer, had varied responsibilities including Finance, Insurance, Investing, Budgeting, Facilities Management, Benefit Plans, IT Group, Economic Development, Purchasing and over 50 acquisitions.

(Attach resume if available)

\*\*SKIPPED\*\*

\* Full Name

James Houthoofd

**\* Occupation**

Registered CPA/Treasurer

**\* Place of Employment**

Retired from Neogen Corporation

\* Home Address

60 Chimney Oaks Dr.  
Okemos 48864

\* Phone (Day)

517.285.6383

\* Phone (Evening)

517.285.6383

**\* Email**

houthoofd@yahoo.com

**\* Please type your name in the box below as a digital signature**

James A Houthoofd

**\* Date and Time**

05/22/2023

Other than the Downtown Development Authority Board and the Economic Development Corporation, persons appointed to Meridian Township boards and commissions must be a resident and elector (if of voting age) of the Township during the term of office. Excessive absences may be cause for review of appointment. The policy for appointment of candidates to the various public service positions is based on the following criteria: desire to serve, experience, expertise, availability of time to serve, and maintenance of equitable geographic representation. In most instances it will be desirable to develop further information through a personal interview. This application will be retained in township files for two years.



**To: Board Members**  
**From: Phil Deschaine, Treasurer**  
**Date: June 1, 2023**  
**Re: Financial Advisor For Meridian Township**

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Meridian Township currently holds approximately \$10 million in cash, \$11 million in short certificates of deposit, and \$55 million in investments. These financial assets have grown in the four and a half years I have served as Treasurer. In fact, earlier this year we were able to set aside \$2,000,000.00 for a Pension Stabilization Fund, and \$3,500,000.00 for a Capital Improvement Fund.

In May of this year, I sent out a request for quotes for an independent financial advisor to assist me, Director Garber, and Manager Walsh in reviewing our current investments and cash flow analysis.

We asked for the following services:

- Investment Policy Review
- Cash Flow Review
- Investment Strategy
- Management of Investment Portfolio
- Stronger Reporting to Township Board

Three firms responded, Meeder Public Funds, Robison Capital, and Wells Fargo Advisors. The proposed cost for these advisory services ranged from \$25,000 to \$48,000. We interviewed representatives of two of the companies and selected Greg Prost from Robinson Capital.

Robinson Capital stood out because of their references and outstanding reputation amongst municipal treasurers, their data-driven methodology for their investment recommendations, and a very good sense that they would be a good fit to work with me, Director Garber, and Manager Walsh. Attached is Robinson's response to our request for quotes and the proposed Investment Advisory Agreement between Meridian Township and Robinson Capital.

**Motion: MOVE TO APPROVE THE INVESTMENT ADVISORY AGREEMENT BETWEEN THE CHARTER TOWNSHIP OF MERIDIAN AND ROBINSON CAPITAL, EFFECTIVE JUNE 7<sup>TH</sup>, 2023.**



# RFI – Investment Advisory Services

## Meridian Township

May 10<sup>th</sup>, 2023



Submitted by:

Robinson Capital Management, LLC

63 Kercheval Ave, Suite 111

Grosse Pointe Farms, MI 48236

ROBINSON | CAPITAL

## **Robinson Capital Management**

Founded in December 2012, Robinson Capital Management, LLC is an independent investment advisor specializing in the development of fixed income solutions. Our firm is based in Grosse Pointe Farms, Michigan, where all investment advisor functions and services are carried out.

At Robinson Capital, we embrace a fiduciary role in providing our services as Investment Manager. We hold ourselves accountable as fiduciaries for the recommendations we offer to our clients. Since our inception on November 23, 2012, we have been registered as an Investment Adviser under the Federal Investment Advisers Act of 1940.

As of March 31, 2023, Robinson Capital manages approximately \$1.15 billion in assets under management. The majority of these assets are tied to Michigan Public Funds, many of which are governed by the same Public Act 20 guidelines that apply to Meridian Township.

## **The Team**

The key investment team members at Robinson Capital possess extensive experience predating the establishment of the firm. Jim Robinson, Greg Prost, and Tal Gunn have each managed fixed income portfolios for 30 years, with many of those years spent together as a cohesive team at a previous employer. Throughout their careers, Robinson Capital's key investment members have worked closely with over 150 public sector clients in the State of Michigan, providing valuable assistance in managing shortterm funds for operational purposes.

In addition to their direct investment advisory relationships, Robinson Capital is dedicated to the public fund space and actively encourages and supports participation in educational and informational opportunities within the Michigan public fund sector. The firm's investment team members frequently serve as speakers, sharing their expertise on economic trends, cash flow management, and investment-related topics specifically tailored for public funds or governmental associations catering to public officers. Moreover, Robinson Capital's personnel maintain corporate memberships in multiple public fund associations in Michigan, focusing on education, legislative matters, and investment compliance.

<b><u>NAME</u></b>	<b><u>TITLE</u></b>	<b><u>FIXED INCOME EXPERIENCE</u></b>	<b><u>YEARS AT THE FIRM</u></b>	<b><u>EDUCATION &amp; CREDENTIALS</u></b>
Jim Robinson	Founder, CIO, Senior Portfolio Manager	38 Years	10 Years	BA & MBA
Greg Prost	CIO – Traditional Fixed Income	35 Years	8 Years	BA, MBA, CFA

Tal Gunn	Traditional Fixed Income Senior Portfolio Manager	39 Years	8 Years	BA & MBA
John Strainer	Traditional Fixed Income Portfolio Manager & Quantitative Analyst	4 Years	4 Years	BA & MBM
Jeffrey Boisvert	Director of Equity & Derivatives Trading	15 Years	8 Years	BA

## **Robinson Capital Services**

1. Establish and Maintain Clear and Open Lines of Communication
2. Investment Policy Review and Recommendations
3. Cash Flow Analysis
4. Investment Portfolio Review, Update, Implementation and Maintenance
5. Data Reporting and Integration
6. Client Updates and Meetings

### **#1 Establish and Maintain Clear and Open Lines of Communication**

Communication between the client and Robinson Capital is crucial for a mutually beneficial relationship to develop and last; it is especially important during the early stages of onboarding new clients. Our team is readily available and responsive, by phone or e-mail, ensuring that clients receive prompt and reliable communication throughout the entire engagement. This level of communication enables us to develop a deep understanding of each client's needs and allows us to provide tailored solutions that meet their unique requirements. Additionally, our team members are highly versatile and well-versed in all of Robinson Capital's services which enables us to provide clients with comprehensive and informed guidance across all areas of our offerings, ensuring that we provide a complete and integrated service. Overall, our focus on clear and open communication is a key component of our commitment to delivering exceptional customer service and building strong, lasting relationships with our clients.

## **#2 Investment Policy Review and Recommendation**

Historically, Robinson Capital has reviewed and consulted on existing investment policies for numerous Michigan municipalities, from cities to counties to townships, regardless if the entity is a client or not. Upon review, at the municipality's discretion, Robinson presents and explains the recommended changes to the policy to the respective board, council, or other approving governmental authority. Recommended changes to the policy are made with the intention of ultimately having the policy certified by a third-party entity such as the Association of Public Treasurers of the United States and Canada. This certification serves as a testament to the soundness and compliance of the revised policy, providing municipalities with added assurance and credibility in their investment practices.

## **#3 Cash Flow Analysis**

Robinson Capital employs a step-by-step process from cash flow analysis and projections utilizing historical data and industry standards. Understanding the timing and amount of cash coming in and out of a municipality is the first step to making informed decisions about investing, debt management and budgeting to ensure the entity has sufficient cash reserves to meet expected and unexpected financial obligations.

1. Work with the Municipality to identify excess/surplus positions.
2. Identify historical and future trends and patterns.
3. Maximize the maturity structure of the portfolio.
4. Match portfolio maturities with known future liabilities.
5. Maximize investments in products with active secondary markets.
6. Analyze cash flows periodically to identify changes.

## **#4 Investment Portfolio Review, Update, Implementation and Maintenance**

### Philosophy and Style

Robinson Capital's investment philosophy is to produce consistent performance through the combined use of diversified strategies and a disciplined analysis of the fixed income markets. Robinson Capital is proficient in developing portfolios with a diversified pool of assets that capture the safety, liquidity, yield and cash flow requirements for operating funds of Michigan public entities, under the guidelines of Michigan Public Act 20. In addition, we place a high degree of concentration on protecting the portfolio from downside risk, or negative surprises, to produce high quality returns. We specifically recognize the importance of safety regarding the management of operating funds for Michigan municipalities, and always value safety over yield in all investment decisions.

## Strategy

Although adding additional yield is secondary to our goal of downside protection, we do often find opportunities to increase yield returns with minimal, or no, increases in risk. One example is our use of Michigan municipal bonds that offer additional yield over government securities, while exhibiting very low default risk. The municipal bonds we concentrate on are highly rated and many have additional support through insurance and/or State backing. Another way we maximize yield and maintain safety is by maintaining a laddered portfolio of maturities, which allows the portfolio to average in yield levels over time and also maintains an additional level of liquidity if needed. Lastly, we maintain a staff of traders and analysts to aid the portfolio managers with execution and process. Our traders frequently combine trades from multiple clients together to receive better execution.

## Strategy Success

There are a couple of reasons why our strategy has been successful throughout our 30+ year careers. First is our discipline. Disciplined investing involves maintaining a consistent and educated approach to our portfolio management throughout market cycles. The resulting portfolio structure is diverse in both issuers and maturity ranges and consequently involves holding large numbers of securities. Our discipline also means we are not beholden to a specific asset class, meaning we can quickly react to emerging opportunities in the market. A second reason is due to the experience of our core team who have long-term experience in managing municipal investments throughout economic cycles. In particular, we have successfully managed municipal portfolios through three separate downturns in our careers using our disciplined approach and are currently preparing our client portfolios for the upcoming fourth downturn in our careers.

## Research Process

Robinson Capital is unique in our use of proprietary research and analysis that allows us to control the process ourselves and not be beholden to the biases of the brokerage industry. A strong example of this is our banking research that we produce each quarter on all of the banks operating in Michigan, which we use to analyze and look for credit concerns within our CD holdings. We currently provide this information through our website to approximately 125 public entities in Michigan free of charge. We also do credit research on all of our municipal bond and commercial paper holdings. Again, the research is proprietary and repeatable.

## **#5 Portfolio Data Reporting and Integration**

Robinson sends customizable summary statements on a monthly or quarterly basis to all clients. The ability to customize the reports is important for getting the type of information the clients want to see but more importantly, in a format that best integrates with existing work flows and processes. This helps to minimize challenges that arise when integrating with a new service provider.

## #6 Client Updates and Meetings

In addition to month end and quarter end statements, Robinson portfolio managers meet regularly with clients in-person to review and provide an outlook on investments, cash flows, and changes in the investment space and economy.

### Proposed Work Plan for Meridian Township

The following Proposed Work Plan identifies the various tasks needed to complete the Township's Scope of Services.

#### Task 1. Review Meridian Township's Investment Policy, Cash Flows and Current Investment Portfolio

##### *Objectives*

Review and, if necessary, update the Township's investment policy in order to balance proper guidelines, with an emphasis on safety and liquidity, and ability to earn a competitive return.

Understand the cash flow needs during the short-term and over the course of the next 5 years and determine required minimum funds levels and desired buffer based on cash management process and historical data.

Identify the recent and historical performance of portfolio, what investments are working and not working, available liquidity based on maturity distribution, asset allocation, etc.

##### *Approach*

Following a kickoff meeting with the Township staff, the Robinson Capital Public Funds team led by Greg Prost will review and make recommendations to the current portfolio and asset allocation. Robinson would expect the initial meeting to occur immediately after all parties execute an investment advisory agreement. Robinson would review the existing Investment Policy Statement and make recommendations as needed.

## Task 2. Update & Implement Portfolio

### *Objective*

After identifying if any changes need to be made after the initial meeting. Robinson will begin to implement changes to the portfolio, as needed.

*Deliverables:* We will provide suggestions and/or recommendations for an updated portfolio within 7-14 days after the initial kickoff meeting.

## Task 3 Maintain Portfolio

### *Objective*

Develop strategies and plans of actions for the investment portfolio after assessing changes to both market/investment risk and changes to cash flow requirements. Manage and expand all broker/dealer relationships for the Meridian Township in order to better serve Township's investing needs.

### *Approach*

Requires back and forth communication and proactive conversations from Robinson on changes in the market or portfolio and from the Township regarding updates to expected cash flows.

## Task 4. Client Updates and Meetings

### *Objective*

We will meet with the client on a periodic basis depending on the Township's availability. During this time, we will review all questions regarding the portfolio and discuss changes, if any.

*Deliverables:* Township will receive monthly statements on holdings, transactions, and income and expenses, as well as quarterly performance summaries. In addition, we provide monthly market commentary, bank research and quarterly commentary.

### **Pricing Methodology and Rates**

Robinson proposes a flat annual fee of \$25,000, paid monthly, for the full suite of services discussed in the RFI. There would be no additional fees associated with our investment and cash flow services. We frequently work with Huntington Bank on custodial arrangements for clients but can work with any custodian needed.



**ROBINSON CAPITAL MANAGEMENT, LLC**

**INVESTMENT ADVISORY AGREEMENT**

**CHARTER TOWNSHIP OF MERIDIAN**

(Name of Client)

**MERIDIAN TOWNSHIP**

Name of Account (“Account”)

The undersigned (“Client”) hereby agrees to employ Robinson Capital Management, LLC (“Robinson”), and Robinson agrees to serve as an adviser for the Account named above as of \_\_\_\_\_, 2020 upon the following terms and conditions of this Investment Advisory Agreement (this “Agreement”):

1. Description of Services. Robinson will assume responsibility for the investment management of the Account as of the date set forth above. In addition to its discretionary management of the Account, Robinson may periodically provide credit research to the Client.

Robinson will supervise and direct the investments of and for the Account subject to and in accordance with the established investment objectives, special instructions or limits that Client requests that Robinson follow in managing the Account, as set forth in the investment guidelines contained in Exhibit B, which is hereby incorporated herein (“Guidelines”). For the avoidance of doubt, Robinson shall not be responsible for the management of assets, including uninvested cash, maintained in the Account which have not been specifically designated for investment by Robinson.

Client hereby appoints Robinson as Client’s attorney-in-fact and grants Robinson a limited power-of-attorney to act on behalf of the Account, subject to the Guidelines, to buy, sell, exchange, convert and otherwise trade in authorized securities as Robinson may select, including money market instruments, certificates of deposit (collateralized and uncollateralized) and other securities as authorized under the laws applicable to the Client. Robinson may also enter into a Deposit Account Agency Agreement on behalf of the Client with the American Deposit Management Company (“Deposit in Place Program”). Accordingly, Robinson may issue instructions or orders to purchase, sell, redeem other otherwise effect transactions involving the Deposit in Place Program. Robinson may establish and deal through one or more custodians, securities broker-dealers or banks. This discretionary authority shall remain in full force and effect until Robinson receives written notice from Client of its termination of this Agreement.

2. Custody of Assets; Cash Management; Reconciliations. Robinson shall not act as custodian for assets of the Account, or take or have possession of any assets of the Account. Client will or have established an account with a qualified custodian, as defined in the Investment Advisers Act of 1940, as amended (“Advisers Act”). Client authorizes and directs Robinson to instruct custodian on the Client’s behalf to (a) send Client at least quarterly a statement showing all transactions occurring in the Account during the period covered by the account statement, and

the funds, securities and other property in the Account at the end of the period; and (b) provide Robinson copies of all periodic statements and other reports for the Account that custodian sends to Client in order that Robinson from time to time may reconcile its records to those of the custodian. Such reconciliations are solely for Robinson's own internal purposes in the administration of the Account, and Robinson undertakes no responsibility or liability for any act or omission of the custodian whether or not disclosed in the statements of the custodian received by Robinson. The Client acknowledges and agrees that the Client has the responsibility to ensure the Client receives statements directly from the custodian and to verify statements from the custodian with statements received from Robinson.

To the extent the Client will participate in the Deposit in Place Program, American Deposit Management Company ("ADM") will select Federal Deposit Insurance Corporation ("FDIC") and/or National Credit Union Administration ("NCUA") insured depository institutions to hold the assets of the Account invested in the Deposit in Place Program. Further, ADM will ensure that the funds are appropriately insured by the FDIC and/or the NCUA, as applicable. Client shall inform Robinson of any restrictions on the types of short-term investment vehicles employed for cash holdings. Client will be solely responsible for paying all fees or charges of the custodian, including those fees applicable under the Deposit in Place Program.

3. Documents and Authorities. Client represents and warrants that the appointment of Robinson on the basis set forth in this Agreement is authorized by and has been accomplished in accordance with procedures specified in the by-laws or other document(s) of Client regarding governance of the Account, and, if so requested, shall furnish Robinson with true copies of all resolutions, consents and notices as may be required to be taken or made pursuant to such procedures. Client agrees to indemnify and hold harmless Robinson from all liability and costs (including costs of defense) that may be asserted or incurred by reason of Client's failure to supply Robinson with true copies of documents mentioned above, any defect in Client's authority to appoint Robinson on the basis set forth in this Agreement, or any defect in the conduct of Client in making such appointment, notwithstanding the fact that Robinson may have notice of any such defect.

In the event there are conflicts or ambiguity between this Agreement and the Guidelines, this Agreement will control. In the event there is conflict or ambiguity between the Guidelines and any statement or response made in a request for proposal or the constituent documents of Client, which includes but is not limited to organizational documents, trust agreement or similar documents that sets forth the policies under which Client is to operate, the Guidelines will control.

Robinson represents and warrants that it is registered as an investment adviser with the U.S. Securities and Exchange Commission pursuant to the Advisers Act, and that such registration is currently effective. Each of the parties to this Agreement hereby represents that (a) it is duly authorized and empowered to execute, deliver and perform this Agreement, (b) that such action does not conflict with or violate any provision of law, rule or regulation, contract or other instrument to which it is a party or to which any of its property is subject and (c) that this Agreement is a valid and binding obligation of such party enforceable against such party in accordance with its terms except as such enforcement may be limited by bankruptcy or similar laws affecting creditors rights. Further, Client represents that it has made its own determination that the investment strategies and programs to be utilized by Robinson in managing the Account are suitable for the Client.

4. ERISA. The Client represents that the Account is not subject to the Employee Retirement Income Security Act of 1974.

5. Proxies. Notwithstanding Robinson's discretionary authority to make investment decisions on behalf of the Client, Robinson will not exercise proxy voting authority over Client securities. The Client shall be instructed to inform the custodian that Robinson should not be designated as the party to receive information on voting Client proxies. The obligation to vote Client proxies shall at all times rest with the Client. Should Robinson inadvertently receive proxy information for a security held in Account, Robinson will promptly forward such information on to the Client, but will not take any further action with respect to the voting of such proxy. Upon termination of this Agreement, Robinson shall make a good faith and reasonable attempt to forward proxy information inadvertently received by Robinson on behalf of the Client to the forwarding address provided by the Client to Robinson.

6. Brokerage. Unless otherwise authorized or directed, Adviser reserves the right to choose any broker-dealer through which to execute Client's securities transactions consistent with Robinson's fiduciary duty to obtain best execution. In selecting a broker-dealer, Robinson may consider, among other things, the broker or dealer's execution capabilities, reputation and access to the markets for the securities being traded. To the extent the Client directs trading in the account to a particular broker or custodian, Client hereby agrees to indemnify and hold harmless Robinson from all liability and cost (including costs of defense) that may be asserted or incurred by reason of Robinson's good faith compliance with any such direction. Client recognizes that any such direction may result in the Account paying higher brokerage commissions or receiving less favorable prices than might otherwise be possible. Brokerage commissions and other custodial fees will be charged separately to the Client.

7. Legal Proceedings and Voting Rights of Portfolio Securities. Although Robinson is authorized to provide investment supervisory services, Robinson will not file proof of claims in class action settlements. Client assumes the sole responsibility of evaluating the merits and risks associated with any class action settlement; therefore Client is responsible for filing proofs of claims. Client's response to a settlement notice will impact Client's legal rights. In no way shall Client be precluded from contacting Robinson for information about a particular class action settlement. Should Robinson inadvertently receive proof of claims for securities class action settlements on behalf of Client, Robinson will immediately forward such information on to Client, and will not take any further action with respect to the claim.

8. Compensation of Robinson. The compensation of Robinson shall be paid in accordance with Robinson's schedule of fees in effect from time to time. The current schedule of fees is attached hereto as Exhibit A and is hereby incorporated herein. Adviser calculates its fees based on account balances as reflected in the electronic data provided by the Custodian to Adviser. In any partial billing period, the advisory fee will be pro-rated based upon the number of days that the Account was open during that period. In some cases, the electronic statement balances provided by the Custodian can differ from the paper statements sent by the Custodian due to differing treatment of trade settlement and pending trades. Client understands that Account assets invested in shares of mutual funds or other investment companies ("funds") will be included in calculating the value of the Account for purposes of computing Adviser's fees and the same assets will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds, but ultimately borne by the investor. The Adviser

shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of Client.

9. Risk Acknowledgement. Robinson shall be responsible for managing the Account only in accordance with the Guidelines and applicable law. Robinson does not guarantee the future performance of the Account or any specific level of performance, the success of any investment decision or strategy that Robinson may use, or the success of Robinson's overall management of the Account. Client understands that investment decisions made for the Account by Robinson are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. Robinson will manage only the securities, cash and other investments held in the Account and in making investment decisions for the Account; Robinson will not consider any other securities, cash or other investments owned by Client. Except as may otherwise be provided by law, Robinson will not be liable to Client for (a) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by Robinson with that degree of care, skill, prudence, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from Robinson's adherence to Client's instructions or the Guidelines; or (c) any act or failure to act by the Custodian, any broker or dealer to which Robinson directs transactions for the Account, or by any other third party. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that Client may have under those laws.

10. Confidential Relationship. Except as otherwise provided by applicable law, all information and recommendations furnished by either party to the other shall at all times be treated in strictest confidence and shall not be disclosed to third persons except as may be required by law, or except upon the prior written approval of the other party to this Agreement. Notwithstanding the foregoing, Robinson may disclose Client as a representative client in its marketing materials. In addition, by signing this agreement, Client authorizes Robinson to give a copy of this Agreement to any broker, dealer or other party to a transaction for the Account, or the custodian as evidence of Robinson's limited power of attorney and authority to act on Client's behalf. Client also grants Robinson authority to discuss, disclose, and provide confidential Client information to outside attorneys, auditors, consultants and any other professional advisors retained by Robinson to the extent the Robinson deems necessary to carry out the responsibilities set forth in this Agreement. Robinson shall not be liable for the disclosure of any confidential Client information to the extent such information is provided in accordance with Robinson's services provided under this Agreement.

11. Non-Exclusive Contract; Independent Contractor Status. It is understood that Robinson renders investment advisory services for clients and customers other than the Account. Nothing in this Agreement shall be deemed to impose upon Robinson any obligation to purchase or sell or to recommend for purchase or sale by or for the Account any security or other property which the officers or employees of Robinson may purchase or sell for their own accounts or which Robinson may purchase or sell for the account of any other client or customer. Client recognizes that transactions in a specific security may not be accomplished for all client accounts at the same time or at the same price. Neither Robinson's acceptance of the Guidelines, nor any other provision of this Agreement shall be considered a guaranty that any specific result will be achieved. Except as necessary to perform this Agreement, Robinson shall be deemed to be an independent contractor and shall have no authority, unless otherwise provided or authorized, to act for or represent Client in any way or otherwise be deemed to be an agent of the Client.

12. Binding Agreement; Assignment. This Agreement will bind and be for the benefit of the parties to the Agreement and their successors and permitted assigns. This Agreement may only be assigned (within the meaning of the Advisers Act) in a manner consistent with the Advisers Act.

13. Termination. This Agreement may be terminated upon thirty (30) days prior written notice by either party.

14. Acknowledgement of Disclosure; Electronic Delivery. Client acknowledges that it has received and reviewed Robinson's Form ADV, Parts 2A and 2B prior to, or at the time of, execution of this Agreement. Client hereby consents to receive Robinson's Form ADV, Part 2 and any supplements thereto, Robinson's privacy notice and any other communications from Robinson electronically via Client's current e-mail address provided to Robinson. Client will notify Robinson of any changes to its email address of record. The undersigned Client may revoke this consent and/or request paper copies at any time by writing Robinson at the address below.

15. Notices. If any written notice is required to be given by one party to this Agreement to the other, such notice shall be personally delivered; or mailed by registered or certified mail, postage prepaid to:

if to Robinson at:

Attn: Chief Operating Officer  
63 Kercheval Avenue, Suite 111  
Grosse Pointe Farms, MI 48236

if to Client or Client's Representative at:

Attn: Meridian Township Treasurer  
5151 Marsh Rd  
Okemos, MI 48864

Any written notice so served shall be deemed validly served upon receipt of such notice by the party to whom it is addressed.

16. Authorized Representatives of Client. Each individual identified, whether by name or by title, as provided on Exhibit C as Client's representatives, are each individually authorized to communicate with Robinson in all areas and in all manners set forth in this Agreement and as further specified in Exhibit C ("**List of Authorized Client Representatives**" and each person so identified; a "**Client Representative**"). Robinson is authorized to act on any information given to it by a Client Representative. Robinson has no obligation to make inquiries regarding the authority of individuals provided on the List of Authorized Client Representatives and shall not incur any liability whatsoever in relying upon any information or communication provided electronically or document signed by a Client Representative. It remains the sole responsibility of Client to provide Robinson with revisions to the List of Authorized Client Representatives as appropriate and necessary.

17. Entire Agreement; Counterparts; Governing Law. This Agreement and the undertakings set forth herein constitute the entire agreement between the parties hereto with respect to the investment and management of the Account and can be amended only by a written document signed by the parties. Headings used in this Agreement are for convenience only and shall not affect the construction or interpretation of any of its provisions. Each of the provisions of this Agreement is severable, and the invalidity or inapplicability of one or more provisions, in whole or in part, shall not affect any other provision. This Agreement may be executed in counterparts, each of which shall be deemed an original. The parties consent to the exclusive jurisdiction and venue of courts located in the State of Michigan for resolution of disputes hereunder and this Agreement shall be construed and interpreted under the laws of the State of Michigan.

[Signature Page Follows]

**CLIENT SIGNATURE**

*Please check the boxes below as applicable.*

- Account holder is a **government entity**. The term “government entity” means any U.S. state (including any U.S. state, the District of Columbia, Puerto Rico, the U.S. Virgin Islands or any or possession of the United or political subdivision of a state, including (i) any agency, authority, or instrumentality of the state or political subdivision; (ii) a plan or pool of assets controlled by the state or political subdivision or any agency, authority, or instrumentality thereof; and (iii) any officer, agent, or employee of the state or political subdivision or any agency, authority, or instrumentality thereof, acting in their official capacity.

**(Signatures of Authorized Representatives)**

**MERIDIAN TOWNSHIP**

\_\_\_\_\_  
**PHIL DESCHAIINE, TREASURER**

\_\_\_\_\_  
Date

**ACCEPTED BY:**

**ROBINSON CAPITAL MANAGEMENT,  
LLC**

\_\_\_\_\_  
**JAMES ROBINSON, CEO**

\_\_\_\_\_  
Date

**EXHIBIT A**  
**COMPENSATION**

<b><u>ANNUAL FEE</u></b>
ENHANCED CASH  Client will pay a flat annual fee of \$25,000. The fee will be charged monthly in arrears at the rate of \$2,083.33 per month.





**To: Board Members**  
**From: Frank L. Walsh, Township Manager**  
**Date: June 6, 2023**  
**Re: Residents Listening Tour**

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Back in December 2022, the Township Board developed their 2023 Goals and Objectives. After much discussion and forethought, the Board developed three key goals for 2023.

In addition to evaluating the potential location, amenities and funding options for a Community Center, and the construction of Phase 1 and II of the MSU-Lake Lansing Pathway, the Board chose to fully commit to enhancing “citizen outreach and communication” as their third goal. To that end, the administration is asking that the Board weigh some options for moving forward with the outreach and communication piece.

Supervisor Jackson and I have had some preliminary discussions on establishing six neighborhood meetings. The initial plan is to break down our 22 precincts into six separate sessions. Ideally, we would select locations within the neighborhoods to conduct the conversations. There is no plan to hold our meetings in the municipal building. Further, we discussed two meetings in September, November and December. We would use the voter roll as a means to send out meeting invites.

We look forward to the Board’s direction as we fully commit to enhancing our Citizen Outreach & Communication.



**To:** Township Board

**From:** Timothy R. Schmitt, AICP  
Director of Community Planning and Development

**Date:** June 2, 2023

**Re:** Recreational Marijuana Text Amendments

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The Township Board has held robust discussions on the topic of recreational marijuana throughout the first half of the year. The result of that work and the work of the Township Attorney and Staff are the three ordinances attached for discussion here:

- Ordinance 2022-19 would update the Zoning Ordinance to allow for recreational marijuana provisioning centers and would eliminate two districts from the overlay map where these facilities would be permitted. This ordinance was reviewed and recommended for approval by the Planning Commission. The only change that has been made to the ordinance since the Planning Commission's review is the removal of the prohibition on drive-through operations, given the Board's discussion on the matter.
- Ordinance 2023-02 is the licensing ordinance for recreational marijuana sales. At this time, only provisioning centers would be permitted, with no allowance for any other type of marijuana business. The Township Attorney has incorporated the Board's comments throughout the process of reviewing the ordinance into our current draft.
- Ordinance 2023-03 is an update to the licensing for medical marijuana facilities. The updates would largely mirror the processes established for the recreational licensing, notably removing the lottery provisions and the annual window for applications.

We look forward to a robust discussion on the future of these three ordinances at the Township Board meeting.

Staff would like to take this opportunity to update the timeline we previously laid out in February for implementation of this set of ordinances.

1. The ordinance still needs to be introduced, then adopted, and then published to be official. This will take between 3-6 weeks to finish.
2. The next step will be to establish the scoring criteria for the potential recreational marijuana applicants. This process will be largely driven by the Board's timelines, but Staff believes that this will take between 2-4 months. Staff has already begun pulling information together for this and will be prepared to have a more detailed discussion whenever the Board so chooses after the adoption of the ordinances.
3. At that point, under the ordinance, the Township Board will determine a day and time to accept initial applications. Staff continues to believe the Board should allow some time before opening up the application window, in order to give the applicants time to put together the necessary documentation. Staff would recommend leaving at least a 2-month period here, before the application window is opened, although this is entirely at the discretion of the Board.
4. Applications will be reviewed and approved or denied within 4 months, per the proposed ordinance.

**Recreational Marijuana Text Amendments**  
**June 6, 2023 Township Board Discussion**  
**Page 2**

5. Applicants will need to then apply for and receive a Special Use Permit through the Zoning Ordinance, a process that takes 2-3 months.
6. After the Township Board approves the recreational marijuana permit under Step 4, the applicant has 18 months to open. This can be extended by the board for six additional months if good cause is shown.

Under this process, the absolute earliest recreational sales in the Township could begin would likely be July of 2024 for an applicant in an existing building with minimum construction needs. Staff continues to state that the majority of recreational sales won't occur in Meridian Township until late 2024 or early 2025.

**Attachments**

1. Ordinance 2022-19 – Marijuana Zoning Ordinance Changes with Proposed Overlay Map revisions
2. Ordinance 2023-02 – Recreational Marijuana Licensing
3. Ordinance 2023-03 – Medical Marijuana Licensing Updates

ORDINANCE NO. 2022-19

AN ORDINANCE TO AMEND THE ZONING ORDINANCE OF THE CHARTER TOWNSHIP OF  
MERIDIAN TO PERMIT RECREATIONAL MARIJUANA ESTABLISHMENTS

**THE CHARTER TOWNSHIP OF MERIDIAN ORDAINS:**

**Section 1.** Section 86-2, Definitions, is hereby amended to add the following definitions:

**Marijuana Business**

One of the following:

- (1) A Marijuana Retailer, as defined by Initiated Law 1 of 2018;
- (2) A Provisioning Center, as defined Act 281 of 2016.

**Marijuana Retailer**

A location at which a licensee is licensed under the Michigan Regulation and Taxation of Marihuana Act (Initiated Law 1 of 2018) to obtain marijuana from marijuana establishments and to sell or otherwise transfer marijuana to marijuana establishments and to individuals who are 21 years or age or older.

**Provisioning Center**

A location at which a licensee that is a commercial entity is licensed under the Medical Marihuana Facilities Act (Act 281 of 2016), to purchase marijuana from a grower or processor and sell at retail, supply, or provide marijuana to a registered qualifying medical marijuana patient or registered primary caregiver.

**Section 2.** Section 86-445 is hereby renamed Marijuana Business Overlay District and is hereby amended to read as follows:

- (a) Applicability. The Marijuana Business Overlay District shall apply to all lots within the areas shown on Maps 1, 2, 3, 4, and 5 (the "overlay areas"). All lots included in the overlay district shall be subject to the terms and conditions imposed in this section, in addition to the terms and conditions imposed by the zoning district where such lots may be located, any other applicable ordinance and the requirements of all Ordinances authorizing and permitting Marijuana Businesses.
- (b) [UNCHANGED]
- (c) Uses permitted by special use permit: all uses permitted by special use permit in the underlying zoning district and all types of marijuana businesses subject to the number of available permits allowed per all Ordinances authorizing and permitting Marijuana Businesses.
- (d) Uses not permitted. Any use not permitted in the underlying zoning district is not permitted in the Marijuana Business Overlay District.
- (e) Permitted locations.
  - (1) Provisioning Centers or Marijuana Retailers are permitted in any Overlay Area on property zoned C-1, C-2, or C-3 (Commercial) and RP (Research and Office Park).
  - (2) No marijuana business shall be located within 500 feet from any church, place or worship, religious facility, library, preschool, or childcare center, measured horizontally between the nearest property lines.

(3) No marijuana business shall be located within 1,000 feet from any public or private K-12 school, measured horizontally between the nearest property lines.

(4) All activities related to marijuana businesses must occur indoors.

(f) Additional Regulations.

(1) The business' operation and design shall minimize any impact to adjacent uses, including the control of any odor, by maintaining and operating an air filtration system so that no odor is detectable outside the permitted promises.

(g) Application and departmental reviews.

(1) [UNCHANGED]

(2) Departmental reviews. The applicant's plan shall be reviewed by the Township Department of Community Planning and Development, the Township EMS/Fire Department, the Township Police Department, and the Township Public Works/Engineering Department, in order to ensure that public utilities, road, and other infrastructure systems are or will be adequate to support the proposed development.

(h) Review Process. [UNCHANGED]

(1) [UNCHANGED]

(2) [UNCHANGED]

(i) Amendments. [UNCHANGED]

**Section 3.** Validity and Severability. The provisions of this Ordinance are severable and the invalidity of any phrase, clause or part of this Ordinance shall not affect the validity or effectiveness of the remainder of the Ordinance.

**Section 4.** Repealer Clause. All ordinances or parts of ordinances in conflict therewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

**Section 5.** Savings Clause. This Ordinance does not affect rights and duties matured, penalties that were incurred, and proceedings that were begun, before its effective date.

**Section 6.** Effective Date. This Ordinance shall be effective seven (7) days after its publication or upon such later date as may be required under Section 402 of the Michigan Zoning Enabling Act (MCL 125.3402) after filing of a notice of intent to file a petition for a referendum.

ADOPTED by the Charter Township of Meridian Board at its regular meeting this **XX**th day of **XXXXXXX**, 2023.

\_\_\_\_\_  
Patricia Herring Jackson, Township Supervisor

\_\_\_\_\_  
Deborah Guthrie, Township Clerk

**ORDINANCE AMENDING THE CODE OF THE CHARTER TOWNSHIP OF  
MERIDIAN, INGHAM COUNTY TO RENAME CHAPTER 40, REPEAL ARTICLE III  
OF CHAPTER 40, AND ADDING ARTICLE IV TO CHAPTER 40 WHICH  
AUTHORIZES AND PERMITS RECREATIONAL MARIHUANA ESTABLISHMENTS**

**ORDINANCE NO. \_\_\_\_\_**

At a regular meeting of the Township Board of the Charter Township of Meridian, Ingham County, Michigan, held at the Meridian Municipal Building on \_\_\_\_\_, 2023, at 6:00 p.m., Township Board Member \_\_\_\_\_ moved to introduce the following Ordinance for a first reading prior to posting, publication, and subsequent final adoption, which motion was seconded by Township Board Member \_\_\_\_\_:

*An Ordinance to implement the provisions of the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, which authorizes the licensing and regulation of Marihuana Establishments and affords the Township the option whether or not to allow Marihuana Establishments; to regulate Marihuana Establishments by requiring a Permit and compliance with requirements as provided in this Ordinance, and make other amendments consistent with the authorization of Marihuana Establishments in order to maintain the public health, safety, and welfare of the residents and visitors to the Township.*

**THE CHARTER TOWNSHIP OF MERIDIAN ORDAINS:**

**SECTION 1. AMENDMENT TO RETITLE CHAPTER 40.** Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to read and be entitled “Marihuana Regulations.”

**SECTION 2. AMENDMENT TO ARTICLE I, TO ADD SECTION 40-2 DEFINITIONS.** Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to add Section 40-2 entitled Definitions to read as follows:

**Section 40-2. Definitions.** The following words and phrases shall have the following definitions when used in this Chapter:

1. “*Application*” means an Application for a Permit under this Chapter and includes all supplemental documentation attached or required to be attached thereto; the Person filing the Application shall be the proposed Permit Holder, who may also be referred to as the Applicant.
2. “*Commercial Medical Marihuana Facility*” or “*Facility*” means
  - a. *Provisioning center*, as that term is defined in the Medical Marihuana Facilities Licensing Act, Public Act 281 of 2016 (“MMFLA”);
  - b. *Processor*, as that term is defined in the MMFLA;
  - c. *Secure transporter*, as that term is defined in the MMFLA;

- d. *Grower*, including Class A, Class B and Class C, as those terms are defined in the MMFLA;
  - e. *Safety compliance facility*, as that term is defined in the MMFLA.
3. “*Conditional Permit Holder*” means an Applicant who has received conditional approval for a Permit.
  4. “*Cultivate*” means as that term is defined in Initiated Act 1 of 2018, MCL 333.27951, *et seq*, Michigan Regulation and Taxation of Marihuana Act (“MRTMA”).
  5. “*Department*” means the Michigan State Department of Licensing and Regulatory Affairs or any authorized designated Michigan agency authorized to regulate, issue or administer a Michigan License for an Marihuana Establishment under MRTMA or a Commercial Medical Marihuana Facility under the MMFLA.
  6. “*Director of Community Planning and Development*” means the Charter Township of Meridian Director of Community Planning and Development or his/her designee
  7. “*License*” means a current and valid License for an Establishment or Facility issued by the Department. Prequalification, provisional licenses, or temporary licenses are not Licenses under this Chapter.
  8. “*Licensee*” means a Person holding a current and valid Michigan License for an Establishment or Facility.
  9. “*Marihuana*” means that term as defined in the MRTMA.
  10. “*Marihuana Establishment*” or “*Establishment*” means a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, designated consumption establishment, excess marihuana grower, marihuana event organizer, temporary marihuana event license, or any other type of recreational marihuana-related business Licensed by the department.
    - a. “*Marihuana grower*,” as that term is defined in the MRTMA; and
    - b. “*Marihuana microbusiness*,” as that term is defined in the MRTMA; and
    - c. “*Marihuana processor*,” as that term is defined in the MRTMA; and
    - d. “*Marihuana retailer*,” as that term is defined in the MRTMA; and
    - e. “*Marihuana secure transporter*,” as that term is defined in the MRTMA; and
    - f. “*Marihuana safety compliance facility*,” as that term is defined in the MRTMA; and
    - g. “*Class A marihuana microbusiness license*,” as that term is defined by the Department or as may be defined in the MRTMA; and

- h. "*Designated consumption establishment*," as that term is defined by the Department or as may be defined in the MRTMA; and
  - i. "*Excess marihuana grower*," as that term is defined by the Department or as may be defined in the MRTMA; and
  - j. "*Marihuana event organizer*," as that term is defined by the Department or as may be defined in the MRTMA; and
  - k. "*Temporary marihuana event*" as that term is defined by the Department or as may be defined in the MRTMA.
11. "*Paraphernalia*" means as that term is defined in the MMFLA.
12. "*Patient*" A "registered qualifying patient" or a "visiting qualifying patient" as those terms are defined by the MMFLA.
13. "*Permit*" in Article II means a current and valid Permit for a Commercial Medical Marihuana Facility issued under that Article and in Article IV means a current and valid Permit for a Marihuana Establishment issued under that Article, which each shall be granted to a Permit Holder only for and limited to a specific Permitted Premises and a specific Permitted Property. Both Permits in this Chapter shall be in addition to the special use permit required to be obtained under the Township Zoning Ordinance.
14. "*Permit Holder*" means the Person that holds a current and valid Permit issued under this Chapter.
15. "*Permitted Premises*" means the particular building, area within a building, or buildings within which the Permit Holder will be authorized to conduct the Facility's or Establishment's activities pursuant to the Permit.
16. "*Permitted Property*" means the real property comprised of a lot, parcel or other designated unit of real property upon which the Permitted Premises is situated.
17. "*Person*" means a natural person, company, partnership, profit or non-profit corporation, limited liability company, or any joint venture for a common purpose.
18. "*Process*" or "*Processing*" means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.
19. "*Public Place*" means any area in which the public is invited or generally permitted in the usual course of business.



20. “*Registry Identification Card*” means a “registered qualifying patient” or a “visiting qualifying patient” as those terms are defined in the MMFLA.
21. “*Township*” means the Charter Township of Meridian, a charter township located in Ingham County, Michigan.
22. Other words or phrases in this Chapter shall have the meanings ascribed to them in the MMFLA or MRTMA, except where context clearly indicates a different meaning.

**SECTION 3. ADDITION OF ARTICLE IV, RECREATIONAL MARIHUANA ESTABLISHMENTS.** Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to add Article IV entitled Recreational Marihuana Establishments to read as follows:

**Section 40-66. Title.** This Article shall be known and cited as the “Recreational Marihuana Establishments Ordinance of the Charter Township of Meridian.”

**Section 40-68. Permit Required; Number of Permits Available; Eligibility; General Provisions.**

1. The Township hereby authorizes the operation of the following types of Marihuana Establishments, subject to the number of available Permits issued in this Section:
  - a. Marihuana Retailer
2. The number of Marihuana Establishment Permits in effect at any time shall not exceed the following maximums within the Township:
  - a. Marihuana Retailer Permits: 5
3. It shall be unlawful for any person to engage in, or be issued a Permit for, the operation of the following Marihuana Establishments which shall have zero available Permits:
  - a. Marihuana Processor Permits
  - b. Marihuana Safety Compliance Facility Permits
  - c. Marihuana Secure Transporter Permits
  - d. Marihuana Microbusiness
  - e. Marihuana Microbusiness, Class A
  - f. Marihuana Grower, Classes A, B, and C
  - g. Excess Marihuana Grower Permits

- h. Designated Consumption Establishment
  - i. Marihuana Event Organizer
  - j. Temporary Marihuana Event
4. No Person shall operate a Marihuana Establishment at any time and at any location within the Township unless an effective Permit for a Marihuana Establishment for that Person at that location has been issued under this Article.
  5. Marihuana Establishments shall operate only as expressly allowed under this Article.
  6. Marihuana Establishments shall only operate in the designated zoning overlay areas as provided in this Article and the zoning provisions of this Code. No more than one (1) Marihuana Establishment Permit or conditional approval shall be approved or issued in any single overlay area.
  7. The requirements set forth in this Article shall be in addition to, and not in lieu of, any other licensing or permitting requirements imposed by applicable federal, state or local laws, regulations, codes or ordinances. All permit approvals under this Article are contingent upon the issuance of a Special Use Permit under the township zoning ordinance.
  8. At the time of Application, each Applicant shall pay applicable fees, including Application fees, annual fees, renewal fees, and inspection fees for Permits to the Township to defray the costs incurred by the Township for inspection, administration, review, oversight, and enforcement of the local regulations regarding Marihuana Establishments. The application fee shall be \$5,000.00. The Township Board may by resolution set all remaining fees in an amount not to exceed any limitations imposed by Michigan law.
  9. A conditional approval, Permit, or Renewal Permit shall not confer any vested rights, entitlements, or reasonable expectation of subsequent renewal on the Applicant or Permit Holder, and shall remain valid only until December 31 immediately following its approval.
  10. Each year, any pending Applications for renewal or amendment of existing Permits shall be reviewed and granted or denied before Applications for new Permits are considered.
  11. It is always the exclusive responsibility of each Permit Holder, Applicant, owner, partner, director, officer, or manager at all times during the Application period and during its operation to immediately provide the Township with all material changes in any information submitted on an Application and any other changes that may materially affect any state License or Township Permit. They shall provide all formal complaints, final determinations, orders or consent orders from or with any State agency, including, but not limited to, the Cannabis Regulatory Agency (CRA), the Bureau of Fire Services (BFS), and the Department of Licensing and Regulatory Affairs (LARA).
  12. From the time issued to an Applicant to three years from the date of the Conditional Permit Holder or Permit Holder's receipt of a certificate of occupancy, no Permit or conditional

approval issued under this Article may be assigned or transferred to any Person, unless the Conditional Permit Holder or Permit Holder clearly and convincingly demonstrates that unusual hardship will result if the transfer does not receive the consent of the Township Board.

13. No Permit or conditional approval issued under this Article is transferrable to any other location.
14. The Permit issued under this Article shall at all times be prominently displayed at the Permitted Premises in a location where it can be easily viewed by the public, law enforcement and administrative authorities.
15. Acceptance by the Permit Holder of a Permit constitutes consent by the Permit Holder and its owners, officers, managers, agents and, employees, for any state, federal or local fire, emergency, or law enforcement agency to perform background investigations and conduct random and unannounced examinations of the Establishment and all records, materials, and property in that Establishment at any time to ensure compliance with this Article, state law, any other local regulations, and the Permit.
16. A Permit Holder may not engage in any other Marihuana Establishment in the Permitted Premises or on the Permitted Property, or in its name at any other location within the Township, without first obtaining a separate Permit.

**Section 40-69. Other Laws and Ordinances.** In addition to the terms of this Article, any Marihuana Establishment shall comply with all state and local laws, regulations, and Ordinances, including without limitation the Township Zoning Ordinance and the MRTMA to the extent such ordinances do not create obligations in conflict with this Article.

**Section 40-70. Application for Permits.**

**1. Application Process.**

- a. Applications shall be submitted to the Director of Community Planning and Development.
- b. No Applications shall be accepted unless the Township Board has issued procedures and standards for the receipt and review of Applications as set forth in this Article.
- c. The dates and times to accept Applications shall be determined by the Township Board, which shall be posted on the Township's website, if any. The Director shall only accept initial Applications as designated by the Township Board.
- d. Applications shall be sorted and scored based on zoning overlay district, with only one Permit available per zoning overlay district.
- e. If the Director of Community Planning and Development identifies or is informed of a deficiency in an Application, the Applicant shall correct the deficiency after notification

by the Director of Community Planning and Development as provided in the procedures and standards.

2. **Application Contents.** An Applicant must submit a separate Application for each Establishment type which may be operated within the Township. An Applicant shall submit physical, paper copies of the Application in the number requested by the Director and shall include a complete electronic copy of the Application. An Application shall contain the following information:
  - a. The name, address, phone number and e-mail address of the Applicant or Permit Holder and the proposed Marihuana Establishment;
  - b. The names, home addresses and personal phone numbers for all owners, partners, directors, officers and managers of the Permit Holder and the Marihuana Establishment;
  - c. One (1) copy of all the following:
    - i. Non-refundable Application fee.
    - ii. All documentation showing the Applicant's valid tenancy, ownership or other legal interest in the proposed Permitted Property and Permitted Premises. If the Applicant is not the owner of the proposed Permitted Property and Permitted Premises, a notarized statement from the owner of such property authorizing the use of the property for a Marihuana Establishment.
    - iii. If the Applicant is a corporation, non-profit organization, limited liability company or any other entity other than a natural person, it shall indicate its legal status, attach a copy of all company formation documents (including bylaws and amendments), identify all owners and their percentage of ownership in the entity accounting for 100% of the ownership interest in the Applicant, proof of registration with the State of Michigan, and a certificate of good standing.
    - iv. A valid, unexpired driver's license or state issued ID for all owners, directors, officers and managers of the proposed Establishment.
    - v. Evidence of a valid sales tax license for the Applicant if such a license is required by state law or local regulations.
    - vi. Business and Operations Plan, showing in detail the Marihuana Establishment's proposed plan of operation, including without limitation, the following:
      - a) A description of the type of Establishment(s) proposed and the anticipated or actual number of employees.
      - b) A security plan meeting the requirements of this Chapter, which shall include a general description of the security systems(s), a centrally alarmed and monitored

security system for the proposed Permitted Premises, and confirmation that those systems will meet State requirements and be approved by the State prior to commencing operations.

- c) A description by category of all products proposed to be sold.
  - d) All Material Safety Data Sheets for any nutrients, pesticides, and other chemicals proposed for use in the Marihuana Establishment.
  - e) A description and plan of all equipment and methods that will be employed to stop any impact to adjacent uses, including enforceable assurances that no nuisance odor will be detectable beyond the Permitted Premises or at the property line of the Permitted Property.
  - f) A plan for the disposal of Marihuana and related byproducts that will be used at the Establishment.
- vii. Site plan and interior floor plan of the Permitted Premises and the Permitted Property lawfully signed and sealed by a Michigan registered architect, surveyor or professional engineer.
  - viii. Identify any business that is directly or indirectly involved in the growing, processing, testing, transporting or sale of Marihuana for the Establishment.
  - ix. Whether any Applicant, owner, partner, director, officer, or manager of the Applicant or any entity owned or controlled by any owner, partner, director, officer, or manager of the Applicant has ever been denied, restricted, suspended, revoked, or not renewed any commercial license, permit, or certificate issued by a licensing authority in Michigan or any other jurisdiction, and a statement describing the facts and circumstances concerning the denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.
  - x. A complete list of and operational history regarding any and all other Marihuana Establishments, Commercial Medical Marihuana Facilities, similar Permits or Licenses, or any other marihuana business or venture that the Applicant, or any owner, partner, director, officer, or manager of the Applicant or any entity owned or controlled in whole or part by any owner, partner, director, officer, or manager of the Applicant in any other jurisdiction within the State, or another State, and their involvement in each.
- d. Any other information reasonably requested by the Township to be relevant to the processing or consideration of the Application. A determination of a complete Application shall not prohibit the Township from requiring supplemental information.

- e. Information obtained from the Applicant or Permit Holder is exempt from public disclosure under state law.
- f. Applicant and all related persons acknowledge and consent to a background check and investigation by the Township as a condition of the Township processing and reviewing the application for approval or denial of a permit, including providing their Social Security numbers or other personal identifying information to the Township or their agents for a background check or any other purpose permitted under this Article. Such information is confidential and shall not be disclosed except as permitted or required under this Article.
- g. By submitting an Application pursuant to this Article, Applicant and all related Persons agree that the Applicant and all related Persons have had the opportunity to review the Article and the competitive process utilized by the Township and agree that it conforms to the requirements of MRTMA and all other statutes. Applicant and all related Persons will abide by the procedures and standards.
- h. A co-located Permit Application may expressly incorporate by reference information or documentation contained in the original Permit Application.

### **3. Timeframe for Application Evaluation.**

- a. All inspections, review, competitive review, and processing of the Application shall be completed within ninety (90) days of receipt of a complete Application and all required fees. The Township shall approve or deny the Application within one hundred twenty (120) days of receipt of the completed Application and fees. If the Application is approved, then the Applicant shall receive a conditional approval, the conditions of which must be met for the Applicant to receive a Permit as the Permit Holder, as set forth in this Ordinance.
- b. The processing time may be extended upon written notice by the Township for good cause, and any failure to meet the required processing time shall not result in the automatic grant of the Permit.
- c. The Township has no obligation to process or approve any incomplete Application, and any times provided under this Article shall not begin to run until the Township receives a complete Application.

## **Section 40-71. Approval and Competitive Review of Applications; Appeal.**

### **1. Approval, Issuance, and Denial**

- a. Permit Approval. The Township Board shall make a determination based upon satisfactory compliance with this Article, Application requirements, and all other permits, certificates, rules or regulations and do one of the following:

- i. Grant conditional approval of the Application, with issuance of a Permit subject to the Conditional Permit Holder's compliance with the requirements of this Ordinance and any rules or procedures set forth by the Township Board or a local administrative body delegated with such task.
  - ii. Deny the Application stating the reasons for such denial.
- b. Conditional Approval. If the Township Board makes a determination and grants conditional approval of its Application, the Conditional Permit Holder must obtain all required and applicable land use approvals, all necessary building permits and state inspection, and undergo an inspection before receiving a Permit.
  - i. Only one conditional approval will be issued per zoning overlay district, as identified in the Township's Zoning Ordinance. Applicants will be scored and ranked per zoning overlay district. An Applicant cannot obtain conditional approval to operate in a zoning overlay district to which it did not apply.
  - ii. An Applicant shall only apply for special use permit approval under the Township Zoning Ordinance if it has received a conditional approval by the Township Board.
  - iii. Once granted conditional approval, a Conditional Permit Holder must submit their special use permit application to the Planning Commission within sixty (60) days. If the Conditional Permit Holder does not submit a special use permit application or a special use permit is denied and all appeals are exhausted, then the conditional approval is revoked.
  - iv. All building and other permits must be obtained within twelve months of issuance of conditional approval or the conditional approval shall be revoked. The Director of Community Planning and Development may extend this timeframe for an additional six months on good cause shown by the Applicant to the Director.
  - v. An inspection of the proposed Marihuana Establishment by the Township shall be required prior to issuance of the Permit. The inspection is to verify that the business facilities are constructed and can be operated in accordance with the Application submitted and applicable requirements of this Chapter, the Special Use Permit, and any other applicable law, rule, or regulation.
  - vi. After verification that the facilities are constructed and can be operated in accordance with the Application submitted and the applicable requirements of this Chapter, the Special Use Permit, and any other applicable law, rule, or regulation, and the issuance of a permanent

certificate of occupancy for the Establishment, the Director of Community Planning and Development shall issue the Permit.

- vii. Maintaining a valid License is a condition for the issuance and maintenance of the Permit issued under this Ordinance and the continued operation of any Marihuana Establishment.
- c. Denial. A decision of the Township Board to issue or deny an Application for Conditional Approval or Permit pursuant to this Article, is subject to this Article's appeal process. After the appeal process has been exhausted, a Township Board decision may be appealed to a court of competent jurisdiction, provided that: (1) with respect to a denial of an Application for Conditional Approval or initial Permit, an appeal shall not grant any rights to an Applicant, subject to an order of the court; and (2) with respect to denial of a Renewal Application, if the Applicant has paid all required fees (and any additional fees due during the pendency of the appeal), the pre-existing Permit or conditional approval shall be extended during the pendency of the appeal, unless otherwise ordered by a court.
- d. Commence Operation. The Conditional Permit Holder shall commence operation within 18 months of issuance of the conditional approval or the conditional approval shall be revoked and no Permit issued. The Board may extend this timeframe for additional six month periods where the Applicant has commenced construction of the building and on other good cause shown to the Board.
- e. Special Use Permit Required.
  - i. All permit approvals under this Article are contingent upon the issuance of a Special Use Permit under the Township Zoning Ordinance.
  - ii. Conditional Permit Holder will be permitted to apply for a Special Use Permit in the overlay district where their Permitted Premises is located.

## 2. Evaluation of Multiple Applications

- a. Competitive Review. If more Applications for new Establishments are received than there are available Permits (more than zero) under this Article, and the available Permit limits in this Article would prevent the Department from issuing a state license to all Applicants who meet the requirements of MCL 333.27959(3), then the Township will decide among the competing initial Applications with a competitive process established by the Township Board intended to select the Applicants who are best suited to operate in compliance with the Act, this Article, and within the Township.
- b. Procedures and Standards. The Township Board is authorized to issue procedures and standards establishing the application and competitive process under this Article. The Township Board may establish or appoint a committee to assist review of applications. Each initial Application shall be considered, reviewed, and evaluated according to the



procedures and standards. The review will evaluate the contents of the Application(s), other materials submitted by the Applicant, legal opinions or other reports drafted to help facilitate review, and any other material deemed relevant by the Director or Township to select the Applicant, if any, that will provide the best outcome for the community as determined by the Township.

- c. Review at Public Hearing. After the Application window is closed, the Township shall hold a public hearing to review the Application(s) under the standards provided within this Article. To determine whether the Application(s) will be approved, the Township will apply the procedures and standards determined by the Township Board.
- d. Appeal and Automatic Stay. An Applicant has the right to appeal the Township's competitive review of its Application, as set forth in sub-section 3 below. In the event an initial Application that was subject to competitive review appeals the Township's decision, then the Township shall automatically stay all approvals issued to other Applicant(s) who participated in the same competitive review as the Applicant(s) appealing. When an approval is stayed, the Applicant(s) granted approval may apply for zoning approval of a Marihuana Establishment. This stay shall be lifted when the appealing Applicant(s) abandon or exhaust the appeal process.
- e. Available Permits. Permits subject to appeal or renewal shall not be considered available for the purposes of this subsection.

### 3. Appeal

- a. Right to Counsel. The Township and Applicant(s) may be represented by legal counsel during an appeal under this Article.
- b. Timeline for Appeal. Within ten (10) calendar days of a decision of the Township, any Applicant under this Article may file a written appeal to the Director of Community Planning and Development stating the grounds upon which the Township's decision was not authorized under the Ordinance, law, or not based on competent, material, and substantial evidence.
- c. Hearing Officer. After receipt of an appeal, the Township shall schedule the matter for a hearing before a hearing officer. The hearing officer cannot be a member of the Township Board or committee who evaluated the Application. The Township will appoint a hearing officer for each matter.
- d. Review by Hearing Officer. The hearing officer shall review the decision of the Township on the record presented to the Township at the time of its decision and determine the merit of the grounds raised by the Applicant in their written appeal.
- e. Recommendation of Hearing Officer. Following the appeal hearing, the hearing officer shall prepare written recommended findings of fact and conclusions of law for transmittal

to the Township Board. The hearing officer will recommend whether the Township Board should affirm, affirm with modification, or reverse the original decision.

- f. Decision by Township Board. The Township Board, in its final order, may adopt, modify, or reject, in whole or in part, the hearing officer's written recommendation. If the Township Board modifies or rejects the hearing officer's written recommendation, the reasons for that action shall be stated in the Township Board's final order.

## **Section 40-72. Renewal Applications**

### **1. Renewal Application.**

- a. Annual Renewal Required. A completed Renewal Application must be received by the Township no later than November 1<sup>st</sup> of each year in order to grant or renew the conditional approval or Permit effective on January 1 of that year.
- b. Initial Requirements. Renewal Applications must include the same contents as those of initial Applications under this Article.
- c. Conditional Approval. A Renewal Application is required from any Conditional Permit Holder, even if a Permit has not yet issued.
- d. Incorporate Prior Application by Reference. A Renewal Application may expressly incorporate by reference information or documentation contained in the original Permit Application or prior Permit Renewal Application, making it clear where such information or documentation can be found, provided that the information or documentation has not changed.
- d. Supplemental Information. All material changes in any information submitted on an Application or Renewal Application shall be included with the Renewal Application.
- e. Additional Information. Any final reports, inspections, investigations, or summaries from the Department, the Cannabis Regulatory Agency ("CRA"), the Bureau of Fire Services ("BFS"), or the Department of Licensing and Regulatory Affairs ("LARA") arising from or in connection with the Permit shall be submitted with Renewal Application.

### **2. Renewal Procedure.**

- a. No Competitive Review. Renewal Applications are not subject to competitive review and Applicants may submit Applications as required or allowed in this Article whether or not the Township is accepting Applications.
- b. Past Conduct. The Township shall consider a Renewal Applicant's past history of compliance with this Article and other laws in deciding whether to issue renewal approval. A Renewal Applicant's failure to comply with this Article or other laws may result in a Renewal Application being denied.

- c. Renewal Prior to Operation. A Renewal Application is required from any Applicant even if the Establishment does not have a Permit, Special Use Permit, or is not open to the public.
  - d. Non-Renewal. The Township has no obligation to notify Applicants or Permit Holders of the renewal period. A Permit Holder whose Permit or conditional approval expires and for which a Renewal Application has not been received by the expiration date shall be presumed to have determined not to seek renewal.
  - e. Issuance of Renewal Permit. Renewal Applications shall be received and processed by the Director of Community Planning and Development.
    - i. The Director shall make a determination as to whether a Renewal Application includes a major or minor amendment to the most recent initial or Renewal Application.
      - a) A major amendment shall be evidenced as having a significant impact on the Permit and the conditions of its approval, including but not limited to those factors identified in the procedures and standards.
      - b) All amendments or supplemental information not defined as major amendments shall be considered minor amendments.
    - ii. The Director may grant final approval to the Renewal Applications with minor amendments and issue the Permit or extend conditional approval, with or without conditions.
    - iii. The Director may make recommendations to the Township Board regarding approval or denial of a Renewal Application with major amendments. The Township Board shall make the final decision on whether to approve or deny a Renewal Application with major amendments.
    - iv. Alternatively, the Director may recommend denial of the Renewal Application, stating the reasons for such denial. The final decision to deny a Renewal Application shall be made by the Township Board.
    - v. An application denied renewal shall have the right to appeal such a determination as provided for initial Applications in this Article.
3. **Transfers and Transfer Applications**. Any unauthorized transfer or attempted transfer of a Permit or ownership interest in a Permit Holder constitutes a violation of this Ordinance. No Permit under this Article shall be transferred, sold, or otherwise conveyed. The transfer of an ownership interest in a Conditional Permit Holder or Permit Holder under this Article requires Township approval and will be governed by the following:

- a. No Permit or conditional approval issued under this Article is transferrable to any other location or Permitted Property.
- b. No Conditional Permit Holder or Permit Holder shall transfer, sell, or otherwise convey more than 1% of the ownership interest in the entity owning the Permit, whether in a single transaction or the sum of multiple transactions, without the express approval of the Township Board.
- c. The Applicant and Conditional Permit Holder or Permit Holder must submit a transfer Application to the Director of Community Planning and Development prior to any sale or transfer of stock or membership interest. Transfer Applications shall follow the renewal procedure above as a renewal with a major amendment.
- d. The Application shall include all of the following:
  - i. Any documentation or information required in a renewal application;
  - ii. The individuals to which an ownership interest is conveyed shall provide all documentation, information, statements, or affirmations required in a new application;
  - iii. If the Permit Holder is a corporation, non-profit organization, limited liability company or any other entity other than a natural person, attach a copy of all company formation documents (including amendments), purchase agreement for stock or membership interest, and a certified copy of the meeting minutes of the board of directors or members authorizing the sale of stock or membership interest;
  - iv. A non-refundable Application fee;
  - v. Any documents requested to reflect that the Marihuana Establishment will be operated and managed consistent with the current filings provided to the Township;
  - vi. Any other information reasonably requested by the Township to be relevant to the processing or consideration of the Application.
- e. No Permit Holder or Conditional Permit Holder shall transfer, sell, or otherwise convey more than 10% of the ownership interest in the entity holding the Permit or conditional approval, whether in a single transaction or the sum of multiple transactions, during conditional approval and extending to three (3) years after the date the Permit was issued (the "Prohibitory Period") except under circumstances where the Permit Holder or Conditional Permit Holder clearly and convincingly demonstrates that unusual hardship will result if the transfer does not receive the consent of the Township.
  - i. Notwithstanding a showing of unusual hardship, the Township will not approve a hardship transfer during Prohibitory Period on transfers if the hardship shown by

the Permit Holder or Conditional Permit Holder existed when the Permit was issued, except upon a showing of good cause.

- ii. A Permit Holder or Conditional Permit Holder who has been granted approval for a hardship transfer shall be prohibited from holding a Permit under this Article for a period of five years thereafter, as either an individual, partner, member, or stockholder, except upon a showing of good cause.
- f. The following actions constitute transfer of ownership and require a transfer application, application fee, and Township Board approval:
- i. *Persons*. Any transfer of more than 1% of an ownership interest in an Applicant or creation of a partnership or any entity between Persons constitutes a transfer of ownership.
  - ii. *Corporations*. Any transfer of more than 1% of stock or any change in principal officers or directors of any corporation holding a Permit constitutes a transfer of ownership.
  - iii. *Limited Liability Companies*. Any transfer of more than 1% of membership interest or any change in managing members or change in the interest held by any managing members(s) of any limited liability company holding a Permit constitutes a transfer of ownership.
  - iv. *Partnerships*. Any transfer of more than 1% of a partnership interest or any change in general or managing partners of any partnership holding a Permit constitutes a transfer of ownership.
  - v. *Assets*. Any transfer of more than 1% of the assets held by a Permit Holder constitutes a transfer of ownership.

#### 4. **Duty to Supplement.**

- a. If, at any time before or after conditional approval or a Permit is issued pursuant to this Article, any information required in the Permit Application, the MRTMA, or any rule or regulation promulgated thereunder, changes in any way from what is stated in the Application, the Applicant or Permit Holder shall supplement such information in writing within ten (10) days from the date upon which such change occurs.
- b. An Applicant, Conditional Permit Holder, or Permit Holder has a duty to notify the Township in writing of formal complaints, stipulations, or any enforcement actions from the Department.
- c. An Applicant, Conditional Permit Holder, or Permit Holder has a duty to notify the Township in writing of any pending criminal charge or indictment, and any criminal conviction of a felony or other offense involving a crime of moral turpitude by the Applicant, the Conditional Permit Holder, the Permit Holder, or any owner, officer,

partner, director, manager, or employee within ten (10) days of the date when the Applicant, Conditional Permit Holder, Permit Holder, owner, officer, partner, director, or manager has notice of the event.

- d. An Applicant, Conditional Permit Holder, or Permit Holder has a duty to notify the Township in writing of any pending criminal charge or indictment, and any criminal conviction, whether a felony, misdemeanor, or any violation of a local law or ordinance related to the cultivation, processing, manufacture, storage, sale, distribution, testing or consumption of any form of marihuana, the Michigan Medical Marihuana Act, the MMFLA, the MRTMA, any building, fire, health, or zoning statute, code or ordinance related to the cultivation, processing, manufacture, storage, sale, distribution, testing, or consumption of any form of marihuana by the Applicant, Permit Holder, any owner, officer, partner, director, manager, or employee within (10) ten days of the date when the Applicant, Permit Holder, any owner, principal officer, director, or manager has notice of the event.

**Section 40-73. Operational Requirements–Marihuana Establishment.** A Marihuana Establishment issued a Permit under this Chapter and operating in the Township shall at all times comply with the following operational requirements.

1. *Scope of Operation.* Marihuana Establishments shall comply with all respective applicable codes of the local zoning, building, fire, and health departments. The Establishment must hold a valid unexpired Permit and License for the type of Marihuana Establishment intended to be carried out within the Permitted Premises on the Permitted Property. The Establishment operator, owner, Permit Holder, or Licensee must have documentation available that local and State sales tax requirements, including holding any licenses, if applicable, are satisfied.
2. *Required Documentation.* Each Marihuana Establishment shall be operated from the Permitted Premises on the Permitted Property. No Adult-Use Marihuana Establishment shall be permitted to operate from a moveable, mobile or transitory location, except for a Permitted and Licensed Secure Transporter when engaged in the lawful transport of Marihuana. No Person under the age of twenty-one (21) shall be allowed to enter into the Permitted Premises without a parent or legal guardian.
3. *Security.* Permit Holders shall at all times maintain a security system that meets state law requirements, and shall also include the following:
  - a. Security surveillance cameras installed to monitor all entrances, along with the interior and exterior of the Permitted Premises.
  - b. Robbery and burglary alarm systems which are professionally monitored and operated 24 hours a day, 7 days a week.
  - c. A locking safe permanently affixed to the Permitted Premises that shall store all Marihuana and cash remaining in the Establishment overnight.

- d. All Marihuana in whatever form stored at the Permitted Premises shall be kept in a secure manner and shall not be visible from outside the Permitted Premises, nor shall it be grown, processed, exchanged, displayed or dispensed outside the Permitted Premises.
  - e. All security recordings and documentation shall be preserved for at least 30 days by the Permit Holder and made available to any law enforcement upon request for inspection.
4. *Operating Hours.* No Retailer shall operate between the hours of 8:00 p.m. and 8:00 a.m.
  5. *Required Spacing.* No Marihuana Establishment shall be located within one-thousand (1,000) feet from any public or private K-12 school, five hundred (500) feet from any church, place of worship or other religious facility, and five hundred (500) feet from any library, preschool, or nearest child care center, with the minimum distance between uses measured horizontally between the nearest property lines.
  6. *Amount of Marihuana.* The amount of Marihuana on the Permitted Property and under the control of the Permit Holder, owner or operator of the Establishment shall not exceed that amount permitted by the state License or the Township's Permit.
  7. *Sale of Marihuana.*
    - a. The Marihuana offered for sale and distribution must be packaged and labeled in accordance with state law.
    - b. The Establishment is prohibited from selling, soliciting or receiving orders for Marihuana or Marihuana Products over the internet, except as provided in subsection (c).
    - c. Marihuana Retailers may accept online orders for marihuana and marihuana products only for delivery to the physical residential address of individuals at least 21 years of age, authorized to possess marihuana, and consistent with this Ordinance and all applicable state laws and rules, as amended.
  8. *Sign Restrictions.* No pictures, photographs, drawings or other depictions of Marihuana or Marihuana Paraphernalia shall appear on the outside of any Permitted Premises nor be visible outside of the Permitted Premises on the Permitted Property. The words "Marihuana," "cannabis" and any other words used or intended to convey the presence or availability of Marihuana shall not appear on the outside of the Permitted Premises nor be visible outside of the Permitted Premises on the Permitted Property.
  9. *Use of Marihuana.* The sale, consumption or use of alcohol or tobacco products on the Permitted Premises is prohibited. Smoking or consumption of controlled substances, including Marihuana, on the Permitted Premises is prohibited.
  10. *Indoor Operation.* All activities of a Marihuana Establishment, including without limitation, distribution, growth, cultivation, or the sale of Marihuana, and all other related activity

permitted under the Permit Holder's License or Permit must occur indoors. The Establishment's operation and design shall minimize any impact to adjacent uses, including the control of any odor by maintaining and operating an air filtration system so that no odor is detectable outside the Permitted Premises.

11. *Limited Contact Transactions.*

- a. An Establishment may designate an area for contactless or limited contact transactions, which includes curbside service and drive through window service. Limited contact transactions, curbside delivery, and drive through window service must at all times comply with all applicable state laws and rules, as amended.
- b. A marijuana sales location may accept online or telephonic orders for marijuana product and payment for the order that will be picked up at the marijuana sales location.
- c. The designated area for limited contact transactions, curbside service, or drive through window service must be identified in the marijuana business location plan.
- d. A marijuana sales location operating a contactless or limited contact transaction must have a written standard operating procedure in place which must include an anti-theft policy and procedure and which must be provided to the Township before commencing or offering any limited contact service.
- e. The video surveillance system must clearly record the designated area for curbside delivery, drive through window service, traffic lanes before and after the drive through window, or any other contactless or limited contact transaction area. The video surveillance system must comply with this Ordinance and applicable state laws and rules, as amended.
- f. Marijuana being transferred under this subsection must be in an opaque bag and the contents must not be visible to the general public upon pick up.
- g. Authorization for limited contact transactions, curbside service, or drive through window service may be revoked if a Permit Holder violates this subsection, applicable state laws, or rules, as amended.

12. *Home Delivery*

- a. All deliveries must at all times comply with all applicable state laws and rules, as amended.
- b. The individual making the home delivery shall be an employee of the Marijuana Retailer.



- c. Any establishment that performs home deliveries shall submit its home delivery procedure to the Township no later than seven days prior to commencement of delivery services.
  - d. The establishment shall require any purchaser to provide his or her valid driver license or government-issued identification card that bears a photographic image of the purchaser and shall permit the establishment to keep a record of the same.
  - e. All order and delivery methods, including procedures, records, tracking records, logs, and other documents, are subject to inspection and examination by the state and the Township.
  - f. Any establishment engaged in delivery of marihuana shall notify the Township of any theft or loss of marihuana product in connection with a delivery.
  - g. Authorization for home delivery may be revoked if a Permit Holder violates this subsection, applicable state laws, or rules, as amended
13. *Unpermitted Growing.* A Patient may not grow his or her own Marihuana at an Adult-Use Marihuana Establishment.
14. *Distribution.* No person operating a Marihuana Establishment shall provide or otherwise make available Marihuana to any person who is not legally authorized to receive Marihuana under state law.
15. *Permits.* All necessary building, electrical, plumbing, and mechanical permits must be obtained for any part of the Permitted Premises as determined by the relevant code official, with a special emphasis on those areas in which electrical, wiring, lighting or watering devices that support the cultivation, growing, harvesting or testing of Marihuana are located.
16. *Waste Disposal.* The Permit Holder, owner and operator of the Establishment shall use lawful methods in controlling waste or by-products from any activities allowed under the License or Permit.
17. *Transportation.* Marihuana may be transported by a Secure Transporter within the Township under this Chapter, and to effectuate its purpose, only:
- a. By Persons who are otherwise authorized by state law to possess Marihuana;
  - b. In a manner consistent with all applicable state laws and rules, as amended;
  - c. In a secure manner designed to prevent the loss of the Marihuana;
  - d. No vehicle used for the transportation or delivery of Marihuana under this Chapter shall have for markings the words “Marihuana,” “cannabis” or any similar words; pictures or other renderings of the Marihuana plant; advertisements for Marihuana or for its sale,

transfer, cultivation, delivery, transportation or manufacture, or any other word, phrase or symbol indicating or tending to indicate that the vehicle is transporting Marihuana.

- e. No vehicle may be used for the ongoing or continuous storage of Marihuana, but may only be used incidental to, and in furtherance of, the transportation of Marihuana.

18. **Additional Conditions.** The Director of Community Planning and Development may impose such reasonable terms and conditions on a Marihuana Establishment as may be necessary to protect the public health, safety and welfare, and to obtain compliance with the requirements of this Chapter and applicable law.

**Section 40-74. Penalties and Consequences for Violation.** In addition to any other penalties or legal consequences provided under applicable federal, state and local law, regulations, codes and ordinances:

1. **Civil Infraction.** Violations of the provisions of this Article or failure to comply with any of the requirements of this Article shall be subject to and found responsible for a municipal civil infraction. The fine for any municipal civil infraction shall be five hundred dollars (\$500.00) plus court costs, attorney fees and abatement costs of each violation, together with all other remedies pursuant to MCL 600.8701, *et seq.* Each day a violation continues shall be deemed a separate municipal civil infraction.
2. **Denial, Restriction, or Revocation.** A conditional approval or Permit issued under this Article may be denied, limited, revoked, or restricted by the Township under any of the following conditions:
  - a. Any fraudulent, false, misleading, or material misrepresentation contained in the Application.
  - b. Repeat violations of any requirements of this Chapter or other applicable law, rule, or regulation. As used in this subsection, the term “repeat offense” means a second (or any subsequent) misdemeanor violation or civil infraction of the same requirement or provision committed within any six-month period and upon conviction or responsibility thereof.
  - c. A valid License is not maintained as required by this Article.
  - d. The Permit Holder, its officer, agent, manager, or employee failed to timely submit any document or failed to timely make any material disclosure as required by this Article.
  - e. The Applicant failed to commence operation within 18 months of the conditional approval or other such time as provided by the Township Board.
3. **Notice.** If a Permit is revoked or limited under this Article, the Township or its designee shall issue a notice stating the revocation, limitation, or restriction including the reason for the action and providing a date and time for an evidentiary hearing before the Township Board.

4. **Liability of Participating Persons.** The owner of record or tenant of any building, structure or premises, or part thereof, and any architect, builder, contractor, agent or person who commits, participates in, assists in or maintains such violation may each be found guilty or responsible of a separate offense and suffer the penalties and forfeitures provided in this section, except as excluded from responsibility by state law.
  
5. **Other Remedies.** In addition to any other remedies, the Township may institute proceedings for injunction, mandamus, abatement or other appropriate remedies to prevent, enjoin, abate or remove any violations of this Article. The rights and remedies provided herein are both civil and criminal in nature. The imposition of any fine, jail sentence or forfeiture shall not exempt the violator from compliance with the provisions of this Article.

**SECTION 4. SEVERABILITY.** The provisions of this Ordinance are hereby declared severable. If any part of this Ordinance is declared invalid for any reason by a court of competent jurisdiction, that declaration does not affect or impair the validity of all other provisions that are not subject to that declaration.

**SECTION 5. SAVINGS CLAUSE.** This Ordinance does not affect rights and duties matured, penalties that were incurred, and proceedings that were begun, before its effective date.

**SECTION 6. REPEAL.** Article III of Chapter 40 of the Charter Township of Meridian Code of Ordinances entitled Recreational Marihuana Establishments is hereby repealed.

**SECTION 7. EFFECTIVE DATE.** This Ordinance shall become effective immediately upon its publication after final adoption.

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**ORDINANCE DECLARED ADOPTED.**

\_\_\_\_\_  
Township Supervisor

\_\_\_\_\_  
Township Clerk

**ORDINANCE AMENDING THE CODE OF THE CHARTER TOWNSHIP OF  
MERIDIAN, INGHAM COUNTY TO AMEND CHAPTER 40, ARTICLE II  
COMMERCIAL MEDICAL MARIHUANA FACILITIES**

**ORDINANCE NO. \_\_\_\_**

At a regular meeting of the Township Board of the Charter Township of Meridian, Ingham County, Michigan, held at the Meridian Municipal Building on \_\_\_\_\_, 2023, at 6:00 p.m., Township Board Member \_\_\_\_\_ moved to introduce the following Ordinance for a first reading prior to posting, publication, and subsequent final adoption, which motion was seconded by Township Board Member \_\_\_\_\_:

*An Ordinance to amend the Code of Ordinances for Commercial Medical Marihuana Facilities to revise application procedures and consideration standards, revise approval and issuance of permits, revise renewal dates, and make other amendments consistent with the authorization of Recreational Marihuana Establishments in order to maintain the public health, safety, and welfare of the residents and visitors to the Township.*

**THE CHARTER TOWNSHIP OF MERIDIAN ORDAINS:**

**SECTION 1. AMENDMENT TO ARTICLE II, SECTION 40-27.** Chapter 40 of the Charter Township of Meridian Code of Ordinances, Section 40-27 entitled Definitions is amended to read as follows:

**Section 40-27. Definitions.** The words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in Section 40-2 except where context clearly indicates a different meaning.

**SECTION 2. AMENDMENT TO ARTICLE II, SECTION 40-30.** Chapter 40 of the Charter Township of Meridian Code of Ordinances Section 40-30 entitled Application for and renewal of permits is amended to read as follows:

**Section 40-30. Application for and Renewal of Permits.**

(a) Application. [UNCHANGED]

**(b) Receipt of Applications**

1. Applications shall be submitted to the Director of Community Planning and Development.
2. No Applications shall be accepted unless the Township Board has issued procedures and standards for the receipt and review of Applications as set forth in this Article.

3. The dates and times to accept Applications shall be determined by the Township Board, which shall be posted on the Township's website, if any. The Director shall only accept initial Applications as designated by the Township Board.
4. Applications shall be sorted and scored based on zoning overlay district, with only one Permit available per zoning overlay district.
5. If the Director of Community Planning and Development identifies or is informed of a deficiency in an Application, the Applicant shall correct the deficiency after notification by the Director of Community Planning and Development as provided in the procedures and standards.

**(c) Timeframe for Application Evaluation.**

1. All inspections, review, competitive review, and processing of the Application shall be completed within ninety (90) days of receipt of a complete Application and all required fees. The Township shall approve or deny the Permit within one hundred twenty (120) days of receipt of the completed Application and fees. If the Application is approved, then the Applicant shall receive a conditional approval, the conditions of which must be met for the Applicant to receive a Permit as the Permit Holder, as set forth in this Ordinance.
2. The processing time may be extended upon written notice by the Township for good cause, and any failure to meet the required processing time shall not result in the automatic grant of the Permit.
3. The Township has no obligation to process or approve any incomplete Application, and any times provided under this Article shall not begin to run until the Township receives a complete Application.

**(d) Approval, Issuance, and Denial**

1. Permit Approval. The Township Board shall make a determination based upon satisfactory compliance with this Article, Application requirements, and all other permits, certificates, rules or regulations and do one of the following:
  - i. Grant final approval to the Application and issue the Permit, with or without conditions. If the Application is approved, then the Permit shall be issued to the Applicant as the Permit Holder for a specific Permitted Premises.
  - ii. Deny the Application stating the reasons for such denial.
2. Denial. A decision of the Township Board to issue or deny a Permit pursuant to this Chapter, are subject to this Article's appeal process. After the appeal process has been exhausted, a Township Board decision may be appealed to a court of competent jurisdiction, provided that: (1) with respect to a denial of an initial Permit, an appeal

shall not grant any rights to an Applicant, subject to an order of the court; and (2) with respect to denial of a Renewal Application, if the Applicant has paid all required fees (and any additional fees due during the pendency of the appeal), the pre-existing Permit shall be extended during the pendency of the appeal, unless otherwise ordered by a court.

3. Commence Operation. The Applicant shall commence operation within 18 months of the Permit approval or the Permit approval shall be revoked. The Board may extend this timeframe for additional six month periods where the Applicant has commenced construction of the building and on other good cause shown to the Board.
4. Special Use Permit Required. All permit approvals under this Article are contingent upon the issuance of a Special Use Permit under the Township Zoning Ordinance.

**(e) Evaluation of Multiple Applications**

1. Competitive Review. If more Applications for new Facilities are received than there are available Permits (more than zero) under this Article, and the available Permit limits in this Article would prevent the Department from issuing a state license to all Applicants who meet the requirements of MCL 333.27959(3), then the Township will decide among the competing initial Applications with a competitive process established by the Township Board intended to select the Applicants who are best suited to operate in compliance with the Act, this Article, and within the Township.
2. Procedures and Standards. The Township Board is authorized to issue procedures and standards establishing the application and competitive process under this Article. The Township Board may establish or appoint a committee to assist review of applications. Each initial Application shall be considered, reviewed, and evaluated according to the procedures and standards. The review will evaluate the contents of the Application(s), other materials submitted by the Applicant, legal opinions or other reports drafted to help facilitate review, and any other material deemed relevant by the Director or Township to select the Applicant, if any, that will provide the best outcome for the community as determined by the Township.
3. Review at Public Hearing. After the Application window is closed, the Township shall hold a public hearing to review the Application(s) under the standards provided within this Article. To determine whether the Application(s) will be approved, the Township will apply the procedures and standards determined by the Township Board.
4. Appeal and Automatic Stay. An Applicant has the right to appeal the Township's competitive review of its Application, as set forth in this Chapter. In the event an initial Application that was subject to competitive review appeals the Township's decision, then the Township shall automatically stay all approvals issued to other Applicant(s) who participated in the same competitive review as the Applicant(s) appealing. When an approval is stayed, the Applicant(s) granted approval may apply for zoning approval

of a Marihuana Facility. This stay shall be lifted when the appealing Applicant(s) abandon or exhaust the appeal process.

5. Available Permits. Permits subject to appeal or renewal shall not be considered available for the purposes of this subsection.

**(f) Renewal Application.**

1. A completed Renewal Application must be received by the Township no later than November 1<sup>st</sup> of each year in order to grant or renew the conditional approval, lottery selection, or Permit.
2. The same requirements that apply to all new applications for a permit, except for special use permit requirements, shall apply to all renewal applications.
3. A renewal application may expressly incorporate by reference information or documentation contained in the original application or prior renewal application, making it clear where such information or documentation can be found, provided that the permit holder certifies that the information or documentation has not changed.
4. All material changes in any information submitted on an Application or Renewal Application shall be included with the Renewal Application.
5. Any final reports, inspections, investigations, or summaries from the Department, the Cannabis Regulatory Agency (“CRA”), the Bureau of Fire Services (“BFS”), or the Department of Licensing and Regulatory Affairs (“LARA”) arising from or in connection with the Permit shall be submitted with Renewal Application.

(g) Issuance of commercial medical marihuana facilities permit. [UNCHANGED]

(h) Applications for new permits where no building is as yet in existence. [UNCHANGED]

(i) Duty to supplement. [UNCHANGED]

(j) Permit forfeiture. [UNCHANGED]

**SECTION 3. SEVERABILITY.** The provisions of this Ordinance are hereby declared severable. If any part of this Ordinance is declared invalid for any reason by a court of competent jurisdiction, that declaration does not affect or impair the validity of all other provisions that are not subject to that declaration.

**SECTION 4. SAVINGS CLAUSE.** This Ordinance does not affect rights and duties matured, penalties that were incurred, and proceedings that were begun, before its effective date.

**SECTION 5. REPEAL.** All ordinances or parts of ordinances in conflict therewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

**SECTION 6. EFFECTIVE DATE.** This Ordinance shall become effective immediately upon its publication after final adoption.

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**ORDINANCE DECLARED ADOPTED.**

\_\_\_\_\_  
Township Supervisor

\_\_\_\_\_  
Township Clerk