

2019

Comprehensive Annual Financial Report

Fiscal Year ended December 31, 2019



Pittsfield Charter Township
Michigan



www.pittsfield-mi.gov

Pittsfield
Charter
Township,
Michigan



Year Ended
December 31,
2019

Comprehensive
Annual
Financial
Report

Mandy Grewal, Ph.D., Township Supervisor

Tracy Watkins, Finance Director

Prepared by: Finance Department

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PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

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INTRODUCTORY SECTION

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Pittsfield Charter Township

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Website: www.pittsfield-mi.gov

Office of the Supervisor

June 24, 2020

To the Honorable Board of Trustees of Pittsfield Charter Township:

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in conformity with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report for Pittsfield Charter Township for the fiscal year ended December 31, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson, Certified Public Accountants, has issued an unmodified ("clean") opinion on the Township's financial statements for the year ended December 31, 2019. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and it should be read in conjunction with it.

Profile of the Government

Organized in 1834 and chartered in 1972, Pittsfield Charter Township, which is approximately 28 square miles with a population of 39,368, bridges the territory between the City of Ann Arbor and the City of Saline. Pittsfield Charter Township has the second largest tax base in Washtenaw County, second only to the City of Ann Arbor. Pittsfield has an outstanding Department of Public Safety which extends fire and police protection to all township residents with a response rate of 5 minutes or less. Pittsfield also provides rubbish collection and recycling, public water and sanitary sewer services. With about 1,100 acres of public park land, Pittsfield offers numerous recreational activities for youth, adults and seniors along with offering an outstanding variety of park and open spaces increasingly accessible by non-motorized amenities.

Pittsfield Charter Township is a vibrant community with a wide spectrum of land uses including commercial corridors, business parks, agricultural lands, park land, open spaces, and many strong residential neighborhoods representing a variety of housing options. The true hallmark of the Township, however, is the diversity and talent of its residents. Pittsfield is bordered by the three communities of Ann Arbor, Saline, and Ypsilanti. Pittsfield is uniquely poised to take advantage of the density supported by its proximity to these communities while simultaneously providing for existing larger-scale agricultural, residential, commercial, and business use developments. Leveraging the existing mix of urban, suburban, and rural influences, along with the various mixture of land uses and its demographic diversity, Pittsfield has taken a leadership role in establishing a new standard for mainstreaming non-motorized transportation, dense mixed-use, green/open space preservation and infill development within a township context.

Pittsfield Township has operated under the charter township form of government since 1972. A charter township status is a special township classification created by the Michigan Legislature in 1947 to provide additional powers and streamlined administration for governing a growing community. Pittsfield Township government is conducted by a township board consisting of seven members - a supervisor, clerk, treasurer, and four trustees - who are elected by Township residents.

Procedures for the Township's financial administration, such as budgets, accounting, investments and deposits, are closely regulated by the State. Township meetings must comply with Michigan's Open Meetings Act (*MCL 15.261-15.275*), and Township records must be stored and made available in conformance with specific laws, such as the Freedom of Information Act (*MCL 15.231-15.246*). The Charter Act (*MCL 42.1 - 42.34*) gives charter townships broad powers to enact and enforce a variety of ordinances. Zoning ordinances enacted under the Michigan Zoning Enabling Act (*MCL 125.3101 - 125.3702*) give townships the authority to regulate land use, while many other specific ordinances control activities that infringe on the rights of citizens. The Michigan Constitution and state statutes also limit the amount of property tax millage that townships can levy for general township operations. Charter townships may levy up to five mills. Townships also utilize other sources of revenue to support services. User fees, permits, fines and special assessments on real property are the most frequently used sources.

All powers of the Township shall be vested in and all matters of policy of the Township shall be exercised and determined by the Township board of trustees. The Township board typically holds two regular meetings per month. The Township board is the Township's legislative and policy making body. The Township board is responsible for adopting the annual budget, contracts, laws, ordinances and resolutions; approving purchases; and granting permits and license terms. Board members are elected at large to a four year term, and general elections are held in November of a Presidential election year. The Township board serves as the direct citizen's link to Township Hall.

The Township board appoints all boards, committees and commissions except for the Parks & Recreation Commission Board, which is independently elected. Statutorily, the Township supervisor, clerk and treasurer appoint their deputies. The government's three full-time elected officials (supervisor, clerk, and treasurer) are responsible for carrying out the policies and ordinances of the Township board, for supervising the day-to-day operations of the government, and for appointing the heads of the government's various operating departments.

The Township is also financially accountable for a legally separate entity, which is reported separately within the Townships' financial statements. Additional information on this legally separate entity can be found in the notes to the basic financial statements.

Pittsfield Township operates on a calendar year fiscal cycle. For its regular budget development schedule, the Charter Township Act provides that the Township must conduct a budget public hearing by December 15 or earlier, and adopt the budget by December 31 of the year preceding the calendar year for which the budget is being prepared. Concurrent with budget adoption, the Township board is required to provide for a tax levy necessary to meet the budget expenditures up to the authorized charter millage of the Township. This annual budget serves as the foundation for the Township's financial planning and control. The budget is prepared by fund, department, and function. The Township supervisor is authorized to approve transfers of budgetary funds within a cost center, excluding wages, salaries, overtime and fringes, in consultation with the effected department director and/or the Finance Director.

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the Township operates as described below:

Local economy

Many municipalities in Michigan are struggling to address the fundamental flaws in the existing local government financing system. The combined effects of Proposal A and the Headlee Amendment caps a township's ability to generate revenue at the rate of inflation, while the cost of providing services continues to increase faster than inflation. The state and federal government also limit a township's ability to raise non-tax revenue.

The Township's 2019 ad valorem taxable valuation of \$1,927,900,597 represents a 4.27% increase from 2018. The ratio of total township tax collections to date for tax year 2019 (current and delinquent) to the current tax levy is 99.85%.

The State of Michigan is currently in the midst of a fundamental economic shift from a manufacturing base to a new economy. Many national forces are also having a profound impact on the State: a slowing national economy, the foreclosure crisis and volatile energy costs. While many would view this as a time to forego various projects, Pittsfield Township is moving forward on ensuring the economic health and vitality of the Township's future.

Long-term financial planning

Pittsfield Township continues to refine and update its financial forecast model to address changes and trends identified. By seeing what potential outcomes are available, the Township can position itself to more adequately deal with its future.

Relevant financial policies

The Township has recently reviewed some of its financial policies and procedures and made changes to ensure that adequate controls are in place. The Township is constantly undergoing a review of its current water and sewer rates in order to develop a long-term rate track plan. The plan will help to ensure the financial stability of the water and sewer utilities. The Township is in the process of evaluating outstanding debt generated from utility capital improvement projects and exploring what potential savings can be recognized.

Major initiatives

In 2019, the Township completed the rehabilitation of the Morgan Road Booster Station. The Morgan Road Booster Station was originally constructed in 1989, and received an additional pump in 2001. Since the commissioning of the Textile Booster Station, Morgan Road served as a redundant back-up connection. In the event of an emergency, the rehabilitation and improvement of this station will provide assurance that a greater distribution pressure will be maintained during an emergency. The cost of this project was \$454,000.

In 2011, Pittsfield Township began installing fiber optic cables to connect its municipal buildings in order to provide for data security and seamless access. The fiber network affords the Township the opportunity to have one ISP (Internet Service Provider), eliminating the need for multiple connections to each building. In the past, we utilized multiple means for outside connections, some of which included microwave and T1 (copper lines). Since 2011, Pittsfield Township has implemented two phases of fiber optic installation. This has tremendously improved the access to and reliability of data services for all departments, particularly public safety. In 2019, the Township completed the third phase that has connected the existing fiber line located at Merritt east of US-23 and continue east to Carpenter Road, the line will continue north on Carpenter to Textile and then turn east to Crane turning north towards Michigan Avenue. The fiber connection will be extended into the park for connectivity, including additional cameras. The fiber connection will then continue to Morgan and head west back to Carpenter, under I-94 and terminate at the existing connection into Fire Station II. This network will provide all township facilities with improved connectivity, allow for a single location to house equipment, reduce the need to repurchase equipment, eliminate multiple ISP connections, increase reliability, allow for increased network internet speeds, and overall require less maintenance support to manage the network. The cost of the fiber phase III project was \$1,354,756, of that amount 78% is funded from the enterprise fund with the remaining 22% funding split equally from the Public Safety and Parks funds.

The Township, in 2019 commence the construction of the Platt-Textile Greenway (PTG) project. This project is the final link that will connect over six miles of existing greenways within Pittsfield Township. PTG will provide area residents with seamless non-motorized connectivity to nearly 600 acres of recreational, historic, and administration facilities. This pathway will consist of a ten foot wide pathway on the south side of Textile Road. In 2018, the construction phase commenced, in conjunction with a Michigan Department of Transportation (MDOT) funded project to pave Textile Road between Hines Drive and Michigan Avenue. The Township has received a Transportation Alternatives Program (TAP) grant in the amount of \$800,000 for the design and construction of PTG. The Township was also awarded a grant through the Washtenaw County Parks & Recreation Commission (WCPAC) in the amount of \$250,000 for this project with the remainder of the cost will be funded by Township General Fund. This project is almost complete with restoration of the construction site to be accomplished and finalized in Spring of 2020. The total cost of this project will be at \$1.36 million.

In 2019, the Township was awarded a pass through grant from the Southeast Michigan Council of Governments (SEMCOG). This grant, for \$46,500 is for activities related to the restoring the Lake Erie Corridor through Green Streets Project, funded by the U.S. Environmental Protection Agency (USEPA). The Townships application is for a green infrastructure project on Textile Road adjacent to the Pittsfield Preserve, Marsh View Meadows Park and the Platt Road Textile Greenway. In addition, to this grant, the Township will be using funds from the Tree Mitigation Fund to complete this project. This project involves restoring the corridor by creating a natural landscape by utilizing native plants based on historical records. Along the corridor, the Township will be installing a rain garden and bio swales to improve water quality by collecting and slowing the flow of water, allowing harmful materials to settle out before entering sensitive ecosystems and waterways. The garden and swales can also reduce flood risk, improve air quality, and improve a habitat for beneficial birds and insects. To complete this project the Township will planting trees along this site. The total estimated costs for this project is \$100,000.

In March of 2020, Pittsfield Charter Township received an awarded of \$1,072,747.00 in federal funding through the Transportation Alternatives Program (TAP) offered in cooperation by the Southeast Michigan Council of Governments (SEMCOG) and the Michigan Department of Transportation (MDOT). This project will be the first constructed 10' greenway south of Michigan Avenue in Pittsfield Township to connect thousands of area residents to the southern-most (Wall) park in our community. The first greenway Pittsfield installed, over a decade ago, was the Platt Road Greenway along Platt Road between Ellsworth and Michigan Avenue, which connects to the Township's most visited (Lillie) park. This second phase extends the 10' wide paved pathway south of Michigan along Platt Road between Michigan Avenue and Wall Park (south of Merritt Road and north of Bemis Road). It will add two mid-block crossings at Township Hall and at Wall Park with mast arm LED crosswalk illumination and Rapid Flashing Beacons.

As Pittsfield Township continues to enhance its multi-modal network, the addition of a greenway south of Michigan Avenue by way of PRGII assists in meeting its goal. By providing non-motorized amenities to the many residents in the area that are looking to age in place or reside in multi-unit housing while having access to recreational, cultural, public, commercial, and open spaces. The ultimate goal, as always, for Pittsfield Township remains to enhance the quality of life for all in our community.

Awards and Acknowledgements

<http://pittsfield-mi.gov/awards>

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pittsfield Charter Township for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2018. This is the ninth consecutive year that the Township has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In May 2018, Pittsfield Charter Township was awarded the Michigan Employee Support of the Guard and Reserve (ESGR) Pro Patria Award for exemplary support of township employees who serve in the National Guard or Reserves. The ESGR, a U.S. Department of Defense program, has been recognizing exceptional support and treatment of guard and reserve members and their families by employers. The Pro Patria Award is the highest that can be bestowed by the Michigan ESGR Committee. It is presented annually to the public sector employer in each state that has demonstrated the greatest support to guard and reserve employees through their leadership and practices, including adopting personnel policies that make it easier for employees to participate in the National Guard and Reserves.

Pittsfield Township was awarded in November 2019, a Gold Certification in the Michigan Green Communities Challenge for commitment to sustainability. Michigan communities were honored in the statewide Michigan Green Communities Challenge for commitment to sustainability projects, from green infrastructure improvements to renewable energy projects. This is the third year that the Township has received this award. Program benefits include creating a roadmap for sustainability initiatives; establishing benchmarks for your community's progress toward sustainability initiatives; and the motivation of comparing and competing with other Michigan communities.

Pittsfield Township has been named, in the Niche.com annual list of the Best Places to Live in 2017, as the 8th most desirable community in the State of Michigan. The best places to live ranking provides a comprehensive assessment of the overall livability of an area. This ranking takes into account several key factors of a location, including the quality of local schools, crime rates, housing trends, employment statistics and access to amenities in an attempt to measure the overall quality of an area.

In March 2016, Pittsfield Charter Township was ranked among the top 50 safest places to live in the State of Michigan, coming in at #40.

In 2019, Pittsfield Charter Township was once again, recognized for its successes and efforts in contributing to Michigan's entrepreneurial growth and economic development in the annual eCities study conducted by researchers at iLabs, the University of Michigan-Dearborn's Center for Innovation Research. The program uniquely researches factors that contribute to economic success at the local level. Pittsfield Charter Township was selected, for the fourth consecutive year, as one of a handful in the state, to receive the highest designation of being a 5-star Best Practices Community for clearly identifying and implementing a vision to foster economic success, including articulating a place making strategy.

The Southeast Michigan Council of Governments (SEMCOG) selected Pittsfield Charter Township to receive the Sustainable Community Leader Award at the gold level in December 2014. Pittsfield is the first community in Washtenaw County and the 14th in southeast Michigan to receive this award and distinction. This award recognizes SEMCOG member communities that are incorporating sustainable practices.

For local governments, sustainability is about achieving economic prosperity while protecting the environment and providing a high quality of life for resident. SEMCOG supported initiatives help local governments achieve and maintain sustainability along economic, fiscal, environmental, place making, and accessibility parameters.

In addition, Pittsfield Township Parks and Recreation received its third Marketing Award for Best Single Brochure for Fall 2012 and Winter 2013 from the Michigan Recreation and Park Association (MRPA) on March 1, 2013.

The MRPA honors exemplary parks and recreation professionals and citizen advocates through the Association's annual awards. Honorees embody the core values of the profession, demonstrate the highest level of performance in their job duties and maintain a tremendous commitment to MRPA and its membership. Marketing Awards honor outstanding promotional activities of members and agencies, recognizing single and special brochures, web sites, integrated marketing campaigns, videos and media advocates.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the accounting and administration departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the governing township board for its unfailing support for maintaining the highest standards of professionalism in the management of Pittsfield Charter Township's finances.

Respectfully submitted,

Signature not included for security purposes

Mandy Grewal, Ph.D.
Township Supervisor

Tracy Watkins
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Pittsfield Charter Township
Michigan**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

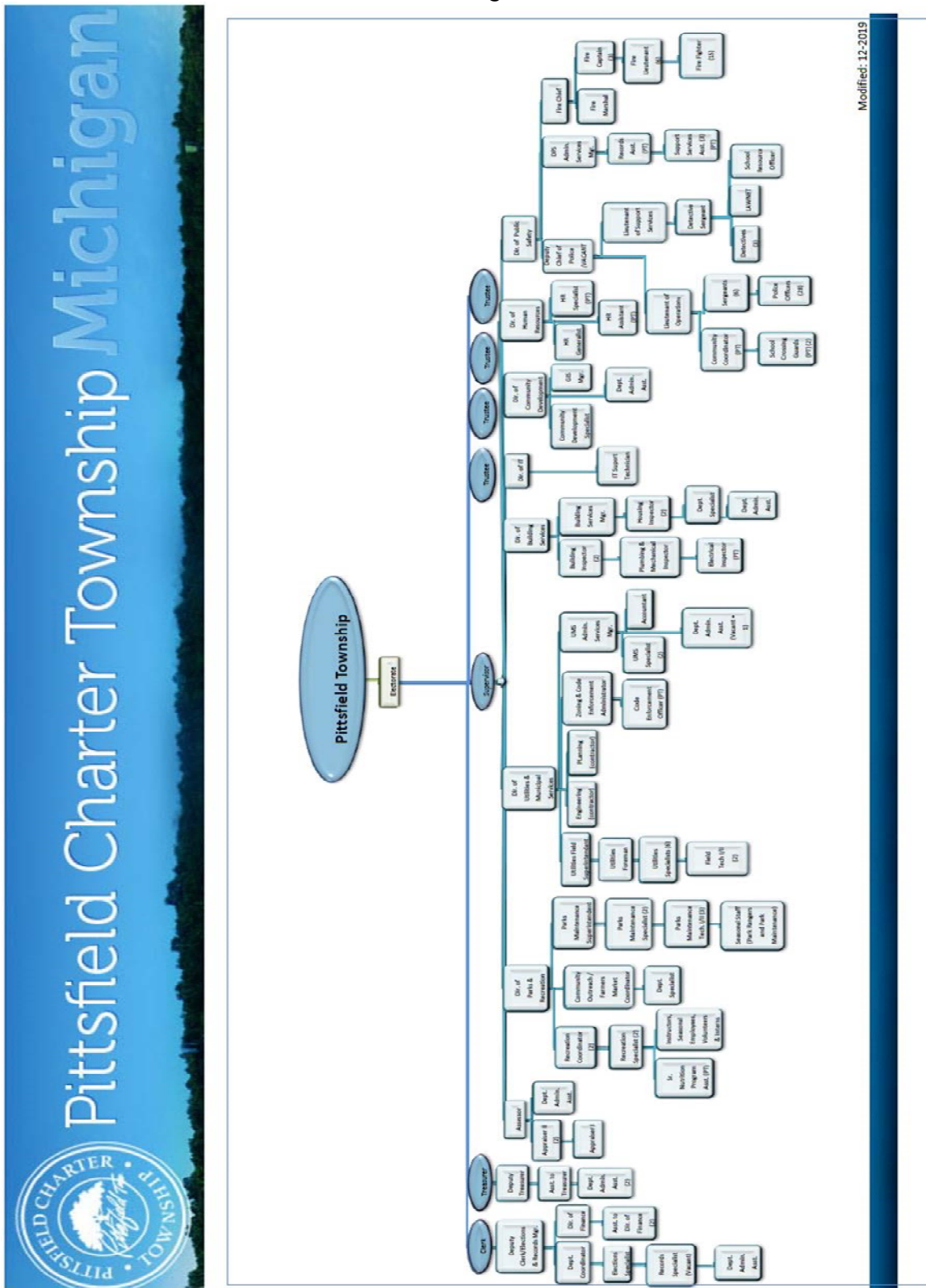
December 31, 2018

Christopher P. Morrell

Executive Director/CEO

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Table of Organization



PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

LIST OF ELECTED AND APPOINTED OFFICERS

For the Year Ended December 31, 2019

Elected Officials

Mandy Grewal, Township Supervisor
Michelle L. Anzaldi, Clerk
Patricia Tupacz Scribner, Treasurer
Linda Edwards-Brown, Trustee
Gerald Krone, Trustee
Yameen Jaffer, Trustee
George Ralph, Trustee

Appointed Officials

Lyn Sebestyen, Deputy Clerk
Orna Angus, Deputy Treasurer

Administration

Matthew Harshberger, Public Safety Director
Craig Lyons, Utilities and Municipal Services Director
Patricia Denig, Human Resources Director
Tracy Watkins, Finance Director
Kurt Weiland, Building Director
Barbara McDermott, Assessor
John Adams, Information Technology Director
Phillip Biscorner, Parks and Recreation Director

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

June 24, 2020

Board of Trustees
Pittsfield Charter Township
Ann Arbor, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of *Pittsfield Charter Township, Michigan* (the "Township"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2019, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Implementation of GASB Statement No. 84

As described in Note 18, the Township implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*, in the current year. Accordingly, beginning net position of the retiree healthcare trust fund was restated. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the pension and other postemployment benefits plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining and individual fund financial statements and schedules, the introductory section, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



MANAGEMENT'S DISCUSSION AND ANALYSIS

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

As management of Pittsfield Charter Township, Michigan (the "Township"), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

• Total net position	\$69,021,937
• Change in total net position	(1,902,954)
• Fund balances, governmental funds	12,408,360
• Change in fund balances, governmental funds	1,959,349
• Unassigned fund balance, general fund	4,157,575
• Change in fund balance, general fund	286,559
• Bonded debt outstanding	9,976,080
• Change in bonded debt	3,375,000

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the Township's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the remaining amount reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

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

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

The government-wide financial statements include not only the Township itself (known as the primary government), but also a legally separate entity for which the Township is financially accountable. Financial information for the Economic Development Corporation component unit is reported separately from the financial information presented for the primary government itself.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

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

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

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

The Township maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, public safety special revenue fund, and the local roads maintenance capital projects fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. The combining statements referred to earlier in connection with nonmajor and fiduciary funds are presented immediately following the required supplementary information.

The Township adopts an annual appropriated budget for its general fund and special revenue funds. Budgetary comparison statements or schedules have been provided for these funds to demonstrate compliance with the budgets.

Proprietary Funds. The Township has two types of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The Township uses an enterprise fund to account for its combined water and sewer operations, which is considered to be a major fund of the Township. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Township's various functions. The Township uses an internal service fund to account for its insurance. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

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

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This is limited to the management's discussion and analysis and schedules concerning the Township's progress in funding its obligation to provide pension and other postemployment benefits to certain employees.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

Government-wide Financial Analysis

The Township implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in fiscal year 2015 and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in fiscal year 2018. In addition to expanded disclosure requirements, the Township is required to report its net pension liability and net other postemployment benefit liability on the statement of net position. These changes have contributed to the ending total net position of \$69,021,937.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$30,696,331	\$27,730,210	\$16,034,224	\$14,662,168	\$46,730,555	\$42,392,378
Capital assets, net	33,224,301	32,076,247	32,843,679	32,214,043	66,067,980	64,290,290
Total assets	63,920,632	59,806,457	48,877,903	46,876,211	112,798,535	106,682,668
Deferred outflows of resources	1,924,539	4,117,999	242,001	455,964	2,166,540	4,573,963
Liabilities						
Current liabilities	2,919,814	2,117,682	2,699,013	1,470,965	5,618,827	3,588,647
Long-term debt	7,433,087	2,516,282	6,162,399	6,685,178	13,595,486	9,201,460
Other noncurrent liabilities	11,602,308	12,827,657	1,045,504	1,170,073	12,647,812	13,997,730
Total liabilities	21,955,209	17,461,621	9,906,916	9,326,216	31,862,125	26,787,837
Deferred inflows of resources	14,081,013	13,543,903	-	-	14,081,013	13,543,903
Net position						
Net investment in capital assets	30,253,665	32,076,247	26,932,047	25,687,327	57,185,712	57,763,574
Restricted	4,425,236	5,859,102	-	-	4,425,236	5,859,102
Unrestricted (deficit)	(4,869,952)	(5,016,417)	12,280,941	12,318,632	7,410,989	7,302,215
Total net position	\$29,808,949	\$32,918,932	\$39,212,988	\$38,005,959	\$69,021,937	\$70,924,891

The largest portion of the Township's net position (82.9% or \$57,185,712) reflects its investment in capital assets (e.g., land and easements, construction in progress, buildings and improvements, infrastructure, and machinery and equipment) less any related debt used to acquire those assets that are still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Township's net position (6.4% or \$4,425,236) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (10.7% or \$7,410,989) may be used to meet the government's ongoing obligations.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

Governmental activities revenues increased by approximately 9.7% from the prior year, largely due to the receipt of grants that have been awarded by the State of Michigan and Federal Government. Governmental expenses increased by approximately 21.8% from the prior year, largely due to an increase in construction costs related to local roads maintenance, an increase in OPEB expense, and an increase in personnel costs due to new union contracts.

Business-type activities revenues and expenses increased slightly, by approximately 2.8% and 0.2%, respectively, from the prior year, remaining relatively consistent.

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 6,684,247	\$ 6,595,581	\$ 13,283,992	\$ 13,705,805	\$ 19,968,239	\$ 20,301,386
Grants/contributions:						
Operating	700,137	229,733	-	-	700,137	229,733
Capital	879,011	194,667	1,514,063	647,034	2,393,074	841,701
General revenues:						
Property taxes	12,525,684	11,981,580	-	-	12,525,684	11,981,580
State shared revenue	3,311,753	3,042,482	-	-	3,311,753	3,042,482
Unrestricted investment earnings	156,733	73,638	100,846	46,120	257,579	119,758
Gain on sale of capital assets	-	-	-	92,033	-	92,033
Total revenues	24,257,565	22,117,681	14,898,901	14,490,992	39,156,466	36,608,673
Expenses						
General government	7,566,538	5,128,492	-	-	7,566,538	5,128,492
Public safety	13,653,191	11,661,957	-	-	13,653,191	11,661,957
Public works	3,363,362	3,286,464	-	-	3,363,362	3,286,464
Planning and zoning	669,289	531,653	-	-	669,289	531,653
Culture and recreation	1,759,681	1,579,556	-	-	1,759,681	1,579,556
Interest on debt	61,737	43,823	-	-	61,737	43,823
Water and sewer	-	-	13,985,622	13,952,869	13,985,622	13,952,869
Total expenses	27,073,798	22,231,945	13,985,622	13,952,869	41,059,420	36,184,814
Change in net position, before transfers	(2,816,233)	(114,264)	913,279	538,123	(1,902,954)	423,859
Transfers	(293,750)	-	293,750	-	-	-
Change in net position	(3,109,983)	(114,264)	1,207,029	538,123	(1,902,954)	423,859
Net position :						
Beginning of year	32,918,932	33,033,196	38,005,959	37,467,836	70,924,891	70,501,032
End of year	\$29,808,949	\$32,918,932	\$39,212,988	\$38,005,959	\$69,021,937	\$70,924,891

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

Financial Analysis of the Township's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$12,408,360, an increase of \$1,959,349 from the prior year. Approximately 33.5% of this total amount (or \$4,157,575) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending.

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, the total fund balance of the general fund was \$5,518,669, of which \$4,157,575 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures and transfers out. Unassigned fund balance represents 29.4% of total general fund expenditures and transfers out. Overall, the fund balance of the general fund increased by \$286,559 for the year, resulting in the actual increase in fund balance exceeding the budgeted change by \$1,296,840.

Other factors affecting the general fund financial results for the year include:

- Total general fund revenues increases approximately 9.9% compared to the prior year. Most of the general fund revenues are provided by property tax collections, which were higher by 2.6% compared to last fiscal year. State shared revenue increased approximately 4%. The largest increase to the general fund revenues this year is a grant from the State of Michigan Department of Natural Resources in the amount of \$615,000.
- Total general fund expenditures increased approximately 7% compared to the prior year. Most of the general fund expenditures increase is due to the purchase of park land in the amount of \$1.2 million.
- The Township transferred \$6.0 million to the public safety to support its operations.

The public safety special revenue fund had an ending fund balance of \$2,136,307. This balance is an increase from the previous year of \$520,814 due to an additional transfer of General Fund funds to cover increased operational costs. The Township previously elected to maintain these operations under a single separate fund to accurately reflect the true total costs of the public safety department and account for the related special-voted property tax millage.

The Local Roads Maintenance capital projects fund is used to account for the construction of local roads within the Township. The fund had expenditures of \$2,976,190 during the year that were financed by the issuance of a general obligation bond.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

General Fund Budgetary Highlights

The Township takes an active role in monitoring all departmental needs and budget requests throughout the fiscal year. The Township will continue to find ways to reduce costs and still provide the essential services to the citizens of Pittsfield.

	Final Budget	Actual	Actual Over (Under) Final Budget	Percentage Over (Under) Final Budget
Revenues	\$14,148,781	\$14,446,360	\$ 297,579	2.10%
Expenditures	8,990,962	7,991,830	(999,132)	-11.11%
Other financing sources (uses)	(6,168,100)	(6,167,971)	129	0.00%

Revenues were relatively consistent with the amended budget amounts.

Significant changes in original budgeted revenues to final amended budgeted revenues were largely due to a \$615,000 increase in budgeted intergovernmental revenue. This budget amendment was due to a grant award received from the State of Michigan Department of Natural Resources.

Expenditures were under the amended budget amounts. Some of the contributing factors were as follows:

	Final Budget	Actual	Actual Over (Under) Final Budget	Percentage Over (Under) Final Budget
Public works -				
Highways, streets and drains	\$ 2,011,349	\$ 1,574,854	\$ (436,495)	-21.70%

Public works expenditures were under budget for highways and streets. This was due to redirecting road projects to be funded through the Local Maintenance Bond.

Significant changes in original budgeted expenditures to final amended budgeted expenditures were largely due to a \$1,057,900 increase in budgeted capital outlay. This budget amendment was due to the purchase of park land.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital Assets. At the end of fiscal 2019, the Township had \$66,067,980 invested in a broad range of net capital assets including land and easements, construction in progress, buildings and improvements, infrastructure, and machinery and equipment.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land and easements	\$25,437,573	\$24,225,468	\$ 379,578	\$ 379,578	\$25,817,151	\$24,605,046
Construction in progress	-	-	227,023	296,649	227,023	296,649
Buildings/improvements	1,015,660	1,268,228	348,081	379,725	1,363,741	1,647,953
Infrastructure	5,160,148	5,429,219	31,082,457	30,334,191	36,242,605	35,763,410
Machinery and equipment	1,610,920	1,153,332	806,540	823,900	2,417,460	1,977,232
Total capital assets, net	\$33,224,301	\$32,076,247	\$32,843,679	\$32,214,043	\$66,067,980	\$64,290,290

Major capital asset purchases during the current fiscal year included:

- Park land
- 2 Chevrolet Tahoe's, 2 Chevrolet Colorado's, and 1 Ford Expedition
- 1 HME Tanker Apparatus
- 1 Jacobsen HR700 Mower
- 1 SnowEx Brine Maker 108SD
- 1 Freightliner Dump Truck

Additional information on the Township's capital asset activity may be found in Note 5 of the notes to the financial statements.

Long-term Debt. At the end of the current fiscal year, the Township had total long-term debt (excluding compensated absences and unamortized premiums) outstanding of \$11,195,822, which is backed by the full faith and credit of the government.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 4,000,000	\$ -	\$ 5,976,080	\$ 6,601,080	\$ 9,976,080	\$ 6,601,080
Special assessments debt w/ government commitment	1,219,742	1,329,620	-	-	1,219,742	1,329,620
Total outstanding debt	\$ 5,219,742	\$ 1,329,620	\$ 5,976,080	\$ 6,601,080	\$11,195,822	\$ 7,930,700

The Township has an AA+ rating from Standard & Poor's on its general obligation bonds.

Additional information on the Township's long-term debt activity can be found in Note 8 of the notes to the financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Management's Discussion and Analysis

Economic Factors and Next Year's Budget and Rates

The Township's expenditure budget for next fiscal year is \$39,079 lower than the current year amended budget which includes \$902,716 of fund balance that will be used for capital expenditures. Revenues are budgeted to be \$44,409 lower. This decrease in the budget is due to the slight growth in the Township's needs for fiscal year 2020. As we have started our fiscal year 2020, we see budgeting in the era of COVID-19 requires consideration of a number of unprecedented variables, both in terms of revenues and expenditures - all while dealing with the day-to-day impacts of the 2020 pandemic. The Township will be facing budget amendments for the 2020 budget year as an extraordinary shut down of the economy and high unemployment rates bring significant challenges. The Township's goal is to preserve jobs with no reduction in service levels.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, you are welcome to contact the Clerk's Office at (734) 822-3120.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Net Position

December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation
Assets				
Cash and cash equivalents	\$ 21,918,738	\$ 13,517,677	\$ 35,436,415	\$ 8,952
Receivables	8,903,262	1,970,807	10,874,069	-
Internal balances	(156,596)	156,596	-	-
Other assets	30,927	389,144	420,071	-
Capital assets not being depreciated	25,437,573	606,601	26,044,174	-
Capital assets being depreciated, net	7,786,728	32,237,078	40,023,806	-
Total assets	63,920,632	48,877,903	112,798,535	8,952
Deferred outflows of resources				
Deferred pension amounts	1,456,641	126,632	1,583,273	-
Deferred other postemployment benefit amounts	467,898	50,921	518,819	-
Deferred charge on bond refunding	-	64,448	64,448	-
Total deferred outflows of resources	1,924,539	242,001	2,166,540	-
Liabilities				
Accounts payable	1,646,630	2,648,126	4,294,756	8,952
Accrued liabilities	1,188,134	50,887	1,239,021	-
Unearned revenue	85,050	-	85,050	-
Long-term debt:				
Due within one year	1,753,119	745,000	2,498,119	-
Due in more than one year	5,679,968	5,417,399	11,097,367	-
Other liabilities, due in more than one year:				
Net pension liability	9,918,606	862,267	10,780,873	-
Net other postemployment benefit liability	1,683,702	183,237	1,866,939	-
Total liabilities	21,955,209	9,906,916	31,862,125	8,952
Deferred inflows of resources				
Taxes levied but intended for subsequent period	14,081,013	-	14,081,013	-
Net position				
Net investment in capital assets	30,253,665	26,932,047	57,185,712	-
Restricted for:				
General government	412,558	-	412,558	-
Public safety	1,792,368	-	1,792,368	-
Public works	518,199	-	518,199	-
Culture and recreation	779,262	-	779,262	-
Debt service	666,397	-	666,397	-
Other governmental programs	256,452	-	256,452	-
Unrestricted (deficit)	(4,869,952)	12,280,941	7,410,989	-
Total net position	\$ 29,808,949	\$ 39,212,988	\$ 69,021,937	\$ -

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2019

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
General government	\$ 7,566,538	\$ 5,337,242	\$ 644,625	\$ 213,000	\$ (1,371,671)
Public safety	13,653,191	572,824	55,512	410,291	(12,614,564)
Public works	3,363,362	394,743	-	22,980	(2,945,639)
Planning and zoning	669,289	93,785	-	-	(575,504)
Culture and recreation	1,759,681	285,653	-	232,740	(1,241,288)
Interest on long-term debt	61,737	-	-	-	(61,737)
Total governmental activities	27,073,798	6,684,247	700,137	879,011	(18,810,403)
Business-type activities -					
Water and sewer	13,985,622	13,283,992	-	1,514,063	812,433
Total primary government	<u>\$ 41,059,420</u>	<u>\$ 19,968,239</u>	<u>\$ 700,137</u>	<u>\$ 2,393,074</u>	<u>\$ (17,997,970)</u>
Component unit					
Economic Development Corporation	<u>\$ 1,004</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,004)</u>

continued...

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Activities

For the Year Ended December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Changes in net position				
Net (expense) revenue	\$ (18,810,403)	\$ 812,433	\$ (17,997,970)	\$ (1,004)
General revenues:				
Property taxes	12,525,684	-	12,525,684	-
State shared revenue	3,311,753	-	3,311,753	-
Unrestricted investment earnings	156,733	100,846	257,579	-
Transfers	(293,750)	293,750	-	-
Total general revenues	15,700,420	394,596	16,095,016	-
Change in net position	(3,109,983)	1,207,029	(1,902,954)	(1,004)
Net position, beginning of year	32,918,932	38,005,959	70,924,891	1,004
Net position, end of year	\$ 29,808,949	\$ 39,212,988	\$ 69,021,937	\$ -

concluded.

The accompanying notes are an integral part of these basic financial statements.

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FUND FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Balance Sheet

Governmental Funds

December 31, 2019

	General	Public Safety	Local Roads Maintenance	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 10,871,325	\$ 4,220,630	\$ 1,016,956	\$ 4,682,192	\$ 20,791,103
Receivables:					
Accounts	873,762	129,125	-	468,440	1,471,327
Special assessments	-	-	-	497,954	497,954
Taxes	4,482,950	1,962,542	-	488,489	6,933,981
Due from other funds	1,534	279	12,408	12,083	26,304
Prepaid items	19,770	11,022	-	135	30,927
Total assets	\$ 16,249,341	\$ 6,323,598	\$ 1,029,364	\$ 6,149,293	\$ 29,751,596
Liabilities					
Accounts payable	\$ 446,151	\$ 174,299	\$ -	\$ 70,956	\$ 691,406
Accrued liabilities	81,479	175,460	-	809,482	1,066,421
Due to other funds	13,832	12,083	-	82,655	108,570
Due to other governments	81,090	-	-	-	81,090
Escrow payable	722,175	-	-	9,557	731,732
Unearned revenue	49,174	35,876	-	-	85,050
Total liabilities	1,393,901	397,718	-	972,650	2,764,269
Deferred inflows of resources					
Unavailable revenue -					
Special assessments	-	-	-	497,954	497,954
Taxes levied but intended for subsequent period	9,336,771	3,789,573	-	954,669	14,081,013
Total deferred inflows of resources	9,336,771	3,789,573	-	1,452,623	14,578,967
Fund balances					
Nonspendable - prepaid items	19,770	11,022	-	135	30,927
Restricted for:					
General government	-	-	-	412,558	412,558
Public safety	-	-	-	1,792,233	1,792,233
Public works	-	-	-	518,199	518,199
Culture and recreation	-	-	-	779,262	779,262
Debt service	-	-	-	211,671	211,671
Capital improvements	-	-	1,029,364	-	1,029,364
Drug enforcement	-	71,845	-	-	71,845
Right of way	167,216	-	-	-	167,216
Police training grants	-	6,361	-	-	6,361
Donations	6,400	4,630	-	-	11,030
Committed for:					
Public safety	-	1,792,449	-	-	1,792,449
Capital projects	200,000	250,000	-	9,962	459,962
Budget stabilization	965,000	-	-	-	965,000
Assigned for -					
General government	2,708	-	-	-	2,708
Unassigned	4,157,575	-	-	-	4,157,575
Total fund balances	5,518,669	2,136,307	1,029,364	3,724,020	12,408,360
Total liabilities, deferred inflows of resources and fund balances	\$ 16,249,341	\$ 6,323,598	\$ 1,029,364	\$ 6,149,293	\$ 29,751,596

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Reconciliation

Fund Balances of Governmental Funds to Net Position of
Governmental Activities
December 31, 2019

Fund balances - total governmental funds	\$ 12,408,360
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Amounts reported for *governmental activities* in the statement of
net position are different because:

Capital assets used in governmental activities are not financial resources,
and therefore are not reported in the fund statement.

Capital assets not being depreciated	25,437,573
Capital assets being depreciated, net	7,786,728

Internal service funds are used by management to charge the costs of certain equipment
usage to individual governmental funds. The assets and liabilities of the internal service
funds are included in governmental activities in the statement of net position.

Net position of governmental internal service funds	906,748
Portion of internal service funds net position attributed to business-type funds	(74,330)

Unavailable revenue is not a current financial resource and therefore is not
reported as revenue in the governmental funds.

497,954

Certain liabilities, such as bonds payable, are not due and payable
in the current period, and therefore are not reported in the funds.

General obligation bond and special assessment debt payable	(5,219,742)
Unamortized premium on bonds	(22,414)
Accrued interest on special assessment debt payable	(43,228)
Compensated absences	(2,190,931)

Certain pension and other postemployment benefit-related amounts, such as the net pension and
other postemployment benefit liabilities and deferred amounts are not due and payable in the
current period or do not represent current financial resources and therefore are not reported
in the funds.

Net pension liability	(9,918,606)
Deferred outflows related to the net pension liability	1,456,641
Net other postemployment benefit liability	(1,683,702)
Deferred outflows related to the net other postemployment benefit liability	467,898

Net position of governmental activities	<u>\$ 29,808,949</u>
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The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Funds

For the Year Ended December 31, 2019

	General	Public Safety	Local Roads Maintenance	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes and special assessments	\$ 7,792,815	\$ 4,350,922	\$ -	\$ 937,251	\$ 13,080,988
Licenses and permits	184,255	39,490	-	1,373,225	1,596,970
Intergovernmental	3,877,571	509,216	-	10,371	4,397,158
Charges for services	1,650,062	20,825	-	1,733,565	3,404,452
Fines and forfeitures	6,750	123,124	-	-	129,874
Franchise fees	518,839	-	-	-	518,839
Interest income	117,570	14,593	5,554	19,016	156,733
Donations	235,740	-	-	-	235,740
Other revenues	62,758	115,090	-	25,029	202,877
Total revenues	14,446,360	5,173,260	5,554	4,098,457	23,723,631
Expenditures					
Current:					
General government	3,029,664	-	-	69,860	3,099,524
Public safety	138,262	9,846,259	-	1,062,240	11,046,761
Public works	1,574,854	-	-	1,702,879	3,277,733
Planning and zoning	626,398	-	-	-	626,398
Culture and recreation	819,706	-	-	750,191	1,569,897
Other unallocated	388,957	-	-	-	388,957
Debt service:					
Principal	-	-	-	109,878	109,878
Interest and fiscal charges	-	-	-	25,356	25,356
Capital outlay	1,413,989	659,312	2,976,190	276,537	5,326,028
Total expenditures	7,991,830	10,505,571	2,976,190	3,996,941	25,470,532
Revenues over (under) expenditures	6,454,530	(5,332,311)	(2,970,636)	101,516	(1,746,901)
Other financing sources (uses)					
Issuance of long-term debt	-	-	4,000,000	-	4,000,000
Transfers in	-	6,000,000	-	167,971	6,167,971
Transfers out	(6,167,971)	(146,875)	-	(146,875)	(6,461,721)
Total other financing sources (uses)	(6,167,971)	5,853,125	4,000,000	21,096	3,706,250
Net change in fund balances	286,559	520,814	1,029,364	122,612	1,959,349
Fund balances, beginning of year	5,232,110	1,615,493	-	3,601,408	10,449,011
Fund balances, end of year	\$ 5,518,669	\$ 2,136,307	\$ 1,029,364	\$ 3,724,020	\$ 12,408,360

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Reconciliation

Net Change in Fund Balances of Governmental Funds to
Change in Net Position of Governmental Activities
For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds \$ 1,959,349

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

Collection of special assessments levied in the prior years provides current financial gain in the funds, but do not affect net position. (503,787)

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.

Capital assets purchased/constructed	1,916,335
Donated capital assets	210,000
Depreciation expense	(965,048)
Loss on disposal of capital assets	(13,233)

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Issuance of long-term debt	(4,000,000)
Principal payments on long-term debt	109,878

Accrued interest expense on bonds and the amortization of bond premiums and deferred losses are not recorded by governmental funds, but are reported under interest and fiscal charges for purposes of net position.

Change in accrued interest payable on special assessment debt	(38,622)
Amortization of premium	2,241

Internal service funds are used by management to charge the costs of medical insurance to individual governmental funds. The net revenues (expense) attributable to those funds is reported with governmental activities.

Net operating gain from governmental activities in internal service funds	224,911
Interest income from governmental internal service fund	3,951
Internal service fund change in net position accounted for in business-type activities	(18,923)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in the net pension liability and related deferred amounts	(355,790)
Change in net other postemployment benefit liability and related deferred amounts	(612,321)
Change in the accrual for compensated absences	(1,028,924)

Change in net position of governmental activities \$ (3,109,983)

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 7,754,758	\$ 7,754,758	\$ 7,792,815	\$ 38,057
Licenses and permits	128,300	128,300	184,255	55,955
Intergovernmental	3,169,614	3,784,614	3,877,571	92,957
Charges for services	1,694,168	1,694,168	1,650,062	(44,106)
Fines and forfeitures	10,000	10,000	6,750	(3,250)
Franchise fees	590,000	590,000	518,839	(71,161)
Interest income	55,000	55,000	117,570	62,570
Donations	10,000	27,741	235,740	207,999
Other revenues	104,200	104,200	62,758	(41,442)
Total revenues	13,516,040	14,148,781	14,446,360	297,579
Expenditures				
General government:				
Township board	72,050	72,050	67,522	(4,528)
Township supervisor	136,000	136,000	135,519	(481)
Elections	237,715	237,715	180,458	(57,257)
Finance	359,000	359,000	350,691	(8,309)
Assessor	569,993	569,993	419,885	(150,108)
Township clerk	404,050	404,050	348,221	(55,829)
Human resources / community development	746,666	746,666	685,988	(60,678)
Board of review	4,325	4,325	3,103	(1,222)
Administrative	39,300	39,300	37,975	(1,325)
Professional services	265,000	366,950	353,021	(13,929)
Township treasurer	495,323	495,323	480,615	(14,708)
Information technology	438,708	444,708	400,227	(44,481)
Building and grounds	205,600	275,100	251,166	(23,934)
Less: reimbursements	(785,000)	(785,000)	(684,727)	100,273
Total general government	3,188,730	3,366,180	3,029,664	(336,516)
Public safety -				
Property maintenance inspections	169,465	169,465	138,262	(31,203)
Public works -				
Highways, streets and drains	2,080,000	2,011,349	1,574,854	(436,495)

continued...

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (concluded)				
Planning and zoning -				
Municipal services	\$ 662,989	\$ 688,989	\$ 626,398	\$ (62,591)
Culture and recreation:				
Parks and recreation	825,587	873,928	815,332	(58,596)
Historical commission	18,250	18,250	4,374	(13,876)
Total culture and recreation	843,837	892,178	819,706	(72,472)
Other unallocated	676,300	399,901	388,957	(10,944)
Capital outlay	405,000	1,462,900	1,413,989	(48,911)
Total expenditures	8,026,321	8,990,962	7,991,830	(999,132)
Revenues over expenditures	5,489,719	5,157,819	6,454,530	1,296,711
Other financing use				
Transfers out	(6,500,000)	(6,168,100)	(6,167,971)	(129)
Net change in fund balance	(1,010,281)	(1,010,281)	286,559	1,296,840
Fund balance, beginning of year	5,232,110	5,232,110	5,232,110	-
Fund balance, end of year	\$ 4,221,829	\$ 4,221,829	\$ 5,518,669	\$ 1,296,840

concluded.

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Public Safety Special Revenue Fund

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 4,310,958	\$ 4,310,958	\$ 4,350,922	\$ 39,964
Licenses and permits	45,000	45,000	39,490	(5,510)
Intergovernmental	465,100	492,495	509,216	16,721
Charges for services	35,400	35,400	20,825	(14,575)
Fines and forfeitures	160,000	160,000	123,124	(36,876)
Interest income	10,000	10,000	14,593	4,593
Donations	1,000	1,000	-	(1,000)
Other revenue	52,500	52,500	115,090	62,590
Total revenues	5,079,958	5,107,353	5,173,260	65,907
Expenditures				
Public safety	10,241,495	10,347,095	9,846,259	(500,836)
Capital outlay	854,380	776,175	659,312	(116,863)
Total expenditures	11,095,875	11,123,270	10,505,571	(617,699)
Revenues over (under) expenditures	(6,015,917)	(6,015,917)	(5,332,311)	683,606
Other financing sources (uses)				
Transfers in	6,000,000	6,000,000	6,000,000	-
Transfers out	(146,875)	(146,875)	(146,875)	-
Total other financing sources	5,853,125	5,853,125	5,853,125	-
Net change in fund balance	(162,792)	(162,792)	520,814	683,606
Fund balance, beginning of year	1,615,493	1,615,493	1,615,493	-
Fund balance, end of year	\$ 1,452,701	\$ 1,452,701	\$ 2,136,307	\$ 683,606

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Net Position

Proprietary Funds
December 31, 2019

	Business-type Activities - Water and Sewer Enterprise Fund	Governmental Activities - Medical Insurance Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,517,677	\$ 1,127,635
Accounts receivable	1,970,807	-
Due from other funds	82,266	-
Inventory	380,794	-
Prepaid items	8,350	-
Total current assets	<u>15,959,894</u>	<u>1,127,635</u>
Noncurrent assets:		
Capital assets not being depreciated	606,601	-
Capital assets being depreciated, net	<u>32,237,078</u>	<u>-</u>
Total noncurrent assets	<u>32,843,679</u>	<u>-</u>
Total assets	<u>48,803,573</u>	<u>1,127,635</u>
Deferred outflows of resources		
Deferred pension amounts	126,632	-
Deferred other postemployment benefit amounts	50,921	-
Deferred charge on refunding	<u>64,448</u>	<u>-</u>
Total deferred outflows of resources	<u>242,001</u>	<u>-</u>
Liabilities		
Current liabilities:		
Accounts payable	2,032,628	142,402
Accrued liabilities	23,216	78,485
Accrued interest	27,671	-
Escrow payable	615,498	-
Compensated absences, current portion	100,000	-
Bonds payable, current portion	<u>645,000</u>	<u>-</u>
Total current liabilities	<u>3,444,013</u>	<u>220,887</u>
Noncurrent liabilities:		
Net pension liability	862,267	-
Net other postemployment benefit liability	183,237	-
Compensated absences, net of current portion	86,319	-
Bonds payable, net of current portion	<u>5,331,080</u>	<u>-</u>
Total noncurrent liabilities	<u>6,462,903</u>	<u>-</u>
Total liabilities	<u>9,906,916</u>	<u>220,887</u>
Net position		
Net investment in capital assets	26,932,047	-
Unrestricted	<u>12,206,611</u>	<u>906,748</u>
Total net position	<u>\$ 39,138,658</u>	<u>\$ 906,748</u>

The accompanying notes are an integral part of these basic financial statements.

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PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Reconciliation

Net Position of Enterprise Funds
to Net Position of Business-type Activities
December 31, 2019

Net position - enterprise fund	\$ 39,138,658
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Amounts reported for *business-type activities* in the statement of net position
are different because:

Internal service funds are used by management to charge the costs of certain services
to individual governmental and enterprise funds. The net revenues (expense) of
the internal service funds are allocated to governmental and business-type activities.

Portion of internal service fund cumulative net operating income
attributed to enterprise fund.

74,330

Net position of business-type activities	<u>\$ 39,212,988</u>
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The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2019

	Business-type Activities - Water and Sewer Enterprise Fund	Governmental Activities - Medical Insurance Internal Service Fund
Operating revenues		
Charges for services	\$ 13,283,992	\$ 2,324,613
Operating expenses		
Personnel services	1,289,208	-
Materials and supplies	10,003,032	-
Contractual	158,261	-
Insurance	40,823	-
Maintenance	139,829	-
Benefits and insurance premiums	-	2,099,702
Other expense	758,641	-
Depreciation	1,463,515	-
Total operating expenses	13,853,309	2,099,702
Operating income (loss)	(569,317)	224,911
Nonoperating revenues (expenses)		
Interest income	100,846	3,951
Interest expense and fees	(151,236)	-
Total nonoperating revenues (expenses)	(50,390)	3,951
Income (loss) before contributions and transfers	(619,707)	228,862
Capital contributions - tap fees and other	1,514,063	-
Transfers in	293,750	-
Change in net position	1,188,106	228,862
Net position, beginning of year	37,950,552	677,886
Net position, end of year	\$ 39,138,658	\$ 906,748

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Reconciliation

Change in Net Position of Enterprise Funds
to Change in Net Position of Business-type Activities
For the Year Ended December 31, 2019

Change in net position - enterprise fund	\$ 1,188,106
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Amounts reported for *business-type activities* in the statement of activities
are different because:

Internal service funds are used by management to charge the costs of certain services
to individual governmental and enterprise funds. The current year net operating gain of
the internal service fund is allocated to governmental and business-type activities.

18,923

Change in net position of business-type activities	<u>\$ 1,207,029</u>
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The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2019

	Business-type Activities - Water and Sewer Enterprise Fund	Governmental Activities - Medical Insurance Internal Service Fund
Cash flows from operating activities		
Receipts from customers and users	\$ 13,253,699	\$ -
Receipts from interfund services	-	2,324,613
Payments to suppliers	(9,976,893)	(2,144,594)
Payments to employees	(1,180,404)	-
	<u>2,096,402</u>	<u>180,019</u>
Net cash provided by operating activities		
	<u>2,096,402</u>	<u>180,019</u>
Cash flows from noncapital financing activities		
Transfers in	293,750	-
	<u>293,750</u>	<u>-</u>
Cash flows from capital and related financing activities		
Principal paid on debt	(625,000)	-
Interest paid on debt	(143,731)	-
Purchase of capital assets	(2,093,151)	-
Cash contributions for tap fees	1,514,063	-
	<u>(1,347,819)</u>	<u>-</u>
Net cash used in capital and related financing activities		
	<u>(1,347,819)</u>	<u>-</u>
Cash flows from investing activities		
Interest income received	100,846	3,951
	<u>100,846</u>	<u>3,951</u>
Change in cash and cash equivalents	1,143,179	183,970
Cash and cash equivalents, beginning of year	12,374,498	943,665
Cash and cash equivalents, end of year	<u>\$ 13,517,677</u>	<u>\$ 1,127,635</u>

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PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2019

	Business-type Activities - Water and Sewer Enterprise Fund	Governmental Activities - Medical Insurance Internal Service Fund
Cash flows from operating activities		
Operating income (loss)	\$ (569,317)	\$ 224,911
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	1,463,515	-
Change in:		
Accounts receivable	(30,293)	-
Due from other funds	(60,064)	-
Inventory	(115,103)	-
Prepaid items	547	-
Deferred outflows of resources:		
Pension amounts	175,188	-
Other postemployment benefit amounts	28,859	-
Accounts payable	887,313	(47,795)
Accrued liabilities	6,583	2,903
Escrow payable	336,563	-
Due to other funds	(5,041)	-
Net pension liability	(162,349)	-
Net other postemployment benefit liability	37,780	-
Compensated absences	102,221	-
Net cash provided by operating activities	<u>\$ 2,096,402</u>	<u>\$ 180,019</u>

concluded.

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2019

	Retiree Healthcare Trust	Custodial Funds
Assets		
Cash and cash equivalents	\$ -	\$ 6,250,142
Investments -		
MERS total market portfolio	10,989,831	-
Total assets	10,989,831	6,250,142
Liabilities		
Undistributed receipts	-	6,250,142
Net position		
Restricted for:		
Other postemployment benefits	\$ 10,989,831	\$ -

The accompanying notes are an integral part of these basic financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

December 31, 2019

	Retiree Healthcare Trust	Custodial Funds
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ 1,269,106	\$ -
Interest and dividends	1,186	-
	<u>1,270,292</u>	<u>-</u>
Net investment income	1,270,292	-
Contributions -		
Employer	607,530	-
Taxes collected for other governments	-	80,402,191
Total additions	<u>1,877,822</u>	<u>80,402,191</u>
Deductions		
Benefit payments	196,487	-
Administrative expenses	18,036	-
Payments of taxes to other governments	-	80,402,191
	<u>214,523</u>	<u>80,402,191</u>
Total deductions	<u>214,523</u>	<u>80,402,191</u>
Total net change in net position	1,663,299	-
Net position, beginning of year, as restated	9,326,532	-
Net position, end of year	<u>\$ 10,989,831</u>	<u>\$ -</u>

The accompanying notes are an integral part of these basic financial statements.

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NOTES TO FINANCIAL STATEMENTS

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pittsfield Charter Township, Washtenaw County, Michigan (the "Township") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. Blended component units, if any, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Unit

Pittsfield Township Economic Development Corporation (the "EDC") - The EDC, established pursuant to State statutes, was formed to assist economic activity in the Township, primarily through the issuance of tax-exempt bonds. The Township has no obligation to fund deficits of the EDC nor does it guarantee its debt. Members of the EDC's Board of Directors are appointed by the Township's Board of Trustees. Although the EDC does not otherwise meet the criteria for inclusion, the Township has determined that its exclusion would render the financial statements misleading. Separate financial statements are not issued for the EDC. Instead, the activities of the EDC are presented in the statements of net position and activities (and no adjustments are required for this accrual basis presentation).

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 unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the *direct expenses* of given functions 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*.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the respective 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 and fiduciary fund financial statements, except for agency funds, which do not have a measurement focus. 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, or within one year for reimbursement based grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The Township reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

The *public safety special revenue fund* accounts for the public safety millage revenue and related expenditures.

The *local roads maintenance capital projects fund* accounts for and reports on financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets related to local road projects.

The government reports the following major proprietary fund:

The *water and sewer enterprise fund* accounts for the activities of the water distribution and the sewage disposal and treatment system, which are financed primarily by user charges.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Additionally, the government reports the following fund types:

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The *debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The *internal service fund* accounts for the self-insurance services provided to other departments or funds on a cost reimbursement basis.

The *retiree healthcare trust fund* accounts for the accumulated resources for other postemployment benefit payments to qualified retirees.

The *custodial funds* account for assets held by the Township in a custodial capacity for other governments and entities such as property taxes collected for other governments.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses 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.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the United States, certain commercial paper, repurchase agreements, banker acceptances and mutual funds composed of otherwise legal investments.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non current portion of interfund loans). All other outstanding balances between funds are reported as *due to/from other funds*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as *internal balances*. Advances between funds, if any, are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Amounts due from other governments include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Amounts received in advance of project costs being incurred are reported as unearned revenue.

Other Assets

Inventory is valued at cost, which approximates market, using the first in/first out method. The costs of governmental fund type inventory is primarily recorded as expenditures when purchased rather than when consumed.

Payments made to vendors for services that will benefit future periods are recorded as prepaid items, using the consumption method, in both government-wide and fund financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Capital Assets

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets (e.g., roads, bridges, drains and similar items), with an initial cost greater than \$5,000, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the primary government are depreciated using the straight-line method over the useful lives of the assets as follows:

Asset	Years
Buildings and improvements	15-30
Infrastructure	15-50
Machinery and equipment	5-20

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 position that applies to future periods and so will not be recognized as an outflow of resources until then. The Township has two items that qualify for reporting in this category, reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Township also reports deferred outflows of resources for change in expected and actual investment returns, assumptions, and benefits provided for in its pension and other postemployment benefit plans.

Payables

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

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Compensated Absences

In accordance with contracts negotiated with the various employee groups of the Township, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under formulas and conditions specified in the contracts. All sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only when they have matured or come due. The compensated absences balance related to the governmental funds is a liability recorded in the statement of net position.

Long-term Obligations

In the government-wide and proprietary 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 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.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet 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 position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arises only under a modified accrual basis of accounting, from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes levied during the year that were intended to finance future periods.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Fund Equity and Net Position Flow Assumption

Governmental funds report *nonspendable* fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted* fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed* fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees (the government's highest level of decision-making authority). A formal resolution of the Board of Trustees is required to establish, modify, or rescind a fund balance commitment. The Township may report *assigned* fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed; however, the Board of Trustees has not yet authorized anyone to assign fund balance. *Unassigned* fund balance is the residual classification for the general fund or deficit fund balances in other funds, of which there are none.

The Township Board of Trustees has established a budget stabilization policy whose goal is to keep a reserve not to exceed either 15 percent of the General Fund operating budget or 15 percent of the average of the municipality's five most recent General Fund operating budgets, whichever is less. If the Budget Stabilization balance exceeds the maximum, the excess money shall be appropriated in the Township's next General Fund operating budget, but shall not be appropriated to the fund. As of December 31, 2019, the balance in the stabilization arrangement was \$965,000, which is reported in the General Fund within committed fund balance.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed, assigned, and finally unassigned fund balance.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amount to restricted and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

2. BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. All annual appropriations lapse at year-end. Public hearings are conducted in September and October to obtain citizen comment. Prior to December 15 of each year, the Township Supervisor submits to the Township Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year. A budget is legally enacted by the Township Board through the passage of a budget resolution on or before December 15. Line item budgets are adopted for internal financial management; however, the legal level of control for the budgets is at the departmental basis. Formal budgetary integration is employed as a management control device for the general and special revenue funds; budgets for these funds are prepared and adopted on a basis consistent with generally accepted accounting principles. The Township does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.

During the year ended December 31, 2019, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts budgeted, as follows:

	Final Budget	Actual	Actual Over Final Budget
State Street Corridor-TIFA/CIA			
Current -			
General government	\$ -	\$ 63,329	\$ 63,329

3. DEPOSITS AND INVESTMENTS

Following is a reconciliation of deposits and investments as of December 31, 2019:

	Primary Government	Component Unit	Totals
Statement of Net Position			
Cash and cash equivalents	\$ 35,436,415	\$ 8,952	\$ 35,445,367
Statement of Fiduciary Net Position			
Cash and cash equivalents	6,250,142	-	6,250,142
Investments	-	10,989,831	10,989,831
Total	<u>\$ 41,686,557</u>	<u>\$ 10,998,783</u>	<u>\$ 52,685,340</u>
Deposits and investments			
Bank deposits (checking, savings, CDs, CDARs, and ICS)			\$ 21,607,632
Collateralized sweep accounts			20,087,177
Investments - MERS total market portfolio			10,989,831
Cash on hand			700
Total			<u>\$ 52,685,340</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Deposit and Investment Risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the following list of authorized investments. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Township is not exposed to interest rate risk.

Custodial Credit Risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. State law does not require and the Township does not have a policy for deposit custodial credit risk.

At year-end, \$2,889,880 of the combined bank balance of \$38,281,760 of deposits and collateralized sweep accounts (total book balance of \$41,694,809) was exposed to custodial credit risk as it was uninsured and uncollateralized. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank 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 level are used as depositories.

Custodial Credit Risk - Investments. Investments are exposed to custodial credit risk if the securities are uninsured, unregistered or held by a counterparty or its agency but not in the government's name. In accordance with the Township's investment policy, all investments are held in the name of the Township and are evidenced by a safekeeping receipt confirmation, and thus not exposed to custodial credit risk.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified under "statutory authority" above. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year end are reported above.

Fair Value Measurement

The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs. As of December 31, 2019, the Township's investments in the MERS total market portfolio are classified as level 1.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

4. RECEIVABLES

Receivables of the primary government are comprised of the following at year end:

	Governmental Activities	Business-type Activities
Accounts receivable	\$ 1,471,327	\$ 1,970,807
Special assessments	497,954	-
Taxes receivable	6,933,981	-
	<u>\$ 8,903,262</u>	<u>\$ 1,970,807</u>
Amount not expected to be collected within one year	<u>\$ 431,749</u>	<u>\$ -</u>

5. CAPITAL ASSETS

Primary government

Capital asset activity for the primary government for the year ended December 31, 2019, was as follows:

	Beginning Balance	Transfers	Additions	Disposals	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land and easements	\$ 24,225,468	\$ -	\$ 1,212,105	\$ -	\$ 25,437,573
Capital assets being depreciated:					
Buildings and improvements	6,160,488	-	-	-	6,160,488
Infrastructure	16,871,586	-	42,443	-	16,914,029
Machinery and equipment	9,335,568	-	871,787	(463,626)	9,743,729
	<u>32,367,642</u>	<u>-</u>	<u>914,230</u>	<u>(463,626)</u>	<u>32,818,246</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,892,260)	-	(252,568)	-	(5,144,828)
Infrastructure	(11,442,367)	-	(311,514)	-	(11,753,881)
Machinery and equipment	(8,182,236)	-	(400,966)	450,393	(8,132,809)
	<u>(24,516,863)</u>	<u>-</u>	<u>(965,048)</u>	<u>450,393</u>	<u>(25,031,518)</u>
Total capital assets being depreciated, net	<u>7,850,779</u>	<u>-</u>	<u>(50,818)</u>	<u>(13,233)</u>	<u>7,786,728</u>
Governmental activities capital assets, net	<u>\$ 32,076,247</u>	<u>\$ -</u>	<u>\$ 1,161,287</u>	<u>\$ (13,233)</u>	<u>\$ 33,224,301</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

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

General government	\$ 417,188
Public safety	435,642
Public works	85,629
Planning and zoning	21,359
Parks and recreation	5,230
	<u> </u>
Total depreciation expense	<u>\$ 965,048</u>

	Beginning Balance	Transfers	Additions	Disposals	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 379,578	\$ -	\$ -	\$ -	\$ 379,578
Construction in progress	296,649	(2,019,243)	1,949,617	-	227,023
	<u>676,227</u>	<u>(2,019,243)</u>	<u>1,949,617</u>	<u>-</u>	<u>606,601</u>
Capital assets being depreciated:					
Buildings	949,314	-	-	-	949,314
Infrastructure	55,260,619	2,019,243	-	-	57,279,862
Machinery and equipment	2,238,023	-	143,534	(22,571)	2,358,986
	<u>58,447,956</u>	<u>2,019,243</u>	<u>143,534</u>	<u>(22,571)</u>	<u>60,588,162</u>
Less accumulated depreciation for:					
Buildings	(569,589)	-	(31,644)	-	(601,233)
Infrastructure	(24,926,428)	-	(1,270,977)	-	(26,197,405)
Machinery and equipment	(1,414,123)	-	(160,894)	22,571	(1,552,446)
	<u>(26,910,140)</u>	<u>-</u>	<u>(1,463,515)</u>	<u>22,571</u>	<u>(28,351,084)</u>
Total capital assets being depreciated, net	<u>31,537,816</u>	<u>2,019,243</u>	<u>(1,319,981)</u>	<u>-</u>	<u>32,237,078</u>
Business-type activities capital assets, net	<u>\$ 32,214,043</u>	<u>\$ -</u>	<u>\$ 629,636</u>	<u>\$ -</u>	<u>\$ 32,843,679</u>

At December 31, 2019 the Township's business-type activities had outstanding commitments through construction contracts of approximately \$950,000.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

6. PAYABLES

Payables are comprised of the following at year end:

	Governmental Activities	Business-type Activities	Component Units
Accounts payable	\$ 833,808	\$ 2,032,628	\$ 8,952
Due to other governments	81,090	-	-
Escrow payable	731,732	615,498	-
	<u>\$ 1,646,630</u>	<u>\$ 2,648,126</u>	<u>\$ 8,952</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At December 31, 2019, amounts due from and due to other funds were as follows:

Receivable funds	Payable Funds			Totals
	General	Public Safety	Nonmajor Governmental	
General	\$ -	\$ -	\$ 1,534	\$ 1,534
Public safety	-	-	279	279
Local roads maintenance	12,408	-	-	12,408
Nonmajor governmental	-	12,083	-	12,083
Water and sewer	1,424	-	80,842	82,266
	<u>\$ 13,832</u>	<u>\$ 12,083</u>	<u>\$ 82,655</u>	<u>\$ 108,570</u>

Due to/from balances result primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and/or payments between funds are made. Interfund receivables and payables represent routine and temporary cash flow assistance.

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

Transfers Out	Transfers In			Totals
	Public Safety	Nonmajor Governmental	Water and Sewer	
General	\$ 6,000,000	\$ 167,971	\$ -	\$ 6,167,971
Public safety	-	-	146,875	146,875
Nonmajor governmental	-	-	146,875	146,875
	<u>\$ 6,000,000</u>	<u>\$ 167,971</u>	<u>\$ 293,750</u>	<u>\$ 6,461,721</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

8. LONG-TERM DEBT

General obligation bonds - governmental activities. The Township has issued a general obligation bond to finance certain capital improvement projects. The Township has pledged its full faith and credit within statutory limitations for the following issues:

\$4,000,000 2019 Capital Improvement Bonds due in annual installments of \$336,000 to \$457,000 through 2029, interest at 2.05%.

\$ 4,000,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31,	Governmental Activities	
	Principal	Interest
2020	\$ 336,000	\$ 92,250
2021	361,000	75,112
2022	371,000	67,712
2023	383,000	60,106
2024	394,000	52,255
2025-2029	<u>2,155,000</u>	<u>135,136</u>
	<u>\$ 4,000,000</u>	<u>\$ 482,571</u>

Special assessment debt with government commitment. The government has been assessed for its at-large share of certain drainage district project costs, payable over a multiyear period with interest at 1.625% to 5.0%. Special assessment debt with government commitment, for which debt proceeds are received and expended by the Washtenaw County Drain Commission (and the resulting infrastructure capital asset is its property), currently outstanding is as follows:

\$2,180,000 2006 Mallets Creek Serial Bonds due in annual installments of \$19,878 to \$23,664 through 2026, interest 1.625%. The Township's share of the bond is \$412,706 or 18.93% and Washtenaw County's share of the bond is \$1,767,294 or 81.07%.

\$ 149,742

\$1,340,000 2016 Refunding of Michigan Avenue East Serial Bonds due in annual installments of \$85,000 to \$125,000 through 2029, interest at 2.00% to 3.00%.

1,070,000

Total special assessment debt with government commitment

\$ 1,219,742

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Annual debt service requirements to maturity for drain assessments are as follows:

Year Ended December 31,	Governmental Activities	
	Principal	Interest
2020	\$ 114,878	\$ 23,183
2021	119,879	20,905
2022	120,825	18,587
2023	126,771	16,199
2024	126,771	13,745
2025-2029	610,618	31,111
	<u>\$ 1,219,742</u>	<u>\$ 123,730</u>

General obligation bonds - business-type activities. The government issues general obligation bonds to provide funds for the acquisition and construction of major water and sewer system capital infrastructure. The original amount of the outstanding general obligation bonds was \$9,484,650.

General obligation bonds currently outstanding are as follows:

\$4,630,000 2016 Refunding of the 2004 Capital Improvement Serial Bonds due in annual installments of \$405,000 to \$525,000 through 2026, interest at 1.99%.	\$ 3,385,000
\$4,854,650 2010 Drinking Water Revolving Bonds due in annual installments of \$185,000 to \$266,080 through 2030, interest at 2.50%.	2,591,080
Total general obligation bonds	<u>\$ 5,976,080</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31,	Business-type Activities	
	Principal	Interest
2020	\$ 645,000	\$ 127,762
2021	665,000	113,730
2022	690,000	99,277
2023	710,000	84,274
2024	730,000	68,850
2025-2029	2,270,000	148,258
2030	266,080	6,652
	<u>\$ 5,976,080</u>	<u>\$ 648,803</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Changes in long-term debt. Long-term debt activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ -	\$ 4,000,000	\$ -	\$ 4,000,000	\$ 336,000
Special assessment debt with government commitment	1,329,620	-	(109,878)	1,219,742	114,878
Unamortized premium	24,655	-	(2,241)	22,414	2,241
Compensated absences	1,162,007	1,947,456	(918,532)	2,190,931	1,300,000
Total governmental activities	<u>\$ 2,516,282</u>	<u>\$ 5,947,456</u>	<u>\$ (1,030,651)</u>	<u>\$ 7,433,087</u>	<u>\$ 1,753,119</u>
Business-type activities					
General obligation bonds	\$ 6,601,080	\$ -	\$ (625,000)	\$ 5,976,080	\$ 645,000
Compensated absences	84,098	156,420	(54,199)	186,319	100,000
Total business-type activities	<u>\$ 6,685,178</u>	<u>\$ 156,420</u>	<u>\$ (679,199)</u>	<u>\$ 6,162,399</u>	<u>\$ 745,000</u>

The governmental activities compensated absences are generally liquidated by the general fund.

9. OPERATING LEASES

The Township has lease agreements for seven copy machines, one each expiring on September 5, 2021, September 18, 2021, February 22, 2022, March 1, 2022, December 12, 2022, and two expiring on September 20, 2021. Rent expense totaled \$12,858 for the year ended December 31, 2019. The remaining future commitments are as follows:

Year Ended December 31,	Amount
2020	\$ 12,858
2021	9,623
2022	<u>634</u>
Total	<u>\$ 23,115</u>

10. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2019, the government carried commercial insurance to cover all risks of losses. The Township has had no settled claims from these risks that exceeded its commercial coverage in any of the past three fiscal years.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

The general, public safety, building department, parks millage, and water and sewer funds of the Township make payments to the medical insurance internal service fund based on rates established to fund estimated actual liabilities. The total claims liability of \$78,485 reported in the fund at December 31, 2019, is based on the requirements that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements. The Township has estimated its ultimate liability based upon estimates of known claims and actuarial based computations of incurred but not reported claims.

Changes in the fund's claims liability amount was:

	2019	2018
Balance at the beginning of year	\$ 75,582	\$ 9,931
Current year claims and changes in estimates	2,099,702	2,055,061
Claims paid	(2,096,799)	(1,989,410)
Balance at end of year	<u>\$ 78,485</u>	<u>\$ 75,582</u>

11. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and potential adjustment by federal and state grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The government and its component unit, individually or jointly, are the defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government and component unit's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

12. PROPERTY TAXES AND ABATEMENTS

Property taxes become an enforceable lien on the property as of December 31. Taxes are levied on December 1 and are due in February of the following year. The Township bills and collects its own property taxes along with collecting taxes for various other taxing jurisdictions. Township tax revenues are recognized in the fiscal year following the December 1 levy date. Taxes are considered delinquent on March 1, at which time the applicable property is subject to lien and penalty and interest is assessed.

Assessed values, as established annually by the government, are subject to acceptance by the County and equalized by the State at an estimated 50% of current market value. For the December 31, 2018 levy, the taxable value of real and personal property in the Township totaled \$1,927,900,597. The government's general operating tax rate for the December 1, 2018 levy, which is considered revenue for fiscal year 2019 was 3.9923 mills, with an additional 1.8730 and 0.4662 special-voted mills for public safety and parks, respectively.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

The Township received reduced property tax revenues during 2019 as a result of industrial facilities tax exemptions (IFT's). The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50% of the millage rate applicable to other real and personal property in the Township. The abatements amounted to approximately \$60,000 in reduced Township tax revenues for 2019.

13. PENSION PLAN

General Information About the Plan

Plan Description. The Township participates in the Municipal Employees' Retirement System (MERS) of Michigan, a defined benefit pension plan providing certain retirement, disability and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com.

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 year period) and multipliers ranging from 1.50% to 2.50%. Participants vesting requirements range from 6 to 10 years. Normal retirement age is 60 with early retirement at age 50 or 55 with 25 or 15 years of service, respectively. Member contributions range from 0.00% to 9.06%. The plan is closed to certain union and non-union employees.

Employees Covered by Benefit Terms. At the December 31, 2018 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	82
Active employees	<u>129</u>
Total membership	<u><u>273</u></u>

Contributions. 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 cost of benefits earned by employees 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 fiscal year beginning January 1, 2019, the Township's contributions ranged from 6.28% to 8.15% of annual payroll for open divisions. Closed divisions employer contributions ranged from \$387 to \$43,623 per month. Employee contributions ranged from 0.00% to 9.06%.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Net Pension Liability. The Township's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 (rolled forward to December 31, 2019).

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2018 (and rolled forward to December 31, 2019, the measurement date), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment expense and including inflation

Although no explicit price inflation assumption is used in the valuation, the long-term annual rate of price inflation implicit in the 3.75% base wage inflation is 2.50%.

The mortality table used to project the mortality experience of non-disabled plan members is a 50% male, 50% female blend of the following tables:

- The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
- The RP-2014 Employee Mortality Tables
- The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is 50% Male, 50% Female blend of RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of the most recent actuarial experience study of 2009-2013.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Long-term Expected Rate of Return. The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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 for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	55.50%	6.15%	3.41%
Global fixed income	18.50%	1.26%	0.23%
Real assets	13.50%	7.22%	0.98%
Diversifying strategies	12.50%	5.00%	0.63%
	<u>100.00%</u>		
Inflation			2.50%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return			<u>8.00%</u>

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2019 was 8.0%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay 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.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Changes in Net Pension Liability. The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 39,639,240	\$ 27,123,521	\$ 12,515,719
Changes for the year:			
Service cost	981,318	-	981,318
Interest	3,150,994	-	3,150,994
Difference between expected and actual experience	169,536	-	169,536
Employer contributions	-	1,568,013	(1,568,013)
Employee contributions	-	514,318	(514,318)
Net Investment income	-	3,741,272	(3,741,272)
Benefit payments, including refunds of employee contributions	(1,484,947)	(1,484,947)	-
Administrative expense	-	(64,501)	64,501
Other changes	(277,592)	-	(277,592)
Net changes	2,539,309	4,274,155	(1,734,846)
Balances at December 31, 2019	\$ 42,178,549	\$ 31,397,676	\$ 10,780,873

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 8.0%, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is 1% lower (7.0%) or 1% higher (9.0%) than the current rate:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Township's net pension liability	\$ 16,648,749	\$ 10,780,873	\$ 5,929,886

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

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

For the year ended December 31, 2019, the Township recognized pension expense of \$1,936,642. The Township reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Difference between expected and actual	\$ 690,640
Changes in assumptions	752,943
Net difference between projected and actual earnings on pension plan investments	139,690
	<u>\$ 1,583,273</u>

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

Year Ended December 31,	Amount
2020	\$ 325,066
2021	457,082
2022	711,930
2023	38,116
2024	51,079
Total	<u>\$ 1,583,273</u>

Payable to the Pension Plan. At December 31, 2019, the Township reported a payable of \$112,469 for the outstanding amount of contributions required for the year ended December 31, 2019.

The governmental activities net pension liability is generally liquidated by the general fund.

14. OTHER POSTEMPLOYMENT BENEFITS PLAN

General Information About the Plan

Plan Description. The Township participates in a single-employer other postemployment benefit plan that provides healthcare benefits to eligible retirees and their beneficiaries. The Plan was adopted and established by the Township Board of Trustees.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

The Township opted to participate in the Municipal Employees' Retirement System (MERS) Retirement Health Funding Vehicle (RHFV). The MERS RHFV became operational in the fall of 2004, and was made available to all municipalities in Michigan. Participating municipalities can contribute monies to the Trust as desired and no contribution method is imposed. These funds constitute a health care fund, which enable municipalities to accumulate monies to provide or subsidize health benefits for retirees and beneficiaries as defined by Code Section 213. The Retiree Health Funding Vehicle accounts are invested in the MERS portfolio choices and earnings are tax exempt as a result of the MERS Private Letter Ruling. Plan provisions and requirements are specified in the MERS Health Care Savings Program and Retiree Health Funding Vehicle Plan Document and Trust.

Benefits Provided. The Townships provides other postemployment benefits, as follows:

Employee Type	Benefits Provided
Non-represented employees (excluding elected officials), police (TPOAM), dispatchers, and firefighters (IAFF)	<p>For employees hired before December 31, 2006 (December 31, 2007 for non-represented members), the Township will pay a portion of the cost of medical plan premiums for the retiree and spouse for life. The Township portion of premiums is 100% for employees with 10 or more years of service as of 12/31/2009 and 90% for all others. Benefits continue to the surviving spouse after the retiree's death.</p> <p>For employees hired after December 31, 2006 (December 31, 2007 for non-represented members), the Township will pay a portion of the retiree-only medical plan premiums for life. The maximum amount payable by the Township is \$600 per month, and this amount is not indexed. No benefits are payable for spouse coverage or surviving spouse coverage.</p>
Class 1: Full-time elected officials	<p>For Class I Full-Time Elected Officials elected before December 31, 2007, the Township will pay 90% of the applicable premium for both the eligible Elected Official and their spouse at the time of retirement (provided he/she remains the spouse). When the eligible retiree or his/her spouse at the time of retirement reaches age sixty-five (65) (or the Medicare eligibility age, if higher), the retiree or spouse must. apply for Medicare Coverage (Parts A and B) and pay the applicable premium. The retiree or spouse will then be enrolled in a Township provided supplemental health insurance plan and the Employer will pay the premium to provide said supplemental coverage for the eligible retiree and spouse at the time of retirement Benefits continue to the surviving spouse after the retiree's death.</p>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Employee Type	Benefits Provided
Class 1: Full-time elected officials (concluded)	For Class I Full-Time Elected Officials elected after December 31, 2007, the Township shall only pay the cost of single subscriber coverage up to \$600 per month for the retiree. When the eligible retiree reaches age sixty-five (65) (or the Medicare eligibility age, if higher), the retiree must apply for Medicare Coverage (Parts A and B) and pay the applicable premium. The retiree will then be enrolled in a Township provided supplemental plan and the Employer will pay up to \$600 per month towards the supplemental premium to provide said supplemental coverage for the eligible retiree. No benefits are payable for spouse coverage or surviving spouse coverage.
Police Patrol (POAM)	Beginning at age 50, the Township will pay a portion of the cost of medical plan premiums for the retiree and his/her spouse for life. The Township portion of premiums is 100% for employees hired before January 1, 2007 and 50% for those hired after. Benefits continue to the surviving spouse after the retiree's death.
Police Command	The Township will pay 100% of the cost of medical plan premiums for the retiree and his/her spouse for life. Benefits continue to the surviving spouse after the retiree's death. Retirees who then work for another township in the same capacity have their retiree medical coverage suspended. When the retiree is no longer working, he/she can resume medical coverage with Pittsfield.

Employees Covered by Benefit Terms. At January 1, 2019, the date of the most recent actuarial valuation, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	18
Inactive employees entitled to but not yet receiving benefits	3
Active employees	<u>128</u>
Total membership	<u><u>149</u></u>

Net Other Postemployment Benefits Liability. The Township's net other postemployment benefits liability was measured as of December 31, 2019, and the total other postemployment benefits liability used to calculate the net other postemployment benefits liability was determined by an actuarial valuation as of January 1, 2019 (rolled forward to December 31, 2019).

Actuarial Assumptions. The total other postemployment benefits liability was determined by an actuarial valuation as of January 1, 2019 (and rolled forward to December 31, 2019, the measurement date), using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	3.75%
Investment rate of return	6.75%
Healthcare trend rate	9.00% graded down to 4.0%

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Rates of mortality for members and their beneficiaries are the same as what is used in the MERS December 31, 2017 actuarial valuation. MERS uses a 50% Male 50% Female blend of the following tables:

- (I) The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
- (II) The RP-2014 Employee Mortality Tables

For ages 18 - 49, MERS uses the rates from Table II. For ages 70 and older, MERS uses the rates in Table I. For ages 50-69, MERS blends Table II and Table I as follows:

- Age 50 - 60% of Table II and 40% of Table I
- Age 51 - 57% of Table II and 43% of Table I
- Etc...
- Age 69 - 3% of Table II and 97% of Table I

Rates of mortality for disabled members are the same as what is used in the MERS December 31, 2017 actuarial valuation. MERS uses the RP-2014 Disabled Retiree Mortality Table, blended 50% male and 50% female.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of the most recent actuarial experience study of 2009-2013.

Investment Policy. The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Township Board of Trustees. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment processes that the Township Board of Trustees deems appropriate. The OPEB Plan's asset allocation policy is shown on the following pages.

Concentrations. At December 31, 2019, the OPEB Plan's investments were fully invested in the MERS Retiree Health Funding Vehicle.

Rate of Return. For the year ended December 31, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 13.51 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Long-term Expected Rate of Return. The long-term expected rate of return on other postemployment benefits plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses 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 for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	55.50%	6.15%	3.41%
Global fixed income	18.50%	1.26%	0.23%
Private assets	26.00%	7.22%	1.88%
	<u>100.00%</u>		
Inflation			2.50%
Risk adjustment			<u>-1.27%</u>
Investment rate of return			<u>6.75%</u>

Discount Rate. The discount rate used to measure the total other postemployment benefits liability is 6.75% for 2019. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the other postemployment benefits plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on other postemployment benefits plan investments was applied to all periods of projected benefit payments to determine the total other postemployment benefits liability.

Net OPEB Liability of the Township. The components of the net OPEB liability of the Township at

Total OPEB liability	\$ 12,856,770
Plan fiduciary net position	<u>10,989,831</u>
Township's net OPEB liability	<u>\$ 1,866,939</u>
Plan fiduciary net position as a percentage of the total OPEB liability	85.5%

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Changes in Net Other Postemployment Benefits Liability. The components of the change in the net other postemployment benefits (OPEB) liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2018	\$ 10,808,543	\$ 9,326,532	\$ 1,482,011
Changes for the year:			
Service cost	280,902	-	280,902
Interest	819,196	-	819,196
Changes in benefit terms	703,266	-	703,266
Differences between expected and actual experience	1,185	-	1,185
Changes of assumptions	440,165	-	440,165
Employer contributions	-	607,530	(607,530)
Net investment income	-	1,270,292	(1,270,292)
Benefit payments, including refunds of employee contributions	(196,487)	(196,487)	-
Administrative expense	-	(18,036)	18,036
Net changes	2,048,227	1,663,299	384,928
Balances at December 31, 2019	\$ 12,856,770	\$ 10,989,831	\$ 1,866,939

Sensitivity of the Net Other Postemployment Benefits Liability to Changes in the Discount Rate. The following presents the net other postemployment benefits liability of the Township, calculated using the discount rate of 6.75%, as well as what the Township's net other postemployment benefits liability would be if it were calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Township's net other postemployment benefits liability	\$ 3,919,862	\$ 1,866,939	\$ 185,581

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Sensitivity of the Net Other Postemployment Benefits Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net other postemployment benefits liability of the Township, calculated using the healthcare cost trend rate of 9.0%, as well as what the Township's net other postemployment benefits liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (8.0%) or 1% higher (10.0%) than the current rate:

	1% Decrease (8.0% graded down to 3.0%)	Current Healthcare Cost Trend Rate (9.0% graded down to 4.0%)	1% Increase (10.0% graded down to 5.0%)
Township's net other postemployment benefits liability (asset)	\$ (134,287)	\$ 1,866,939	\$ 4,396,313

Other Postemployment Benefit Expense and Deferred Outflows/Inflows of Resources Related to Other Postemployment Benefits

For the year ended December 31, 2019, the Township recognized other postemployment benefits expense of \$1,286,490. The Township reported deferred outflows of resources related to other postemployment benefits as follows:

	Deferred Outflows of Resources
Difference between expected and actual	\$ 1,053
Changes in assumptions	391,258
Net difference between projected and actual earnings on other postemployment benefits plan investments	126,508
	<u>\$ 518,819</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Amounts reported as other postemployment benefits-related deferred outflows of resources will be recognized in other postemployment benefits expense as follows:

Year Ended December 31,	Amount
2020	\$ 131,470
2021	131,470
2022	131,469
2023	(71,745)
2024	49,039
2025-2027	<u>147,116</u>
Total	<u>\$ 518,819</u>

Payable to the Other Postemployment Benefits Plan. At December 31, 2019, the Township reported no amount payable to the OPEB plan.

Governmental activities net other postemployment benefits liability is generally liquidated by the general fund.

15. DEFINED CONTRIBUTION OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description. The employer's defined contribution OPEB plan (Health Care Savings Program) provides certain health care benefits to plan members and legal dependents upon termination of employment. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee defined contribution OPEB plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Contribution Rates or Amounts. The employer contributes 1% - 2% of base pay; employees are required to contribute 1% of base pay. Contribution rates are determined by the employer and may be amended by the local governing body.

Benefit Terms. Employees are immediately vested in their contributions and earnings of those contributions, and become vested on employer contributions after completion of 10 years of creditable service with the employer depending on the plan provisions.

Contribution Amounts. For the year ended December 31, 2019, employee contributions were \$36,553 and employer contributions were \$55,380.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

Forfeiture Amounts. Nonvested employer contributions are forfeited upon termination of employment. Such forfeitures are used to cover future employer contributions, be directed to the employer's Retiree Health Funding Vehicle, (if applicable) or be equally distributed among all remaining active participants in the plan. At the end of December 31, 2019 forfeitures of \$980 reduced the employer's defined contribution OPEB expense.

Employer Liability. At December 31, 2019, the Township reported no amount payable to the OPEB plan.

16. NET INVESTMENT IN CAPITAL ASSETS

The composition of net investment in capital assets as of December 31, 2019, was as follows:

	Governmental activities	Business-type activities
Capital assets:		
Capital assets not being depreciated	\$ 25,437,573	\$ 606,601
Capital assets being depreciated, net	7,786,728	32,237,078
	<u>33,224,301</u>	<u>32,843,679</u>
Less related debt:		
Bonds payable	4,000,000	5,976,080
Unamortized deferred charge on refunding	-	(64,448)
Less: unspent bond proceeds	(1,029,364)	-
	<u>2,970,636</u>	<u>5,911,632</u>
Net investment in capital assets	<u>\$ 30,253,665</u>	<u>\$ 26,932,047</u>

Long-term debt related to special assessments is not included in the calculation for net investment in capital assets since these assets do not belong to the Township.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Notes To Financial Statements

17. SUBSEQUENT EVENT

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the Township's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the Township for providing emergency services to its citizens. While management reasonably expects the COVID-19 outbreak to negatively impact the Township's financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.

18. RESTATEMENT

The Township adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, in the current year. As a result of this change, beginning net position of the retiree healthcare trust fund was increased by \$9,326,532.

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REQUIRED SUPPLEMENTARY INFORMATION

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31,				
	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 903,775	\$ 977,110	\$ 977,200	\$ 979,549	\$ 981,318
Interest	2,288,114	2,468,421	2,726,214	2,924,157	3,150,994
Differences between expected and actual experience	-	534,889	56,321	357,535	169,536
Changes of assumptions	-	1,505,883	-	-	-
Benefit payments, including refunds of employee contributions	(914,391)	(1,015,819)	(1,134,680)	(1,379,821)	(1,484,947)
Other changes	(77,905)	(253,685)	(29,374)	5,725	(277,592)
Net change in total pension liability	2,199,593	4,216,799	2,595,681	2,887,145	2,539,309
Total pension liability, beginning of year	27,740,022	29,939,615	34,156,414	36,752,095	39,639,240
Total pension liability, end of year	29,939,615	34,156,414	36,752,095	39,639,240	42,178,549
Plan fiduciary net position					
Employer contributions	992,974	1,226,767	1,475,913	1,487,963	1,568,013
Employee contributions	460,559	649,802	902,319	389,763	514,318
Net investment income (loss)	(313,982)	2,363,526	3,195,447	(1,126,793)	3,741,272
Benefit payments, including refunds of employee contributions	(914,391)	(1,015,819)	(1,134,680)	(1,379,821)	(1,484,947)
Administrative expense	(44,917)	(46,573)	(50,335)	(54,738)	(64,501)
Net change in plan fiduciary net position	180,243	3,177,703	4,388,664	(683,626)	4,274,155
Plan fiduciary net position, beginning of year	20,060,537	20,240,780	23,418,483	27,807,147	27,123,521
Plan fiduciary net position, end of year	20,240,780	23,418,483	27,807,147	27,123,521	31,397,676
Township's net pension liability	\$ 9,698,835	\$ 10,737,931	\$ 8,944,948	\$ 12,515,719	\$ 10,780,873
Plan fiduciary net position as a percentage of total pension liability	67.6%	68.6%	75.7%	68.4%	74.4%
Covered payroll	\$ 7,708,416	\$ 8,476,189	\$ 8,424,988	\$ 8,632,459	\$ 8,607,588
Township's net pension liability as a percentage of covered payroll	125.8%	126.7%	106.2%	145.0%	125.2%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

2016 changes in assumptions: The mortality table was adjusted to reflect longer lifetimes. The assumed annual rate of investment return, net of all expenses, was lowered from 8% to 7.75%. The asset smoothing was changed from 10 to 5 years. The amortization period was moved to a fixed period amortization for the December 31, 2014 annual valuations.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Contributions

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution (Deficiency) Excess	Covered Payroll	Contributions as Percentage of Covered Payroll
2019	\$ 1,568,013	\$ 1,568,013	\$ -	\$ 8,607,588	18.2%
2018	1,487,963	1,487,963	-	8,632,459	17.2%
2017	1,475,913	1,475,913	-	8,424,988	17.5%
2016	1,226,767	1,226,767	-	8,476,189	14.5%
2015	992,974	992,974	-	7,708,416	12.9%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Contributions

Valuation Date December 31, 2018 (rolled forward to December 31, 2019)
Notes Actuarially determined contribution rates are calculated as of December 31, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry-age normal
Amortization method Level percent of payroll, closed
Remaining amortization period 22 years
Asset valuation method 5-year smooth market
Inflation 2.5%
Salary increases 3.75% in the long-term
Investment rate of return 7.75%, net of investment and administrative expense, including inflation
Normal retirement age Age 60
Mortality 50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables, and the RP-2014 Juvenile Mortality Tables

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Required Supplementary Information

Single-Employer Defined Benefit Other Postemployment Benefits Plan

Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios

	Year Ended December 31,	
	2018	2019
Total other postemployment benefits liability		
Service cost	\$ 251,620	\$ 280,902
Interest	712,082	819,196
Changes in benefit terms	-	703,266
Differences between expected and actual experience	-	1,185
Changes of assumptions	-	440,165
Benefit payments, including refunds of employee contributions	(149,747)	(196,487)
Net change in total other postemployment benefits liability	813,955	2,048,227
Total other postemployment benefits liability, beginning of year	9,994,588	10,808,543
Total other postemployment benefits liability, end of year	10,808,543	12,856,770
Plan fiduciary net position		
Employer contributions	467,310	607,530
Net investment income (loss)	(349,245)	1,270,292
Benefit payments, including refunds of employee contributions	(149,747)	(196,487)
Administrative expense	(22,963)	(18,036)
Net change in plan fiduciary net position	(54,645)	1,663,299
Plan fiduciary net position, beginning of year	9,381,177	9,326,532
Plan fiduciary net position, end of year	9,326,532	10,989,831
Township's net other postemployment benefits liability	\$ 1,482,011	\$ 1,866,939
Plan fiduciary net position as a percentage of total other postemployment benefits liability	86.3%	85.5%
Covered payroll	\$ 7,562,184	\$ 8,200,337
Township's net other postemployment benefits liability as a percentage of covered payroll	19.6%	22.8%

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

2019 changes in benefit terms: There were new bargaining agreements and extensions which reflected paid on-call service for Firefighter eligibility and removed the requirement that Police Patrol (POAM) retirees pay the full premium between ages 50 and 55.

2019 changes in assumptions: Expected claims costs for 2019 were updated to reflect the latest claim and premium information. Additionally, the plan started offering two additional plans: (1) BCBS Simply Blue HSA PPO Plan (Division 0007) and (2) BCBS Community Blue PPO (Division 0008) through the BCBSM PPO plans.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Required Supplementary Information

Single-Employer Defined Benefit Other Postemployment Benefits Plan

Schedule of Contributions

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution (Deficiency) Excess	Covered Payroll	Contributions as Percentage of Covered Payroll
2019	\$ 559,530	\$ 607,530	\$ 48,000	\$ 8,200,337	7.4%
2018	534,079	467,310	(66,769)	7,562,184	6.2%

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Contributions

Valuation Date	January 1, 2019
Notes	Actuarially determined contribution rates are calculated as of December 31, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	30 years
Asset valuation method	Market value
Inflation	2.5%
Salary increases	3.75%
Investment rate of return	6.75%
Healthcare cost trend	9.0% graded down to 4.0%
Normal retirement age	Age 60
Mortality	50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Required Supplementary Information
Single-Employer Defined Benefit Other Postemployment Benefits Plan

Schedule of Investment Returns

Fiscal Year Ending December 31,	Annual Return ⁽¹⁾
2019	13.51%
2018	-3.80%

⁽¹⁾ Annual money-weighted rate of return, net of investment expenses

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2019

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and cash equivalents	\$ 4,437,290	\$ 223,090	\$ 21,812	\$ 4,682,192
Accounts receivable	468,440	-	-	468,440
Special assessments receivable	-	497,954	-	497,954
Taxes receivable	488,489	-	-	488,489
Due from other funds	12,083	-	-	12,083
Prepaid items	135	-	-	135
Total assets	\$ 5,406,437	\$ 721,044	\$ 21,812	\$ 6,149,293
Liabilities				
Accounts payable	\$ 59,106	\$ -	\$ 11,850	\$ 70,956
Accrued liabilities	809,482	-	-	809,482
Due to other funds	82,655	-	-	82,655
Escrow payable	9,557	-	-	9,557
Total liabilities	960,800	-	11,850	972,650
Deferred inflows of resources				
Unavailable revenue -				
Special assessments	-	497,954	-	497,954
Taxes levied but intended for subsequent period	943,250	11,419	-	954,669
Total deferred inflows of resources	943,250	509,373	-	1,452,623
Fund balances				
Nonspendable - prepaid items	135	-	-	135
Restricted:				
General government	412,558	-	-	412,558
Public safety	1,792,233	-	-	1,792,233
Public works	518,199	-	-	518,199
Culture and recreation	779,262	-	-	779,262
Debt service	-	211,671	-	211,671
Committed -				
Capital projects	-	-	9,962	9,962
Total fund balances	3,502,387	211,671	9,962	3,724,020
Total liabilities, deferred inflows of resources and fund balances	\$ 5,406,437	\$ 721,044	\$ 21,812	\$ 6,149,293

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

For the Year Ended December 31, 2019

	Special Revenue	Debt Service	Capital Projects	Total
Revenues				
Taxes and special assessments	\$ 865,886	\$ 71,365	\$ -	\$ 937,251
Licenses and permits	1,373,225	-	-	1,373,225
Intergovernmental	10,371	-	-	10,371
Charges for services	1,733,565	-	-	1,733,565
Interest income	18,522	494	-	19,016
Other revenue	25,029	-	-	25,029
Total revenues	4,026,598	71,859	-	4,098,457
Expenditures				
Current:				
General government	69,860	-	-	69,860
Public safety	1,062,240	-	-	1,062,240
Public works	1,702,879	-	-	1,702,879
Culture and recreation	750,191	-	-	750,191
Debt service-				
Principal	-	109,878	-	109,878
Interest and fiscal charges	-	25,356	-	25,356
Capital outlay	172,423	-	104,114	276,537
Total expenditures	3,757,593	135,234	104,114	3,996,941
Revenues over (under) expenditures	269,005	(63,375)	(104,114)	101,516
Other financing sources (uses)				
Transfers in	-	56,300	111,671	167,971
Transfers out	(146,875)	-	-	(146,875)
Total other financing sources (uses)	(146,875)	56,300	111,671	21,096
Net change in fund balances	122,130	(7,075)	7,557	122,612
Fund balances, beginning of year	3,380,257	218,746	2,405	3,601,408
Fund balances, end of year	\$ 3,502,387	\$ 211,671	\$ 9,962	\$ 3,724,020

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2019

	Refuse Collection	Tree Mitigation	Building Department	Parks & Recreation Millage
Assets				
Cash and cash equivalents	\$ 196,567	\$ 326,923	\$ 2,519,450	\$ 1,239,349
Accounts receivable	440,655	-	18,161	9,624
Taxes receivable	-	-	-	488,489
Due from other funds	-	-	-	-
Prepaid items	-	-	135	-
Total assets	\$ 637,222	\$ 326,923	\$ 2,537,746	\$ 1,737,462
Liabilities				
Accounts payable	\$ 28,624	\$ 4,659	\$ 16,916	\$ 8,298
Accrued liabilities	-	-	803,455	6,027
Due to other funds	80,842	1,188	-	625
Escrow payable	9,557	-	-	-
Total liabilities	119,023	5,847	820,371	14,950
Deferred inflows of resources				
Taxes levied but intended for subsequent period	-	-	-	943,250
Fund balances				
Nonspendable - prepaid items	-	-	135	-
Restricted:				
General government	-	321,076	-	-
Public safety	-	-	1,717,240	-
Public works	518,199	-	-	-
Culture and recreation	-	-	-	779,262
Total fund balances	518,199	321,076	1,717,375	779,262
Total liabilities, deferred inflows of resources and fund balances	\$ 637,222	\$ 326,923	\$ 2,537,746	\$ 1,737,462



E 911 Service	800 MHz Consortium	Sidewalk Reserve	State Street Corridor- TIFA/CIA	Total
\$ 41,318	\$ 21,592	\$ 92,091	\$ -	\$ 4,437,290
-	-	-	-	468,440
-	-	-	-	488,489
12,083	-	-	-	12,083
-	-	-	-	135
<u>\$ 53,401</u>	<u>\$ 21,592</u>	<u>\$ 92,091</u>	<u>\$ -</u>	<u>\$ 5,406,437</u>
\$ -	\$ -	\$ 609	\$ -	\$ 59,106
-	-	-	-	809,482
-	-	-	-	82,655
-	-	-	-	9,557
-	-	609	-	960,800
-	-	-	-	943,250
-	-	-	-	135
-	-	91,482	-	412,558
53,401	21,592	-	-	1,792,233
-	-	-	-	518,199
-	-	-	-	779,262
<u>53,401</u>	<u>21,592</u>	<u>91,482</u>	<u>-</u>	<u>3,502,387</u>
<u>\$ 53,401</u>	<u>\$ 21,592</u>	<u>\$ 92,091</u>	<u>\$ -</u>	<u>\$ 5,406,437</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2019

	Refuse Collection	Tree Mitigation	Building Department	Parks & Recreation Millage
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ 865,886
Licenses and permits	-	-	1,373,225	-
Intergovernmental	-	-	-	10,371
Charges for services	1,693,565	-	-	-
Interest income	2,091	1,195	9,244	5,292
Other revenue - contributions	-	-	-	7,628
Total revenues	1,695,656	1,195	1,382,469	889,177
Expenditures				
Current:				
General government	-	6,531	-	-
Public safety	-	-	875,398	-
Public works	1,702,879	-	-	-
Culture and recreation	-	-	-	750,191
Capital outlay	-	-	72,350	99,464
Total expenditures	1,702,879	6,531	947,748	849,655
Revenues over (under) expenditures	(7,223)	(5,336)	434,721	39,522
Other financing use				
Transfers out	-	-	-	(146,875)
Net changes in fund balances	(7,223)	(5,336)	434,721	(107,353)
Fund balances, beginning of year	525,422	326,412	1,282,654	886,615
Fund balances, end of year	\$ 518,199	\$ 321,076	\$ 1,717,375	\$ 779,262



E 911 Service	800 MHz Consortium	Sidewalk Reserve	State Street Corridor- TIFA/CIA	Total
\$ -	\$ -	\$ -	\$ -	\$ 865,886
-	-	-	-	1,373,225
-	-	-	-	10,371
-	40,000	-	-	1,733,565
413	64	223	-	18,522
-	-	17,401	-	25,029
413	40,064	17,624	-	4,026,598
-	-	-	63,329	69,860
145,000	41,842	-	-	1,062,240
-	-	-	-	1,702,879
-	-	-	-	750,191
-	-	609	-	172,423
145,000	41,842	609	63,329	3,757,593
(144,587)	(1,778)	17,015	(63,329)	269,005
-	-	-	-	(146,875)
(144,587)	(1,778)	17,015	(63,329)	122,130
197,988	23,370	74,467	63,329	3,380,257
\$ 53,401	\$ 21,592	\$ 91,482	\$ -	\$ 3,502,387

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Refuse Collection

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,671,348	1,716,348	1,693,565	(22,783)
Interest income	200	200	2,091	1,891
Other revenues	-	-	-	-
Total revenues	1,671,548	1,716,548	1,695,656	(20,892)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,661,662	1,706,662	1,702,879	(3,783)
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,661,662	1,706,662	1,702,879	(3,783)
Revenues over (under) expenditures	9,886	9,886	(7,223)	(17,109)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	9,886	9,886	(7,223)	(17,109)
Fund balance, beginning of year	525,422	525,422	525,422	-
Fund balance, end of year	\$ 535,308	\$ 535,308	\$ 518,199	\$ (17,109)

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Tree Mitigation

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest income	300	300	1,195	895
Other revenues	200,000	200,000	-	(200,000)
Total revenues	200,300	200,300	1,195	(199,105)
Expenditures				
Current:				
General government	250,000	250,000	6,531	(243,469)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	250,000	250,000	6,531	(243,469)
Revenues over (under) expenditures	(49,700)	(49,700)	(5,336)	44,364
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(49,700)	(49,700)	(5,336)	44,364
Fund balance, beginning of year	326,412	326,412	326,412	-
Fund balance, end of year	\$ 276,712	\$ 276,712	\$ 321,076	\$ 44,364

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Building Department

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	1,030,000	1,100,000	1,373,225	273,225
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest income	1,200	1,200	9,244	8,044
Other revenues	2,000	2,000	-	(2,000)
Total revenues	1,033,200	1,103,200	1,382,469	279,269
Expenditures				
Current:				
General government	-	-	-	-
Public safety	1,022,900	1,048,900	875,398	(173,502)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	30,000	74,000	72,350	(1,650)
Total expenditures	1,052,900	1,122,900	947,748	(175,152)
Revenues over (under) expenditures	(19,700)	(19,700)	434,721	454,421
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(19,700)	(19,700)	434,721	454,421
Fund balance, beginning of year	1,282,654	1,282,654	1,282,654	-
Fund balance, end of year	\$ 1,262,954	\$ 1,262,954	\$ 1,717,375	\$ 454,421

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Parks and Recreation Millage

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ 898,788	\$ 898,788	\$ 865,886	\$ (32,902)
Licenses and permits	-	-	-	-
Intergovernmental	3,500	3,500	10,371	6,871
Charges for services	10,000	10,000	-	(10,000)
Interest income	1,000	1,000	5,292	4,292
Other revenues	-	-	7,628	7,628
Total revenues	913,288	913,288	889,177	(24,111)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	724,567	778,237	750,191	(28,046)
Capital outlay	153,700	100,030	99,464	(566)
Total expenditures	878,267	878,267	849,655	(28,612)
Revenues over (under) expenditures	35,021	35,021	39,522	4,501
Other financing sources (uses)				
Transfers in	500,000	500,000	-	(500,000)
Transfers out	(146,875)	(146,875)	(146,875)	-
Total other financing sources (uses)	353,125	353,125	(146,875)	(500,000)
Net change in fund balance	388,146	388,146	(107,353)	(495,499)
Fund balance, beginning of year	886,615	886,615	886,615	-
Fund balance, end of year	\$ 1,274,761	\$ 1,274,761	\$ 779,262	\$ (495,499)

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - E 911 Service

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest income	100	100	413	313
Other revenues	-	-	-	-
Total revenues	100	100	413	313
Expenditures				
Current:				
General government	-	-	-	-
Public safety	145,000	145,000	145,000	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	145,000	145,000	145,000	-
Revenues over (under) expenditures	(144,900)	(144,900)	(144,587)	313
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(144,900)	(144,900)	(144,587)	313
Fund balance, beginning of year	197,988	197,988	197,988	-
Fund balance, end of year	\$ 53,088	\$ 53,088	\$ 53,401	\$ 313

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - 800 MHz Consortium

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	40,000	40,000	40,000	-
Interest income	100	100	64	(36)
Other revenues	-	-	-	-
Total revenues	40,100	40,100	40,064	(36)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	40,100	48,100	41,842	(6,258)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	40,100	48,100	41,842	(6,258)
Revenues over (under) expenditures	-	(8,000)	(1,778)	6,222
Other financing sources (uses)				
Transfers in	-	8,000	-	(8,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	-	8,000	-	(8,000)
Net change in fund balance	-	-	(1,778)	(1,778)
Fund balance, beginning of year	23,370	23,370	23,370	-
Fund balance, end of year	\$ 23,370	\$ 23,370	\$ 21,592	\$ (1,778)

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Sidewalk Reserve

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest income	25	25	223	198
Other revenues	30,000	30,000	17,401	(12,599)
Total revenues	30,025	30,025	17,624	(12,401)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	30,000	30,000	609	(29,391)
Total expenditures	30,000	30,000	609	(29,391)
Revenues over (under) expenditures	25	25	17,015	16,990
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	25	25	17,015	16,990
Fund balance, beginning of year	74,467	74,467	74,467	-
Fund balance, end of year	\$ 74,492	\$ 74,492	\$ 91,482	\$ 16,990

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - State Street Corridor-TIFA/CIA

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Interest income	-	-	-	-
Other revenues	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	63,329	63,329
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	63,329	63,329
Revenues over (under) expenditures	-	-	(63,329)	(63,329)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	(63,329)	(63,329)
Fund balance, beginning of year	63,329	63,329	63,329	-
Fund balance, end of year	\$ 63,329	\$ 63,329	\$ -	\$ (63,329)

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Balance Sheet

Nonmajor Debt Service Fund
December 31, 2019

	Mallets Creek	Michigan Avenue East	Total
Assets			
Cash and cash equivalents	\$ 74,967	\$ 148,123	\$ 223,090
Special assessments receivable	103,744	394,210	497,954
Total assets	\$ 178,711	\$ 542,333	\$ 721,044
Deferred inflows of resources			
Unavailable revenue -			
Special assessments	\$ 103,744	\$ 394,210	\$ 497,954
Taxes levied but intended for subsequent period	7,834	3,585	11,419
Total deferred inflows of resources	111,578	397,795	509,373
Fund balances			
Restricted for debt service	67,133	144,538	211,671
Total deferred inflows of resources and fund balances	\$ 178,711	\$ 542,333	\$ 721,044

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Debt Service Fund

For the Year Ended December 31, 2019

	Mallets Creek	Michigan Avenue East	Total
Revenues			
Taxes and special assessments	\$ 22,397	\$ 48,968	\$ 71,365
Interest income	154	340	494
	<hr/>	<hr/>	<hr/>
Total revenues	22,551	49,308	71,859
	<hr/>	<hr/>	<hr/>
Expenditures			
Debt service-			
Principal	19,878	90,000	109,878
Interest and fiscal charges	2,757	22,599	25,356
	<hr/>	<hr/>	<hr/>
Total expenditures	22,635	112,599	135,234
	<hr/>	<hr/>	<hr/>
Revenues under expenditures	(84)	(63,291)	(63,375)
Other financing sources			
Transfers in	-	56,300	56,300
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(84)	(6,991)	(7,075)
Fund balances, beginning of year	67,217	151,529	218,746
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	\$ 67,133	\$ 144,538	\$ 211,671
	<hr/>	<hr/>	<hr/>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Balance Sheet

Nonmajor Capital Projects Fund

December 31, 2019

	Township Greenways	Michigan Ave. - Crane Pathway	Total
Assets			
Cash	\$ 21,170	\$ 642	\$ 21,812
Liabilities			
Accounts payable	\$ 11,208	\$ 642	\$ 11,850
Fund balance			
Committed for capital outlay	9,962	-	9,962
Total liabilities and fund balances	\$ 21,170	\$ 642	\$ 21,812

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Change in Fund Balance

Nonmajor Capital Projects Fund

For the Year Ended December 31, 2019

	Township Greenways	Michigan Ave. - Crane Pathway	Total
Expenditures			
Capital outlay	\$ 32,739	\$ 71,375	\$ 104,114
Other financing sources			
Transfers in	40,296	71,375	111,671
Net change in fund balances	7,557	-	7,557
Fund balances, beginning of year	2,405	-	2,405
Fund balances, end of year	<u>\$ 9,962</u>	<u>\$ -</u>	<u>\$ 9,962</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Fiduciary Net Position

Custodial Funds

December 31, 2019

	Tax Collection Fund	Trust and Agency Fund	Total
Assets			
Cash and cash equivalents	\$ 6,239,080	\$ 11,062	\$ 6,250,142
Liabilities			
Undistributed receipts	<u>6,239,080</u>	<u>11,062</u>	<u>6,250,142</u>
Net position			
Restricted for -			
Individuals, organizations and other governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

December 31, 2019

	Tax Collection Fund	Trust and Agency Fund	Total
Additions			
Taxes collected for other governments	\$ 80,302,241	\$ 99,950	\$ 80,402,191
Deductions			
Payments of taxes to other governments	<u>80,302,241</u>	<u>99,950</u>	<u>\$ 80,402,191</u>
Total net change in net position	-	-	-
Net position, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Net position, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Balance Sheet / Statement of Net Position

Economic Development Corporation Component Unit

December 31, 2019

	Economic Development Authority	Adjustments	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 8,952	\$ -	\$ 8,952
Liabilities			
Accounts payable	8,952	-	8,952
Fund balance			
Unassigned	-	-	-
Total liabilities and fund balance	\$ 8,952		
Net position - unrestricted		\$ -	\$ -

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance / Statement of Activities Economic Development Corporation Component Unit For the Year Ended December 31, 2019

	Economic Development Authority	Adjustments	Statement of Activities
Expenditures/Expenses	\$ 1,004	\$ -	\$ 1,004
Fund balance / net position, beginning of year	<u>1,004</u>	<u>-</u>	<u>1,004</u>
Fund balance / net position, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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STATISTICAL SECTION

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PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Statistical Section Table of Contents

This part of the Pittsfield Charter Township's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

		<u>Page</u>
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.	114-125
Revenue Capacity	These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.	126-131
Debt Capacity	These schedules present 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.	132-136
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.	137-145

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Net Position by Component

Last Ten Years

(Accrual Basis of Accounting)

	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 25,132,342	\$ 26,397,690	\$ 27,933,571	\$ 28,568,888
Restricted	1,032,121	8,693,577	6,458,014	5,228,038
Unrestricted (deficit)	<u>12,253,510</u>	<u>4,136,827</u>	<u>4,385,932</u>	<u>4,955,360</u>
Total net position	<u>\$ 38,417,973</u>	<u>\$ 39,228,094</u>	<u>\$ 38,777,517</u>	<u>\$ 38,752,286</u>
Business-type activities				
Net investment in capital assets	\$ 25,643,948	\$ 26,018,663	\$ 25,980,446	\$ 25,944,485
Unrestricted	<u>10,460,246</u>	<u>9,337,710</u>	<u>8,530,740</u>	<u>9,899,374</u>
Total net position	<u>\$ 36,104,194</u>	<u>\$ 35,356,373</u>	<u>\$ 34,511,186</u>	<u>\$ 35,843,859</u>
Total primary government				
Net investment in capital assets	\$ 50,776,290	\$ 52,416,353	\$ 53,914,017	\$ 54,513,373
Restricted	1,032,121	1,008,374	1,228,596	1,303,303
Unrestricted	<u>22,713,756</u>	<u>21,159,740</u>	<u>18,146,090</u>	<u>18,779,469</u>
Total net position	<u>\$ 74,522,167</u>	<u>\$ 74,584,467</u>	<u>\$ 73,288,703</u>	<u>\$ 74,596,145</u>

[1] GASB Statement No. 68 adopted; prior years are not restated.

[2] GASB Statement No. 75 adopted; prior years are not restated.

Source: Pittsfield Charter Township Finance Department

Schedule 1
Unaudited

2014	[1] 2015	2016	2017	[2] 2018	2019
\$ 28,591,948	\$ 29,339,544	\$ 31,723,059	\$ 32,160,625	\$ 32,076,247	\$ 30,253,665
5,483,842	5,522,883	4,493,097	4,237,293	5,859,102	4,425,236
5,249,141	(2,428,164)	(2,515,412)	(2,064,337)	(5,016,417)	(4,869,952)
<u>\$ 39,324,931</u>	<u>\$ 32,434,263</u>	<u>\$ 33,700,744</u>	<u>\$ 34,333,581</u>	<u>\$ 32,918,932</u>	<u>\$ 29,808,949</u>
\$ 25,681,148	\$ 25,287,945	\$ 26,246,868	\$ 26,089,810	\$ 25,687,327	\$ 26,932,047
10,473,159	10,723,528	10,470,598	11,438,231	12,318,632	12,280,941
<u>\$ 36,154,307</u>	<u>\$ 36,011,473</u>	<u>\$ 36,717,466</u>	<u>\$ 37,528,041</u>	<u>\$ 38,005,959</u>	<u>\$ 39,212,988</u>
\$ 54,273,096	\$ 54,627,489	\$ 57,969,927	\$ 58,250,435	\$ 57,763,574	\$ 57,185,712
5,483,842	5,522,883	4,493,097	4,237,293	5,859,102	4,425,236
15,722,300	8,295,364	7,955,186	9,373,894	7,302,215	7,410,989
<u>\$ 75,479,238</u>	<u>\$ 68,445,736</u>	<u>\$ 70,418,210</u>	<u>\$ 71,861,622</u>	<u>\$ 70,924,891</u>	<u>\$ 69,021,937</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2010	2011	2012	2013
Expenses				
Governmental activities:				
General government	\$ 4,078,120	\$ 3,812,930	\$ 3,062,073	\$ 3,354,770
Public safety	8,551,293	9,067,580	9,539,187	10,648,372
Public works	2,007,627	2,130,785	2,704,712	2,345,450
Planning and zoning	290,955	278,881	450,033	496,898
Culture and recreation	1,169,157	1,505,128	1,539,044	1,013,722
Interest on long-term debt	311,110	201,180	23,829	173,350
Subtotal governmental activities	16,408,262	16,996,484	17,318,878	18,032,562
Business-type activities -				
Water and sewer	9,793,912	10,577,971	12,301,239	10,668,630
Total expenses	26,202,174	27,574,455	29,620,117	28,701,192
Program revenues				
Governmental activities:				
Charges for services:				
General government	2,968,165	3,901,421	2,847,185	3,395,348
Public safety	900,443	863,627	1,152,975	1,175,576
Public works	288,061	361,037	476,125	350,302
Planning and zoning	-	-	19,755	22,350
Culture and recreation	235,157	249,137	263,295	280,129
Operating grants and contributions	612,133	486,388	576,870	594,970
Capital grants and contributions	369,128	369,859	295,353	257,855
Subtotal governmental activities	5,373,087	6,231,469	5,631,558	6,076,530
Business-type activities:				
Charges for services	9,334,315	9,653,203	11,446,602	10,712,639
Capital grants and contributions	3,290,454	160,703	74,840	611,530
Subtotal business-type activities	12,624,769	9,813,906	11,521,442	11,324,169
Total program revenues	17,997,856	16,045,375	17,153,000	17,400,699
Net (expense)/revenue				
Governmental activities	(11,035,175)	(10,765,015)	(11,687,320)	(11,956,032)
Business-type activities	2,830,857	(764,065)	(779,797)	655,539
Total net expense	(8,204,318)	(11,529,080)	(12,467,117)	(11,300,493)

Schedule 2
Unaudited

2014	2015	2016	2017	2018	2019
\$ 4,436,503	\$ 4,991,228	\$ 1,866,037	\$ 3,873,204	\$ 5,128,492	\$ 7,566,538
10,142,446	10,827,667	11,105,474	11,100,671	11,661,957	13,653,191
2,897,197	2,935,584	3,682,229	3,669,446	3,286,464	3,363,362
571,306	580,313	679,520	545,261	531,653	669,289
1,020,879	1,040,377	1,215,857	1,315,306	1,579,556	1,759,681
137,072	113,348	121,904	41,477	43,823	61,737
19,205,403	20,488,517	18,671,021	20,545,365	22,231,945	27,073,798
11,322,705	11,714,090	12,979,953	13,302,595	13,952,869	13,985,622
30,528,108	32,202,607	31,650,974	33,847,960	36,184,814	41,059,420
3,598,373	3,555,319	3,544,774	4,429,619	5,227,334	5,337,242
1,195,130	1,226,894	1,437,775	804,053	611,259	572,824
351,817	345,507	323,379	410,965	388,227	394,743
42,243	36,380	65,437	60,478	78,188	93,785
244,734	292,818	273,469	284,423	290,573	285,653
943,292	159,059	166,295	354,501	229,733	700,137
178,659	1,001,700	27,601	78,878	194,667	879,011
6,554,248	6,617,677	5,838,730	6,422,917	7,019,981	8,263,395
10,897,820	11,639,920	13,257,931	13,478,573	13,705,805	13,283,992
413,541	125,076	169,968	577,346	647,034	1,514,063
11,311,361	11,764,996	13,427,899	14,055,919	14,352,839	14,798,055
17,865,609	18,382,673	19,266,629	20,478,836	21,372,820	23,061,450
(12,651,155)	(13,870,840)	(12,832,291)	(14,122,448)	(15,211,964)	(18,810,403)
(11,344)	50,906	447,946	753,324	399,970	812,433
(12,662,499)	(13,819,934)	(12,384,345)	(13,369,124)	(14,811,994)	(17,997,970)

continued...

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Changes in Net Position

Last Ten Years

(Accrual Basis of Accounting)

	2010	2011	2012	2013
General revenues				
Governmental activities:				
Property taxes	\$ 9,452,278	\$ 8,999,710	\$ 8,764,881	\$ 9,987,401
State shared revenues	1,893,059	2,553,734	2,511,761	2,581,031
Unrestricted investment earnings	26,068	21,692	11,948	25,035
Gain on sale of capital assets	-	-	-	-
Transfers	-	-	21,561	(662,666)
Subtotal governmental activities	<u>11,371,405</u>	<u>11,575,136</u>	<u>11,310,151</u>	<u>11,930,801</u>
Business-type activities:				
Unrestricted investment earnings	11,844	10,037	6,226	14,468
Gain on sale of capital assets	-	6,207	1,245	-
Transfers	-	-	(21,561)	662,666
Subtotal business-type activities	<u>11,844</u>	<u>16,244</u>	<u>(14,090)</u>	<u>677,134</u>
Total general revenues	<u>11,383,249</u>	<u>11,591,380</u>	<u>11,296,061</u>	<u>12,607,935</u>
Change in net position				
Governmental activities	336,230	810,121	(377,169)	(25,231)
Business-type activities	<u>2,842,701</u>	<u>(747,821)</u>	<u>(793,887)</u>	<u>1,332,673</u>
Total change in net position	<u>\$ 3,178,931</u>	<u>\$ 62,300</u>	<u>\$ (1,171,056)</u>	<u>\$ 1,307,442</u>

Source: Pittsfield Charter Township Finance Department

Schedule 2
Unaudited

2014	2015	2016	2017	2018	2019
\$ 10,806,241	\$ 10,920,470	\$ 11,516,766	\$ 11,722,320	\$ 11,981,580	\$ 12,525,684
2,661,470	2,707,778	2,739,040	2,963,638	3,042,482	3,311,753
51,585	52,729	61,348	64,915	73,638	156,733
-	21,100	11,618	-	-	-
(295,496)	(230,000)	(230,000)	4,412	-	(293,750)
<u>13,223,800</u>	<u>13,472,077</u>	<u>14,098,772</u>	<u>14,755,285</u>	<u>15,097,700</u>	<u>15,700,420</u>
26,296	27,997	28,047	29,479	46,120	100,846
-	17,120	-	32,184	92,033	-
295,496	230,000	230,000	(4,412)	-	293,750
<u>321,792</u>	<u>275,117</u>	<u>258,047</u>	<u>57,251</u>	<u>138,153</u>	<u>394,596</u>
<u>13,545,592</u>	<u>13,747,194</u>	<u>14,356,819</u>	<u>14,812,536</u>	<u>15,235,853</u>	<u>16,095,016</u>
572,645	(398,763)	1,266,481	632,837	(114,264)	(3,109,983)
310,448	326,023	705,993	810,575	538,123	1,207,029
<u>\$ 883,093</u>	<u>\$ (72,740)</u>	<u>\$ 1,972,474</u>	<u>\$ 1,443,412</u>	<u>\$ 423,859</u>	<u>\$ (1,902,954)</u>

concluded.

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Fund Balances - Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2010	[1] 2011	2012	2013
General Fund				
Nonspendable		\$ 6,591	\$ 54,243	\$ 22,288
Restricted		1,076,932	1,080,154	1,047,218
Committed		245,000	300,000	985,000
Assigned		-	-	-
Unassigned		4,957,687	5,138,749	5,245,990
Reserved	\$ 9,853	-	-	-
Unreserved	4,340,077	-	-	-
Total general fund	<u>\$ 4,349,930</u>	<u>\$ 6,286,210</u>	<u>\$ 6,573,146</u>	<u>\$ 7,300,496</u>
All Other Governmental Funds				
Nonspendable		\$ 479	\$ 92,676	\$ 8,569
Restricted		7,598,645	5,377,860	4,180,820
Committed		19,839	-	28,190
Reserved	\$ 4,752	-	-	-
Unreserved, reported in:				
Special revenue funds	8,737,370	-	-	-
Debt service funds	995,102	-	-	-
Capital project funds	37,019	-	-	-
Total all other governmental funds	<u>\$ 9,774,243</u>	<u>\$ 7,618,963</u>	<u>\$ 5,470,536</u>	<u>\$ 4,217,579</u>

[1] GASB No. 54 adopted in 2011.

Source: Pittsfield Charter Township Finance Department

Schedule 3
Unaudited

2014	2015	2016	2017	2018	2019
\$ 63,572	\$ 8,244	\$ 16,446	\$ 15,853	\$ 14,241	\$ 19,770
1,060,350	1,071,963	127,432	140,492	160,338	173,616
950,000	-	650,000	1,615,000	1,165,000	1,165,000
-	-	-	-	-	2,708
5,267,352	5,107,325	3,841,454	3,532,873	3,892,531	4,157,575
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,341,274</u>	<u>\$ 6,187,532</u>	<u>\$ 4,635,332</u>	<u>\$ 5,304,218</u>	<u>\$ 5,232,110</u>	<u>\$ 5,518,669</u>
\$ 100,119	\$ 20,027	\$ 15,441	\$ 31,517	\$ 12,867	\$ 11,157
4,423,492	4,450,920	4,365,665	4,096,801	4,701,629	4,826,123
184,887	619,316	427,187	206,123	502,405	2,052,411
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,708,498</u>	<u>\$ 5,090,263</u>	<u>\$ 4,808,293</u>	<u>\$ 4,334,441</u>	<u>\$ 5,216,901</u>	<u>\$ 6,889,691</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Changes in Fund Balances - Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013
Revenues				
Taxes and special assessments	\$ 10,109,464	\$ 9,838,106	\$ 9,407,420	\$ 10,732,225
Licenses and permits	426,274	639,248	550,757	867,021
Intergovernmental	2,364,884	2,929,228	2,925,226	3,000,110
Charges for services	2,773,534	3,499,837	2,840,862	2,963,635
Fines and forfeitures	100,299	107,786	115,501	160,140
Franchise fees	483,740	499,731	514,309	519,593
Interest income	26,068	12,049	9,828	22,146
Donations	1,000	-	24,351	29,666
Other revenues	611,307	633,799	836,267	824,558
Total revenues	16,896,570	18,159,784	17,224,521	19,119,094
Expenditures				
General government	2,434,215	2,198,339	2,657,052	2,859,147
Public safety	8,449,082	8,802,945	9,073,259	9,437,128
Public works	1,588,022	1,771,989	2,463,230	2,123,037
Planning and zoning	287,868	277,006	433,127	475,587
Culture and recreation	1,127,171	1,069,192	1,074,929	949,886
Other unallocated	1,178,893	1,182,084	670,459	598,028
Debt service:				
Principal	1,127,534	752,531	867,532	877,532
Interest and other charges	346,477	194,838	213,773	172,605
Capital outlay	1,167,780	2,129,860	1,654,212	1,489,085
Total expenditures	17,707,042	18,378,784	19,107,573	18,982,035
Revenues over (under) expenditures	(810,472)	(219,000)	(1,883,052)	137,059
Other financing sources (uses)				
Issuance of long-term debt	3,735,000	-	-	-
Premium on long-term debt	15,192	-	-	-
Payments to escrow agent	(3,662,053)	-	-	-
Transfers in	221,545	1,336,315	5,171,859	4,983,013
Transfers out	(221,545)	(1,336,315)	(5,150,298)	(5,645,679)
Total other financing sources (uses)	88,139	-	21,561	(662,666)
Net change in fund balance	\$ (722,333)	\$ (219,000)	\$ (1,861,491)	\$ (525,607)
Debt services as a percentage of noncapital expenditures	8.88%	5.49%	6.33%	5.92%

Source: Pittsfield Charter Township Finance Department

Schedule 4
Unaudited

2014	2015	2016	2017	2018	2019
\$ 11,190,558	\$ 11,372,476	\$ 11,753,664	\$ 11,993,003	\$ 12,182,823	\$ 13,080,988
1,001,339	842,851	767,172	980,767	1,445,987	1,596,970
3,066,993	2,818,791	2,816,250	3,301,141	3,089,363	4,397,158
3,002,764	3,148,082	3,359,736	3,486,167	3,585,616	3,404,452
160,253	131,057	119,656	130,842	136,457	129,874
544,575	570,869	581,539	566,779	538,167	518,839
51,585	52,729	61,348	64,915	73,638	156,733
19,822	6,400	9,707	17,000	7,736	235,740
1,220,209	799,694	876,446	119,372	295,661	202,877
<u>20,258,098</u>	<u>19,742,949</u>	<u>20,345,518</u>	<u>20,659,986</u>	<u>21,355,448</u>	<u>23,723,631</u>
2,795,747	3,129,331	3,207,498	2,813,457	3,065,677	3,099,524
9,583,519	10,020,995	10,291,358	10,723,699	10,237,872	11,046,761
2,676,387	2,768,533	3,560,605	3,527,891	3,195,688	3,277,733
544,518	543,822	649,780	540,489	499,504	626,398
932,448	988,230	1,111,672	1,339,345	1,437,046	1,569,897
446,142	333,469	319,491	420,093	328,930	388,957
804,878	714,878	675,824	702,822	85,000	109,878
134,648	105,930	82,960	37,169	46,347	25,356
1,512,618	1,679,738	1,085,500	1,329,399	1,649,032	5,326,028
<u>19,430,905</u>	<u>20,284,926</u>	<u>20,984,688</u>	<u>21,434,364</u>	<u>20,545,096</u>	<u>25,470,532</u>
<u>827,193</u>	<u>(541,977)</u>	<u>(639,170)</u>	<u>(774,378)</u>	<u>810,352</u>	<u>(1,746,901)</u>
-	-	-	-	-	4,000,000
-	-	-	-	-	-
-	-	-	-	-	-
5,500,498	6,941,019	5,668,781	5,966,544	6,502,288	6,167,971
(5,795,994)	(7,171,019)	(5,898,781)	(5,962,132)	(6,502,288)	(6,461,721)
<u>(295,496)</u>	<u>(230,000)</u>	<u>(230,000)</u>	<u>4,412</u>	<u>-</u>	<u>3,706,250</u>
<u>\$ 531,697</u>	<u>\$ (771,977)</u>	<u>\$ (869,170)</u>	<u>\$ (769,966)</u>	<u>\$ 810,352</u>	<u>\$ 1,959,349</u>
<u>4.94%</u>	<u>4.28%</u>	<u>4.20%</u>	<u>3.59%</u>	<u>0.66%</u>	<u>0.57%</u>

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Changes in Fund Balances - General Fund

Last Ten Years

(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013
Revenues				
Property taxes	\$ 7,052,399	\$ 6,847,597	\$ 6,556,789	\$ 6,413,007
Licenses and permits	66,448	135,084	86,145	117,006
Intergovernmental	2,258,849	2,783,910	2,673,668	2,725,466
Charges for services	1,406,216	1,961,966	1,435,782	1,332,844
Fines and forfeitures	100,299	107,786	1,200	2,350
Franchise fees	483,740	490,088	512,189	516,704
Investment earnings	13,333	12,049	7,100	17,060
Donations	1,000	-	24,106	29,666
Other revenues	488,343	487,648	506,132	517,542
Total revenues	11,870,627	12,826,128	11,803,111	11,671,645
Expenditures				
General government	2,403,165	2,182,209	2,650,810	2,846,263
Public safety	5,786,344	4,984,788	138,685	108,353
Public works	551,552	647,308	1,243,107	849,836
Planning and zoning	287,868	277,006	433,127	475,587
Culture and recreation	971,112	1,003,494	1,017,255	939,392
Other unallocated	1,178,893	1,182,084	670,459	598,028
Capital outlay	412,429	247,594	436,786	426,598
Total expenditures	11,591,363	10,524,483	6,590,229	6,244,057
Revenues over (under) expenditures	279,264	2,301,645	5,212,882	5,427,588
Other financing sources (uses)				
Transfers in	-	-	112,176	193,651
Transfers out	(206,545)	(1,330,365)	(5,038,122)	(4,893,889)
Total other financing sources (uses)	(206,545)	(1,330,365)	(4,925,946)	(4,700,238)
Net change in fund balance	\$ 72,719	\$ 971,280	\$ 286,936	\$ 727,350

Source: Pittsfield Charter Township Finance Department

2014	2015	2016	2017	2018	2019
\$ 6,914,364	\$ 7,045,243	\$ 7,358,916	\$ 7,494,824	\$ 7,638,208	\$ 7,792,815
89,365	108,740	132,753	154,779	172,602	184,255
2,735,937	2,733,084	2,775,551	3,259,512	3,055,699	3,877,571
1,320,181	1,374,995	1,395,045	1,550,701	1,575,317	1,650,062
3,300	1,550	1,800	1,960	3,600	6,750
544,575	570,869	581,539	566,779	538,167	518,839
38,080	41,022	48,916	52,975	49,676	117,570
6,850	6,400	5,000	15,500	5,625	235,740
492,917	602,488	614,102	58,009	56,636	62,758
12,145,569	12,484,391	12,913,622	13,155,039	13,095,530	14,446,360
2,795,747	3,061,592	3,195,798	2,810,817	3,065,677	3,029,664
116,585	165,884	112,145	130,450	136,608	138,262
1,336,487	1,336,654	2,105,004	1,993,867	1,603,584	1,574,854
544,518	543,822	649,780	540,489	499,504	626,398
891,966	951,687	1,053,287	1,298,955	760,240	819,706
446,142	333,469	319,491	369,314	328,930	388,957
345,845	151,727	177,625	515,123	511,420	1,413,989
6,477,290	6,544,835	7,613,130	7,659,015	6,905,963	7,991,830
5,668,279	5,939,556	5,300,492	5,496,024	6,189,567	6,454,530
61,824	-	3,595	87,203	120,000	-
(5,689,325)	(7,093,298)	(5,891,287)	(5,879,341)	(6,381,675)	(6,167,971)
(5,627,501)	(7,093,298)	(5,887,692)	(5,792,138)	(6,261,675)	(6,167,971)
\$ 40,778	\$ (1,153,742)	\$ (587,200)	\$ (296,114)	\$ (72,108)	\$ 286,559

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Taxable and Estimated Actual Value of Property

Last Ten Years

As of Dec. 31,	FYE Dec. 31,	Real Property (1)		Personal Property (1)	
		Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value
2018	2019	\$ 1,807,708,197	\$ 3,615,416,394	\$ 120,192,400	\$ 240,384,800
2017	2018	1,731,565,944	3,463,131,888	117,308,500	234,617,000
2016	2017	1,685,245,245	3,370,490,490	115,649,500	231,299,000
2015	2016	1,630,269,442	3,260,538,884	119,400,002	238,800,004
2014	2015	1,574,701,371	3,149,402,742	116,147,300	232,294,600
2013	2014	1,534,854,820	3,069,709,640	122,153,900	244,307,800
2012	2013	1,529,357,932	3,058,715,864	122,398,500	244,797,000
2011	2012	1,558,976,815	3,117,953,630	123,020,600	246,041,200
2010	2011	1,604,821,156	3,209,642,312	122,029,200	244,058,400
2009	2010	1,653,147,342	3,306,294,684	127,555,000	255,110,000

(1) Does not include properties subject to Industrial Facility Tax exemptions.

(2) Per \$1,000 of taxable value.

Source: Pittsfield Charter Township Assessing Department

Schedule 6
Unaudited

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Total		(2) Total
Taxable Value	Estimated Actual Value	Direct Tax Rate
\$ 1,927,900,597	\$ 3,855,801,194	6.3115
1,848,874,444	3,697,748,888	6.4887
1,800,894,745	3,601,789,490	6.5479
1,749,669,444	3,499,338,888	6.5916
1,690,848,671	3,381,697,342	6.5916
1,657,008,720	3,314,017,440	6.5916
1,651,756,432	3,303,512,864	6.3113
1,681,997,415	3,363,994,830	5.3554
1,726,850,356	3,453,700,712	5.3554
1,780,702,342	3,561,404,684	5.3554

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Direct and Overlapping Property Tax Rates

Last Ten Years

(rate per \$1,000 of taxable value)

Fiscal Year Ended December 31,	Township Total Direct Rate	Ann Arbor Public Schools	Milan Public Schools	Saline Public Schools	State Education Tax	Washtenaw Community College
2019	6.3315	27.0615	30.9694	26.8471	6.0000	3.3978
2018	6.4887	26.9021	30.9694	26.8406	6.0000	3.4268
2017	6.5479	25.5406	30.9694	26.8452	6.0000	3.4360
2016	6.5916	21.4168	30.9748	25.8500	6.0000	3.4576
2015	6.5916	21.4500	27.3148	25.8500	6.0000	3.4576
2014	6.5916	21.4500	26.0148	25.8500	6.0000	3.4576
2013	6.3113	21.4500	26.9148	25.8500	6.0000	3.6376
2012	5.3554	21.1497	26.0148	25.8500	6.0000	3.7176
2011	5.3554	21.1226	26.0148	25.8500	6.0000	3.6856
2010	5.3554	20.9880	26.0148	25.8500	6.0000	3.6856

Components of Total Direct Rate

	Operating	Special Voted		Total
		Public Safety	Parks	
2019	3.9923	1.8730	0.4662	6.3315
2018	4.0914	1.9195	0.4778	6.4887
2017	4.1286	1.9371	0.4822	6.5479
2016	4.1561	1.9500	0.4855	6.5916
2015	4.1561	1.9500	0.4855	6.5916
2014	4.1561	1.9500	0.4855	6.5916
2013	3.8758	1.9500	0.4855	6.3113
2012	3.8758	0.9941	0.4855	5.3554
2011	3.8758	0.9941	0.4855	5.3554
2010	3.8758	0.9941	0.4855	5.3554

Source: Pittsfield Charter Township Treasurer's Department

Schedule 7
Unaudited

Washtenaw County	Washtenaw Intermediate School District	Ann Arbor District Library	Saline District Library	Total Homestead	Total Non- Homestead
6.9403	5.3641	1.8663	1.1712	97.9492	115.9492
5.9982	5.4109	1.8913	1.1740	97.1020	115.1020
6.0286	5.4509	1.9000	1.3753	96.0939	114.0939
6.3058	3.9745	1.6500	1.1830	89.4041	112.9225
6.2838	3.9745	1.5500	1.1830	85.6553	103.6553
5.7801	3.9745	1.5500	1.1830	83.8516	101.8516
5.7654	3.9745	1.5500	1.1830	84.6366	102.6366
5.7518	3.9745	1.5500	1.3164	82.6802	100.6802
5.7448	3.9745	1.5500	1.3095	82.6072	100.6072
5.7418	3.9745	1.5500	1.3066	82.4667	100.4667

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule 8
Unaudited

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2019			2010		
	[1] Taxable Valuation	Rank	% of Total Twp Taxable Value	[1] Taxable Valuation	Rank	% of Total Twp Taxable Value
LSG Spicetree Apartments	\$ 19,308,235	1	0.95%	\$ -	-	-
LVP BH Valley Ranch	16,567,988	2	0.81%	-	-	-
Thomson Reuters	16,090,488	3	0.79%	-	-	-
Pines of Cloverlane	16,285,409	4	0.80%	15,492,980	5	0.89%
Hamptons of Cloverlane	15,173,579	5	0.75%	-	-	0.00%
DTE Electric	15,072,500	6	0.74%	12,757,000	7	0.74%
Meijer Inc	14,877,247	7	0.73%	15,687,850	4	0.90%
Glencoe Hills LLC	13,883,562	8	0.68%	12,741,152	8	0.73%
Oak Valley Partners Inc	12,526,601	9	0.62%	-	-	-
Wolverine Pipeline	12,200,700	10	0.60%	-	-	-
McMullen Properties	-	-	-	21,681,605	1	1.25%
CitiMortgage	-	-	-	20,108,300	2	1.16%
Highland Industrial Dev Co	-	-	-	18,498,000	3	1.07%
Hunt Club Apartments	-	-	-	12,757,300	6	0.74%
EPT Nineteen Inc	-	-	-	11,803,400	9	0.68%
Airport Boulevard Associates	-	-	-	10,099,160	10	0.58%
	<u>\$ 151,986,309</u>		<u>7.48%</u>	<u>\$ 151,626,747</u>		<u>8.74%</u>

[1] Includes ad valorem and Industrial Facilities Tax properties.

Source: Pittsfield Charter Township Treasurer's Department

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule 9

Unaudited

Property Tax Levies and Collections

Last Ten Years

(1) Fiscal Year Ended December 31,	(2) Taxies Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		(3) Delinquent Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2019	\$ 12,807,805	\$ 12,502,690	97.62%	\$ 285,957	\$ 12,788,647	99.85%
2018	12,211,853	11,916,562	97.58%	250,619	12,167,181	99.63%
2017	11,985,168	11,629,610	97.03%	331,299	11,960,909	99.80%
2016	11,774,835	11,427,074	97.05%	324,602	11,751,676	99.80%
2015	11,553,223	11,240,899	97.30%	290,799	11,531,698	99.81%
2014	11,097,413	10,741,137	96.79%	317,544	11,058,681	99.65%
2013	10,889,827	10,485,003	96.28%	338,926	10,823,929	99.39%
2012	10,360,713	10,010,053	96.62%	320,524	10,330,577	99.71%
2011	8,985,189	8,594,157	95.65%	358,994	8,953,151	99.64%
2010	9,261,746	8,745,901	94.43%	482,575	9,228,476	99.64%

(1) Property taxes are levied July 1 of the current fiscal year based on taxable property values as of the preceding December 31. Unpaid property taxes become delinquent as of March 1 of the current fiscal year. The Township's delinquent real property taxes are purchased by Washtenaw County. Uncollected personal property taxes must be collected by the Township Treasurer.

(2) Includes Industrial Facility Tax.

(3) Includes settlement payment from Washtenaw County Treasurer's department for purchase of delinquent real property tax roll.

Source: Pittsfield Charter Township Treasurer's Department

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Ratios of Outstanding Debt by Type Last Ten Years

	2010	2011	2012	2013
Governmental activities				
General obligation bonds	\$ 4,540,000	\$ 3,950,000	\$ 3,255,852	\$ 2,543,682
Special assessment debt	2,408,517	2,245,986	2,083,454	1,915,922
	<u>6,948,517</u>	<u>6,195,986</u>	<u>5,339,306</u>	<u>4,459,604</u>
Business-type activities				
General obligation bonds	<u>10,865,611</u>	<u>10,483,466</u>	<u>10,217,580</u>	<u>9,717,080</u>
Total outstanding debt	<u>\$ 17,814,128</u>	<u>\$ 16,679,452</u>	<u>\$ 15,556,886</u>	<u>\$ 14,176,684</u>
 Total taxable value	 \$1,780,702,342	 \$1,726,850,356	 \$1,681,997,415	 \$1,651,756,432
 Ratio of total debt to taxable value	 1.03%	 0.99%	 0.95%	 0.86%
 Total population	 34,663	 35,288	 35,821	 36,068
 Total debt per capita	 \$ 514	 \$ 473	 \$ 436	 \$ 393
 % of personal income	 1.36%	 1.22%	 1.06%	 0.91%

Source: Pittsfield Charter Township Finance Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Schedule 10
Unaudited

2014	2015	2016	2017	2018	2019
\$ 1,821,512	\$ 1,189,342	\$ 602,172	\$ -	\$ -	\$ 4,000,000
1,698,144	1,613,266	1,546,579	1,441,516	1,354,275	1,242,156
3,519,656	2,802,608	2,148,751	1,441,516	1,354,275	5,242,156
9,281,080	8,825,080	7,811,080	7,211,080	6,601,080	5,976,080
<u>\$ 12,800,736</u>	<u>\$ 11,627,688</u>	<u>\$ 9,959,831</u>	<u>\$ 8,652,596</u>	<u>\$ 7,955,355</u>	<u>\$ 11,218,236</u>
\$1,657,008,720	\$1,690,848,671	\$1,749,669,444	\$ 1,800,894,745	\$1,848,874,444	\$1,927,900,597
0.77%	0.69%	0.57%	0.48%	0.43%	0.58%
37,588	38,309	38,435	39,730	40,721	39,368
\$ 341	\$ 304	\$ 259	\$ 218	\$ 195	\$ 285
0.78%	0.63%	0.50%	0.41%	0.35%	0.48%

Ratios of Net General Bonded Debt Outstanding

Last Ten Years

Year	Governmental Activities	Business-type Activities	Amounts Available in Debt Service Funds	Total	% of Total Personal Income	% of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	General Obligation Bonds					
2019	\$ 4,000,000	\$ 5,976,080	\$ (211,671)	\$ 9,764,409	0.42%	0.51%	\$ 248.03
2018	-	6,601,080	(218,746)	6,382,334	0.28%	0.35%	156.73
2017	-	7,211,080	(60,193)	7,150,887	0.34%	0.40%	179.99
2016	602,172	7,811,080	(106,824)	8,306,428	0.03%	0.03%	12.89
2015	1,189,342	8,825,080	(104,445)	9,909,977	0.06%	0.06%	28.32
2014	1,821,512	9,281,080	(153,919)	10,948,673	0.10%	0.10%	42.77
2013	2,543,682	9,717,080	(232,547)	12,028,215	0.13%	0.12%	54.06
2012	3,255,852	10,217,580	(928,596)	12,544,836	0.13%	0.12%	54.06
2011	3,950,000	10,483,466	(988,535)	13,444,931	0.18%	0.14%	68.62
2010	4,540,000	10,865,611	(995,097)	14,410,514	0.21%	0.16%	79.04

Source: Pittsfield Charter Township Finance Department

Details regarding the Township's debt can be found in the notes to the financial statements.

Computation of Net Direct and Overlapping Debt

As of December 31, 2019

	Gross Amount Outstanding	Self-Supporting or Paid by Benefited Entity	Net Amount Outstanding
Direct debt			
Bonds and related premium	\$ 5,242,156	\$ 1,242,156	\$ 4,000,000
Overlapping debt			
School districts:			
Saline			41,110,790
Ann Arbor			20,886,996
Milan			7,511,628
Washtenaw County			3,812,987
Washtenaw Community College			871,166
Washtenaw Intermediate School District			5,125,550
Net overlapping debt			79,319,117
Net direct and overlapping debt			\$ 83,319,117

Source: Municipal Advisory Council of Michigan

Overlapping Debt - The issuer's proportionate share of the debt of other local governmental units that either overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is generally apportioned based upon relative Assessed Values.

The Assessed Values is the appraised worth of a property as set by a taxing authority for purposes of ad valorem taxation. The method of establishing assessed valuation varies from state to state. For example, in certain jurisdictions the assessed valuation is equal to the full or market value of the property; in other jurisdictions the assessed valuation is equal to a set percentage of full or market value.

Legal Debt Margin

Last Ten Years

Legal debt margin calculation for fiscal 2019

Assessed value (excluding IFT values)	<u>\$ 1,927,900,597</u>
Debt limit (10% of assessed value)	\$ 192,790,060
Less: net debt applicable to limit	<u>(5,976,080)</u>
Legal debt margin	<u>\$ 186,813,980</u>

Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2019	\$ 192,790,060	\$ 5,976,080	\$ 186,813,980	3.10%
2018	184,887,444	6,601,080	178,286,364	3.57%
2017	180,089,475	7,211,080	172,878,395	4.00%
2016	174,966,944	8,411,080	166,555,864	4.81%
2015	169,084,867	10,066,080	159,018,787	5.95%
2014	165,700,872	11,096,080	154,604,792	6.70%
2013	165,175,643	12,096,080	153,079,563	7.32%
2012	168,199,742	13,151,080	155,048,662	7.82%
2011	172,685,036	13,893,466	158,791,570	8.05%
2010	178,070,234	14,600,611	163,469,623	8.20%

Source: Pittsfield Charter Township Finance Department & Assessing Department

Demographic and Economic Statistics

Last Ten Years

Year	Population	(1) Total Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2019	39,368	\$ 2,337,003	\$ 59,363	2.70%
2018	38,884	2,191,036	56,348	2.90%
2017	38,817	2,050,081	52,814	3.10%
2016	38,435	1,975,559	51,400	3.00%
2015	38,309	1,852,815	48,365	3.30%
2014	37,588	1,651,128	43,927	4.50%
2013	36,068	1,558,210	43,202	5.40%
2012	35,821	1,462,249	40,821	5.30%
2011	35,288	1,370,057	38,825	6.10%
2010	34,663	1,312,307	37,859	7.60%

(1) Data specific for the Township is not available; accordingly, amount shown is calculated based on Township's population and per capita personal income for Washtenaw County.

Sources: Regional Economic Information System, Bureau of Economic Analysis,
U.S. Department of Commerce, Bureau of Economic Analysis

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PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Schedule 15
Unaudited

Principal Employers

Current Year and Nine Years Ago

Employer	Category	2019			2010		
		Employees	Rank	% of Total Township Employment	Employees	Rank	% of Total Township Employment
Thomson Reuters	Software/IT	1000+	1	5%	N/A	-	-
Huron Valley Correctional	Correctional Institutions	250-499	2	2%	250-499	4	2%
Extang Corp	Recreational Vehicle Dealers	250-499	2	2%	N/A	-	-
Meijer	Supermarket and other grocery stores	250-499	2	2%	500-999	1	5%
St Joseph Mercy Urgent Care	Emergency Services	250-499	2	2%	N/A	-	-
Target	Department stores, except discounts	250-499	2	2%	250-499	4	2%
Kroger	Supermarket and other grocery stores	250-499	2	2%	250-499	4	2%
A&D Technology	Testing apparatus manufacturers	100-249	8	1%	100-249	9	1%
Arbor Hospice	Nursing care facilities	100-249	8	1%	N/A	-	-
Arotech Corp	Miscellaneous electrical Equipment Mfg.	100-249	8	1%	N/A	-	-
AV Fuels	Aviation	100-249	8	1%	N/A	-	-
Costco	Warehouse clubs and supercenters	100-249	8	1%	N/A	-	-
FAAC Inc.	Engineering services	100-249	8	1%	N/A	-	-
Saline High School	Elementary and secondary schools	100-249	8	1%	250-499	4	2%
Pittsfield Care LLC	Senior Community Living	100-249	8	1%	N/A	-	-
Walmart Superstore	Department stores, except discounts	100-249	8	1%	N/A	-	-
Tecumseh Products	Other Electrical Components Mfg.	100-249	8	1%	100-249	9	1%
Citigroup	Financial	N/A	-	-	500-999	1	5%
Infra Source	Site preparation contractors	N/A	-	-	500-999	1	5%
ANS Communications	Data Processing and related services	N/A	-	-	250-499	4	2%
Mobility Transportation	Special needs transportation	N/A	-	-	250-499	4	2%

Source: Michigan Department of Energy, Labor and Economic Growth, Labor Market
Ann Arbor USA

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Full-Time Equivalent Governmental Employees by Function/Program Last Ten Years

Function/Program	2010	2011	2012	2013	2014
General Government					
Supervisor	2	2	2	2	2
Clerk/Elections	6	5	5	4	5
Treasurer	4	4	4	5	5
Assessing	5	5	5	4	4
Finance	1	2	2	2	2
Administrative Services	2	1	1	1	1
Human Resources	-	1	1	2	2
Information Technology	1	1	1	1	1
Community Development	5	5	5	8	7
Building Safety	5	5	5	5	5
Public Safety					
Police	39	40	42	41	36
Fire	24	24	24	24	25
Dispatch/Clerical	11	12	10	11	11
Public Works					
Department of Public Works	9	9	8	10	10
Grounds Maintenance	-	-	-	-	3
Parks and recreation	10	10	10	10	8
Total	124	126	125	130	127

Source: Pittsfield Charter Township Finance Department

Schedule 16
Unaudited

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2015	2016	2017	2018	2019
2	2	2	1	1
5	5	5	5	5
5	5	5	5	5
4	4	4	5	5
3	3	3	3	3
2	2	3	3	4
2	2	2	2	2
1	1	2	2	2
7	7	5	5	5
7	5	5	6	6
38	39	39	41	40
25	26	26	26	26
14	10	12	1	1
10	12	13	13	13
3	3	3	-	-
9	8	9	12	13
137	134	138	130	131

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2010	2011	2012	2013	2014
Election data					
Registered voters	22,049	22,673	23,878	24,878	23,151
Voters (at the polls or absentee)	14,561	6,190	16,367	1,939	9,921
Percentage voting	66.04%	27.30%	68.54%	7.79%	42.85%
Police					
Traffic citations	2,975	2,564	3,181	3,730	2,890
Arrests	1,280	1,417	1,737	1,599	1,551
Calls for service	13,407	13,827	14,469	15,660	16,147
Fire					
Medical runs	1,383	1,426	1,487	1,474	1,509
Accident runs	482	523	479	564	628
Fire runs	352	130	133	373	144
Other calls for service	312	498	557	359	534

Source: Pittsfield Charter Township Clerk's Department
Pittsfield Charter Township Public Safety Department

Schedule 17
Unaudited



2015	2016	2017	2018	2019
23,211	25,535	25,118	26,218	26,337
4,974	19,590	4,001	16,727	2,068
21.43%	76.72%	15.93%	63.80%	7.85%
2,506	2,116	2,951	3,238	2,574
1,282	1,206	1,593	1,766	1,390
14,948	16,411	17,491	17,670	16,992
1,448	1,498	1,552	1,662	1,310
496	495	530	611	499
208	500	592	410	338
556	220	347	404	582

PITTSFIELD CHARTER TOWNSHIP, MICHIGAN

Capital Asset Statistics by Function/Program Last Ten Years

Function/Program	2010	2011	2012	2013	2014
Police					
Police department building	1	1	1	1	1
Vehicle patrol units	26	26	27	27	31
Fire					
Number of stations	3	3	3	3	3
Fire units:					
Fire engines	4	4	3	4	5
Ladder trucks	2	2	2	2	2
Tanker trucks	1	1	1	1	1
Rescue vehicles	1	1	1	1	1
Brush trucks	1	1	1	1	1
Adm/Utility trucks	4	4	3	3	3
Public Works					
Sewer:					
Feet of sanitary mains	712,861	712,861	712,861	713,356	728,230
Water:					
Feet of water mains	970,230	972,442	974,554	978,570	981,524
Number of fire hydrants	2,244	2,249	2,255	2,274	2,290
Parks and Recreation					
Parks	14	16	16	16	16
Park acreage	1,004	1,032	1,036	1,036	1,036
Fishing docks	2	2	2	2	2
Play structures	10	11	12	11	11
Historical Farm	1	1	1	1	1
Community center	1	1	1	1	1
Tennis courts	4	4	4	4	2
Pavilions	7	7	8	8	8

Source: Pittsfield Charter Township

Schedule 18
Unaudited

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2015	2016	2017	2018	2019
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1	1	1	1	1
31	27	25	29	33

3	3	3	3	3
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5	3	3	3	3
2	2	2	2	2
1	1	1	1	3
1	-	-	-	-
1	1	1	1	1
3	5	5	5	3

731,962	756,916	766,867	773,641	792,094
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988,943	1,015,771	1,027,796	1,037,001	1,056,843
2,313	2,328	2,361	2,391	2,452

16	16	17	17	17
1,066	1,070	1,070	1,070	1,070
2	2	2	2	2
13	14	14	14	14
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2
9	9	9	9	9

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